



## Judicial Council of California

455 Golden Gate Avenue · San Francisco, California 94102-3688

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# REPORT TO THE JUDICIAL COUNCIL

For business meeting on October 27, 2015

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Title	Agenda Item Type
Trial Court Trust Fund Allocations: 2 Percent State-Level Reserve	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	October 27, 2015
Recommended by	Date of Report
Trial Court Budget Advisory Committee 2 Percent Funding Request Review Subcommittee	October 20, 2015
Hon. Brian McCabe, Cochair Mr. Richard Feldstein, Cochair	Contact
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### Executive Summary

The Trial Court Budget Advisory Committee's 2 Percent Funding Request Review Subcommittee presents recommendations on two courts' applications for supplemental funding. There is \$37.7 million set-aside in the Trial Court Trust Fund for fiscal year 2015–2016, of which by statute up to 75 percent or \$28.3 million may be allocated by the Judicial Council by October 31. Under the policy adopted by the Judicial Council, courts submitting on or before October 1 can only receive up to the amount the court contributed to the 2 percent state-level reserve fund. If the requested amount is beyond the court's contribution to the 2 percent state-level reserve fund, the Judicial Council may distribute more funding to the court, after October 31 and prior to March 15 of the fiscal year. The total amount requested by the two courts is \$561,000.

## **Recommendation**

Based on actions taken at its October 9, 2015 meeting the Trial Court Budget Advisory Committee's 2 Percent Funding Request Review Subcommittee recommends that the Judicial Council, effective October 27, 2015:

1. Allocate a one-time distribution of \$49,000 to the Superior Court of Mono County.
2. Allocate a one-time distribution of \$512,000 to the Superior Court of Tehama County. The Superior Court of Tehama County will reimburse the Trial Court Trust Fund (TCTF) 2 percent state-level reserve if any recovery occurs due to the civil suit the court has filed. If a subsequent application related to this request is submitted, the court must provide detailed financial information demonstrating why it is unable to address those costs within existing resources.

## **Previous Council Action**

### **Supplemental funding process and criteria**

On June 27, 2012, the Governor signed into law Senate Bill 1021, which repealed the provisions in Government Code section 77209 related to funding for urgent needs from the Trial Court Improvement Fund (TCIF). SB 1021 added Government Code section 68502.5, which requires that the Judicial Council set aside as a reserve an amount equal to 2 percent of the TCTF appropriation in Program 45.10. In response to this new statute, the council, at its August 31, 2012 meeting, approved the policy with regard to the process, criteria, and required information for requesting supplemental funding from the reserve. This process modified what was approved by the Judicial Council at its October 28, 2011 meeting as it related to requests for supplemental funding for urgent needs from the TCIF. (See Attachment A: Judicial Council–Approved Process for Supplemental Funding.)

At the Judicial Council's October 28, 2014 business meeting, the council approved the TCBAC-recommended changes to expedite the distribution of the unexpended reserve funds to trial courts earlier in the fiscal year, and to establish a process for courts to apply for funding for emergencies after these funds have been distributed. For 2015–2016, the TCBAC recommended proposing amendments to the statute that establishes the 2 percent state-level reserve. The council approved the following recommendations at its October 28, 2014 business meeting:<sup>1</sup>

1. Starting in 2014–2015, approved the distribution in January, after the Judicial Council's December business meeting, of 75 percent of the remaining Trial Court Trust Fund (TCTF) 2 percent reserve funds. From January 1 through March 15, the remaining 25 percent of the 2 percent reserve are available for court requests due

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<sup>1</sup> Judicial Council of Cal., mins. (Oct. 28, 2014), p. 35; see <http://www.courts.ca.gov/documents/jc-20141028-minutes.pdf>

to unforeseen emergencies or unanticipated expenses. These court requests are to be reviewed and recommended to the Judicial Council by a TCBAC [2 Percent Funding Request Review Subcommittee]. Any remaining funds are to be distributed back to the trial courts after March 15. The Judicial Council's current approved supplemental funding process is to be updated by staff to reflect these changes.

2. Directed that court requests due to unforeseen emergencies or unanticipated expenses approved after March 15 and until June 30 be distributed to the court as a cash advance loan [fn. omitted] until the following fiscal year when the court, if necessary, could apply for supplemental funding from the TCTF 2 percent reserve at the Judicial Council's October business meeting in order to repay the cash advance loan. These court requests are to be reviewed and recommended to the Judicial Council.
3. Directed the TCBAC, working with the Court Executive Advisory Committee, Trial Court Presiding Judges Advisory Committee, and the Policy Coordination and Liaison Committee, to recommend proposed amendments to Government Code section 68502.5(c)(2)(B), the statute that establishes the 2 percent reserve, to be included as trailer bill language to the 2015 Budget Act. . . .<sup>[2]</sup>

### **Recommendation 1—Superior Court of Mono County**

Allocate a one-time distribution of \$49,000 for the Mono County court's supplemental funding request, an amount beyond the court's contribution to the 2 percent state-level reserve in 2015–2016.

#### **Rationale for recommendation 1**

The Mono County court is projecting a \$51,000 (General Fund) negative fund balance for 2015–2016, and therefore submitted an application requesting supplemental funding of \$49,000. The application identifies the reason for applying for supplemental funding as arising from the court's unexpected retirement lump-sum payout in March 2015, an obligation that the court could meet only by applying for a cash advance loan. The court requested a total of \$96,000 as a cash advance loan to allow the court to pay \$49,000 in retirement cash-out and to cover a \$47,000 payroll cash-flow shortfall. The court indicates that at the time of this unplanned expenditure, there was no way to apply to the Judicial Council for supplemental funding since the remaining 2 percent reserve funds were already distributed to the courts.<sup>3</sup> At the time of this report the court has repaid the \$47,000 of the cash advance loan that covered payroll, which leaves the \$49,000 for the unexpected retirement cash-out. However, the court indicates that paying back the

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<sup>2</sup> The TCBAC-recommended amendments are in process of being reviewed by the other advisory committees in time to be included as trailer bill language to the 2016 Budget Act.

<sup>3</sup> Government Code section 68502.5(c)(2)(B) states, in pertinent part: "By March 15 of each year ... [a]ny unexpended funds shall be distributed to the trial courts on a prorated basis."

remaining \$49,000 for the retirement cash-out will compromise its ability to cover normal operational costs in 2015–2016. (See Attachment B for the application submitted by the Mono County court.)

The application identifies the consequences to the public, access to justice, and court operations of not receiving urgent needs monies. If supplemental funding is not approved, the court will need to furlough staff for five days and face court closure days. If the court is unable to negotiate furloughs as it did in 2014–2015, it will need to lay off one court clerk. The court indicates that, operationally, the loss of one more clerk in a small court will impact all core court operations such as processing filings, assisting the public at the counter, answering public inquiries by e-mail, accepting payments, and clerking court proceedings.

### **Discussion of options for recommendation 1**

On October 9, 2015, the TCBCAC's subcommittee reviewed and discussed the supplemental funding application from the Superior Court of Mono County. The court's court executive officer (CEO) was present to respond to questions from the members. The results of this review by the TCBCAC's subcommittee are that the Mono County court meets the criteria of the council-approved policy, by demonstrating that the current year budget deficit was due to an unexpected retirement lump-sum payout the court incurred. The court had a retirement payout three years ago that it was able to absorb but that was before the 1 percent reserve cap imposed by Government Code section 77203. Because of the 1 percent reserve cap, the court has been unable to accrue any fund balance for this type of expense (in 2014–2015, the court's 1% cap amount was only \$18,000). The TCBCAC's subcommittee considered the following options for the supplemental funding request from the Superior Court of Mono County and recommend option 3.

**Option 1—Deny the Mono County court's request.** The Mono County court indicates that if funding is not received, furloughs and court closure days or the layoff of one position would need to be implemented. These additional reductions will negatively impact the rendering of dispositions in a timely manner.

**Option 2—Approve funding to the court at the 2 percent contribution amount.** Option 2 provides for the allocation of \$33,000 from the 2 percent state-level reserve in the TCTF to the Mono County court. This option is consistent with the Judicial Council's policy in that courts submitting on or before October 1 can only receive up to the amount the court contributed to the 2 percent state-level reserve fund. However, this option would not fund the Mono County court's projected deficit of \$49,000 (General Fund) in 2015–2016.

**Option 3—Grant the Mono County court's request of \$49,000.** Option 3 provides for the allocation of \$49,000 from the 2 percent state-level reserve in the TCTF to the Mono County court for its 2015–2016 General Fund operational deficiency. If the court's request is approved, employee furloughs and reduced hours and service to the public would not need to be implemented.

Under option 3, the court would receive two allocations in 2015–2016 from the TCTF 2 percent state-level reserve: the first one for supplemental funding of \$49,000, and a second from a proportionate share of any remaining funds from the 2 percent state-level reserve that is allocated to all 58 trial courts regardless of whether the Judicial Council has allocated supplemental funding to the court for an urgent need in the current fiscal year process.

Table 1 below demonstrates the funding impact of options 1, 2, and 3 on the court’s estimated 2015–2016 ending fund balance.

**Table 1: Estimated 2015–2016 Ending Fund Balances for the Mono County Court (Options 1, 2, and 3)**

	<b>2015–2016 Estimated Fund Balance</b>	<b>Option 1 (\$0)</b>	<b>Option 2 (2% = \$33,000)</b>	<b>Option 3 (\$49,000)</b>
Statutory Restricted Funds	0	0	0	0
General Fund	(51,000)	(51,000)	(51,000)	(51,000)
Court-Estimated Fund Balance	(51,000)	(51,000)	(51,000)	(51,000)
<b>Funding Options</b>		<b>0</b>	<b>33,046</b>	<b>49,000</b>
Revised General Fund		(51,000)	(17,954)	(2,000)
Revised Estimated Fund Balance		<b>(51,000)</b>	<b>(17,954)</b>	<b>(2,000)</b>

**Recommendation 2—Superior Court of Tehama County**

Allocate a one-time distribution of \$512,000 to the Superior Court of Tehama County, an amount beyond the court’s contribution to the 2 percent state-level reserve in 2015–2016. The Superior Court of Tehama County will reimburse the TCTF 2 percent state-level reserve if any recovery occurs due to the civil suit the court has filed. If a subsequent application related to this request is submitted, the court must provide detailed financial information demonstrating why it is unable to address those costs within existing resources.

**Rationale for recommendation 2**

The Tehama County court is projecting a \$281,000 (General Fund) negative fund balance for 2015–2016 and submitted an application requesting supplemental funding for \$512,000. The application identifies the reason for applying for supplemental funding as arising from the extraordinary expenditures that the court will have to incur to restore its information technology infrastructure after malicious actions in July 2015 rendered the court’s case management system, telephones, exchange server, jury system, shared and individual drives, and website non-operational. (See Attachment C for the application submitted by the Tehama County court.)

