

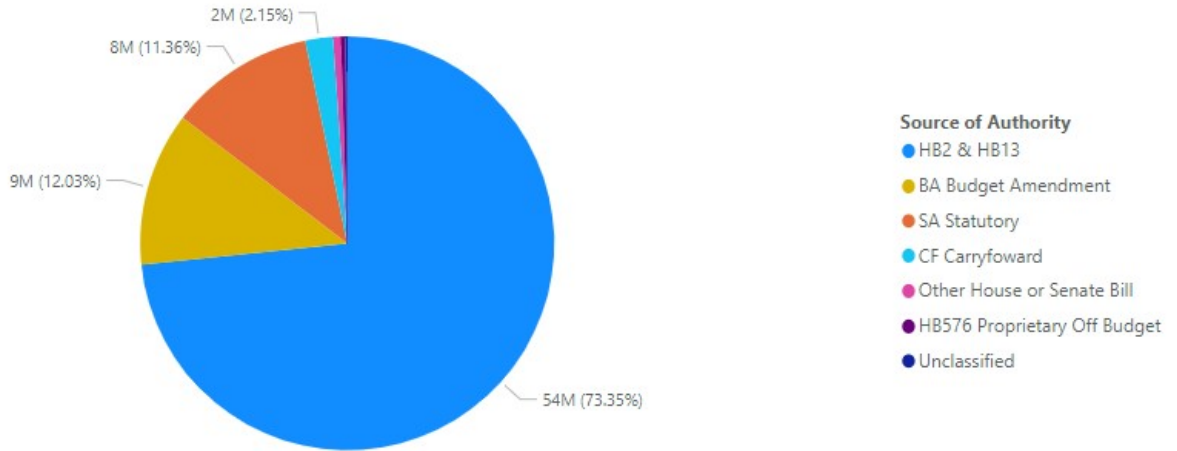
# JUDICIAL BRANCH

## TOTAL APPROPRIATION AUTHORITY

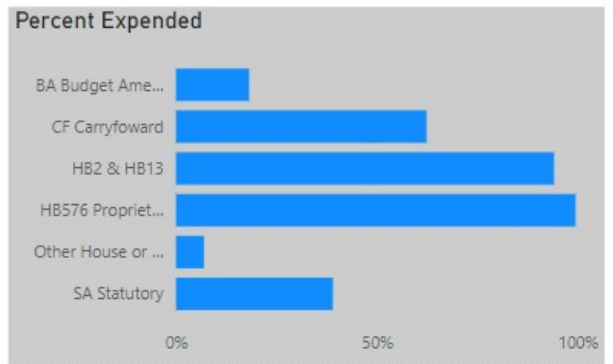
The total appropriation authority for the agency is shown in the pie chart below. HB 2 consists of 73.4% of the total authority, but this agency has other types of authority which are described below.

### Judiciary

Total Appropriation Authority



Fiscal Year	2021			
LFD_src_auth_descr	Budget	FYE Expended	Percent Expended	
BA Budget Amendment	8,902,966	1,622,937	18.2%	
CF Carryforward	1,588,750	991,395	62.4%	
HB2 & HB13	54,306,406	51,128,344	94.1%	
HB576 Proprietary Off Budget	256,441	255,179	99.5%	
Other House or Senate Bill	458,212	31,900	7.0%	
SA Statutory	8,412,504	3,286,486	39.1%	
Unclassified	108,617			
<b>Total</b>	<b>74,033,895</b>	<b>57,316,241</b>	<b>77.4%</b>	



## Budget Amendments

The Judicial Branch (Judiciary) budget amendments increased federal authority by \$8.9 million in FY 2021 and the Judiciary expended \$1.6 million of the authority. Of this authority, 93.3% was in the District Court Operations Division and the remainder was through the Supreme Court Operations Division. The following is a summary of 79.9% of the spending of Judiciary budget amendments:

- \$770,929 – in support of activities related to drug treatment courts, including adult, veterans, and family treatment courts
- \$264,383 – to fund 3 new treatment courts, a Montana drug court conference, and a financial specialist, including 4.00 FTE in FY 2021

