Judicial Council of California
Judicial Branch Budget Committee

JUDICIAL BRANCH BUDGET COMMITTEE

MATERIALS APRIL 14, 2023

Meeting Contents

Judicial Council *of* California
Judicial Branch Budget Committee

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JBBC@jud.ca.gov

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JUDICIAL BRANCH BUDGET COMMITTEE

NOTICE AND AGENDA OF OPEN MEETING

Open to the Public (Cal. Rules of Court, rule 10.75(c)(1) and (e)(1))
THIS MEETING IS BEING CONDUCTED BY ELECTRONIC MEANS
THIS MEETING IS BEING RECORDED

Date:	April 14, 2023
Time:	12:00 p.m. to 1:30 p.m.
Public Videocast:	https://jcc.granicus.com/player/event/2687

Meeting materials will be posted on the advisory body web page on the California Courts website at least three business days before the meeting.

Members of the public seeking to make an audio recording of the meeting must submit a written request at least two business days before the meeting. Requests can be e-mailed to JBBC@jud.ca.gov.

Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order.

I. OPEN MEETING (CAL. RULES OF COURT, RULE 10.75(C)(1))

Call to Order and Roll Call

Approval of Minutes
Approve minutes of the March 14, 2023, Judicial Branch Budget Committee meeting.

II. PUBLIC COMMENT (CAL. RULES OF COURT, RULE 10.75(K)(1))

This meeting will be conducted by electronic means with a listen only conference line available for the public. As such, the public may submit comments for this meeting only in writing. In accordance with California Rules of Court, rule 10.75(k)(1), written comments pertaining to any agenda item of a regularly noticed open meeting can be submitted up to one complete business day before the meeting. For this specific meeting, comments should be e-mailed to JBBC@jud.ca.gov attention: Angela Cowan. Only written comments received by 12:00 p.m. on Thursday, April 13, 2023, will be provided to advisory body members prior to the start of the meeting.

III. Discussion and Possible Action Items (Items 1–4)

Item 1

Workload Formula Adjustment Request Process (ARP) (Action Required)

Consideration of a Trial Court Budget Advisory Committee (TCBAC) recommendation for the Santa Clara Superior Court ARP submission effective July 1, 2023.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee

Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

Item 2

2022-23 Trial Court Trust Fund (TCTF) Allocation Adjustments for the Judicial Council Information Technology (IT) Office (Action Required)

Consideration of TCBAC recommendations to adjust the 2022-23 TCTF allocation for the IT Data Center and Cloud Services program and a new Electronic Courts of Appeal Record and Transcripts program.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee

Ms. Heather Pettit, Director, Judicial Council Information Technology

Item 3

2022-23 TCTF Allocations Adjustment for Elder Abuse Program Reimbursements (Action Required)

Consideration of a TCBAC recommendation to adjust the 2022-23 TCTF allocation for elder abuse program reimbursements to the trial courts.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee

Ms. Rose Lane, Senior Analyst, Judicial Council Budget Services

Item 4

2023-24 through 2024-25 Firearm Relinquishment Grant Program Recommendations (Action Required)

Consideration of Family and Juvenile Law Advisory Committee and TCBAC recommendations to allocate one-time funding included in the 2022 Budget Act to one trial court to support a court-based firearm relinquishment program.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee

Mr. Gregory S. Tanaka, Supervising Attorney, Center for Families, Children & the Courts

Ms. Frances Ho, Attorney, Center for Families, Children & the Courts

IV. ADJOURNMENT

Adjourn

JUDICIAL BRANCH BUDGET COMMITTEE

MINUTES OF OPEN MEETING

March 14, 2023
1:00 p.m. to 4:00 p.m.
https://jcc.granicus.com/player/event/2223

Advisory Body Members Present:	Hon. David. M. Rubin, Chair, Hon. Ann Moorman, Vice Chair; Hon. Carin T. Fujisaki, Hon. Brad R. Hill, Hon. Maria Lucy Armendariz, Hon. C. Todd Bottke, Hon. Harold W. Hopp, Ms. Rachel W. Hill, and Mr. David H. Yamasaki
Advisory Body Members Absent:	
Others Present:	Hon. Jonathan Conklin, Ms. Rebecca Fleming, Mr. John Wordlaw, Mr. Zlatko Theodorovic, Ms. Angela Cowan, Ms. Fran Mueller, and Ms. Brandy Olivera

OPEN MEETING

Call to Order and Roll Call

The vice chair called the meeting to order at 1:03 p.m. and took roll call.

Approval of Minutes

The advisory body reviewed and approved the minutes from the January 18, 2023 Judicial Branch Budget Committee (Budget Committee) meeting and the February 22, 2023 Action by Email Between Meetings.

DISCUSSION AND POSSIBLE ACTION ITEMS (ITEM 1)

Item 1- SB 170 One-Time $30 Million Court Interpreter Employee Incentive Grant (CIEIG) Award Recommendations for 2022-23 (Action Required)

Consideration of award recommendations to distribute CIEIG to the trial courts through the grant application process for cycle 2.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Mr. Douglas Denton, Principal Manager, Judicial Council Center for Families, Children & the Courts.

Action: The Budget Committee unanimously voted to approve the following Trial Court Budget Advisory Committee recommendation for consideration by the Judicial Council at its May 11-12, 2023 business meeting:

1. Approve the proposed allocations for the Court Interpreter Employee Incentive Grant for fiscal year 2022–23; and

2. Direct Judicial Council Budget Services staff to distribute grant awards to courts no later than the June 2023 distribution.

Item 2- 2024-25 Budget Change Concepts (Action Required)
Review of 2024-25 Budget Change Concepts

Presenter(s)/Facilitator(s): Hon. David M. Rubin, Chair, Judicial Branch Budget Committee

Action: No action was taken.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:42 p.m.

Approved by the advisory body on enter date

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: **Workload Formula (WF) Adjustment Request Process (ARP)**

Date: 4/14/2023

Contact: Oksana Tuk, Senior Analyst, Judicial Council Budget Services
916-643-8027 | oksana.tuk@jud.ca.gov

Issue

Consideration of a recommendation from the Trial Court Budget Advisory Committee (TCBAC) to increase the Santa Clara Superior Court's debt service obligation amount funded from civil assessment backfill funding to cover the full cost of the obligation in response to the WF ARP submitted by the court, effective July 1, 2023, for consideration by the Judicial Council at its May 11–12, 2023 business meeting.

Background

On January 14, 2022, the Santa Clara Superior Court submitted a WF ARP requesting that courts with debt service obligations intended to be funded with civil assessment revenue be adjusted due to legislative and Judicial Council policy changes, the continued decline in civil assessment revenue, the decline or elimination of other revenue sources, and changes in trial court reserves (Attachments A through D).

This request was referred to the Funding Methodology Subcommittee (FMS) by the chair of the Trial Court Budget Advisory Committee (TCBAC) to consider the court's request[1]. At that time, updated debt service obligation information was requested from Judicial Council staff for future consideration by the subcommittee.

Prior Process on Local Debt Service Obligation Agreements in the WF

At the time of the ARP submission, the WF allocation included adjustments that accounted for net civil assessment revenue based on the most current fiscal year data *(i.e., civil assessments + other local revenues – Maintenance of Effort obligations – obligations funded by civil assessments = the total amount of revenue included in the WF)*. This process reduced the amount of the WF allocation for all courts as compared to their WF need for the purpose of calculating the distribution of new funding through the model[2].

[1] FMS meeting report (April 19, 2022), https://www.courts.ca.gov/documents/tcbac-20220419-fms-materials.pdf; FMS meeting minutes (April 19,2022), https://www.courts.ca.gov/documents/tcbac-20220419-fms-minutes.pdf.
[2] FMS meeting report (February 28, 2019), https://www.courts.ca.gov/documents/tcbac-20190228-fms-materials.pdf; Additional FMS meeting materials (February 28, 2019), https://www.courts.ca.gov/documents/tcbac-20190228-fms-additional_material.pdf; FMS meeting minutes (February 28, 2019), https://www.courts.ca.gov/documents/tcbac-20190228-fms-minutes.pdf.

In addition, in the event the obligations funded by civil assessments were more than the total amount of local revenues the court received, the court's revenue would reflect as a zero value in the WF rather than using the actual negative revenue amount. A negative value in the formula would have increased the court's funding gap as compared to need, by decreasing the WF allocation and WF percentage. This would make the court eligible for additional new, discretionary funding that is distributed through the WF allocation methodology.

Current Process on Local Debt Service Obligation Agreements in the WF

As part of the 2022 Budget Act (Stats. 2022, ch. 57), Assembly Bill 199 redirected the deposit of civil assessment revenue from the Trial Court Trust Fund to the General Fund (GF). The 2022 Budget Act also included $110 million GF in 2022-23 and $100 million annually thereafter for the trial courts to backfill civil assessment revenue loss due to the reduction of the maximum amount that can be imposed as a civil assessment from $300 to $100, and elimination of civil assessment debt from previously imposed judgements.

Effective July 15, 2022, the Judicial Council approved a new civil assessment backfill allocation methodology as outlined below[3]:

1. Maintain the current allocation of the $48.3 million maintenance of effort in the WF;
2. Fund the remaining historical obligations for those impacted courts from the balance of civil assessment backfill funding after the maintenance of effort obligation is met;
3. Allocate the remaining amount of civil assessment backfill funding via the WF and without a non-sheriff security reduction[4];
4. Remove retained civil assessment funds from the Workload Formula model's "Other Local Revenues" column and identify each courts' new position in the WF as it relates to percentage funded; and
5. Recalculate funding included in the 2022 Budget Act including inflationary, equity, and new judgeship funding, and then civil assessment redistribution funding.

Current Local Debt Service Obligations

Currently, there are four courts with debt obligations funded at $2.4 million annually (Table 1).

[3] Judicial Council meeting report (July 15, 2022), https://jcc.legistar.com/View.ashx?M=F&ID=11048930&GUID=2D239894-F872-4403-A830-63D53B0FC213; Judicial Council meeting minutes (July 15, 2022). https://jcc.legistar.com/View.ashx?M=M&ID=869107&GUID=7982B915-4E53-4539-9B54-8536AB5EF9A1.

[4] Beginning in 2016-17 and thereafter, if any new GF augmentation is received, courts with court-provided (non-sheriff) security since 2010-11 would be provided funding based on the same growth funding percentage that the county sheriff receives. If the growth percentage provided to the county sheriffs exceeds the GF augmentation percentage increase to the trial courts, the funding provided (to courts with court-provided security) will equal the GF augmentation percentage increase and will cease if a court discontinues its court-provided security services.

The current process is to fund the approved obligation amounts from the civil assessment backfill funding:

$110 million civil assessment backfill funding - $48.3 million maintenance of effort already included in the base funding of the WF - ***$2.4 million for current civil assessment debt obligations*** *= $59.3 million included in the WF*

In addition, effective in 2022-23, civil assessment revenues are no longer deducted from the WF allocation used for calculation purposes in allocating new funding.

Table 1 – Current Local Debt Service Obligations

Court	Annual Amount	Description / Obligation
Fresno	$500,000	Court facilities and related needs (Selma Courthouse and related tenant improvements, new juvenile dependency court). Annual obligation fully covered; not to extend past 2025.
Merced	310,000	Merced Courthouse construction. Annual obligation fully covered; projected to end no later than December 2038.
Santa Clara	1,500,000	Family Justice Center construction; through 2042-43. The full annual obligation amount is $4.031 million, of which $2.531 million is covered from the court's operational budget.
Santa Cruz	75,000	Watsonville Superior Court Construction. Annual obligation fully covered through 2042-43.
Total	**$2,385,000**	

Based on the information included in Table 1 and in response to the ARP submission which addresses all courts, Santa Clara Superior Court is the only court that has a higher annual obligation than what is currently being funded through the civil assessment backfill funding.

Options Considered

The FMS considered three options in addressing the Santa Clara WF ARP request.

- One option was to offset the court's local revenue amount used in the WF by $2.5 million and reflect the court's local revenue as a negative amount where applicable. This approach would increase the court's WF need and qualify the court for additional funding that is distributed through the WF allocation methodology.

  This option was not chosen to move forward for recommendation since it would likely not fund Santa Clara's debt obligation in full. The subcommittee's understanding was that debt service obligation agreements were originally intended to be funded with civil assessment revenue received by the court. Thus, civil assessment backfill revenue should be applied in the same manner to fund these obligations.

- Another option was to continue funding the court's obligation amount at $1.5 million, leaving the remaining $2.5 million obligation amount to be funded from the court's existing base operations.

  This option was not chosen to move forward for recommendation. For the same reason as the option above, the subcommittee's understanding was that debt service obligation agreements were intended to be fully funded with civil assessment backfill revenue.

- Lastly, the option the subcommittee voted to move forward to the TCBAC for consideration was to fund the full amount of the court's debt service obligation amount. This approach will decrease the amount of funding distributed to all courts via the WF model by $2.5 million. The subcommittee's action was based on the understanding that this was the intent to use civil assessment revenues from the onset of entering into debt service agreements. In addition, this approach will allow Santa Clara to utilize more of its base operational funding for providing necessary court services.

Recommendation

The following recommendation is presented to the Judicial Branch Budget Committee for consideration:

> Adopt a recommendation to approve a $2.5 million increase to fund the full $4.031 million amount of Santa Clara Superior Court's debt service obligation utilizing civil assessment backfill funding, effective July 1, 2023, for consideration by the council at its business meeting on May 11–12, 2023.

Attachments

Attachment A: Santa Clara Superior Court's ARP Submission, dated January 14, 2022
Attachment B: Santa Clara Superior Court's Letter to the Real Estate Policies Subcommittee, dated December 9, 2021
Attachment C: Judicial Council July 19, 2019 Meeting Report as attachment to Santa Clara Superior Court's December 9, 2021 Letter to Real Estate Policies Subcommittee
Attachment D: Santa Clara Superior Court's Memo to Real Estate Policies Subcommittee, dated September 15, 2021

Superior Court of California
County of Santa Clara

191 North First Street
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THEODORE C. ZAYNER
Presiding Judge

REBECCA J. FLEMING
Chief Executive Officer

January 14, 2022

Via email to martin.hoshino@jud.ca.gov

Mr. Martin Hoshino
Judicial Council of California
Judicial Council Administrative Director

Re: Workload Adjustment Request from Santa Clara County Superior Court

Dear Mr. Hoshino:

Santa Clara County Superior Court is submitting a Workload Adjustment Request to consider an additional amount of $3,031,257 (for a total amount of $4,031,257 due annually for the Family Justice Center Courthouse debt payment) as an obligation against civil assessments before calculating the Court's workload allocation.

Please see the following responses to the questions listed in the notice of Workload Formula Adjustment Request Process dated December 15, 2021:

1. A description of how the factor is not currently accounted for in the Workload Formula.

When the Judicial Council adopted the Trial Court Budget: Workload Formula-Allocations Report effective July 19, 2019, which recognized the obligations against civil assessments for certain affected courts, only $1,000,000 was recognized for Santa Clara County Superior Court. This change simply shifted the Court's obligation to pay the debt service from its trial court trust fund allocation rather than from civil assessments.

2. **Identification and description of the basis for which the adjustment is requested.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

3. **A detailed analysis of why the adjustment is necessary.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

4. **A description of whether the unaccounted-for factor is unique to the applicant court(s) or has broader applications.**

Santa Clara County Superior Court's request has broader application: any court with an obligation that was intended to be funded with civil assessment revenue should also be adjusted because legislation and Judicial Council policy changes have drastically reduced or eliminated entirely civil assessment and other previously existing revenue sources as well as trial court reserves.

Furthermore, this adjustment advances the purpose of the June 25, 2019 Workload Formula-Allocations Report to increase the accuracy and transparency of the workload formula by including all relevant sources of funding and debt service obligations.

5. **Detailed description of staffing need(s) and/or costs required to support the factor that is unaccounted for by the Workload Formula.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

6. **Description of the consequences to the public and access to justice without the funding.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

7. **Description of the consequences to the requesting court(s) of not receiving the funding.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

8. **Any additional information requested by the Judicial Council Budget Services Office, Funding Methodology Subcommittee (FMS), and/or the TCBAC deemed necessary to fully evaluate the request.**

See attached Memo to Real Estate Policies Subcommittee dated September 15, 2021 and Letter to Real Estate Policies Subcommittee dated December 9, 2021.

Thank you for your consideration.

Sincerely,

Theodore C. Zayner, Presiding Judge

Rebecca J. Fleming, Chief Executive Officer

cc by email: Trial Court Budget Advisory Committee
Real Estate Policies Subcommittee, c/o Hon. David M. Rubin, Chair
Pella McCormick, Director, Facilities Services Office

Superior Court of California
County of Santa Clara

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THEODORE C. ZAYNER
Presiding Judge

REBECCA J. FLEMING
Chief Executive Officer

December 9, 2021

Real Estate Policies Subcommittee
c/o Hon. David M. Rubin, Chair
David.Rubin@sdcourt.ca.gov

Re: Family Justice Center Courthouse Debt Service Obligation

Dear Members of the Real Estate Policies Subcommittee:

This letter follows the November 8, 2021 meeting of the Real Estate Policies Subcommittee of the Executive and Planning Committee of the Judicial Council of California and summarizes the respective positions of the Santa Clara County Superior Court and Judicial Council of California Facilities Services Office staff while proposing an alternative to the Court's original request.

As explained in its September 15, 2021 memo to the Subcommittee, the Court has requested that the current Intra-Branch Agreement requiring payments for the annual debt service on the Family Justice Center Courthouse be renegotiated to terminate the obligation. JCC Facilities Services staff has stated in their September 14, 2021 memo to the Subcommittee that they are not aware of any existing facilities funding that could be made available to relieve the Court of its financial contribution obligations in connection with the FJCC.

JCC staff notes in their September 14 memo that the original IBA (which modified the terms of the original MOU) contemplated an annual payment in the total amount of $5,471,000, which was supposed to be derived from (a) the Court's savings realized from the facility consolidations and (b) its $2,500,000 civil assessments contribution. The Court was allowed a $439,743 credit against that total in recognition of its annual cost of providing janitorial services for the FJCC which reduced the total annual amount to be transferred by the Court to $5,031,257:

COURT CONTRIBUTION Per IBA	FY 2016–17 and each year thereafter until FY 2037–38
Savings from Consolidation	
Court Operations Savings	$1,000,000
Court Lease Savings	$571,000
Court Security Savings	$1,400,000
Civil Assessments	$2,500,000
Subtotal of Revenues / Savings Consolidation	**$5,471,000**
Less Court Expenditures (FFE & Custodial)	($439,743)
TOTAL ANNUAL TRANSFER FROM COURT	**$5,031,257**

However, as the Court explained in its September 15 memo, in addition to the elimination of civil assessment revenue resulting from changes to collections legislation, the Court never received $1,400,000 in Court Security savings each year from consolidating security operations from four separate courthouses to the FJCC; AB 109 realignment permanently diverted any savings to the Court to the County.

