

Trial Court Funding Workgroup

April 26, 2013



Workgroup Creation

- Created by Governor Edmund G. Brown, Jr. and Chief Justice Tani Cantil-Sakauye in September 2012
 - 10 Members
 - 6 Judicial Branch Appointees
 - 4 Executive Branch Appointees



Charge

- Determine how the state has progressed since the Trial Court Funding Act of 1997.
- Ascertain whether the goals of the Trial Court Funding Act have been met.
- Propose options to the Judicial Council to effectively meet and maintain the goals of having a state-funded trial court system and enhance transparency and accountability.



History

- Brown-Presley Trial Court Funding Act, enacted 1988
- From 1988 to 1990 the state's contributions to trial courts increased to \$500 million (a 68 percent increase)
- Trial Court Realignment and Efficiency Act of 1991



History, cont.

- AB 2553, pre-cursor to AB 233, was introduced in 1996
- Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233) signed into law by Governor Wilson on 10/10/97 and took effect 1/1/98

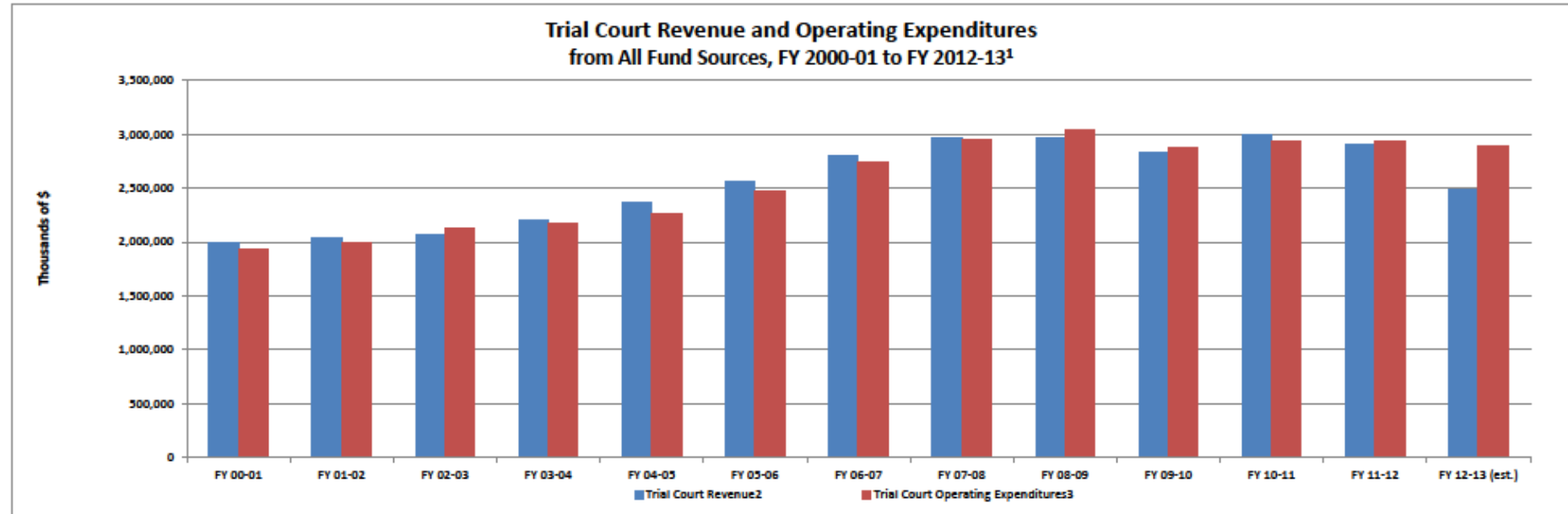


CHART 6 – TRIAL COURT REVENUE AND OPERATING EXPENDITURES FROM ALL FUND SOURCES

From FY 2000-2001 to FY 2012-2013 (estimated)

(Thousands of \$)

Trial Court Financial Information ¹	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13 (est.)
Trial Court Revenue ²	1,989,914	2,031,228	2,070,903	2,199,225	2,368,396	2,554,822	2,795,165	2,966,854	2,971,612	2,828,759	2,995,680	2,901,051	2,486,680
Trial Court Operating Expenditures ³	1,929,602	1,997,353	2,129,174	2,179,591	2,269,488	2,465,935	2,741,152	2,951,337	3,036,466	2,869,525	2,932,804	2,931,521	2,895,463



¹ In FY 2011-12, funding for sheriff-provided court security costs was transferred from the Trial Court Trust Fund to the counties. FY 2011-12 and FY 2012-13 revenue and operating expenditures include sheriff's security costs funding for comparison purposes only. The figures for 2012-2013 are estimated revenue and expenditures based on courts' 2012-2013 Schedule 1 budgets.