The Judicial Council staff reviewed the completed application submitted by the Tehama County court on October 9, 2015, and determined that it contained all the information required by the council. Although the court is projecting a negative balance of \$281,000

(General Fund), the court's overall fund balance is a negative \$171,000 for 2015–2016, due to the court having \$110,000 in 2% Automation Fund Replacement Distribution that is statutorily restricted for use pursuant to Government Code section 77207.5(b).

The application identifies the consequences to the public, access to justice, and court operations of not receiving urgent needs monies. If supplemental funding is not approved, the court would have to lay off staff, further reducing its public counter and telephone hours. The scheduling of non-priority cases would be prolonged. The deployment of the court's new case management system and e-filing would be halted, preventing the expansion of online access to the public.

### **Discussion of options for recommendation 2**

On October 9, 2015, the TCBCAC's subcommittee reviewed and discussed the supplemental funding application from the Superior Court of Tehama County. The court's presiding judge and court executive officer (CEO) were present to respond to questions from the members. The results of this review are that the Tehama County court meets the criteria of the council-approved policy by demonstrating that the current year budget deficit was due to extraordinary expenditures that the court will incur to restore its information technology infrastructure that had become non-operational in July 2015. The subcommittee voted to recommend to the Judicial Council that the court's request be approved but with two conditions. Under the first condition, the TCTF would be reimbursed if the civil suit the court is pursuing is successful in recovering costs for the damage to its technology infrastructure. In addition, although the court appeared to have some funding available, the subcommittee recommended funding of the court's full request after being informed by the CEO that additional costs would continue to be incurred beyond the \$512,000 and a subsequent application would be submitted. The subcommittee considered the following options for the supplemental funding request from the Superior Court of Tehama County and voted to recommend option 3.

**Option 1—Deny the Tehama County court's request.** The Tehama County court indicates that if funding is not received, the court will have to lay off staff and reduce counter and telephone hours, which would disrupt services to the public.

**Option 2—Approve funding to the court at the 2 percent contribution amount.** Option 2 provides for the allocation of \$75,000 from the 2 percent state-level reserve in the TCTF to the Tehama County court. Option 2 is consistent with the Judicial Council's policy in that courts submitting on or before October 1 can only receive up to the amount the court contributed to the 2 percent state-level reserve fund. However, this option would not fund the Tehama County court's projected deficit of \$512,000 (General Fund) in 2015–2016.

**Option 3—Grant the Tehama County court's request of \$512,000.** Option 3 provides for the allocation of \$512,000 from the 2 percent state-level reserve in the TCTF to the Tehama County court for its 2015–2016 General Fund operational deficiency. The Superior Court of Tehama

County would reimburse the TCTF 2 percent state-level reserve if any recovery occurs due to the civil suit the court has filed to recoup costs. If a subsequent application related to this request is submitted, the court must provide the Judicial Council with detailed financial information demonstrating why it is unable to address those costs within existing resources. If the court’s current request is approved, a reduction of services to the public would not need to be implemented. Additionally, the court indicates that it would begin to be restored financially to the level it was prior to this extraordinary expense.

Under option 3, the court would receive two allocations in 2015–2016 from the TCTF 2 percent state-level reserve: the first one for supplemental funding of \$512,000, and a second from a proportionate share of any remaining funds from the 2 percent state-level reserve that is allocated to all 58 trial courts regardless of whether the Judicial Council has allocated supplemental funding to the court for an urgent need in the current fiscal year process. However, the Tehama County court would reimburse the 2 percent reserve for the supplemental funding if any recovery occurs due to the civil suit the court has filed.

Table 2 below demonstrates the funding impact of options 1, 2, and 3 on the court’s estimated 2015–2016 ending fund balance.

**Table 2**  
**: Estimated 2015–2016 Ending Fund Balances for the Tehama County Court**  
**(Options 1, 2, and 3)**

	<b>2015–2016 Estimated Fund Balance</b>	<b>Option 1 (\$0)</b>	<b>Option 2 (2% = \$75,000)</b>	<b>Option 3 (\$512,000)</b>
Restricted Funds	110,237	110,237	110,237	110,237
General Fund	(281,190)	(281,190)	(281,190)	(281,190)
Court-Estimated Fund Balance	(170,953)	(170,953)	(170,953)	(170,953)
<b>Funding Options</b>		<b>0</b>	<b>75,000</b>	<b>512,000</b>
Revised General Fund		(281,190)	(206,190)	230,810
Revised Estimated Fund Balance		<b>(170,953)</b>	<b>(95,953)</b>	<b>341,047</b>

**Comments, Alternatives Considered, and Policy Implications**

As required by the Judicial Council–adopted process for supplemental funding for urgent needs, the Superior Courts of Mono and Tehama Counties were provided a preliminary version of this report for review and comment.

## **Implementation Requirements, Costs, and Operational Impacts**

The costs and operational impacts of granting or not granting the requests of the Superior Courts of Mono and Tehama Counties are discussed within each option.

### **Attachments**

1. Attachment A: Judicial Council–Approved Process for Supplemental Funding
2. Attachment B: Superior Court of California, County of Mono, Application for Supplemental Funding
3. Attachment C: Superior Court of California, County of Tehama, Application for Supplemental Funding



## Judicial Council-Approved Process for Supplemental Funding

Below is the process for supplemental funding that was approved by the Judicial Council at its August 31, 2012, meeting.

- a. Supplemental funding for urgent needs is defined as unavoidable funding shortfalls, unforeseen emergencies, or unanticipated expenses for existing programs.
  - i. A request can be for either a loan or one-time funding that is not repaid, but not for ongoing funding.
- b. The submission, review, and approval process is:
  - i. All requests will be submitted to the Judicial Council for consideration;
  - ii. Requests will be submitted to the Administrative Director of Judicial Council of California (JCC) by either the court's presiding judge or court executive officer;
  - iii. The Administrative Director of the Courts will forward the request to the JCC Director of Finance.
  - iv. Budget staff of JCC Finance will review the request, ask the court to provide any missing or incomplete information, draft a preliminary report, share the preliminary report with the court for its comments, revise as necessary, and issue a final report for the council;
  - v. The final report will be provided to the requesting court prior to the report being made publicly available on the California Courts website; and
  - vi. The court may send a representative to the Judicial Council meeting to present its request and respond to questions from the council.
- c. Beginning in 2012–2013, court requests for supplemental funding for urgent needs due to unavoidable budget shortfalls, must be submitted to the Administrative Director of the Judicial Council, by no later than October 1. Courts are encouraged to submit supplemental funding requests for urgent needs before the October 1 deadline, but no earlier than 60 days after the Budget Act is enacted into law.
- d. Beginning in 2012–2013, the Judicial Council shall allocate up to 75 percent of the 2 percent state-level reserve fund by October 31 of each year to courts requesting supplemental funding for urgent needs due to unavoidable funding shortfalls.
- e. Beginning in 2012–2013, after October 31 and by March 15 of each fiscal year, the Judicial Council shall allocate the remaining funds if there has been an approved request from a trial court(s) requesting supplemental funding for urgent needs due to unforeseen emergencies or unanticipated expenses for existing programs.

Any unexpended funds shall be distributed to the trial courts on a prorated basis. Beginning in 2014-2015, after October 31 and by March 15 of each fiscal year, the Judicial Council shall allocate 25 percent of the remaining funds if there has been an approved request from a trial court(s) requesting supplemental funding for urgent needs due to unforeseen emergencies or unanticipated expenses for existing programs. Any unexpended funds shall be distributed to the trial courts on a prorated basis. After March 15 and until June 30, requests due to unforeseen emergencies or unanticipated expenses approved, will be distributed to the court as a cash advance loan, until the following fiscal year when the court, if necessary, could apply for supplemental funding from the TCTF 2 percent reserve at the Judicial Council's October business meeting in order to repay the cash advance loan.

These court requests are to be reviewed and recommended to the Judicial Council by the Trial Court Budget Advisory Committee's 2 Percent Funding Request Review subcommittee.

- f. To be considered at a scheduled Judicial Council business meeting, requests submitted after October 31 for supplemental funding due to unforeseen emergencies and unanticipated expenses must be submitted to the Administrative Director of the Judicial Council at least 25 business days prior to that business meeting.
- g. The Judicial Council would consider appropriate terms and conditions that courts must accept in order to receive supplemental funding for urgent needs.

***Judicial Council-Approved Criteria for Eligibility for and Allocation of Supplemental Funding***

Below are the criteria for eligibility for and allocation of supplemental funding for trial courts' urgent needs that were approved by the Judicial Council at its August 31, 2012, meeting.

- a. Only trial courts that are projecting a current-year negative fund balance can apply for supplemental funding related to urgent needs.
- b. Generally, no court may receive supplemental funding for urgent needs in successive fiscal years absent a clear and convincing showing.
- c. Courts submitting on or before October 1 can only receive up to the amount the court contributed to the 2 percent state-level reserve fund. If the requested amount is beyond the court's contribution to the 2 percent state-level reserve fund, the Judicial Council may distribute more funding to the court, after October 31 and prior to March 15 of the fiscal year.

More specifically, courts that submit by October 1 a request for an unavoidable funding shortfall, may apply with updated financial information for unforeseen emergencies or

unanticipated expenses for existing programs distribution at a future Judicial Council business meeting prior to March 15.

- d. Allocate to all courts in January, 75 percent of unexpended funds from the 2% state-level reserve, regardless of whether the Judicial Council has allocated to a court supplemental funding for an urgent need in the current fiscal year, using courts' current year Trial Court Trust Fund and General Fund base allocation.
- e. If a court that is allocated supplemental funding determines during the fiscal year that some or all of the allocation is no longer needed due to changes in revenues and/or expenditures, [it] is required to return the amount that is not needed.

***Judicial Council-Approved Information Required to be Provided by Trial Courts for Supplemental Funding***

Below is the information required to be provided by trial courts for supplemental funding for urgent needs that were approved by the Judicial Council at its August 31, 2012, meeting.

- a. A description of what factors caused or are causing the need for funding;
- b. If requesting a one-time distribution, an explanation of why a loan would not be appropriate;
- c. Current status of court fund balance;
- d. Three-year history of year-end fund balances, revenues, and expenditures;
- e. Current detailed budget projections for the current fiscal year (e.g., FY 2012–2013), budget year (e.g., FY 2013–2014), and budget year plus 1 (e.g., FY 2014–2015);
- f. Measures the court has taken in the last three years regarding revenue enhancement and/or expenditure reduction, including layoffs, furloughs, reduced hours, and court closures;
- g. Employee compensation practices (e.g., cost-of-living adjustments) and staffing levels in the past five years;
- h. Description of the consequences to the court's operations if the court does not receive funding;
- i. Description of the consequences to the public and access to justice if the court does not receive funding;

- j. What measures the court will take to mitigate the consequences to court operations, the public, and access to justice if funding is not approved;
- k. Five years of filing and termination numbers;
- l. Most recent audit history and remediation measures;
- m. If supplemental funding was received in prior year, please identify amount received and explain why additional funding is again needed in the current fiscal year; and
- n. If the request for supplemental funding is not for a one-time concern, the court must include an expenditure/revenue enhancement plan that identifies how the court will resolve its ongoing funding issue.

