

The background features a large, faint, circular seal of the Judicial Council of California. The seal contains a central figure holding a scale and a sword, surrounded by the text "JUDICIAL COUNCIL OF CALIFORNIA" and "EUREKA". The year "1926" is visible at the bottom of the seal.

**Trial Court Trust Fund
Allocations: 2 Percent State-
Level Reserve**

Judicial Council Meeting

October 28, 2014

Judicial Council Criteria for Eligibility for Supplemental Funding

- Under the policy adopted by the council, the main criteria for determining whether a court may receive supplemental funding related to an urgent need is that the court is projecting a current year negative fund balance due to an unavoidable funding shortfall, unanticipated expense or unforeseen emergency.



October Supplemental Funding Requests for Urgent Needs

- Court must submit request by October 1, pursuant to GC 68502.5.
- Under Judicial Council policy, court can receive amount contributed to 2 percent reserve. If request is beyond contribution amount, council may distribute more funding to the court, after October 31 up to March 15.



Supplemental Funding Request Submissions

- Superior Court of Del Norte, Kings, Mono, and Siskiyou Counties submitted applications for supplemental funding for urgent needs.



Review of Court Applications

- Trial Court Budget Advisory Committee's Working Group provided subject matter expertise and input to Judicial Council staff in the review of the court applications.



Review of Court Applications

- Results of working group and staff review:
 - All four courts project negative fund balance (General Fund) for 2014–2015.
 - Only Superior Court of Kings County demonstrated unavoidable funding shortfall.



Recommended Options

- Option 1—Deny Request
- Option 2—Approve Funding at 2 Percent Contribution Amount
- Option 3—Grant Request Beyond 2 Percent Contribution Amount



Superior Court of Del Norte County

- Supplemental funding request of \$300,000 for projected 2014–2015 negative fund balance (General Fund) of \$292,000.
- Court attributes deficit to significant loss in fund balance.



Superior Court of Del Norte County

- 2014–2015 TCTF allocation reduced by \$523,000 due to fund balance being over 1% cap.
- Court indicates restricted statutory monies of \$550,000 in fund balance cannot be used for deficit.



