

**2008 SESSION OF THE GENERAL ASSEMBLY**

**JUDICIAL BRANCH BUDGET  
(HB 408/GA)**

**Legislative Research Commission  
Office of Budget Review**

**March 12, 2008**

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## **X - Judicial Branch**

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## X - Judicial Branch

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## X - Judicial Branch

## Operating Budget

## Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	274,911,700	274,911,700		339,146,300	265,785,800	(73,360,500)	387,618,800	295,885,800	(91,733,000)
Restricted Funds	25,259,900	25,259,900		33,583,200	43,583,200	10,000,000	28,790,400	38,790,400	10,000,000
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>303,244,700</b>	<b>303,244,700</b>		<b>373,860,900</b>	<b>310,500,400</b>	<b>(63,360,500)</b>	<b>417,579,800</b>	<b>335,846,800</b>	<b>(81,733,000)</b>
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL FUNDS</b>	<b>294,427,900</b>	<b>294,427,900</b>		<b>385,892,900</b>	<b>322,532,400</b>	<b>(63,360,500)</b>	<b>418,088,200</b>	<b>336,355,200</b>	<b>(81,733,000)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	196,040,400	196,040,400		252,423,600	200,055,700	(52,367,900)	262,179,000	195,123,900	(67,055,100)
Operating Expenses	97,692,500	97,692,500		125,920,900	114,928,300	(10,992,600)	147,434,200	135,661,300	(11,772,900)
Capital Outlay	695,000	695,000		7,548,400	7,548,400		8,475,000	5,570,000	(2,905,000)
<b>TOTAL EXPENDITURES</b>	<b>294,427,900</b>	<b>294,427,900</b>		<b>385,892,900</b>	<b>322,532,400</b>	<b>(63,360,500)</b>	<b>418,088,200</b>	<b>336,355,200</b>	<b>(81,733,000)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	274,911,700	274,911,700		273,486,000	262,267,000	(11,219,000)	276,964,900	273,790,600	(3,174,300)
Restricted Funds	25,259,900	25,259,900		27,038,500	35,733,700	8,695,200	28,790,400	30,548,300	1,757,900
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>303,244,700</b>	<b>303,244,700</b>		<b>301,655,900</b>	<b>299,132,100</b>	<b>(2,523,800)</b>	<b>306,925,900</b>	<b>305,509,500</b>	<b>(1,416,400)</b>
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL BASE LEVEL</b>	<b>294,427,900</b>	<b>294,427,900</b>		<b>313,687,900</b>	<b>311,164,100</b>	<b>(2,523,800)</b>	<b>307,434,300</b>	<b>306,017,900</b>	<b>(1,416,400)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				65,660,300	3,518,800	(62,141,500)	110,653,900	22,095,200	(88,558,700)
Restricted Funds				6,544,700	7,849,500	1,304,800		8,242,100	8,242,100
<b>TOTAL ADDITIONAL</b>				<b>72,205,000</b>	<b>11,368,300</b>	<b>(60,836,700)</b>	<b>110,653,900</b>	<b>30,337,300</b>	<b>(80,316,600)</b>

## HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

## X - Judicial Branch

## Capital Budget

## Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				28,824,000		(28,824,000)			
<b>TOTAL CAPITAL</b>				<b>28,824,000</b>		<b>(28,824,000)</b>			