## APPLICATION FOR SUPPLEMENTAL FUNDING FORM

Please check the type of funding that is being requested:

**CASH ADVANCE** (Complete Section I only.)

**URGENT NEEDS** (Complete Sections I through IV.)

**ONE-TIME DISTRIBUTION**

**LOAN**

**SECTION I: GENERAL INFORMATION**

**SUPERIOR COURT:**

Mono

**PERSON AUTHORIZING REQUEST** (Presiding Judge or Court Executive Officer):

CEO

**CONTACT PERSON AND CONTACT INFO:** Hector Gonzalez 760-923-2330

**DATE OF SUBMISSION:**

9/30/2015

**DATE FUNDING IS NEEDED BY:**

Click here to enter a date.

**REQUESTED AMOUNT:**

\$49,000

**REASON FOR REQUEST**

(Please briefly summarize the reason for this funding request, including the factors that contributed to the need for funding. If your court is applying for a cash advance, please submit a cash flow statement when submitting this application. Please use attachments if additional space is needed.)

**PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE**

Section II through Section IV of this form is required to be completed if your court is applying for supplemental funding for urgent needs (unavoidable funding shortfall, unforeseen emergency or unanticipated expenses for existing programs). Please submit attachments to respond to Sections II through Section IV.

**SECTION II: TRIAL COURT OPERATIONS AND ACCESS TO JUSTICE**

- A. What would be the consequence to the public and access to justice if your court did not receive the requested funding? PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE**
- B. What would be the consequence to your court's operations if your court did not receive the requested funding? PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE**
- C. What measures will your court take to mitigate the consequences to access to justice and court operations if funding is not approved by the Judicial Council? PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE**
- D. Please provide five years of filing and termination numbers. PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE**

APPLICATION FOR SUPPLEMENTAL FUNDING FORM (Continued)

**SECTION III: REVENUE ENHANCEMENT AND COST CONTROL MEASURES**

- A. If supplemental funding was received in prior year, please identify amount received and explain why additional funding is again needed in the current fiscal year. PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE
- B. If the request for supplemental funding is not for a one-time concern, the court must include an expenditure/revenue enhancement plan that identifies how the court will resolve its ongoing funding issue. PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE
- C. What has your court done in the past three fiscal years in terms of revenue enhancement and/or expenditure reductions, including layoffs, furloughs, reduced hours, and court closures? PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE
- D. Please describe the employee compensation changes (e.g. cost of living adjustments and benefit employee contributions) and staffing levels for past five fiscal years for the court.

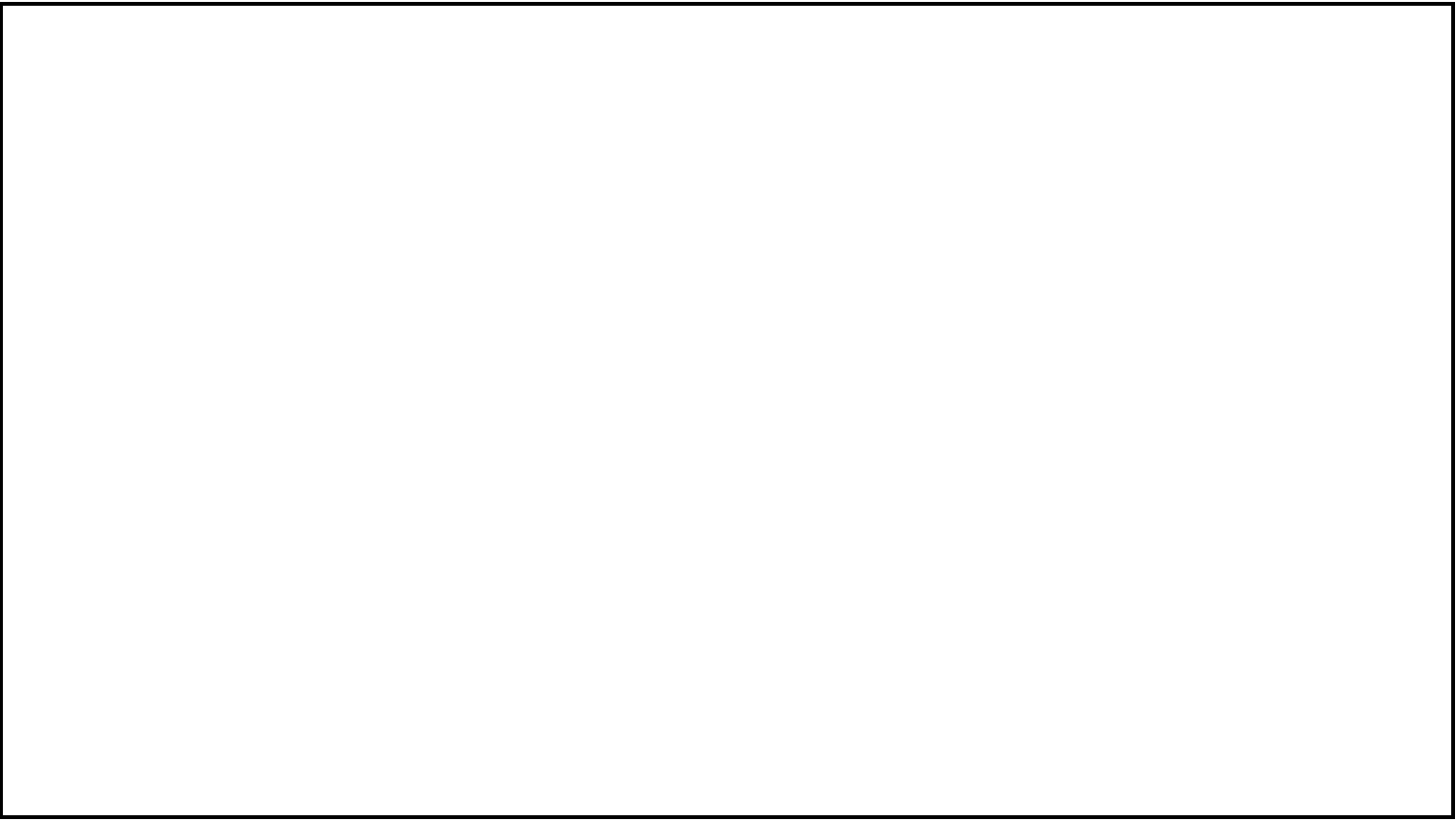
**SECTION IV: FINANCIAL INFORMATION**

Please provide the following:

Current detailed budget projections/estimates for the current fiscal year, budget year and budget year plus one (e.g., if current fiscal year is FY 2012-2013, then budget year would be FY 2013-2014 and budget year plus one would be FY 2014-2015).

SEE EXCEL WORKSHEET:  
SECTION IV QUESTION A

- A. Current status of your court's fund balance.  
PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE
- B. Three-year history of your court's year-end fund balances, revenues, and expenditures.  
SEE EXCEL WORKSHEET: SECTION IV QUESTION C
- C. If the trial courts' application is for one-time supplemental funding, please explain why a loan would not be appropriate. PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE
- D. The most recent audit findings of fiscal issues and the remediation measures taken to address them.  
PLEASE SEE ATTACHMENT: SUPPLEMENTAL FUNDING NARRATIVE



### REASON FOR REQUEST

The Superior Court of Mono County (Court) requests Supplemental Funding due to unavoidable budget shortfalls caused by budget reductions and unexpected retirement cash out in amount of \$49,000. The Superior Court of Mono County is requesting \$49,000 in Supplemental Funding to cover this unanticipated cash-out expense that was incurred in FY14/15. We are we are making the supplemental budget request this fiscal year because this unanticipated expense was incurred March 2015, after it was possible to make a supplemental funding request last fiscal year. Since it was not possible to make a supplemental funding request for this unanticipated expense, last fiscal year our Court requested and received Cash Advance loan in the amount of \$96,000. The \$96,000 Cash Advance loan allowed our court to pay the \$49,000 unexpected retirement cash out and \$47,000 cover a payroll cash flow shortfall. We have repaid \$47,000 of the Cash Advance loan that was received to cover payroll which leaves the \$49,000 used to pay the unexpected retirement cash out. If Supplemental Funding is not provided to cover this unexpected retirement cash-out, the Court budget for the upcoming fiscal year 15/16 will not have sufficient TCTF funds to cover normal operational expenses. Mono County Superior Court has made major budget reductions in fiscal year 14/15 spending. The court has implemented 20 mandatory furloughs which resulted in closing the court 17 days over 9 months and has keep a nearly 49% vacancy rate in our clerk positions. We have also taken steps to increase local court revenues with a new comprehensive collections program with civil assessments being imposed by our court for the first time in FY 14/15. However, we could not anticipate and budget for the unexpected retirement in March 2015 of our longest serving employee, our Court Operations Manager.

### SECTION II: TRIAL COURT OPERATIONS AND ACCESS TO JUSTICE

#### **A. What would be the consequence to the public and access to justice if your Court did not receive the requested funding?**

Our court in the 14/15 fiscal year has implemented 20 furlough days resulting in 17 court closure days, completely closed phone lines to the public, reduced clerk counter hour to only half-day every day and maintains a nearly 49% vacancy rate in clerk positions. The consequence of not receiving Supplemental Funding will be a deficit in the FY15/16 budget. A deficit that would force the court to implement court closure/furlough or lay-off court staff. We would need to close our court and furlough staff for 5 days. If we cannot get our represented employees to accept furloughs, we will need to lay-off one court employee. In either case, we will be returning our Court to the same operational dysfunction in FY15/16 that we endured in the previous fiscal year which ultimately means our Court will not be serving the public.

#### **B. What would be the consequence to your Court's operations if your Court did not receive the requested funding?**

As previously stated, if Supplemental Funding is not provided we would not be able to cover normal operational expenses due to a budget deficit. We would be forced to either furlough or lay-off



## Attachment A

one clerk position. Last year we were able to negotiate furloughs with the union representing our clerks. The union representing our clerks has already indicated an unwillingness to agree to furloughs for a second straight year. The loss of one more clerk would reduce our number of working clerks to four with four vacant clerk positions. We have gone from eight working clerks in 2009 to the possibility of half that number working in FY15/16 if Supplemental Funding is not provided. Small Courts do not have the luxury of creating specialized Legal Processing Clerk, Counter Clerk, Collections Clerk or Courtroom Clerk positions. Operationally, that means the loss of one more clerk in a small court will be felt in all core court operations such as processing filings, assisting the public at the counter, answering public inquiries by emails (we no longer accept phone calls), accepting payments and clerking court proceedings. These operational consequences can be avoided by modest amount of Supplemental Funding that we are requesting to cover the unexpected costs associated with the retirement of our Court Operations Manager in FY14/15.