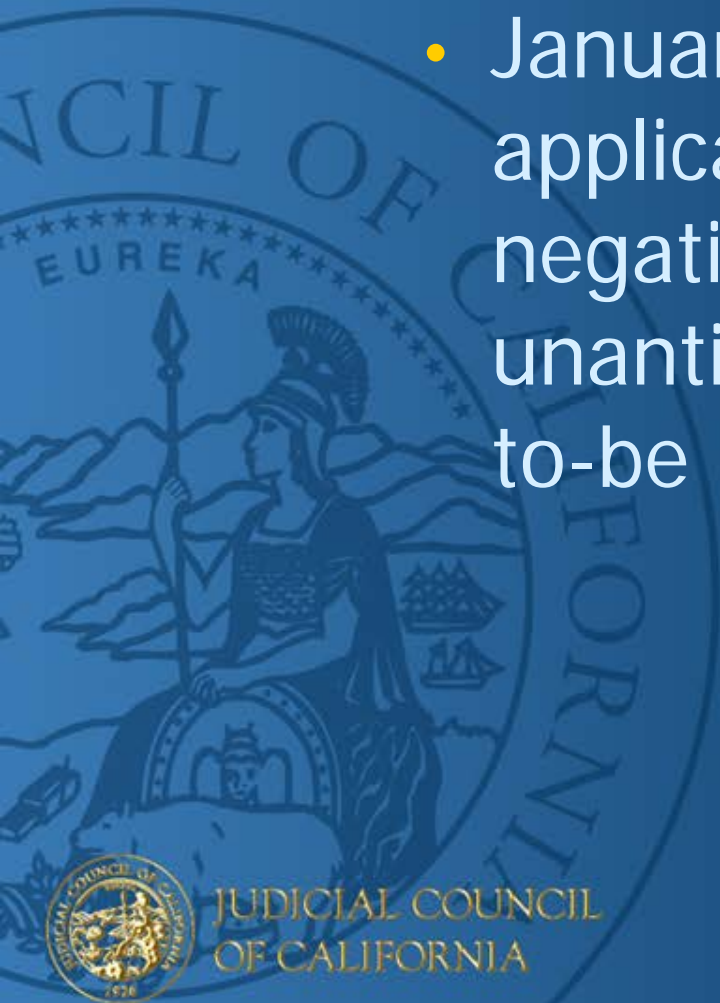
Superior Court of Del Norte County

- Option 1 - \$0
 - Implement furloughs and closures
- Option 2 - \$57,000
 - Deficit of \$235,000 remains
- Option 3 - \$300,000
 - No furloughs or closures needed



Previous Council Action Superior Court of Kings County

- January 2013, court submitted application for \$1.97 million negative fund balance due to unanticipated expenditure for soon-to-be unsupported county CMS.



Previous Council Action Superior Court of Kings County

- February 26, 2013, approved allocation of up to \$2.11 million over 5-year period with conditions, starting with \$733,000 for 2012-2013.
- February 20, 2014, approved \$130,000 for 2nd year cost of new CMS deployment in 2013-2014.



Superior Court of Kings County

- Supplemental funding request of \$509,000 for projected 2014–2015 negative fund balance (General Fund) of \$786,000.
- Court attributes deficit to 3rd year costs to deploy new CMS to replace soon-to-be unsupported county CMS.



Superior Court of Kings County

- Anticipates additional revenues in 2014–2015 from grant that will reduce remaining deficit.
- Plans to implement additional cost savings measures, if needed, to address remaining deficit.



Superior Court of Kings County

- Option 1 - \$0
 - Potential CMS vendor contract default
- Option 2 - \$129,000
 - Revenue shortfall of \$380,000 for 3rd year CMS deployment
- Option 3 - \$509,000
 - Continue CMS deployment to transition off county in 2015