## X - Judicial Branch

## Operating Budget

## Court of Justice Summary

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	271,656,500	271,656,500		333,381,500	260,021,000	(73,360,500)	381,839,700	290,106,700	(91,733,000)
Restricted Funds	25,259,900	25,259,900		33,583,200	43,583,200	10,000,000	28,790,400	38,790,400	10,000,000
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>299,989,500</b>	<b>299,989,500</b>		<b>368,096,100</b>	<b>304,735,600</b>	<b>(63,360,500)</b>	<b>411,800,700</b>	<b>330,067,700</b>	<b>(81,733,000)</b>
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL FUNDS</b>	<b>291,172,700</b>	<b>291,172,700</b>		<b>380,128,100</b>	<b>316,767,600</b>	<b>(63,360,500)</b>	<b>412,309,100</b>	<b>330,576,100</b>	<b>(81,733,000)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	195,620,400	195,620,400		251,958,800	199,590,900	(52,367,900)	261,699,900	194,644,800	(67,055,100)
Operating Expenses	94,857,300	94,857,300		120,620,900	109,628,300	(10,992,600)	142,134,200	130,361,300	(11,772,900)
Capital Outlay	695,000	695,000		7,548,400	7,548,400		8,475,000	5,570,000	(2,905,000)
<b>TOTAL EXPENDITURES</b>	<b>291,172,700</b>	<b>291,172,700</b>		<b>380,128,100</b>	<b>316,767,600</b>	<b>(63,360,500)</b>	<b>412,309,100</b>	<b>330,576,100</b>	<b>(81,733,000)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	271,656,500	271,656,500		270,230,800	259,011,800	(11,219,000)	273,709,700	270,535,400	(3,174,300)
Restricted Funds	25,259,900	25,259,900		27,038,500	35,733,700	8,695,200	28,790,400	30,548,300	1,757,900
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>299,989,500</b>	<b>299,989,500</b>		<b>298,400,700</b>	<b>295,876,900</b>	<b>(2,523,800)</b>	<b>303,670,700</b>	<b>302,254,300</b>	<b>(1,416,400)</b>
Use of Continuing	(8,816,800)	(8,816,800)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL BASE LEVEL</b>	<b>291,172,700</b>	<b>291,172,700</b>		<b>310,432,700</b>	<b>307,908,900</b>	<b>(2,523,800)</b>	<b>304,179,100</b>	<b>302,762,700</b>	<b>(1,416,400)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				63,150,700	1,009,200	(62,141,500)	108,130,000	19,571,300	(88,558,700)
Restricted Funds				6,544,700	7,849,500	1,304,800		8,242,100	8,242,100
<b>TOTAL ADDITIONAL</b>				<b>69,695,400</b>	<b>8,858,700</b>	<b>(60,836,700)</b>	<b>108,130,000</b>	<b>27,813,400</b>	<b>(80,316,600)</b>

## X - Judicial Branch

## Capital Budget

## Court of Justice Summary

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				28,824,000		(28,824,000)			
<b>TOTAL CAPITAL</b>				<b>28,824,000</b>		<b>(28,824,000)</b>			

## X - Judicial Branch

## Operating Budget

## Court Operations &amp; Administration

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	193,575,400	193,575,400		246,113,900	180,746,300	(65,367,600)	259,801,400	180,746,300	(79,055,100)
Restricted Funds	25,259,900	25,259,900		33,583,200	43,583,200	10,000,000	28,790,400	38,790,400	10,000,000
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>221,908,400</b>	<b>221,908,400</b>		<b>280,828,500</b>	<b>225,460,900</b>	<b>(55,367,600)</b>	<b>289,762,400</b>	<b>220,707,300</b>	<b>(69,055,100)</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>221,908,400</b>	<b>221,908,400</b>		<b>280,828,500</b>	<b>225,460,900</b>	<b>(55,367,600)</b>	<b>289,762,400</b>	<b>220,707,300</b>	<b>(69,055,100)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	193,855,800	193,855,800		249,837,000	197,469,100	(52,367,900)	259,465,800	192,410,700	(67,055,100)
Operating Expenses	27,482,600	27,482,600		30,281,500	27,281,800	(2,999,700)	29,726,600	27,726,600	(2,000,000)
Capital Outlay	570,000	570,000		710,000	710,000		570,000	570,000	
<b>TOTAL EXPENDITURES</b>	<b>221,908,400</b>	<b>221,908,400</b>		<b>280,828,500</b>	<b>225,460,900</b>	<b>(55,367,600)</b>	<b>289,762,400</b>	<b>220,707,300</b>	<b>(69,055,100)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	193,575,400	193,575,400		187,048,800	180,746,300	(6,302,500)	185,011,500	180,746,300	(4,265,200)
Restricted Funds	25,259,900	25,259,900		27,038,500	35,733,700	8,695,200	28,790,400	30,548,300	1,757,900
Federal Funds	3,073,100	3,073,100		1,131,400	1,131,400		1,170,600	1,170,600	
<b>Regular Total Funds</b>	<b>221,908,400</b>	<b>221,908,400</b>		<b>215,218,700</b>	<b>217,611,400</b>	<b>2,392,700</b>	<b>214,972,500</b>	<b>212,465,200</b>	<b>(2,507,300)</b>
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>221,908,400</b>	<b>221,908,400</b>		<b>215,218,700</b>	<b>217,611,400</b>	<b>2,392,700</b>	<b>214,972,500</b>	<b>212,465,200</b>	<b>(2,507,300)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				59,065,100		(59,065,100)	74,789,900		(74,789,900)
Restricted Funds				6,544,700	7,849,500	1,304,800		8,242,100	8,242,100
<b>TOTAL ADDITIONAL</b>				<b>65,609,800</b>	<b>7,849,500</b>	<b>(57,760,300)</b>	<b>74,789,900</b>	<b>8,242,100</b>	<b>(66,547,800)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 DC</b>	<b>Defined Calculation</b>								
ABR20A0DC000	Provides funds to support the 5% increment, retirement, and health insurance for 3,326 full-time positions and 297 other positions.								
General Fund				27,494,200		(27,494,200)	42,126,000		(42,126,000)
<b>Project Total</b>				<b>27,494,200</b>		<b>(27,494,200)</b>	<b>42,126,000</b>		<b>(42,126,000)</b>
<b>2 NEW</b>	<b>Salary Improvement</b>								
ABR20A00002	Provides salary increases for judges, county clerks, and staff in grade 1 through 5 positions.								
General Fund				16,817,600		(16,817,600)	17,802,600		(17,802,600)
<b>Project Total</b>				<b>16,817,600</b>		<b>(16,817,600)</b>	<b>17,802,600</b>		<b>(17,802,600)</b>