### **C. What measures will your Court take to mitigate the consequences to access to justice and Court operations if funding is not approved by the Judicial Council?**

We have already taken steps to mitigate harm caused by FY14/15 furloughs, court closures, reduced hours and elimination of telephone assistance. We will continue our current goal, to hold public harmless from operations and service reductions caused if we do receive Supplemental Funding. For example, due to the previously mentioned staff reductions the court is unable to enter citations into our case management system in a timely manner, we take in the following step. We have requested citing law enforcement agencies to set up court appearance dates 90 days from the date of citation instead of the usual 60 days. This allows court additional time to enter citations into our case management system. Even though we do not have sufficient staff to answer phone calls, the court has set up a special customer service email for court response to customer inquiries within 48 hours for a normal request and same day response for emergency requests. The court is greatly expanded our court website to provide much more detail customer service information.

### **D. Please provide five years of filing and termination numbers.**

<b>Reporting Year</b>	<b>Total Number of Filings</b>	<b>Number of Dispositions (Termination Numbers)</b>
<b>2010</b>	<b>9,084</b>	<b>8,627</b>
<b>2011</b>	<b>8,364</b>	<b>7,664</b>
<b>2012</b>	<b>10,569</b>	<b>10,959</b>
<b>2013</b>	<b>9,186</b>	<b>8,797</b>
<b>2014</b>	<b>7,943</b>	<b>8,158</b>

### SECTION III: REVENUE ENHANCEMENT AND COST CONTROL MEASURES

- A. If supplemental funding was received in prior year, please identify amount received and explain why additional funding is again needed in the current fiscal year.**

NOT APPLICABLE

- B. If the request for supplemental funding is not for a one-time concern, the Court must include an expenditure/revenue enhancement plan that identifies how the Court will resolve its ongoing funding issue.**

The Mono County Superior Court is asking for a one-time Supplemental Funding of \$49,000. The Court is faced with unexpected budget costs associated with the retirement of our Court Operations Manager in FY 14/15, the number two management position in our Court.

- C. What has your Court done in the past three fiscal years in terms of revenue enhancement and/or expenditure reductions, including layoffs, furloughs, reduced hours, and Court closures?**

Mono County Superior Court has two locations, our main Courthouse location in Mammoth Lakes and a branch Court location at Bridgeport. Previously, the Bridgeport branch location had two full-time clerks and was open five days a week. In 2012, Mono County Superior Court reduced Court Clerk office operations at the Bridgeport Court location from five days a week to just one day a week. We moved one of two Bridgeport branch Deputy Clerk positions to the main Courthouse in Mammoth Lakes and left the second Bridgeport Deputy Clerk position vacant. During the past three fiscal years, we have maintained all Court staff vacancies. Court has completely eliminated assistance to the public by phone to create more time for the clerks to take care of daily operational duties. We now provide assistance to the public by email. The Court implemented 20 furlough days in FY 14/15 which resulted in 17 court closure days. Three of the 20 furlough days were "floating furlough" days where individual court employees were able to pick the 3 days they wanted to be furlough days. Our Court also eliminated court reporters for our civil and law and motion matters, helping to reduce the Court expenditures. In addition, our Court increased local revenue by implementing a comprehensive collections program and imposing civil assessments. This allows us to seek cost recovery of collections related expenses to help generate local court revenue.

- D. Please describe the employee compensation changes (e.g. Cost of living adjustments and benefit employee contributions) and staffing levels for past five fiscal years for the Court.**

During the past 5 years, Mono County Superior Court has not approved any cost of living increases due to the uncertainty in the budget allocations. The Court has maintained the existing collective bargaining agreement commitment to provide annual step increases based on longevity and performance for represented and non-represented employees per our personal policy. The Court CEO refused to accept pay increases due him under his employment agreement for the past 4 fiscal years.

## Attachment A

Seeing the potential for another large lump sum liability, our Court's Presiding Judge has authorized the payment of the CEOs back pay. In 2013, our Fiscal Director was hired at a decreased pay scale than the previous Fiscal Director. Our second highest compensated Court employee, our Court Operations Manager, retired March 13, 2015. We promoted a Senior Clerk to the Court Operations Manager position at a decreased pay scale. The promoted Senior Clerk's position has been left vacant. We have eliminated a part-time Clerk position with collections duties and the Fiscal Assistant position has absorbed the collections duties without changing the Fiscal Assistant pay scale. Per the terms of the Collective Bargaining Agreement, the Court has maintained the level of employer health benefit contributions to match the increase in health policy costs. For FY15/16, our Court has budgeted two vacant clerk positions totaling \$138,469. Mono court will not be able to fill vacancies due to current year funding. Mono has used this budgeted amount for the two vacant clerk positions as a salary savings line item in order to have a balanced budget. However, our current fiscal year budget will only balance if we receive the requested Supplemental Funding.

### **SECTION IV: FINANCIAL INFORMATION**

**A. Current detailed budget projections/estimates for the current fiscal year, budget year and budget year plus one (e.g., if current fiscal year is FY 2012-2013, then budget year would be FY 2013-2014 and budget year plus one would be FY 2014-2015).**

See Excel Worksheet: Section IV question A

**B. Current status of your Court's fund balance.**

Mono County Superior Court's fund balance is \$331,318 as of 9/30/2015.

**C. Three-year history of your Court's year-end fund balances, revenues, and expenditures.**

See Excel Worksheet: Section IV Question C

**D. If the Trial Courts' application is for one-time supplemental funding, please explain why a loan would not be appropriate.**

A loan that would need to be repaid in current fiscal year would not be appropriate for Mono County Superior Court based on the expenditures/revenue enhancement plan in Section III, C. As previously explained, we already received \$96,000 of Cash Advance loan in fiscal year 14/15. Per our commitment when we received loan, we repaid \$12,000 last fiscal year and paid an additional \$35,000 this fiscal year. This means we have paid \$47,000 of the Cash Advance loan that we needed to cover payroll cash flow shortfall last fiscal year with new revenues from our civil assessment revenues. Unfortunately, this still leaves us with the \$49,000 of the Cash Advance loan that we received last year to cover the expense of our

unexpected retirement cash out for our Court Operations Manager. With the repayment of \$47,000 the Cash Advance loan, we no longer have sufficient additional revenue from our civil assessments this fiscal year to be able to also repay the remaining \$49,000 Cash Advance Loan we received for the unexpected retirement cash out expenses. Given the aforementioned budget reduction measures we have already taken, the only way for our Court to repay any new Cash Advance loan by the end of this current fiscal year, would be implement court closure/furlough days or additional lay-offs if furloughs are not agreed to by the union representing our staff. In the event that our court's request for supplemental funding of \$49,000 is not approved, we request the alternative of a loan that would be paid over the next 5 years.

### **E. The most recent audit findings of fiscal issues and the remediation measures taken to address them.**

The most recent AOC audit for the Superior Court of Mono County is from 2011. It is important to note that the Court hired a new CEO in 2009. The previous CEO had been in the CEO position since the unification of the Superior Courts and Municipal Courts. This means that the Court had long standing fiscal policy and practices that the new CEO was just beginning to become familiar with at the point of the audit in 2011. The 2011 audit was a great benefit to the new CEO because it provided information that allowed for significant changes to be made in fiscal policy and practices. The following seven (7) financial issues and responses were taken from Superior Court of California-Mono County response submitted to the Advisory Committee on Financial Accountability and Efficiency for the Judicial Branch in March 2012 concerning 2011 AOC audit.

#### **1.) Court Process for Identifying, Recording and Monitoring Trust Monies Needs Significant Improvements**

The Court reconciles the current trust monies, those held since 2003, and holds those current trust fund monies in a holding account where stale trust monies were also held. The Court has dealt with the stale trust monies held in this holding account by escheating the stale funds annually starting 2012. However, escheatment did not occur in 2013 due to a turnover in our Fiscal Director position. In addition to the stale trust fund concern, the audit also recommended that our Court create a redundant account for criminal trust funds. The current Court practice maintains and promotes efficiency because of the frequent transfer of criminal trust funds when they are applied to fines, fees and forfeitures. We did not change our current practice of using a holding account.

#### **2.) Court Bank Account Management Practices Could Be Improved**

The Court improved account management practices by requiring sign-off identification of the staff preparing bank reconciliations and review of those reconciliations by another Court employee who is not supervised by the preparer of the reconciliation.

#### **3.) Court Does Not Take Full Advantage of Available Automated Fiscal and Accounting Tools**

## Attachment A

A very prominent theme in the audit recommendations was promoting that our Court to use all components of Phoenix-FI. We saw the value of using the Phoenix system and we have utilized all aspects of the Phoenix-FI. We now have all Court TCTF funding in Bank of America branch accounts that allow for complete use of Phoenix-FI. We would prefer to have our trust and holding funds in a Bank of America account which would allow us to use Phoenix-FI. However, the closest Bank of America branch to our main Courthouse location in Mammoth Lakes is 50 minutes away. Since we have to make deposits at least twice a week of fines and fees, we have holding/trust accounts in a local bank that has a branch near the Courthouse in Mammoth Lakes. The Phoenix-FI function that we have found particularly helpful is the Phoenix-FI "Virtual Buyer" program. The Court believes that the use of Phoenix Virtual Buyer program has significantly assisted our Court in meeting our fiscal control and reporting responsibilities in the areas of procurement and acquisitions.

#### 4.) Court Balances Currently Held in the County Treasury Were Incorrectly Categorized in the Court's Fiscal Records

The auditor's accurately identify three Court automation funds totaling a little over \$200,000 held by the Mono County (County) Treasury. The Court also maintained over \$500,000 in a County account to cover six months payroll for Court personnel. Our County provides the payroll and benefits service for Court employees. The Court had the automation funds transferred to Trial Court Trust Fund accounts even before the submittal of our March 2012 audit response. It is important to note, that these are long-standing automation funds existed prior to separation of our Superior Court from the County. The Court was well aware of the existence of these accounts. We maintained the automation funds in the County accounts for the purpose of holding these funds until they were needed for IT infrastructure expenditures for the new Courthouse. The automation funds have been totally expended to cover new Courthouse IT costs by the end of Fiscal Year 2012-2013. In regards to the County account for Court employee payroll, in 2013 we worked out an agreement with the County to transfer all the funding, except one month's Court employee payroll, from the County Court employee payroll fund to a Court Bank of America TCTF account. We now the deposit in the County account one month's Court employee payroll seven days before payroll disbursement to minimize the amount of time Court funds are held in County accounts.

