



STATE OF CONNECTICUT

OFFICE OF THE
PROBATE COURT ADMINISTRATOR

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PAUL J. KNIERIM, JUDGE
Probate Court Administrator

THOMAS E. GAFFEY
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HELEN B. BENNET
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June 22, 2011

Governor Dannel P. Malloy
Executive Chambers
State Capitol
Hartford, CT 06106

Office of the Senate Clerk
Room 305
State Capitol
Hartford, CT 06106

Office of the House Clerk
Room 109
State Capitol
Hartford, CT 06106

To His Excellency the Governor and the Honorable General Assembly:

Pursuant to General Statutes § 45a-85, the Probate Court Budget Committee presents this annual report to document the progress of the probate system in reducing costs. We are pleased to report that the implementation of Public Act 09-114, which embodied the plan to consolidate courts and establish a streamlined financial structure for the probate system, was successfully completed in January. Projected savings from restructuring, which are 25% better than original estimates, total \$3.5 million annually.

This report describes the extraordinary efforts of probate judges, court employees, staff at the Office of the Probate Court Administrator and our municipal partners in meeting the many challenges of court restructuring. The report is divided into the following sections:

- Savings from Restructuring
- Fiscal Year 2010-11 Accomplishments
- Fiscal Year 2011-12 Initiatives

Savings from Restructuring

Based upon current projections, the financial benefits of court restructuring will exceed expectations. While court consolidation and the streamlined financial system will be in place only for the second half of the current fiscal year, we expect savings of nearly \$1.6 million for the six months ending June 30, 2011, up from our prior projection of \$1.2 million. Estimated savings for FY 2011-12, during which the new system will be operational for twelve months, have grown

from \$2.8 million to \$3.5 million. A chart detailing the areas of cost savings is attached.

As a result of these savings, the probate system's need for general fund support will be significantly reduced. Our general fund appropriation for FY 2011-12 is 27% less than the current year, down from \$11.25 million to \$8.2 million. Our appropriation will be further reduced to \$7.3 million in FY 2012-13, an additional 11% savings for the general fund.

FY 2010-11 Accomplishments

The following is a summary of the key elements of probate court restructuring:

Court Consolidation

The consolidation of 117 courts into 54 is perhaps the most recognizable effect of restructuring. While 22 existing districts were unaffected by consolidation, 94 previously separate courts were merged into 32 new regional courts. As a result, a major focus of our efforts during the past 18 months was determining locations and securing appropriate facilities for the new regional courts.

Careful planning in the redistricting process helped minimize the need for facilities modifications to accommodate the larger regional courts. Of the 32 merged courts, five are now housed in space not previously occupied by a court. Six others are located at an existing court facility that was modified or expanded to accommodate the regional court. Twenty-one of the merged courts are hosted at an existing court facility.

Where new or expanded facilities were required, collaboration among judges, court staff, probate administration employees and municipalities helped to minimize expenses for cities and towns. Probate administration assisted with facilities layouts and supplied all necessary computer equipment. Many municipalities performed the construction work with their own public works departments. Similarly, many municipalities contributed furniture, equipment and supplies to obviate new purchases. Town staff also handled the work of moving furniture, equipment and records to the new court locations.

Information from municipalities indicates that the capital outlay for the renovations ranged from a few hundred dollars to a high of \$40,000. While these figures are not insubstantial, they are relatively modest in comparison to the cost of most public works projects. The completion of renovations for these amounts reflects the sharing of responsibility for the work among the towns, courts and probate administration and the practical manner in which the projects were undertaken.

We recognize that court consolidation, which was designed to save money for the probate system and hence the state, required many towns to expend funds for facilities modifications during a difficult budget environment. We expect, however, that this investment will be partially offset in future years. Municipalities will enjoy modest savings from court consolidation because the regional courts will eliminate certain duplicative expenses for office equipment and supplies. In addition, our new digital records management system will altogether eliminate the need for municipalities to add costly fireproof vault space for records storage. It also reduces the expense of making microfilm backup of probate records. The relocation of many courts to regional locations has also freed up much needed space within many city and town halls.

Centralized Financial Structure

Of equal importance to court consolidation is the establishment of a centralized financial structure for the probate system. Historically, each court conducted its own financial operations. Courts collected statutorily-established fees and deposited the revenue into individual court bank accounts. Judges used that revenue to pay court expenses -- without the guidance of a budget -- and reported their results to probate administration at year end.

