



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

MEMORANDUM

April 26, 2018

TO: Derrick L. Davis, Chair
Public Safety and Fiscal Management (PSFM) Committee

THRU: David H. Van Dyke, County Auditor *DHV*

FROM: Kendal Gray, Staff Auditor *KG*

RE: Circuit Court
Fiscal Year 2019 Budget Review

Budget Overview

The FY 2019 Proposed Budget for the Circuit Court is \$21,137,300. This is an increase of \$191,700, or 0.9%, over the FY 2018 Approved Budget. The General Fund portion of the budget is \$17,819,300, an increase of \$205,600, or 1.2%, over the FY 2018 Approved Budget largely due to mandatory salary adjustments, the creation of three (3) new positions, and an increase in related fringe benefit costs. The grant funded portion of the Court's budget is proposed to decrease by \$13,900, or 0.4%, due to slight reductions in two (2) grants offset by a new grant award.

Fund	FY 2017 Actual	FY 2018 Approved	FY 2018 Estimated	% Change - Est vs App	FY 2019 Proposed	Change Amount	Percentage Change
General Fund	\$ 15,317,796	\$ 17,613,700	\$ 17,471,400	-0.8%	\$ 17,819,300	\$ 205,600	1.2%
Grants	3,349,314	3,331,900	3,375,400	1.3%	3,318,000	(13,900)	-0.4%
Total	\$ 18,667,110	\$ 20,945,600	\$ 20,846,800	-0.5%	\$ 21,137,300	\$ 191,700	0.9%

Authorized Staffing - All Classifications				
	FY 2018 Approved	FY 2019 Proposed	Change	% Change
General Fund	170	173	3	1.8%
Grants	45	45	0	0.0%
Total	215	218	3	1.4%

Budget Comparison - General Fund

Approved Fiscal Year 2018 to Proposed Fiscal Year 2019

Category	FY 2017 Actual	FY 2018 Approved	FY 2018 Estimated	FY 2019 Proposed	Change Amount	Percentage Change
Compensation	\$ 9,256,660	\$ 10,767,600	\$ 10,700,200	\$ 11,323,600	\$ 556,000	5.2%
Fringe Benefits	2,755,107	3,445,500	3,421,200	3,646,300	200,800	5.8%
Operating Expenses	3,352,282	3,530,000	3,400,000	3,115,000	(415,000)	-11.8%
Sub-Total	\$ 15,364,049	\$ 17,743,100	\$ 17,521,400	\$ 18,084,900	\$ 341,800	1.9%
Recoveries		(46,253)	(129,400)	(50,000)	(265,600)	(136,200)
Total	\$ 15,317,796	\$ 17,613,700	\$ 17,471,400	\$ 17,819,300	\$ 205,600	1.2%

Authorized Staffing Count - General Fund

	FY 2018 Approved	FY 2019 Proposed	Change Amount	Percentage Change
Full-Time	137	140	3	2.2%
Part-Time	33	33	0	0.0%
Total	170	173	3	1.8%

General Fund Budget and Staffing by Division

Division	FY 2017 Actual	FY 2018 Approved	FY 2018 Estimated	% Change - Est vs App	FY 2019 Proposed	Change Amount	Percentage Change
General Judicial	5,565,967	6,581,500	6,489,800	-1.4%	7,002,500	421,000	6.4%
Law Library	446,955	540,000	520,000	-3.7%	563,900	23,900	4.4%
F.D. Domestic Relations	1,363,519	1,417,700	1,417,700	0.0%	1,691,600	273,900	19.3%
F.D. Juvenile Causes	163,632	201,600	201,600	0.0%	-	(201,600)	-100.0%
Alter. Disp. Resolution	166,241	189,600	189,600	0.0%	-	(189,600)	-100.0%
Bail Bond Comm.	170,612	194,000	194,000	0.0%	204,400	10,400	5.4%
Calendar Management	1,200,591	1,423,700	1,423,700	0.0%	1,469,800	46,100	3.2%
Jury Office	687,545	812,000	812,000	0.0%	812,000	-	0.0%
Admin. Operations	5,598,987	6,383,000	6,273,000	-1.7%	6,340,700	(42,300)	-0.7%
Agency Sub-Total	\$ 15,364,049	\$ 17,743,100	\$ 17,521,400	-1.2%	\$ 18,084,900	\$ 341,800	1.9%
Recoveries		(46,253)	(129,400)	(50,000)	(265,600)	(136,200)	0.0%
Agency Total	\$ 15,317,796	\$ 17,613,700	\$ 17,471,400	-0.8%	\$ 17,955,500	\$ 341,800	1.9%

