



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #740

Standard Budget Adjustments -- Turnover Reduction (Supreme Court)

[LFB 2009-11 Budget Summary: Page 591, #1]

CURRENT LAW

Under the Department of Administration's 2009-11 budget instructions to state agencies, standard budget adjustments are defined as "a category of cost changes common across all agencies that are considered 'housekeeping' in nature and are required to continue a base level of services into the next biennium. Among standard budget adjustments is turnover reductions, which is generally calculated at 3% for state agencies.

GOVERNOR

No provision.

DISCUSSION POINTS

1. Turnover reduction is a budget calculation that reduces agency base permanent salaries in any appropriation with more than 50 full-time equivalent permanent positions assuming that at any point in time during the upcoming biennium a certain percentage of positions will be vacant and that refilled positions will generally be filled at a lower salary level. The 2009-11 budget instructions for state agencies indicate that the turnover reduction rate for all agencies is 3%.

2. One appropriation in the Supreme Court has more than 50 full-time equivalent positions which is the Director of State Courts general program appropriation with 67.0 GPR positions.

3. Assembly Bill 75 does not remove turnover from the appropriation. Removing turnover would result in an annual reduction to the appropriation of \$135,000 GPR and would make

the treatment of this appropriation the same as that of most other agencies.

4. Although the 3% turnover was not removed from the appropriation, the Director of State Courts office was subject to a 1% across-the-board reduction (-\$72,300 annually).

ALTERNATIVES

1. Approve the Governor's recommendation, which includes no turnover reduction.
2. Reduce the Director of State Courts general program operations appropriation by \$135,000 annually.

ALT 2	Change to Bill
	Funding
GPR	- \$270,000

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