² Total revenue reported by courts includes revenues not received from trial court operations allocations, such as fee revenues retained locally, and enhanced collections reimbursements. For this and other reasons, total revenues reported by courts in their financial statements are not equivalent to total trial court operations allocations.

³ Trial court operating expenditures can include the use of trial court fund balances. Due to this, total expenditures can exceed total revenue, which occurred in FY 2008-09, 2009-10, and 2011-12 and 2012-13 (est.).

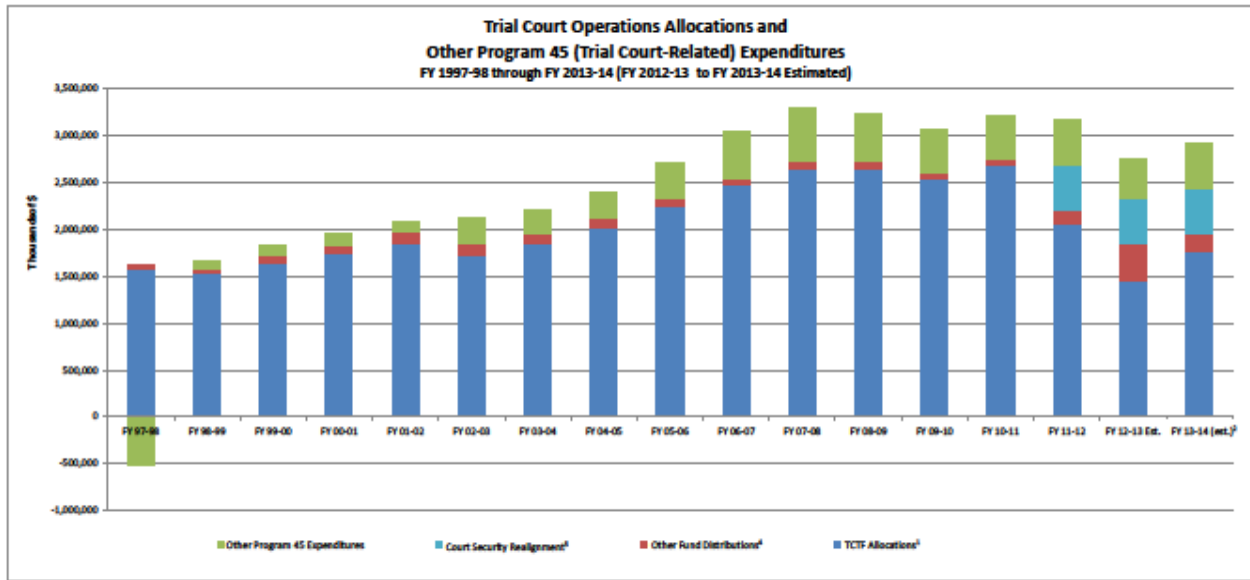
Data source: Quarterly Financial Statements and Schedule 1s (budgets) submitted by the courts.



CHART 1 – TOTAL TRIAL COURT OPERATIONS ALLOCATIONS AND OTHER PROGRAM 45 (TRIAL COURT-RELATED) EXPENDITURES

(Thousands of \$)

