



JUDICIAL COUNCIL OF CALIFORNIA

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

www.courts.ca.gov

CIRCULATING ORDER MEMORANDUM TO THE JUDICIAL COUNCIL

Circulating Order Number: -CO-15-03

Title

Judicial Council Report to the Legislature:
Cash-Flow Loans Made to Trial Courts in
Fiscal Year 2014–2015

Action Requested

VOTING MEMBERS ONLY: Vote and
return by fax. Additionally, return original
signature page.


Rules, Forms, Standards, or Statutes Affected

None

Please Respond By

September 4, 2015

Recommended by

Martin Hoshino 
Administrative Director
Judicial Council of California

Date of Report

August 25, 2015

Zlatko Theodorovic, Director,
Judicial Council Finance

Contact

Colin Simpson, 415-865-4566
colin.simpson@jud.ca.gov

Executive Summary

Judicial Council staff recommend approving the *Report of Cash-Flow Loans Made to Trial Courts Pursuant to Government Code Section 68502.6 in Fiscal Year 2014–2015*. 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 pursuant to Government Code section 68502.6.

Recommendation

Judicial Council staff recommend that the Judicial Council:

1. Approve the attached report; 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.

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, 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:

1. The date of the loan;
2. The amount loaned to each court;
3. The funding source of the loan; and
4. The repayment date or proposed repayment date of the loan.

Comments, Alternatives Considered, and Policy Implications

This report was not circulated for comment.

Implementation Requirements, Costs, and Operational Impacts

Not applicable.

Attachments

1. *Report of Cash-Flow Loans Made to Trial Courts Pursuant to Government Code Section 68502.6 in Fiscal Year 2014–2015*



JUDICIAL COUNCIL OF CALIFORNIA

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HON. TANI G. CANTIL-SAKAUYE
Chief Justice of California
Chair of the Judicial Council

HON. DOUGLAS P. MILLER
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. Joan P. Weber

MR. MARTIN HOSHINO
Administrative Director,
Judicial Council

September 9, 2015

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

Hon. Shirley N. Weber
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: *Report of Cash-Flow Loans Made to Trial Courts Pursuant to Government Code Section 68502.6 in Fiscal Year 2014–2015, as required by Government Code Section 68502.6(d)*

Dear Senator Leno, Assembly Member Weber, 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 2014–2015 pursuant to the same code section.

In 2014–2015, 53 trial courts received \$80.04 million in cash-flow loans from the Judicial Branch Workers' Compensation Fund and the State Court Facilities Construction Fund to the Trial Court Trust Fund.¹

¹ Of this amount, \$58.7 million was loaned to courts in June 2015 related to early July payroll costs as a precautionary measure due to concerns about the State Controller's Office's ability to process payments in July as it transitioned to the FISCAL system.

Hon. Mark Leno
Hon. Shirley N. Weber
Mr. Michael Cohen
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Attachment 1 provides the list of courts that received a loan, loan amount, date the loan was 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. Shirley N. Weber
Mr. Michael Cohen
September 9, 2015
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MH/CS

Enclosure

cc: Members, Joint Legislative Budget Committee
Diane F. Boyer-Vine, Legislative Counsel
Daniel Alvarez, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Margie Estrada, Policy Consultant, Office of Senate President pro Tempore Kevin de León
Fredericka McGee, Special Assistant to Assembly Speaker Toni G. Atkins
Peggy Collins, Principal Consultant, Joint Legislative Budget Committee
Benjamin Palmer, 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
Chuck Nicol, Principal Consultant, Assembly Appropriations Committee
Marvin Deon, Consultant, Assembly Budget Committee
Allan Cooper, Consultant, Assembly Republican Office of Policy & Budget
Paul Dress, Consultant, Assembly Republican Office of Policy & Budget
Tiffany Garcia, Program Budget Analyst, Department of Finance
Anita Lee, Senior Fiscal and Policy Analyst, Legislative Analyst's Office
Tina McGee, Executive Secretary, Legislative Analyst's Office
Cory T. Jaspersen, Director, Governmental Affairs, Judicial Council
Zlatko Theodorovic, Director, Finance, Judicial Council
Laura Speed, Assistant Director, Governmental Affairs, Judicial Council
Peter Allen, Senior Manager, Communications, Judicial Council
Steven Chang, Manager, Finance, Judicial Council
Andi Liebenbaum, Senior Government Affairs Analyst, Governmental Affairs, Judicial
Council
Colin Simpson, Senior Budget Analyst, Finance, Judicial Council
Yvette Casillas-Sarcos, Administrative Coordinator, Governmental Affairs, Judicial
Council



