Sterling E. Norris, Esq. (SBN 40993) JUDICIAL WATCH, INC. 1 2540 Huntington Drive, Suite 201 San Marino, CA 91108 Tel.: (626) 287-4540 Fax: (626) 237-2003 2 3 4 Attorneys for Plaintiff 5 6 7 8 SUPERIOR COURT FOR THE STATE OF CALIFORNIA 9 COUNTY OF LOS ANGELES 10 11 HAROLD P. STURGEON, Case No. 12 Plaintiff, COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF; DEMAND FOR 13 v. JURY TRIAL 14 Assigned to: LOS ANGELES COUNTY; GLORIA MOLINA, in her official capacity as a member of the Los Angeles County Board of Supervisors; YVONNE B. BURKE, in her 16 official capacity as a member of the Los 17 Angeles County Board of Supervisors; ZEV YAROSLAVSKY, in his official capacity as 18 a member of the Los Angeles County Board of Supervisors; DON KNABE, in his official 19 capacity as a member of the Los Angeles County Board of Supervisors; MICHAEL D. 20 ANTONOVICH, in his official capacity as member of the Los Angeles County Board of Supervisors; J. TYLER McCAULEY, in his 21 official capacity as Auditor-Controller for Los Angeles County; LARRY GONZALEZ, in his official capacity as Division Chief of 22 23 the Countywide Payroll Division of the Los Angeles County Department of Auditor-Controller; and DAVID E. JANSSEN, in his 24 25 capacity as Chief Administrative Officer of Los Angeles County, 26 Defendants. 27 28 Complaint Page 1

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### INTRODUCTION

1. Plaintiff, a taxpayer and resident of the County of Los Angeles, seeks to restrain, prevent, and otherwise enjoin Defendants from continuing to pay "local judicial benefits" to the judges of the Los Angeles Superior Court, as payment of such benefits contravenes Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., among other relevant statutes and provisions of law. Plaintiff also seeks a judgment declaring that the payment of "local judicial benefits" is unlawful.

### **JURISDICTION**

Jurisdiction in this case is found under California Code of Civil Procedure § 526(a), 2. which provides as follows:

An action to obtain a judgment, restraining and preventing any illegal expenditure of, waste of, or injury to, the estate, funds, or other property of a county, town, city or city and county of the state, may be maintained against any officer thereof, or any agent, or other person, acting in its behalf, either by a citizen resident therein, or by a corporation, who is assessed for and is liable to pay, or, within one year before the commencement of the action, has paid, a tax therein.

#### **PARTIES**

- 3. Plaintiff Harold P. Sturgeon is a resident and taxpayer of Los Angeles County. Plaintiff has paid taxes to Los Angeles County in the one-year period prior to commencement of this action.
- Defendant Los Angeles County is a local public entity in the State of California. Los Angeles County is being sued herein solely for declaratory relief determining and declaring that the payment of "local judicial benefits" is unlawful.
- Defendant Gloria Molina is a member of the Los Angeles County Board of Supervisors, 5. in which capacity she authorized and has the power and authority to terminate payment of "local judicial benefits." Supervisor Molina is being sued in her official capacity.
- Defendant Yvonne B. Burke is a member of the Los Angeles County Board of 6. Supervisors, in which capacity she authorized and has the power and authority to terminate payment of "local judicial benefits." Supervisor Burke is being sued in her official capacity.

- 7. Defendant Zev Yaroslavsky is a member of the Los Angeles County Board of Supervisors, in which capacity he authorized and has the power and authority to terminate payment of "local judicial benefits." Supervisor Yaroslavsky is being sued in his official capacity.
- 8. Defendant Don Knabe is a member of the Los Angeles County Board of Supervisors, in which capacity he authorized and has the power and authority to terminate payment of "local judicial benefits." Supervisor Knabe is being sued in his official capacity.
- 9. Defendant Michael D. Antonovich is a member of the Los Angeles County Board of Supervisors, in which capacity he authorized and has the power and authority to terminate payment of "local judicial benefits." Supervisor Antonovich is being sued in his official capacity.
- 10. Defendant J. Tyler McCauley ("McCauley") is the Auditor-Controller for Los Angeles County, in which capacity he authorized, distributed, or has power and authority to terminate payment of "local judicial benefits." Auditor-Controller McCauley is being sued in his official capacity.
- 11. Defendant Larry Gonzales ("Gonzales") is the Division Chief of the Countywide Payroll Division of the Los Angeles County Department of Auditor-Controller, in which capacity he authorized, distributed, or has power and authority to terminate payment of "local judicial benefits." Division Chief Gonzales is being sued in his official capacity.
- 12. Defendant David E. Janssen ("Janssen") is the Chief Administrative Officer of Los Angeles County, in which capacity he authorized, distributed, or has power and authority to terminate payment of "local judicial benefits." Chief Administrative Officer Janssen is being sued in his official capacity.