**X - Judicial Branch****Operating Budget****Court Operations & Administration**

		Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3</b>	<b>GB</b>	<b>Vacant Positions</b>								
ABR20A00001		Provides funding for 106 positions that were vacant on August 1, 2007.								
General Fund					3,979,500		(3,979,500)	4,264,600		(4,264,600)
<b>Project Total</b>					<b>3,979,500</b>		<b>(3,979,500)</b>	<b>4,264,600</b>		<b>(4,264,600)</b>
<b>4</b>	<b>GB</b>	<b>Reinstatement of 2006 Reduction</b>								
ABR20A00003		Provides funding for 157 positions that were vacant August 1, 2005, and were not funded in the 2006-2008 budget.								
General Fund					4,071,800		(4,071,800)	4,364,600		(4,364,600)
<b>Project Total</b>					<b>4,071,800</b>		<b>(4,071,800)</b>	<b>4,364,600</b>		<b>(4,364,600)</b>
<b>5</b>	<b>NEW</b>	<b>Retirement Payouts</b>								
ABR20A00004		Provides restricted funds to pay for accrued leave time for 335 employees that will be eligible for retirement in FY 2009. House: Appropriated sufficient restricted funds to cover this expense in base.								
Restricted Funds					6,544,700		(6,544,700)			
<b>Project Total</b>					<b>6,544,700</b>		<b>(6,544,700)</b>			
<b>6</b>	<b>RFF</b>	<b>Replacement of Federal Funds</b>								
ABR20A00005		Provides General Fund to Replace Federal funds for 9 drug court sites. Federal funds will not be available for these programs.								
General Fund					1,996,900		(1,996,900)	2,065,600		(2,065,600)
<b>Project Total</b>					<b>1,996,900</b>		<b>(1,996,900)</b>	<b>2,065,600</b>		<b>(2,065,600)</b>
<b>7</b>	<b>RRF</b>	<b>Replacement of Restricted Funds</b>								
ABR20A00006		Provides General Fund to replace a grant from the Justice Cabinet.								
General Fund					470,000		(470,000)	470,000		(470,000)
<b>Project Total</b>					<b>470,000</b>		<b>(470,000)</b>	<b>470,000</b>		<b>(470,000)</b>
<b>8</b>	<b>EXPAN</b>	<b>New Judgeships</b>								
ABR20A00007		Provides funds for one new family court judge in the Sixth Circuit of Daviess County, and one new family court judge in the Fifteenth Circuit of Carroll, Grant, and Owen Counties.								
General Fund					1,245,300		(1,245,300)	1,174,100		(1,174,100)
<b>Project Total</b>					<b>1,245,300</b>		<b>(1,245,300)</b>	<b>1,174,100</b>		<b>(1,174,100)</b>
<b>9</b>	<b>NEW</b>	<b>Electronic Filing</b>								
ABR20A00008		Provides funds to establish an electronic court filing system.								
General Fund					2,989,800		(2,989,800)	2,522,400		(2,522,400)
<b>Project Total</b>					<b>2,989,800</b>		<b>(2,989,800)</b>	<b>2,522,400</b>		<b>(2,522,400)</b>

**X - Judicial Branch****Operating Budget****Court Operations & Administration**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>10 EXPAN Deputy Clerk Pay Increase</b>									
ABR20A00009 Provides a pay increase for deputy clerks as provided for in the Judicial Branch Budget Recommendation, with the exception that Restricted Funds will be used.									
Restricted Funds					7,849,500	7,849,500		8,242,100	8,242,100
<b>Project Total</b>					<b>7,849,500</b>	<b>7,849,500</b>		<b>8,242,100</b>	<b>8,242,100</b>
<b>TOTAL ADDITIONAL</b>				<b>65,609,800</b>	<b>7,849,500</b>	<b>(57,760,300)</b>	<b>74,789,900</b>	<b>8,242,100</b>	<b>(66,547,800)</b>

## **COURT OPERATIONS & ADMINISTRATION**

### **BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

**"Salary Adjustments:** Funds are included to provide a five percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel. Included are funds to provide for a five percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for the Justices and Judges. Also included are funds for the salaries of the circuit clerks in fiscal year 2008-2009 and in fiscal year 2009-2010 as provided for in the Judicial Branch Budget Recommendation."