	FY 2018 Approved		FY 2019 Proposed		Number Change		Percentage Change	
	FT	PT	FT	PT	FT	PT	FT	PT
General Judicial	51	30	54	30	3	0	5.9%	0.0%
Law Library	3	0	3	0	0	0	0.0%	0.0%
F.D. Domestic Relations	22	0	29	0	7	0	31.8%	0.0%
F.D. Juvenile Causes	4	0	0	0	-4	0	-100.0%	0.0%
Alter. Disp. Resolution	3	0	0	0	-3	0	-100.0%	0.0%
Bail Bond Comm.	2	0	2	0	0	0	0.0%	0.0%
Calendar Management	16	0	16	0	0	0	0.0%	0.0%
Jury Office	0	0	0	0	0	0	0.0%	0.0%
Admin. Operations	36	3	36	3	0	0	0.0%	0.0%
	137	33	140	33	3	0	2.2%	0.0%

Staffing Changes and Compensation

- In the FY 2019 Proposed Budget, the General Fund provides for 140 full-time positions, and 33 part-time positions, which is an increase of three (3) full-time positions when compared to the FY 2018 Approved Budget.
- According to the Circuit Court, as of March 7, 2018, 131 of their 137 General Funded full-time positions are filled, and all of the 33 part-time positions are filled.
- In FY 2019, the Court is merging the Alternative Dispute Resolution Referral Unit and the Juvenile Causes Unit into the Domestic Relations Unit within the Family Division. This realignment of staff and services is being completed to consolidate these units.

Fringe Benefits

- The FY 2019 General Fund Proposed Budget for fringe benefits is \$3,646,300. This is an increase of \$200,800, or 5.8%, over the FY 2018 Approved Budget based on compensation changes.

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimated	FY 2019 Proposed
Fringe Benefits Expenditures	\$ 2,725,030	\$ 2,881,236	\$ 2,755,107	\$ 3,421,200	\$ 3,646,300
As a % of Compensation	29.7%	31.0%	29.8%	32.0%	32.2%
Annual % Change		5.7%	-4.4%	24.2%	6.6%

Operating Expenses

- General Fund FY 2019 operating expenses are proposed at \$3,115,000, and are comprised of the following major items:
 - Equipment-Repairs and Maintenance 961,300
 - Miscellaneous 725,000
 - Office Automation 422,900
 - Books and Periodicals 243,000
 - General & Administrative Contracts 230,800
- Overall, FY 2019 General fund proposed operating expenses are decreasing by \$415,000, or 11.8%, under the FY 2018 Approved Budget level.
- The accompanying table compares the FY 2019 Proposed Budget operating expenditures with the FY 2018 Approved Budget operating expenditures. In four (4) of the categories, the FY 2019 Proposed Budget increases planned spending over the FY 2018 Approved Budget. In eight (8) of the categories, the FY 2019 Proposed Budget level remains unchanged compared to the FY 2018 Approved Budget. FY 2019 proposed expenditures decrease in one (1) categories.

Operating Objects	FY 2018 Budget	FY 2019 Proposed	FY 2018 - FY 2019	
			\$ Change	% Change
Telephone	\$ 69,600	\$ 106,800	\$ 37,200	53.4%
General & Administrative Contracts	209,000	230,800	21,800	10.4%
General Office Supplies	135,100	140,900	5,800	4.3%
Membership Fees	12,000	12,400	400	3.3%
Equipment Lease	43,000	43,000	-	0.0%
Mileage Reimbursement	22,700	22,700	-	0.0%
Miscellaneous	725,000	725,000	-	0.0%
Printing	85,000	85,000	-	0.0%
Periodicals	243,000	243,000	-	0.0%
Training	35,000	35,000	-	0.0%
Other Operating Equipment	961,300	961,300	-	0.0%
Office & Operating Equipment Non Capital	86,200	86,200	-	0.0%
Office Automation	903,100	422,900	(480,200)	-53.2%
TOTAL	\$ 3,530,000	\$ 3,115,000	\$ (415,000)	-11.8%

- The most significant increase between the FY 2019 Proposed Budget and the FY 2018 Approved Budget is in the Telephone category (\$37,200 increase), and is a result of the Court aligning to historical expenditures.
- The most significant decrease between the FY 2019 Proposed Budget and the FY 2018 Approved Budget is in the Office Automation category (\$480,200 decrease), and is as a result of a change in the methodology used to allocate these charges County-wide.