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MR. MARTIN HOSHINO
Administrative Director,
Judicial Council

Report Title: *Report of Cash-Flow Loans Made to Trial Courts Pursuant to Government Code Section 68502.6 in Fiscal Year 2014–2015*

Statutory Citation: Stats. 2013, ch. 31, § 5
Code Section: Gov. Code, § 68502.6(d)

Date of Report: September 9, 2015

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.

The report provides a list of trial courts that received a loan, the loan amount, the date the loan was made, and the planned repayment date. During fiscal year 2014–2015, 53 trial courts received loans totaling \$80.04 million.

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

JUDICIAL COUNCIL OF CALIFORNIA

Hon. Tani G. Cantil-Sakauye
*Chief Justice of California and
Chair of the Judicial Council*

Martin Hoshino
*Administrative Director
Judicial Council*

Curt Soderlund
Chief Administrative Officer

ADMINISTRATIVE DIVISION

FINANCE

Zlatko Theodorovic
Director

Steven Chang
Manager

Colin Simpson
Primary Author of Report

Cash-Flow Loans Made to Courts Pursuant to GC Section 68502.6 in Fiscal Year 2014-2015

Superior Court	Cash-Flow Loan Amount	Date of the Loan	Repayment Date	Funding Source ¹	Cash-Flow Loan Amount	Date of the Loan	Repayment Date	Funding Source ¹	Total Loan Amounts
Alameda	1,044,647	6/10/2015	8/19/2015	JBWCF	1,882,743	6/10/2015	8/10/2015	SCFCF	2,927,390
Alpine	-	6/10/2015	8/19/2015	JBWCF	19,254	6/10/2015	8/10/2015	SCFCF	19,254
Amador	29,610	6/10/2015	8/19/2015	JBWCF	94,827	6/10/2015	8/10/2015	SCFCF	124,437
Butte	127,888	6/10/2015	8/19/2015	JBWCF	736,189	6/10/2015	8/10/2015	SCFCF	864,077
Calaveras	27,561	6/10/2015	8/19/2015	JBWCF	70,326	6/10/2015	8/10/2015	SCFCF	97,886
Colusa	19,160	6/10/2015	8/19/2015	JBWCF	151,319	6/10/2015	8/10/2015	SCFCF	170,478
Contra Costa	524,311	6/10/2015	8/19/2015	JBWCF	3,278,197	6/10/2015	8/10/2015	SCFCF	3,802,507
Del Norte	31,740	6/10/2015	8/19/2015	JBWCF	146,209	6/10/2015	8/10/2015	SCFCF	177,949
El Dorado	88,078	6/10/2015	8/19/2015	JBWCF	217,739	6/10/2015	8/10/2015	SCFCF	305,817
Fresno	520,059	6/10/2015	8/19/2015	JBWCF	4,563,206	6/10/2015	8/10/2015	SCFCF	5,083,265
Glenn	27,460	6/10/2015	8/19/2015	JBWCF	163,131	6/10/2015	8/10/2015	SCFCF	190,591
Humboldt	80,248	6/10/2015	8/19/2015	JBWCF	477,142	6/10/2015	8/10/2015	SCFCF	557,390
Inyo	28,813	6/10/2015	8/19/2015	JBWCF	69,399	6/10/2015	8/10/2015	SCFCF	98,212
Kern	487,960	6/10/2015	8/19/2015	JBWCF	2,966,694	6/10/2015	8/10/2015	SCFCF	3,454,655
Kings	86,163	6/10/2015	8/19/2015	JBWCF	434,504	6/10/2015	8/10/2015	SCFCF	520,667
Lake	45,921	6/10/2015	8/19/2015	JBWCF	194,767	6/10/2015	8/10/2015	SCFCF	240,687
Lassen	32,387	6/10/2015	8/19/2015	JBWCF	142,218	6/10/2015	8/10/2015	SCFCF	174,605
Los Angeles	6,782,894	6/10/2015	8/19/2015	JBWCF	144,826	6/10/2015	8/10/2015	SCFCF	6,927,720
Madera	91,488	6/10/2015	8/19/2015	JBWCF	-	6/10/2015	8/10/2015	SCFCF	91,488