**"Pay Equity:** Included in the above General Fund appropriation is \$16,817,600 in fiscal year 2008-2009 and \$17,802,600 in fiscal year 2009-2010 for salary adjustments for all elected and non-elected officials. These amounts include an increase in the entry level salaries and a minimum across the board adjustment for each full-time and part-time employee."

**"Drug Court Sites:** Included in the above General Fund appropriation is \$1,996,900 in fiscal year 2008-2009 and \$2,065,600 in fiscal year 2009-2010 to replace Federal Funds from Operation UNITE for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium. Also included in the above General Fund appropriation is \$470,000 in fiscal year 2008-2009 and \$470,000 in fiscal year 2009-2010 to replace Restricted Funds for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium."

**"Reinstatement of 2006 Funding:** Included in the above General Fund appropriation is \$4,071,800 in fiscal year 2008-2009 and \$4,364,600 in fiscal year 2009-2010 to reinstate funding eliminated by the 2006 General Assembly for the 157 positions that were vacant as of August 1, 2005."

**"Judgeships:** Included in the above General Fund appropriation is \$1,245,300 in fiscal year 2008-2009 and \$1,174,100 in fiscal year 2009-2010 to support the establishment of one family court judgeship in the Sixth Circuit of Daviess County and one family court judgeship in the Fifteenth Circuit of Carroll, Grant, and Owen Counties."

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BUDGET MODIFICATION REPORT**

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**COURT OPERATIONS & ADMINISTRATION**

**"E-Filing:** Included in the above General Fund appropriation is \$2,989,800 in fiscal year 2008-2009 and \$2,522,400 in fiscal year 2009-2010 to support the establishment of an electronic case filing (e-filing) system to improve the efficiency of court operations, security of electronic information, and openness of the courts."

**"Retirement Payouts:** Included in the above Restricted Funds appropriation is \$6,544,700 in fiscal year 2008-2009 to support retirement payouts for Judicial Branch employees."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$65,367,600 in fiscal year 2008-2009 for additional fund requests including defined calculations, pay equity, drug courts, reinstatement of fiscal biennium 2006-2008 funding, family court judgeships, and electronic filing.

The House reduces General Fund support totaling \$79,055,100 in fiscal year 2009-2010 for additional fund requests including defined calculations, pay equity, drug courts, reinstatement of fiscal biennium 2006-2008 funding, family court judgeships, and electronic filing.

The House increases Restricted Fund support totaling \$10,000,000 in each fiscal year for pay raises for deputy clerks, and for the general operations of the Judicial Branch.

The House amends the State/Judicial Branch Budget Bill, Part I, Operating Budget to include the following language provisions:

**"Salary Adjustments:** Funds are included to provide a two percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel, Justices, Judges, and circuit clerks."

**"Pay Equity:** Included in the above Restricted Funds appropriation is \$7,849,500 in fiscal year 2008-2009 and \$8,242,100 in fiscal year 2009-2010 for pay increases for deputy clerks as proposed in the Judicial Branch Budget Recommendation, except that Restricted Funds shall be utilized in place of General Fund moneys."

**"Drug Court Sites:** The Chief Justice may use Restricted Funds totaling \$1,996,900 in fiscal year 2008-2009 and \$2,065,600 in fiscal

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
BUDGET MODIFICATION REPORT**

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**COURT OPERATIONS & ADMINISTRATION**

year 2009-2010 to replace Federal Funds from Operation UNITE for existing drug court sites whose funding is expected to expire during the 2008-2010 fiscal biennium."

The House adds Part, I, Operating Budget, language provision as follows:

**"Drug Testing Kits:** Included in the above General Fund appropriation is \$3,000 in each fiscal year for drug testing kits for the Twentieth Judicial District."