Recoveries

- In FY 2019, the Circuit Court proposes to recover \$129,400 from the Bond Forfeiture Fund. Some information pertaining to this fund is as follows:
 - The Bond Forfeiture Fund receives proceeds when a defendant fails to appear and his/her bond is forfeited, which results in the bondsman paying the full amount of the bond. When this occurs, the State of Maryland receives 5%, and Prince George's County receives 95%. These funds must sit in the fund for 10 years before the County can make a claim and utilize these funds.
 - The Court is reporting the current balance of this fund at \$1,080,071, with a 10 year vested balance of \$399,516.
 - Recovery from the Fund can be used to support the Court's Bail Bond Commissioner and Law Library Divisions, which have proposed FY 2019 costs of \$204,400, and \$563,900, respectively. Although the Court does propose to recover \$129,400 from this fund to support its Bail Bond Commissioner Division in FY 2019, actual recovery from this fund has not materialized in the past five years.
- The Court also proposes to recover \$136,200 from their Capital Improvement Projects (Court School and the Courthouse Exterior/Interior Security) for the salary of the newly created facilities manager position. The funds will be recovered based on the percentage of time the facilities manager spends on both projects.

HIGHLIGHTS

Workload/Performance Trends

- The Prince George's County Circuit Court currently has 24 sitting judges, 7 magistrates, and 1 retired magistrate. The Circuit Court continues to utilize visiting and senior judges to help meet staffing needs in FY 2018, and this practice will continue in FY 2019.
- The Court's caseload decreased from 65,840 total cases in FY 2016 to 53,701 total cases in FY 2017. The Court's caseload is projected to increase to 59,123 cases in FY 2018, with a projected decline to 58,202 cases in FY 2019.
- The Circuit Court established a Veteran's Court/Program in FY 2016. This is a voluntary twelve month comprehensive treatment program. The focus of this program is Veteran's entering the judicial system with non-violent offenses, documented substance abuse dependencies, and mental issues. Currently, there are 11 participants with 6 graduates. This program has one (1) Case Manager with a maximum caseload of 20 clients.
- The Truancy Reduction Court was established in FY 2009. This program targets 6th through 8th graders who were absent from school 20% of the school year at the time of referral. The programs capacity is 40 students. The program has 32 current participant and has graduated 103 clients. This program has one (1) Coordinator, and utilizes case managers from Juvenile Drug Court until funding is made available to hire dedicated case managers.

- The Family Justice Center has experienced an increase in client demand. In FY 2018 (YTD), as of February 28, 2018, the Center has serviced 1,389 clients. The Center has served a total of 2,692 clients since it opened in July 2016. In order to meet the increase client demand, the Court has provided extended hours of operation on Thursdays from 8:30am to 8pm. Normal operating hours are from 8:30am to 5:00pm. In addition, the Court expressed a need for additional resources such as short and long term housing and transportation.
- The Court's foreclosure process has a new coordinating Judge, the Honorable Krystal Alves. To implement her new vision the Court has funding for two (2) additional paralegals in its FY 2019 Proposed budget. As in the past, defendants may request mediation prior to the sale of their property. In CY 2016, the Court received 3,671 foreclosure filings with 903 mediation requests received. In CY 2017, the Court has received 2,998 foreclosure filings with 689 requests, and year-to-date for CY 2018, 451 Foreclosure filing with 398 requests for mediation through February 27, 2018.
- In FY 2018 the Court established the Court Communications Office to handle external communications. This Office was established to provide the Court with a centralized point of contact to handle the Court's external communications (i.e. social media, external newsletters and press releases).

Information Technology

- The Maryland Electronic Courts (MDEC) project is an integrated statewide case management system that will comply with the standards established by the National Center for State Courts. MDEC was piloted in Anne Arundel County in 2014 where it is now fully operational. MDEC is currently being expanded to other counties. The cost to the County will be identified as the pilot continues. A statewide Advisory Committee has been formed which makes recommendations to the Maryland Judiciary's Technology Oversight Board. Implementation for Prince George's County is projected for 2020.
- In FY 2017, at a cost of \$101,781, the Court hired a contractor to provide expertise in developing a 5 to 10 year strategic plan for all court operations. The contractor will provide succession planning for the Court and identify resources that may be used to obtain the goals. The contractor is currently in the Discovery Phase, which includes collecting data from all Circuit Court Judges, Magistrates, employees, justice partners and various stakeholders within the community.
- The Court has the following IT initiatives on-going in FY 2018:
 - Upgrade of web logic server to accommodate the upgrade of desktop software to Windows 10;
 - Upgrade of Office 10 and 13 to Office 2016.
- The Court's IT projects for FY 2019 are as follows:
 - Upgrade VMware from 6.0 to 6.5;
 - Upgrade CourtSmart Hardware, and (Server and Audio) if funding is available.

