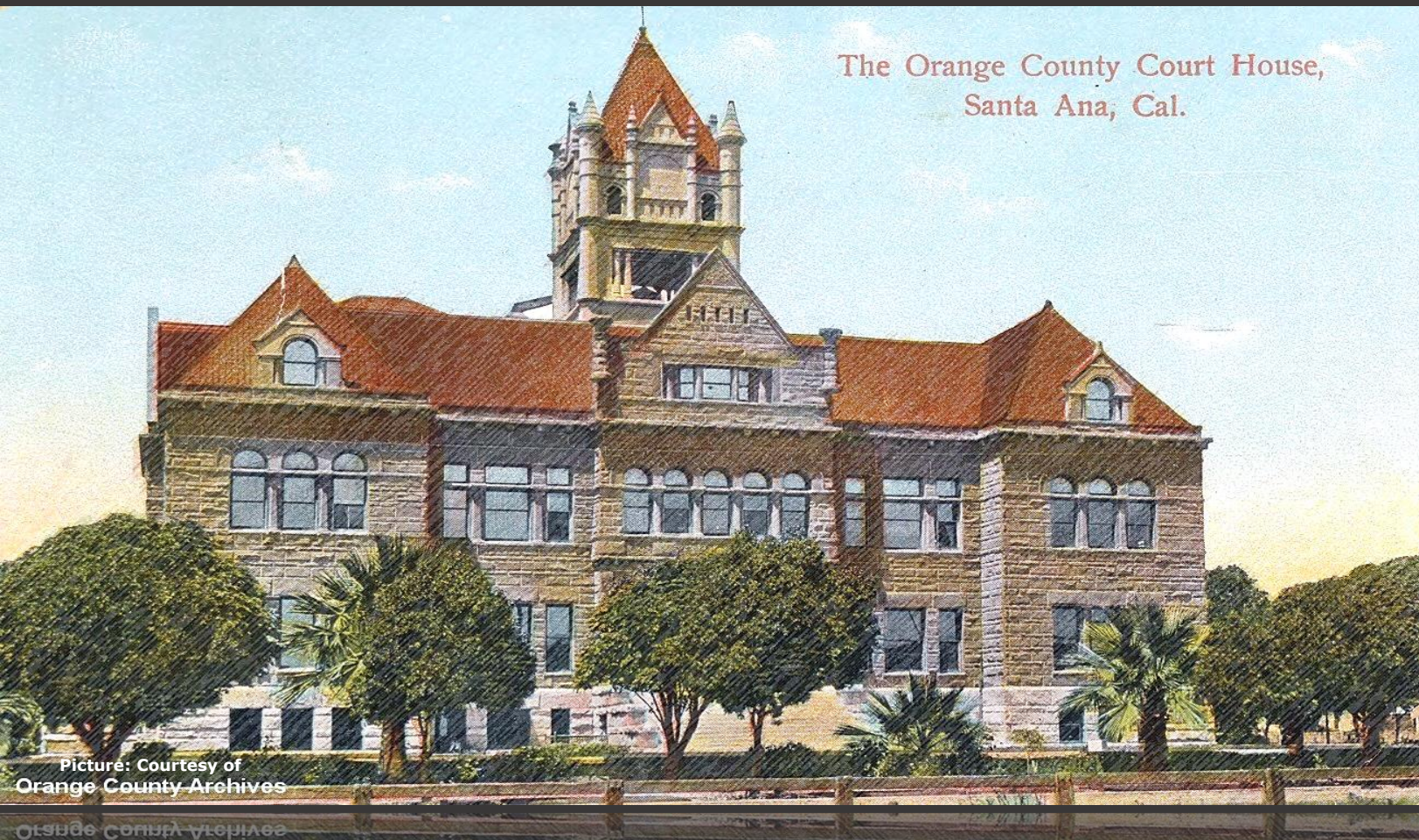


THE SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE



APPROVED BUDGET

Fiscal Year 2016-17

Mission, Vision, Strategic Goals

Mission

The mission of the Superior Court of California, County of Orange is to serve the public by administering justice and resolving disputes under the law, thereby protecting the rights and liberties guaranteed by the Constitutions of California and of the United States.

Vision

The Superior Court of California, County of Orange will provide the highest quality of justice and court system services to the community by:

- Being accessible, convenient, and understandable
- Providing a variety of appropriate and effective dispute resolution forums
- Maintaining a professional, appropriate environment where skilled judges and court staff treat all people equally and respectfully
- Using advanced technology to support the Court and serve the public
- Actively educating the public about the appropriate role and functions of courts and the services provided
- Expanding partnerships between the justice system and community including legal, business, law environment, and other entities to advance justice and promote the welfare of all people
- Responding to the needs and being representative of Orange County's diverse community

Strategic Goals

Strategic Goal 1: The Court will deliver the highest quality of justice and service to court users, justice partners, and the community by providing leadership to create and sustain public and private sector partnerships.

Strategic Goal 2: The Court will treat everyone in a fair and just manner, provide equal access, and respond to the needs of Orange County's diverse community and court users.

Strategic Goal 3: The Court will encourage preservation of judicial discretion and impartial decision-making, and maintain the highest standards of accountability for using public resources.

Strategic Goal 4: The Court will continue to strive for the highest quality judicial officers and staff.

Strategic Goal 5: The Court will embrace innovative ideas and implement modern management practices for effective and efficient delivery of service.

Strategic Goal 6: The Court will establish a comprehensive technology, human resources, fiscal, and facilities infrastructure.



Superior Court of California County of Orange

October 5, 2016

Message from the Presiding Judge and the Court Executive Officer:

The Superior Court in and for the County of Orange has adopted its budget for the 2016-17 fiscal year beginning July 1, 2016. The Court continues to slowly recover from the severe budget cuts triggered by the 2008 recession. The slow recovery is due to two factors: first, funding has still not returned to pre-recession levels; and second, the Court is experiencing even further reductions of its share of state funding and continuing loss of local revenues.

The adopted budget reflects the Court's investment and spending priorities in support of the Court's mission and strategic goals as follows:

- Becoming a more unified court – a) making available any judge that is open to hear a matter which is ready for trial or hearing and b) establishing consistency of policies and business practices across justice centers;
- Increased access to interpreters for non-English speaking litigants in family law, civil, and probate cases;
- Increasing ease of access to court services – implementation of an Interactive Voice Response (IVR) system for many case types, reopening a call center for traffic cases, and expansion of the South County Service Center;
- Replacing the case management system currently used in civil, probate, and mental health cases because the existing system will soon no longer be supported by the Judicial Council;
- Strengthening IT infrastructure – continuing to improve the reliability and sustainability of our information technology systems now that the court operates with an all-electronic court record;
- Strengthening the management and performance measurement systems to allow decision making to be empirically based; and
- Continuing training and professional development of court employees to improve retention and to provide for succession planning.

Through these efforts the Court continues to strive to be a leader in innovation and to develop new and better ways to provide access and services to people living or working in the County.

Thank you for the opportunity to serve,

Hon. Charles Margines
Presiding Judge

Alan Carlson
Court Executive Officer

TABLE OF CONTENTS

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

Resources: People	1
Resources: Court Locations	2

FUNDING CHALLENGES

Inadequate State Funding	3
Workload-based Allocation and Funding Methodology (WAFM)	3
1% Percent Cap On Reserves	5
Benefits Funding Delay	6

STRATEGIC PLANNING

Past and Future Focus	6
-----------------------------	---

EQUAL ACCESS TO JUSTICE

Self-Represented Litigants	7
Limited English Proficient (LEP) Users	7

IMPROVING ACCESS TO JUSTICE

Recent Successes	7
My Court Card Portal	8
Expanded Service at the Superior Court Service Center	8

EMBRACING TECHNOLOGY

Interactive Dashboards	9
eCitations	9
Interactive Voice Response Contact Center	9
New Case Management System for Family Law (Odyssey)	9

FOCUS ON EMPLOYEES

Court Alert	9
Training Opportunities	10
Employee Satisfaction Survey	10

FUTURE PROJECTS

10

FY 2016-17 APPROVED BUDGET

Overview of Budget Process.....	12
Revenues	13
Court Staff by Funding Source	14
Fines and Fees	15
Expenditures – Salaries and Benefits	16
Expenditures – Services and Supplies	17
Fund Balance	18

FACTS AND FIGURES.....

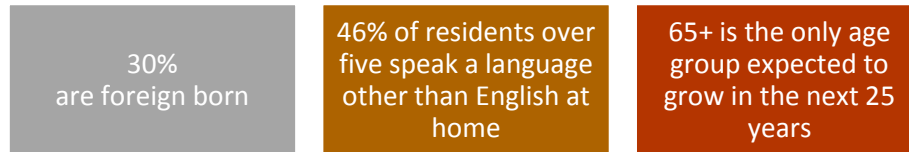
19

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

The Superior Court of California, County of Orange (Court) is one of 58 superior courts in the State. The Court serves:



Living within Orange County's (County) 800 square miles are residents with diverse backgrounds:



Although Orange County typically evokes images of affluence, the reality is:



Source: Orange County Community Indicators Project. (2016). *OC Community Indicators 2016*.

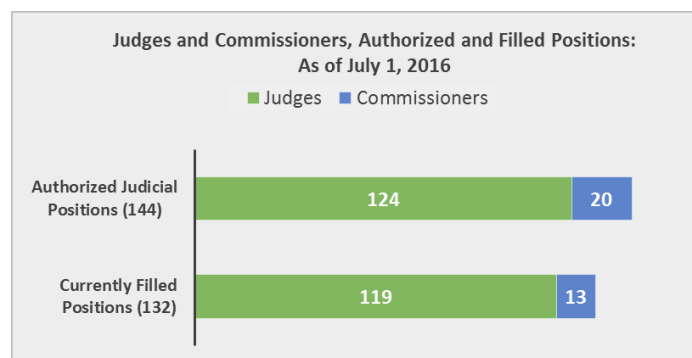


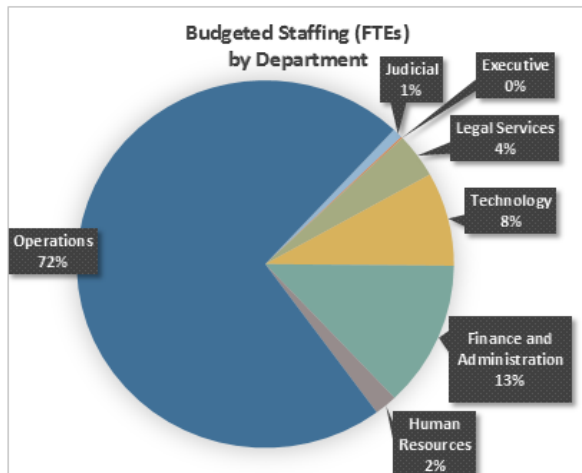
The judicial officers are led by the presiding judge and assistant presiding judge, who are elected by the Court's judges to two-year terms. The judges and commissioners are supported by 1,597 non-judicial staff. Court staff are trial court employees, part of the Judicial Branch, but not direct State nor County of Orange employees.