The JCC staff memo further notes that the First Amendment to the IBA, effective June 2017, reduced the Court's annual civil assessment contribution by $1,000,000 each year – from $2,500,000 to $1,500,000 – due to the substantial decline in the Court's net civil assessment revenues. But this change simply shifted the Court's obligation to pay the debt service from its trial court trust fund allocation rather than from civil assessments. And when the Judicial Council subsequently adopted the Trial Court Budget: Workload Formula-Allocations Report effective July 19, 2019, which recognized the obligations against civil assessments for certain affected courts, only $1,000,000 was recognized for the Santa Clara County Superior Court.[1]

The Court now proposes the following amendment to the IBA:

> **Adjust the annual civil assessment contribution to include the remainder of the annual debt service on the Family Justice Center Courthouse; in other words, the total amount of $4,031,257 due annually for the FJCC debt payment should be treated as an obligation against civil assessments before calculating the Court's workload allocation (utilizing the existing process adopted in the Judicial Council report dated July 19, 2019).**

Adjusting the Court's workload allocation by a reduction of $4,031,257 holds the Court to the terms of the IBA but also acknowledges that (1) civil assessments were intended to be the primary source to fund the debt service owed on the FJCC; and (2) due to legislative and Judicial Council policy changes, civil assessment and other previously existing revenue sources and savings have been eliminated. Furthermore, the term of

[1] See Trial Court Budget: Workload Formula-Allocations Report to the Judicial Council from Trial Court Budget Advisory Committee and Judicial Council Staff dated June 25, 2019, enclosed with this letter.

the IBA would not change. This proposed solution advances the purpose of the June 25, 2019 Workload Formula-Allocations Report to increase the accuracy and transparency of the workload formula by including all relevant sources of funding and debt service obligations.

Finally, as the Court advocated at the November 8 Subcommittee meeting, the Judicial Council should ensure that all trial courts' allocations support access and services for the public, as prioritized by the Chief Justice and the Legislature, rather than supporting the infrastructure of capital projects. Burdening court operations funding will only result in more closed courtrooms and further reduced services.

The Court therefore requests that the Real Estate Policies Subcommittee direct Judicial Council staff to amend the IBA to adjust the annual civil assessment contribution to include the remainder of the annual debt service on the Family Justice Center Courthouse so that before the next allocation for FY 2022-2023, the total amount of $4,031,257 due annually for the FJCC debt payment will be treated as an obligation before calculating the Court's workload allocation. The Court further requests that the Real Estate Policies Subcommittee schedule a meeting in January 2022 to discuss and take action on the Court's alternative proposal.

Thank you for your consideration.

Sincerely,

Theodore C. Zayner, Presiding Judge

Rebecca J. Fleming, Chief Executive Officer

cc by email: Pella McCormick, Director, Facilities Services Office

JUDICIAL COUNCIL OF CALIFORNIA

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on July 18–19, 2019

Title
Trial Court Budget: Workload Formula-Allocations

Rules, Forms, Standards, or Statutes Affected
N/A

Recommended by
Trial Court Budget Advisory Committee
Hon. Jonathan B. Conklin, Chair

Judicial Council staff
Ms. Leah Rose-Goodwin, Manager
Office of Court Research

Agenda Item Type
Action Required

Effective Date
July 19, 2019

Date of Report
June 25, 2019

Contact
Leah Rose-Goodwin, (415) 865-7708
leah.rose-goodwin@jud.ca.gov

Executive Summary

The Trial Court Budget Advisory Committee recommends that the Judicial Council approve policy recommendations related to how workload formula-based allocations are calculated. These recommendations will increase the accuracy and transparency of the Workload Formula by including all relevant sources of funding. If approved, these changes would take effect with fiscal year (FY) 2019–20 allocations.

Recommendation

The Trial Court Budget Advisory Committee recommends that the Judicial Council take the following actions:

1. Adjust each court's workload allocation to include net civil assessments based on the prior fiscal year, effective with FY 2019–20 allocations; and
2. Include specific general ledger accounts that the committee recommends including as part of the Workload Formula, effective with FY 2019–20 allocations.

Relevant Previous Council Action

Allocation of trial court funds is one of the principal responsibilities of the Judicial Council. At its April 2013 meeting, the Judicial Council affirmed a shift away from a funding model based on historical levels to one based on workload need when it adopted a recommendation from the Trial Court Budget Working Group, now the Trial Court Budget Advisory Committee (TCBAC), for a new trial court budget development and allocation process, known as the Workload-Based Allocation and Funding Methodology (WAFM).[1]

Since then, the council has approved a number of interim policy decisions concerning various aspects of the funding formula. Then, at its January 2018 meeting, the council adopted new policy parameters for workload funding that were designed to continue making progress on achieving funding equity, following the end of the five-year WAFM implementation plan.[2] In the report to the Judicial Council regarding those parameters, one of the alternatives was to consider the impact of civil assessments and local revenue on the model; because of the complexities and uncertainties surrounding the issue, it was deferred to TCBAC's Funding Methodology Subcommittee workplan for consideration in FY 2018–19, along with a review of all funding sources to be utilized in the model. The resolution of these two issues forms the basis of the current report.

Analysis/Rationale

The branch's workload formula computes the total resources needed for trial court workload using the Resource Assessment Study (RAS) model and compares that to the total funding allocated for the same purpose. For example, if the workload formula shows that the branch needs $100 to operate and the total funding allocated to the branch for workload is $90, then the statewide average funding level is 90 percent. In addition to a statewide funding level, the workload formula is computed for each trial court and compared to each court's funding. This comparison forms the basis of TCBAC's policy recommendations concerning equity in funding; therefore, it is critical that resource need and funding allocated are aligned so that the branch can effectively quantify the funding levels of the individual courts as well as the branch.

Inclusion of net civil assessments in workload formula

Until now, civil assessments have not been part of the workload formula, with each court retaining the revenues collected less any maintenance of effort (MOE) obligations. However, the workload associated with civil assessments is measured in the RAS model. As part of its work to align workload measured and funding allocated, TCBAC has had an analysis of this issue on its workplan since WAFM was finalized in 2013.

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[1] See Judicial Council of Cal., *Trial Court Budget Working Group: Recommendation of New Budget Development and Allocation Methodology* (Apr. 24, 2013), *www.courts.ca.gov/documents/jc-20130426-itemP.pdf*.

[2] See Judicial Council of Cal., *Trial Court Budget: Workload-Based Allocation and Funding Methodology* (Dec. 8, 2017), *https://jcc.legistar.com/View.ashx?M=F&ID=5722980&GUID=EB419556-68BE-4685-A012-6A8D8502A126*.

In 2017, TCBAC's Funding Methodology Subcommittee (FMS) conducted a review of this issue as part of its analysis of WAFM and the revision to the workload formula. They considered the effect of state policy changes and declining filings in recent years that negatively affected civil assessment collections and resulted in the judicial branch's inability to predict the amount of civil assessment available to support trial court operations in the future. With the amnesty program implemented by Senate Bill 85 (Stats. 2015, ch. 26) eliminating the civil assessments for eligible cases, and a budget trailer bill passed on June 27, 2017, that prohibited trial courts from placing a hold on a driver's license as a result of failure to pay, the subcommittee did not feel ready to make a determination on how to address these two impacts on the model because of the uncertainty concerning their projected path. In addition, the review to identify all funding sources and determine allocation models had been slated to be included in the subcommittee's workplan for FY 2018–19. Therefore, action was deferred for later consideration.

After the updates to the workload formula were approved in 2018, FMS began review of the issue. In addition to the issue of civil assessment revenue generally, the group evaluated the impact of MOE obligations held by certain courts. MOE obligations reduce the amount of civil assessment revenue that goes to a court; in an era of declining civil assessment revenue, MOE obligations can completely offset revenue collected.

The impact of this issue on the workload formula was discussed in the group's meetings on March 26 and October 18, 2018. The subcommittee asked Judicial Council staff to survey the trial courts to obtain any written agreements that committed civil assessment revenues for any expenditure that was not discretionary in nature. The subcommittee also reviewed gross civil assessment collections, MOE obligations, and net civil assessments for each court for FY 2011–12 through FY 2017–18. Additionally, the subcommittee, at various times, asked staff to provide various scenarios regarding distributions of civil assessments.[3]

At its meeting on February 28, 2019, FMS members voted to table a final decision on distribution of civil assessments but approved the recommendation to adjust each court's workload allocation to include net civil assessments that are net of debt service obligations (recommendation 1 of this report). This issue remains on FMS's workplan for future consideration.

Review of funding categories in workload formula

TCBAC also undertook a review of the various accounts that make up the workload-based funding to make sure the categories aligned with the workload quantified by the RAS. In July 2018, FMS formed a small work group to review all of the general ledger accounts used in the workload formula. While this work had been done when WAFM was first approved in 2013, enough time had passed since that review that it seemed timely to revisit the assumptions that

[3] See Funding Methodology Subcommittee, mins. (Oct. 18, 2018), *www.courts.ca.gov/documents/tcbac-20181018-fms-materials.pdf*.

had been made at that time and to clarify a few issues that had been deferred for lack of sufficient time or information.

The group first approved a set of principles to use for determining whether a revenue stream should be counted as part of the workload formula or excluded from the calculation (Attachment A). In sum, the principles indicate that revenue streams that are tied to workload measured with the RAS model and/or subsequent calculations in the workload formula are considered core business operations and should be included. On the other hand, revenue streams that are, for example, one-time in nature, pass-through, or not associated with RAS/workload should not be included.

Next, the work group met in early December to review over 100 different general ledger (GL) account codes and to code them as either included or excluded using the principles as criteria. The group also sought the assistance of a small group of trial court financial officers and managers from the Superior Courts of Los Angeles, Orange, Monterey, and Contra Costa Counties to evaluate these accounts and assist the subcommittee with making a recommendation. The financial officers met several times in late December and early January to review the accounts in question and make their recommendations to the ad hoc group.

The work group supported this approach and then finalized their work in late January. The full list of account codes that were reviewed is attached at Appendix B.,

The work group also recommended, and FMS concurred, that GL account usage be standardized. There is wide variation in how the courts use the GLs, most significantly in the categorization of fee and non-fee revenue. Improved standardization will provide a better basis for data analytics on financial data in addition to increasing confidence in the workload formula and its calculation of funding levels. This project has been raised with the Court Executives' Advisory Committee.

Policy implications

These recommendations are designed to increase the accuracy and consistency of the workload formula calculations. Adoption of these recommendations may change courts' funding levels in different ways, depending on whether the court has net civil assessment revenue and depending on whether the changes made as a result of the GL account review affected courts differently. Table 1 illustrates how the policy change for net civil assessment revenue may impact courts differently.

Table 1. Illustration of impact of adding net civil assessments to workload formula

	Before policy adoption			After policy adoption				
	Workload Formula	*Workload funding*	*Funding level*	*Workload Formula*	*Workload funding*	*Net civil assessments*	*Workload funding plus civil assess.*	*NEW funding level*
Court A	$10	$9	90%	$10	$9	$0	$9	90%
Court B	$10	$8	80%	$10	$8	$1	$9	90%

Comments

These recommendations have been part of the TCBAC workload for many years and there have been multiple opportunities for public comment and discussion on these topics. Furthermore, FMS reached out to additional court subject-matter experts at various points and received and incorporated that feedback into the recommendations.

Alternatives considered

The civil assessments issue has been discussed on multiple occasions and some of the alternatives considered are best described in the most recent report to the FMS on this topic.[4] For the general ledger review, the principles document that is referenced in the Analysis/Rationale section of this report distilled all of the possible alternatives that the work group considered relative to this topic.

Fiscal and Operational Impacts

Implementing these policy changes will require Judicial Council staff to modify certain processes and tables that are used to calculate and display allocations. There are no direct implementation costs to trial courts, but applying these adjustments may change each court's workload formula funding and percentages of funding need. Some courts may be more impacted than others as a result of these changes. However, the intent of these recommendations is to increase the accuracy and transparency of the workload formula by including all relevant sources of funding.

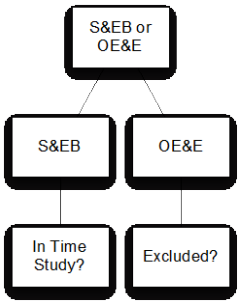
Attachments and Links

1. Attachment A: Principles for Determining Whether a Revenue Stream Should Be Counted as Part of WAFM
2. Attachment B: Account Codes Reviewed and Determinations Made

[4] See *supra*, note 3.

Principles for determining whether a revenue stream should be counted as part of WAFM

8 September 2018



1. Inclusions: If the underlying expenses (staff or OE&E) were included in the RAS time study and/or subsequent WAFM calculations, the associated revenue stream is presumptively WAFM-related.
    a. Consider whether the revenue stream is more appropriately associated with staff costs, or non-staff costs.
    b. If staff costs,
        i. Were the staff who perform the function captured by the Time Study (e.g., temp workers and contract workers were not captured)?
        ii. Or, is this a regular, core operation of all courts? Is it a discretionary program that can be discontinued (e.g., grant funded)?
    c. If OE&E costs:
        i. Are the OE&E expenses captured by the OE&E calculations that are used by WAFM to determine the OE&E ratio (i.e., as determined by the WAFM working group and updated by the Funding Methodology Subgroup of TCBAC)?

2. Exclusions: WAFM is for normal, status quo, core business operations. Revenue should be excluded if it is associated with:
    a. Discretionary or limited-time programs or services, especially those that are provided only because the funding is available (e.g., particularly grant-funded programs, programs off-set by specialized or restricted funding);
    b. Costs of providing discretionary, non-mandated services that:
        i. Were not measured in RAS;
        ii. Have a separate, off-setting revenue stream.
            1. Examples include fee revenue from electronic public access (per CRC 2.506) and telephonic appearances (per CCP 367.6).
    c. Costs associated with activities that were not captured in the RAS Time Study and/or not included in the WAFM model (e.g., interpreter staff; court reporter staff in non-mandated areas).
    d. Costs of improvements or innovations (e.g., IMF-funded programs);
    e. Funding for extraordinary circumstances (e.g., extraordinary homicide case reimbursement, civil coordination);
    f. Pass-through funding (e.g., funding provided to some courts for their local CASA program).

STATE FINANCING SOURCES - TRIAL COURT TRUST FUND					
Account Number and Name		**Description**	**Legislation**	**Amount**	**Recommendation: include in WAFM?**
812110	TCTF-OPERATIONS	Used to record Program 0150010 operations revenue. This revenue is received through the monthly allocation.		1,782,304,561	Yes
812140	TCTF-SMALL CLAIMS SERVICE BY MAIL	Used to record revenue received for Small Claims - Service by mail. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	CCP 116.232	230,893	Yes
812141	TCTF-ADMIN CHRG RETURNED CHECK	Used to record revenue received for Administrative charge for processing returned checks related to filing fees. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	CCP 411.20(g)	64,553	Yes
812142	TCTF-ADMIN CHRG PARTIAL PAYMENT	Used to record revenue received for Administrative charge for processing partial payments related to filing fees. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	CCP 411.21(g)	17,515	Yes
812143	TCTF-FEE WAIVER TO INDIGENT PARTY	Used to record revenue received for Administrative charge for collection of fees where fee waiver was previously granted. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 68511.3(d)	19,056	Yes
812144	TCTF-CLERKS TRANSCRIPT ON APPEAL	Used to record revenue received for charges related to the preparation of the clerk's transcript for cases where an appeal is filed. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 68926.1	1,734,705	Yes
812145	TCTF-EXTRA COURT REPORTER	Used to record revenue received for when an additional court reporter is requested. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 69953.5	6,950	No
812146	TCTF-COPY PREPARATION	Used to record revenue received for preparing copies of any record, proceeding or paper on file. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70627(a)	6,476,146	Yes
812147	TCTF-COMPARISON OF PAPER	Used to record revenue received for the comparison of any paper copy presented for certification that is prepared by another to the original on file. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70627(b)	6,983	Yes
812148	TCTF-MANUAL SEARCH OF RECORDS	Used to record revenue received for manual search of records or files. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70627(c)	404,020	Yes

STATE FINANCING SOURCES - TRIAL COURT TRUST FUND					
Account Number and Name		Description	Legislation	Amount	Recommendation: include in WAFM?
812149	TCTF-REIMBURSEMENT OF OTHER COSTS	Used to record revenue received for reimbursement of costs where no fee is specified. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70631	2,338,267	No
812150	TCTF-ESTATE PLANNING DOC SEARCH	Used to record revenue received for searching stored estate planning documents. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70661 GC 70627	15,059	Yes
812151	TCTF-CUSTODY/VISITATION-MEDIATION	Used to record revenue received for additional charges for filing a motion or order to show cause to modify or enforce custody or visitation to cover the costs of maintaining mediation services. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70678	356,706	Yes
812152	TCTF-RETURNED CHECK	Used to record revenue received for Administrative charge for processing returned checks. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 71386	129,835	Yes
812153	TCTF-GUARDIANSHIP INVESTIGATION	Used to record revenue received for the investigation of guardianship. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	Probate 1513.1	366,039	Yes
812154	TCTF-INFO PACKAGE FOR CONSERVATORS	Used to record revenue received for information packages that are provided to conservators. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	Probate 1835	20,593	Yes
812155	TCTF-CONSERVATORSHIP INVESTIGATION	Used to record revenue received for the assessment for conservatorship investigation. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	Probate 1851.5	2,894,436	Yes
812156	TCTF-ANNUAL FILING FEE	Used to record revenue received from the annual filing fee for registration of private professional conservator or guardian. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	Probate 2343	435	No
812157	TCTF-CHILDREN'S WAITING ROOM	Used to record revenue allocated for the purpose of providing children's waiting rooms within the courthouse. Revenue is received through the monthly allocation and is restricted for the use of expenses related to the establishment and maintenance of the children's waiting room.	GC 70640	2,242,932	No

