

# **LSC Greenbook**

**Analysis of the Enacted Budget**

## **Court of Claims**

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## **ATTACHMENT:**

Budget Spreadsheet By Line Item

# Court of Claims

- Staffing and service levels to be maintained
- Potential benefit and payroll increases budgeted for FY 2011
- No major equipment purchases planned for the biennium

## OVERVIEW

### Duties and Responsibilities

The Court of Claims, established in 1975, is the only statutory court with statewide jurisdiction. Prior to its creation, there was no forum for civil actions filed against the state of Ohio. The Court of Claims' three primary activities include:

1. Adjudicating civil actions filed against the state;
2. Hearing appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Law; and
3. Acting as the state's fiduciary agent for processing claims of wrongful imprisonment.

### Appropriation Overview

Table 1 below summarizes the Court's budget by fund group.

Fund Group	FY 2009*	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue	\$3,473,553	\$2,699,369	-22.3%	\$2,780,350	3.0%
State Special Revenue	\$1,342,666	\$1,582,684	17.9%	\$1,582,684	0.0%
<b>TOTALS</b>	\$4,816,219	\$4,282,053	-11.1%	\$4,363,034	1.9%

\*Actual expenditures in FY 2009.

The Court is funded through two primary funding sources: (1) GRF and (2) State Special Revenue funds, specifically cash transferred from the Victims of Crime/Reparations Fund (Fund 4020), which is used primarily by the Office of the Attorney General. Each source of funding is dedicated to supporting the primary functions of the Court, including administering the civil docket and overseeing the appeals of victims of crime applications, respectively.

Relative to the Court's GRF budget, it should be noted that it includes line item 015402, Wrongful Imprisonment Compensation, for which funds are never appropriated in the main operating appropriations act. The line item's funds are transferred from the Controlling Board's budget on an as-needed basis to pay individuals who have been judged wrongfully imprisoned in the state of Ohio. In the

case of the Court's FY 2009 GRF expenditures, it includes one-time spending of \$772,316 to settle wrongful imprisonment claims. If this one-time amount were subtracted from the Court's total FY 2009 GRF expenditures, it would reveal that the change in its ongoing GRF expenditures from FY 2009 to FY 2010 is a 0.1% decrease, rather than the 22.3% decrease that is apparent in Table 1 above.

## Operations

### Staffing

Tables 2 and 3 below display staffing levels, in terms of full-time equivalent staff positions (FTEs) maintained by the Court from FYs 2005 through 2011. It should be noted that a number of employees are paid on a per diem basis. For this reason, the numbers may not illustrate a physical portrayal (i.e., head count) of the Court's staffing, which currently employs 43 persons, with a number of them being part-time. No staffing reductions are anticipated for the FY 2010-FY 2011 biennium.

Division	2005	2006	2007	2008	2009	2010	2011
Civil	23.34	24.58	23.55	22.91	23.58	23.67	23.67
Victims of Crime	11.49	11.80	12.03	11.67	11.07	11.56	11.56
<b>Totals</b>	<b>35.83</b>	<b>36.38</b>	<b>35.58</b>	<b>34.58</b>	<b>35.65</b>	<b>35.23</b>	<b>35.23</b>

\*The staffing levels displayed in the above table represent full-time equivalents (FTEs). FYs 2010 to 2011 represent projected staffing levels.

**Judges.** The Court resides in Franklin County and consists of judges who sit by temporary assignment of the Chief Justice of the Supreme Court. The Chief Justice may appoint incumbent justices or judges of the Supreme Court, courts of appeals, or courts of common pleas, or retired justices or judges eligible for active duty pursuant to Division C of Section 6 of Article IV of the Ohio Constitution. The appointments to the Court are temporary, lasting roughly three months. Many of the judges, however, are reappointed for multiple terms.

**Commissioners.** In addition to its judges, the Court also has seven commissioners who are appointed by the Chief Justice of the Supreme Court of Ohio for six-year terms. These commissioners are responsible for hearing and determining crime victims' appeals. Commissioners are not required to have previous judicial experience, but are required to be lawyers with three years of work experience.