Resources: People

The County's changing landscape as well as outside pressures from the State and economy present never-ending challenges for the Court. Its most valuable resource in meeting these challenges is its workforce – its judicial officers and employees.

In Fiscal Year (FY) 2016-17, the Court is authorized to have 124 judges and 20 commissioners to preside over matters that are brought to the justice system. This includes over half a million new filings each year.





Under the direction of the presiding judge and assistant presiding judge, the Chief Executive Officer (CEO) provides leadership, direction, and oversight to all operational and administrative areas of the Court.

The CEO is supported by the in-house general counsel and four deputy executive officers in charge of:

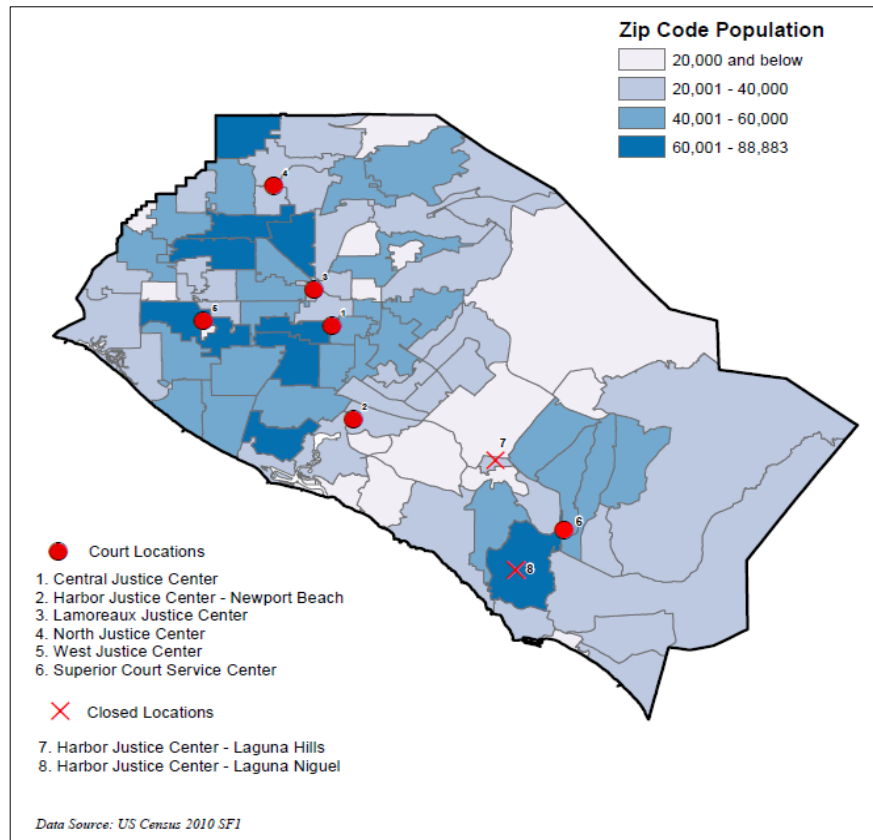
- Operations
- Finance and Administration
- Human Resources
- Court Technology Services

The chart shows the proportion of staff dedicated to each major functional area or department within the Court.

Did you know? **Superior Court Judges** are appointed by the Governor or elected by the voters to their office. **Commissioners** are selected by the judges of the Court.

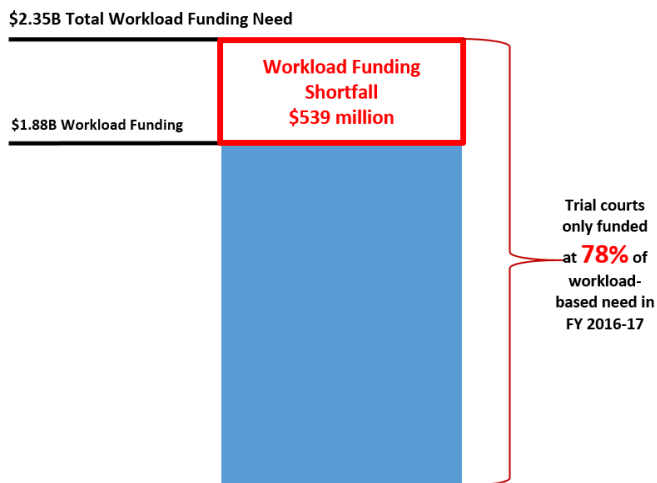
Resources: Court Locations

The Court operates five full-service courthouses. Specialized services are also available at three other facilities, including the Complex Civil Center, the Community Court, and the Courtroom at the Jail (all located in Santa Ana). In addition, the Superior Court Service Center (SCSC) in Mission Viejo serves residents of southern Orange County by providing a place to file documents, make traffic payments, and receive self-help services.



Did you know? There are no courtrooms in the southern part of the County, home to **600,000 residents**. There are 43 counties in California that have populations of less than 600,000. If combined, 19 of the smallest California counties will have a population of less than 600,000, and yet **those 19 counties have 23 courthouses** among them.

Funding Challenges: Inadequate State Funding, WAFM¹, 1 Percent Cap on Reserves



As with many state-funded agencies, the trial courts have continued to compete for adequate funding since significant budget cuts were made to the State budget after the Great Recession of 2008. In an effort to strengthen and improve the lobbying efforts made on behalf of the trial courts, a workload-based funding model was adopted by the Judicial Council of California in 2013. The primary goal of this funding model was to demonstrate an empirically based funding need. In this instance, filings are used to determine the funding need. The challenge that still remains is to obtain full funding. Currently, trial courts, as a whole, are only 78 percent funded for their workload-based need.

Historical Funding Inequities and Phase-in of WAFM

WAFM seeks to rectify historical funding inequities by distributing available funding to courts based upon workload. Prior to WAFM, trial courts were mostly funded by their respective counties and were largely reliant upon them for funding. With the Lockyer-Isenberg Trial Court Funding Act of 1997, funding for the trial courts became the responsibility of the State and, unfortunately, the funding models in place in the county system were largely carried over and led to continued funding disparities. To ease the transition into WAFM and allow courts adequate time to phase in to their new funding parameters, the Judicial Council decided to phase-in the model incrementally as follows.

Historical funding (base dollars received prior to July 1, 2013):

- FY 2013-14 – 10% WAFM/ 90% historical
- FY 2014-15 – 15% WAFM / 85% historical
- FY 2015-16 – 30% WAFM / 70% historical
- **FY 2016-17 – 40% WAFM / 60% historical**
- FY 2017-18 – 50% WAFM / 50% historical

All new state funding received after July 1, 2013 is allocated 100 percent per WAFM with an equal amount of historical base funding converted. This component was added to the model in order to bring courts in-line with WAFM as quickly as possible.

Workload-based Funding and Allocation Methodology or "WAFM"

SAMPLE CALCULATION:

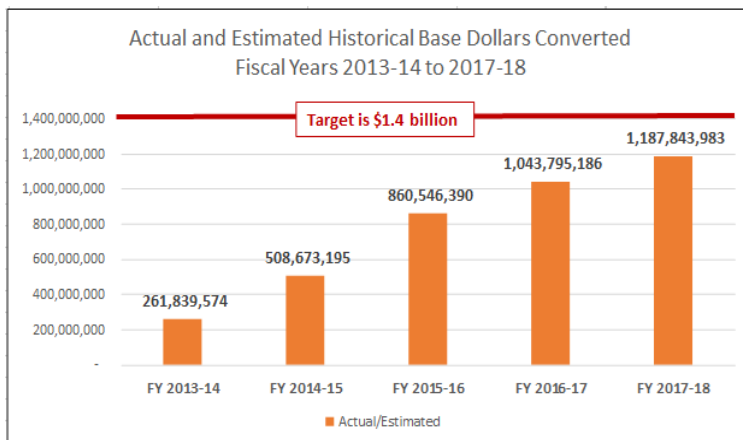
of filings x caseweight =
of minutes needed to process case type

of minutes ÷ 95,900=
of staff to process workload

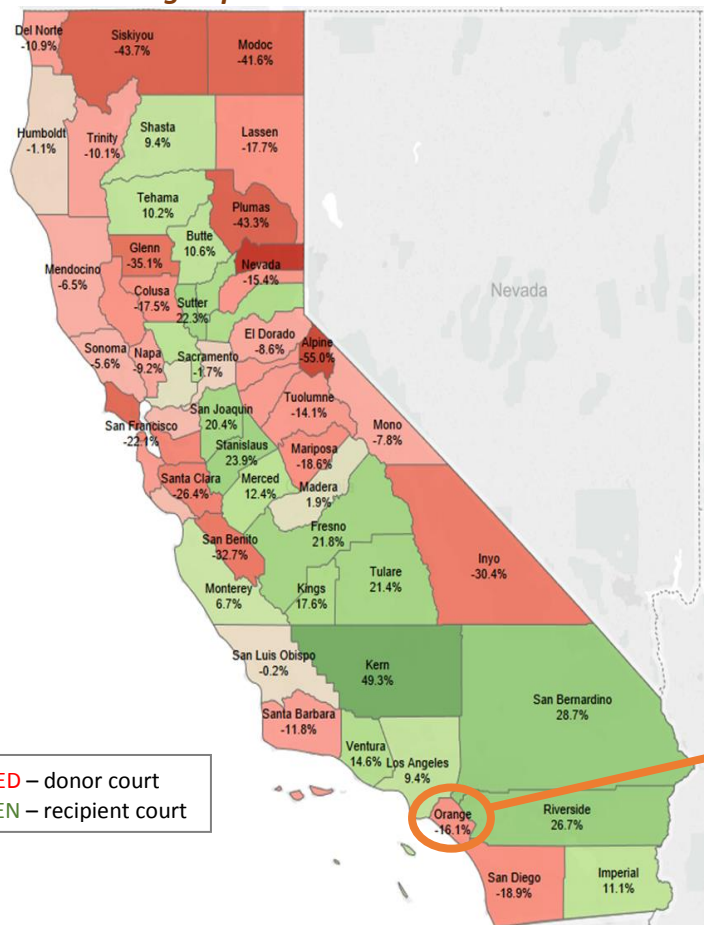
of staff x cost per FTE=
WAFM funding need

¹ Workload-based Funding and Allocation Methodology

FY 2016-17 marks the fourth year of the five-year phase-in of WAFM. At the end of this phase-in in FY 2017-18, base funding is anticipated to be about 82 percent converted (absent any new funding in FY 2017-18). Currently, 72 percent of base funding has been converted. Note that the target conversion amount is set at \$1.4 billion per the model adopted by the Judicial Council in 2013.