The House deletes Part I, Operating Budget language provisions relating to **"Reinstatement of 2006 Funding, Judgeships, E-filing, and Retirement Payouts."**

## X - Judicial Branch

## Operating Budget

## Local Facilities Fund

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	78,265,500	78,265,500		87,267,600	79,274,700	(7,992,900)	122,038,300	109,360,400	(12,677,900)
<b>Regular Total Funds</b>	<b>78,265,500</b>	<b>78,265,500</b>		<b>87,267,600</b>	<b>79,274,700</b>	<b>(7,992,900)</b>	<b>122,038,300</b>	<b>109,360,400</b>	<b>(12,677,900)</b>
Use of Continuing	(9,001,200)	(9,001,200)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL FUNDS</b>	<b>69,264,300</b>	<b>69,264,300</b>		<b>99,299,600</b>	<b>91,306,700</b>	<b>(7,992,900)</b>	<b>122,546,700</b>	<b>109,868,800</b>	<b>(12,677,900)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,764,600	1,764,600		2,121,800	2,121,800		2,234,100	2,234,100	
Operating Expenses	67,374,700	67,374,700		90,339,400	82,346,500	(7,992,900)	112,407,600	102,634,700	(9,772,900)
Capital Outlay	125,000	125,000		6,838,400	6,838,400		7,905,000	5,000,000	(2,905,000)
<b>TOTAL EXPENDITURES</b>	<b>69,264,300</b>	<b>69,264,300</b>		<b>99,299,600</b>	<b>91,306,700</b>	<b>(7,992,900)</b>	<b>122,546,700</b>	<b>109,868,800</b>	<b>(12,677,900)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	78,265,500	78,265,500		83,182,000	78,265,500	(4,916,500)	88,698,200	89,789,100	1,090,900
<b>Regular Total Funds</b>	<b>78,265,500</b>	<b>78,265,500</b>		<b>83,182,000</b>	<b>78,265,500</b>	<b>(4,916,500)</b>	<b>88,698,200</b>	<b>89,789,100</b>	<b>1,090,900</b>
Use of Continuing	(9,001,200)	(9,001,200)		12,032,000	12,032,000		508,400	508,400	
<b>TOTAL BASE LEVEL</b>	<b>69,264,300</b>	<b>69,264,300</b>		<b>95,214,000</b>	<b>90,297,500</b>	<b>(4,916,500)</b>	<b>89,206,600</b>	<b>90,297,500</b>	<b>1,090,900</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				4,085,600	1,009,200	(3,076,400)	33,340,100	19,571,300	(13,768,800)
<b>TOTAL ADDITIONAL</b>				<b>4,085,600</b>	<b>1,009,200</b>	<b>(3,076,400)</b>	<b>33,340,100</b>	<b>19,571,300</b>	<b>(13,768,800)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 DC Defined Calculation</b>									
ABR20Z0DC000 Provides funds to support the 5% increment, retirement, and health insurance for 23 full-time positions.									
General Fund				2,157,200		(2,157,200)	2,269,500		(2,269,500)
<b>Project Total</b>				<b>2,157,200</b>		<b>(2,157,200)</b>	<b>2,269,500</b>		<b>(2,269,500)</b>
<b>2 GB Vacant Positions</b>									
ABR20Z00001 Provides funds for one full-time position that was vacant August 1, 2007.									
General Fund				35,700		(35,700)	38,200		(38,200)
<b>Project Total</b>				<b>35,700</b>		<b>(35,700)</b>	<b>38,200</b>		<b>(38,200)</b>
<b>3 NEW Construction - Court Facilities</b>									
ABR20Z00002 Provides funds for one half year of debt service in FY 2010 for a new AOC office building.									
General Fund							1,289,500		(1,289,500)
<b>Project Total</b>							<b>1,289,500</b>		<b>(1,289,500)</b>

## HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

**X - Judicial Branch****Operating Budget****Local Facilities Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>4 NEW Madison Family Court Lease</b>									
ABR20Z00003 Provides funds to lease and furnish a 16,600 square foot building for the Madison Co. Family Court.									
General Fund				883,500	883,500		285,400	285,400	
<b>Project Total</b>				<b>883,500</b>	<b>883,500</b>		<b>285,400</b>	<b>285,400</b>	
<b>5 EXPAN Courthouse Use Allowance and Furnishings.</b>									
ABR20Z00004 Provides funds for use allowance and furnishings for new courthouses that were authorized in 2005 and 2006. House: Provides \$125,700 in FY 2009 and \$19,285,900 in FY 2010.									
General Fund				1,009,200	125,700	(883,500)	29,457,500	19,285,900	(10,171,600)
<b>Project Total</b>				<b>1,009,200</b>	<b>125,700</b>	<b>(883,500)</b>	<b>29,457,500</b>	<b>19,285,900</b>	<b>(10,171,600)</b>
<b>TOTAL ADDITIONAL</b>				<b>4,085,600</b>	<b>1,009,200</b>	<b>(3,076,400)</b>	<b>33,340,100</b>	<b>19,571,300</b>	<b>(13,768,800)</b>

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
BUDGET MODIFICATION REPORT**

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**LOCAL FACILITIES FUND**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of Government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

**"Carlisle County Judicial Center:** Included in the above appropriation is \$1,227,000 in fiscal year 2009-2010 to support six months of use allowance and furniture and equipment costs for the Carlisle County Judicial Center project."