Facilities

- The Courthouse Exterior/Interior Security project provides funds for increased and enhanced security and updating infrastructure throughout the Courthouse complex. This project has a total budget of \$17,374,000. The project has estimated total expenditures of \$16,374,000 as of the end of FY 2018, and \$500,000 in the Proposed 2019 CIP Budget.
- The Court School project has \$23.08 million included in the CIP to provide a 30,000 square foot school operated under the mandate of the Circuit Court. The Court desires to open the school on the site of the Old Marlboro Elementary School. The school's program will be modeled after The Innovative Concept Academy in St. Louis, Missouri, which is an alternative learning source for youths who have been expelled from school. This project has \$200,000 budgeted for planning in FY 2018, and no funding for FY 2019.

Budget Comparison - Grants

Approved Fiscal Year 2018 to Proposed Fiscal Year 2019

Category	FY 2017 Actual	FY 2018 Approved	FY 2018 Estimated	FY 2019 Proposed	Change Amount	Percentage Change
Compensation	\$ 1,828,512	\$ 1,874,500	\$ 2,046,300	\$ 2,014,500	\$ 140,000	7.5%
Fringe Benefits	511,042	656,200	641,200	631,000	(25,200)	-3.8%
Operating Expenses	1,009,760	1,065,100	951,800	936,400	(128,700)	-12.1%
Total	\$ 3,349,314	\$ 3,595,800	\$ 3,639,300	\$ 3,581,900	\$ (13,900)	-0.4%

Authorized Staffing Count - Grants

	FY 2018 Approved	FY 2019 Proposed	Change Amount	Percentage Change
Full-Time	45	45	0	0.0%
Total	45	45	0	0.0%

Grant Programs

- The FY 2019 Proposed Budget for the Circuit Court's grant program is \$3,581,900. This is a decrease of \$13,900, or 0.4%, below the FY 2018 Approved Budget.
- In FY 2019 grant funding is anticipated for 45 full-time positions. The staffing levels remains unchanged from FY 2018 Approved level. As of March 7, 2018, 39 of the 45 positions were filled.
- Grant funded compensation is increasing \$140,000, or 7.5%, over the FY 2018 Approved levels, and Fringe Benefits are decreasing \$25,200, or 3.8%, below the FY 2018 Approved levels. These changes are due salary adjustments and an alignment of these costs with actual anticipated costs.

- Grant funded operating expenses are decreasing \$128,700, or 12.1%, below the FY 2018 Approved levels due to an alignment of these costs with actual anticipated costs.
- The Cooperative Reimbursement Agreement (CRA) supports the Circuit Court's child support enforcement programs. Funding for the CRA is provided by the State of Maryland and a County contribution of \$263,900 is required. The County's proposed contribution for FY 2019 remains unchanged from the FY 2018 required match.
- Beginning in FY 2016, the Maryland Office of Problem Solving Court has combined funding for the Adult Drug Court, Juvenile Drug Court, and Re-Entry Court grant programs. The Proposed FY 2019 grant funding from the Maryland Office of Problem Solving Court is \$315,200. This is a decrease of \$36,000, or 10.3 % below the FY 2018 Approved Budget level. Specifics pertaining to each of these programs are as follows:
 - The Adult Drug Court has graduated a total of 429 clients, with 772 total clients serviced. It has four (4) case managers, each with a caseload of 30 clients. *See First Round Question #34 pg. 22-23 for more information regarding statistics, demographics, staffing, and eligibility requirements.*
 - The Juvenile Drug Court program has graduated 115 participants since inception. It has two (2) case managers, two (2) treatment providers, and a program coordinator on staff. The case managers and treatment providers each have a caseload of 30 clients. *See First Round Question #34 pg. 21-22 for more information regarding statistics, demographics, staffing, and eligibility requirements.*
 - The Re-Entry Court/Program has 12 participants and 11 graduates. This program has a Program Coordinator and one (1) Case manager with a caseload of 30 clients. The total capacity of this program is 30 clients. *See First Round Question #34 pg. 19-20 for more information regarding statistics, demographics, staffing, and eligibility requirements.*