Local Funding Impact to the Court



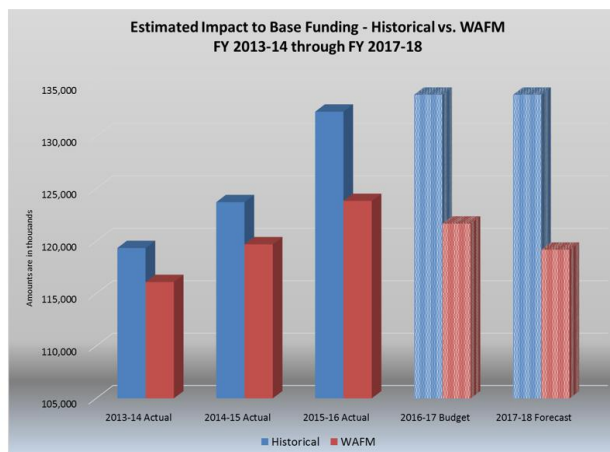
State funding is insufficient to fund the workload-driven need of all trial courts in California. As such, all trial courts are underfunded, but to varying degrees. In FY 2016-17, our Court is funded at 83 percent of its WAFM calculated need. This is four percent higher than the statewide average; hence funds will be taken from Orange and redistributed to courts below the statewide average. The chart to the left depicts which counties are receiving a larger or smaller share of funding under WAFM and the ratio for which base dollars are being reallocated in FY 2016-17.

Orange loses **16 cents** on the dollar for every historical dollar allocated per WAFM.

Orange loses **32 cents** on the dollar for all new money allocated per WAFM.

Over the span of five years, the overall “loss” in actual and estimated funding attributable solely to WAFM is approximately \$15 million. For an annual budget of roughly \$200 million, this is a substantial decrease.

Estimated “Loss” in Funding for OCSC



Unfortunately, WAFM is not the only financial challenge that the Court is facing. Since 2013, the Court has been forced to operate with a one percent cap on its operating reserves, a delay in funding benefit cost increases, and insufficient funding for court appointed counsel in dependency cases (which is also appropriated and allocated by the State). In FY 2016-17, court-appointed counsel funding decreased from \$6.4 million to \$5.6 million. In order to ensure that children and parents in dependency cases continue to have legal representation, the Court must use general fund dollars to supplement dependency funding.

Fund Balance Restrictions

For the past three years, the Court has only been able to carry forward a maximum of one percent of the prior year’s actual expenditures. Only certain committed and special revenue funds (see page 17 for more details), and specific encumbrances² are excluded. The challenge posed by the one percent reserve restriction policy is twofold:



Limited cash flow: For the Court, the one percent reserve is equal to three days of payroll. This limited amount of available cash makes it nearly impossible for the Court to deal with unexpected emergencies, invest in long-term projects to improve efficiency, and take advantage of pre-pay discounts.

Potential loss of future funding: If encumbrances are not used within the proper timeframe, which is three years per Judicial Council policy, or for the identified purpose, the unused amounts will be decreased from the Court’s base allocation in the next fiscal year.

² Encumbrances are funds that are set aside to purchase specific goods and/or services from a specific vendor based on contractual obligations.

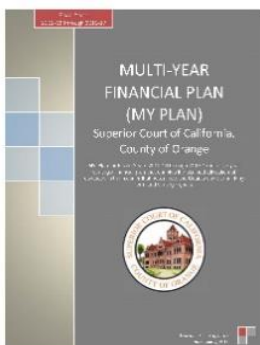
Benefits funding reimbursement delay

Prior to 2013, trial courts received benefit funding in the same year in which the costs were incurred. However, with the Budget Act of 2014, funding for new benefit cost increases is delayed. This means that the Court must first pay for the expense and then receive reimbursement one year later. This delay in funding has a direct impact on cash flow and court operations. The Court must try to accommodate benefit cost fluctuations in the millions of dollars every year before it receives adequate funding.



Despite significant funding challenges, the Court remains committed to strategically planning for and investing in its future. When WAFM was first approved in 2013, the Court updated its long range forecast and began purposefully implementing projects which would save money in the long term, invest in technology, improve access and customer service, and invest in its employees. The planning mechanism for this effort is the Court's Multi-Year Financial Plan or "MY Plan."

STRATEGIC PLANNING: GUIDE TO PAST AND FUTURE FOCUS



MY Plan, the Court's tool for strategic and tactical planning, was first implemented in FY 2012-13 to prioritize and manage projects. The Court's Executive Team meets monthly to review the status of active MY Plan projects. They also review new MY Plan project requests, which are evaluated for approval based on a variety of factors including alignment with the Court's strategic goals, resource needs and availability, and return on investment (ROI).

To date, more than 200 MY Plan project ideas have been submitted. Of those, 28 have been completed and 12 are currently active. Eleven of the 12 projects currently active are expected to be completed by the end of FY 2016-17. The other project ideas are either still pending approval or have already been removed from further consideration.

A business process reengineering (BPR) effort, expected to be completed in 2017, will completely overhaul the Court's strategic and project management processes. The continued goal of this effort is to optimize limited funding and resources while providing continued value to the residents of Orange County.

Strategic planning

- * Vision
- * 2 - 5 year horizon

Tactical planning

- * Project portfolio management
- * 1 - 2 year horizon

Operational planning

- * Annual budget
- * 12 month horizon

Equal Access to Justice: Changing Dynamics and Needs

Equal access to justice and fairness is a top priority for both the State and the Court. As statistics show, the Court serves an increasingly diverse population. The Court continues to be responsive to its residents' cultural, racial, socioeconomic, linguistic, physical, and age diversity. To support this goal, in recent years the Court has been focusing on the following:

Self-Represented Litigants



Mainly because of financial limitations—but also because of an increasing number of people who prefer to do things themselves—one of the most significant changes in the court system in recent years is the growing number of residents who attend to their matters in court without the help of an attorney. Often unfamiliar with court procedures and forms, self-represented litigants require significant resources to assist them in preparing and improving the quality of information presented to judges.

Limited English Proficient (LEP) Court Users

Without proper language assistance, LEP court users may be excluded from meaningful participation in the judicial process. Many LEP litigants appear without an attorney and without a qualified interpreter. Further, LEP court users' language needs are not limited to the courtroom; the need for language assistance extends to all points of contact including clerks' offices, self-help centers, and court-connected clinics.³



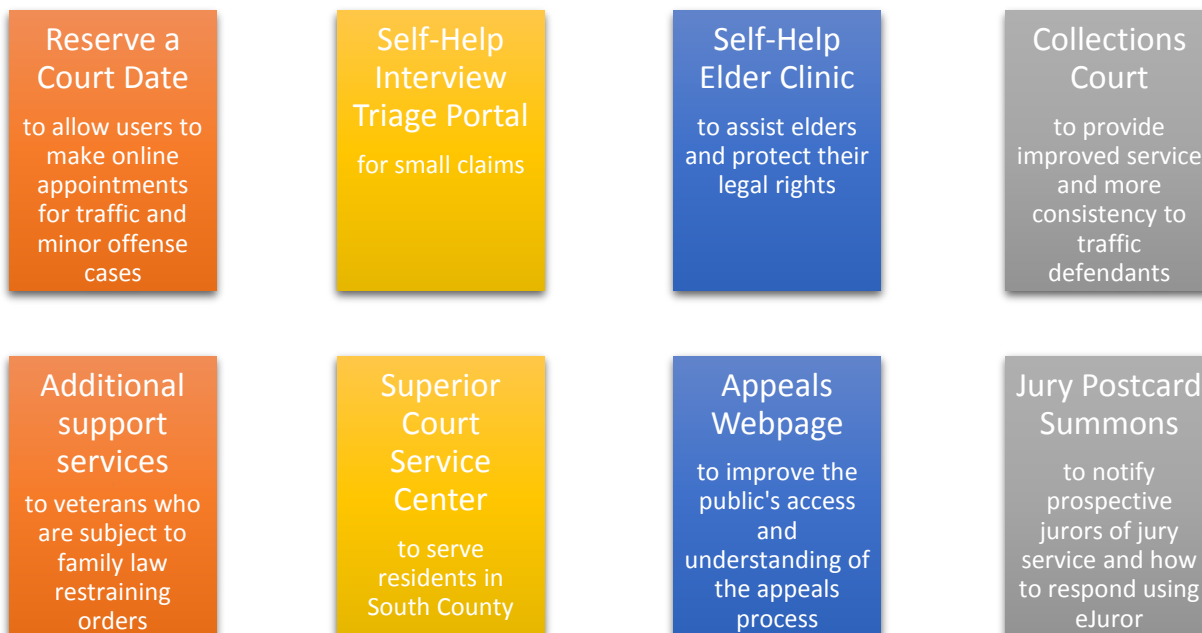
Did you know? The Court provides interpreter services in **65 languages** – including Spanish, Vietnamese, Korean, Mandarin, and Farsi. The Court collects and tracks usage data to better align interpreter services with the changing needs of the public.