<b>Table 3. Court of Claims Staffing Levels by Appointment Type, FYs 2005-2011*</b>							
<b>Appointment Types</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Permanent Staff	29.78	29.21	29.50	28.98	28.03	28.98	28.98
Temporary Staff	1.55	2.01	.96	.87	1.38	1.27	1.27
Commissioners	3.01	3.61	3.67	3.40	3.00	3.53	3.53
Judges	1.49	1.55	1.45	1.32	1.24	1.45	1.45
<b>Totals</b>	<b>35.83</b>	<b>36.38</b>	<b>35.58</b>	<b>34.57</b>	<b>35.65</b>	<b>35.23</b>	<b>35.23</b>

\*The staffing levels displayed in the above table represent full-time equivalent (FTE) staff positions. FYs 2010 to 2011 represent projected staffing levels.

### **Compensation Costs<sup>1</sup>**

The compensation levels of approximately 15% of the Court's employees are set either by the Revised Code or the Supreme Court. For the remainder, compensation levels are set upon delegated authority granted to the Clerk by the Supreme Court. Judges and referees are paid on a per diem basis.

Cumulative per diem costs can vary from year to year depending on the number of cases filed with the Court and how many of those cases are heard by a single judge/referee or if a panel of three judges/referees are appointed to a case because of its complexity.

Table 4 below illustrates the employees whose salaries are set either by the Revised Code or the Supreme Court.

While the Clerk has discretionary power with respect to determining most salary costs, all budgetary matters including the Court's payroll line item are discussed quarterly with the Administrative Director of the Supreme Court.

<sup>1</sup> Section 2743.08 of the Revised Code requires that the Supreme Court fix the compensation to be paid to the clerk and deputy clerks, court reporters, secretaries, and clerical personnel employed by the Court of Claims.

Employee Title	ORC Statutory Authority	Compensation Type	Current Salary/Per Diem Rate	Funding Source
Judges	2743.04	Per diem, based on the current salary of a judge of a court of appeals, plus travel expenses if the judge resides outside of Franklin County*	\$528 per day	GRF
Magistrates (Referees)**	2743.03(C)(3)	Per diem, plus expenses (if a panel of three magistrates is appointed, the salary and expenses of the remaining two shall be taxed as costs of the case)	\$528 per day	GRF (potentially supplemented by parties to a case if certain conditions are met)
Commissioners	2743.54(B)	Hourly rate, plus expenses if the commissioner resides outside of Franklin County (set by the Supreme Court)	\$40 per hour	Fund 5K20 (Court of Claims Victims of Crime Fund)

\*This per diem arrangement applies to retired judges (which currently is the case). If, however, an incumbent judge is appointed, the per diem is equal to that allowed a retired judge less a per diem amount computed on his/her annual compensation.

\*\*Magistrates (referees) specialize in disputes arising between the state and a contractor concerning the terms of a public improvement contract.

### Wrongful Imprisonment Claims

The Court of Claims acts as the state's fiduciary agent for processing claims of wrongful imprisonment. When a wrongful imprisonment judgment has been journalized in a court of common pleas, the Controlling Board, upon certification by the Court of Claims, transfers the sum necessary for disbursement from the Court's GRF line item 015402. Table 5 below shows the total amount of money that the Court has disbursed annually to make wrongful imprisonment payment settlements from FYs 2000-2009.

Fiscal Year	Total Disbursed
2000	\$75,501
2001	\$841,237
2002	\$0
2003	\$0
2004	\$2,036,990
2005	\$0
2006	\$2,357,877
2007	\$4,260,000
2008	\$0
2009	\$772,316

## ANALYSIS OF ENACTED BUDGET

This section provides a more detailed discussion of the line items that finance the Court's handling of civil cases and victims of crime appeals. The FY 2010 and FY 2011 amounts appropriated for these purposes are shown in Table 6 below. Also incorporated into the narrative below is historical civil and crime victim appeal caseload data.

Table 6. Appropriations for the Court of Claims, FY 2010-FY 2011					
Fund	ALI and Name			FY 2010	FY 2011
<b>General Revenue Fund (GRF)</b>					
GRF	015321	Operating Expenses		\$2,699,369	\$2,780,350
<b>State Special Revenue Fund (SSR) Group</b>					
5K20	015603	CLA Victims of Crime		\$1,582,684	\$1,582,684
<b>Total Funding: Court of Claims</b>				<b>\$4,282,053</b>	<b>\$4,363,034</b>

### Civil Division (GRF line item 015321)

The expenses of operating the Court's Civil Division, which is responsible for hearing all civil claims filed against the state of Ohio and its agencies, are paid from moneys appropriated to this GRF line item.