STATE FINANCING SOURCES - TRIAL COURT TRUST FUND					
Account Number and Name		Description	Legislation	Amount	Recommendation: include in WAFM?
812158	TCTF-CUSTODY/VISITATION-FAMILY LAW FACILITATORS	Used to record the portion of revenue received for additional charges for filing a motion or order to show cause to modify or enforce custody or visitation to cover the costs of services provided by the family law facilitator. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 70678	233,813	Yes
812159	TCTF-CIVIL ASSESSMENTS	Used to record civil assessment revenue received by the court per Penal Code 1214.1 as updated by AB 139. Revenue is reported on the TC145 and returned to the court through the monthly allocation. The total amount received per fiscal year is less the annual undesignated fee MOE reduction amount.	PC 1214.1 AB 139	67,853,903	Yes
812160	TCTF-AUTOMATED RECORDKEEPING AND MICROGRAPHICS	Used to record revenue related to automated recordkeeping and micrographics (ARM) distributed by Judicial Council after 12/31/05 collection period. Revenue is received through the monthly allocation.		2,577,931	Yes
812161	TCTF-PREMARITAL COUNSELING FOR MINORS	Used to record revenue received for premarital counseling for minors to cover the costs ordered by the court. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	FC 304		No
812162	TCTF-CHILD CUSTODY EVALUATION	Used to record revenue received for reimbursement of costs for the investigation or evaluation of a parent, guardian or other person in a custody case. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	FC 3112	1,379,485	Yes
812163	TCTF-COURT APPOINTED COUNSEL FOR CHILD	Used to record revenue received for reimbursement from the parties for the costs associated with the counsel appointed by the court to represent a child. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	FC 3153	293,012	No
812164	TCTF-PETITION TO DECLARE CHILD FREE FROM PARENTAL CONTROL	Used to record revenue received for compensation of expenses related to investigation costs for petitions to declare child free from parental control. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	FC 7851.5	63,978	Yes
812165	TCTF-STEP PARENT ADOPTION INVESTIGATION	Used to record revenue received for reimbursement from the prospective adoptive parent for costs incurred for the investigation required by Family Code Section 9001. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	FC 9002	223,130	Yes

STATE FINANCING SOURCES - TRIAL COURT TRUST FUND					
Account Number and Name		**Description**	**Legislation**	**Amount**	**Recommendation: include in WAFM?**
812166	TCTF-ADMIN CHRG PUBLIC ENTITY	Used to record revenue received for administrative charge, for recovering as part of judgment, fees not paid by public entity. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 6103.5(d)	58,713	Yes
812167	TCTF-GC 77207.5 REPLACEMENT OF 2% AUTOMATION ALLOCATION	Used to record revenue pursuant to GC 77207.5 and use restricted pursuant to GC 68090.8. Revenue is received through the monthly allocation.	GC 77207.5	11,078,509	Yes
812168	TCTF-COURT REPORTER FOR PROCEEDINGS UNDER ONE HOUR	Used to record revenue received for cost of services of an official court reporter pursuant to Section 269 of the Code of Civil Procedure for each civil proceeding lasting less than one hour. Revenue is reported on the TC145 and returned 100% to the court through the monthly allocation.	GC 68086	4,480,960	No
			Subtotal	**1,887,873,118**	

STATE FINANCING SOURCES - ALL OTHER					
Account Number and Name		Description	Legislation	Amount	Recommendation
837011	STATE TRIAL COURT IMPROVEMENT AND MODERNIZATION FUND REIMBURSEMENT	These reimbursements are related to agreements (MOUs or IBA) between the Judicial Council and the courts which are issued from the State Trial Court Improvement and Modernization fund (IMF). This activity as well as expenditures associated with these agreements should be tracked by a project.		5,623,927	Only include the portion that is related to self-help. Use WBS code to determine.
833010	TCTF-JUDGES SALARIES	Used to record Program 0150019 reimbursements for Superior Court Judges' salaries. This reimbursement is associated with expenditures recorded in GL 906311. Revenue is received through the monthly allocation.		115,434,219	No
834010	TCTF-COURT INTERPRETER	Used to record Program 0150037 reimbursements of allowable costs related to the Court Interpreter Program. Revenue is received through the monthly allocation. Additional reimbursements identified on the annual court interpreter survey are received as a warrant.		106,707,781	No
835010	TCTF-CIVIL COORDINATION	Used to record Program 0150091 reimbursements for complex civil cases.		505,440	No
831010	GENERAL FUND-AB2030/AB2695 SERVICE OF PROCESSING	These reimbursements are related to AB2030/AB2695 Service of Processing (Expenditure recorded under GL 941101).	The cost to the court for the sheriff to serve protective orders in certain types of civil and family law cases.	1,909,751	No
831011	GENERAL FUND-EXTRAORDINARY HOMICIDE	These reimbursements are related to Extraordinary Homicide Costs. These should be tracked by a project.		22,427	No
831012	GENERAL FUND-PRISONER HEARING COSTS	These reimbursements are related to Prisoner Hearing Costs. These should be tracked by a project.	Necessary and reasonable costs connected with state prisons, California Youth Authority institutions, prisoners, and wards, consistent with Penal Code Sections 4750–4755 and 6005.	2,392,716	Yes
831013	GENERAL FUND-MOU REIMBURSEMENTS	These reimbursements are related to agreements (MOU or IBA) between the Judicial Council and the courts which are issued from the General fund. This activity as well as expenditures associated with these agreements should be tracked by a project.			No

STATE FINANCING SOURCES - ALL OTHER					
Account Number and Name		Description	Legislation	Amount	Recommendation
832010	TCTF-MOU REIMBURSEMENTS	These reimbursements are related to agreements (MOU or IBA) between the Judicial Council and the courts which are issued from the Trial Court Trust fund. This activity as well as expenditures associated with these agreements should be tracked by a project. Revenue is received through the monthly allocation.		7,005,151	No
832011	TCTF-JURY	Used to record reimbursement of Criminal and non-reimbursed Civil Jury expense. This reimbursement is associated with expenditures recorded in GL 965101-965103 and 965110. Revenue is received through the monthly allocation.		12,839,635	No
832012	TCTF-COURT APPOINTED COUNSEL	Used to record Program 0150011 reimbursement of Court Appointed Counsel expenses. This reimbursement is associated with expenditures recorded in GL 938801-938802. Revenue is received through the monthly allocation.		36,773,895	No
832013	TCTF-ELDER ABUSE	Funding to reimburse courts for the costs of processing these orders which was received through the Budget Act of 2000. Reimbursement requests for actual expenses should be submitted on a quarterly basis. Revenue is received through the monthly allocation.		346,856	Yes
832014	TCTF-OTHER	Used to record Program 0150010 reimbursements which is not otherwise classified in any other account. Revenue is received through the monthly allocation.		115,916	Yes
832015	TCTF-JUVENILE DEPENDENCY COUNSEL COLLECTIONS PROGRAM (JDCCP)	Used to record Program 0150010 reimbursement of Court Appointed Counsel and other eligible expenses related to dependency hearings that are reimbursed through the Juvenile Dependency Counsel Collections Program (JDCCP) allocation. This reimbursement is associated with expenditures recorded in GL 938804. Revenue is received through the monthly allocation.	WI 903.47(a)	125,819	No
816110	OTHER STATE RECEIPTS	Used to record miscellaneous revenue from the Judicial Council but not included in monthly allocations and not provided through a grant. (e.g., 50/50 split, one-time conservatorship)		31,216	Yes

STATE FINANCING SOURCES - ALL OTHER					
Account Number and Name		Description	Legislation	Amount	Recommendation
816111	GENERAL FUND REVENUE	Used to record revenue received from the Judicial Council and other State agencies that comes directly from the State General Fund 0001 (i.e., Change in Employee and Retiree Health Benefits).		68,818,601	Yes

GRANTS					
Account Number and Name		Description	Legislation	Amount	Recommendation
838010	AB1058 GRANTS	Judicial Council grant for Family Law Facilitator and Child Support Commissioner.		51,441,722	No (grant portion)/Yes (match/TCTF portion)
838020	OTHER JUDICIAL COUNCIL GRANTS	Used to record grants, other than AB1058, whose source is the Judicial Council.		12,155,347	No
839010	NON-JUDICIAL COUNCIL GRANTS	Used to record grants whose source is not the Judicial Council including, federal, state, local, and private grants.		6,525,453	No
			Total	**70,122,522**	

OTHER FINANCING SOURCES					
Account Number and Name		Description	Legislation	Amount	Recommendation
825010	INTEREST INCOME	Used to record revenue received for interest.		4,939,583	No
823010	DONATIONS	Used to record donations received.		59,403	No
823011	JUDGES VOLUNTARY DONATION	Used to record voluntary donations received from trial court judges to be used for court operations.		5	No
822101	NON-FEE REVENUE	Used to record revenue (other than per AB145) which is not otherwise classified in any other account. Each court should be consistent in their coding to each of these GL accounts and should provide Judicial Council-TCAS with such coding structure.		1,146,104	No
822102	NON-FEE REVENUE			17,894	No
822103	NON-FEE REVENUE			1,085,981	No
822104	NON-FEE REVENUE			556,636	Yes
822105	NON-FEE REVENUE			871,137	Yes
822106	NON-FEE REVENUE			287,558	No
822107	NON-FEE REVENUE			1,012,199	No
822108	NON-FEE REVENUE			4,021,494	No
822109	NON-FEE REVENUE			16,467	Yes
822110	NON-FEE REVENUE			1,302	No
822120	CRC 3.670 COURT CALL	Used to record revenue received for teleconferencing of court appearances provided by a private agency.	CRC 3.670	0	No
822121	GC13963f RESTITUTION REBATE	Used to record the portion (10%) of revenue received from the State for the collection of restitution fees.	GC 13963(f)	434,611	No
821201	ENHANCED COLLECTIONS-(CIVIL ASSESSMENT)	Used to record the amount reduced from debt collection for the civil assessment fee portion to offset the cost of collecting the debt through a comprehensive collections program.	PC 1463.007	16,039,585	No
821202	ENHANCED COLLECTIONS-(OTHER)	Used to record the amount reduced from debt collection for all other portions other than civil assessment to offset the cost of collecting the debt through a comprehensive collections program.	PC 1463.007	42,367,930	No
823002	ESCHEATMENT REVENUE	Used to record revenue related to escheatment.		655,546	No
823003	ESCHEATMENT REVENUE-TRUST	Used to record trust disbursements that have been stale dated and outstanding for at least 3 years and all notices have been posted. Also used to record deposits as allowed under code GC 68084.1.	GC 68084.1	958,494	No
823004	CASHIER OVERAGES	Used to record cash overages resulting from cashier errors which are not identified with a customer or case that represent cash in excess of a cashiers accounting of the transactions receipted.			No
899910	PRIOR YEAR REVENUE ADJUSTMENT	Used to record revenue that was earned in the prior year but not accrued.		(1,309,566)	No

OTHER FINANCING SOURCES					
Account Number and Name		Description	Legislation	Amount	Recommendation
841010	SMALL CLAIMS ADVISORY	Used to record reimbursement received to cover the costs of providing small claims advisory services.	CCP 116.940 CCP 116.230(g)	867,040	Yes
841011	DISPUTE RESOLUTION	Used to record revenue received to cover the costs for dispute resolution program expense.	BPC 470.5	1,244,884	No
841012	GRAND JURY	Contract Agreement between the court and county		1,186,668	No
841013	PRE TRIAL	Contract Agreement between the court and county		1,305,716	No
841014	PROBATION	Contract Agreement between the court and county		101,522	No
841015	OTHER COUNTY SERVICES	Contract Agreement between the court and county		14,294,158	No
861010	CIVIL JURY REIMBURSEMENT	Used to record reimbursement from litigants for Civil Jury expenses.		3,225,059	No
861011	MISCELLANEOUS REIMBURSEMENT	Used to record miscellaneous reimbursements which is not otherwise classified in any other account. (e.g., non Judicial Council MOU's, DV Restraining Order Reimbursement)		19,994,826	No
861012	CIVIL TRANSCRIPT REIMBURSEMENT	Used to record reimbursement received to cover costs of transcripts for civil cases.		397,966	No
861013	MERCHANT FEE REIMBURSEMENT	To record the offset or reimbursement for fees paid directly to the credit card issuer, funds processor, or draft purchaser in connection with credit card transactions.	GC 6159(d)(3)	3,212,433	No
861014	CONVENIENCE FEE REIMBURSEMENT	To record the offset or reimbursement for fees charged by the court to the cardholder for using a credit or debit card to offset the corresponding expense paid to third party.	GC 6159(g)	710,545	Yes
861015	REDEVELOPMENT AGENCY LITIGATION COST REIMBURSEMENT	Used to record reimbursement from the Trial Court Trust Fund Program 0150010, per assembly bill 1484, for costs incurred related to the processing and disposition of lawsuits to the governor's elimination of redevelopment agencies.	AB 1484	(49,678)	No
824010	SALE OF FIXED ASSETS	Used to record revenue related to the sale of a fixed asset.		43,445	Yes
823001	MISCELLANEOUS REVENUE	Used to record miscellaneous revenue which is not otherwise classified in any other account. (e.g., cal card rebates, unclaimed property)		3,104,998	No
823004	CASHIER OVERAGES	Used to record cash overages resulting from cashier errors which are not identified with a customer or case that represent cash in excess of a cashiers accounting of the transactions receipted.		37,691	No

OTHER FINANCING SOURCES					
Account Number and Name		Description	Legislation	Amount	Recommendation
823012	SUBORDINATE JUDICIAL OFFICER (SJO) VOLUNTARY DONATION	Used to record voluntary donations received from subordinate judicial officers to be used for court operations.			No
823013	STAFF VOLUNTARY DONATION	Used to record voluntary donations received from court staff to be used for court operations.		1,049,963	No
823020	EMPLOYEE CONTRIBUTIONS-SELF INSURANCE	To deposit and record employee contributions for health benefits to self insurance program for dental, medical and vision.		7,180,170	Yes
823021	EMPLOYER CONTRIBUTIONS-SELF INSURANCE	To deposit and record employer contributions for health benefits to self insurance program for dental, medical and vision.		0	No
823022	EMPLOYEE CONTRIBUTIONS-RETIREE MEDICAL	To deposit and record active employee contribution amounts for retiree health benefits.		(68,490)	No
851010	CHANGE OF VENUE	Used to record reimbursement received from another court for expenses related to change of venue in an extraordinary homicide trial.			No

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name		Description	Legislation	Amount	Recommendation
821120	OTHER COURT RETAINED LOCAL FEES	Used to record revenue related to all miscellaneous fees.		1,288,050	No
821121	LOCAL FEES	Revenues are mostly from collections activity, traffic payment plan revenue, and exoneration.		640,948	No
821122	LOCAL FEES	Revenues are mostly from collections activity and exoneration.		1,611,230	No
821123	LOCAL FEES	Wide array of uses for this GL including public access fees, county MOU, administrative reimbursements collections, transcripts, and diversion fees.		1,328,243	No
821124	LOCAL FEES	Revenues mainly from forfeiture set aside, installment fees, expungement, diversion program fee, and collections.		1,306,791	Yes
821125	LOCAL FEES	Excluded revenues are from collections and pass-thru collections for the County. Included revenues are primarily from DMV prior history fee and expungement.		551,638	Yes
821126	LOCAL FEES	Revenue primarily from Installment Fee in Yolo; RAS related workload.		157,323	Yes
821127	LOCAL FEES	Revenue primarily from exoneration, Alcohol & Drug, and dollar-for-dollar fees.		21,549	Yes
821128	LOCAL FEES	Revenue primarily from Probation Juvenile Automated Indexing (JAI) in LA. Non RAS workload.		359,245	No
821129	LOCAL FEES	Revenue mainly from collection cost recovery (exclude consistent with FMS recommendation for GLs 821201 and 821202).		2,002,022	No
821130	LOCAL FEES	Revenue primarily from convenience fees in Ventura.		564,450	Yes
821131	LOCAL FEES	Revenue primarily from merchant fees and diversion program fees in Marin & San Luis Obispo.		130,274	Yes
821132	LOCAL FEES	Revenue primarily from traffic payment plan revenue ($35 per VC 40510.5 - discretionary service to reimburse for administrative costs).		885,718	No
821133	LOCAL FEES	Revenue primarily from the sale of forms and transcript reimbursements; printing and transcripts are included in the OE&E calculation for WAFM.		65,622	Yes
821134	LOCAL FEES	Revenue is primarily from Sheriff service of process.		111,606	No
821135	LOCAL FEES	87% included in WAFM in FY 2017-18 which is made up of DMV prior history fee revenue and restitution. Amnesty revenue will go away as the program concluded in FY 16/17 (note change in % total from 16/17 to 17/18).		351,373	Yes
821136	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).		24,761	No

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name		Description	Legislation	Amount	Recommendation
821137	LOCAL FEES	Revenue mainly from public access in Alameda.		69,291	No
821138	LOCAL FEES	Revenue mainly from restitution commission; RAS related workload.		249,357	Yes
821139	LOCAL FEES	Revenue mainly from deferred entry judgment and fax filing fees.		4,589	No
821140	LOCAL FEES	Revenue mainly from collection cost recovery (exclude consistent with FMS recommendation for GLs 821201 and 821202).		180,619	No
821141	LOCAL FEES	Revenue is primarily from collections cost recovery and restitution.		31,450	Yes
821142	LOCAL FEES	Discretionary services.		4,646	No
821145	LOCAL FEES	Copy fees.		351	Yes
821146	LOCAL FEES	Revenue is primarily from restitution.		918	Yes
821148	LOCAL FEES	Non-mandated related to public access; discretionary services.		319,703	No
821150	LOCAL FEES	Discretionary services. Revenue will decrease when E-filing goes live.		15,535	No
821152	LOCAL FEES	Non-mandated related to public access; discretionary services.		370,001	No
821153	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).		26,848	No
821154	LOCAL FEES	Employee costs, in general, are captured in RAS		4,552	Yes
821155	LOCAL FEES	Non-mandated , discretionary services that are not measured in RAS.		21,220	No
821156	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).		574,747	No
821160	PRE-AB145	May be used in lieu of individual local fee revenue accounts to record revenue received from fees assessed prior to AB145 and January 1, 2006.		103,983	Yes
821161	FC3112 CUSTODY INVESTIGATIONS	Used to record revenue received for reimbursement of costs for the investigation or evaluation of a parent, guardian or other person in a custody case. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	FC 3112	303	Yes