Recent Successes: Improving Access to Justice

In the past few years, the Court has made numerous improvements in order to make it easier for court users to access services while encouraging them to conduct their business **online rather than in line**. As more users access online services, the Court will be able to redirect resources that would have normally been allocated to providing services that are now available online to users in line who require more guidance and assistance because they are either self-represented,

³ California's Language Access Plan: *Strategic Plan for Language Access in the California Courts*, Item for the January 22, 2015 Judicial Council business meeting.

limited English proficient, or subject to other circumstances. Some examples of the Court's efforts to improve access to justice are:



In FY 2015-16, the Court continued its efforts to provide increased and equal access to justice for its residents through:

My Court Card Portal



This online portal increases access to justice for self-

represented litigants. Users can download needed forms, sign up for free workshops specific to their cases, keep track of case progress, and access online tutorials and e-learning content any time. They can also receive expedited services when visiting self-help centers at the courthouses.

Expanded service at the Superior Court Service Center

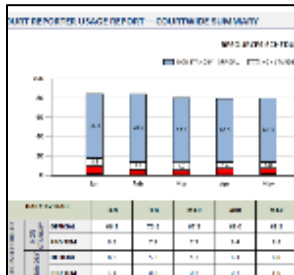


Opened in 2015 to serve over 600,000 residents who lived in the southern part of the County, the Superior Court Service Center first focused on providing legal information, procedural assistance, workshops, document review of legal forms, and access to computers to the public. Currently, the SCSC is also accepting payments for criminal, traffic, and collections cases. There are no courtrooms in this facility.

Recent Successes: Embracing Technology

In addition to the public's access to justice, the Court also focused on working smarter through the use of technology. Some examples are:

Interactive Dashboards



Interactive dashboards are now being used to facilitate data-informed decision making for the Court's executives and managers.

Examples of dashboards created include Civil Caseload, Court Reporter Utilization, Financial Planning, Facilities Management and Delegation, and Legal Research.



eCitations

Instead of writing tickets, Orange County law enforcement officers now use handheld electronic devices to issue

citations. Citation data are uploaded directly into the Court's criminal and traffic case management system (CMS), Vision, instead of being manually entered by a contractor. The conversion to e-citations yielded ongoing savings of \$300,000 per year in data entry costs.



Interactive Voice Response Contact Center (IVRCC)

The IVRCC improves service to, and communications with, the public by consolidating

formerly disparate IVR and call center systems. The public can obtain information about their cases and jury service anytime. By using IVRCC, users avoid the need to come to the courthouses and spend time standing in line. The system also allows for forecasting, such as predicting future call volumes and handling times, thus helping the Court deploy resources more efficiently.



Odyssey – Family Law and Juvenile

In December 2015, the Court deployed a new CMS for family law and juvenile cases. All

new family law and juvenile case files are electronic, giving judicial officers immediate access to case files. With this latest conversion, the Court can now completely support a paperless, file free, environment.

Recent Successes: Focusing on Employees

Court Alert



Designed to provide timely notifications, Court Alert can be used to contact staff that is impacted by, or in danger of being impacted by, an emergency or disaster. The system utilizes a variety of communication pathways (work phone, cell phone, court email, personal email, text message, mobile application, and desktop popup) to contact employees in the event of an emergency.

Training Opportunities for Staff



The Court expanded its training and development opportunities for staff, supervisors, and managers. Leadership training includes Learning to Lead, Institute for Court Management, Core-40 for Supervisors, and Leadership Development Institute. As requested by employees, additional training is being offered in the Microsoft Office suite of products.

Employee Satisfaction Survey (ESS)

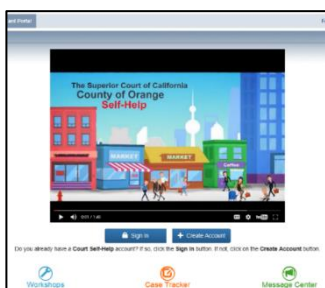
In 2015, all employees were surveyed and 75 percent responded. Staff volunteered to work on action teams to address court-wide as well as courthouse-based issues. Many recommendations from these teams have been successfully implemented. Several more are in the process of being implemented.



Continuing Progress: Future Projects

In FY 2016-17, the Court will continue its efforts to increase access and improve convenience and customer experience through technology by building upon the progress already achieved. Some of the key projects under consideration are listed below:

Enhancement of My Court Card Portal



Planned improvements include deploying a true mobile application that will allow for one-button registration. This will increase online portal use and remote services while reducing average wait time and dedicated staff resources.

Partial Reopening of Call Center



A call center dedicated to handling Criminal/Traffic matters will re-open during this fiscal year. IVRCC functionality will be enhanced to provide assistance to employees helping the public.

Collections Projects



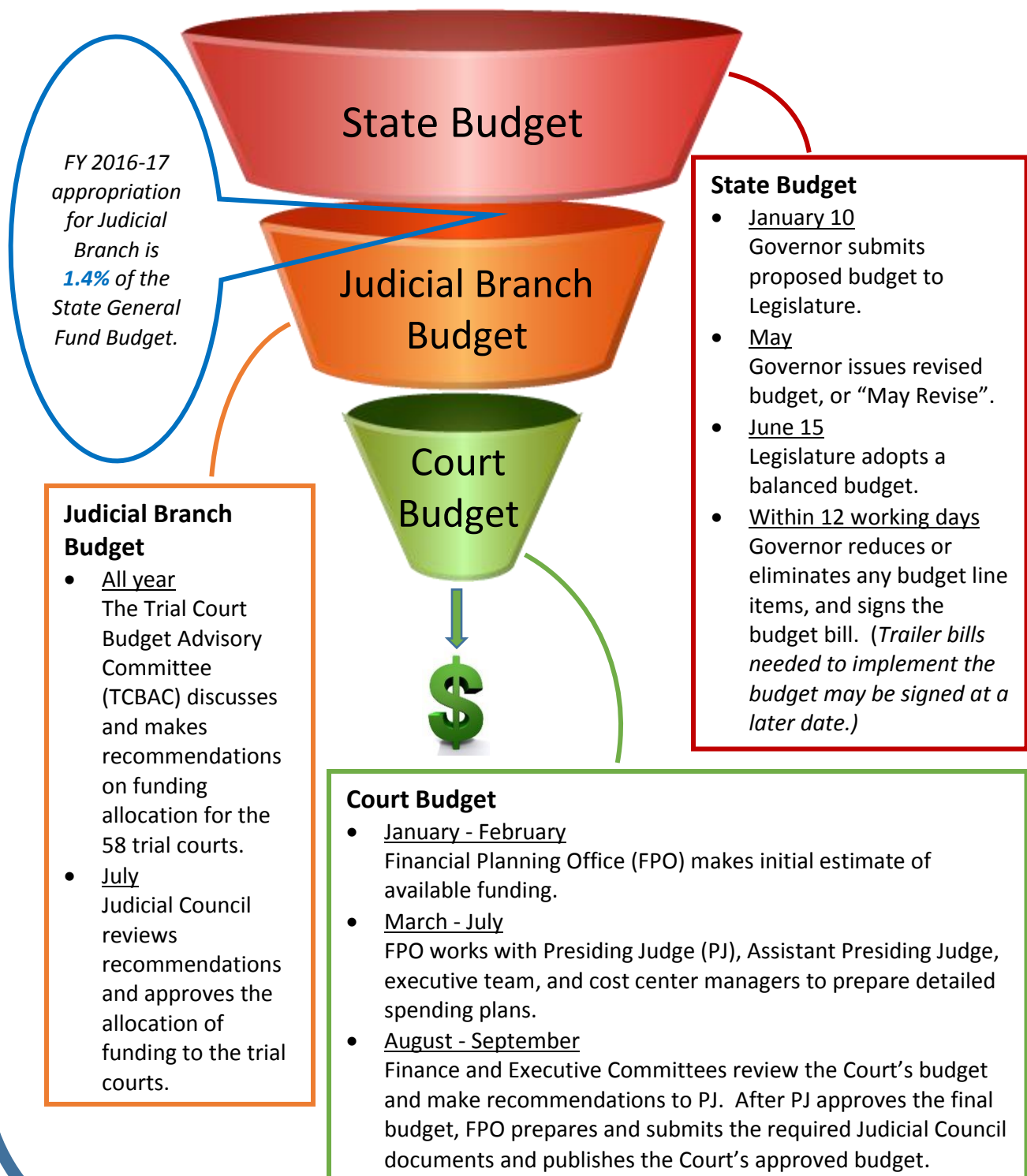
Improvements such as being able to set up payment plans online as well as enabling people to pay fines in cash remotely instead of in-person will be explored.



FY 2016-17 Approved Budget

OVERVIEW OF BUDGET PROCESS

In California, the trial courts are primarily funded by the State. This chart shows the relationship and the development timelines of the State budget, Judicial Branch budget, and local trial court budgets.

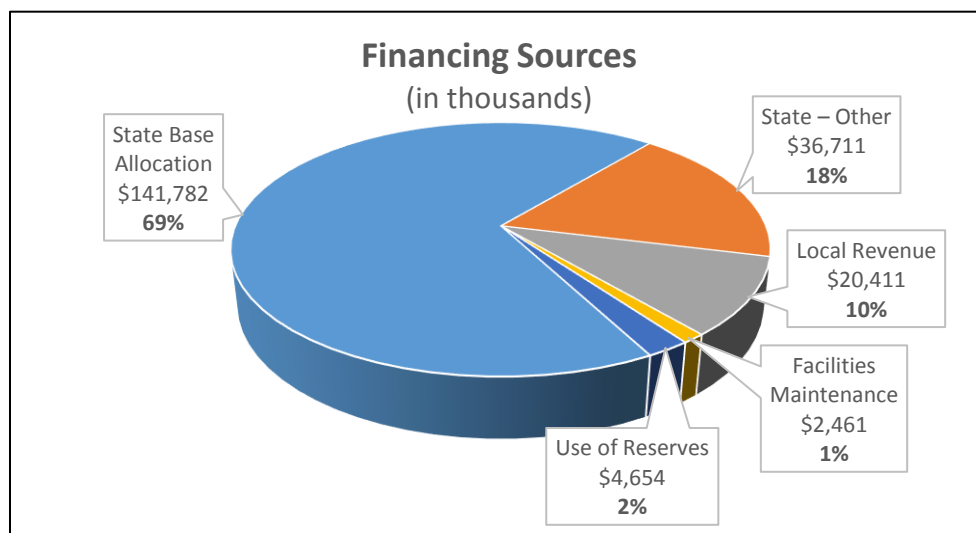


FY 2016-17 APPROVED BUDGET

Revenue

FINANCING SOURCES	
State Base Allocation	141,781,753
State – Other	36,710,683
Local Revenue	20,410,914
Facilities Maintenance	2,461,332
TOTAL REVENUES	201,364,682
Use of Reserves	4,654,431
TOTAL FINANCING SOURCES	206,019,113

