

Alaska Court System Ten Year Expenditure Projection

The Alaska Court System is the primary entity in the Judicial Branch of state government. Its main purpose is to handle criminal and civil cases. The court system does not initiate this caseload; its work is generated entirely by the individuals, organizations, businesses, governmental agencies, and other entities that file cases.

Because the court system's workload is created entirely by others, it is difficult to predict how this workload might change in the future, other than to note that increases in population have historically meant more cases. The workload is also greatly impacted by the laws that are enacted by the legislature each session. The court system cannot predict future statutory changes that will impact the caseload.

FY11 Funding Levels – Amounts included for FY11 reflect the court system's FY11 operating and capital budget request.

FY11 Strategic Initiatives – In FY10, the court system requested and received partial funding for the second phase of a significant court initiative called "No Dark Courtrooms". This initiative improves courtroom operations around the state. In its FY11 operating budget, the court system is requesting the balance of the funding required (\$1,365,700) to completely implement this project. This initiative has a far-reaching impact on the justice agencies serving the state. Improvements made under the first two phases of the project have included expedited dissemination of data such as criminal judgments, bail, and conditions of release that are essential to public safety, as well as the distribution of documents such as copies of orders and notices of next hearing dates while the parties are in the courtroom.

Another initiative included in the FY11 planning document is the addition of one superior court judge and related staff in FY11 with a second added in FY13. Long-term trends in the court system's caseload support adding the superior court judges in Anchorage. Additional superior court judges can only be added through legislation so the judge required in FY11 does not appear in the court system's FY11 operating budget request.

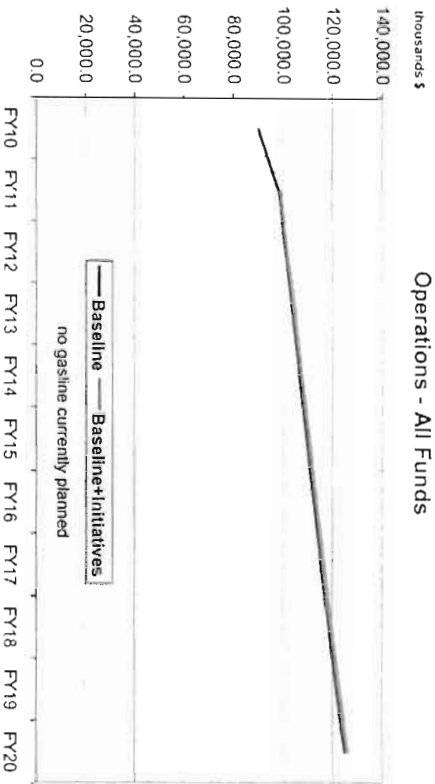
FY12 – FY19 – Lacking information about future changes in the law and other factors that may increase the number of case filings (such as the state of the economy or the number of municipal law enforcement officers), the funding requirements for FY12 – FY19 assume no significantly changed workload. For future years, the court system has applied the 2.75% inflation factor suggested by OMB for projecting operating funding required for the future periods. Capital funding required for FY12 – FY13 is based on capital projects currently identified in the court system's capital budget request. The annual capital project funding requirement for FY14 – FY20 is projected to be \$6 million.

Impact of Gasline Project on Court Operations – The court system is unable to determine the increased costs that will result from the development of the gasline with the information it has available. During the 1970s, the criminal and civil caseload of the court system was impacted by the construction of the Trans Alaska Pipeline System (TAPS). This increased workload was the inevitable result of oil field

