

LSC Redbook

Analysis of the Executive Budget Proposal

Judicial Conference of Ohio

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READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Judicial Conference of Ohio (JCO), which includes the following three sections.

1. **Overview:** Provides a brief description of the Conference's existing functions and staffing, and an overview of the Conference's executive recommended budget for the FY 2012-FY 2013 biennium, and notes other important budgetary matters.
2. **Analysis of Executive Proposal:** Provides a detailed analysis of the Conference's executive recommended budget, including the funding and purposes for each appropriated line item, and the services and activities that are financed by those appropriated moneys.
3. **Attachments:** Includes the LSC's Catalog of Budget Line Items (COBLI), which describes each line item's purpose, revenue, and expenditures, and the LSC budget spreadsheet, which summaries each line item's recent expenditure and appropriations history.

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Judicial Conference of Ohio

- Roughly 70% GRF-funded agency
- GRF budget to drop by at least 10%
- Membership dues finances non-GRF portion of budget

OVERVIEW

Mission and Operations

Duties and responsibilities. Created by the General Assembly in 1963, the Judicial Conference of Ohio is a statutory entity within the judicial branch of state government for the purpose of continually studying and recommending changes in the procedures and practices of Ohio's court system in an effort to promote a fair and effective administration of justice.¹ The Conference fulfills this statutory responsibility primarily through research projects, program activities, and published materials that allow information, experiences, and ideas to be shared with and among judges. In 1994, the Conference was authorized to prepare a judicial impact statement on a bill or resolution introduced in the General Assembly that will or may affect revenues and/or expenditures of the courts, workloads or caseloads of judges or members of their staffs, or the disposition of cases.

Members. The Conference consists of all 724 active judges in Ohio, including the following courts and related associations:

- Justices of the Supreme Court of Ohio and judges of the courts of appeals, courts of common pleas, municipal courts, and county courts;
- The Ohio Courts of Appeals Judges Association, the Ohio Common Pleas Judges Association, the Ohio Association of Domestic Relations Judges, the Ohio Association of Juvenile Court Judges, the Ohio Association of Probate Judges, and the Association of Municipal/County Judges of Ohio.

Executive Committee. The general charge and supervision of the administration of the Conference's affairs rests with judges who serve on the Executive Committee. The Executive Committee meets quarterly and is comprised of approximately 50 members, including the officers, the committee chairs, the presiding officers and presiding officers-elect from the six judicial associations, the Chief Justice and the Administrative Director of the Supreme Court of Ohio, and the Chief Justice-elect of the Court of Appeals of Ohio.

¹ The Conference's primary duties and responsibilities are codified in R.C. 105.91.

Staff. The Conference currently has a staff of 10 full-time employees. The requested budget level for the FY 2012-FY 2013 biennium makes some reduction in staff likely, though not certain. The Conference is continuing to reduce expenditures on other expenses (e.g., printing costs and travel), as well as considering ways to enhance its non-GRF revenue stream so as to avoid any staff reductions. Conference staff provide administrative and research support for 20 standing and ad hoc committees that involve hundreds of judges. While judges serving on committees receive no compensation for services rendered to the Conference, judges may receive reimbursement for reasonable and necessary expenses.

Prior to February 2003, the Conference had a staff of 12 full-time employees. It eliminated the Assistant Director position in 2003, and has left their receptionist position, vacant since 2006 for budgetary reasons, unfilled.

Financing. Costs of the Conference's day-to-day business are paid from GRF line item 018321, Operating Expenses. The expenses associated with supporting the work of its ad hoc and permanent committees and conducting various conferences, workshops, and special projects are covered by its lone non-GRF line item 018601, Ohio Jury Instructions.

Appropriation Overview

The Conference's FY 2011 estimated expenditures are compared with the executive recommendations for FY 2012 and FY 2013 in Table 1 below.² Most notably, the executive budget recommends GRF appropriations of \$720,000 for FY 2012 and FY 2013. Relative to the Conference's FY 2011 estimated GRF expenditures, the FY 2012 and FY 2013 executive recommended funding levels represent a 10.0% decrease.

Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$800,000	\$720,000	-10.0%	\$720,000	0.0%
General Services	\$350,000	\$350,000	0.0%	\$350,000	0.0%
TOTAL	\$1,150,000	\$1,070,000	-7.0%	\$1,070,000	0.0%

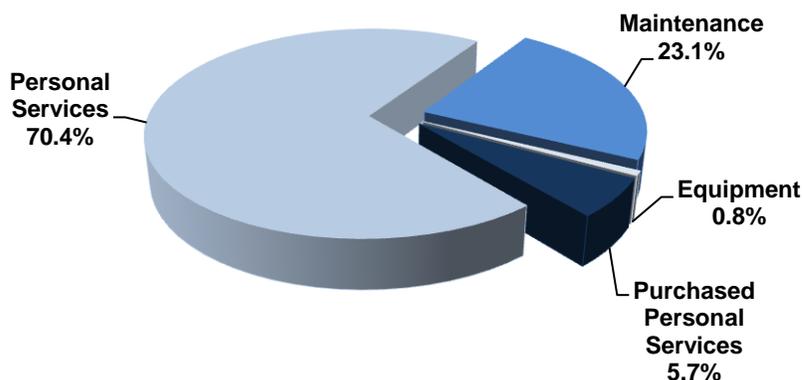
*FY 2011 figures represent estimated expenditures.

² Pursuant to R.C. 107.03, the Governor is not permitted to make any alterations in the biennial budget requests submitted to the Office of Budget and Management by the judicial branch of the state. Thus, herein, as the Conference is an entity of the judicial branch of the state, the executive budget/recommendations reflect the appropriations as requested by the Conference.

Expense Account Summary

Chart 1 immediately below shows the Conference's total recommended biennial appropriation (FY 2012 and FY 2013) by major object of expense. All of these appropriated moneys will be allocated for operating expenses, most notably personal services, which are payroll-related costs, including salaries, benefits, administrative charges, retirement, purchased time, and training.

**Chart 1: Biennial Budget Recommendations
by Object of Expense Category, FY 2012-FY 2013**



Expenditure Reductions and Cost Controls

Table 2 immediately below summarizes the portions of its annual GRF appropriation that the Conference has voluntarily lapsed since FY 2008.

Table 2. Lapsed Conference GRF Appropriations			
Fiscal Year*	Total GRF Appropriation	Lapse Amount	Lapse Percent
2008	\$985,518	\$70,000	7.1%
2009	\$1,015,281	\$50,000	4.9%
2010	\$800,000	\$10,878	1.4%
2011	\$800,000	\$10,878	1.4%

*FY 2011 lapse amounts are an estimate.

Since FY 2008, the Conference has provided no salary increases to its employees, and has reduced its annual payroll expenses by 2.6%. The Conference has also initiated a number of actions for the purpose of constraining expenditures and increasing revenues, including, but not limited to: (1) communicating through e-mail, broadcast fax, and conference telephone calls, (2) working with the Supreme Court of Ohio to reduce postage and printing costs, and (3) distributing new publications and related updates via the Internet, e-mail, and CD-ROM.

Judicial Impact Memos & Statements

In recent years, one of the Conference's main initiatives was a philosophical shift to producing "judicial impact memo" in addition to "judicial impact statements." A judicial impact memo essentially constitutes a letter to a sponsor or committee chair detailing the Conference's position on a bill that has been introduced for consideration in the General Assembly; conversely, a judicial impact statement is a longer more formal document that is generally produced sometime thereafter. The Conference's view is that the former are potentially more useful as a judicial impact memo can reach interested parties earlier in the legislative process. During the 128th General Assembly, the Conference produced eight judicial impact statements and over 90 judicial impact memos.

ANALYSIS OF EXECUTIVE PROPOSAL

Operating Expenses

This section of the Redbook examines in more detail the money appropriated to pay for the Conference's annual operating expenses, including their intended purpose. Table 3 immediately below shows the line items that are used to pay for the Conference's operating expenses, as well as the executive recommended funding levels. It is then followed by a narrative describing how each appropriated amount will be used.

Table 3. Executive Recommended Amounts for the Judicial Conference				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	018321	Operating Expenses	\$720,000	\$720,000
General Services Fund Group				
4030	018601	Ohio Jury Instructions	\$350,000	\$350,000
Total Funding: Judicial Conference			\$1,070,000	\$1,070,000

Operating Expenses (GRF line item 018321)

GRF line item 018321, Operating Expenses, is the Conference's primary source of funding. The day-to-day operations are largely paid out of this line item. The executive budget recommends the Conference requested GRF appropriations of \$720,000 in each of FYs 2012 and 2013. This GRF appropriation will be allocated almost entirely for personal services, which means the cost of payroll-related expenses associated with 10 full-time equivalent staff positions. The actual GRF amount allocated for personal services will depend upon the amount of those expenses that may be charged against non-GRF line item 018601, Ohio Jury Instructions.