- \$152,141 – in support of activities related to adult, family, and veterans drug courts
- \$108,768 – to facilitate state court data collection and analysis, to promote data sharing between state courts and child welfare agencies, and to provide training within various disciplines related to children at risk. These expenditures support the requirements of HB 39 (2021 Legislature)
- The remaining \$7.3 million in budget amendment authority will be available for spending in FY 2022

**Carryforward and/or Continuing Authority**

The Judiciary had \$1.6 million of carryforward authority in FY 2021. The branch had \$991,395 of carryforward authority remaining in the budget from FY 2019 and expended all of it. The branch expended 62.4% of the total expenditures on operating expenses across the divisions. The branch also had \$597,355 of carryforward authority from FY 2020 that was unspent. The carryforward balance will be continued for use in FY 2022. From the total expenditures, 94% was funded with general fund and the remainder from state special revenues.

**Non-Budgeted Proprietary Funding**

The Judiciary has one proprietary program within the Law Library Division that supports the costs of on-line search functions in the Lexis system. The program was provided \$256,441 in authority and expended all of it.

**Other Bills**

The Judiciary had \$250,000 of state special revenue authority in FY 2021 that was provided in HB 654, “Generally revise laws for funding of treatment courts”, passed and approved by the 2019 Legislature. The appropriation was funded by a new license fee on non-retail pharmacy opioid sellers. In FY 2021 the branch expended \$8,900, or 3.6%, of the appropriation from which \$5,000 was expended on grants for the support of treatment courts.

The branch also continued budget authority of \$208,212 in capital project appropriation authority through the Long-Range Information Technology (IT) Program. The authority was provided in prior biennia legislation. In FY 2021 the branch expended \$23,000 on courtroom technology projects. For more information on IT projects, see Page 7 of this report.

**COVID-19 Authority**

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts. Administrative authority for CARES I and ARPA appropriations was allocated to the agency by the Governor’s Office. Administration authority is not an appropriation and thus is not included in the total appropriation authority shown in the figure below. The appropriation authority for CARES I and ARPA shown below remains with the Governor’s Office.

Coronavirus Stimulus Appropriations Judiciary

Stimulus Authority	Budget	FYE Expended	Percent Expended
CARES I	313,460	313,460	100.0%
CARES II	100,469		

The branch expended CARES I funds principally on operating expenditures and grants through the Supreme Court Operations program. The primary spending of COVID-19 funding over the biennium consists of the following:

- \$101,595 COVID-19 Personal Services Costs
- \$99,211 Remote work equipment
- \$54,801 Social distancing
- \$12,000 Personal protective Equipment

### **Statutory Appropriations**

The statutory appropriation from the youth court intervention and prevention account is established and statutorily appropriated in 41-5-2011, MCA. The account receives:

- Unexpended funds from the judicial districts' annual allocations of juvenile placement funds
- Unexpended funds from the cost containment pool created from juvenile placement funds

By statute, the account may be used for:

- Establishment or expansion of community prevention and intervention programs and services for youth
- To provide alternative funding methods for out-of-home placements
- To provide matching funds for federal money for intervention and prevention programs that provide services to youth

After funding is transferred to the account in the Judicial Branch, it is used by the District Courts for the following two years. In FY 2021 the authority supported \$3.3 million in expenditures across the youth courts. Any funding remaining after two years is transferred to the general fund.

### **Unclassified**

The branch had \$108,617 of unclassified budget authority in FY 2021. The authority can be tracked to two items, COVID II authority (92.5%) and workers compensation reductions. Neither of these budget items had spending associated with them in FY 2021. The authority provided for COVID II funding is seen in the coronavirus appropriation figure at the top of this page.

## HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the ending FYE modified budget. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

### HB 2 Modifications Judiciary

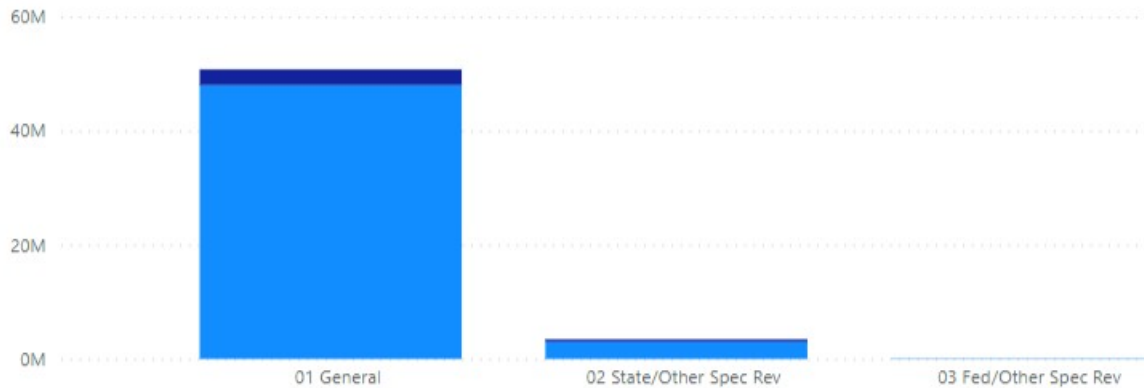
Agency Program	HB2 Budget	FYE Modified Budget	Net Modifications	
01 SUPREME COURT OPERATIONS	18,645,169	18,810,639	165,470	
03 LAW LIBRARY	866,057	865,985	-72	
04 DISTRICT COURT OPERATIONS	31,803,036	31,678,387	-124,649	
05 WATER COURT	2,368,637	2,368,227	-410	
06 CLERK OF COURT	583,273	583,168	-105	
<b>Total</b>	<b>54,266,172</b>	<b>54,306,406</b>	<b>40,234</b>	<b>40,233.62</b>
61000 Personal Services	39,812,645	39,758,812	-53,833	
62000 Operating Expenses	8,666,218	8,114,860	-551,358	
63000 Equipment & Intangible Assets	173,116	191,829	18,713	
66000 Grants	456,987	456,987	0	
67000 Benefits & Claims	5,157,206	1,384,235	-3,772,971	
68000 Transfers-out		4,389,895	4,389,895	
69000 Debt Service		9,787	9,787	
Fund Type	HB2 Budget	FYE Modified Budget	Net Modifications	
01 General	50,729,181	50,769,767	40,586	
02 State/Other Spec Rev	3,435,064	3,434,721	-343	
03 Fed/Other Spec Rev	101,927	101,918	-9	

The Judiciary made modifications to the HB 2 budget that netted to \$40,234. The addition of authority in the 2021 budget resulted from the continuation of \$48,382 in authority for Legislative Audit, which was offset by a negative adjustment for workers' compensation adjustments. As seen in the figures above, the adjustments moving authority from FY 2020 to FY 2021 increased the Supreme Court Operations division budget and general fund authority. Modifications that in total net to \$0 include the move of 1.00 FTE (E-filing specialist) from the District Court Operations Division to the Supreme Court Operations Division. The largest modification moved \$4.4 million of general fund authority from benefits and claims to transfers-out for the purposes of the Juvenile Delinquency Intervention Act.

## HB 2 APPROPRIATION AUTHORITY

### HB 2 Expenditures

● FYE Expended ● Remaining Budget



Expenditure Account	FYE Modified Budget	FYE Expended	Percent Expended
61000 Personal Services	39,758,812	38,040,296	95.7%
62000 Operating Expenses	8,114,860	7,154,749	88.2%
68000 Transfers-out	4,389,895	4,389,895	100.0%
67000 Benefits & Claims	1,384,235	902,178	65.2%
66000 Grants	456,987	451,002	98.7%
63000 Equipment & Intangible Assets	191,829	180,482	94.1%
69000 Debt Service	9,787	9,742	99.5%
<b>Total</b>			
	<b>54,306,406</b>	<b>51,128,344</b>	<b>94.1%</b>