All revenue is now deposited directly into the probate court administration fund. A single system-wide budget controls all expenditures from the fund. This streamlined financial structure yields multiple benefits. It has enabled the system to implement cost controls while eliminating duplicative bookkeeping activities at the courts. Budget planning is greatly enhanced by the availability of current data on the finances of the system.

Pursuant to General Statutes § 45-82, the probate system budget must be approved by the Chief Court Administrator. The FY 2011-12 budget, which Judge Quinn approved on May 24, 2011, is attached.

Uniform Compensation and Benefits Plan for Court Staff

The establishment of a uniform compensation and benefits plan for court staff is another critical component of the system's new structure. The decentralized nature of the probate system before restructuring resulted in significant disparities in pay and benefits among court employees. With a system-wide compensation and benefits plan in place as of January, the probate courts have made significant strides in improving pay equity and managing benefit costs.

The budget committee worked with the human resource management unit of the Judicial Branch and a compensation consultant to develop the new compensation plan. Job descriptions were updated to reflect changes in job responsibilities associated with court consolidation and restructuring. Pay ranges for each position were likewise revised based on current market data.

Varied benefits policies were similarly replaced with a system-wide plan. The budget committee adopted policies for vacation, sick leave, personal days, holidays, family and medical leave, and other categories of paid time off that are modeled on the policies applicable to state employees. The committee eliminated certain other benefits in place at some courts, including paid lunch breaks, year-end bonuses, payment of the employee premium share for health insurance, overtime pay for exempt employees, and employer-paid life insurance. A comprehensive PCA Policy Manual provides clear and concise descriptions of the employee benefits now available to court staff.

Transition to Single Payroll Service Provider

January 2011 also marked the replacement of separate payroll arrangements at each court with a single system-wide payroll service for all judges and court staff. This change will yield significant savings by greatly reducing the administrative burdens on each court and by eliminating altogether the need for courts to engage accountants and payroll services to assist with these functions.

Following a competitive bidding process, probate administration engaged an outside vendor to perform payroll services. The new state-of-the-art system enables employees to input time and attendance information electronically at their desktops. Since users can access their payroll data online from any computer, the new system avoids all expenses associated with printing and mailing pay stubs for judges and staff who participate in the direct deposit option. As of the time of this report, we have achieved 100% participation in direct deposit.

Court Staffing Levels

Public Act 09-114 shifted the authority to determine staffing levels from the individual courts to the budget committee. In carrying out this responsibility, the committee undertook a thorough analysis of all relevant factors, including review of the workload and types of cases handled by each court, the population of the district, and the number of staff and position assignments before restructuring.

Based upon this work, the committee determined *benchmark staffing levels* for each court. Each court's benchmark staffing identifies the court's optimal number of employees and the appropriate distribution of staff among the various positions. The committee found that courts were in some cases understaffed, while others had a larger number of employees than the committee's criteria would indicate. Recognizing that consolidation and restructuring would impose considerable additional workload on court staff, the committee determined that it would not mandate layoffs but would instead seek to transition to optimal staffing levels at each court through voluntary attrition. To that end, the committee determined a *transitional staffing level* for each court based upon the court's

staffing before restructuring. Courts with transitional levels above benchmark are prohibited from refilling positions when a vacancy occurs.

After less than half a year, the system is already making steady progress towards the benchmark staffing goals. The overall staff count at the probate courts is presently 262.7 full time equivalents, which is nearly five percent below the transitional authorization level of 274.7.

A summary of each court's authorized staffing level is attached.

Fiscal Year 2011-12 Initiatives

While the process of implementing and refining the structural changes to the probate system will continue into the coming year, the following cost-saving initiatives are planned for FY 2011-12:

Automate Benefits Enrollment and Administration

We are presently exploring an online benefits enrollment service to improve administrative efficiency in managing the health insurance plan. This system will enable judges and court employees to make benefit selections and input information about status changes online.

Worker's Compensation Insurance

All courts currently maintain individual workers' compensation insurance policies for court staff. We will explore opportunities to reduce premium expense and streamline payment and audit activities through the purchase of a master policy covering all court employees.

Credit/Debit Card Payments

Public Act 10-184 authorizes the probate courts to collect fees using credit or debit cards. Implementation of this payment option in FY 2011-12 is expected to improve collections.

