



Supreme Court of Kansas

KANSAS JUDICIAL CENTER
301 S.W. 10TH AVENUE
TOPEKA, KANSAS 66612-1507

ROBERT E. DAVIS
Chief Justice

785-296-5322

November 6, 2009

Dear Court Employees:

To keep you informed of the latest news affecting the court system budget, I am relaying information about the Consensus Revenue Estimates released late yesterday. These estimates will be used as the basis of legislative appropriations for the balance of this fiscal year, which ends June 30, 2010.

As many predicted, the estimates project that the state will receive significantly less revenue than anticipated when the current state budget was drafted last April. The economic analysts who arrived at the estimates predict that revenues will be down \$235 million from April figures, meaning additional budget cuts for state entities. The state budget includes all money for the court system from the state general fund, 98 percent of which supports salaries and benefits for our employees. This is why cuts in the judiciary's general fund appropriation unavoidably threaten to require involuntary unpaid leaves by Judicial Branch staff.

Given last Spring's total cut to the Judicial Branch general fund budget of \$15.9 million, as you know, we have instituted several cost savings measures as well as revenue enhancements.

- **Hiring freeze.** This cost savings measure has offset \$365,000 of the \$15.9 million shortfall. If vacancy rates for the first half of the fiscal year are maintained, the Judicial Branch will have saved a total of \$1.2 million by June 30, 2010.
- **Elimination of Temporary Part-Time Hours.** This cost savings measure has offset \$800,000 of the shortfall so far. There were 93 of our employees left without jobs by this measure.
- **Significant reduction of the use of retired judges.** This cost savings measure has offset \$96,000 of the shortfall so far. As a practical matter, this measure means that district courts are not able to look to retired judges to help keep pace with their dockets. Any exceptions are limited to extreme circumstances.
- **Emergency Surcharge.** Our Judicial Branch worked with the Legislature to institute this revenue enhancement from certain case filings. The surcharge was projected to

raise \$5 million for the fiscal year; it is so far meeting expectations, raising \$1.2 million in the first few months of FY 2010.

- **Stimulus Package Grant.** We were able to obtain \$830,557 from the federal stimulus package to assist with meeting the budget shortfall.

Even with all of the above listed measures, the Judicial Branch still faces a budget deficit of approximately \$8 million. The ultimate figure may eventually be slightly higher or lower, depending on the performance of the cost savings and revenue enhancement measures in the eight months ahead. Since we learned of the \$15.9 million budget shortfall, legislative leaders and the Governor have encouraged us to pursue a supplemental funding measure when the Legislature returns in January. And the good news is that the Governor's office yesterday repeated his July pledge to use a statutory allotment procedure to cut \$8 million from the Executive Branch budget. In theory, the Legislature could use those dollars for an additional appropriation to the Judicial Branch.

We remain hopeful that the Legislature will do exactly that, eliminating the need for any involuntary unpaid leaves by our employees. However, the new and discouraging Consensus Revenue Estimates released yesterday exert counter pressure on our legislative representatives.

If the \$8 million is not restored to our budget by swift legislative action, then the Supreme Court will have no choice but to order courts closed and staff placed on involuntary unpaid leave on the contingency schedule I first communicated to all of you in mid-July, that is, **the full weeks of February 15, March 15, April 5, May 10 and 24, and June 7, 2010.**

As always, please know that I and the other members of the Supreme Court sincerely appreciate your dedication and hard work for the people of Kansas, and never more so than in these difficult economic times. We thank you for making our court system among the best in the country.

Sincerely,



Robert E. Davis
Chief Justice