Court Allocations ¹	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13 Est.	FY 13-14 Est. ²
TCTF Allocations ¹	1,588,123	1,530,239	1,630,510	1,740,001	1,857,680	1,725,039	1,846,486	2,019,253	2,340,426	2,474,029	2,653,097	2,649,911	2,533,915	2,683,225	2,058,661	1,433,408	1,767,244
Other Fund Distributions ³	27,124	47,326	81,161	81,734	114,758	123,713	97,403	95,677	87,034	66,010	70,198	76,794	70,339	72,344	136,709	403,551	192,019
Court Security Realignment ⁴	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	484,614	484,614
Total Operations Allocations	1,615,247	1,577,565	1,711,671	1,821,735	1,972,438	1,848,752	1,943,890	2,114,930	2,327,460	2,540,039	2,723,295	2,726,705	2,604,254	2,755,569	2,479,884	2,361,573	2,443,877
Other Program 45 Expenditures	-521,368	79,564	117,063	133,893	105,234	272,725	254,554	286,960	386,483	497,122	545,578	511,186	456,370	462,632	484,770	430,679	473,303
Trial Court Operations - Non-TC Allocation (45.10)	(605,067)	(42,215)	(20,444)	(30,294)	(75,002)	86,646	55,219	64,478	110,990	192,304	227,549	169,732	116,262	114,513	50,723	47,646	109,096
TCTF - Non-TC Allocation (45.10)	-	30,079	19,068	17,750	9,767	26,764	14,182	21,296	72,960	114,272	168,708	116,969	56,797	28,275	23,275	-	-
Modernization Fund - Non-TC Allocation (45.10)	-	-	23,642	25,272	16,940	38,000	24,125	26,780	27,845	30,683	31,971	32,328	33,434	30,947	11,094	-	-
TCIMF - Non-TC Allocation (45.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,668	59,938
TCTF - Non-TC Allocation (45.10)	(605,067)	(72,294)	(63,154)	(73,226)	(101,309)	19,861	16,912	14,403	10,185	47,348	26,871	20,434	26,030	55,271	16,205	3,978	49,138
Trial Court Security (45.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,546	-
Judges' Compensation (45.25)	88,630	118,295	160,232	188,235	204,440	213,423	223,757	225,575	234,784	258,025	284,723	288,092	288,148	302,097	306,267	306,829	306,829
Assigned Judges (45.25)	18,539	18,295	16,745	18,063	20,062	17,684	17,269	21,105	21,984	24,921	31,305	30,866	26,998	25,665	25,413	26,047	26,047
Court Interpreters - Non-TC Allocation (45.45)	3,661	0	647	0	(415)	438	4,491	2,645	2,487	2,519	1,514	(912)	3,903	11	929	3,606	3,607
Grants - Non-TC Allocation (45.55)	(27,092)	(34,812)	(40,115)	(42,108)	(43,849)	(45,460)	(46,180)	(46,943)	16,238	18,353	20,487	23,409	21,000	20,546	18,892	26,545	25,734



¹ TCTF trial court allocations include TCTF Program 45.10 allocations, court-appointed counsel DRAFT program expenditures, Program 45.45 court interpreter program distributions, and the portion of Program 45.55 monies distributed to the courts. Exclude TCTF expenditure related to Program 45.25 - Judges' Compensation and Program 45.35 - Assigned Judges.

² In FY 2013-14, reflects allocations based on Governor's 2013 proposed budget released January 30, 2013. Reinstatement of funding related to the \$385 million one-time allocated reductions in FY 2012-2013, but the allocation of \$261 million in ongoing reductions because of the limited availability of fund reductions to offset reductions in FY 2013-2014.

³ Courts' use of fund balances to address reduced allocations is included in their total expenditures amounts displayed on Chart 6 - Trial Court Revenue and Expenditure Information from All Fund Sources (see Footnote 3).

⁴ Other Fund Distributions include allocations from the Trial Court Improvement Fund (TCIF), Judicial Administration Efficiency and Modernization Fund (Modernization Fund), General Fund, State Trial Court Improvement and Modernization Fund (IMF), and Immediate and Critical Needs Account. Examples include TCF, Modernization Fund, and IMF allocations to the courts for trial court operations funding (e.g. Domestic Violence Family Law Interpreter Program, Self-Help Center Funding, Complex Civil Litigation, etc.), and General Fund retirement, health, and retiree health benefits cost changes funding.

⁵ In FY 2011-12, funding for sheriff-provided court security costs was transferred from the Trial Court Trust Fund to the counties. FY 2011-12 through FY 2013-14 allocations include sheriff's security costs funding for comparison purposes only.



AB 233 & Judicial Branch Achievements

- Examined intent, goals, and requirements of AB 233
- Assessed judicial branch accomplishments in pursuit of the goals and requirements
- Judicial branch substantially complied with the Act
- Ongoing need to assess ways to provide equal and quality justice



Equal Access to Justice

- Equal access to justice not defined in AB 233
- Workgroup looked at literature
- No concrete definition of equal access to justice; identified basic elements



Findings



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Findings: Metrics, Staffing Standards, Efficiencies

- Substantial compliance with Act
- Improve funding allocation to promote equal access to justice



Findings: Metrics, Staffing Standards, Efficiencies, cont.