The Court's FY 2010 GRF appropriation of \$2,699,369 is more representative of a "flat funded" budget. For FY 2011, the Court received a 3.0% increase in its GRF appropriation, or \$2,780,350. These amounts appear sufficient for the Court to continue services and activities equal to the FY 2009 level.

The additional funding for FY 2011, approximately \$81,000, will be used primarily to help offset potential future increased costs associated with personal services expenses, particularly health benefits and payroll charges.

No major equipment purchases utilizing these GRF appropriations are planned for the FY 2010-FY 2011 biennium.

Details on the filing and disposition of civil cases from calendar years 2002-2008 for both administratively processed claims and judicially processed claims is summarized in Table 7 below.

<b>Table 7. Civil Case Filings, Calendar Years 2002-2008</b>							
<b>Type of Action</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Administratively processed claims (\$2,500 or less)</b>							
Cases Filed	594	702	604	683	359	514	687
Cases Terminated	540	766	644	671	374	472	675
Cases Pending	225	161	121	133	118	160	172
<b>Judicially processed claims (over \$2,500)</b>							
Cases Filed	457	432	420	455	375	381	407
Cases Terminated	519	450	467	399	380	356	419
Stay/Interlocutory Appeals*	---	---	200	161	164	171	182
Cases Pending	549	531	484	540	535	560	548
Trials/Hearings Held*	---	---	117	71	117	248	151
Conferences Held*	---	---	813	1,158	1,483	1,515	1,632

\*Data not tracked prior to calendar year 2004.

### **Victims of Crime Appeals (SSR line item 015603)**

This SSR line item pays for: (1) the compensation of judges of the Court of Claims necessary to hear and determine appeals from the Office of the Attorney General, and (2) the compensation of any personnel of the Court of Claims needed to administer sections 2743.51 through 2743.72 of the Revised Code.

Its appropriation is supported by cash transferred by OBM from the Victims of Crime/Reparations Fund (Fund 4020), which is used primarily by the Office of the Attorney General. The line item's FY 2010 and FY 2011 appropriations of \$1,582,684 appear sufficient to maintain the level of services and activities it financed in FY 2009.

Details on the filing and disposition of victims of crime appeals from calendar years 2002-2008 is summarized in Table 8 below.

<b>Table 8. Victims of Crime Appeals, Calendar Years 2002-2008</b>							
<b>Type of Action</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Cases Filed	281	170	170	108	154	98	138
Cases Terminated	284	199	174	137	103	125	99
Cases Pending	113	84	80	51	102	75	82
Trials/Hearings Held*	---	---	198	161	145	210	136
Administrative Orders	196	151	129	130	166	159	108

\*Data not tracked prior to calendar year 2004.



**FY 2010 - 2011 Final Appropriation Amounts**

**All Fund Groups**

<b>Line Item Detail by Agency</b>			<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010 Appropriations</b>	<b>% Change FY09 - FY10</b>	<b>FY 2011 Appropriations</b>	<b>% Change FY10 - FY11</b>
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>CLA Court of Claims</b>								
GRF	015321	Operating Expenses	\$ 2,603,050	\$ 2,701,237	\$ 2,699,369	-0.07%	\$ 2,780,350	3.00%
GRF	015402	Wrongful Imprisonment Compensation	\$0	\$ 772,316	\$0	N/A	\$0	N/A
<b>General Revenue Fund Total</b>			<b>\$ 2,603,050</b>	<b>\$ 3,473,553</b>	<b>\$ 2,699,369</b>	<b>-22.29%</b>	<b>\$ 2,780,350</b>	<b>3.00%</b>
5K20	015603	CLA Victims of Crime	\$ 1,350,493	\$ 1,342,666	\$ 1,582,684	17.88%	\$ 1,582,684	0.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 1,350,493</b>	<b>\$ 1,342,666</b>	<b>\$ 1,582,684</b>	<b>17.88%</b>	<b>\$ 1,582,684</b>	<b>0.00%</b>
<b>Court of Claims Total</b>			<b>\$ 3,953,543</b>	<b>\$ 4,816,219</b>	<b>\$ 4,282,053</b>	<b>-11.09%</b>	<b>\$ 4,363,034</b>	<b>1.89%</b>