#### 5.) Procurement, Contracting, and Expenditure Practices Did Not Always Comply with Informal Court Policy or FIN Manual Guidelines

The audit findings maintained that the Court does not consistently follow FIN Manual policies or the Court's own informal practices regarding procurement and expenditure processing. Specifically, the SEC team found that our Court did not document that we consistently obtained multiple quotes for bids for purchases over \$500 as required by the FIN manual. Our remedy for this finding is in two ways, as already previously mentioned our Court uses the Virtual Buyer program to help us comply with the multiple quote requirement on smaller amount purchases. For larger purchases, our Court is a member of the Shared Procurement Services program administered through Riverside Superior Court. Unfortunately, obtaining multiple quotes for services, particularly highly specialized technical services, is still very difficult in an extremely small and isolated mountain community. The auditors also found that Court internal policy requiring that the CEO review and sign-off on all invoices/claims prior to payment

was not being consistently followed. The Court made significant improvements in invoice authorizations, requiring a CEO or delegated management team member to authorize any invoice before processing.

### 6.) Court Should Improve Cash Controls to Safeguard Court and Public Assets

The audit identified a number of day-to-day Court operational practices and cashing processes that needed to be improved to secure cash assets and protect access to case file information. Even though the SEC team characterized these points of improvement as minor, the Court agrees with the goal of improving security to access cash and case file information. The Court implemented the recommendations made by the audit in this area.

### 7.) Court Does Not Always Ensure Appropriate Calculation, Collection, and Distribution of Fees and Fines

The SEC audit team found inaccuracies in our Court's calculation and distribution of fines and fees. These inaccuracies are a serious problem that our Court has tried to work through unsuccessfully with ISD, the contractor providing our case management systems. We then came to the conclusion that we needed to proactively remedy the problem ourselves. Our Court has already made a request to the AOC Audit Unit to assist us by providing an analysis of our Court's collection and distribution formulas and methodology. Since the 2011 audit, our Court has hired a new Fiscal Director who, with our Operations Manager, is engaged in an ongoing collection/distribution fine and fee correction project. Our Operations Manager is focused on the correct collection of fines and fees. Our Fiscal Director is focused on the correct distribution of those fines and fees. Incrementally, the Fiscal Director and Operations Manager are reviewing and correcting fines and fees collection and distribution. As to be expected, this is a slow and laborious task but it is essential that it be done.

Schedule 1 BUDGET FY 15-16		
Fund Balance		
	<i>*Restricted</i>	\$ -
<b>TOTAL</b>		<b>\$ -</b>
REVENUE		
812100 45.10 TCTF	\$	1,497,829
816000 State Receipts	\$	85,641
MOU/Reimbursements	\$	284,905
<b>TOTAL</b>	<b>\$</b>	<b>1,868,545</b>
SALARIES		
FY 15-16 Salaries	\$	1,277,503
Workers Compensation	\$	41,833
Expenses		
FY 15/16 Operating Expense	\$	549,039
Total Expenses	\$	1,868,545
<b>Total Deficit</b>	<b>\$</b>	<b>0</b>
Projected 2% Reserve Replacement	\$	32,385
Payback of FY 14-15 Cash Advance Loan- Payment September 2015	\$	(35,000)
Supplemental Funding Request		
Supplemental Funding Payback	\$	(49,000.00)
<b>Total Deficit</b>	<b>\$</b>	<b>(51,615)</b>

BUDGET FY 16-17		
Fund Balance	\$	12,444
*Restricted	\$	(12,444)
<b>TOTAL</b>	<b>\$</b>	<b>-</b>
REVENUE		
812100 45.10 TCTF	\$	1,499,768
816000 State Receipts	\$	85,641
MOU/Reimbursements	\$	284,905
<b>TOTAL</b>	<b>\$</b>	<b>1,870,484</b>
SALARIES		
FY 16-17 Salaries	\$	1,333,517
Workers Compensation	\$	41,833
Expenses		
FY 15/16 Operating Expense	\$	482,690
Total Expenses	\$	1,858,040
Total Deficit	\$	12,444
* 2% Automation Fund	\$	(12,444)
Total Deficit	\$	0

BUDGET FY 17-18		
Fund Balance	\$	24,888
*Restricted	\$	(24,888)
<b>TOTAL</b>	<b>\$</b>	<b>-</b>
REVENUE		
812100 45.10 TCTF	\$	1,551,909
816000 State Receipts	\$	85,641
MOU/Reimbursements	\$	284,905
<b>TOTAL</b>	<b>\$</b>	<b>1,922,625</b>
SALARIES		
FY 17-18 Salaries	\$	1,373,214
Workers Compensation	\$	41,833
Expenses		
FY 16/17 Operating Expense	\$	482,690
Total Expenses	\$	1,897,737
Total Deficit	\$	24,888
* 2% Automation Fund	\$	(24,888)
Total Deficit	\$	0



# TRIAL COURT CHART OF ACCOUNTS

## EXPENSE Detail Listing Revision 8

ACCOUNT NAME	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY15-16 Budget	FY16-17 Budget	FY17-18 Budget
<b>Operating Expense and Equipment</b>					
Laboratory Expense	920200		\$ 275	\$ -	\$ -
Fees/Permits	920300		\$ 8,000	\$ 8,000	\$ 8,000
Employee Relocation	920400		\$ -	\$ -	\$ -
Dues and Memberships	920500		\$ 300	\$ 300	\$ 300
Office Expense	920600		\$ 9,300	\$ 9,300	\$ 9,300
Freight and Drayage	920700		\$ -	\$ -	\$ -
Advertising	921500		\$ 500	\$ 500	\$ 500
Meetings, Conferences, Exhibits & Shows	921700		\$ 500	\$ 500	\$ 500
Library Purchases and Subscriptions	922300		\$ 52,300	\$ 52,300	\$ 52,300
Photography	922500		\$ -	\$ -	\$ -
Minor Equipment - Under \$5,000	922600		\$ 2,000	\$ 2,000	\$ 2,000
Equipment Rental/Lease	922700		\$ 10,000	\$ 10,000	\$ 10,000
Equipment Maintenance	922800		\$ 2,050	\$ 2,050	\$ 2,050
Equipment Repairs	922900		\$ -	\$ -	\$ -
General Expense - Service	923900		\$ 200	\$ 200	\$ 200
Printing	924500		\$ 1,450	\$ 1,450	\$ 1,450
Telecommunications	925100		\$ 30,100	\$ 24,100	\$ 24,100
Postage	926100		\$ 9,100	\$ 9,100	\$ 9,100
Insurance	928000		\$ 4,900	\$ 4,900	\$ 4,900
Travel-In State	929100		\$ 4,600	\$ 4,600	\$ 4,600
Other Travel Expense	929100		\$ -	\$ -	\$ -
Travel-Out of State	931100		\$ -	\$ -	\$ -
Training	933100		\$ 600	\$ 600	\$ 600
Security	934500		\$ 1,300	\$ 1,300	\$ 1,300
Facilities Operations	935100		\$ -	\$ -	\$ -
Rent/Lease	935200		\$ 26,605	\$ 225	\$ 225
Janitorial	935300		\$ 14,000	\$ 14,000	\$ 14,000
Maintenance and Supplies	935400		\$ -	\$ -	\$ -
Grounds	935500		\$ -	\$ -	\$ -
Alteration	935600		\$ -	\$ -	\$ -
Other Facility Costs-Goods	935700		\$ -	\$ -	\$ -
Other Facility Costs-Services	935800		\$ 300	\$ 300	\$ 300

# TRIAL COURT CHART OF ACCOUNTS

EXPENSE  
Detail Listing  
Revision 8

ACCOUNT NAME	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY15-16 Budget	FY16-17 Budget	FY17-18 Budget
Utilities	936100		\$ -	\$ -	\$ -
Contracted Services	938100		\$ -	\$ -	\$ -
Consulting Services-Temp Help	938200		\$ -	\$ -	\$ -
General Consultant and Professional Services	938400		\$ 95,524	\$ 95,524	\$ 95,524
Court Interpreter Services	938500		\$ 6,650	\$ 6,650	\$ 6,650
Court Reporter Services	938600		\$ 63,000	\$ 63,000	\$ 63,000
Court Transcripts	938700		\$ 6,000	\$ 6,000	\$ 6,000
Court Appointed Counsel Charges	938800		\$ 39,000	\$ 39,000	\$ 39,000
Investigative Services	938900		\$ -	\$ -	\$ -
Court Ordered Professional Services	939000		\$ 9,000	\$ 9,000	\$ 9,000
Mediators/Arbitrators	939100		\$ 7,000	\$ 7,000	\$ 7,000
Collection Services	939200		\$ 8,100	\$ 8,100	\$ 8,100
Legal	939400		\$ -	\$ -	\$ -
Banking and Investment Services	939700		\$ -	\$ -	\$ -
Other contract Services	939800		\$ -	\$ -	\$ -
Consulting and Professional Services-County Provided	941000		\$ -	\$ -	\$ -
Sheriff	941100		\$ -	\$ -	\$ -
County-Provided Services	942100		\$ 2,600	\$ 2,600	\$ 2,600
Information Technology (IT)	943000		\$ 91,604	\$ 91,621	\$ 91,604
Major Equipment	945200		\$ 33,711	\$ -	\$ -
Other Items of Expense	951000		\$ -	\$ -	\$ -
Uniform Allowance	952000		\$ -	\$ -	\$ -
Vehicle Operations	952300		\$ 2,870	\$ 2,870	\$ 2,870
Cash Differences	952500		\$ -	\$ -	\$ -
Juror Costs	965100		\$ 5,000	\$ 5,000	\$ 5,000
Other Special items of Expense	971000		\$ -	\$ -	\$ -
Other Post Employment Benefits	971100		\$ -	\$ -	\$ -
Judgments, Settlements, and Claims	972001		\$ -	\$ -	\$ -
Grand Jury Costs	972200		\$ 600	\$ 600	\$ 600
Non-Expert Witness	972300		\$ -	\$ -	\$ -
Cash Discounts	980000		\$ -	\$ -	\$ -
Debt Service	973100		\$ -	\$ -	\$ -
Court Construction	983100		\$ -	\$ -	\$ -
Distributed Administration	991000		\$ -	\$ -	\$ -
Satutory Workers Compensation	912501		\$ 41,833	\$ 41,833	\$ 41,833
<b>Totals</b>			<b>\$ 590,872</b>	<b>\$ 524,523</b>	<b>\$ 524,506</b>