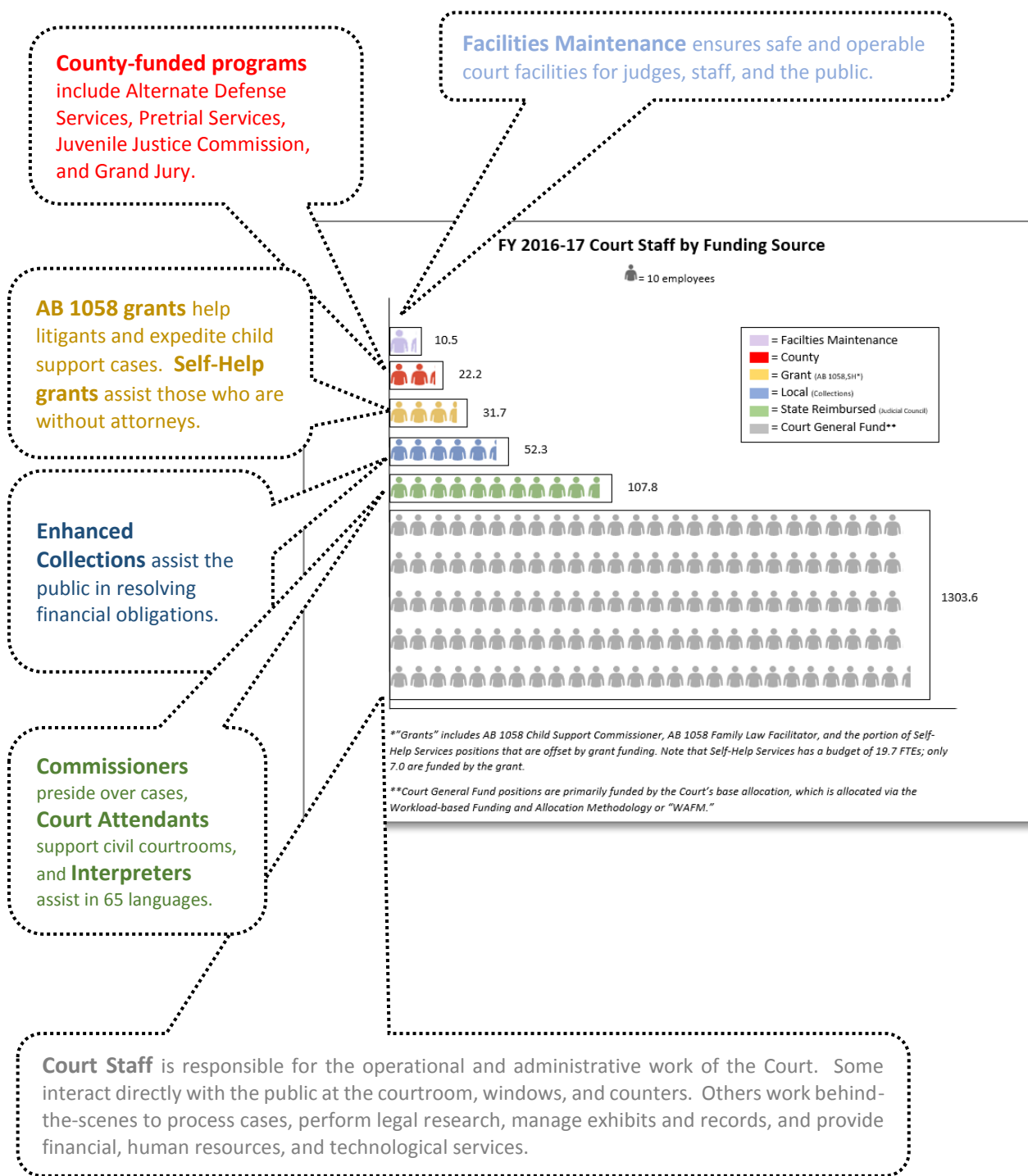
The Court's FY 2016-17 revenue budget totals \$201.4 million. The **State Base Allocation** (see WAFM discussion beginning on page 3) is roughly 70 percent of the total revenue budget. The FY 2016-17 State Base Allocation is about \$2.6 million less than it was in FY 2015-16 due to the continued phase-in of WAFM, change in WAFM rate (from 7.28 percent last year to 7.17 percent this year), and decrease in Proposition 47 funding. These decreases are net of an increase from new money added to the state budget of \$19.6 million (the Court's share is \$1.1 million) and reimbursement for FY 2015-16 benefit cost increases. **State-Other**⁴ revenue is 16 percent, or roughly \$36.7 million of the total revenue budget. The next major source of funding is **Local Revenues**⁵, which includes county reimbursements and cost recovery for the Court's enhanced collections program. **Facilities Maintenance** and the **Use of Reserves** make up the balance of the Court's funding.



⁴ State-Other Revenue includes interpreter, dependency counsel, civil assessment, and children's waiting rooms.

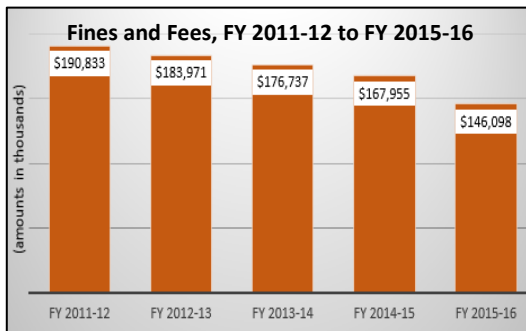
⁵ Local Revenues include cost recovery for enhanced collections, non-Judicial Council grants, and reimbursements for County-funded programs.

Most Court staff costs are paid from the Court's general fund. The rest are covered by reimbursements from the Judicial Council⁶, local collections, grant programs, the County of Orange, and funding for facilities maintenance.



⁶ Judicial Council funded positions include interpreters, commissioners, and courtroom attendants.

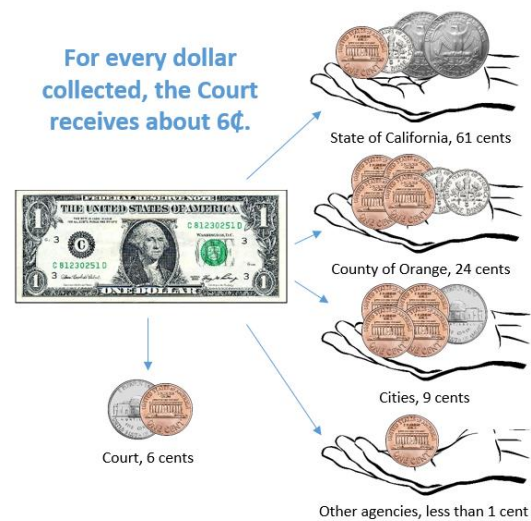
Fines and Fees



One of the most important responsibilities of the Court is to collect fines and fees, and then distribute them to various entities (the State, County, cities, Court, and various other agencies such as OC Transportation Commission, domestic violence shelters, universities, colleges, school police, Air Quality Management District, etc.) as directed by state statutes. These revenues

support various programs that provide services to the public. In FY 2015-16, the Court collected and distributed almost \$146.1 million in fines and fees.

The Legislature and Judicial Council set all filing fees and most other fees, while the trial courts are only allowed to locally set fees for specific services or products (such as copy, fax, name search). Trial courts can only set fees to recoup costs, and must be able to justify such fees when requested to do so.



Did you know? **Fees** are payments for court case related services. **Fines** are monetary sums required to be paid as penalty for an offense, such as a traffic ticket. The Court only retains **6 percent** of all funds collected to recoup costs while **over 80 percent** of the collections go to the State and County.

Traffic Tickets are made up of:

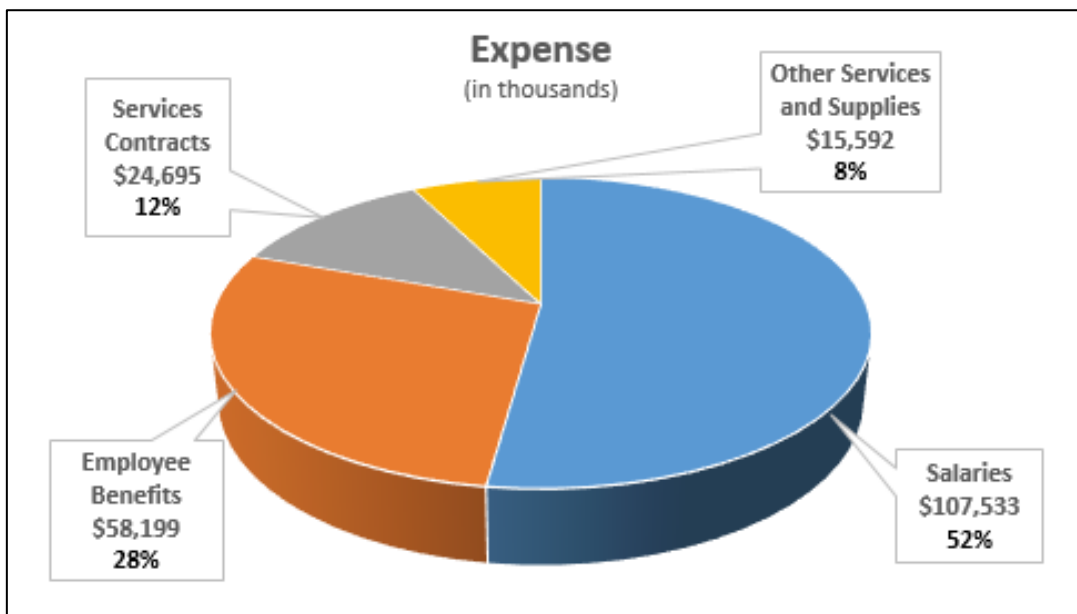
- \$ Base fine
- \$ Penalty assessment *(added to infractions, misdemeanor and felony offenses)*
- \$ Other assessments *(such as Court Operations Fee, Conviction Assessment, Emergency Medical Air Transport, Night Court Fee, State Surcharge, etc.)*

In general, the base fine portion of **traffic tickets** has not changed for nearly 20 years. The total cost of a traffic ticket—above the base fine—is primarily the result of the addition of mandatory penalty assessments and fees created by the Legislature and required by statute. The judicial officer adjudicating the case may reduce or increase the base fine imposed within the statutory limits.