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name		Description	Legislation	Amount	Recommendation
821162	FC3153 CAC-CHILD	Used to record revenue received for reimbursement from the parties for the costs associated with the counsel appointed by the court to represent a child. This would not include reimbursement received from the Judicial Council. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	FC 3153	88	No
821163	FC9002 STEP PARENT ADOPTION INVESTIGATION	Used to record revenue received for reimbursement from the prospective adoptive parent for costs incurred for the investigation required by Family Code Section 9001. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	FC 9002		Yes
821170	GC26840.3 MARRIAGE LICENSE CONCILIATION	Used to record the portion of revenue collected from marriage license fees to support the costs of maintaining the family conciliation court or conciliation & mediation services.	GC 26840.3	780,145	Yes
821171	GC 72712 COURT REPORTER	Used to record revenue received from the city fee's and fines for costs incurred for court reporter salary and benefits for Los Angeles Superior Court.	GC 72712	11,068,685	Yes
821172	GC68150h PUBLIC ACCESS CIVIL IMAGES / E-FILINGS	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to civil images and electronic filings.	GC 68150h CRC 2.506	6,416,158	No
821173	GC68150h PUBLIC ACCESS CRIMINAL NAME SEARCH	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to criminal name search.	GC 68150h CRC 2.506	7,487,057	No
821174	GC68150h PUBLIC ACCESS TRAFFIC TRANSACTION FEE	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to traffic transactions.	GC 68150h CRC 2.506	1,837,371	No
821180	PC1203.4 & PC1203.41 CHANGE OF PLEA	Used to record revenue received from petitions for a change of plea or expungement of record to support the costs of services rendered.	PC1203.4 PC1203.41	868,058	Yes

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name		**Description**	**Legislation**	**Amount**	**Recommendation**
821181	PC1205d INSTALLMENT FEE	Used to record revenue received for administrative costs for processing an accounts receivable on installment payments.	PC 1205(d)	10,414,294	Yes
821182	PC1205d STAY FEE	Used to record revenue received for administrative costs for processing an accounts receivable that is not paid in installments.	PC 1205(d)	332,841	Yes
821183	PC1463.22a INSURANCE CONVICTION	Used to record the portion of revenue collected from Vehicle Code 16028 convictions in order to defray costs in administering sections 16028, 16030 & 16031 of the Vehicle Code.	PC 1463.22(a)	819,071	Yes
821190	VC11205.2 TRAFFIC SCHOOL	Used to record revenue received from traffic violators in order to defray the costs incurred by the agency for monitoring reports and services provided to the court.	VC11205.2	2,144,831	No
821191	VC40508.6 DMV HISTORY/PRIORS	Used to record revenue received from assessments for the costs of recording and maintaining a record of the defendant's prior convictions for violations of the Vehicle Code.	VC 40508.6	4,752,673	Yes
821192	VC40611 PROOF OF CORRECTION	Used to record revenue received from fees for violations where proof of correction was submitted.	VC 40611	51,463	Yes
821194	CRC 10.500 PUBLIC ACCESS-DUPLICATION AND RETRIEVAL	Used to record revenue received for fees imposed to cover the costs of duplication, search and review related to providing public access to the courts records as specified in California Rules of Court 10.500.	CRC 10.500	4,974	Yes
821195	GC 26746 DISBURSEMENT PROCESSING FEE	Used to record revenue received pursuant to GC26746 for each disbursement of money collected under a writ of attachment, execution, possession, or sale.	GC 26746	562	Yes
821196	GC 26731 SERIVCE OF PROCESS FEE	Used to record revenue received pursuant to GC26731 for fees collected by the Marshal's office related to service of process activity.	GC 26731	10,980	No
821197	CRC 3.670 TELEPHONIC APPEARANCE	Used to record revenue received for teleconferencing of court appearances directly provided by the court. Note the amount recorded to this account is the courts portion of the fee collected.	CRC 3.670	354,214	No
			Subtotal	**60,722,418**	

Superior Court of California
County of Santa Clara

191 North First Street
San Jose, California 95113
(408) 882-2700

THEODORE C. ZAYNER
Presiding Judge

REBECCA J. FLEMING
Chief Executive Officer

MEMORANDUM

TO: Real Estate Policies Subcommittee

FROM: Theodore C. Zayner, Presiding Judge
Rebecca J. Fleming, Chief Executive Officer

DATE: September 15, 2021

SUBJECT: Family Justice Center Courthouse Debt Service Obligation

EXECUTIVE SUMMARY

The Santa Clara County Superior Court requests that the current Intra-Branch Agreement requiring payments for the annual debt service on the Family Justice Center Courthouse be renegotiated to terminate the obligation. From 2008 through 2014, the Court entered into various Memoranda of Understanding and Intra-Branch Agreements, agreeing to pay approximately $19,800,000 for architectural, engineering, planning and legal fees and approximately $5,000,000 each year beginning in 2016 for 30 years in construction debt service for the FJCC. Since that time, legislative and Judicial Council policy changes have resulted in a significant reduction to the Court's combined trial court trust fund allocation and local revenues from approximately $146,000,000 in Fiscal Year 2010-2011 to $105,000,000 in Fiscal Year 2021-2022.

To address these reductions and pay the FJCC debt service obligation (renegotiated in 2017 to approximately $4,000,000 per year), the Court has reduced employees through attrition, voluntary separation agreements and lay-offs, limited service hours and closed courtrooms, withdrawn funds from its retiree health benefit trust and negotiated reduced benefits and furloughs with employees. At the current level of funding with the FJCC debt service payment, the Court cannot fulfill its mission to serve the public; we cannot meet the priorities of the Chief Justice and Judicial Council to reopen courtrooms, process backlogs or invest in technology.

BACKGROUND

The Family Justice Center Courthouse, located at 201 N. First Street, San José, is a multi-functional building that combines Family, Child Support, Juvenile Dependency and Mental Health courtrooms as well as Court Administration, Human Resources, Finance, Information Technology, Facilities, General Services, Family Court Services, Family Law Settlement Office Conferences, Probate Investigators, Self-Help Center/Family Law Facilitator's Office, Restraining Order Help Center, Children's Waiting Room and Clerk's Offices.

Consolidation of Leased Buildings into FJCC

The FJCC replaced six leased and occupied buildings:

Family Court
6 Family courtrooms, Family Court Services and Restraining Order Help Center
170 Park Center Plaza, San José

Notre Dame Courthouse
2 Child Support courtrooms, Family Law Settlement Office Conferences and Self Help Center/Family Law Facilitator's Office
99 Notre Dame, San José

Criminal Courts Annex
5 Collaborative (Drug and Mental Health) and 3 Juvenile Dependency courtrooms
115 Terraine Street, San José

Sunnyvale Courthouse
3 Family courtrooms and Self Help Center/Family Law Facilitator's Office
605 West El Camino Real, Sunnyvale

Court Administration (Executive, HR, Finance, Facilities, General Services)
111 W. St. John Street, Suites 101 – 102, 900 and 950, San José

Probate Investigators
111 N. Market Street, Suite 900 and 960, San José

Every one of these leased facilities was inadequate in security, space and functionality. In particular, the Criminal Courts Annex lacked passages to move in-custody defendants safely away from judicial officers, staff and the general public and had ongoing plumbing, flooding and vermin problems. In addition, because the Annex had been a warehouse and was never intended to be a secure courthouse, a party was able

to enter and fire a gun at a judicial chamber's door in an attempted homicide of a judicial officer. Similarly, the Family Court at Park Center Plaza was a former bank and judges and staff had to navigate through hallways and stairwells to reach courtrooms.

Even though these facilities were not appropriately secure, each courthouse required a separate weapons screening station; construction of the FJCC consolidated four weapons screening stations into one location. And because these facilities were separate, the Court was required to duplicate staff – including supervisors, managers, interpreters and Self-Help employees to operate from multiple locations.

The separate, leased facilities were also costly. The growing market in Santa Clara County, the capitol of Silicon Valley, was driving increased rents; the cost of increasing rents was projected to exceed the cost of constructing a new courthouse.

Method of Financing FJCC

The cost to construct the FJCC was ultimately financed through three methods:

SB 1407

SB 1407 was approved in 2008 to provide revenue lease bonds to help the State of California upgrade courthouses to protect the safety and security of the public, litigants, jurors and families who do business in California Courts. Construction of the FJCC was financed in part with SB 1407 revenue lease bonds.[1]

County of Santa Clara

The County agreed to:

1. Donate prime downtown San Jose land on which to build the FJCC.
2. Redirect the County Facility Payments for the leased facilities (including the earlier vacated Traffic Court and parking lots not listed above) toward the debt service payment and in perpetuity once the bonds were retired.
3. Sell the Los Gatos Courthouse and contribute the funds to the construction project.

[1] At one point, the County of Santa Clara contemplated issuing bonds to finance a significant amount of the cost of construction. See Project Agreement Term Sheet dated October 30, 2008, included as Attachment 1.

Court

In addition to the $19,800,000 for architectural, engineering, planning and legal fees already contributed to the FJCC project, the Court agreed to pay the debt service by:

1. Redirecting civil assessment collections (which at the time were projected at $9,000,000 annually).[2] The Court agreed to this contribution even in light of the fact that it was one of the 26 courts that already provided $2,500,000 in civil assessments as part of the Maintenance of Effort collections that fund the larger trial court operations.

2. Redirecting lease costs.

3. Applying savings from consolidated security costs.

4. Paying any amount remaining from its trial court trust fund allocation. In 2010-2011, the Court received a trial court trust fund allocation of $126,000,000.

LEGISLATIVE AND JUDICIAL COUNCIL POLICY CHANGES

Redistribution of the Trial Court Trust Fund

Effective Fiscal Year 2013-2014, the Judicial Council adopted a new methodology to distribute the Trial Court Trust Fund, which was referred to at the time as the Workload Assessment Funding Methodology. The purpose of WAFM was to distribute trial court funding more equitably among all 58 trial courts; to do so, funds from courts that were more sufficiently funded were redistributed to those courts that were significantly underfunded.[3] The Santa Clara County Superior Court supported the effort – in fact, its Presiding Judge and Chief Executive Officer were part of the working group that presented the recommended methodology to the Judicial Council – but the adoption and implementation of WAFM came at great cost to the Court. WAFM reduced the Court's allocation from $90,000,000 in FY 2012-2013 to $76,000,000 in FY 2013-14 and

[2] At the time the County of Santa Clara contemplated issuing bonds to finance a significant amount of the cost of construction, the debt service was intended to be paid exclusively from Civil Assessment collections. See Attachment 1. Moreover, the 2010 MOU between the Judicial Council and the Court acknowledged the Court's express reliance on applicable law and policy for imposition and distribution of civil assessments; if any law or policy changed, the Judicial Council and Court agreed to meet and confer. See Memorandum of Understanding Regarding Court's Financial Commitments to the Family Justice Center Project dated May 11, 2010, included as Attachment 2.

[3] The Judicial Branch had already suffered reductions in funding overall due to the global recession that began in 2008. The Court's trial court trust fund allocation had been reduced from $126,000,000 in FY 2010-2011 to $90,000,000 in 2012-2013.

to the low of $75,000,000 in FY 2017-18. See Funding and Civil Assessments History, included as Attachment 3.

Cap on Reserves

Also effective Fiscal Year 2013-2014, the California Legislature imposed a cap on reserves held by the trial courts; the Court was permitted to maintain only 1% of its total funding allocation in reserves. While the Court had been fiscally responsible in maintaining savings to weather the global recession that began in 2008 – which savings were intended to assist, if necessary, in making the debt service payments it had committed to – the reserves had to be spent down. Moreover, a significant amount of the Court's reserves – millions of dollars – was "swept" and returned to the State's General Fund.

Collections Legislation

In approximately 2014-2015, the philosophy of court-ordered debt was being reexamined; research had shown that debt created through criminal fines, fees and assessments creates financial insecurity and income inequity for already overburdened communities, with a disproportionate impact on low-income communities of color. Legislation addressing civil assessments in particular significantly reduced revenue for the Judicial Branch. While the State Budget included funds to "backfill" the reduction in revenue from fines, fees and assessments, the shortfalls that the trial courts suffered to local revenue has not been addressed. The Court received approximately $7,300,000 in civil assessments at the time the FJCC was in the planning stages; by FY 2017-2018, the year of the Court's lowest trial court trust fund allocation, civil assessment collections retained by the Court were less than $300,000. See Attachment 3.

County Revenue Maintenance of Effort Obligation

Furthermore, civil assessments had long been identified to fund the County Revenue Maintenance of Effort obligation. The County MOE, established through legislation in 1997, and modified over a number of years, was finally adjusted in 2006-2007, with the passage of AB 139 and AB 145; the amount of civil assessments collected reduced counties' revenue MOE obligation and those funds were designated as trial court trust fund revenues instead. As a result, counties' civil assessment obligations were transferred to their corresponding courts, so that 26 courts became obligated for MOE payments. Santa Clara County Superior Court is obligated to pay $2,500,000 for its maintenance of effort. Consequently, the first $2.5 M of civil assessments collected are held by the Judicial Council to fulfill the MOE revenue obligation. While the State Budget includes funds to bridge shortfalls between courts' collections and their obligation to the State, courts do not receive backfill for their own local shortfalls. See History of County Maintenance of Effort Obligations Supporting Trial Court Operations,

written summary of presentation to the Judicial Council of California Trial Court Budget Work Group on August 5, 2015, included as Attachment 4.

Court Security Funding

Meanwhile, in 2011, the Public Safety Realignment Act (AB 109) was signed into law. AB 109, in addition to alleviating overcrowding in the California State prisons and reducing the State corrections budget, redirected funding for Court security operations. The courts formerly had to contract with and pay their respective Sheriff's Offices for court security services; AB 109 permanently transferred court security funding from the judicial branch to counties. As a result, the savings contemplated from consolidating security operations from four separate courthouses to the FJCC were never realized by the Court.

INTRA-BRANCH AGREEMENTS AND AMENDMENTS

On July 1, 2014, the Court and Judicial Council entered into an Intra-Branch Agreement, the effect of which was to maintain the annual amount due from the Court at $5,031,257, but waive payments in FY 2014-2015 and FY 2015-2016 and reduce the total obligation by adjusting the payment schedule to FY 2037-2038 from FY 2042-2043. See Intra-Branch Agreement Regarding Court's Financial Commitments to the Family Justice Center Project, included as Attachment 5.

On June 22, 2017, the Court and the Judicial Council signed an amendment to the IBA, which confirmed the payment of $5,031,257 for FY 2016-2017 then reduced the annual payment to $4,031,257 for each year after and adjusted the payment schedule back to 2043-2044.[4] This Amendment specifically acknowledged that the reduction in the annual payment was in response to the decrease in civil assessments collected by the Court. See First Amendment to Intra-Branch Agreement Regarding the Court's Financial Commitments to the Family Justice Center Project, included as Attachment 6.

In February of 2020, the Court and the Judicial Council discussed the terms of another amendment to the IBA to address an underpayment in FY 2018-2019 of $1,340,000 as well as adjustments to the payments for FY 2019-2020 and 2020-2021. Although a proposed amendment was never executed, the Court was permitted to defer payment of $1,000,000 each for FY 2019-2020 and FY 2020-2021, for a total deferred amount of $3,340,000, which was intended to be added to the last payment due in FY 2042-2043.

On July 1, 2021, the Court's obligation according to the last executed IBA returned to the amount of $4,031,257 per year.

[4] Although the intent of this IBA was to extend the length of the obligation to FY 2043-2044, a typographical error results in stating that the obligation lasts only to FY 2042-2043.

ANOTHER CONSIDERATION – THE SUNNYVALE COURTHOUSE

The Court decommissioned the Sunnyvale Courthouse in late 2016, after moving the operations previously assigned to Sunnyvale to the FJCC. The Court continued to maintain a number of files that had been stored in the records room in the Sunnyvale facility and also moved unused furniture from other locations to the Sunnyvale Courthouse. In 2018, the City of Sunnyvale contacted the Court about the Sunnyvale Courthouse; the Courthouse is located in the Sunnyvale Civic Center, which the City was in the process of renovating.

Although the Court was still using the Sunnyvale Courthouse for storage, the Court contacted the Judicial Council with a proposal: if the proceeds of the sale of the Sunnyvale Courthouse could offset the FJCC debt service, the Court would relocate the stored items. But the Judicial Council did not agree and the Court continued to use the Sunnyvale Courthouse for storage.

As the Santa Clara County market for development of office space, retail and apartments continues to grow, the Court recognized that selling the Sunnyvale Courthouse would result in an influx of funding to the Judicial Branch. On March 23, 2021, the Court submitted a letter to the Judicial Council agreeing to sell the Sunnyvale Courthouse, which is included as Attachment 7. As with the sale of the Los Gatos Courthouse, proceeds from the sale of the Sunnyvale Courthouse should offset the Court's debt service.

CONCLUSION

The construction of the FJCC benefitted all Santa Clara County constituents: substandard facilities and scattered services were consolidated into one safe and secure courthouse with efficiencies for all. At the time construction of the FJCC was negotiated over 13 years ago, the Court identified, in good faith, various types of revenue to fund the debt service payments. But as a result of legislative and Judicial Council policy changes, those revenue sources no longer exist. Instead, the Court's trial court trust fund allocation is being redirected to the FJCC debt service payment rather than supporting court operations in service of the public; other courts face the same challenges. The Court requests relief from supporting a facility owned by the State from its trial court trust fund allocation. Unless the debt service obligation ends, the Court will be unable to fulfill its mission to serve the public and meet the priorities of the Chief Justice and Judicial Council to reopen courtrooms, process backlogs or invest in technology.

ATTACHMENTS

1	10/30/08	Project Agreement Term Sheet
2	05/11/10	Memorandum of Understanding Regarding Court's Financial Commitments to the Family Justice Center Project
3		Funding and Civil Assessments History
4	08/15/15	Maintenance of Effort History (Judicial Council/TCBWG Document)
5	07/01/14	Intra-Branch Agreement Regarding the Court's Financial Commitments to the Family Justice Center Project
6	06/22/17	First Amendment to Intra-Branch Agreement Regarding the Court's Financial Commitments to the Family Justice Center Project
7	03/23/21	Letter to Judicial Council regarding Sunnyvale Courthouse

ATTACHMENT 1

Court Revision 10/30/08
Project Agreement Term Sheet
New Family Resources Courthouse
Superior Court of California, County of Santa Clara

Date: November ___, 2008

County: Santa Clara County **Total number of court facilities to be replaced in this transaction**: Six court facilities leased by the County; one Court parking lot leased by the County; one County-owned court facility; two court facilities leased by the Court; two Court parking lots leased by the Court.	**Court Facility**: Proposed New Family Resources Courthouse Corner of St. James St. and Market St. San Jose, California **Number of Court Sets:** 22 courtrooms at 150,000 sq. ft.
Total Sq. Footage: 150,000 sq. ft. to house 22 courtrooms	**Court Occupancy**: 100 percent.