**"AOC Building:** Included in the above appropriation is \$1,289,500 in fiscal year 2009-2010 to support six months of debt service for the construction of an Administrative Office of the Courts Building."

**"Madison County Lease:** Included in the above appropriation is \$883,500 in fiscal year 2008-2009 and \$285,400 in fiscal year 2009-2010 to support increased cost of leased space, furnishings, and infrastructure and security equipment for the expansion of the Madison County Family Court."

**"Local Court Facility Compensation:** Included in the above appropriation are moneys to compensate local units of government for providing court space and for costs incurred in the development of local court facilities as defined in KRS Chapter 26A and provided in Part II of this Act, and to perform all other acts required or authorized by KRS Chapter 26A."

**"Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal year 2008-2009 shall not lapse and shall be continued into fiscal year 2009-2010."

**"Fayette County Courthouse Use Allowance:** The use allowance for the Fayette County Courthouse is contingent upon Short Street in Lexington, Kentucky remaining open to traffic."

The State Judicial Branch Budget Bill, Part II, Capital Projects includes language provisions as follows:

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
BUDGET MODIFICATION REPORT**

3/13/08 12:56 pm

**LOCAL FACILITIES FUND**

"**AOC Building:** General Fund support of \$1,289,500 is included in the Local Facilities Fund operating budget in fiscal year 2009-2010 to support six months of debt service for the construction of an Administrative Office of the Courts building. Annual operating costs totaling \$782,000 is being deferred to the 2010-2012 fiscal biennium."

**"Local Facilities Projects**

	<b>Project</b>	<b>Project Scope</b>	<b>Maximum Annualized Use Allowance</b>	<b>Total Funds</b>
<b>001.</b>	Allen	16,014,000	1,433,000	1,671,000
<b>002.</b>	Carlisle	12,899,400	1,154,000	1,381,000
<b>003.</b>	Lawrence	16,272,000	1,456,000	1,650,000
<b>004.</b>	Morgan	16,272,000	1,456,000	1,630,000

"**Carlisle County Judicial Center:** General Fund support for the use allowance payments and nonrecurring furniture and equipment cost for the Carlisle County Judicial Center is contained in the Local Facilities Fund Budget for fiscal year 2009-2010."

"**Deferred Funding:** General Fund support to provide operating costs totaling \$920,000, annualized use allowance payments totaling \$4,345,000, and nonrecurring furniture and equipment costs totaling \$2,671,000, less off-setting payments totaling \$314,000, for Allen, Lawrence, and Morgan County Judicial Center projects is deferred to the 2010-2012 fiscal biennium pending action of the 2010 General Assembly."

"**Local Facilities Projects - Authorized:** Nothing in this Act shall reduce the funding of court facility projects authorized by the General Assembly."

"**Local Facilities Use Allowance Contingency Fund:** For any court facility project which is occupied and use allowance funding is insufficient, the use allowance payments shall be approved from the Local Facilities Use Allowance Contingency Fund. If funds are not available in the Local Facilities Use Allowance Contingency Fund, the use allowance payments shall be deemed a necessary governmental expense (General Fund Surplus Account, KRS 48.700)."

**HOUSE REPORT**

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
BUDGET MODIFICATION REPORT**

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**LOCAL FACILITIES FUND**

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$7,992,900 in fiscal year 2008-2009 for additional requests including defined calculations, pay equity, and reinstatement of fiscal biennium 2006-2008 funding.

The House reduces General Fund support totaling \$12,677,900 in fiscal year 2008-2009 for additional requests including defined calculations, pay equity, reinstatement of fiscal biennium 2006-2008 funding, construction of AOC Building, and county courthouse use allowance and furnishings.