Expenditures

USE OF FUNDS	
Salaries and Benefits	165,732,520
Services and Supplies	27,702,690
Technology	7,709,974
New CMS	3,562,600
Facilities Maintenance	1,311,329
TOTAL EXPENDITURES	206,019,113

Salaries and benefits are 80 percent or \$165.7 million of total budgeted expenditures. Funds are allocated to pay the cost of the Court's regular, limited term, and extra help employees. Services and supplies make up 20 percent of the budget and include items such as contracts for services, equipment, facilities maintenance, office supplies, other services, and technology hardware and software.

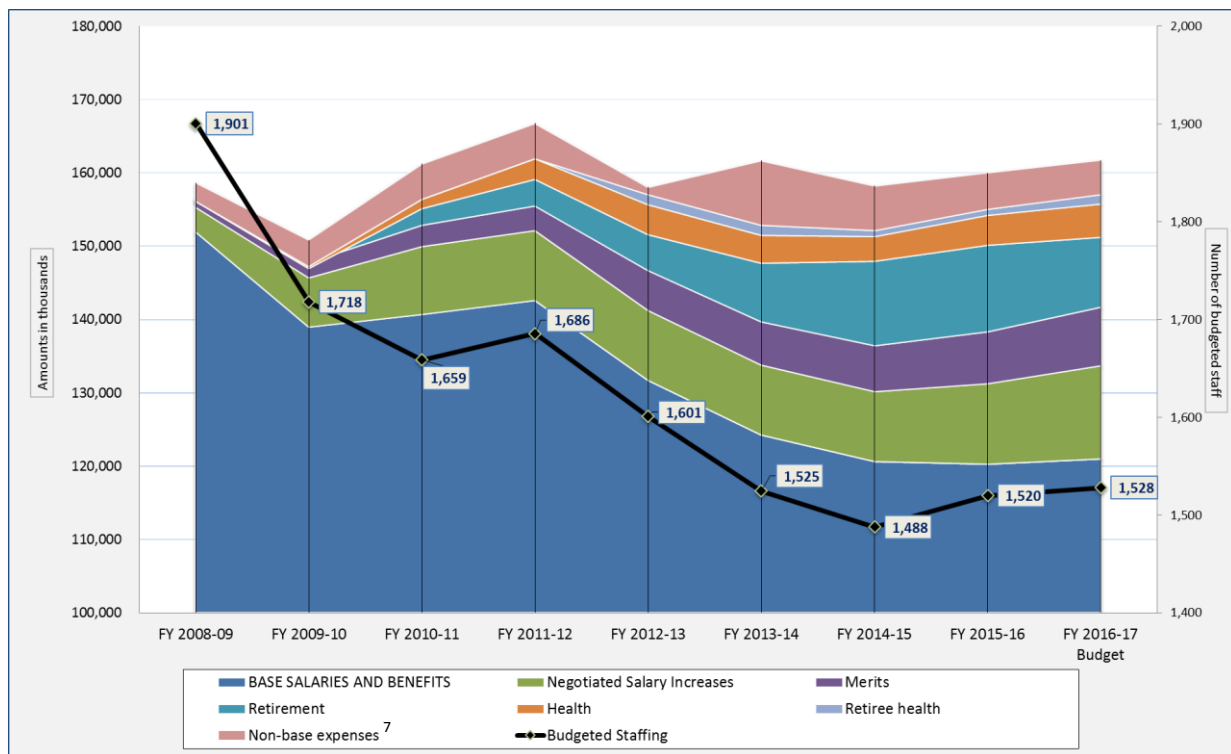


Salaries and benefits

Salary and benefit costs are budgeted at \$5.7 million more than actual expenditures from the prior fiscal year. This increase is largely due to the assumed vacancy rate (budgeted at a lower rate than the actual rate for the prior year), negotiated salary increases, health insurance premiums, and retiree health benefits. Retirement costs are slightly decreased in FY 2016-17; therefore, the Court's FY 2017-18 allocation will be reduced by an amount equal to the retirement cost decrease.

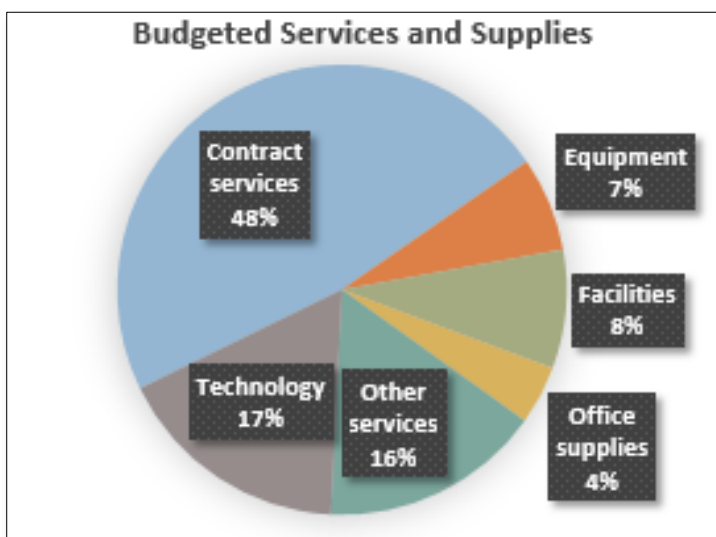
The following chart provides some additional details about the increases in salary and benefit costs over the past several years. Although the number of budgeted staff has decreased by 370 since FY 2008-09, the total cost of salaries and benefits has continued to climb.

**Historical Look at Salaries and Benefits
FY 2008-09 to FY 2016-17**



Services and supplies

Contract services, which make up 48 percent—\$19.5 million—of the services and supplies budget (or 12 percent of the total expenditure budget), are people-driven costs and include items such as contract interpreters, per diem court reporters, court-appointed counsel, and services provided by the County.



⁷ Non-base expenses include overtime, extra help (except for subordinate judicial officers), and payouts.

FUND BALANCE

The estimated ending fund balance on June 30, 2017 is \$7.3 million, most of which is restricted by statute and can only be spent on specific uses.

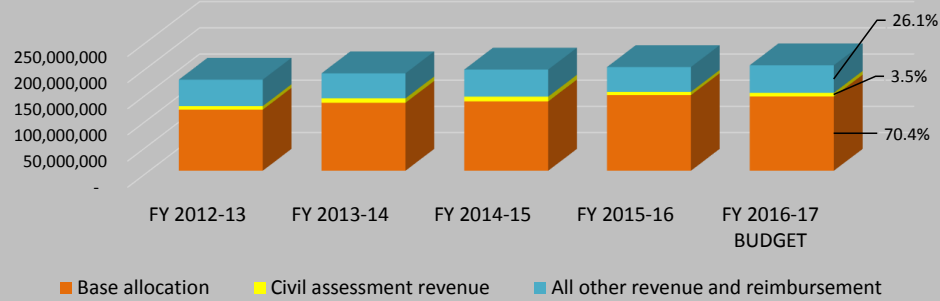
Estimated Fund Balance Designations as of June 30, 2017

Estimated Fund Balance as of June 30, 2017			7,265,046
<u>Description</u>	<u>Fund Type</u>	<u>Classification</u>	<u>Amount</u>
1% of Operating Reserve	General Fund - TCTF	Assigned	350,358
1% Operating Reserve: Facilities Maintenance	Special Revenue Non-Grant	Assigned	855,070
1% Operating Reserve: Facilities Maintenance	General Fund - Non TCTF	Assigned	141,890
Nonspendable - Prepaid Items	General Fund - Non TCTF	Nonspendable	421,243
Collaborative Courts Donation Fund	Special Revenue Non-Grant	Restricted - Externally Imposed	11,251
Marriage License Conciliation, Insurance Conviction, DMV History/Priors	Special Revenue Non-Grant	Restricted - Statutory	304,021
Children's Waiting Room	Special Revenue Non-Grant	Restricted - Statutory	359,393
Micrographics Prior to 2006	Special Revenue Non-Grant	Restricted - Statutory	32,395
Replacement of 2% Automation Fund	Special Revenue Non-Grant	Restricted - Statutory	4,753,972
Small Claims Advisory	Special Revenue Non-Grant	Restricted - Statutory	35,453
Total Estimated Fund Balance to be Retained by the Court as of June 30, 2017			7,265,046
Total Estimated Fund Balance Available to be Reclaimed by the State as of June 30, 2017			-

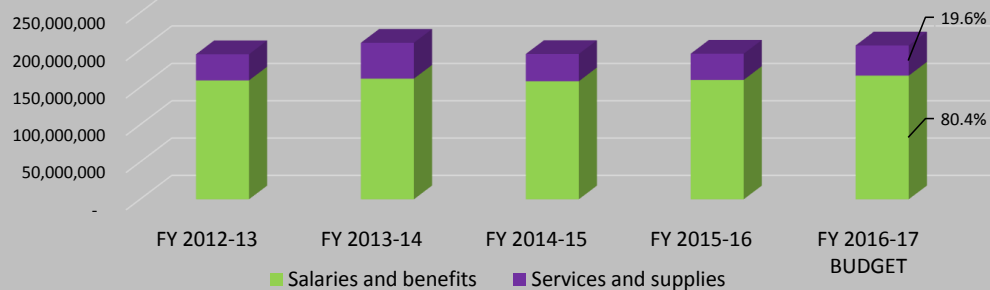
The table above shows that the Court does not have a cushion to help absorb any huge variances in funding or expenditures. This makes it essential that the Court be vigilant in watching the flow of its resources and to continue to make strategic decisions for the future to preserve long term sustainability of core functions and goals.