1. **Parties and Purpose**: The County of Santa Clara ("**County**"), the Judicial Council of California ("**Council**"), Administrative Office of the Courts (together with the Council, the "**AOC**"), and the Superior Court of California, County of Santa Clara ("**Court**") enter into this Project Agreement Term Sheet (this "**Term Sheet**") to memorialize and approve in concept, solely for the convenience of the County, the AOC, and the Court, the anticipated, principal terms for the proposed development, construction, financing, and completion of a new building containing "court facilities", as defined in section 70301(d) of the Trial Court Facilities Act of 2002 (Chapter 5.7 of Title 8 of the Cal. Gov. Code (the "**Act**"), together with certain related site improvements, on land owned by the County in the downtown area of San Jose, California (the "**New Family Resources Courthouse**"). For purposes of this Term Sheet, the County, the AOC, and the Court are sometimes referred to individually as a "**Party**" and collectively as the "**Parties**", and the development, construction, financing, and completion of the New Family Resources Courthouse are sometimes collectively referred to as the "**Project**".

   The Parties anticipate that, for purposes of the Act, the New Family Resources Courthouse will be developed as an exclusively Court-occupied building; however, the Parties contemplate that the New Family Resources Courthouse will house certain County functions that directly support the Court's operations in the building. If the New Family Resources Courthouse is constructed, the Parties intend that they will complete a "transfer of responsibility" for the New Family Resources Courthouse, including the land on which it is situated, as an exclusive-use facility under the terms of the Act, when the Court takes occupancy of the New Family Resources Courthouse (the "**Transfer of Responsibility**"), and that they will complete a "transfer of title" in and to the New Family Resources Courthouse under the Act, when the County Bonds (defined below), that would finance the

construction of the New Family Resources Courthouse, have been retired (the "**Transfer of Title**"), as more specifically described in section 3 of this Term Sheet.

This Term Sheet is not intended to be legally binding on any of the Parties. If the Parties should enter into any agreements in connection with the Project, the terms and conditions of such agreements shall be mutually acceptable to the Parties, and, upon the approval, execution, and delivery of such agreements, they will be legally binding on the Parties. The Parties contemplate that such agreements would include a Development Agreement, a Lease-Purchase Agreement, and certain related agreements (the "**Project Agreements**"), which the Parties would negotiate and fully execute prior to: (i) the expenditure of any State funds appropriated for this Project, (ii) the sale and issuance of any County Bonds (defined below), (iii) the County's sale of the Los Gatos Courthouse property, and (iv) any material expenditure of funds by the Parties for this Project. On the date of this Term Sheet, there are no binding agreements between or among any of the Parties concerning the Project. As such, the principal terms of the Project remain subject to negotiation notwithstanding the Parties' execution of this Term Sheet.

2. **Proposed AOC, Court, and County Roles and Responsibilities in the Project**: The roles and responsibilities of the Parties in the development, construction, funding, delivery, and completion of the New Family Resources Courthouse are still being explored by the Parties, and the precise structure of the Parties' respective roles in the Project will depend, in part, on advice being obtained from the Parties' respective bond counsel and other financial advisors. As such, the provisions of section 2(A) of this Term Sheet set forth certain general, conceptual principles for the Parties' intended roles in development, construction, funding, delivery, and completion of the Project. The Parties acknowledge that they will endeavor to design the specific structure and terms defining their respective roles, rights, and responsibilities in a manner consistent with the conceptual, general principles provided in section 2(A) of this Term Sheet, to the extent feasible and consistent with law, and the provisions of this section 2 are subject to further negotiation and change, and may be expanded or contracted, as necessary, subject to agreement of the Parties.

A. Development, Construction, and Delivery.

(1) AOC's Participation. It is the intent of the Parties that the AOC would have primary responsibility for developing, constructing, and delivering the Project; provided that, in connection with the issuance of the County Bonds (defined below), the Project may need to be structured in certain respects as a County Project and the County may have certain obligations under the instruments and agreements evidencing the County Bonds ("**County Bond Documents**") for development, construction, and delivery of the New Family Resources Courthouse. In such case, the County and the AOC intend to enter into agreements under which the AOC would obtain the rights necessary to undertake certain of those obligations from or on behalf of the County to the fullest extent permitted by law and the County Bond Documents. The Parties intend that these agreements would specify that the AOC would fully indemnify the County against any and all liability arising from the AOC's performance of any such obligations undertaken from or on behalf of the County.

(2) Specific AOC Responsibilities for Permitting, Compliance, and Project Contracts. To the fullest extent permitted by law, it is the intention of the Parties that the AOC would be responsible to: (a) obtain and ensure compliance with all required permits and approvals for the Project, including approval of the Project under the California Environmental Quality Act ("**CEQA**"); (b) ensure that the Project complies with all applicable regulatory requirements; (c) enter into contracts for professional services required in connection with the Project, including the architectural and engineering contract(s), the construction contract, contracts for title services, environmental assessment of the Project site, and other due diligence services, and other required ancillary services; (d) perform construction management and administration; (e) perform the bidding and procurement process for construction of the New Family Resources Courthouse; and (f) develop, modify, and monitor adherence to the Project schedule and design development and construction milestones.

(3) Specific AOC Responsibilities for Design Process. To the fullest extent permitted by law, the Parties intend that the AOC would be primarily responsible for the design process, including the preparation of final construction plans and specifications for the New Family Resources Courthouse, which would be in accordance with the Judicial Council's Trial Court Facilities Design Standards; provided that, the Council, the AOC, and the Court would have the right to collectively approve exceptions from the Judicial Council's Trial Court Facilities Design Standards.

(4) Insurance. The AOC would require the construction contractor to obtain and maintain usual and customary builder's risk insurance, including levels of insurance for professional services and construction contracts that are appropriate for public projects of a similar size, scope, and nature to the Project. The AOC would require that such insurance policies (excluding professional errors and omissions coverages) list the County and the Court as additional insureds in respect of such contracts, with the same coverages and limits as the named insureds under such insurance policies. The AOC or the County would obtain and maintain usual and customary property insurance policies, which may be provided through the insuring Party's self-insurance program, during the period that the County Bonds are outstanding. The Parties would determine whether the County or the AOC would obtain and maintain such property insurance policies, in consultation with their respective risk management personnel and the parties to the applicable bond financing. The insuring Party would ensure that the other Party or Parties are listed as additional insureds with the same coverages and limits as the named insured on such property insurance policies. Irrespective of which Party at any time obtains and maintains such property insurance policies, the AOC and the County shall each at all times be solely responsible to insure its own personal property (and in the case of the AOC, the Court's personal property) located in the New Family Resources Courthouse. If the County at any time obtains and maintains such property insurance policies, the AOC or the Court shall reimburse the County for all premiums, self-insured retention amounts, and other costs associated with the property insurance policies under the terms of the Lease-Purchase Agreement or

other appropriate agreement between the County and the AOC. When all County Bonds encumbering the New Family Resources Courthouse and/or the land on which it is situated have been retired, the AOC would be solely responsible to provide the property insurance policies for the New Family Resources Courthouse; provided that, the County would be solely responsible to insure any County personal property located in any area of the New Family Resources Courthouse that is exclusively occupied and used by the County, and each Party would be responsible to provide its own workers' compensation coverage for its own employees without any right of subrogation as against the other Parties.

(5) County's Participation. The County would have the opportunity to review each iteration of Project design and construction documents, Project cost estimates, Project budget, and Project schedule, and to provide to the AOC and the Court comments on issues related to (i) compliance with County bond documents, (ii) cost control, and (iii) Project scope and Project feasibility. The County would have 20 calendar days from the date of the County's receipt of each such document to provide its comments to the AOC and the Court. The County would also have the opportunity to review and comment on the schematic design and programmatic aspects of space in the New Family Resources Courthouse that would be occupied by County functions or departments. The County would require that: (i) the New Family Resources Courthouse be designed, inspected, constructed, and permitted by an appropriate State or local governmental Building official; (ii) the AOC be responsible to assure that the New Family Resources Courthouse receives all recurring fire inspections required by law after occupancy, to be performed by the appropriate State Fire Marshal or the County or City Fire Marshal; and (iii) any structural alterations or additions to the New Family Resources Courthouse made after occupancy be designed, inspected, constructed, and permitted by the appropriate State Fire Marshal or County or City Fire Marshal, to the fullest extent required by applicable law.

(6) Court's Participation. The Court would assist the AOC in the design development process, including the various iterations of the concept drawings and the Project plans and specifications, and would assist the AOC with development of the Project schedule and design development and construction milestones. The Court would review and comment on development of the Project schedule, Project documents and agreements, including construction administration agreements, the construction contract, architectural and engineering agreements, and proposed change orders.

B. Project Funding. The Parties presently estimate that the total cost of the Project would be approximately $209,000,000 ("**Total Project Cost**"). The Parties are still exploring alternatives for obtaining bond revenues to pay approximately $152,400,000 of the Total Project Cost. If the Parties determine that it is legally feasible to develop and construct the New Family Resources Courthouse in a manner consistent with the intended roles and responsibilities of the Parties described in section 2(A) of this Term Sheet, with the County issuing bonds to provide certain of the bond revenues needed for the Project (presently estimated to be approximately $152,400,000), then the Parties anticipate that the County would issue such bonds, as described below. If the Parties

determine that it is not legally feasible to develop and construct the New Family Resources Courthouse in a manner consistent with the intended roles and responsibilities of the Parties described in section 2(A) of this Term Sheet, with the County issuing bonds to provide such required bond revenues for the Project, or if the County does not provide any of the other County funding necessary for the Project, as described in section 2(B)(4)(a) of this Term Sheet, then this Term Sheet will be terminated by written notice given by the County, the AOC, or the Court and will be of no force or effect whatsoever.

(1) County Bonds. If the Parties determine that it is feasible to structure the Project funding using County bond financing in a manner consistent with the intended roles and responsibilities of the Parties described in section 2(A) of this Term Sheet, then the Parties anticipate that the County would cause to be issued and would manage lease revenue bonds, or similar financing instrument(s) not requiring voter approval ("**County Bonds**"), having a term of up to 30 years, which would have terms and conditions normally contained in other bonds that the County has caused to be issued, and which would be in an amount that would cover approximately $152,400,000 of the Total Project Costs plus usual and customary bond issuance costs, and which may include, if the County determines it to be advantageous, capitalized interest for the term of construction.. Notwithstanding any other provision of this Term Sheet, the County shall not be obligated to cause the issuance or sale of County Bonds if: (i) such County Bonds would cause the County's credit rating by any national credit rating service to be adversely affected; (ii) the interest rate for the County Bonds is unacceptable to the County's Board of Supervisors; (iii) the issuance or sale of the County Bonds is not in compliance with the County's Debt Policy; or (iv) the County Bond issuer cannot obtain access to the municipal finance market during the period that the County Bonds would need to be issued and sold; or (v) prior to final approval by the County's Board of Supervisors of the Project Agreements, financial circumstances necessitate the use of county bonding capacity to address facility or other needs resulting from an emergency situation recognized by an action of the Board of Supervisors at a duly-called meeting of the Board of Supervisors. The Parties anticipate that the New Family Resources Courthouse and connected site improvements, including the land upon which they would be located, would be the security for the County Bonds. Assuming that the County issues the County Bonds for the Project, the AOC and the County intend to enter into a lease-purchase agreement (the "**Lease-Purchase Agreement**") that would take effect when the Court takes occupancy of the New Family Resources Courthouse. The annual rent payments from the AOC to the County under the Lease-Purchase Agreement (the "**Annual Rent Payments**") would be equal to (A) the County's annual required payments, including annual debt service payments under the County Bond Documents and the insurance payments required per section 2A(4) to the extent that such insurance is provided by the County, less (B) the annual amount of the Additional County Contributions per 2B(5)(a). The AOC would make timely, direct payments to the County of the estimated Annual Rent Payments, as illustrated on Exhibit 1, at the beginning of each year with true-up adjustments in the following year based on the actual annual required payments or actual County revenue from civil assessment fees. Before any

County Bonds are issued, the County would provide the AOC with a debt service schedule for the County Bonds. The Parties intend that if the County does not issue the County Bonds necessary for the Project, this Term Sheet will be terminated by written notice given by the County, the AOC, or the Court and will be of no force or effect whatsoever.

(2) State Appropriations Process. The State would endeavor to pay its rent payments due under the Lease-Purchase Agreement and seek annual State appropriations, without the necessity of the County submitting invoices to the AOC. In its annual requests for appropriations for the AOC's rent payments under the Lease-Purchase Agreement, the AOC shall use its bona fide best efforts to have that portion of the State budget act, or amendments thereto, timely approved each State fiscal year in the full amount of all funds that the State is required to pay to the County under the Lease-Purchase Agreement, or otherwise expend for the Project, and shall exhaust all available administrative and legislative reviews and appeals to obtain the required funds in the event such portions of the State's budget act are not so approved for any such State fiscal year.

(3) SB 1407 (Perata) Legislation. At its October 24, 2008 meeting, The Council approved the inclusion of the Project among the projects to be partially funded with bond proceeds authorized by the SB 1407 (Perata) legislation, and approved the allocation of approximately $44,000,000 in bond revenues under the SB 1407 (Perata) legislation for the Project, which the Parties intend will be allocated in a lump sum amount in FY 2009-10. It is the AOC's understanding that the SB 1407 bond revenues would be supported by pledged funds and not by the Project or the land upon which the Project is located. The Parties acknowledge that the specific timing of the disbursement of the $44,000,000 in SB 1407 (Perata) State bond funding needed for the Project may be subject to further Council or legislative approval. The Parties intend that if the State, the AOC, or the Court do not provide any of the State funding necessary for the Project, this Term Sheet will be terminated by written notice given by the AOC, the County, or the Court and will be of no force or effect whatsoever.

(4) Additional Funding Sources.

(a) Anticipated County Contributions: The Parties anticipate that the County would contribute the following revenues to the Project and, upon the completion of construction, the operation of the New Family Resources Courthouse, in addition to issuing the County Bonds, if applicable:

(i) the County would annually contribute the savings it realizes from terminating the six leases for the Consolidated Court Facilities that are leased from third parties and one lease for a parking lot used by the Court. The annual amount of such savings is expected to be $4,957,321, except that the County's first annual contribution of such lease savings would be reduced by the amount of any lease termination fees or costs incurred by the County in respect of the termination of such leases.

Upon payment in full and retirement of County Bonds, the County's obligation to contribute the $4,957,321 would cease. The County and the AOC would agree to this arrangement, subject to approval by DOF, as part of an overall agreement for an alternate County Facilities Payment for the Consolidated Court Facilities and the New Family Resources Courthouse under section 70351.5 of the Act (the "**Alternate CFP Arrangement**"). This funding obligation would commence when the County's lease for each of the leased Consolidated Court Facilities is terminated, which the County will endeavor to complete as promptly as possible after the Court vacates each such Consolidated Court Facility to relocate into the New Family Resources Courthouse;

(ii) the County would make a one-time contribution of the proceeds it receives from the sale of the Los Gatos Courthouse property. The Parties acknowledge that the County may elect, in its sole discretion, to sell the Los Gatos Courthouse property together with two other County-owned parcels that are located adjacent to the Los Gatos Courthouse property, and that if the County ultimately does sell the Los Gatos Courthouse property together with one or both of the adjacent, County-owned parcels; only the proceeds attributable to the sale of the Los Gatos Courthouse property will be contributed toward payment of the Total Project Cost;

(iii) until the County Bonds are fully paid and retired, the County would annually contribute equal monthly installments of the civil assessment revenue stream in the amount of $2,500,000 per year, subject to the Court's obligation to cover shortfalls and the Court's right to manage the civil assessment program, as set forth in section 2(B)(4)(b)(ii), below. While any bonded indebtedness for the Project is outstanding, the County's civil assessment contributions would be applied toward payment of the installments due in respect of the County Bonds. When all bonded indebtedness for the Project has been fully paid and retired, the Parties intend that the County's annual contribution of civil assessment revenues would be reduced to $1,900,000 per year, which amount would be applied toward payment of the costs of operation and maintenance of the New Family Resources Courthouse as part of the Alternate CFP Arrangement. The County's $1,900,000 contribution of its share of the civil assessment revenue stream would continue in perpetuity, subject to section 2(B)(4)(b)(ii), below, and would, at no time after retirement of the bonded indebtedness for the Project, exceed $1,900,000 per year regardless of the actual cost of operation and maintenance of the New Family Resources Courthouse. While any bonded indebtedness for the Project is outstanding, the cost of operation and maintenance of the New Family Resources Courthouse would be paid for through the revenue streams identified in sections 2(B)(4)(a) through (d) of this Term Sheet; and

(iv) when the County Bonds have been fully paid and retired, and the AOC has made all rental and other payments due under the Lease-Purchase Agreement for the period that the County Bonds are outstanding, the County would donate to the State fee title in and to the land on which the New Family Resources Courthouse would be constructed, free and clear of all financial liens but otherwise as is. Any environmental findings or issues are the fully responsibility of the Court and AOC; provided that, after completing such industry-standard environmental due diligence as the AOC deems necessary and prudent concerning such land, but before the Parties sign and approve the Project Agreements, the AOC would have the right to terminate this Term Sheet by written notice to the County and the Court if the AOC is not willing or able to take full responsibility for any environmental conditions affecting such land. As of the date of this Term Sheet, the AOC has directed its environmental consultant to commence the Phase I environmental site assessment, and the AOC will proceed promptly, diligently, and continuously to complete all of its environmental due diligence with respect to the land on which the New Family Resources Courthouse would be constructed. The Parties anticipate that the AOC would complete this environmental due diligence at least two months prior to the anticipated date for completion of the Project Agreements. If the AOC is unable to meet this timeframe, the tentative Project Schedule set forth in paragraph 5 would be adjusted accordingly; provided, however, that the AOC will make the decision whether or not to take full responsibility for any environmental conditions affecting the land no later than March 31, 2009. The Parties estimate that such land has a fair market value of approximately $17,000,000 on the date of this Term Sheet.