The House deletes Part II, Capital Projects Budget language provision relating to "**AOC Building.**"

The House amends the State/Judicial Branch Budget Bill, Part II, Capital Projects Budget language to include the following language provisions:

**"Local Facilities Projects**

	<b>Maximum Project Annualized Scope</b>	<b>Use Allowance</b>	<b>Total Funds</b>
<b>001.</b> Allen	16,014,000	1,433,000	1,671,000
<b>002.</b> Bracken	15,607,000	1,397,000	1,655,000
<b>003.</b> Carlisle	12,899,400	1,154,000	1,381,000
<b>004.</b> Lawrence	16,272,000	1,456,000	1,650,000
<b>005.</b> Morgan	16,272,000	1,456,000	1,630,000

**"Deferred Funding:** General Fund support to provide operating costs totaling \$1,215,700, annualized use allowance payments totaling \$5,742,000, and nonrecurring furniture and equipment costs totaling \$3,486,000, less off-setting payments totaling \$351,300, for Allen, Bracken, Lawrence, and Morgan County Judicial Center projects is deferred to the 2010-2012 fiscal biennium pending action of the 2010 General Assembly."

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**X - Judicial Branch****Capital Budget****Local Facilities Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				28,824,000		(28,824,000)			
<b>TOTAL CAPITAL</b>				<b>28,824,000</b>		<b>(28,824,000)</b>			
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Construct Judicial Center in Allen County - Project Scope \$16,014,000</b>								
PRJ20Z01596									
Other Funds									
<b>Project Total</b>									
<b>2</b>	<b>Construct Judicial Center in Carlisle County - Project Scope \$12,899,400</b>								
PRJ20Z01598									
Other Funds									
<b>Project Total</b>									
<b>3</b>	<b>Construct Judicial Center in Lawrence County - Project Scope \$16,272,000</b>								
PRJ20Z01600									
Other Funds									
<b>Project Total</b>									
<b>4</b>	<b>Construct Judicial Center in Morgan County -Project Scope \$16,272,000</b>								
PRJ20Z01602									
Other Funds									
<b>Project Total</b>									
<b>5</b>	<b>Central Office - AOC</b>								
PRJ20Z01594									
Bond Funds				28,824,000		(28,824,000)			
<b>Project Total</b>				<b>28,824,000</b>		<b>(28,824,000)</b>			
<b>6</b>	<b>House: Construct Judicial Center in Bracken County - Project scope: \$15,607,000</b>								
PRJ20Z01604									
Other Funds									
<b>Project Total</b>									
<b>TOTAL CAPITAL</b>				<b>28,824,000</b>		<b>(28,824,000)</b>			

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**X - Judicial Branch****Operating Budget****Local Facilities Use Allowance Contingency Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	(184,400)	(184,400)							
<b>Regular Total Funds</b>	<b>(184,400)</b>	<b>(184,400)</b>							
Use of Continuing	184,400	184,400							
<b>TOTAL FUNDS</b>									
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	(184,400)	(184,400)							
<b>Regular Total Funds</b>	<b>(184,400)</b>	<b>(184,400)</b>							
Use of Continuing	184,400	184,400							
<b>TOTAL BASE LEVEL</b>									

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
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**LOCAL FACILITIES USE ALLOWANCE CONTINGENCY FUND**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

**"Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended balance remaining at the close of the fiscal year 2007-2008 shall not lapse and shall continue into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal year 2008-2009 shall not lapse and shall continue into fiscal year 2009-2010 to provide for cost overruns in authorized court facilities projects not to exceed 15 percent of the use allowance in accordance with KRS Chapter 26A."

**HOUSE REPORT**

The House concurs with the Branch.

**X - Judicial Branch****Operating Budget****Judicial Form Retirement System**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	3,255,200	3,255,200		5,764,800	5,764,800		5,779,100	5,779,100	
<b>Regular Total Funds</b>	<b>3,255,200</b>	<b>3,255,200</b>		<b>5,764,800</b>	<b>5,764,800</b>		<b>5,779,100</b>	<b>5,779,100</b>	
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>3,255,200</b>	<b>3,255,200</b>		<b>5,764,800</b>	<b>5,764,800</b>		<b>5,779,100</b>	<b>5,779,100</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	420,000	420,000		464,800	464,800		479,100	479,100	
Operating Expenses	2,835,200	2,835,200		5,300,000	5,300,000		5,300,000	5,300,000	
<b>TOTAL EXPENDITURES</b>	<b>3,255,200</b>	<b>3,255,200</b>		<b>5,764,800</b>	<b>5,764,800</b>		<b>5,779,100</b>	<b>5,779,100</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	3,255,200	3,255,200		3,255,200	3,255,200		3,255,200	3,255,200	
<b>Regular Total Funds</b>	<b>3,255,200</b>	<b>3,255,200</b>		<b>3,255,200</b>	<b>3,255,200</b>		<b>3,255,200</b>	<b>3,255,200</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>3,255,200</b>	<b>3,255,200</b>		<b>3,255,200</b>	<b>3,255,200</b>		<b>3,255,200</b>	<b>3,255,200</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				2,509,600	2,509,600		2,523,900	2,523,900	
<b>TOTAL ADDITIONAL</b>				<b>2,509,600</b>	<b>2,509,600</b>		<b>2,523,900</b>	<b>2,523,900</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 DC Defined Calculation</b>									
ABR020CDC000 Provides funds for the Judicial Retirement Plan as provided in the statutory actuarial report.									
General Fund				2,509,600	2,509,600		2,523,900	2,523,900	
<b>Project Total</b>				<b>2,509,600</b>	<b>2,509,600</b>		<b>2,523,900</b>	<b>2,523,900</b>	
<b>TOTAL ADDITIONAL</b>				<b>2,509,600</b>	<b>2,509,600</b>		<b>2,523,900</b>	<b>2,523,900</b>	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY  
BUDGET MODIFICATION REPORT**