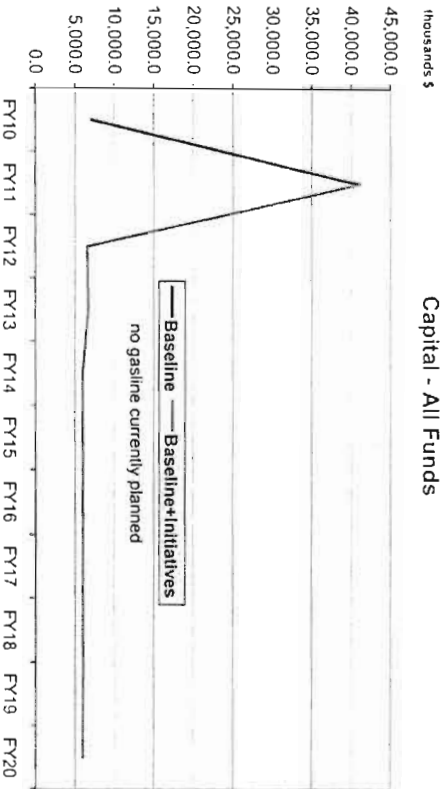
construction projects that employed over 30,000 persons. The surge in workers resulted in significantly higher caseloads and court costs in Interior Alaska, with lesser impacts in other parts of the state. While the scope of the gasoline project will not be as great as the TAPS project, we do not have enough information to project increased costs at this time. More accurate cost information will be available as this project progresses.