Probate Records Project

We will continue the process of digitizing older probate records. In addition to freeing up space in municipal vaults for other storage needs, this project serves to improve public access to records for historical research.

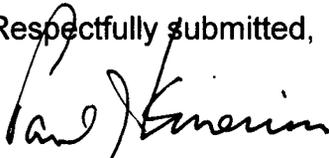
Conclusion

The probate system has emerged from the restructuring process a more cost-effective organization. The changes brought about by Public Act 09-114 will not

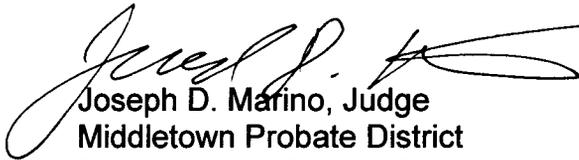
only save taxpayers millions of dollars each year, but will also improve cost controls going forward. As a result, the system is now fully prepared to continue on its vital mission of providing an accessible and consumer-oriented forum to resolve probate cases for Connecticut's families.

The budget committee wishes to express its sincere appreciation to Connecticut's probate judges, court employees and the staff at probate administration for their extraordinary efforts during the restructuring process. We are indebted also to city and town officials throughout the state for their assistance in locating facilities for the new regional courts and for their ongoing support of the courts. The overwhelming success of the endeavor would not have been possible but for the spirit of cooperation among all involved.

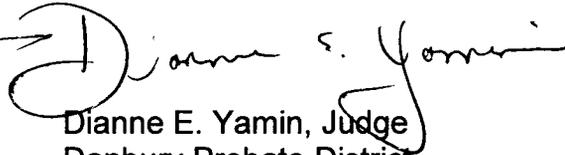
Respectfully submitted,



Paul J. Knierim
Probate Court Administrator
Chair, Probate Court Budget Committee



Joseph D. Marino, Judge
Middletown Probate District
Probate Court Budget Committee



Dianne E. Yamin, Judge
Danbury Probate District
Probate Court Budget Committee

Attachments (3)

RECEIVED
PROBATE COURT ADMIN

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STATE OF CONNECTICUT
JUDICIAL BRANCH

COPY

CHAMBERS OF
BARBARA M. QUINN
CHIEF COURT ADMINISTRATOR

231 CAPITOL AVENUE
HARTFORD, CT 06106

May 24, 2011

Hon. Paul J. Knierim
Probate Court Administrator
186 Newington Road
West Hartford, Ct 06110

Dear Judge Knierim:

Thank you for submitting your proposed Fiscal Year 2011-2012 budget for expenditures from the Probate Court Administration Fund. Please be advised that your proposed budget is approved as submitted.

The proposed budget represents the first full year in which the restructured and consolidated probate courts will operate. It was a short time ago that the very idea of revamping the probate system so dramatically seemed to be an impossibility. Nevertheless, we now find ourselves with a streamlined court system that is on sound financial footing for the future. I would once again extend our thanks for the yeoman efforts that you and your colleagues have made to bring us to this point.

We look forward to working with you in the coming year and I am confident that, by continuing to work together cooperatively, we will be able to successfully meet the challenges that may arise.

Sincerely,

A handwritten signature in cursive script, appearing to read 'B. Quinn'.

Barbara M. Quinn, Judge
Chief Court Administrator

Cc: Hon. Chase T. Rogers, Chief Justice
Thomas A Siconolfi, Executive Director of Administrative Services

Connecticut Probate Courts

Summary of Sources and Uses of Funds

	FY 12 Budget
SOURCES:	
Probate court fees	\$ 30,000,000
Pass-through funding	1,200,000
Indigency	25,000
Other	10,000
Subtotal Sources (before General Fund Approp)	31,235,000
USES:	
Court expenses	34,930,331
Probate Court Administration expenses	3,194,829
Subtotal Uses	38,125,160
INCOME (LOSS) BEFORE GENERAL FUND APPROPRIATION	(6,890,160)
General Fund Appropriation	8,200,000
NET INCOME (LOSS)	\$ 1,309,840