# TRIAL COURT CHART OF ACCOUNTS

EXPENSE  
Detail Listing  
Revision 8

ACCOUNT NAME	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY15/16 Budget
<b>TRIAL COURT REVENUE</b>			
812100 PROGRAM 45.10 - OPERATIONS - REVENUE			\$ 1,497,829.00
816000 OTHER STATE RECEIPTS - REVENUE			\$ 85,641.00
821000 LOCAL FEES REVENUE			\$ 30,250.00
821200 ENHANCED COLLECTIONS - REVENUE			\$ 39,600.00
822000 LOCAL NON-FEES REVENUE			\$ -
823000 OTHER - REVENUE			\$ -
825000 INTEREST INCOME			\$ 350.00
826000 INVESTMENT INCOME			\$ -
<b>TRIAL COURT REIMBURSEMENTS</b>			
831000 GENERAL FUND 0001 - MOU/REIMBURSEMENTS			-
832000 PROGRAM 45.10 FUND 0932 - MOU/REIMBURSEMENTS			54,503.00
833000 PROGRAM 45.25 OPERATIONS FUND 0932 - REIMBURSEMENTS			11,000.00
834000 PROGRAM 45.45 OPERATIONS FUND 0932 - REIMBURSEMENTS			\$ 49,694.00
835000 PROGRAM 45.55 OPERATIONS FUND 0932 - REIMBURSEMENTS			-
836000 MODERNIZATION FUND 0556 - REIMBURSEMENTS			-
837000 IMPROVEMENT FUND 0159 - REIMBURSEMENTS			\$ 1,828.00
838000 AOC GRANTS - REIMBURSEMENTS			\$ 97,080.00
838000 NON-AOC GRANTS - REIMBURSEMENTS			\$ -
840000 COUNTY PROGRAM - RESTRICTED FUNDS - REIMBURSEMENTS			\$ 600.00
850000 REIMBURSEMENTS BETWEEN COURTS			\$ -
860000 REIMBURSEMENTS - OTHER			\$ -
<b>PRIOR YEAR REVENUE</b>			
890000 PRIOR YEAR REVENUE			-

# TRIAL COURT CHART OF ACCOUNTS

EXPENSE  
Detail Listing  
Revision 8

ACCOUNT NAME	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY15/16 Budget
<b>TOTALS</b>			<b>1,868,375.00</b>

Salary 15-16

Salary and Salary Driven Benefits									
FTE	SALARY ANNUAL	PERS 22.54%	FICA 6.20%	SDI 1.00%	MEDICARE 1.45%	RETIREE		UI 3.00%	Tot. Sal Drv.
						HEALTH 9.50%			
1 CEO	\$ 134,016	\$ 30,210		\$ 1,340	\$ 1,943	\$ 12,732	\$ 4,020	\$	\$ 50,245
1 Ops Manager	\$ 82,752	\$ 18,654		\$ 828	\$ 1,200	\$ 7,861	\$ 2,483	\$	\$ 31,025
1 Executive Asst	\$ 53,628	\$ 12,089		\$ 536	\$ 778	\$ 5,095	\$ 1,609	\$	\$ 20,106
1 Fiscal Director	\$ 84,096	\$ 18,957		\$ 841	\$ 1,219	\$ 7,989	\$ 2,523	\$	\$ 31,529
1 Network Admin.	\$ 62,544	\$ 14,099		\$ 625	\$ 907	\$ 5,942	\$ 1,876	\$	\$ 23,449
0.25 Commissioner	\$ 38,525	\$ -	\$ 2,389	\$ 385	\$ 559	\$ -	\$ 1,156	\$	\$ 4,488
5.25	\$ 455,561	\$ 94,008	\$ 2,389	\$ 4,556	\$ 6,606	\$ 39,618	\$ 13,667	\$	\$ 160,843
1 Dpty Clerk III	\$ 51,252	\$ 11,553		\$ 513	\$ 743	\$ 4,869	\$ 1,538	\$	\$ 19,215
1 Dpty Clerk III	\$ 47,928	\$ 10,804		\$ 479	\$ 695	\$ 4,553	\$ 1,438	\$	\$ 17,969
1 Dpty Clerk II	\$ 36,648	\$ 8,261		\$ 366	\$ 531	\$ 3,482	\$ 1,099	\$	\$ 13,740
1 Dpty Clerk II	\$ 38,142	\$ 8,598		\$ 381	\$ 553	\$ 3,623	\$ 1,144	\$	\$ 14,300
1 Dpty Clerk III	\$ 41,916	\$ 9,449		\$ 419	\$ 608	\$ 3,982	\$ 1,257	\$	\$ 15,715
1 Acct Assist	\$ 44,226	\$ 9,969		\$ 442	\$ 641	\$ 4,201	\$ 1,327	\$	\$ 16,581
6	\$ 260,112	\$ 58,634		\$ 2,601	\$ 3,772	\$ 24,711	\$ 7,803	\$	\$ 97,521
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972	\$	\$ 12,147
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972	\$	\$ 12,147
0.5 Interpreter	\$ 38,553	\$ -	\$ 2,390	\$ 386	\$ 559	\$ -	\$ 1,157	\$	\$ 4,491
2.5	\$ 103,353	\$ 14,607	\$ 2,390	\$ 1,034	\$ 1,499	\$ 6,156	\$ 3,101	\$	\$ 28,786

Averaged with Medical Assumptions Non-Salary Driven Benefits									
Medical	Dental	Vision	Flex Bene/Pay		Life Ins.	Surv. Ben.	Admin		Non-Sal. Benefits. Total
			out				Fees	Flex Spend	
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$	23,848
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$	23,848
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,181
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 244	\$ 24	\$ 54	\$ -	\$	23,483
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
\$ 74,907	\$ 3,108	\$ 1,108	\$ 38,322	\$ 790	\$ 120	\$ 270	\$ -	\$	118,624
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,181
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ -	\$ 372	\$ 144	\$ 22,646	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,180
\$ 61,062	\$ 3,576	\$ 1,334	\$ 74,813	\$ 167	\$ 144	\$ 324	\$ -	\$	141,420
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$	23,274
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$	23,274
\$ 15,770	\$ 744	\$ 288	\$ 29,522	\$ 68	\$ 48	\$ 108	\$ -	\$	46,548

	<b>Combined Total</b>	<b>\$ 1,412,768</b>
	<b>Salary Savings not filling vacant positions</b>	<b>(\$135,642.00)</b>
	<b>Rounding error due to averaging clerk positions on 7A upload</b>	<b>\$ 377</b>
	<b>Salary Schedule 7A</b>	<b>\$ 1,277,503</b>

**Salary 16-17**

<b>Salary and Salary Driven Benefits</b>									
FTE	SALARY ANNUAL	PERS 22.54%	FICA 6.20%	SDI 1.00%	MEDICARE 1.45%	RETIREE		UI 3.00%	Tot. Sal Drv.
						HEALTH 9.50%			
1 CEO	\$ 140,717	\$ 31,720		\$ 1,407	\$ 2,040	\$ 13,368	\$ 4,222	\$	\$ 52,758
1 Ops Manager	\$ 86,890	\$ 19,587		\$ 869	\$ 1,260	\$ 8,255	\$ 2,607	\$	\$ 32,577
1 Executive Asst	\$ 56,309	\$ 12,693		\$ 563	\$ 816	\$ 5,349	\$ 1,689	\$	\$ 21,112
1 Fiscal Director	\$ 88,301	\$ 19,905		\$ 883	\$ 1,280	\$ 8,389	\$ 2,649	\$	\$ 33,106
1 Network Admin.	\$ 65,671	\$ 14,804		\$ 657	\$ 952	\$ 6,239	\$ 1,970	\$	\$ 24,621
0.25 Commissioner	\$ 38,525	\$ -	\$ 2,389	\$ 385	\$ 559	\$ -	\$ 1,156	\$	\$ 4,488
<b>5.25</b>	<b>\$ 476,412</b>	<b>\$ 98,709</b>	<b>\$ 2,389</b>	<b>\$ 4,764</b>	<b>\$ 6,908</b>	<b>\$ 41,599</b>	<b>\$ 14,292</b>	<b>\$</b>	<b>\$ 168,661</b>
1 Dpty Clerk III	\$ 53,815	\$ 12,131		\$ 538	\$ 780	\$ 5,112	\$ 1,614	\$	\$ 20,176
1 Dpty Clerk III	\$ 50,324	\$ 11,344		\$ 503	\$ 730	\$ 4,781	\$ 1,510	\$	\$ 18,868
1 Dpty Clerk III	\$ 45,637	\$ 10,288		\$ 456	\$ 662	\$ 4,336	\$ 1,369	\$	\$ 17,110
1 Dpty Clerk III	\$ 40,049	\$ 9,028		\$ 400	\$ 581	\$ 3,805	\$ 1,201	\$	\$ 15,015
1 Dpty Clerk III	\$ 44,012	\$ 9,921		\$ 440	\$ 638	\$ 4,181	\$ 1,320	\$	\$ 16,501
1 Acct Assist	\$ 46,437	\$ 10,468		\$ 464	\$ 673	\$ 4,412	\$ 1,393	\$	\$ 17,410
<b>6</b>	<b>\$ 280,274</b>	<b>\$ 63,179</b>		<b>\$ 2,803</b>	<b>\$ 4,064</b>	<b>\$ 26,626</b>	<b>\$ 8,408</b>	<b>\$</b>	<b>\$ 105,080</b>
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972	\$	\$ 12,147
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972	\$	\$ 12,147
0.5 Interpreter	\$ 38,553	\$ -	\$ 2,390	\$ 386	\$ 559	\$ -	\$ 1,157	\$	\$ 4,491
<b>2.5</b>	<b>\$ 103,353</b>	<b>\$ 14,607</b>	<b>\$ 2,390</b>	<b>\$ 1,034</b>	<b>\$ 1,499</b>	<b>\$ 6,156</b>	<b>\$ 3,101</b>	<b>\$</b>	<b>\$ 28,786</b>

<b>Averaged with Medical Assumptions Non-Salary Driven Benefits</b>									
Medical	Dental	Vision	Flex Bene/Pay		Life Ins.	Surv. Ben.	Admin		Non-Sal. Benefits. Total
			out				Fees	Flex Spend	
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$	23,848
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$	23,848
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,181
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 244	\$ 24	\$ 54	\$ -	\$	23,483
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
<b>\$ 74,907</b>	<b>\$ 3,108</b>	<b>\$ 1,108</b>	<b>\$ 38,322</b>	<b>\$ 790</b>	<b>\$ 120</b>	<b>\$ 270</b>	<b>\$ -</b>	<b>\$</b>	<b>118,624</b>
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,181
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ -	\$ 372	\$ 144	\$ 22,646	\$ 25	\$ 24	\$ 54	\$ -	\$	23,265
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$	24,180
<b>\$ 61,062</b>	<b>\$ 3,576</b>	<b>\$ 1,334</b>	<b>\$ 74,813</b>	<b>\$ 167</b>	<b>\$ 144</b>	<b>\$ 324</b>	<b>\$ -</b>	<b>\$</b>	<b>141,420</b>
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$	23,274
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$	23,274
<b>\$ 15,770</b>	<b>\$ 744</b>	<b>\$ 288</b>	<b>\$ 29,522</b>	<b>\$ 68</b>	<b>\$ 48</b>	<b>\$ 108</b>	<b>\$ -</b>	<b>\$</b>	<b>46,548</b>

