



JUDICIAL COUNCIL OF CALIFORNIA

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

www.courts.ca.gov

REPORT TO THE JUDICIAL COUNCIL

For business meeting on July 29, 2016

Title	Agenda Item Type
Judicial Council Report to the Legislature: Cash-Flow Loans Made to Trial Courts in Fiscal Year 2015–2016	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	July 29, 2016
Recommended by	Date of Report
Judicial Council staff Zlatko Theodorovic, Director Finance	July 15, 2016
	Contact
	Colin Simpson, 415-865-4566 colin.simpson@jud.ca.gov

Executive Summary

Judicial Council staff recommend approving the *Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2015–2016*. Government Code section 68502.6(d) requires that Judicial Council staff report to the Legislature and the Department of Finance by August 30 on loans made to trial courts under Government Code section 68502.6.

Recommendation

Judicial Council staff recommend that the Judicial Council, effective July 29, 2016:

1. Approve *Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2015–2016* (Attachment A); and
2. Direct Judicial Council staff to submit the report to the Legislature and the Department of Finance.

Previous Council Action

The annual reporting requirements provided in Government Code section 68502.6(d) became effective June 27, 2013. The Judicial Council approved the first report to the Legislature and the Department of Finance on cash-flow loans to trial courts in October 2014. The FY 2014–2015 report was approved by the council in September 2015.

Rationale for Recommendation

Government Code section 68502.6 authorizes up to \$150 million at any one time during the fiscal year to be transferred to the Trial Court Trust Fund from the State Court Facilities Construction Fund, the Immediate and Critical Needs Account of the State Court Facilities Construction Fund, and the Judicial Branch Workers' Compensation Fund as cash-flow loans to support trial court operations if the cash balance in the Trial Court Trust Fund is insufficient. All loans must be repaid within two years from the date of the loan.

This annual report to the Legislature and the Department of Finance is required under Government Code section 68502.6(d) and requires the following information to be reported by August 30 for each loan executed:

- The date of the loan
- The amount loaned to each court
- The funding source of the loan
- The repayment date or proposed repayment date of the loan

Comments, Alternatives Considered, and Policy Implications

This report was not circulated for comment as it is informational only and contains no recommendations beyond submission of the report itself.

Implementation Requirements, Costs, and Operational Impacts

No costs are associated with approving and submitting the report.

Attachments and Links

1. Attachment A: *Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2015–2016*



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455 Golden Gate Avenue
San Francisco, CA 94102-3688
Tel 415-865-4200
TDD 415-865-4272
Fax 415-865-4205
www.courts.ca.gov

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*Chief Justice of California
Chair of the Judicial Council*

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Chair, Executive and Planning Committee

HON. DAVID M. RUBIN
Chair, Litigation Management Committee

HON. KENNETH K. SO
*Chair, Policy Coordination and
Liaison Committee*

HON. HARRY E. HULL, JR.
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HON. MARSHA G. SLOUGH
Chair, Technology Committee

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MR. MARTIN HOSHINO
*Administrative Director,
Judicial Council*

August 12, 2016

Hon. Mark Leno
Chair, Joint Legislative Budget Committee
California State Senate
1020 N Street, Room 553
Sacramento, California 95814
Attn: Ms. Peggy Collins

Hon. Philip Y. Ting
Vice-Chair, Joint Legislative Budget Committee
California State Assembly
State Capitol, Room 6026
Sacramento, California 95814

Mr. Michael Cohen
Director of Finance
California Department of Finance
State Capitol, Room 1145
Sacramento, California 95814

Re: *Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6
in Fiscal Year 2015–2016, as required under Government Code
section 68502.6(d)*

Dear Senator Leno, Assembly Member Ting, and Mr. Cohen:

The Judicial Council respectfully submits this report, as required by Government Code section 68502.6, concerning cash-flow loans made to trial courts in fiscal year (FY) 2015–2016 under the same code section.

In FY 2015–2016, 48 trial courts received \$24.73 million in cash-flow loans from the Judicial Branch Workers' Compensation Fund to the Trial Court Trust Fund. The report (enclosed) provides the list of courts that

Hon. Mark Leno
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received loans, loan amounts, date the loans were made, planned repayment date, and funding source.

If you have any questions related to this report, please contact Mr. Zlatko Theodorovic, Director, Judicial Council Finance, at 916-263-1397 or zlatko.theodorovic@jud.ca.gov.

Sincerely,

Martin Hoshino
Administrative Director
Judicial Council of California

Hon. Mark Leno
Hon. Philip Y. Ting
Mr. Michael Cohen
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MH/CS

Enclosure

cc: Diane F. Boyer-Vine, Legislative Counsel
Daniel Alvarez, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Shaun Naidu, Policy Consultant, Office of Senate President pro Tempore Kevin de León
Alf Brandt, Senior Counsel, Office of Speaker Anthony Rendon
Anita Lee, Senior Fiscal and Policy Analyst, Legislative Analyst's Office
Tina McGee, Executive Secretary, Legislative Analyst's Office
Tiffany Garcia, Program Budget Analyst, Department of Finance
Margie Estrada, Chief Counsel, Senate Judiciary Committee
Julie Salley-Gray, Consultant, Senate Budget and Fiscal Review Committee
Jolie Onodera, Consultant, Senate Appropriations Committee
Matt Osterli, Consultant, Senate Republican Fiscal Office
Mike Petersen, Consultant, Senate Republican Policy Office
Alison Merrilees, Chief Counsel, Assembly Judiciary Committee
Marvin Deon, Consultant, Assembly Budget Committee
Chuck Nicol, Principal Consultant, Assembly Appropriations Committee
Allan Cooper, Consultant, Assembly Republican Office of Policy & Budget
Paul Dress, Consultant, Assembly Republican Office of Policy & Budget
Peggy Collins, Principal Consultant, Joint Legislative Budget Committee
Zlatko Theodorovic, Director, Finance, Judicial Council
Cory T. Jaspersen, Director, Governmental Affairs, Judicial Council
Laura Speed, Principal Manager, Governmental Affairs, Judicial Council
Peter Allen, Director, Public Affairs, Judicial Council
Yvette Casillas-Sarcos, Administrative Coordinator, Governmental Affairs, Judicial
Council