Courts

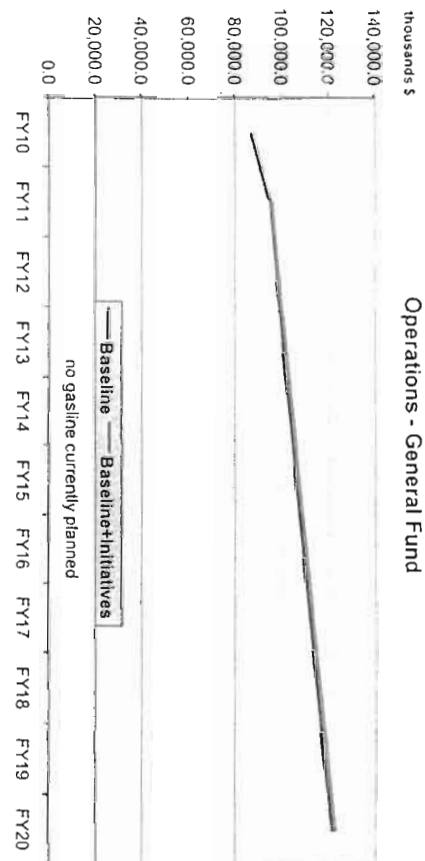
Operations - All Funds



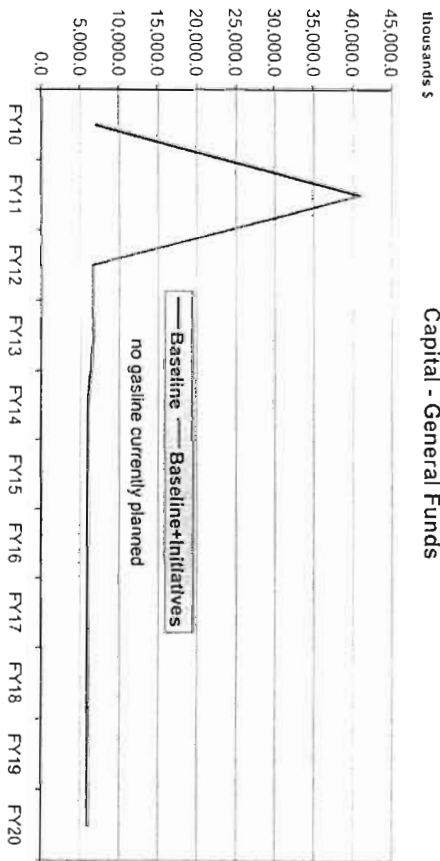
Capital - All Funds



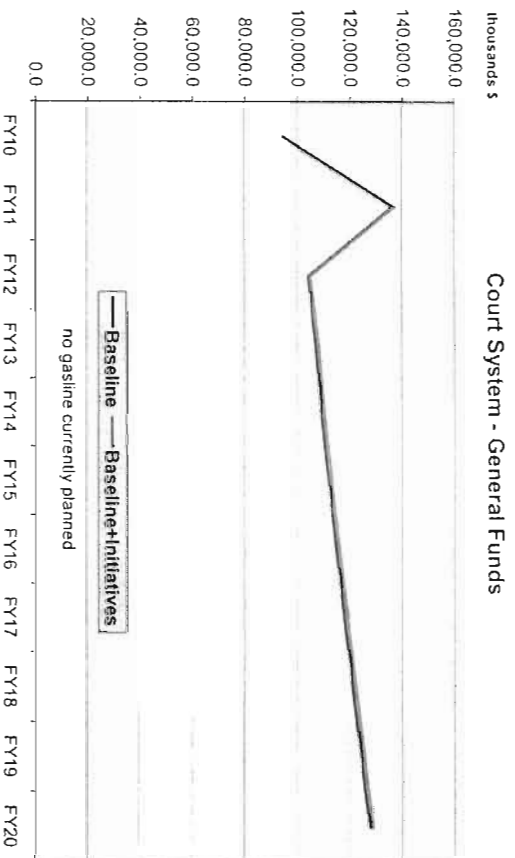
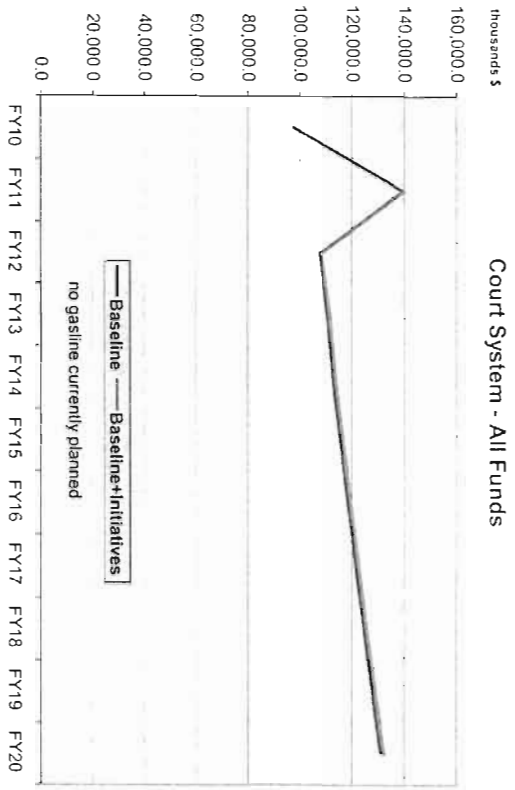
Operations - General Fund



Capital - General Funds



Courts



Court System

Baseline Budget Growth 1/
(thousands \$)

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Total Appropriations	97,508.2	139,611.1	107,753.7	110,574.9	112,634.5	115,477.9	118,399.5	121,401.5	124,486.0	127,655.4	130,911.9
General Fund	94,351.3	136,374.2	104,516.8	107,338.0	109,397.6	112,241.0	115,162.6	118,164.6	121,249.1	124,418.5	127,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
Operations	90,368.2	98,552.7	101,173.9	103,867.2	106,634.5	109,477.9	112,399.5	115,401.5	118,486.0	121,655.4	124,911.9
General Fund	87,211.3	95,315.8	97,937.0	100,630.3	103,397.6	106,241.0	109,162.6	112,164.6	115,249.1	118,418.5	121,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
Formula Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-formula Programs	90,368.2	98,552.7	101,173.9	103,867.2	106,634.5	109,477.9	112,399.5	115,401.5	118,486.0	121,655.4	124,911.9
General Fund	87,211.3	95,315.8	97,937.0	100,630.3	103,397.6	106,241.0	109,162.6	112,164.6	115,249.1	118,418.5	121,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
Capital	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1. Baseline wage and benefit increases are handled in the statewide spreadsheet.
See detailed assumptions.

Court System

Initiatives (Except Gasline)

(thousands \$)

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Total Appropriations	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operations	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Formula Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-formula Programs	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

See detailed assumptions.