Agency Program	FYE Modified Budget	FYE Expended	Percent Expended
04 DISTRICT COURT OPERATIONS	31,678,387	29,942,893	94.5%
01 SUPREME COURT OPERATIONS	18,810,639	17,480,824	92.9%
05 WATER COURT	2,368,227	2,336,294	98.7%
03 LAW LIBRARY	865,985	817,007	94.3%
06 CLERK OF COURT	583,168	551,326	94.5%
<b>Total</b>			
	<b>54,306,406</b>	<b>51,128,344</b>	<b>94.1%</b>

In FY 2021, the Judiciary expended \$51.1 million, or 94.1%, of the modified HB 2 budget. The figure at the top of this page explains the HB 2 funding. The figure below provides the amounts of the funding by source including how it was distributed and expended.

HB 2 Funding - Judicial Branch				
Fund Type	Modified Budget	FYE Expended	Remaining Balance	% Exp
01 General	\$50,769,767	\$48,014,576	\$2,755,191	94.6%
02 State/Other Spec Rev	3,434,721	3,022,882	411,839	88.0%
03 Fed/Other Spec Rev	101,918	90,886	11,032	89.2%

The branch's budget is principally funded with general fund revenue (01 General), and the Judiciary expended 94.6% of the funds. The remaining funding, 7.1% of the budget, is funded with state and federal special revenue, and the branch expended 88.0% of those funds. For more information on branch funding, see Page 8 – Unspent Authority of this report.

Spending in the branch has increased by an annual average of approximately 1.0% in the last five years. Overall spending was 0.9% less in FY 2021 than FY 2020. The historic increase is explained by growth in personal services, 1.9% over the past five years and 1.4% since FY 2020. The 2019 Legislature authorized an increase of 10.88 FTE for FY 2021, which explains the increase in personal services.

The District Court Operations Division has historically accounted for 57.6% of the branch's HB 2 costs, and in FY 2021 it accounted for 58.6% of the modified budget. In FY 2021, personal services account for 92.1% of the FY 2021 budget and supports 71.8% of the branch's FTE. Some specific details of FY 2021 Judiciary spending, as designated in the 2019 version of HB 2, include:

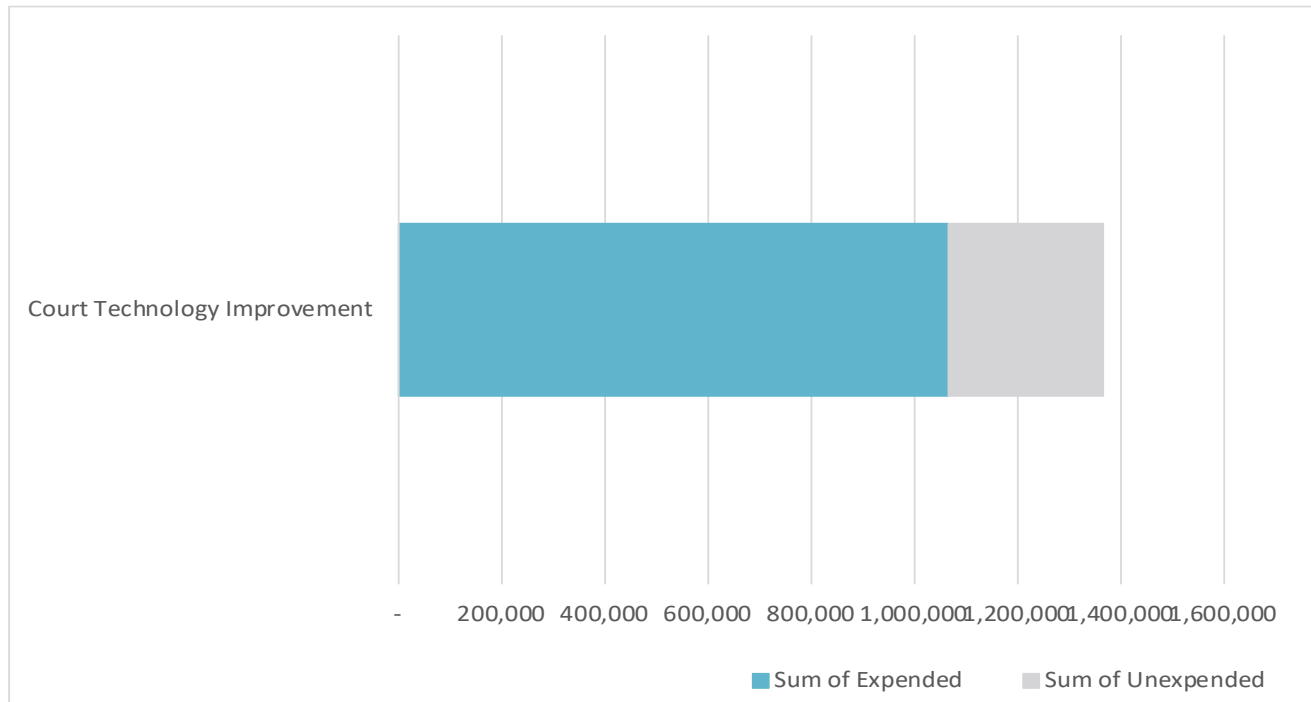
- Pretrial Program (OTO) - \$776,091 of state special revenue each year of the biennium in Supreme Court Operations Division, to assist the criminal justice system with handling persons arrested and held in jails in five pilot counties (Butte-Silver Bow, Lake, Lewis & Clark, Missoula, and Yellowstone). The pilot project included the addition of 3.25 FTE. The branch expended 87.1% of the authority in FY 2021. This appropriation had reporting requirements, and below is the link for the report the branch provided to the Law and Justice Interim Committee in September of 2020:

<https://leg.mt.gov/content/Committees/Interim/2019-2020/Law-and-Justice/Committee-Topics/Required-Reports/pretrial-program-update-judicial-branch-september-2020.pdf>

- Youth Parole (HB 111) - \$572,879 in general fund and \$21,224 in state special revenue funds in Supreme Court Operations Division in FY 2021. The appropriation supported 2.00 FTE in the division for two placement specialists to undertake the purposes of HB 111 - operations required in the revocation of a youth's conditional release when the terms and conditions of the youth's conditional release have been violated

## OTHER ISSUES

### Information Technology Project Expenditures



Large Information Technology Projects Original and Revised Budgets			
Project	Original Budget	Revised Budget	Change from Original Budget
Court Technology Improvement	834,000	1,366,652	63.9%

Large Information Technology Projects Original and Revised Delivery Date				
Project	Start Date	Original Delivery Date	Revised Delivery Date	Change from Original Delivery Date
Court Technology Improvement	7/1/2015	6/30/2017	12/31/2022	275.3%

The Judiciary began the court technology improvements project in FY 2015. The project was increased by \$532,652, or 63.9%, as a result of the addition of internal resource costs in the total project costs (not previously included). Capital budget authority was provided through the Long-Range Information Technology Program and the costs of internal resources are funded through the HB 2 budget. The project entails adding IT improvements to courtrooms and systems across the state. In the 2021 biennium, travel restrictions related to the COVID-19 pandemic have led to a delay in the project completion.

The branch had \$208,212 of capital project authority continued in the FY 2021 budget and expended \$23,000 of the authority. The remaining \$185,212 of budget authority will be available for project completion in FY 2022.

## **Required Reports**

In 2021, the Judiciary filed one “triggering” operational plan change that moved appropriation authority between first level account types, increasing operating expenses in the Water Court Operations division. The “triggering” change requires review and comment by the Legislative Finance Committee and was reviewed by staff of the Legislative Fiscal Division. This budget change document was submitted by the branch to be included on the time sensitive list provided to the LFC (060 OP189).

### ***Unspent Authority***

As seen in the figure on Page 5 of this report, the Judiciary expended 94.1% of the modified HB 2 budget. The remaining balance of \$3.2 million will be retained in the various funds. The largest source of funding in the branch is general fund, where there was unused authority of \$2.8 million. The balance will revert to the general fund and increase the projected general fund balance. The balances of state and federal special revenues, amounting to \$422,871 will generally be retained in the funds that contained the appropriation.