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MR. MARTIN HOSHINO
Administrative Director,
Judicial Council

Report Title: *Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2015–2016*

Statutory Citation: Stats. 2013, ch. 31, § 5

Code Section: Gov. Code, § 68502.6(d)

Date of Report: August 12, 2016

The Judicial Council has submitted a report to the Legislature in accordance with Government Code section 68502.6(d), which requires the Judicial Council to report loans made to trial courts pursuant to Government Code section 68502.6.

The following summary of the report is provided per the requirements of Government Code section 9795.

In FY 2015–2016, 48 trial courts received \$24.73 million in cash-flow loans from the Judicial Branch Workers' Compensation Fund to the Trial Court Trust Fund. The report provides a list of trial courts that received loans, the loan amounts, the date the loans were made, and the planned repayment date.

The full report is available at www.courts.ca.gov/7466.htm. A printed copy of the report may be obtained by calling 415-865-7966.

Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2015-2016

Superior Court	Cash-Flow Loan Amount	Date of the Loan	Repayment Date	Funding Source ¹
Alameda	1,316,755	5/25/2016	8/31/2016	JBWCF
Alpine	5,035	5/25/2016	8/31/2016	JBWCF
Amador	38,165	5/25/2016	8/31/2016	JBWCF
Butte	171,892	5/25/2016	8/31/2016	JBWCF
Calaveras	36,181	5/25/2016	8/31/2016	JBWCF
Colusa	30,424	5/25/2016	8/31/2016	JBWCF
Contra Costa	709,550	5/25/2016	8/31/2016	JBWCF
Del Norte	44,018	5/25/2016	8/31/2016	JBWCF
El Dorado	115,855	5/25/2016	8/31/2016	JBWCF
Fresno	771,936	5/25/2016	8/31/2016	JBWCF
Glenn	32,354	5/25/2016	8/31/2016	JBWCF
Humboldt	108,918	5/25/2016	8/31/2016	JBWCF
Imperial	148,809	5/25/2016	8/31/2016	JBWCF
Inyo	34,787	5/25/2016	8/31/2016	JBWCF
Kern	716,286	5/25/2016	8/31/2016	JBWCF
Kings	115,706	5/25/2016	8/31/2016	JBWCF
Lake	51,500	5/25/2016	8/31/2016	JBWCF
Lassen	39,985	5/25/2016	8/31/2016	JBWCF
Los Angeles	9,273,747	5/25/2016	8/31/2016	JBWCF
Madera	119,136	5/25/2016	8/31/2016	JBWCF
Marin	210,183	5/25/2016	8/31/2016	JBWCF
Mariposa	19,873	5/25/2016	8/31/2016	JBWCF
Merced	198,058	5/25/2016	8/31/2016	JBWCF
Modoc	13,226	5/25/2016	8/31/2016	JBWCF
Mono	26,239	5/25/2016	8/31/2016	JBWCF
Monterey	295,637	5/25/2016	8/31/2016	JBWCF
Napa	124,129	5/25/2016	8/31/2016	JBWCF
Nevada	86,556	5/25/2016	8/31/2016	JBWCF
Orange	2,476,450	5/25/2016	8/31/2016	JBWCF
Placer	256,726	5/25/2016	8/31/2016	JBWCF
Riverside	1,460,229	5/25/2016	8/31/2016	JBWCF
San Benito	41,603	5/25/2016	8/31/2016	JBWCF
San Francisco	960,154	5/25/2016	8/31/2016	JBWCF
San Joaquin	545,039	5/25/2016	8/31/2016	JBWCF
San Luis Obispo	234,732	5/25/2016	8/31/2016	JBWCF
Santa Barbara	354,076	5/25/2016	8/31/2016	JBWCF
Santa Clara	1,322,839	5/25/2016	8/31/2016	JBWCF
Santa Cruz	201,931	5/25/2016	8/31/2016	JBWCF
Shasta	213,506	5/25/2016	8/31/2016	JBWCF
Sierra	13,251	5/25/2016	8/31/2016	JBWCF
Solano	351,759	5/25/2016	8/31/2016	JBWCF
Stanislaus	345,506	5/25/2016	8/31/2016	JBWCF
Sutter	79,720	5/25/2016	8/31/2016	JBWCF
Trinity	29,028	5/25/2016	8/31/2016	JBWCF
Tulare	287,102	5/25/2016	8/31/2016	JBWCF
Tuolumne	53,177	5/25/2016	8/31/2016	JBWCF
Ventura	578,677	5/25/2016	8/31/2016	JBWCF
Yuba	66,253	5/25/2016	8/31/2016	JBWCF
Total	24,726,700			

1 JBWCF - Judicial Branch Workers' Compensation Fund.