



A Division of **NORCO**

COURT NOTICE UPDATE

SUPERIOR COURT: LOS ANGELES

CLOSURE ONE DAY PER MONTH

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NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Responding to Fiscal Emergency, Los Angeles Superior Court to Close One Day Per Month

**Action Takes Effect Wednesday, July 15, 2009
Some Limited Services To Be Maintained**

Responding to the deepening statewide financial crisis, the Los Angeles Superior Court announced today that it will shut down nearly all of its operations and furlough employees one Wednesday per month, beginning July 15, 2009.

Implementation of the furlough plan, however, may not be enough to avert employee layoffs and, eventually, closure of entire courthouses if the budget climate does not improve markedly by the beginning of the 2011-2012 fiscal year. The one-day per month Court closure is expected to save \$18 million per year.

The Court faces an estimated budget shortfall of nearly \$90 million for the coming fiscal year—nearly double the amount in the most recent budget crisis that erupted in 2002, which ultimately resulted in closure of 29 courtrooms and layoffs of more than 150 employees.

Under a plan approved last week by the Court's judicial leadership, if the fiscal situation continues to deteriorate, the jobs of a quarter of the Court's 5,400 employees could be eliminated within the next four years. There would be reductions in courthouses and courtrooms in operation throughout the county.

"We face a serious crisis with immediate impacts that can be blunted, but not avoided," said Presiding Judge Charles W. (Tim) McCoy. "We learned from our experiences of 2002 through 2004. Over the intervening years, we have accumulated modest reserves that will enable us to soften the pain of these cuts for at least the first year of the new crisis. Unfortunately, we anticipate this difficult budget environment will remain with us for four years.

"We cannot allow denial, false hope or wishful thinking to cause us to drift through the crisis. We should expect things will grow increasingly difficult before they begin to get better. We must, and will, remain masters of our own destiny to the extent possible."

"The public must realize that the state's fiscal situation means we cannot actually solve the budget crisis we face" said John A. Clarke, the Court's executive officer/clerk. "The best we can do is to minimize the pain these cuts will inflict. No one—most of all the Court—is happy about this."

McCoy noted that today's announcement of the effective closure of the entire court one day a month

comes on an Election Day on which voters are deciding the fates of six budget-related ballot propositions.

“Even if all of these measures pass, there would be no discernable, immediate improvement in the Court budget situation,” McCoy said. “We know that reducing and eliminating court services will cause all of our stakeholders—from customers with traffic tickets to lawyers with court dates—great inconvenience. Our objective is to give these constituencies as much time as possible to prepare for the furlough program when it begins on July 15. We know that every day of advance warning of these closures is important to our customers.”

State court leaders are also considering one-day-per-month furloughs and other steps to respond to the financial crisis. McCoy noted that the Los Angeles Superior Court plan is being implemented even though the Judicial Council of California has not yet announced any statewide court closure or furlough plan. “We are the largest and most complex court system in the United States,” McCoy said. “You cannot suddenly bring a system like ours to a halt. This must be orderly and planned and that takes time.”

Details of the Los Angeles Superior Court closure/furlough program include these:

--The court system will close on the third Wednesday of each month, affecting about 600 courtrooms and bench officers and more than 5,000 employees who work in 50 separate courthouse facilities.

--While most courthouses will be closed, some courthouses will necessarily continue to be open, with full security protection to serve the needs of county agencies like the District Attorney, Public Defender, Alternate Public Defender, Probation Department, City Attorney and Child Support Services Department, whose operations are located inside courthouses and are unaffected by the furlough. A few courthouses also house offices of the Los Angeles County Registrar/Recorder, which will also be unaffected. These non-court operations see thousands of customers per day and employ hundreds of people.

--Clerk’s offices, juror services and nearly all courtrooms will be shut down. Drop boxes will be in place to serve customers wishing to file court papers.

--Judges will work, beginning today, on adjusting their calendars to postpone or move all scheduled court dates on affected Wednesdays for the entire fiscal year.

--A few designated courtrooms will also be available to handle emergency matters.

--The limited number of employees required to work on closure days will be furloughed on other days.

--Supplementing these steps, the Court has imposed a so-called system-wide “hard”—or mandatory—hiring freeze.

--The Court will make \$16 million in other ongoing expenditure reductions, largely by cutting services and supplies, restricting travel and other means.

Today’s announcement responds to a fiscal analysis that projects Court deficits in Los Angeles to total \$89.9 million in FY 2009-10, rising to \$118.3 million in FY 2012-13. These shortfalls amount to about 10 percent of the Court’s operating budget of more than \$900 million per year.

Because nearly half of the Court’s funding is for specific statutory purposes, discretion in how and where to make cuts is very limited. Nearly 86 percent of the Court budget is for personnel. If the current situation remains unchanged, by the end of FY 2012-13, as many as 1,300 jobs—or 25 percent of the workforce—could be eliminated. Should that occur, entire courthouses would have to be closed and Court services massively scaled back.

McCoy emphasized, however, that no specific decisions about facility closures have been made—either in terms of timing or when such shutdowns might occur. Such drastic steps are unlikely to become necessary in FY 2009-10, but could have to be addressed as soon as sometime in late FY 2010-11 or early in the following fiscal year.

Although the Court anticipates beginning the 2009-2010 fiscal year with as much as \$90 million in reserves, the overall fiscal plan must spread use of this money over an expected four-year crisis period. Depleting the surplus quickly might avert some immediate effects of the crisis, but future years would see even more dire cuts. The bulk of the reserve balance will, however, be utilized in the first two years in an effort to limit adverse impacts on the court system beyond those presently contemplated and, at the end of two years, leaving the court with a small annual balance and a far more adverse situation likely ahead.

Additional details of the closure plan will be posted on Court’s Web site, www.lasuperiorcourt.org. This information will be updated continuously. Customers should continue to check the Web site regularly for new postings.