- Current funding allocation is:
 - Not based on workload fluctuations
 - Not designed to promote equal access
 - Not designed to promote statewide policies, efficiencies, or cost savings



Findings: Metrics, Staffing Standards, Efficiencies, cont.

- Resource Assessment Study (RAS) adopted by Judicial Council:
 - Relies on case weighting
 - Can be a tool in determining relative funding and staffing needs



Findings: Cost Drivers and Other Factors Impacting Equal Access

- Labor costs are 79 percent of court costs; trifurcated structure is complicated and should be reviewed
- Facilities is another significant cost driver that affects access to justice



Findings: Administrative Efficiencies and Coordinated Efforts

- Judicial branch has adopted numerous administrative efficiencies and coordinated efforts
 - Standards, guidelines, and performance measures from the Blue Ribbon Commission on Children in Foster Care
 - Superior Court of Riverside County's Shared Procurement Services program (18 trial courts)



Findings: Increase Funding Transparency

- Funding transparency is necessary to inform public about funding decisions made by the council and individual trial courts
- Internet posting of information alone is insufficient: the information must be made understandable to the lay public



Other Findings

- Need to reevaluate accomplishments and consider additional mandatory requirements to further promote equal access or achieve AB 233 goals



Recommendations

- Workgroup developed 18 recommendations in the following areas:
 - Access/Equal Access
 - Ensuring Equity in Funding
 - Efficiency, Uniformity, and Cost Savings
- Recommendations can be found in the Executive Summary (pp. vii-x) and in the body of the report (pp. 38-43)

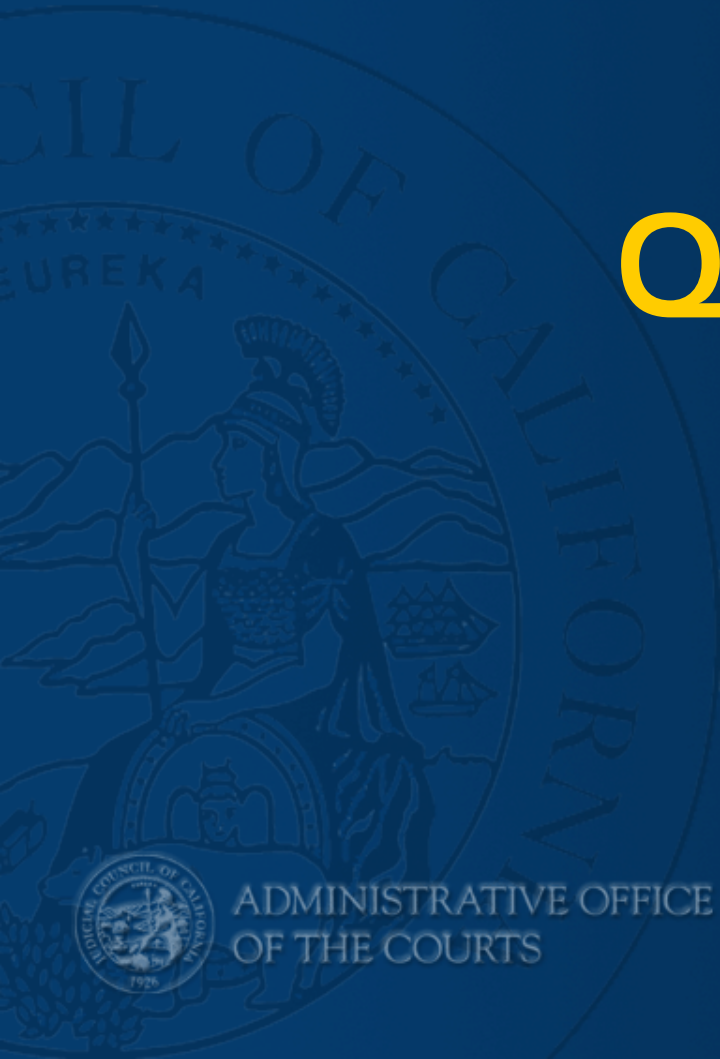


Judicial Council Action

- Accept the report of the workgroup.
- Begin the process of examining and implementing each of the recommendations.



Questions



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