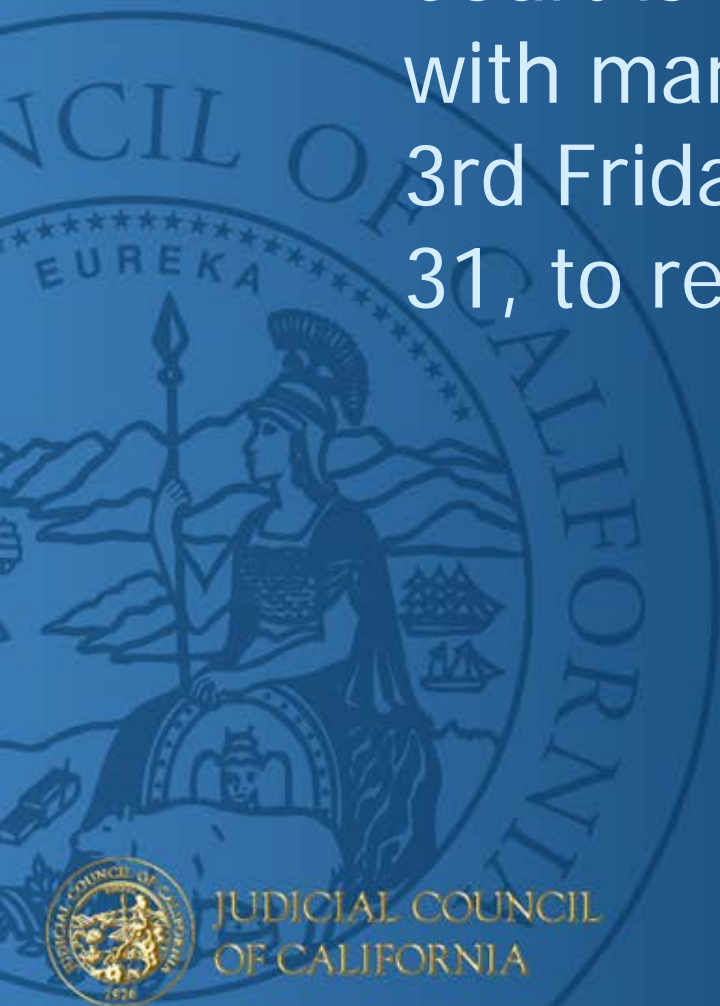
Superior Court of Mono County

- Supplemental funding request of \$82,000 for projected 2014–2015 negative fund balance (General Fund) of \$82,000.
- Court anticipated close to full restoration of TCTF funding in 2014–2015, which did not occur.



Superior Court of Mono County

- Court is implementing court closures with mandatory staff furloughs every 3rd Friday of month, beginning October 31, to reduce deficit to \$82,000.



Superior Court of Mono County

- Option 1 - \$0
 - Furloughs and closures days will increase to 25 days
- Option 2 - \$32,000
 - Deficit of \$50,000 remaining
- Option 3 - \$82,000
 - No additional court closures and furloughs



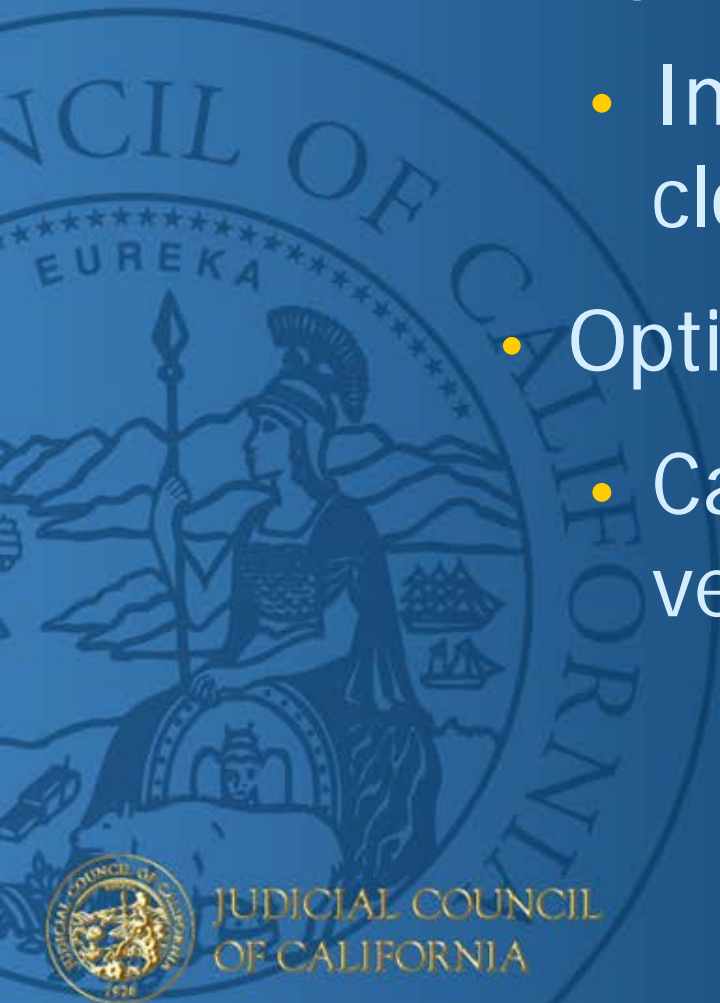
Superior Court of Siskiyou County

- Supplemental funding request of \$72,000 for projected 2014–2015 negative fund balance (General Fund) of \$70,000.
- Court is requesting return of 2 percent contribution of \$72,000 to prevent cash flow issues.



Superior Court of Siskiyou County

- Option 1 - \$0
 - Implement furloughs and court closures to meet cash liabilities
- Option 2 - \$72,000
 - Cash flow to meet payroll and vendor contract liabilities



- End of Presentation



JUDICIAL COUNCIL
OF CALIFORNIA