The recommended amount will require additional spending restraint associated with printing costs and travel expenses in order to avoid staff reductions. Additionally, the Ohio Jury Instructions Fund (Fund 4030) may be used to offset some of the reduction in GRF spending. Through careful maintenance of the costs associated with producing its *Ohio Jury Instructions* publication and the potential for an increase in annual membership dues (currently \$100), additional Fund 4030 cash come become available to offset a decrease in GRF funding and prevent staff reductions.

Ohio Jury Instructions (GSF line item 018601)

GSF line item 018601, Ohio Jury Instructions, draws its appropriation from revenue receipts consisting of membership dues, annual meeting fees, and royalties from the Conference's publication known as *Ohio Jury Instructions*. The line item's

appropriation is used to support the work of the Conference's ad hoc and standing committees and to conduct workshops and special projects. The Conference requested a GSF appropriation of \$350,000 for each of FY 2012 and FY 2013, and the executive budget recommends both of those amounts. Most of each year's appropriation will be allocated for supplies and maintenance.

Conference-Generated Revenue

The Conference receives royalties from the publication of *Ohio Jury Instructions*, a product of its Jury Instructions Committee. Due to renegotiated contracts with publishers in 2008, the Conference increased its annual royalty revenue to approximately \$140,000.

Dues and Fees

Annual dues. The Conference currently collects \$100 annually in dues from all active members, which are deposited in the state treasury to the credit of the Ohio Jury Instructions Fund (Fund 4030). These dues are set administratively by the Conference and were last increased, from \$60 to \$100, at the beginning of 2004. That increase was recommended by the Executive Committee and approved by the members. Approximately 720 judges currently pay dues, resulting in annual revenue of roughly \$72,000.

Annual meeting. The Conference holds an annual meeting, usually attended by nearly 300 judges. The cost of admission, generally \$240 to \$260, is intended to cover the cost of hosting the meeting. In the event such costs exceed admission revenues, the difference is offset by using moneys appropriated from Fund 4030.

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Judicial Conference of Ohio

General Revenue Fund

GRF 018321 Operating Expenses

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$915,518	\$898,610	\$789,121	\$800,000	\$720,000	\$720,000
	-1.8%	-12.2%	1.4%	-10.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 311.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Am. Sub. H.B. 204 of the 113th G.A., the main appropriations act covering FY 1980 and FY 1981)

Purpose: The line item is used to fund the payroll, fringe benefit, maintenance, and equipment costs of the Judicial Conference of Ohio. Associated temporary law, which has historically earmarked a portion of the line item's appropriation to pay the expenses of the State Council of Uniform State Laws, is not included as part of the budget enacted for the FY 2010-FY 2011 biennium.

General Services Fund Group

4030 018601 Ohio Jury Instructions

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$316,177	\$332,420	\$303,222	\$350,000	\$350,000	\$350,000
	5.1%	-8.8%	15.4%	0.0%	0.0%

Source: General Services Fund Group: Dues (\$100 collected annually from active members who hold a judicial office), conference fees, royalties, grants, bequests, devises, and other gifts

Legal Basis: Section 311.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Controlling Board in FY 1965)

Purpose: The fund and related line item are used to support costs incurred by the Judicial Conference of Ohio in providing educational and informational data to the state's judicial system. This includes, but is not limited to, publications, workshops, conferences (including the Conference's annual fall meeting), and meetings of the Conference's 20-plus permanent and ad hoc committees. Associated temporary law appropriates for the purposes authorized all moneys accruing to the fund in excess of \$350,000 in each of FY 2010 and FY 2011 and prohibits the Director of Budget and Management or the Controlling Board from transferring any of the fund's moneys to any other fund.

FY 2012 - FY 2013 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	Estimate FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
JCO Judicial Conference of Ohio								
GRF	018321	Operating Expenses	\$ 789,121	\$ 800,000	\$ 720,000	-10.00%	\$ 720,000	0.00%
General Revenue Fund Total			\$ 789,121	\$ 800,000	\$ 720,000	-10.00%	\$ 720,000	0.00%
4030	018601	Ohio Jury Instructions	\$ 303,222	\$ 350,000	\$ 350,000	0.00%	\$ 350,000	0.00%
General Services Fund Group Total			\$ 303,222	\$ 350,000	\$ 350,000	0.00%	\$ 350,000	0.00%
Judicial Conference of Ohio Total			\$ 1,092,343	\$ 1,150,000	\$ 1,070,000	-6.96%	\$ 1,070,000	0.00%