FACTS AND FIGURES

REVENUE



EXPENDITURE

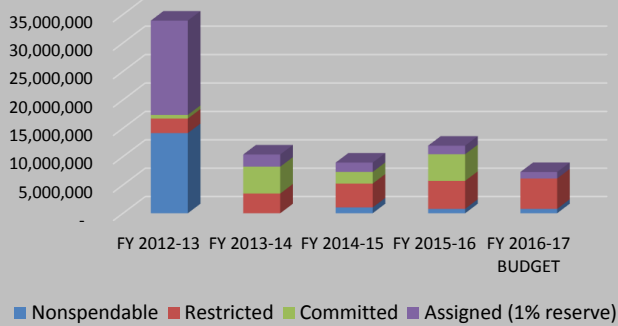


GENERAL REVENUE AND EXPENSE DATA

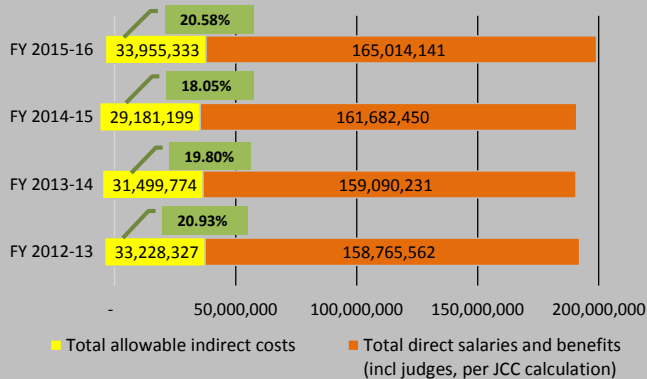
	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 BUDGET
REVENUES AND EXPENSES					
Base allocation	116,614,262	129,822,540	132,495,535	144,427,215	141,781,753
Civil assessment revenue	6,738,662	8,443,382	8,941,833	6,146,559	7,000,000
All other revenue and reimbursement	50,576,063	47,804,483	51,783,266	47,440,154	52,582,929
TOTAL REVENUE	173,928,987	186,070,405	193,220,634	198,013,928	201,364,682
Salaries and benefits	159,365,727	161,693,743	158,215,750	160,009,633	165,732,518
Services and supplies	34,957,369	47,918,410	36,421,303	35,025,970	40,286,595
TOTAL EXPENSES	194,323,096	209,612,153	194,637,053	195,035,603	206,019,113
SURPLUS (DEFICIT)	(20,394,109)	(23,541,748)	(1,416,420)	2,978,325	(4,654,431)
FUND BALANCE					
Beginning fund balance	54,293,423	33,899,314	10,357,569	8,941,151	11,919,476
Surplus (deficit)	(20,394,109)	(23,541,748)	(1,416,420)	2,978,325	(4,654,431)
ENDING FUND BALANCE	33,899,314	10,357,566	8,941,151	11,919,476	7,265,045
FUND BALANCE DESIGNATIONS (fiscal year end)					
Nonspendable	14,129,655	-	1,031,734	771,998	775,001
Restricted	2,567,877	3,477,248	4,198,037	4,937,185	5,352,000
Committed	639,012	4,736,830	2,053,921	4,670,191	-
Assigned	16,562,772	2,143,491	1,657,460	1,540,102	1,138,044
ENDING FUND BALANCE	33,899,316	10,357,569	8,941,151	11,919,476	7,265,045
INDIRECT COST RATE					
Approved rate	20.93%	19.80%	18.05%	20.58%	TBD

FACTS AND FIGURES

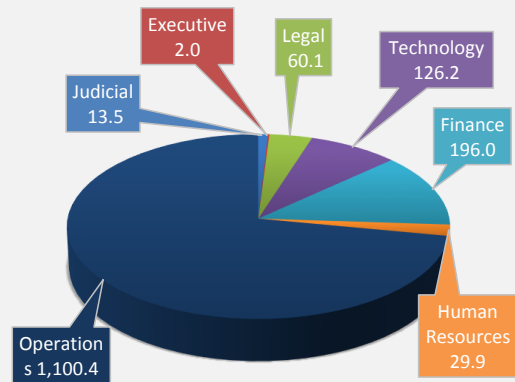
FUND BALANCE DESIGNATIONS



INDIRECT COST RATE PERCENTAGE



FY 2016-17 BUDGETED STAFFING (FTEs)



OPERATIONS BREAKDOWN BY DIVISION:

1. Criminal and Traffic 350.9
2. Operations Support Services 270.2
3. Civil and Probate 222.3
4. Family Law, Juvenile, and Self-Help 214.6
5. Grants 42.4 (of which, only 31.7 are funded)

BUDGETED STAFFING - POSITIONS AND FTEs

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 BUDGET
JUDGES AND COMMISSIONERS (no. of authorized judicial positions)					
Superior Court Judges	122	124	124	124	124
<i>Filled judges positions as of July 1 of each year</i>	112	113	113	116	119
Superior Court Commissioners *	22	21	20	20	20
TOTAL JUDGES AND COMMISSIONERS	144	145	144	144	144

* The number of Superior Court Commissioners includes 3 commissioners assigned to the AB 1058 - Commissioner grant program.

BUDGETED STAFFING (does not include Superior Court Judges)

NON-JUDICIAL POSITIONS	1,645	1,552	1,532	1,567	1,617
Superior Court Commissioners	20.1	17.3	17.0	13.0	14.0
Non Judicial Court staff	1,580.6	1,507.3	1,470.7	1,507.0	1,514.1
TOTAL FTEs	1,600.7	1,524.6	1,487.7	1,520.0	1,528.1
Non judicial staff per judge or commissioner	11.0	10.4	10.2	10.5	10.5

SALARIES AND BENEFITS

RETIREMENT RATES

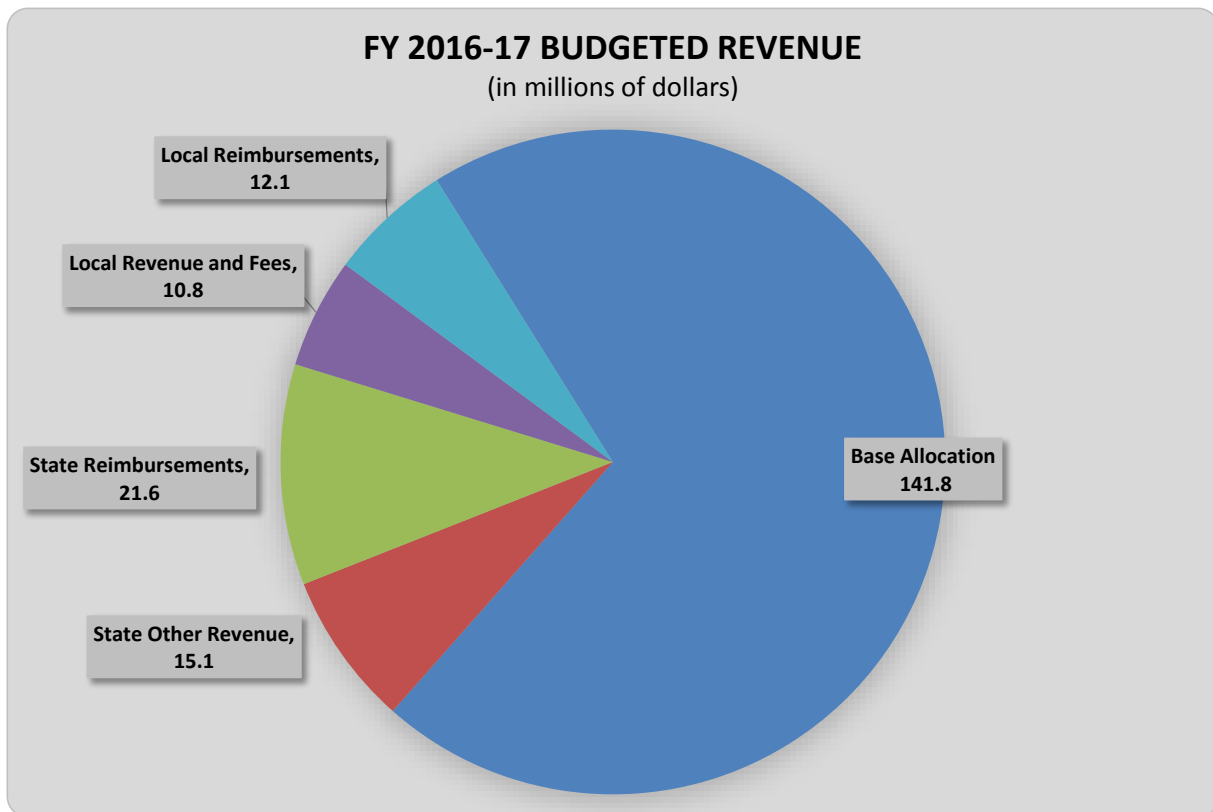
Normal cost	11.53%	12.03%	13.69%	13.66%	13.22%
Unfunded Accrued Actuarial Liability (UAAL)	16.84%	20.98%	23.76%	23.72%	21.72%
REQUIRED EMPLOYER CONTRIBUTION	28.37%	33.01%	37.45%	37.38%	34.94%

The decrease in retirement rate will result in a one-time positive cashflow in FY 2016-17. In FY 2017-18, the State will take the equivalent funding out of the Court's base allocation, resulting in a permanent reduction until the retirement rate increases again.