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**JUDICIAL FORM RETIREMENT SYSTEM**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Courts, Family Courts, District Courts, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the offices of the Circuit Clerks. The bill includes funding to provide a five percent salary increment to all employees, a retirement contribution as requested by the Kentucky Employees Retirement System, and increases in health insurance rates, as required by the health insurance plan.

The State/Judicial Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

**"Judicial Retirement Benefits:** General Fund amounts are included to provide actuarial assessed judicial retirement benefits, pursuant to KRS 21.345 to 21.580."

**HOUSE REPORT**

The House concurs with the Branch.

## **Judicial Part III - General Provisions**

### **BRANCH BUDGET**

The Judicial Branch Budget Bill, Part III, General Provisions, includes the following directives:

- 1. Expenditure Authority:** The Director of the Administrative Office of the Courts, with the approval of the Chief Justice, may expend any of the funds appropriated for the court operation and administration in any lawful manner and for any legal purpose that the Chief Justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the Judicial Branch of government.
- 2. Severability of Budget Provisions:** Appropriation items and sums in this Act conform to KRS 48.311. If any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.
- 3. Duplicate Appropriations:** Any appropriation item and sum in this Act and in an appropriation provision in another Act of the 2006 General Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.
- 4. Priority of Individual Appropriations:** KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.
- 5. Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or Federal Funds accounts at the close of the fiscal years ending June 30, 2006, and June 30, 2007, shall not lapse and shall continue into the next fiscal year.
- 6. Final Budget Document:** The Chief Justice shall cause the Director of the Administrative Office of the Courts to prepare a final budget document reflecting the 2006-2008 biennial budget of the Court of Justice. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the Finance and Administration Cabinet within 60 days of the adjournment of the 2006 Regular Session of the General Assembly.
- 7. Transferability of Funds:** The Chief Justice of the Commonwealth of Kentucky shall have the ability to transfer funds to other programs and budget units within the Judicial Branch. Any funds transferred to other budget units within the Judicial Branch may be used to support any activity, program, or operation of the budget unit or program receiving the respective funds.

**Judicial Part III - General Provisions**

**8. Appropriations Revisions:** Proposed revisions to Restricted Funds and Federal Funds appropriations in this Act shall be made and reported pursuant to KRS 48.630(10). The Director of the Administrative Office of the Courts shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount."

**9. Maximum Salary of Trial Commissioners:** Notwithstanding KRS 24A.100(3), funds are included to continue the statutory maximum salary of trial commissioners as provided for in the Judicial Branch Budget Recommendation.

**10. Judicial Retirement:** To achieve consistency with the Kentucky Court of Justice Personnel Policy Section 6.03(2), with respect to nonelected employees, the compensation payable to any Justice or Judge receiving retirement benefits from the Judicial Retirement Plan on account of prior judicial service shall be fixed at an amount whereby his or her total salary and retirement benefits shall not exceed the salary fixed for the judicial office held.

**HOUSE REPORT**

The House concurs with the branch with the following change:

The House adds the following language provision:

**"11. Expenditure of Restricted Funds:** Notwithstanding KRS 31A.010, 42.320(2)(e), 186.440, 186.531, 237.110(7), and 431.078, the Chief Justice may expend all restricted agency funds as necessary to meet the obligations of this Act and to effectively operate the Judicial Branch."

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03/13/08 12:43 PM

**Judicial Part IV - Budget Reduction or Surplus Expenditure Plan**

**BRANCH BUDGET**

The Judicial Branch Budget Bill, Part IV, Budget Reduction or Surplus Expenditure Plan, includes the following directive:

The Judicial Branch shall participate in any Budget Reduction Plan or Surplus Expenditure Plan in accordance with the provisions of KRS Chapter 48.

**HOUSE REPORT**

The House concurs with the Branch.

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