### NOTICE TO GOVERNMENT

13. In March 2006, Plaintiff provided a draft of this pleading to each of the Los Angeles County supervisors and officials named herein and requested that they immediately terminate payment of "local judicial benefits" to the judges of the Los Angeles County Superior Court. The Los Angeles County supervisors and officials named herein have refused or failed to terminate such payments, and, on information and belief, will not do so in the future, no matter how long Plaintiff might wait. As a result of the failure and refusal of the foregoing public officials to take appropriate action, this taxpayer lawsuit is the only viable means to stop the unlawful expenditure and waste of county funds.

### STATEMENT OF FACTS

- 14. Article VI, section 19 of the California Constitution provides that "[t]he Legislature shall prescribe compensation for judges of courts of record." Similarly, Article VI, section 20 of the California Constitution provides that "[t]he Legislature shall provide for retirement, with reasonable allowance, of judges of courts of record for age and disability."
- Article XVI, section 6 of the California Constitution provides that "[t]he Legislature shall have no power ... to make any gift or authorize the making of any gift, of any public money ... to any individual ...." Pursuant to this provision, the Legislature cannot authorize a county to make a gift of its public funds to judges.
- 16. In 1998, the California Legislature declared that "[1]ocal funding of trial courts may create disparities in the availability of the courts for the resolution of disputes and the dispensation of justice." Cal. Gov. Code § 77100(c). That same year, the State of California started to eliminate local funding of trial courts by enacting the Brown-Presley Trial Court Funding Act, codified at California Government Code Sections 77000 et seq.
- 17. In 1997, the State of California enacted legislation providing that "[o]n and after July 1, 1997, the state shall assume sole responsibility for the funding of court operations, as defined in Section 77003 and Rule 810 of the California Rules of Court ...." Cal. Gov. Code § 77200. This same legislation also provided that "[c]ommencing on July 1, 1997, no county shall be responsible for funding court operations, as defined in Section 77003 and Rule 810 of the California Rules of Court ...." Both Section 77003 and Rule 810 define "court operations" to include all "[s]alaries, benefits, and public agency retirement contributions for superior and municipal court judges ...."
- 18. This clear intent of the 1997 legislation was to eliminate county funding of all court operations and replace that funding with state funding. Gov't Code § 77207 ("The Legislature shall appropriate trial court funding.")
- 19. Pursuant to the 1997 legislation, commencing in the 1997-98 fiscal year, each county within the State of California was required to remit a specified amount of money to the state government, based upon the amount of money the county had expended on court operations during the 1994-95 fiscal year. Gov't Code § 77201(b)(1). A county could seek to reduce the amount of money it

was required to remit to the State of California in 1998 by declaring that the amount it expended on court operations in the 1994-95 fiscal year included the cost of "local judicial benefits," in which case the county would continue to be responsible for the cost of such benefits for that year. Gov't Code § 77201(c)(3).

- 20. While a subsequently enacted statute provided that, commencing in the 1999-2000 fiscal year and for each fiscal year thereafter, the amount a county was required to submit to the State of California could be adjusted by an amount equal to any reduction for "local judicial benefits" allowed in 1998, the statute made clear that any reduction for subsequent years was allowable only "to the extent a county filed an appeal with the Controller with respect to the findings made by the Department of Finance," and the statute made no reference to any continuing responsibility for cost of "local judicial benefits." Gov't Code § 77201.1(b)(4).
- 21. On information and belief, Los Angeles County did not file any appeal with the Controller with respect to any findings made by the Department of Finance regarding payment of "local judicial benefits."
- 22. On information and belief, there currently are 583 judges in the Los Angeles County Superior Court system.
- 23. Since July 1, 1998, the judges of the Los Angeles County Superior Courts have been paid salary and benefits from the State of California.
- 24. Despite the provisions of Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., and other relevant statutes and provisions of law, since July I, 1998, Los Angeles County has paid and continues to pay compensation to judges of the Los Angeles County Superior Court in the form of "local judicial benefits."
- 25. The "local judicial benefits" paid by the county to the judges of the Los Angeles County Superior Court include monthly cash allowances made pursuant to the county's "MegaFlex" cafeteria benefits plan. The judges may use this cash allowance to purchase, on a pre-tax basis, additional health, life insurance, disability, or other benefits above and beyond those already provided by the State of California, or they may retain the cash allowance as taxable income. On information and belief, in 2004, the MegaFlex cash allowance paid by the county to each judge was approximately \$2,277 per month.