(b) Anticipated Court Contributions. The Parties anticipate that the Court would contribute the following revenues to the Project and the operation of the New Family Resources Courthouse. The AOC and the Court would enter into an MOU under Government Code section 68085(a) to set forth the mechanism for the Court's contribution of these revenues to the Project and, eventually, to operation and maintenance of the New Family Resources Courthouse:

(i) the Court would annually contribute equal monthly installments the civil assessment revenue stream in the amount of $2,500,000 per year. While any bonded indebtedness for the Project is outstanding, the Court's civil assessment contributions would be applied toward payment of the installments due in respect of the County Bonds. When all bonded indebtedness for the Project has been fully paid and retired, the Parties intend that the Court's contribution of civil assessment revenues would be reduced to $1,900,000, which amount would be applied toward payment of the costs of operation and maintenance of the New Family Resources Courthouse in perpetuity. The Parties would agree that the Court would pay the janitorial costs of the New Family Resources Courthouse pursuant to Rule 10.810 of the California Rules of Court,

with any civil assessment revenues that are collected by and for the Court in excess of the first $2,500,000 or from the Court's operating budget, at the Court's discretion;

(ii) the Court would pay any shortfall in the County's annual civil assessment contributions, under section 2(B)(4)(a)(iii) of this Term Sheet, that arise from the total amount of civil assessments collected in any fiscal year during which any bonded indebtedness for the Project is outstanding being less than $5,000,000, such that for each such fiscal year there is a total of $5,000,000 in civil assessment revenues contributed. When all bonded indebtedness for the Project has been fully paid and retired, the Court would continue to pay any shortfall in the County's $1,900,000 annual civil assessment contribution and the Court's annual $1,900,000 annual civil assessment contribution, if less than the combined total of $3,800,000 in civil assessment revenues is collected in any fiscal year. As a condition of the Court's willingness to cover any such shortfalls in the County's civil assessment contributions, the Court would have full authority over the civil assessments collection program, notwithstanding the provisions of California Penal Code sections 1214.1 and 1463.010, including the right to replace the County's civil assessment collection agency if the County's agency does not meet the projected collection targets for FY 08-09 or any fiscal year thereafter, as set forth in **Attachment "A"** to this Term Sheet;

(iii) the Court would annually contribute the actual savings it will realize from the Court's termination of the four Court leases for its space in the buildings located at 111 West St. John Street and 111 North Market Street, commonly known as Central Administration, and the related parking lots at the corner of Market and St. John Streets and at 175 Park Center Plaza, which lease terminations would occur upon the Court's occupancy of the New Family Resources Courthouse. These lease terminations will relieve the Court of its rent obligations with respect to the Central Administration building and parking lots. The fixed annual amount of such savings is expected to be $571,222 in the first fiscal year after termination of such leases. Upon retirement of all bond financing related to the Project, the Court would have no further obligation to apply such savings toward payment of the Total Project Cost or toward operation and maintenance of the New Family Resources Courthouse. The $571,222 in revenue would then revert back to the Court's operating budget;

(iv) the Court would annually contribute the actual savings in Court security costs that it realizes from the consolidation of the five operating Consolidated Court Facilities into the New Family Resources Courthouse. The fixed annual amount of such savings is expected to be $1,402,283 in the first fiscal year after the Court relocates its operations into the New Family Resources Courthouse. Such annual Court

contribution would be made either (i) by the AOC withholding the $1,402,283 from the Court's annual budget and annually redirecting that amount toward payment of the Total Project Cost, or (ii) by the AOC leaving the $1,402,283 in the Court's annual budget, notwithstanding the reduction in the Court's actual security costs, with direction to the Court to pay the $1,402,283 in each fiscal year to the Party directly responsible for payment of the bond financing related to the Project. Upon retirement of all bond financing related to the Project, the Court's contributions of such savings would cease. The $1,402,283 in revenue would then revert back to the State Judicial Branch Security Budget;

(v) the Court would make a one-time contribution of $5,000,000 from the Court's reserves toward funding of the Total Project Cost; and

(vi) the Court would annually contribute an additional $1,000,000 toward funding of the Project commencing in FY 09/10 and ending upon retirement of the County Bonds.

(c) Additional County/Court Contributions. The additional, anticipated financial contributions of the County and the Court described in sections 2(B)(4)(a) and (b) of this Term Sheet are sometimes collectively referred to in this Term Sheet as the "**Additional County/Court Contributions**").

(d) Anticipated AOC Contributions. The Parties anticipate that the AOC would contribute the following revenues to the Project and the operation and maintenance of the New Family Resources Courthouse, in addition to the $44,000,000 in funding from the SB 1407 (Perata) legislation, if approved by the Council, to supplement the bond revenues provided by the County Bonds:

(i) the AOC will be responsible for all funds required to pay the Total Project Cost and to operate and maintain the New Family Resources Courthouse, including all amounts required to pay the County Bonds and the cost of any Project cost overruns, in excess of:

(A) the Additional County/Court Contributions; and

(B) statutory costs under California Rules of Court, Rule 10.810, for which the Court is responsible, including the cost of janitorial services for the New Family Resources Courthouse; except that one-time support costs associated with the completion and occupancy of the Project for which a State funding appropriation request would be prepared.

(e) Administrative Costs. Each Party would be individually responsible for its own administrative staff costs associated with the Project.

(f) Limitation on County Obligations. The Parties intend that the County would have no financial or other obligations for the Total Project Cost or the costs

associated with operation and maintenance of the New Family Resources Courthouse other than those expressly described in this Term Sheet, and that all costs and expenses of the Project and associated with the operation and maintenance of the New Family Resources Courthouse, other than those specifically allocated to the County in this Term Sheet, would be borne solely by the AOC and the Court.

3. **Proposed Transfer Terms**:

A. Transfer of Responsibility. The Development Agreement would provide that the Transfer of Responsibility for funding and operation of the New Family Resources Courthouse would occur under the Act upon the Occupancy Date (defined below) of the New Family Resources Courthouse. The Parties anticipate that the Court would consolidate into the New Family Resources Courthouse all Court operations and personnel from the Central Administration building and related parking lots, as described in section 2(B)(4)(b)(iii) of this Term Sheet, as well as all Court operations and personnel from the existing County-provided court facilities commonly known as:

- Probate Investigators, AOC #43-B-03 (County lease)
- Superior Court Administration, AOC #43-B-04 (County lease)
- Criminal Courts Annex, AOC #43-C-01 (County lease)
- Family Court Facility and Parking Lot, AOC #43-E-01 (County lease)
- Traffic Facility, AOC #43-J-01 (County lease)
- Notre Dame Courthouse, AOC #43-M-01 (County lease)
- Notre Dame Courthouse Parking Lot, AOC #43-M-01 (County lease), and
- Los Gatos Facility, AOC #43-I-01 (County owned)

- Each of the above-listed is a "**Consolidated Court Facility**", and collectively, the "**Consolidated Court Facilities**".

The Development Agreement would provide that the County would continue to make the Consolidated Court Facilities available for Court occupancy and use, and would continue to be responsible for funding and operation of the Consolidated Court Facilities, until the Occupancy Date (defined below). The Development Agreement would require the Court to vacate all of the Consolidated Court Facilities by no later than 120 days after a Certificate of Occupancy (or other document of similar effect) is issued for the New Family Resources Courthouse (the "Occupancy Date"). On the date that the Court actually vacates each of the Consolidated Court Facilities, the County would be relieved of its obligations under section 70311 of the Act in respect of the vacated Consolidated Court Facility, and the AOC and the Court would each release and relinquish to the County any and all "equity" rights or interests they have under the Act in respect of each such vacated Consolidated Court Facility. If for any reason this arrangement for construction of a new Family Resources Courthouse is not implemented, the Consolidated Court Facilities shall be transferred in accordance with one or more Transfer Agreements Between the Judicial Council of California, Administrative Office of the Courts, and the County of Santa Clara for the Transfer of

Responsibility of Court Facilities, which agreement the Parties anticipate will be entered into in November 2008 and not later than December 31, 2008.

B. Transfer of Title.

(1) The County would hold legal title to the entire New Family Resources Courthouse (including the land upon which the New Family Resources Courthouse would be located), while the County Bonds, if any, remain outstanding. When the County Bonds are fully paid and retired, the Transfer of Title in and to the entire New Family Resources Courthouse (including the land on which it is located) would occur. After such Transfer of Title, the AOC and the Court would be solely responsible for the operation and normal day-to-day maintenance of the New Family Resources Courthouse, except for those additional, ongoing County contributions specifically described in this Term Sheet.

4. **Proposed Disposition of Consolidated Court Facilities**: The Parties acknowledge that, if the New Family Resources Courthouse is built, the Consolidated Court Facilities would be considered fully replaced by the New Family Resources Courthouse. In consideration of the County's anticipated financial contributions to the Project, and in furtherance of the County's ability to fund certain of those contributions, the Parties intend that, if the Project proceeds, the County would have the right to (i) terminate the leases for each of the Consolidated Court Facilities that is leased by the County from a third party effective when the Court has fully vacated each such leased Consolidated Court Facility, and (2) to sell the Los Gatos Courthouse (and the land on which it is located), either alone or together with the sale of certain adjacent parcels of real property that are owned by the County, in each case, free and clear of any "equity" rights or interests of the AOC or the Court arising under the terms of the Act.

5. **Project Schedule:**

The tentative Project schedule is outlined as follows:

	Start	Completion
Site Acq./Program Validation	09/01/08	08/31/09
Project Agreements	11/05/08	04/01/09
Preliminary Plans	04/01/09	10/31/09
Construction Documents	11/01/09	02/28/11
Entitlements/Approvals	11/01/09	02/28/11
Bid-Award	03/01/11	06/30/11
Construction	07/01/11	06/30/13

If the Parties enter into the above-described, definitive agreements in connection with the Project, all of such agreements would need to be completed and fully-executed prior to the start date for the Construction Documents. The tentative Project schedule would need to be revised if there are material delays arising from events such as delays in the negotiation of the definitive agreements, the sale or issuance of County Bonds, or the start date for the Construction Documents.

6. **Parking**: The land on which the New Family Resources Courthouse would be built is a parking lot containing 222 parking spaces, which is presently used by the Court in connection with certain downtown San Jose court facilities. If the Project proceeds, the parking on such land would be permanently displaced, as the Project would include only approximately 40 parking spaces for judges and administrative officers of the Court. The Parties intend that the Court would be solely responsible to: (a) develop a parking plan for the New Family Resources Courthouse as part of, and entirely consistent with, the CEQA process for the Project, and (b) address the parking needs of the Court arising from the construction of the Project on the parking lot presently used by Court employees and jurors, all at the Court's sole cost and expense. The Parties anticipate that the Court would endeavor to obtain rights to use existing parking structures or lots within a reasonable distance of the expected Project site to satisfy parking needs of the Court, both during construction of the Project and after the Court occupies the New Family Resources Courthouse. The AOC and the Court would waive any rights they have to require the County to provide parking spaces for the Court to replace the parking spaces located in the existing parking lot located on the land on which the New Family Resources Courthouse would be constructed, or to require the County to provide parking for the New Family Resources Courthouse due to the consolidation of the Consolidated Court Facilities into the New Family Resources Courthouse.

7. **County Facility Payment**: The Parties intend that, if the Project proceeds, the AOC and the County would determine and agree upon the Alternate CFP Arrangement related to the Consolidated Court Facilities and the New Family Resources Courthouse, under the authority of section 70351.5 of the Act and with the approval of DOF.

[Signature page follows.]

Signed and certified that a copy of this document has been delivered by electronic or other means to the President, Board of Supervisors.
Attest:
Maria Marinos
Maria Marinos, Clerk of the Board of Supervisors

COUNTY OF SANTA CLARA,
a political subdivision of the State of California

By: LIZ KNISS
Its: President, Board of Supervisors
Date: November 4, 2008

Approved As To Legal Form:
Ann M. Ravel, County Counsel

By: Ann M. Ravel
Its: County Counsel

Approved As To Form:
Administrative Office of the Courts, Office of the General Counsel

By: _____
Dianne Barry
Attorney

JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURTS

By: _____
Its: _____
Date: _____

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA

By: Catherine A Gallagher
Its: Presiding Judge
Date: 12-1-2008

PROJECTED TRAFFIC CIVIL ASSESSMENT REVENUE

FY 08-09 TO FY 12-13

PERIOD	NEW CASES		OUTSTANDING CASES		RECOVERED CA CASES			PENDING CA CASES		COUNTY	STATE	JOINT NET COLLECTIONS
FISCAL YEAR:	# OF CASES:	CA VALUE:	# OF CASES:	CA VALUE:	# CA CASES:	RECOVERY VALUE:	RECOVERY RATE:	# CA CASES:	CA VALUE:	COST OF COLLECTIONS	PRORATED REDUCTION	COURT & COUNTY SHARE
FY 05-06								43,925	$10,981,250			
FY 06-07	40,000	10,000,000						83,925	$20,981,250			
FY 07-08	40,000	11,000,000	123,925	$31,981,250	12,461	3,738,300	10%	111,464	$28,242,950	571,516	1,060,416	$2,106,368
FY 08-09	40,000	12,000,000	151,464	$40,242,950	18,176	5,452,704	12%	133,288	$34,790,246	571,516	1,352,206	$3,528,982
FY 09-10	40,000	12,000,000	173,288	$46,790,246	24,260	7,278,109	14%	149,028	$39,512,137	571,516	1,612,246	$5,094,347
FY 10-11	40,000	12,000,000	189,028	$51,512,137	30,244	9,073,342	16%	158,783	$42,438,795	571,516	1,612,246	$6,889,580
FY 11-12	40,000	12,000,000	198,783	$54,438,795	35,781	10,734,308	18%	163,002	$43,704,487	571,516	1,612,246	$8,550,546
FY 12-13	40,000	12,000,000	203,002	$55,704,487	40,600	12,180,147	20%	162,402	$43,524,339	571,516	1,612,246	$9,996,385
TOTAL										2,857,580	7,801,190	$34,059,841

ATTACHMENT 2

MEMORANDUM OF UNDERSTANDING

(BUILDING #43-00 -- FAMILY JUSTICE CENTER PROJECT) REGARDING COURT'S FINANCIAL COMMITMENTS TO THE FAMILY JUSTICE CENTER PROJECT

City of San Jose, County of Santa Clara

This Memorandum of Understanding (this "**MOU**") is entered into as of the ____ day of MAY 11, 2010, (the "**Effective Date**") by and between the Judicial Council of California ("**Judicial Council**"), Administrative Office of the Courts (together with the Judicial Council, the "**AOC**") and the Superior Court of California, County of Santa Clara (the "**Court**"). For the purpose of this MOU, the AOC and the Court are sometimes individually referred to as a "**Party**" and together referred to as the "**Parties.**"

BACKGROUND AND PURPOSE OF MOU:

A. The AOC and the Court desire to construct a new courthouse that the Parties presently anticipate will consist of approximately 234,000 square feet of interior space and certain related exterior improvements, to be known as the Family Justice Center (the "**Project**").

B. The Parties contemplate that the Project will be constructed in the City of San Jose, County of Santa Clara on certain land located at the corner of St. James Street and North Market Street (the "**Land**"). The Parties further contemplate that a portion of the Land will be donated to the State of California ("**State**") by the County of Santa Clara ("**County**") pursuant to the terms of that certain Agreement For Donation of Real Property between the County and the AOC ("**Donation Agreement**").

C. Upon completion of the Project, the Parties intend that the Court will consolidate into the Project the Court's operations from six existing court facilities and associated parking located in or on premises originally leased by the County and for which responsibility has been transferred, or is being transferred, to the AOC by the County under the Trial Court Facilities Act of 2002 (codified in Government Code sections 70301 *et seq.*).

D. Upon completion of the Project, the Parties intend that the Court will also consolidate into the Project the Court's operations from premises leased directly by the Court in two buildings.

E. While the Project will be funded through SB 1407 (Perata-2002) funds authorized by the Judicial Council, the Court will contribute financial support to the Project as described in this MOU.

F. The Judicial Council, the AOC, and the Court have agreed to proceed with the design, development, financing, construction, completion, and operation of the Project based on (i) the Court's agreement to commit certain of its financial resources to the Project as described in this MOU, and (ii) the County's agreement to donate the Land pursuant to the Donation Agreement, and (iii) the County's performance of its obligation to sell the Los Gatos Courthouse and the related real property and deliver the net sale proceeds arising from that sale to the AOC, as provided in that certain Transfer Agreement between the AOC and the County, dated December 18, 2008, (the **"Los Gatos Transfer Agreement"**). The Judicial Council and the AOC would not proceed with the Project but for the agreements made by the Court in this MOU and by the County in the Donation Agreement and the Los Gatos Transfer Agreement.

G. This MOU memorializes the Court's financial commitments to the Project. This MOU further establishes certain payment and reimbursement mechanisms that the Parties will follow in connection with the funding of the Court's financial commitments to the Project, subject to approval of the funding mechanisms described in this MOU by the State Department of Finance (**"DOF"**).

H. This MOU is based on the AOC's agreement to contract for and manage the design, development, permitting, financing, and construction of the Project for the benefit of the Court in accordance with, among other things, this MOU, the estimated Project budget, which is attached hereto and incorporated herein as **Exhibit "A"** (the **"Budget"**), and the estimated schedule for the Court's annual funding of certain of the Court's financial contributions to the Project, which is attached hereto and incorporated herein as **Exhibit "B"** (the **"TCTF Contributions Schedule"**).

I. The Capital Project Fund is a Court account established as a line item revenue account within the Court's budget (the **"Court Capital Project Fund"**).

J. All of the Court's financial commitments to the Project are described in the subsections of section 2 of this MOU and are sometimes collectively referred to in this MOU as the **"Court Contributions."** Subject to approval by the DOF, those annual Court Contributions that are shown on the attached TCTF Contributions Schedule (the **"TCTF Contributions"**) will be funded through (i) the AOC making semi-annual reductions in the allocations that the AOC makes to the Court from the Trial Court Trust Fund (**"TCTF"**), as described in section 3.1 of this MOU, each in a sum equal to all TCTF Contributions that are then due from the Court pursuant to the TCTF Contributions Schedule (each a **"TCTF Reduction Amount"** and collectively, the **"TCTF Reduction Amounts"**), and (ii) the Court's periodic deposit, retention, and use of funds in the Court Capital Project Fund, as provided in section 1.2 of this MOU, to replace the TCTF

Reduction Amounts that are withheld by the AOC on a semi-annual basis from the Court's TCTF allocations.

K. The Court shall make the annual TCTF Contributions to the Project at the times and in the amounts shown on the TCTF Contributions Schedule for the entire period of fiscal years shown on the TCTF Contributions Schedule (the **"TCTF Contributions Period"**), subject to section 1.1.3 of this MOU.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the AOC and the Court hereby agree as follows:

AGREEMENT:

1. SEMI-ANNUAL TCTF REDUCTIONS AND REDUCTION DATES; DEPOSITS INTO COURT CAPITAL PROJECT FUND.

1.1. Semi-Annual TCTF Contributions.

1.1.1. Semi-Annual Withholding and Deposits of TCTF Reduction Amounts. Except as otherwise expressly provided in this MOU, the AOC shall, on a semi-annual basis, reduce the Court's allocation from the TCTF by a sum equal to 50 percent of all TCTF Contributions that are due from the Court for the applicable fiscal year pursuant to the TCTF Contributions Schedule, as more fully described in section 3.1 of this MOU. The AOC shall deposit each TCTF Reduction Amount into (i) the Immediate and Critical Needs Account of the State Court Facilities Construction Fund, established by Government Code section 70371.5 (the **"ICNA"**), (ii) the Court Facilities Architecture Revolving Fund, established by Government Code section 70379(c) and administered by the AOC (the **"CFARF"**), and/or (iii) such other fund or account that the DOF may designate. The AOC shall use all of the TCTF Reduction Amounts, including but not limited to the TCTF Reduction Amounts related to the Catch-Up Payment outlined in section 2.2 of this MOU, and the FF&E Contribution outlined in section 2.5 of this MOU, solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose.