<b>Combined Total</b>	<b>\$ 1,469,159</b>
<b>Salary Savings not filling vacant positions</b>	<b>(\$135,642.00)</b>
<b>Salary Schedule 7A</b>	<b>\$ 1,333,517</b>

**Salary 17-18**

Salary and Salary Driven Benefits									
FTE	SALARY ANNUAL	PERS 22.54%	FICA 6.20%	SDI 1.00%	MEDICARE 1.45%	RETIREE		UI 3.00%	Tot. Sal Drv.
						HEALTH 9.50%			
1 CEO	\$ 140,717	\$ 31,720		\$ 1,407	\$ 2,040	\$ 13,368	\$ 4,222		\$ 52,758
1 Ops Manager	\$ 91,234	\$ 20,566		\$ 912	\$ 1,323	\$ 8,667	\$ 2,737		\$ 34,205
1 Executive Asst	\$ 59,125	\$ 13,328		\$ 591	\$ 857	\$ 5,617	\$ 1,774		\$ 22,167
1 Fiscal Director	\$ 92,716	\$ 20,900		\$ 927	\$ 1,344	\$ 8,808	\$ 2,781		\$ 34,761
1 Network Admin.	\$ 68,955	\$ 15,544		\$ 690	\$ 1,000	\$ 6,551	\$ 2,069		\$ 25,853
0.25 Commissioner	\$ 38,525	\$ -	\$ 2,389	\$ 385	\$ 559	\$ -	\$ 1,156		\$ 4,488
<b>5.25</b>	<b>\$ 491,271</b>	<b>\$ 102,058</b>	<b>\$ 2,389</b>	<b>\$ 4,913</b>	<b>\$ 7,123</b>	<b>\$ 43,011</b>	<b>\$ 14,738</b>		<b>\$ 174,232</b>
1 Dpty Clerk III	\$ 56,505	\$ 12,737		\$ 565	\$ 819	\$ 5,368	\$ 1,695		\$ 21,185
1 Dpty Clerk III	\$ 52,841	\$ 11,911		\$ 528	\$ 766	\$ 5,020	\$ 1,585		\$ 19,811
1 Dpty Clerk III	\$ 47,919	\$ 10,802		\$ 479	\$ 695	\$ 4,552	\$ 1,438		\$ 17,966
1 Dpty Clerk III	\$ 42,052	\$ 9,479		\$ 421	\$ 610	\$ 3,995	\$ 1,262		\$ 15,766
1 Dpty Clerk III	\$ 46,212	\$ 10,417		\$ 462	\$ 670	\$ 4,390	\$ 1,386		\$ 17,326
1 Acct Assist	\$ 48,759	\$ 10,991		\$ 488	\$ 707	\$ 4,632	\$ 1,463		\$ 18,281
<b>6</b>	<b>\$ 294,288</b>	<b>\$ 66,338</b>		<b>\$ 2,943</b>	<b>\$ 4,267</b>	<b>\$ 27,957</b>	<b>\$ 8,829</b>		<b>\$ 110,334</b>
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972		\$ 12,147
1 Dpty Clerk I	\$ 32,400	\$ 7,304		\$ 324	\$ 470	\$ 3,078	\$ 972		\$ 12,147
0.5 Interpreter	\$ 38,553	\$ -	\$ 2,390	\$ 386	\$ 559	\$ -	\$ 1,157		\$ 4,491
<b>2.5</b>	<b>\$ 103,353</b>	<b>\$ 14,607</b>	<b>\$ 2,390</b>	<b>\$ 1,034</b>	<b>\$ 1,499</b>	<b>\$ 6,156</b>	<b>\$ 3,101</b>		<b>\$ 28,786</b>

Averaged with Medical Assumptions Non-Salary Driven Benefits									
Medical	Dental	Vision	Flex Bene/Pay		Life Ins.	Surv. Ben.	Admin		Non-Sal. Benefits. Total
			out				Fees	Flex Spend	
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$ 23,848	
\$ 17,420	\$ 660	\$ 220	\$ 5,226	\$ 244	\$ 24	\$ 54	\$ -	\$ 23,848	
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$ 24,181	
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 244	\$ 24	\$ 54	\$ -	\$ 23,483	
\$ 8,711	\$ 372	\$ 144	\$ 13,935	\$ 25	\$ 24	\$ 54	\$ -	\$ 23,265	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>\$ 74,907</b>	<b>\$ 3,108</b>	<b>\$ 1,108</b>	<b>\$ 38,322</b>	<b>\$ 790</b>	<b>\$ 120</b>	<b>\$ 270</b>	<b>\$ -</b>	<b>\$ 118,624</b>	
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$ 23,265	
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$ 24,181	
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 25	\$ 24	\$ 54	\$ -	\$ 23,265	
\$ -	\$ 372	\$ 144	\$ 22,646	\$ 25	\$ 24	\$ 54	\$ -	\$ 23,265	
\$ 22,646	\$ 1,044	\$ 379	\$ -	\$ 34	\$ 24	\$ 54	\$ -	\$ 24,180	
<b>\$ 61,062</b>	<b>\$ 3,576</b>	<b>\$ 1,334</b>	<b>\$ 74,813</b>	<b>\$ 167</b>	<b>\$ 144</b>	<b>\$ 324</b>	<b>\$ -</b>	<b>\$ 141,420</b>	
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$ 23,274	
\$ 7,885	\$ 372	\$ 144	\$ 14,761	\$ 34	\$ 24	\$ 54	\$ -	\$ 23,274	
<b>\$ 15,770</b>	<b>\$ 744</b>	<b>\$ 288</b>	<b>\$ 29,522</b>	<b>\$ 68</b>	<b>\$ 48</b>	<b>\$ 108</b>	<b>\$ -</b>	<b>\$ 46,548</b>	

<b>Combined Total</b>	<b>\$ 1,508,856</b>
<b>Salary Savings not filling vacant positions</b>	<b>(\$135,642.00)</b>
<b>Salary Schedule 7A</b>	<b>\$ 1,373,214</b>



**Superior Court of  
California,  
County of Tehama**

**Application for  
Supplemental Funding**



**Caryn Downing**  
Court Executive Officer  
Clerk of the Court  
Jury Commissioner

**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF TEHAMA**  
Telephone: (530) 527-3484, Option 5  
Fax: (530) 527-4974

**Historic Courthouse**  
633 Washington Street  
Red Bluff, CA 96080



September 28, 2015

Chief Justice Tani G. Cantil-Sakauye  
Members of the Judicial Council  
**Supreme Court of California**  
350 McAllister Street  
San Francisco, CA 94102-4797

Dear Chief Justice Tani G. Cantil-Sakauye and Members of the Judicial Council,

Enclosed, please find the Superior Court of California, County of Tehama's completed Application for Supplemental Funding supported with documentation for the funds requested as a result of the attack on our Court's Network. I believe we have thoroughly and accurately responded to each item requested to ensure you would be provided with all the information needed in making your decision. We have considered all the requirements necessary in requesting the funding for urgent needs and trust we meet the criteria.

If you have any questions or concerns that are not addressed in the application, please contact me or Presiding Judge, John J. Garaventa at (530) 527-6198 or at the address above.

The Court would like to thank you for time and your consideration.

Respectfully,

  
Caryn A. Downing  
Court Executive Officer



**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF TEHAMA**

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**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF TEHAMA**

Tab A

Application for Supplemental Funding

## APPLICATION FOR SUPPLEMENTAL FUNDING FORM

<p>Please check the type of funding that is being requested:</p> <p><input type="checkbox"/> <b>CASH ADVANCE</b> (Complete Section I only.)</p> <p><input checked="" type="checkbox"/> <b>URGENT NEEDS</b> (Complete Sections I through IV.)</p> <p style="padding-left: 20px;"><input checked="" type="checkbox"/> <b>ONE-TIME DISTRIBUTION</b></p> <p style="padding-left: 20px;"><input type="checkbox"/> <b>LOAN</b></p>	
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<b>SECTION I: GENERAL INFORMATION</b>		
<b>SUPERIOR COURT:</b> Tehama	<b>PERSON AUTHORIZING REQUEST</b> (Presiding Judge or Court Executive Officer): Caryn A. Downing, Court Executive Officer	
	<b>CONTACT PERSON AND CONTACT INFO:</b> 530-527-6198	
<b>DATE OF SUBMISSION:</b> 9/25/2015	<b>DATE FUNDING IS NEEDED BY:</b> 12/1/2015	<b>REQUESTED AMOUNT:</b> \$512,000.00

**REASON FOR REQUEST**  
 (Please briefly summarize the reason for this funding request, including the factors that contributed to the need for funding. If your court is applying for a cash advance, please submit a cash flow statement when submitting this application. Please use attachments if additional space is needed.)

On July 1, 2015, The Superior Court of California, County of Tehama began this fiscal year with a positive fund balance. This Court has a history and record of good stewardship and being fiscally prudent. The intentional data deletion that occurred on July 3, 2015, caused the Court to incur extraordinary expenses in excess of \$512,000.00. Had this incident not occurred, the Court would have a balanced budget for FY15-16.

In early June of this year the Tehama Superior Court was made aware of certain suspicious activity in its computer and telephone systems. AT&T's Security Incident Response and Forensic Solutions Department was engaged by the Court on June 5, 2015, to act in the capacity of a trusted advisor to evaluate the Court's concerns. On June 10<sup>th</sup>, AT&T's Lead Investigator arrived at the courthouse and began an initial vulnerability assessment. On June 12<sup>th</sup> three members of AT&T's team arrived at the Court and started a forensic analysis of the Court's infrastructure. Subsequently, the Court's IT Director was placed on Paid Administrative Leave pending an investigation as to actions involving the Court's computer network. After escorting him out of the building, he took an HP SAN (storage device) out of his vehicle, handed it over to the bailiff and indicated it was court property. It was later determined this piece of equipment was non-operational due to missing hardware. AT&T was able to secure the Court's infrastructure to a certain degree and continued to work on securing the system in its entirety. However, due to the lack of administrative passwords and inaccurate IT documentation, the Court's infrastructure remained vulnerable to the individual who had intricate knowledge of the administrative passwords.

On June 26, 2015, the Court's IT Director was terminated.

On June 29, 2015, the Court engaged NWN Corporation for staffing augmentation and specialty services.

