

Trial Court Funding – Maintenance of Effort (MOE)

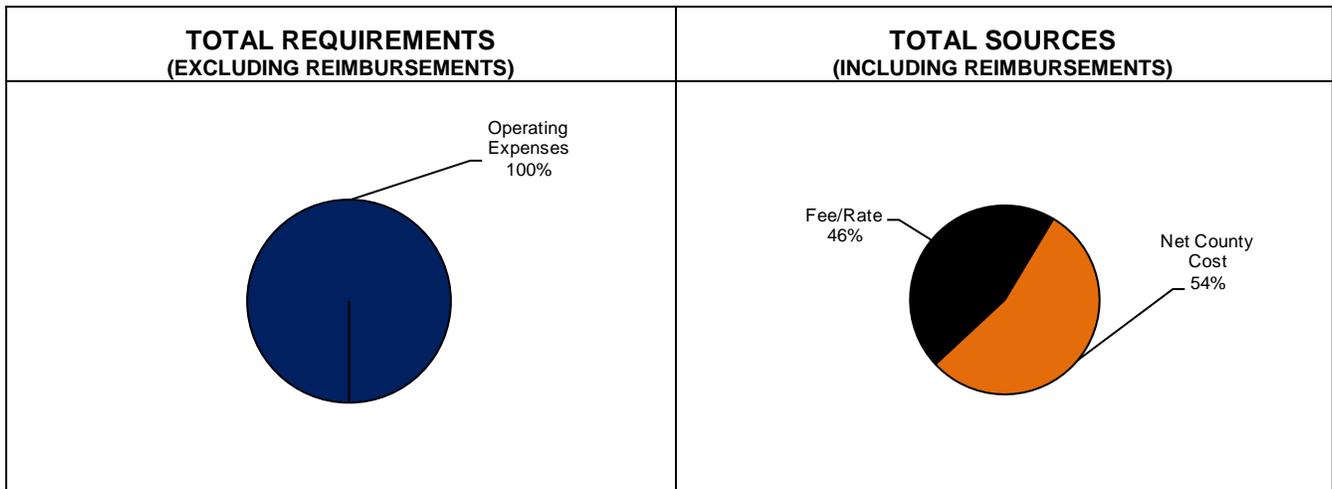
DESCRIPTION OF MAJOR SERVICES

On January 1, 1998, AB 233, the Lockyer – Isenberg Trial Court Funding Act of 1997 went into effect in the State of California. This bill fundamentally changed how the trial courts are funded by transferring primary responsibility for funding the courts to the state, including sole responsibility for funding future growth in court operations costs. In addition, it requires counties to make a capped maintenance of effort (MOE) payment to the state each year for operations of the courts. In return, the state allowed counties to retain many fines and forfeitures to help fund their MOE payments with the provision that collections that exceeded the amount of revenue MOE be shared equally between the state and the County.

Budget at a Glance	
Total Requirements (Excl. Reimb.)	\$23,554,081
Total Sources (Incl. Reimb.)	\$10,726,316
Net County Cost	\$12,827,765
Total Staff	0
Funded by Net County Cost	54%

The County’s historical MOE contribution of \$28.4 million was made up of two components. Requirements of \$20.2 million represented the adjusted 1994-95 County expenses for court operations and Sources of \$8.2 million was based on the fine and forfeiture revenue sent to the state in 1994-95. In 2006-07 the revenue component changed to \$3.3 million due to legislation. Therefore, the County’s current MOE contribution is \$23.6 million.

2016-17 RECOMMENDED BUDGET



ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Law and Justice
 DEPARTMENT: County Trial Courts - Trial Court Funding MOE
 FUND: General

BUDGET UNIT: AAA TRC
 FUNCTION: Public Protection
 ACTIVITY: Judicial

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	(A) <u>2015-16</u>	<u>2015-16</u>	(B) <u>2016-17</u>	(B-A)
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	Change From Prior Year Modified Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	25,988,739	25,882,314	25,422,520	25,509,881	23,554,197	23,554,081	(1,955,800)
Capital Expenditures	0	0	0	0	0	0	0
Total Exp Authority	25,988,739	25,882,314	25,422,520	25,509,881	23,554,197	23,554,081	(1,955,800)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	25,988,739	25,882,314	25,422,520	25,509,881	23,554,197	23,554,081	(1,955,800)
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	25,988,739	25,882,314	25,422,520	25,509,881	23,554,197	23,554,081	(1,955,800)
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	0	0	0	0	0	0	0
Fee/Rate	15,409,976	15,261,482	14,255,820	14,182,000	11,042,854	10,726,316	(3,455,684)
Other Revenue	0	0	1,061	0	0	0	0
Total Revenue	15,409,976	15,261,482	14,256,881	14,182,000	11,042,854	10,726,316	(3,455,684)
Operating Transfers In	0	0	0	0	0	0	0
Total Financing Sources	15,409,976	15,261,482	14,256,881	14,182,000	11,042,854	10,726,316	(3,455,684)
Net County Cost	10,578,763	10,620,832	11,165,639	11,327,881	12,511,343	12,827,765	1,499,884
Budgeted Staffing*	0	0	0	0	0	0	0

*Data represents modified budgeted staffing

MAJOR EXPENDITURES AND REVENUE IN 2016-17 RECOMMENDED BUDGET

Operating Expenses of \$23.6 million reflects the County’s capped MOE payment of \$23.6 million to the state for court operations.

Sources of \$10.7 million include traffic and criminal fines, penalty assessments, vital statistics fees, civil filing fees, traffic school and recording fees.

BUDGET CHANGES AND OPERATIONAL IMPACT

On June 24, 2015 Governor Brown signed the Traffic Tickets/Infractions Amnesty Program into law. The program went into effect October 1, 2015 and remains in force until March 31, 2017. The program forgives unpaid traffic tickets due by January 1, 2013 in order to provide relief to qualified individuals who defaulted on a court-ordered obligation and may have had driving privileges suspended as a result.

The amnesty has resulted in a significant decline in revenue which, in turn, is expected to increase Net County Cost by \$1.5 million for this budget unit in 2016-17.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this budget unit.