1.1.2. Reduction Dates. The AOC shall make the first semi-annual reduction in the Court's TCTF allocation for each fiscal year on the date that the AOC makes its first regular, monthly allocation to the Court from the TCTF after March 31 of the applicable fiscal year, and the AOC shall make the second semi-annual reduction in the Court's TCTF allocation for each fiscal year on the date that the AOC makes its first regular, monthly allocation to the Court from the TCTF after September 30 of the next succeeding fiscal year (each a **"Reduction Date"** and together, the **"Reduction Dates"**). Except for the Catch-Up Payment Reduction Date described in section 2.2 of this MOU, the Parties anticipate that the first Reduction Date shall occur on or about October 20,

2010. At or about the time that the State bond financing for the Project is sold under the authority of SB 1407 (Perata-2002) (the **"State Bond Financing"**), the Parties may, if required by the DOF or requested by the AOC, modify the dates on which the Reduction Dates occur for each fiscal year during the TCTF Contribution Period, such that the Reduction Dates thereafter occur approximately 60 calendar days in advance of the dates that the AOC's semi-annual installment payments are due on the State Bond Financing.

1.1.3. Duration of TCTF Contributions Period. As of the Effective Date of this MOU, the Parties anticipate that the TCTF Contributions Period will commence on the Effective Date with respect to those TCTF Contributions that are due from the Court for fiscal year 2009-2010, and will continue until the end of fiscal year 2043-2044; however, the Parties acknowledge that the TCTF Contributions Schedule and the TCTF Contributions Period are subject to change based on (i) requirements that the DOF may impose, and (ii) the date on which the AOC's semi-annual installments payments on the State Bond Financing for the Project actually commence. Notwithstanding any such change, in no event shall the TCTF Contributions Period or the Court's obligation to fund the TCTF Contributions continue after the earlier to occur of (a) the original maturity date of the State Bond Financing, or (b) the end of the 30th fiscal year after the fiscal year during which the AOC's first installment payment is due on the State Bond Financing.

1.1.4. DOF Approval Required. The Court and the AOC acknowledge that the funding mechanisms described in this MOU for the Court's TCTF Contributions are subject to approval and possible modification by the DOF. Therefore, the AOC shall not implement any reductions in the Court's allocation from the TCTF under section 3.1 of this MOU until: (i) the State Public Works Board (**"PWB"**) has approved the Project; and (ii) the DOF has approved the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions; and (iii) the DOF has provided direction to the AOC concerning whether TCTF Reduction Amounts withheld by the AOC pursuant to section 3.1 of this MOU are to be deposited into the CFARF, the ICNA, and/or other funds or accounts designated by the DOF. If the DOF does not approve any aspect of the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions, then the AOC and the Court shall promptly amend this MOU, in writing, to provide for any alternate funding mechanisms required by the DOF for such TCTF Contributions.

1.2. Reduction Date Funding Obligations. Prior to each Reduction Date, the Court shall deposit into the Court Capital Project Fund an amount equal to 50 percent of all TCTF Contributions that are due from the Court for the applicable fiscal year, as shown on the TCTF Contributions Schedule, it being the agreement and intention of the Parties that (i) by no later than the first Reduction Date for each fiscal year during the TCTF Contributions Period, the Court shall have deposited into the Court Capital Project Fund an amount that is equal to at least 50 percent of all TCTF Contributions that are due

from the Court for that fiscal year, and (ii) by the second Reduction Date for each fiscal year, the Court shall have deposited into the Court Capital Project Fund the entire remaining balance of all TCTF Contributions that are due from the Court for that fiscal year. On and after each Reduction Date, when the AOC has reduced the Court's allocation from the TCTF by the applicable TCTF Reduction Amount, pursuant to section 3.1 of this MOU, and has deposited the applicable TCTF Reduction Amount into the ICNA, the CFARF, or other fund or account designated by the DOF, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to such Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC on that Reduction Date. The terms of this section 1.2 shall not apply to the Catch-Up Payment (as defined in section 2.2, below), which shall instead be governed by section 2.2 of this MOU, or to the $1,000,000 per year in FF&E Contributions (as defined in section 2.5, below) made by the Court, which shall instead be governed by section 2.5 of this MOU.

2. COURT'S FINANCIAL COMMITMENTS TO PROJECT.

2.1. Court Contributions. The Court Contributions consist of: (i) the annual TCTF Contributions that the Court is obligated to make during the TCTF Contributions Period, as shown on the TCTF Contributions Schedule; (ii) the Janitorial Services Contribution described in section 2.6 of this MOU; and (iii) the Offsite Parking Plan described in section 2.7 of this MOU.

2.1.1. TCTF Contributions Amounts. As shown on the TCTF Contributions Schedule, with the exception of the period commencing with fiscal year 2009-2010 and continuing through and including fiscal year 2013-2014, the annual amount of the Court's TCTF Contributions shall be $5,471,000; provided that a $2,500,000 portion of the Court's TCTF Contributions for the final fiscal year of the TCTF Contributions Period may be prorated pursuant to section 2.4 of this MOU.

2.2. Fiscal Year 2009-2010 Catch-Up Payment. By no later than 15 business days after the Effective Date of this MOU, the Court shall deposit, record, and reserve for the Project in the Court Capital Project Fund the sum of $7,550,000 (the **"Catch-Up Payment"**) reflecting a portion of the $9,800,000 in TCTF Contributions that are due from the Court for fiscal year 2009-2010, as shown on the TCTF Contributions Schedule. Notwithstanding the date on which the next Reduction Date will occur, the AOC shall be entitled to, and shall, reduce the Court's allocation from the TCTF by a sum equal to the Catch-Up Payment, and shall deposit that sum into the CFARF, the ICNA, or other fund or account designated by the DOF, as promptly as possible after: (i) the PWB has approved the Project; and (ii) the DOF has approved the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions; and (iii) the DOF has provided direction to the AOC concerning whether the TCTF Reduction Amount comprising the Catch-Up Payment is to be deposited into the CFARF, the ICNA, and/or other fund or account designated by the DOF (the **"Catch-Up Payment**

Reduction Date"). Thereafter, the Court shall, by no later than the October 2010 Reduction Date, deposit, record, and reserve in the Court Capital Project Fund the entire, remaining balance of the Court's TCTF Contributions for fiscal year 2009-2010, which amount the AOC shall withhold from the Court's TCTF allocation, pursuant to section 3.1 of this MOU, on the October 2010 Reduction Date; provided that, the AOC shall not reduce the Court's TCTF allocation by the Court's $1,000,000 FF&E Contribution for fiscal year 2009-2010 on the Catch-Up Payment Reduction Date or on the October 2010 Reduction Date. Rather, the Court's FF&E Contribution for fiscal year 2009-2010 shall be governed by the terms of section 2.5 of this MOU. On and after the Catch-Up Payment Reduction Date, when the AOC has reduced the Court's allocation from the TCTF by an amount equal to the Catch-Up Payment pursuant to this section 2.2, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to the Catch-Up Payment Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC pursuant to this section 2.2.

2.3. Court's Obligation to Pay Shortfalls. It shall be the sole right and obligation of the Court to plan for and determine the sources of Court revenue that the Court will use to fund the Court Contributions to the Project, including but not limited to, the funds that the Court will deposit, record, and reserve from time to time in the Court Capital Project Fund toward payment of the Court's semi-annual TCTF Contributions. Except as otherwise expressly provided in section 2.3.1 of this MOU, the Court shall not be relieved of its obligation to pay the full amount of the Court Contributions, including but not limited to the full amount of the Court's annual TCTF Contributions, even if, in any one or more fiscals years during the TCTF Contributions Period, there is a shortfall in any source of the Court revenues from which the Court otherwise intended to pay the Court Contributions. In such event, the Court shall nevertheless be and remain obligated to pay the full amount of the Court Contributions, including but not limited to the Court's annual TCTF Contributions, that are due at each Reduction Date and for each fiscal year, by supplementing the amount of the revenues actually collected and allocated to the Court during each fiscal year with additional funds from the Court's general operating budget, the Court's reserves, or other funds then available to the Court for such purpose.

2.3.1. Reliance on Court's Ongoing Receipt of Net Civil Assessment Revenues. The AOC and the Court acknowledge that a $2,500,000 portion of the Court's annual TCTF Contributions (the **"Civil Assessments Contribution"**) will be funded, in whole or in part, through net civil assessment revenues that the Court anticipates will be collected in the County and allocated to the Court for each fiscal year during the TCTF Contributions Period. For purposes of this MOU, the term "net civil assessments revenues" means civil assessment revenues collected in the County under Penal Code section 1214.1 net of the costs of collecting such civil assessment revenues that are permitted to be reimbursed to the collecting party or parties under the guidelines of the State Controller. The Court agrees to pay the full annual amount of the Civil

Assessments Contribution in accordance with the TCTF Contributions Schedule and the Court agrees to cover any shortfalls that may occur between the annual amount of the Civil Assessments Contribution and the amount of net civil assessment revenues that are actually allocated to the Court in any fiscal year or years during the TCTF Contribution Period. The Court is expressly relying that the following will remain in effect for the duration of the TCTF Contributions Period: (i) current AOC policy with respect to allocation of net civil assessment revenues to the Court and the retention of net civil assessments revenues by the Court; and (ii) applicable law providing for imposition of civil assessments; and (iii) applicable law providing for allocation of net civil assessment revenues to the Court and retention of net civil assessment revenues by the Court. If any or all of the policies and laws described in (i) through (iii) above change during the TCTF Contributions Period, the AOC and the Court will promptly meet and confer to discuss further funding of the Civil Assessment Contribution, however, the required Court Contributions remain the responsibility of the Court.

2.4. Proration. In the event that the TCTF Contributions Period ends on a date other than June 30 in the applicable fiscal year, then the portion of the Court's TCTF Contributions that consists of the Court's Civil Assessments Contribution for that fiscal year shall be prorated on the basis of a 365-day year.

2.5. FF&E Contributions. The Court acknowledges that the AOC has reduced the furniture, fixtures, and equipment line item of the Budget by the sum of $4,000,000 based on the Court's commitment to deposit, record, and reserve for the Project in the Court Capital Project Fund and as part of the Court's TCTF Contributions for the first four fiscal years of the TCTF Contributions Period, commencing with fiscal year 2009-2010 through and including fiscal year 2012-2013, the sum of $1,000,000 per year (the **"FF&E Contribution"**). The AOC and the Court agree that the $4,000,000 FF&E Contribution reserved by the Court during those four fiscal years will be used by the AOC to purchase, on a "pay-as-you-go" basis, furniture, fixtures, and equipment for the Project that are not otherwise included in the Budget. The AOC shall consult with the Court prior to completing the purchase of any such furniture, fixtures, and equipment for the Project. The AOC shall, on behalf of the Court, make all payments to vendors for the purchase of furniture, fixtures, and equipment for the Project directly from the TCTF up to the total $4,000,000 amount of the FF&E Contribution. The AOC shall only reduce the Court's TCTF allocation by sums comprising the FF&E Contribution, as follows: (i) as and when the AOC actually purchases such furniture, fixtures, and equipment for the Project, each such reduction to be in the amount of all invoices paid by the AOC directly from the TCTF as of the applicable Reduction Date to purchase such furniture, fixtures, and equipment for the Project, and (ii) when the AOC has completed its purchase of, and has fully paid for, directly from the TCTF, such furniture, fixtures, and equipment for the Project, if there remains any portion of the FF&E Contribution that was not expended by the AOC directly from the TCTF for such purpose, the AOC shall withhold such remaining portion of the FF&E Contribution from the Court's TCTF allocation on the

next semi-annual Reduction Date, pursuant to section 3.1 of this MOU, and the AOC shall deposit such remaining amount of the FF&E Contribution into the ICNA to use toward payment of debt service on the State Bond Financing. On and after each Reduction Date on which the AOC withholds from the Court's TCTF allocation all or any portion of the FF&E Contribution pursuant to this section 2.5 of this MOU, when the AOC has reduced the Court's allocation from the TCTF by an amount equal to the applicable portion of the FF&E Contribution pursuant to this section 2.5, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to such Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC pursuant to this section 2.5.

2.6. Janitorial Services Contribution. The Court shall be solely responsible for all janitorial costs and expenses of the Project commencing on the date that the Court first takes occupancy of the Project and at all times thereafter that the Court continues to occupy the Project. The Court shall directly arrange for such janitorial services and shall make direct payment of all costs and expenses associated with such janitorial services (the **"Janitorial Services Contribution"**). The Court has estimated that the annual cost of providing janitorial services to the Project will be $439,743 per fiscal year. The Parties agree that, commencing in the fiscal year that the Court first takes occupancy of the Project, the AOC shall apply as a credit toward the annual amount that the AOC withholds from the Court's allocation from the TCTF, pursuant to section 3.1 of this MOU, the sum of $439,743 to provide the Court with a source of funds for payment of the Janitorial Services Contribution (the **"Janitorial Services Contribution Credit"**); provided, however, that in no event shall the Court be entitled to a Janitorial Services Contribution Credit in an amount greater than $439,743 in any fiscal year, even if the actual costs and expenses incurred by the Court in providing janitorial services to the Project for any fiscal year exceed $439,743 and irrespective of any amount by which the Court's actual Janitorial Services Contribution to the Project exceeds $439,743. In the event that the Court first takes occupancy of the Project on any date other than July 1 of the applicable fiscal year, the Janitorial Services Contribution Credit for the first fiscal year of the Court's occupancy of the Project shall be prorated on the basis of a 365-day year to reflect the actual portion of that fiscal year during which the Court was actually paying the Janitorial Services Contribution.

2.7. Offsite Parking. The Parties anticipate that the Project will include a total of approximately 43 secured on-site parking stalls for exclusive use by the Court (the **"On-Site Parking Facilities"**), and that the costs and expenses for development, design, construction, completion, and financing of the On-Site Parking Facilities will be included in the Budget. The Court shall be solely responsible, at the Court's sole cost and expense, to (a) develop a parking plan for the Project as part of, and entirely consistent with, the Mitigated Negative Declaration for the Project that is certified by the AOC under the California Environmental Quality Act, California Public Resources Code

sections 21000, *et seq.*, and its implementing guidelines, Title 14, California Code of Regulations, sections 15000, *et seq.*; and (b) address all parking needs of the Court, its judges, staff, employees, jurors, witnesses, and visitors at the Project that are not addressed by virtue of the On-Site Parking Facilities (together, the **"Offsite Parking Plan"**). The AOC shall have no liability or responsibility whatsoever for any costs or expenses associated with the Offsite Parking Plan or with any parking other than the On-Site Parking Facilities that may be provided for the Project thereunder. Nothing in this section shall be construed as a requirement of the Project that the Court pay for the cost of offsite parking.

2.8. Termination of Court's Obligation for TCTF Contributions. At such time as the TCTF Contributions Period ends, and the Court has paid in full all of the TCTF Contributions that the Court is obligated to pay pursuant to the TCTF Contributions Schedule, the Court will have no further obligation or responsibility whatsoever to pay any portion of the TCTF Contributions or otherwise to make any financial contributions to the Project; provided that, nothing in this section 2.8 shall relieve the Court of its obligation to pay: (a) the Janitorial Services Contribution pursuant to section 2.6 of this MOU; (b) any ongoing financial obligations that the Court may have undertaken in respect of the Offsite Parking Plan, if any, pursuant to section 2.7 of this MOU; and (c) the customary financial obligations of the Court with respect to operation of court facilities under Rule 10.810 of the California Rules of Court, the Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 - Escutia and Pringle; California Government Code sections 77000 through 77400, inclusive, as amended), and other similar laws that are or may be in effect during the period of the Court's occupancy of the Project.

2.9. Consent to AOC's Reduction and Use of TCTF Contributions. By signing this MOU, the Court hereby expressly consents and agrees to (i) the AOC's semi-annual reductions of the AOC's allocations to the Court from the TCTF in amounts equal to the TCTF Contributions due from the Court on the Catch-Up Payment Reduction Date and on each and all of the semi-annual Reduction Dates, as applicable, pursuant to section 3.1 of this MOU, and (ii) the AOC's deposit of the TCTF Reduction Amounts into the CFARF, the ICNA, or other funds or accounts designated by the DOF. The Court further consents and agrees to the AOC's expenditure and use of the TCTF Reduction Amounts and the FF&E Contribution solely in connection with the Project pursuant to this MOU and the Budget.

3. REDUCTION FROM TCTF DISTRIBUTIONS.

3.1. TCTF Reduction Amounts. During the TCTF Contributions Period and until the Court has paid in full all of the TCTF Contributions provided for in the TCTF Contributions Schedule, the AOC shall implement the payments of the Court's TCTF Contributions on the Catch-Up Payment Reduction Date and on each of the semi-annual Reduction Dates by reducing the amount of the AOC's allocation to the Court

from the TCTF by a sum equal to the total amount of all TCTF Contributions that are then due from the Court pursuant to the TCTF Contributions Schedule and this MOU. The AOC shall promptly deposit the TCTF Reduction Amount withheld by the AOC on the Catch-Up Payment Reduction Date and each semi-annual Reduction Date into the CFARF, the ICNA, and/or other fund or account designated by the DOF. Except as otherwise specifically set forth in this MOU with respect to the Catch-Up Payment and the FF&E Contribution, on each semi-annual Reduction Date during the TCTF Contributions Period, the TCTF Reduction Amount that the AOC shall withhold from its TCTF allocation to the Court shall be in an amount equal to 50 percent of all TCTF Contributions owed by the Court for the applicable fiscal year, minus the sum of $219;871.50, representing one-half of the annual $439,743 Janitorial Services Contribution Credit. The AOC shall use the TCTF Reduction Amounts solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose. The Court will reflect each TCTF Reduction Amount as non-cash revenue and as an expenditure in the Court's financial records for each fiscal year during the TCTF Contribution Period. If for any reason the Court does not deposit, record, and reserve in the Court Capital Project Fund the full amount of all TCTF Contributions that the Court is obligated to contribute to the Project by the Catch-Up Payment Reduction Date, any semi-annual Reduction Date, or for any fiscal year, such failure shall in no event limit, diminish, or modify in any respect whatsoever the AOC's right to withhold such sums from the Court's TCTF allocation for each fiscal year during the TCTF Contributions Period, as, when, and in the amounts provided in this section 3.1 and the TCTF Contributions Schedule.