On July 3, 2015, at approximately 1:58 p.m. someone logged in with the Administrator account and deleted all the pertinent data contained within the IT infrastructure, including any back-up. These affirmative, intentional, nefarious actions rendered the Court's case management system, telephones, exchange server, jury system, shared and individual drives and website non-operational.

Between July 3<sup>rd</sup> and July 8<sup>th</sup> AT&T, NWN and an IT staff member from Judicial Council began troubleshooting the Court's IT environment to determine why the Court's entire system was non-functional.

On July 9, 2015, it was determined that specific and targeted commands were executed during the July 3, 2015, intrusion to perform the data deletion, the investigation and review of logging sources did not indicate reconnaissance activities were performed hereby indicating the nefarious actor had intricate knowledge of the administrative

credentials, configurations and topology of the IT systems to carry out the activities. As a result of this discovery, law enforcement was contacted.

On July 10, 2015, the Court contracted with Kroll Ontrack Data Recovery to evaluate and examine the feasibility of being able to rebuild and recover the logical volumes containing the Court's infrastructure. Eight hard drives were sent to them for evaluation. Kroll used proprietary tools to access the devices, rebuild the logical volumes and recovered 3760.84 GB of data which contained the Court's case management system dating back to March 17, 2015, the active directory structure, telephones, jury and key card systems. Upon receiving the external hard drives, the Court began the process of transferring the data back into the server environment. Staff must now endure the tedious process of re-entering all unrecoverable information including payments, citations, new cases, filings, etc. back into the case management system while continuing to maintain their current workload. Additionally, 991+ hours of time devoted to configuration, and code mapping for the Court's new case management system was lost requiring staff to re-enter this information. The data loss has added increased expenses to the Court.

During the service of a search warrant on July 14, 2015, at the former IT Director's home, 8 hard drives belonging to the Tehama Superior Court were seized. The drives were subsequently returned to the Court and after a forensic evaluation it was determined 6 out of the 8 drives were non-operational.

On July 10, 2015, the Tehama Superior Court filed a civil complaint against its former IT Director for Intentional Tort and General Negligence. In addition, the Court also requested and obtained a Temporary Restraining Order. On August 6, 2015, the Court filed a First Amended Complaint for Cyber Fraud/Deceit, Civil Claim Under PC 1502 (e), Breach of Duty of Loyalty to Employer, Invasion of Privacy, Conversion, Trespass, Negligence, Violation of LC 2865, Violation of LC 2854. All proceedings have currently been stayed pending the criminal investigation.

As of the date of this application, the following services have been restored: case management system, jury system, telephones, active directory, exchange, file sharing for user and common drives, limited website, printing, on-site nightly back-ups, off-site weekly back-ups, building key card system, FLFED data base, AT&T web filtering, and security cameras. The following services have been added for enhanced security and optimization: AT&T Threat Manager, Help Desk ticketing system, network monitoring system, and AT&T e-mail filtering. The Court continues to work diligently to restore public access to the following services: the online case and calendar index on its website, and wireless internet.

In closing, the Court would ask that you consider approving our request for supplemental funding in the amount of \$512,000.00. This would restore the Court's fund balance back to where it was prior to this unforeseen emergency. The Court has a primary objective of fiscal responsibility and has budgeted accordingly for long term planning, entering into extended contracts and new Courthouse relocation costs. Restoring the court's fund balance to zero will negatively impact our future operations. Thank you for this opportunity.

(Tab B)

Section II through Section IV of this form is required to be completed if your court is applying for supplemental funding for urgent needs (unavoidable funding shortfall, unforeseen emergency or unanticipated expenses for existing programs). Please submit attachments to respond to Sections II through Section IV.

## **SECTION II: TRIAL COURT OPERATIONS AND ACCESS TO JUSTICE**

### **A. What would be the consequence to the public and access to justice if your court did not receive the requested funding?**

With layoffs and/or position eliminations the public and access to justice would be significantly impacted. The Court would seek to further reduce its public counters and telephone hours or even possibly eliminate telephone access all together. Except as required by law, in civil, probate and family law cases, the services of an official court reporter may not be available, making it more challenging for self-represented litigants to prepare orders, etc. The processing of non-priority work (filing, copies, ex parte communications and correspondences, records management and non-priority dispositions) would be delayed. Requests for criminal records searches would also be delayed, affecting those needing the search for prospective employers. Mandated reporting to DMV (including the lifting of drivers and registration holds) and DOJ (conviction reporting) would be prolonged, diminishing the public's confidence in the Court and possibly having adverse action taken against compliant defendants. The Courts new case management system and e-filing would not be implemented preventing the Court from expanding online access to the public.

**B. What would be the consequence to your court's operations if your court did not receive the requested funding?**

Approximately \$485,000.00 in savings would be required for a balanced budget. In order to achieve this, the Court would layoff and/or eliminate 7 positions. Restructuring the duties of these positions would drastically impact the effectiveness of operations and would have a negative effect on the entire court system. The continued work on creating efficiencies and streamlining processes would be delayed. The scheduling of non-priority cases would be prolonged. The Court would be unable to dedicate resources to the collection of court investigation fees, the timely processing of refunds and the referrals of delinquent court ordered debt. Staff training and travel would be eliminated. The Court would be unable to fund its IWR Interactive Web Response and Self-Check-in Module Project for its jury system. The project is a grant reimbursement program that the Court would no longer be able to participate in.

(Tab C)

**C. What measures will your court take to mitigate the consequences to access to justice and court operations if funding is not approved by the Judicial Council?**

The Mission Statement of the Tehama Superior Court is, "To ensure the prompt and fair adjudication of all cases and to improve public confidence in the Court's through accessibility, communication and education. To that extent, we would strive to stay consistent with our objectives. In order to function without the supplemental funding, the Court would prioritize its needs and those of the public. The Court would begin communications with the union for the use of volunteers and reach out to our justice partners for possible assistance. Explore the options for alternative payment locations for those needing to pay after business hours.

**D. Please provide five years of filing and termination numbers.**

Fiscal Year	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
2010-2011	44.34			39.34
Detailed information is unavailable				
2011-2012	40.84	37.34	36.34	36.34
Assistant CEO position eliminated				
2012-2013	38.0	36.0	39.84	39.84
No position additions or deletions				
2013-2014	39.84	41.84	41.84	41.84
Reclassified two positions to reflect actual job duties, created IT Director position, eliminated System Analyst position				
2014-2015	42.50	43.50	43.50	44.50
Added Accounting Technician and CEO/Human Resources Manager positions				

**APPLICATION FOR SUPPLEMENTAL FUNDING FORM (Continued)**

**SECTION III: REVENUE ENHANCEMENT AND COST CONTROL MEASURES**

**A. If supplemental funding was received in prior year, please identify amount received and explain why additional funding is again needed in the current fiscal year.**

N/A

**B. If the request for supplemental funding is not for a one-time concern, the court must include an expenditure/revenue enhancement plan that identifies how the court will resolve its ongoing funding issue.**

N/A

**C. What has your court done in the past three fiscal years in terms of revenue enhancement and/or expenditure reductions, including layoffs, furloughs, reduced hours, and court closures?**

**2011**

- Implemented a 39 hour work week for all employees except two managers
- Deferred Comp. match eliminated for line-staff

**2012**

- Deferred Comp. match eliminated for managers
- Started paying full 7% employee contribution towards retirement
- All employees received a step decrease (this was equivalent to a 5% pay decrease)
- The Court entered in an Agreement with Shasta Collections for the collection of court ordered delinquent debt
- Eliminated longevity pay

**2013**

- Self-Help Center was relocated to the Historic Courthouse improving public access and eliminating the rental agreement
- Closed the Corning Branch Court
- Office and telephone hours were reduced to Monday through Friday from 10:00 a.m. – 2:00 p.m.

**D. Please describe the employee compensation changes (e.g. cost of living adjustments and benefit employee contributions) and staffing levels for past five fiscal years for the court.**

Fiscal Year	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
2010-2011	44.34			39.34
Detailed information is unavailable				
2011-2012	40.84	37.34	36.34	36.34
Assistant CEO position eliminated				
2012-2013	38.0	36.0	39.84	39.84
No position additions or deletions				
2013-2014	39.84	41.84	41.84	41.84
Reclassified two positions to reflect actual job duties, created IT Director position, eliminated System Analyst position				
2014-2015	42.50	43.50	43.50	44.50
Added Accounting Technician and Assistant CEO/Human Resources Manager positions				

Year	Business Unit	Item
2011	All Represented Employees	Began paying employee's full share of 7% toward retirement
	All Unrepresented Employees	Began paying employee's full share of 7% toward retirement
2012	All Represented Employees	2.5% COLA
	All Unrepresented Employees	2.5% COLA
2013	All Represented Employees	One-time \$500.00 stipend
	All Unrepresented Employees	One-time \$500.00 stipend
	All Represented Employees	Return to a 40 hour workweek
	All Unrepresented Employees	Return to a 40 hour workweek
2014	All Represented Employees	2.5% COLA
	All Unrepresented Employees	3.0% COLA
	All Represented Employees	One-time \$250.00 Stipend
	All Unrepresented Employees	One-time \$250.00 Stipend
Year	Business Unit	Item
2014		

	All Unrepresented Employees	One-time \$250.00 Stipend
<b>Year</b>	<b>Business Unit</b>	<b>Item</b>
<b>2014</b>		
	All Represented Employees	Additional \$75.00 per month towards health insurance
	All Unrepresented Employees	Additional \$75.00 per month towards health insurance
<b>2015</b>	All Represented Employees	2.5% COLA
	All Unrepresented Employees	3.0% COLA
	All Represented Employees	Additional \$75.00 per month towards health insurance
	All Unrepresented Employees	Additional \$75.00 per month towards health insurance

**SECTION IV: FINANCIAL INFORMATION**

Please provide the following:

- A. Current detailed budget projections/estimates for the current fiscal year, budget year and budget year plus one (e.g., if current fiscal year is FY 2012-2013, then budget year would be FY 2013-2014 and budget year plus one would be FY 2014-2015).**

(Tab D)

- B. Current status of your court's fund balance.**

As of September 23, 2015, the Court had a positive fund balance. At the end of the fiscal year, if the Court does not receive the requested funding, the Court will have to take the necessary action to avoid a negative fund balance of approximately \$281,191.00.

(Tab E)

- C. Three-year history of your court's year-end fund balances, revenues, and expenditures.**

(Tab F)

- D. If the trial courts' application is for one-time supplemental funding, please explain why a loan would not be appropriate.**

The statutorily imposed 1% cap on fund balances does not allow Courts to prepare and budget for unforeseen emergencies, such as the devastation the Tehama Superior Court experienced. A loan would not be an appropriate remedy because this incident was not the result of the Court's inefficiencies, inadequate planning or poor fiduciary practices but an unforeseen act of sabotage.

- E. The most recent audit findings of fiscal issues and the remediation measures taken to address them.**

(Tab G)