Court System

Baseline plus Initiatives

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Total Appropriations	97,508.2	140,109.9	108,266.2	111,600.3	113,688.1	116,560.5	119,511.9	122,544.5	125,660.4	128,862.1	132,151.8
General Fund	94,351.3	136,873.0	105,029.3	108,363.4	110,451.2	113,323.6	116,275.0	119,307.6	122,423.5	125,625.2	128,914.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
Operations	90,368.2	99,051.5	101,686.4	104,892.6	107,688.1	110,560.5	113,511.9	116,544.5	119,660.4	122,862.1	126,151.8
General Fund	87,211.3	95,814.6	98,449.5	101,655.7	104,451.2	107,323.6	110,275.0	113,307.6	116,423.5	119,625.2	122,914.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
Formula Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-formula Programs	90,368.2	99,051.5	101,686.4	104,892.6	107,688.1	110,560.5	113,511.9	116,544.5	119,660.4	122,862.1	126,151.8
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General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
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General Fund	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1. We have a relatively small budget (adjusted base this year is about \$91 million); about 1% of the total state budget. Smaller than many departments.

HOW WE PREPARE OUR BUDGET – similar to the multi-step process the Exec goes through: local court→ACA→Admin→supreme court. However, we don't prepare a political budget. Basically it is what we can absorb in a fiscal year that would let us operate at peak efficiency. We don't expect it to be fully funded, and we work closely with the chairman and Leg Finance to decide what is most needed, taking into account the money that is actually available.

Like the legislature, we are not covered by the Executive Budget Act. The governor does not have the authority under the constitution to prepare our budget for submission to the legislature. His authority is limited to vetoes on the way out of the legislature. We had a problem last year, same problem as with Hickerl 1, Hammond, Hickerl 2, Murkowski. Tried to reduce our budget on the way in. This year they just passed it through.

2. CHALLENGES We have several big challenges:

A. We told you last year that we had just received word that ASEA and APEA were going to try to unionize us. IBEW in the mid-90's (didn't get pay raise), expensive, decrease of managerial prerogative at a time of declining revenue. They are continuing these efforts and have had a number of informational meetings around the state. The very low geographic differential paid to many court employees compared to the union rate is the major selling point. I'll get back to that in a moment.

B. Escalating costs. One way we address these with a 30 day hiring freeze. We rarely have a supplemental; we typically do a good job of living within limits you set. That being said, we have a small one this year which actually is a request that you let us keep \$35,000 that we got in a legal settlement that we turned over to the general fund. Phone cards: by using phone cards, we've been saving over \$40,000 year. That has ended.

C. Criminal caseload increases (more arrests even though the crime rate is down).

D. We don't control our own workload. We have to take every case that comes through the door. Most have to be handled within certain timeframes.

3. INITIATIVES two big ones that were in the FY09 and FY10 budgets and were partially funded in both.

A. No Dark Courtrooms. Put more clerks in courtrooms. In FY 09, funded 8 positions, and in FY10 funded 6 plus 2 upgrades.

Busy in courtroom (reporter, stenographer, bailiff) more complex than past, not enough to have court in some locations, not enough to do stuff on the bench.

(FY09 projects in Anch, Fairbanks, Palmer, and fixed understaffing in Nome, Kenai, Bethel; in FY10 Anch, Juneau, Seward, Naknek, Kotzebue, Bethel.

B. reduce judicial underfunding

We run about a 6 - 7% underfunding in personnel services. We really should be about 3%. We make it work with clerical staff with hiring freeze. More problematic with judges. Making effort to fill judgeships immediately. Our goal is 0% underfunding for judicial positions; 250,000 last year and 250,000 year before. 575,000 to get to 0%.

C. New superior court judge in Anchorage for civil cases. Anchorage is one of the busiest courts in the state; statistically could justify 3 new judges in superior court, 1 in district court. \$440,000 court system cost plus other agencies.

D. Nome building

The Nome court is in the federal building, which is being surpassed. No place else to go in Nome. We have right of first refusal, and have said we will take it if the legislature funds it (279,000 operating increase, FY11 3.8 million capital, FY12 4.8 million). If it is given to someone else, we would have 2 years to find new space. DOT has designed a Nome State Office Building which is not in the capital budget.

E. geographic differential

\$1.4 million to implement McDowell Study w/grandfathering. We are currently covered by statute but can change geo dif through budget process.