Connecticut Probate Courts

Cost Savings Due to Restructuring

	Jan-June 2011	Full Year FY12	
Judges salary and wages	\$ 909,915	\$ 2,019,829	(a)
Court staff salary and wages	295,626	591,252	(b)
Payroll taxes	120,554	261,108	
Other court staff comp/benefits	50,000	100,000	(c)
External accountants	63,500	285,000	
Payroll services - external costs	7,000	14,000	
Payroll services - internal costs	50,850	101,700	
Workers' compensation	5,000	10,000	
Subscriptions	14,000	28,000	
Other court expenses	25,000	50,000	(d)
Travel reimbursement	8,000	16,000	
Bank fees	7,500	15,000	
PCA Overhead (postage, paper)	5,000	10,000	
	\$ 1,561,945	\$ 3,501,889	

Notes:

(a) Reduction from 117 judges to 54 judges, effective January 5, 2011.

(b) Transitional vs. benchmark staffing (274.7 vs 262.1) estimated at average compensation rate of \$22.56.

(c) Wages and benefits previously paid by courts and discontinued include payment of life insurance, overtime payment to exempt staff, yearend bonuses, unauthorized wage increases.

(d) Other court expenses include parking, dues and other office related expenses.

**Connecticut Probate Courts
2011 Staffing Levels**

Rank	Probate District	Executive	Transitional
1	Hartford Probate District	13.0	13.0
2	West Hartford Probate District	6.4	6.4
3	Tobacco Valley Probate District	3.6	3.8
4	Greater Windsor Probate District	3.6	3.8
5	East Hartford Probate District	3.2	4.1
6	Glastonbury - Hebron Probate District	2.3	2.3
7	Newington Probate District	5.7	5.7
8	Berlin Probate District	5.2	5.2
9	Simsbury Regional Probate District	3.5	3.5
10	Farmington - Burlington Probate District	2.5	3.2
11	North Central Connecticut Probate District	3.7	3.7
12	Ellington Probate District	3.1	3.8
13	Greater Manchester Probate District	4.6	4.9
14	Region # 14 Probate District	2.2	2.2
15	Middletown Probate District	4.2	4.3
16	Meriden Probate District	1.9	1.9
17	Wallingford Probate District	3.6	3.6
18	Cheshire - Southington Probate District	4.5	4.5
19	Region # 19 Probate District	6.8	7.3
20	Waterbury Probate District	8.0	8.0
21	Naugatuck Probate District	3.8	3.8
22	Region # 22 Probate District	5.7	6.8
23	Torrington Area Probate District	4.4	4.9
24	Litchfield Hills Probate District	4.0	4.2
25	Tolland - Mansfield Probate District	2.3	2.3
26	Northeast Probate District	3.1	3.1
27	Plainfield - Killingly Regional Probate	2.3	2.5
28	Windham - Colchester Probate District	2.6	2.6
29	Norwich Probate District	4.1	4.1
30	Southeastern CT Regional Probate	5.0	5.0
31	New London Probate District	4.1	4.1
32	Niantic Regional Probate District	3.0	3.0
33	Saybrook Probate District	5.0	5.8
34	Madison - Guilford Probate District	2.4	2.5
35	Branford - North Branford Probate District	2.7	2.7
36	East Haven - North Haven Probate District	3.0	3.3
37	Hamden - Bethany Probate District	3.2	3.2
38	New Haven Probate District	9.7	9.7
39	West Haven Probate District	5.0	5.0
40	Milford - Orange Probate District	4.7	4.9
41	Derby Probate District	3.5	3.5
42	Shelton Probate District	2.8	3.1
43	Danbury Probate District	4.0	4.0
44	Housatonic Probate District	3.4	4.1
45	Northern Fairfield County Probate District	3.7	3.7
46	Trumbull Probate District	2.8	2.8
47	Stratford Probate District	3.8	4.0
48	Bridgeport Probate District	10.8	10.9
49	Fairfield Probate District	4.3	4.6
50	Westport Probate District	1.9	1.9
51	Norwalk - Wilton Probate District	6.7	7.5
52	Darien - New Canaan Probate District	2.7	4.9
53	Stamford Probate District	6.2	6.2
54	Greenwich Probate District	4.4	4.4
	Subtotal	232.7	244.3
55	New Haven RCPC	11.3	11.3
56	Central CT RCPC	3.8	3.8
57	New London RCPC	4.5	4.5
58	Waterbury RCPC	6.0	7.0
59	Northeast RCPC	4.2	4.2
	Subtotal	29.8	30.8
	Total	262.5	275.1