- 26. The "local judicial benefits" paid by the county to the judges of the Los Angeles County Superior Court also include "professional development allowances" which, on information and belief, are paid to the judges in cash on a bi-weekly basis. On information and belief, the county does not impose any limitations or restrictions on how the allowance can be used and does not require judges to account for how the allowance is spent. On information and belief, in 2004, the "professional development allowance" paid by the county to each judge was approximately \$350 per month.
- 27. On information and belief, the "local judicial benefits" paid by the county to the judges of the Los Angeles Superior Court also include an additional retirement benefit above and beyond the retirement benefit the judges already receive from the State of California.
- 28. On information and belief, in 2004, the judges of the Los Angeles County Superior Court received approximately \$38,165 each in "local judicial benefits" from the county, increasing by nearly twenty-six percent (26%) the \$143,838 annual salary the judges received from the State of California.
- 29. On information and belief, the "local judicial benefits" paid by Los Angeles County to the judges of the Los Angeles County Superior Court are not benefits at all, but, rather, are a means to supplement the compensation paid to the judges by the State of California, in violation of Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., among other relevant statutes and provisions of law.
- 30. On information and belief, payment of "local judicial benefits" cost the taxpayers of Los Angeles County in excess of \$20 million dollars in 2004 and has cost the taxpayers of Los Angeles County at least \$100 million since 1998.
- 31. On information and belief, the payment of "local judicial benefits" by the county serves no useful, lawful purpose, provides no additional public benefit, and otherwise constitutes an unconscionable waste of taxpayer funds.
- 32. On information and belief, Los Angeles County will continue to pay "local judicial benefits" unless Defendants are restrained and prevented from doing so by this Court.
- 33. Because of the nature of this lawsuit, it would not be appropriate for any judge of the Los Angeles County Superior Court system to hear this matter, and, therefore, the matter should be transferred to an appropriate county for adjudication.

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# FIRST CAUSE OF ACTION FOR DECLARATORY RELIEF

(Cal. Code Civ. Proc. § 1060)

- 34. Plaintiff incorporates paragraphs 1 to 33, and each of them as if they were set forth in full.
- 35. An actual controversy has arisen between Plaintiff and Defendants. Plaintiff contends that the payment of "local judicial benefits" is unlawful under Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., among other relevant statutes and provisions of law, and constitutes an unconstitutional gift and waste of public funds under Cal. Const., Art. XVI, § 6.
- 36. Plaintiff seeks a judicial determination and declaration that the payment of "local judicial benefits" is unlawful under Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., among other relevant statutes and provisions of law, and constitutes an unconstitutional gift of public funds under Cal. Const., Art. XVI, § 6.

# SECOND CAUSE OF ACTION FOR INJUNCTIVE RELIEF

(Cal. Code Civ. Proc. § 526)

- 37. Plaintiff incorporates paragraphs 1 to 36, and each of them as if they were set forth in full.
- 38. Plaintiff seeks injunctive relief restraining, preventing, and otherwise enjoining Defendants from expending county funds to pay "local judicial benefits."

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays as follows:

### FIRST CAUSE OF ACTION FOR DECLARATORY RELIEF

1. A declaration that payment of "local judicial benefits" is unlawful under Cal. Const., Art. VI, §§ 19-20, Cal. Const., Art. XVI, § 6, and Cal. Gov. Code § 77000, et seq., among other relevant statutes and provisions of law, and constitutes an unconstitutional gift and waste of public funds under Cal. Const., Art. XVI, § 6.

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# SECOND CAUSE OF ACTION FOR INJUNCTIVE RELIEF

- The Court issue permanent injunctive relief restraining and preventing Defendants from 2. expending any further county funds to pay "local judicial benefits;"
  - 3. Costs of suit herein;
- Reasonable attorney's fees under the Private Attorney General Statute, Code of Civil 4. Procedure § 1021.5, the Common Fund Doctrine, and the Substantial Benefit Doctrine; and
  - 5. Such other relief as the Court deems just and proper.

DATED: April 21, 2006

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