Marin	177,017	6/10/2015	8/19/2015	JBWCF	868,958	6/10/2015	8/10/2015	SCFCF	1,045,975
Mariposa	14,874	6/10/2015	8/19/2015	JBWCF	1,458	6/10/2015	8/10/2015	SCFCF	16,333
Mendocino	58,849	6/10/2015	8/19/2015	JBWCF	409,734	6/10/2015	8/10/2015	SCFCF	468,583
Merced	147,670	6/10/2015	8/19/2015	JBWCF	548,867	6/10/2015	8/10/2015	SCFCF	696,537
Modoc	12,719	6/10/2015	8/19/2015	JBWCF	-	6/10/2015	8/10/2015	SCFCF	12,719
Mono	19,099	6/10/2015	8/19/2015	JBWCF	101,878	6/10/2015	8/10/2015	SCFCF	120,977
Monterey	220,853	6/10/2015	8/19/2015	JBWCF	671,695	6/10/2015	8/10/2015	SCFCF	892,548
Napa	94,653	6/10/2015	8/19/2015	JBWCF	82,701	6/10/2015	8/10/2015	SCFCF	177,354
Nevada	67,462	6/10/2015	8/19/2015	JBWCF	313,527	6/10/2015	8/10/2015	SCFCF	380,990
Placer	186,274	6/10/2015	8/19/2015	JBWCF	1,765,279	6/10/2015	8/10/2015	SCFCF	1,951,553
Riverside	1,045,530	6/10/2015	8/19/2015	JBWCF	4,114,365	6/10/2015	8/10/2015	SCFCF	5,159,894
Sacramento	973,211	6/10/2015	8/19/2015	JBWCF	2,783,566	6/10/2015	8/10/2015	SCFCF	3,756,777
San Benito	35,009	6/10/2015	8/19/2015	JBWCF	74,571	6/10/2015	8/10/2015	SCFCF	109,579
San Bernardino	1,151,798	6/10/2015	8/19/2015	JBWCF	3,065,111	6/10/2015	8/10/2015	SCFCF	4,216,909
San Diego	1,865,564	6/10/2015	8/19/2015	JBWCF	5,523,879	6/10/2015	8/10/2015	SCFCF	7,389,443
San Francisco	737,796	6/10/2015	8/19/2015	JBWCF	2,537,559	6/10/2015	8/10/2015	SCFCF	3,275,355
San Joaquin	379,864	6/10/2015	8/19/2015	JBWCF	1,330,156	6/10/2015	8/10/2015	SCFCF	1,710,020
San Luis Obispo	178,185	6/10/2015	8/19/2015	JBWCF	644,228	6/10/2015	8/10/2015	SCFCF	822,413
San Mateo	445,838	6/10/2015	8/19/2015	JBWCF	2,410,870	6/10/2015	8/10/2015	SCFCF	2,856,709
Santa Barbara	273,438	6/10/2015	8/19/2015	JBWCF	-	6/10/2015	8/10/2015	SCFCF	273,438
Santa Clara	1,063,314	6/10/2015	8/19/2015	JBWCF	4,289,412	6/10/2015	8/10/2015	SCFCF	5,352,726
Santa Cruz	151,510	6/10/2015	8/19/2015	JBWCF	954,106	6/10/2015	8/10/2015	SCFCF	1,105,616
Shasta	157,852	6/10/2015	8/19/2015	JBWCF	1,143,997	6/10/2015	8/10/2015	SCFCF	1,301,849
Sierra	10,329	6/10/2015	8/19/2015	JBWCF	-	6/10/2015	8/10/2015	SCFCF	10,329
Siskiyou	43,231	6/10/2015	8/19/2015	JBWCF	162,805	6/10/2015	8/10/2015	SCFCF	206,035
Solano	263,583	6/10/2015	8/19/2015	JBWCF	1,430,414	6/10/2015	8/10/2015	SCFCF	1,693,997
Sonoma	305,046	6/10/2015	8/19/2015	JBWCF	816,556	6/10/2015	8/10/2015	SCFCF	1,121,602
Stanislaus	248,658	6/10/2015	8/19/2015	JBWCF	764,591	6/10/2015	8/10/2015	SCFCF	1,013,249
Sutter	57,623	6/10/2015	8/19/2015	JBWCF	-	6/10/2015	8/10/2015	SCFCF	57,623
Tulare	205,010	6/10/2015	8/19/2015	JBWCF	1,760,880	6/10/2015	8/10/2015	SCFCF	1,965,891
Tuolumne	41,176	6/10/2015	8/19/2015	JBWCF	516,106	6/10/2015	8/10/2015	SCFCF	557,282
Ventura	421,738	6/10/2015	8/19/2015	JBWCF	3,200,921	6/10/2015	8/10/2015	SCFCF	3,622,658
Yolo	115,302	6/10/2015	8/19/2015	JBWCF	374,928	6/10/2015	8/10/2015	SCFCF	490,230
Yuba	49,660	6/10/2015	8/19/2015	JBWCF	328,711	6/10/2015	8/10/2015	SCFCF	378,370
Total	21,296,120				58,744,516				80,040,636