YEAR-END VACANCY RATES

Vacancy rate as of June 30 of each year	2.0%	3.9%	5.4%	6.1%	3.5%
---	------	------	------	------	------

FACTS AND FIGURES



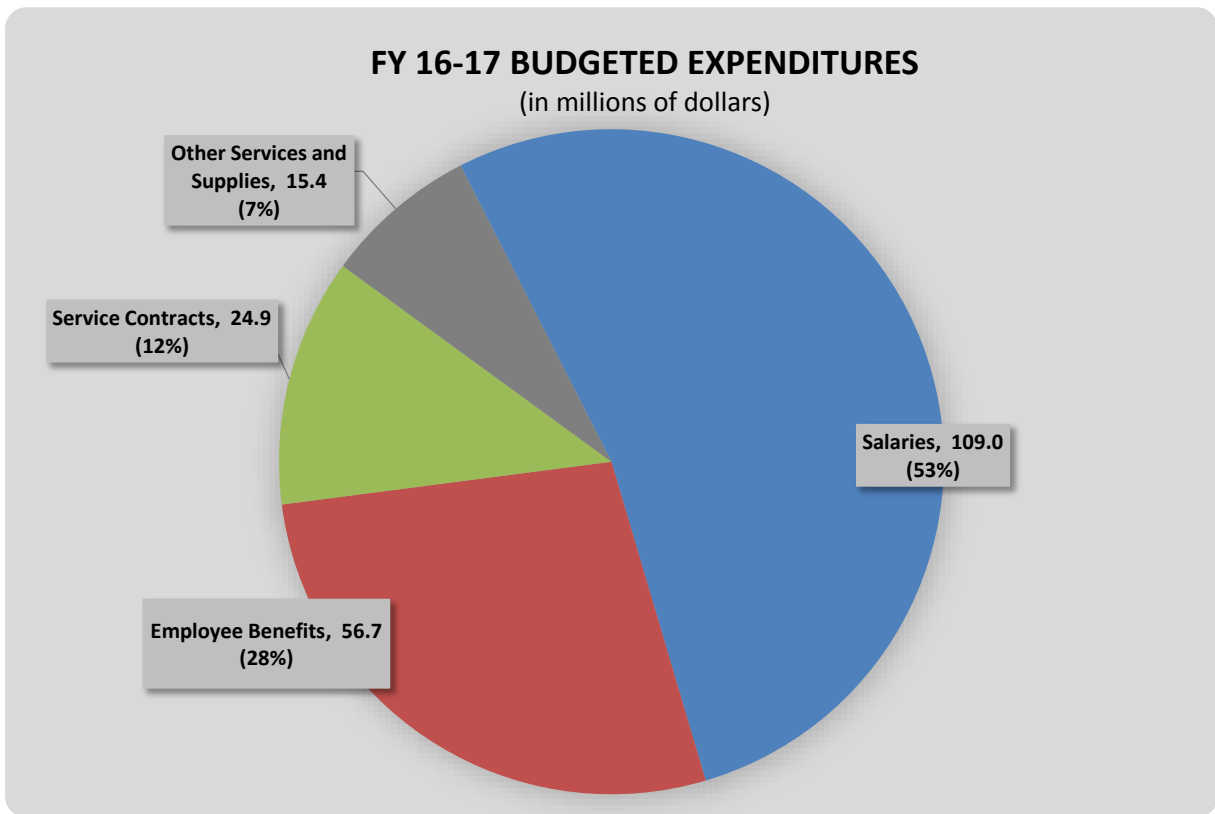
COURT-COUNTY MOUs					
	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 BUDGET
COURT-COUNTY MOU - Court-provided services*					
Alternate Defense Services	5,101,504	4,563,764	4,149,987	4,432,714	5,424,190
Custodial Services	316,424	316,446	294,752	328,318	348,000
Pre-Trial Services	1,374,387	1,432,262	1,315,399	1,259,831	1,672,490
Grand Jury	190,516	234,464	156,201	160,495	194,495
Juvenile Justice Commission	151,763	161,430	162,816	171,181	178,367
COURT-COUNTY MOU - County-provided services					
Auditor-Controller	652,813	3,329,133	1,906,349	861,118	810,000
Human Resources - benefits admin.	4.5%	4.5%	4.5%	4.4%	4.2%
Public Defender	2,129,118	1,916,978	2,169,901	2,206,842	2,200,000
Sheriff**					
Command staff	920,687	1,081,845	470,175	-	-
Court security services - AB 1058 only	384,865	307,925	247,392	104,479	-
Treasurer-Tax Collector					
Merchant fees	443,374	410,689	409,034	394,345	416,000
Armored car	9,600	7,405	7,126	7,494	9,700

The increased payment for Auditor-Controller services in FY 2013-14 occurred because the Court paid its full share of cost for the CAPS+ system upgrades in one fiscal year. The County's amortization schedule called for annual payments beginning in FY 2013-14 and continuing through FY 2017-18. The CAPS+ system upgrade cost applicable to FY 2013-14 was \$0.3 million, and the Court prepaid the remaining \$2.2 million in order to help mitigate the 1% reserve funding constraint and reduce expenditures in subsequent fiscal years.

*Pending approval from County Board of Supervisors.

**The Court is no longer required to pay the County for any Sheriff costs.

FACTS AND FIGURES

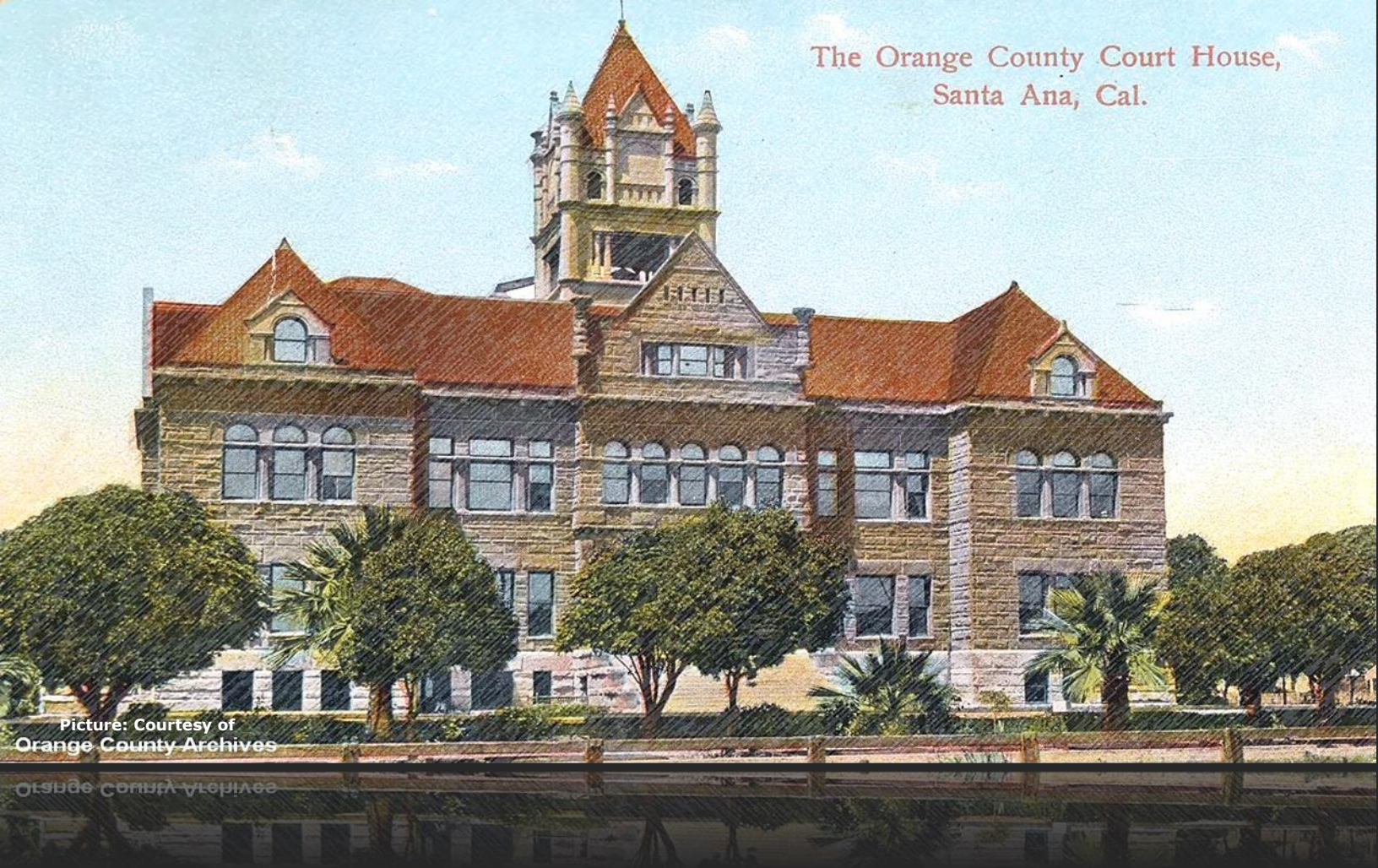


OTHER PROGRAMS, GRANTS, AND MOUs					
	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 BUDGET
CRIMINAL JUSTICE REALIGNMENT (AB 109)*					
Revenue	424,343	459,020	489,829	459,641	386,688
Expense	639,647	594,580	778,448	459,641	386,688
DEPENDENCY COURT-APPOINTED COUNSEL (CAC)					
Reimbursement	6,578,000	6,113,460	5,745,751	6,130,278	5,648,065
Expense	6,578,000	6,113,460	5,745,751	6,130,278	6,185,000
GENERAL FUND CONTRIB. (USE)	-	-	-	-	(536,935)
AB 1058 - COMMISSIONER					
Reimbursement	2,447,345	2,337,418	2,247,238	2,080,200	2,438,910
OCSC share of cost (surplus)	93,309	33,919		80,735	73,318
Expense	2,182,934	2,024,084	1,944,002	1,823,393	2,102,524
Indirect overhead	357,720	347,254	303,236	337,533	409,704
AB 1058 - FACILITATOR					
Reimbursement	620,850	668,838	577,762	552,075	700,132
OCSC share of cost (surplus)	120,477	69,352	1,922	2,510	216,000
Expense	619,050	617,542	488,651	466,374	765,357
Indirect overhead	122,277	120,649	91,033	88,207	150,775
COMPLEX CIVIL**					
Reimbursement	841,920	420,960	835,461	427,419	-
OCSC share of cost (surplus)	43,778	86,991	82,788	1,490,173	1,445,773
Expense	885,698	928,911	924,713	1,490,173	1,445,773

*Although it continues to receive funding from the State, effective July 1, 2015 the Court has stopped tracking AB 109 costs.

**Effective July 1, 2015 the Judicial Council no longer provides grant funding to the Court through the Complex Civil Litigation Funding program.
FY 2015-16 actual is the last half of funding from FY 2014-15.

The Orange County Court House,
Santa Ana, Cal.



Picture: Courtesy of
Orange County Archives

ACKNOWLEDGMENTS

The Financial Planning Office wishes to thank the judges and commissioners, executives, directors, cost center managers, and staff that participated in the preparation of the FY 2016-17 Approved Budget. All the time and effort contributed throughout the lengthy budgeting process — from the initial planning stages through publication of this book — is greatly appreciated.

This book presents the FY 2016-17 Approved Budget. It provides details regarding the amounts and sources of funding as well as the planned uses of funding. For a look at the Court's long-term financial plan, see the MY Plan document for FY 2012-13 through FY 2016-17, which can be found on the Court's website at www.occourts.org.



Superior Court of California
County of Orange

www.occourts.org