

0390 Contributions to the Judges' Retirement System

The Judges' Retirement System provides retirement benefit funding for judges on California's Supreme, Appellate, and Superior/Municipal courts.

The Judges' Retirement System provides retirement, disability, and death benefits based on age, years of service, compensation of active judges, and eligibility, as determined by specific sections of the Judges' Retirement Law. Active judges and the state each contribute 8 percent of salary to the Judges' Retirement System. Additional contributions come from filing fees for specific civil cases and investment income. These contributions, however, are not sufficient to fully fund benefit payments. Consequently, current law requires the state to fund the difference between existing contribution sources and the required benefit payments to retired judges.

A second retirement system for judges was established in 1994. All new judges elected or appointed on or after November 9, 1994 become members of Judges' Retirement System II. The Judges' Retirement System II receives contributions from judges equal to 8 percent of salary as well as any investment income. The state's contributions are adjusted annually to maintain actuarial soundness of the fund. Judges' Retirement System II members eligible for a service retirement have the option of choosing the monetary credit plan (a lump-sum return of contributions and interest earned) or the defined benefit plan.

Effective January 1, 2013, provisions of the California Public Employee's Pension Reform Act of 2013, Chapter 296, Statutes of 2012 (AB 340), require that new judges contribute 50 percent of the normal cost of their pension benefits.

3-YR EXPENDITURES AND POSITIONS

	Positions			Expenditures		
	2011-12	2012-13	2013-14	2011-12*	2012-13*	2013-14*
10 State Operations	-	-	-	\$3,799	\$3,515	\$3,498
20 Local Assistance	-	-	-	248,953	209,663	241,727
99 Unclassified (Benefit Payments)	-	-	-	188,965	196,175	214,543
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$441,717	\$409,353	\$459,768
FUNDING				2011-12*	2012-13*	2013-14*
0001 General Fund				\$252,752	\$213,178	\$245,225
0815 Judges' Retirement Fund				185,429	192,731	210,504
0884 Judges' Retirement System II Fund				3,536	3,444	4,039
TOTALS, EXPENDITURES, ALL FUNDS				\$441,717	\$409,353	\$459,768

The amounts for the Judges' Retirement Fund (0815) and the Judges' Retirement System II Fund (0884) are unclassified expenditures for benefit payments.

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code, Title 8, Chapters 11 and 11.5.

DETAILED BUDGET ADJUSTMENTS

	2012-13*			2013-14*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Other Baseline Adjustments	-\$2,966	-\$12,588	-	\$29,081	\$5,780	-
Totals, Other Workload Budget Adjustments	-\$2,966	-\$12,588	-	\$29,081	\$5,780	-
Totals, Workload Budget Adjustments	-\$2,966	-\$12,588	-	\$29,081	\$5,780	-
Totals, Budget Adjustments	-\$2,966	-\$12,588	-	\$29,081	\$5,780	-

* Dollars in thousands, except in Salary Range.

0390 Contributions to the Judges' Retirement System - Continued**Judges' Retirement Fund Summaries**

0815 Judges' Retirement Fund	PY 2011-12	CY 2012-13	BY 2013-14
Beginning Balance	\$58,514	\$72,845	\$49,315
Revenues:			
Investment Income	\$88	\$110	\$74
Other Income	2,877	3,197	3,197
State Contributions	194,320	160,043	188,511
Member Contributions	1,554	4,992	4,430
Other Contributions	2,019	1,991	1,991
Contribution Refunds	-17	-16	-16
Total Revenues	\$200,841	\$170,317	\$198,187
Expenditures:			
Pension Benefit Payments	\$185,429	\$192,731	\$210,504
Administrative Expenditures	1,080	1,115	1,115
Other Expenditures	1	1	1
Total Expenditures	\$186,510	\$193,847	\$211,620
Ending Fund Balance	\$72,845	\$49,315	\$35,882

0884 Judges' Retirement System II Fund	PY 2011-12	CY 2012-13	BY 2013-14
Beginning Balance	\$576,442	\$660,440	\$740,708
Revenues:			
Investment Income	\$14,152	\$16,214	\$18,185
State Contributions	58,433	53,135	56,714
Member Contributions	18,232	18,614	19,867
Other Contributions	-	125	125
Contribution Refunds	-2,604	-3,672	-3,672
Total Revenues	\$88,213	\$84,416	\$91,219
Expenditures:			
Pension Benefit Payments	\$3,536	\$3,444	\$4,039
Administrative Expenditures	678	703	703
Other Expenditures	1	1	1
Total Expenditures	\$4,215	\$4,148	\$4,743
Ending Fund Balance	\$660,440	\$740,708	\$827,184

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0390 Contributions to the Judges' Retirement System - Continued

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2011-12*	2012-13*	2013-14*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation (transfer to Judges' Retirement Fund)	\$1,150	\$1,150	\$1,150
Government Code Section 75101 (JRS I)	1,130	983	873
Government Code Section 75600.5 (JRS II)	<u>1,519</u>	<u>1,382</u>	<u>1,475</u>
TOTALS, EXPENDITURES	<u>\$3,799</u>	<u>\$3,515</u>	<u>\$3,498</u>
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$3,799	\$3,515	\$3,498
2 LOCAL ASSISTANCE	2011-12*	2012-13*	2013-14*
0001 General Fund			
APPROPRIATIONS			
101 Budget Act appropriation (transfer to Judges' Retirement Fund)	\$187,432	\$153,901	\$182,931
Government Code Section 75101 (JRS I)	4,607	4,009	3,557
Government Code Section 75600.5 (JRS II)	<u>56,914</u>	<u>51,753</u>	<u>55,239</u>
TOTALS, EXPENDITURES	<u>\$248,953</u>	<u>\$209,663</u>	<u>\$241,727</u>
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$248,953	\$209,663	\$241,727
4 UNCLASSIFIED	2011-12*	2012-13*	2013-14*
0815 Judges' Retirement Fund			
APPROPRIATIONS			
Government Code Section 75025	\$185,429	\$192,731	\$210,504
Number of Annuitants (JRS I)	<u>(1,934)</u>	<u>(1,915)</u>	<u>(1,975)</u>
TOTALS, EXPENDITURES	<u>\$185,429</u>	<u>\$192,731</u>	<u>\$210,504</u>
0884 Judges' Retirement System II Fund			
APPROPRIATIONS			
Government Code Section 75522	\$3,536	\$3,444	\$4,039
Number of Annuitants (JRS II)	<u>(37)</u>	<u>(44)</u>	<u>(51)</u>
TOTALS, EXPENDITURES	<u>\$3,536</u>	<u>\$3,444</u>	<u>\$4,039</u>
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	<u>\$188,965</u>	<u>\$196,175</u>	<u>\$214,543</u>
TOTALS, EXPENDITURES, ALL FUNDS (State Operations, Local Assistance and Unclassified)	\$441,717	\$409,353	\$459,768

* Dollars in thousands, except in Salary Range.