Instructions for Review and Action by Circulating Order

Voting members

- Please indicate your **vote, sign, and return by 5pm, September 4, 2015**, if possible by one of these methods:
 1. Fax the signature pages to the attention of Judicial Council Support, Leadership Services Division at 415-865-4391
 2. Reply to the e-mail message with “I approve,” “I disapprove,” or “I abstain.”
- If you are unable to reply by **September 4, 2015**, please do so as soon as possible thereafter.
- Additionally, **return the original** signature page to the Judicial Council Support, Judicial Council of California, 455 Golden Gate Avenue, San Francisco, California, 94102-3688. **Please keep a copy for your records.**

Advisory members

The circulating order is being faxed to you for your information only. There is no need to sign or return any documents.

**CIRCULATING ORDER
Judicial Council of California
Voting and Signature Pages**

Effective immediately, the Judicial Council approves the *“Cash-Flow Loans Made to Trial Courts Pursuant to Government Code Section 68502.6 in Fiscal Year 2014–2015”* report; and directs Judicial Council staff to submit the report to the Legislature and the Department of Finance.

My vote is as follows:

Approve Disapprove Abstain

Tani G. Cantil-Sakauye, Chair

Marla O. Anderson

Judith Ashmann-Gerst

Brian John Back

Richard Bloom

Mark G. Bonino

James R. Brandlin

Ming W. Chin

David De Alba

Emilie H. Elias

James P. Fox

Harry E. Hull, Jr.

Hannah-Beth Jackson

Donna D’Angelo Melby

My vote is as follows:

Approve

Disapprove

Abstain

Douglas P. Miller

Gary Nadler

Debra Elaine Pole

David Rosenberg

David M. Rubin

Dean T. Stout

Martin J. Tangeman

Date: _____

Attest:

Administrative Director and
Secretary of the Judicial Council