3.2. Certain AOC Obligations.

3.2.1. Compliance with Procedure for TCTF Reduction Amounts. The AOC Finance Division, Office of Budget Management, will comply with the procedure for reducing the Court's annual allocation from the TCTF by the TCTF Reduction Amounts in accordance with section 3.1 of this MOU, and will notify the Court from time to time of the distribution of the TCTF Reduction Amounts toward payments made with respect to the Project.

3.2.2. Monitoring of Expenditures. The AOC's Office of Court Construction and Management shall monitor (i) expenditures of the TCTF Reduction Amounts for the Project from the CFARF, the ICNA, and any other fund or account into which DOF directs the AOC to deposit any of the TCTF Reduction Amounts, and (ii) expenditures of the FF&E Contribution directly from the TCTF for furniture, fixtures, and equipment for the Project pursuant to section 2.5 of this MOU, and shall make copies of supporting detail available to the Court upon the Court's written request, but in no event more frequently than twice per fiscal year.

3.2.3. Equitable Adjustment. If the AOC is able to complete the Project in accordance with the Budget, the total, combined amount of the Court's TCTF

Contributions to the Project are expected to comprise approximately 30 percent of the total cost to design, develop, construct, finance, and complete the Project. However, during the period from the Effective Date until the date of Budget Act approval of construction funding for the Project, the Court's TCTF Contributions to the Project are expected to materially exceed the Judicial Council's financial contributions to the Project. As such, if the AOC makes a final determination, at any time prior to the date of Budget Act approval of the construction funding for the Project, that the Project will not be built, the AOC and the Court will promptly meet and confer to discuss whether and to what extent it is appropriate for the AOC to reimburse to the Court an equitable portion of the total TCTF Contributions that have been made by the Court, through TCTF reductions implemented by the AOC under section 3.1 of this MOU. If the Parties are not able to reach agreement during that meet and confer process concerning whether or to what extent any such equitable adjustment is appropriate, then at the request of either Party, the Parties shall endeavor to resolve the issue through the dispute-resolution process described in section 4.2 of this MOU.

3.2.4. Management of Project. Subject to the County's completion of the donation of the Land in accordance with the Donation Agreement, the County's compliance with its obligations under the Los Gatos Transfer Agreement, and the Court's performance of its financial obligations under this MOU, the AOC shall contract for, manage, and administer the design, development, construction, financing, completion, and operation of the Project for the benefit of the Court in accordance with the Budget.

3.2.5. Final Project Accounting; Disposition of TCTF Contributions Not Required For Project. Within 180 days after completion of the Project, payment of all Project costs reflected in the Budget, and payment in full of the State Bond Financing, the AOC shall deliver to the Court a final accounting for the Project, which shall reflect the sources and uses of all funds used to pay costs associated with the design, development, financing, construction, and completion of the Project, including without limitation all TCTF Reduction Amounts withheld by the AOC from the Court's TCTF allocation during the TCTF Contributions Period under section 3.1 of this MOU. If, pursuant to such final Project accounting, any portion of the TCTF Reduction Amounts have not been expended by the AOC toward payment of Project costs or payment of debt service on the State Bond Financing, the AOC shall reimburse and return all such excess and unused TCTF Reduction Amounts to the Court at the time that the AOC delivers the final Project accounting to the Court.

3.3. Certain Court Obligations. This MOU is approved by the Parties based, in part, upon the Court's promise and obligation to (i) manage the impact of the Court's share of any reductions included in the State budget; (ii) plan on the potential of additional reductions in the State budget during the period that the Court remains obligated to pay the Court Contributions toward the Project; and (iii) address the Court's share of any statewide allocation of costs for statewide administrative infrastructure, to

ensure that the Court at all times has sufficient financial resources to honor its financial commitments to the Project and to pay all Court Contributions as and when provided for in this MOU. The Parties hereby acknowledge their understanding that, even if the Court is in full compliance with the terms of this MOU, the AOC has, and hereby expressly reserves, the right (but not the obligation) to terminate, modify, or restructure the Project, in the AOC's sole discretion, if the County does not perform in full its obligations under the Donation Agreement or the Los Gatos Transfer Agreement.

4. MISCELLANEOUS PROVISIONS.

4.1. Effective Date and Termination. This MOU takes effect on the Effective Date and shall remain in full force and effect unless and until it is terminated by the Court's full payment and performance of all of the Court Contributions contemplated in this MOU or by a writing signed by both of the Parties hereto.

4.2. Dispute Resolution. If a disagreement or dispute arises between the Parties regarding the terms of this MOU, the Parties will attempt to resolve their disagreement by unassisted negotiation between AOC staff and Court staff at the operating level. If the Parties are not able to fully and finally resolve their disagreement through such discussions, the Parties will refer the matter to the then Presiding Judge of the Court and the then Chief Deputy Director of the AOC for resolution.

4.3. Counterparts. This MOU may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

4.4. Entire Agreement. This MOU, including the recitals herein and the Exhibits attached hereto, contains the entire and complete understanding and agreement of the Parties hereto with respect to the subject matter of this MOU, and supersedes any and all other prior or contemporaneous agreements, representations, or understandings between the Parties, oral or written.

4.5. Amendment. This MOU can be amended only by a written document signed by both Parties.

4.6. Time of Performance. Unless otherwise specifically provided in this MOU, all references to days herein shall be deemed to refer to calendar days. If the final date for payment of any amount or performance of any duty falls on a Saturday, Sunday, holiday, or furlough day, such payment shall be made or duty performed on the next succeeding business day.

4.7. Further Assurances. Each Party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time in order to effectuate the terms and intent of this MOU.

4.8. Time of the Essence. Time is of the essence with respect to each and every provision of this MOU.

4.9. Waivers. Any waiver by a Party to this MOU of any term or breach of this MOU shall not constitute a waiver or any other provision or breach on the same occasion or a waiver of the same or any other provision or breach on any other occasion.

4.10. Binding Effect. This MOU shall be binding upon and shall inure to the benefit of the AOC and the Court and their respective successors.

4.11. Counsel and Drafting. Each Party has had the opportunity to participate in the drafting and preparation of this MOU and represents that it has reviewed this MOU with its own counsel. No Party shall deny the validity of this MOU on the ground that such Party did not have the advice of counsel in connection with this MOU. The terms of this MOU shall not be construed for or against either Party as the principal draftsperson hereof.

4.12. Severability. If any term of this MOU is inconsistent with applicable law, then upon the request of either Party, the Parties will meet and confer in good faith to determine how to amend the inconsistent term in a manner consistent with law, but all parts of this MOU not affected by the inconsistency shall remain in full force and effect.

4.13. Governing Law. This MOU shall be governed and construed in accordance with the internal laws of the State of California without resort to choice of law principles.

4.14. Authority to Execute this MOU. The Court and the AOC each certify that the individual signing this MOU on its behalf has the authority to execute this MOU on its behalf.

4.15. Recitals Incorporated. The recitals in this MOU and the Exhibits attached to this MOU are hereby incorporated into and a part of this MOU for all purposes.

[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: _____
Name: Dianne Barry
Title: Attorney

JUDICIAL COUNCIL OF CALIFORIA, ADMINISTRATIVE OFFICE OF THE COURTS

By: _____
Name: Grant Walker
Title: Senior Manager, Business Services

APPROVED AS TO FORM:

By: _____
Name: David Yamasaki
Title: Court Executive Officer

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA

By: _____
Name: Hon. Jamie Jacobs-May
Title: Presiding Judge

EXHIBIT "A"

ESTIMATED PROJECT BUDGET

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Expenditures									
State Operations									
Debt Service						17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*0*	*0*	*0*	*0*	*0*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)									
Planning									
Acquisition	3,905,000	2,300,000							
Preliminary Plans		11,111,000							
Working Drawings			14,637,000						
Construction (Financed)					0				
Subtotal - Capital Outlay	*3,905,000*	*13,411,000*	*14,637,000*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	3,906,000	13,411,000	14,637,000	0	0	17,124,500	17,124,500	17,124,500	17,124,500
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*	-105,879	-105,879	-105,879	-105,879	-105,879	-2,860,187	-2,816,262	-2,771,390	-2,732,139
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-8,800,000	-2,500,000	-2,500,000	-2,500,000	-3,500,000	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility		-4,000,000							
Subtotal - CFP/Court/County Contributions:	-8,905,879	-6,605,879	-2,605,879	-2,605,879	-3,605,879	-7,891,444	-7,847,519	-7,802,647	-7,763,396
Net Expenditures (ICNA) - including fund transfers and outside contributions	-5,000,879	6,805,121	12,031,121	-2,605,879	-3,605,879	9,233,056	9,276,981	9,321,853	9,361,104

Assumptions:
New Courthouse: 233,906 square feet, $240.727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Expenditures									
State Operations									
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)									
Planning									
Acquisition									
Preliminary Plans									
Working Drawings									
Construction (Financed)									
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*	-2,691,905	-2,650,654	-2,608,368	-2,565,020	-2,520,584	-2,505,372	-2,428,332	-2,349,210	-2,267,948
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility									
Subtotal - CFP/Court/County Contributions:	**-7,723,162**	**-7,681,911**	**-7,639,624**	**-7,596,276**	**-7,551,841**	**-7,536,629**	**-7,459,589**	**-7,380,467**	**-7,299,205**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**9,401,338**	**9,442,589**	**9,484,876**	**9,528,224**	**9,572,659**	**9,587,871**	**9,664,911**	**9,744,033**	**9,825,295**

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Expenditures										
State Operations										
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)										
Planning										
Acquisition										
Preliminary Plans										
Working Drawings										
Construction (Financed)										
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)										
CFTF (Fund 3066) - CFP (Offset)*	-2,184,489	-2,098,773	-2,010,739	-1,920,323	-1,827,461	-1,732,087	-1,634,132	-1,533,525	-1,430,196	-1,324,070
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility										
Subtotal - CFP/Court/County Contributions:	**-7,215,746**	**-7,130,030**	**-7,041,996**	**-6,951,580**	**-6,858,718**	**-6,763,343**	**-6,665,388**	**-6,564,782**	**-6,461,453**	**-6,355,327**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**9,908,754**	**9,994,470**	**10,082,504**	**10,172,920**	**10,265,782**	**10,361,157**	**10,459,112**	**10,559,718**	**10,663,047**	**10,769,173**

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	Total
Expenditures								
State Operations								
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	513,735,000
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	513,735,000
Capital Outlay (Pay as you go)								
Planning								6,205,000
Acquisition								11,111,000
Preliminary Plans								14,637,000
Working Drawings								0
Construction (Financed)								*31,953,000*
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	545,688,000
Total Expenditures	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	
Less Offsets (Transfers to Fund/Miscellaneous Revenue)								
CFTF (Fund 3066) - CFP (Offset)*	-1,215,071	-1,103,121	-988,140	-870,044	-748,751	-624,172	-496,218	-68,038,080
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-170,737,702
County of Santa Clara - Sale of Los Gatos Facility								-4,000,000
Subtotal - CFP/Court/County Contributions:	-6,246,328	-6,134,378	-6,019,396	-5,901,301	-5,780,008	-5,655,429	-5,527,475	-232,775,782
Net Expenditures (ICNA) - including fund transfers and outside contributions	10,878,172	10,990,122	11,105,104	11,223,199	11,344,492	11,469,071	11,597,025	312,912,218

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT "B"

TCTF CONTRIBUTIONS SCHEDULE

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Revenues									
Court Reserves	4,000,000								
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)	2,300,000								
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***9,800,000***	***3,500,000***	***3,500,000***	***3,500,000***	***3,500,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)	1,000,000	1,000,000	1,000,000	1,000,000					
Janitorial (Court)						439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	***1,000,000***	***1,000,000***	***1,000,000***	***1,000,000***	***0***	***439,743***	***439,743***	***439,743***	***439,743***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**8,800,000**	**2,500,000**	**2,500,000**	**2,500,000**	**3,500,000**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-4,400,000*	*-1,250,000*	*-1,250,000*	*-1,250,000*	*-1,750,000*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-4,400,000*	*-1,250,000*	*-1,250,000*	*-1,250,000*	*-1,750,000*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Revenues									
Court Reserves									
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)									
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)									
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Revenues										
Court Reserves										
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)										
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures										
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)										
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	Total
Revenues								
Court Reserves								4,000,000
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)								2,300,000
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	87,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	94,130,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***187,930,000***
Expenditures								
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)								4,000,000
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	13,192,298
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	***17,192,298***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	170,737,702
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-85,368,851*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-85,368,851*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

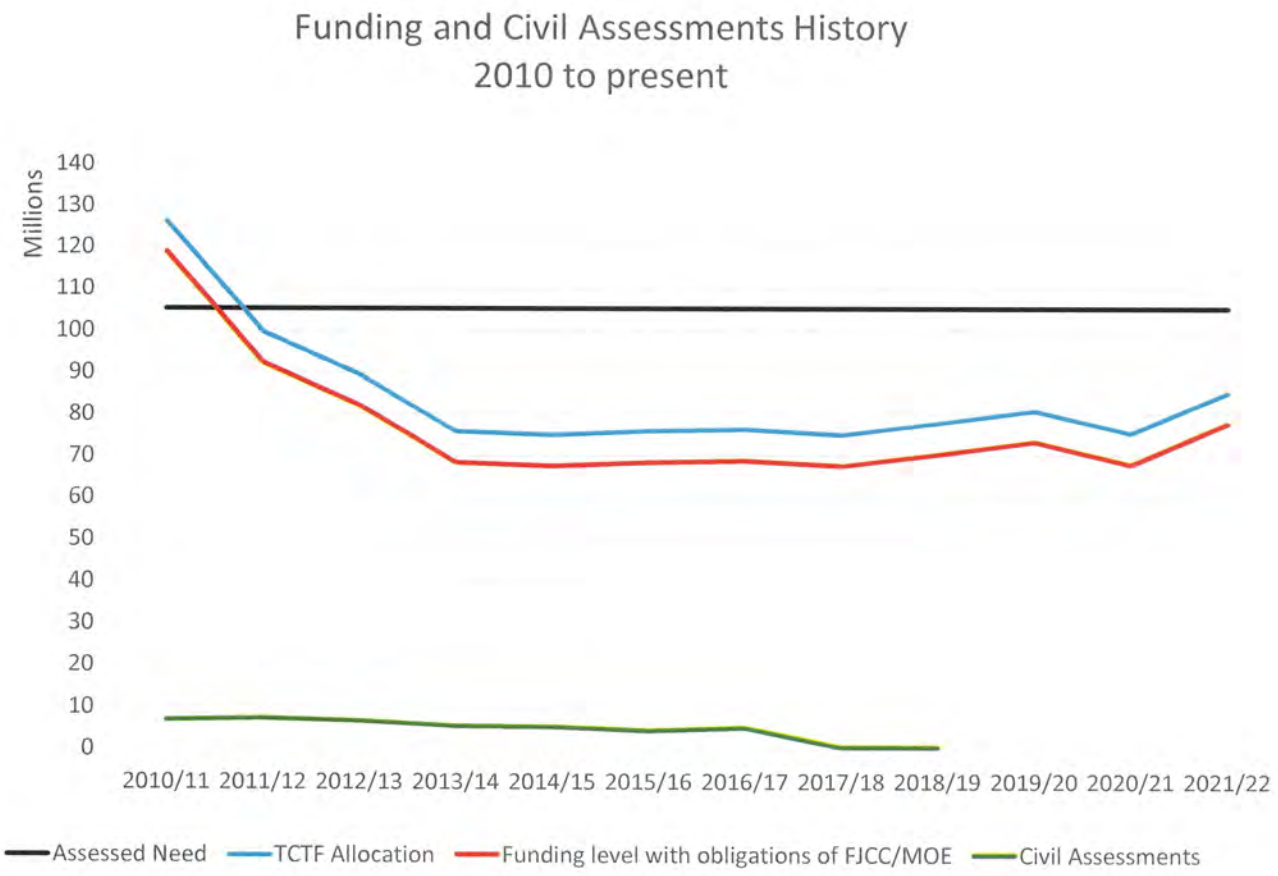
Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

ATTACHMENT 3


Funding and Civil Assessments History
2010 to present
Millions
140
130
120
110
100
90
80
70
60
50
40
30
20
10
0
2010/11 2011/12 2012/13 2013/14 2014/15 2015/16 2016/17 2017/18 2018/19 2019/20 2020/21 2021/22
Assessed Need
TCTF Allocation
Funding level with obligations of FJCC/MOE
Civil Assessments

ATTACHMENT 4

Item 9
History of County Maintenance of Effort Obligations Supporting Trial Court Operations
(Informational Item)

Issue

At its August 5, 2015 business meeting, the subcommittee received an oral report with attachments providing an overview regarding county Maintenance of Effort obligations to the Trial Court Trust Fund (TCTF) supporting trial court operations. As a result of the presentation, members asked that a written report be provided to be available for subcommittee members' reference as necessary. This report is intended provide the information requested.

Background

With the passage of the Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)), existing joint state and county trial court funding financing provisions established by the Brown-Presley Trial Court Funding Act of 1988, as amended by subsequent action of the Legislature, was repealed and the state assumed sole responsibility for the funding of court operations in 1997–1998 (as defined in Section 77003 and Rule 810 of the California Rules of Court as it read on July 1, 1996).[1] As part of granting the counties relief from any direct responsibility to fund trial court operations costs, the counties were required to make quarterly installments into the TCTF under Government Code (GC) sections 77201(b)(1) and (b)(2) capped at the amounts of (1) county general fund money provided for support of the courts in fiscal year 1994–1995 ("County Expenditure Maintenance of Effort Obligation"), and (2) specified fine and penalty revenues the county remitted to the state in fiscal year 1994–1995 (County Revenue Maintenance of Effort Obligation"). [2] In 1997–1998, these county obligations amounted to $890.0 million and $291.4 million respectively (see column A of attachments 9B and 9C).[3] Also, those fine and forfeiture revenues identified under the county revenue Maintenance of Effort obligation were returned to the counties to provide them with the revenues needed to meet their obligation to the TCTF.[4] Over time, the amounts and the number of counties obligated have changed as a result of legislative action with those changes detailed below for each county Maintenance of Effort (MOE) obligation.

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[1] Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233).* pp. 3, 42-47. http://telesource.com/communique/documentation/233.pdf.

[2] Ibid., p. 49.

[3] Government Code sections 77201(b)(1) and (b)(2).

[4] Fines and forfeitures pursuant to Government Code sections 27361 and 76000; Penal Code sections 1463.001, 1463.005, 1463.007, 1463.009, 1463.07, and 1464; and Vehicle Code sections 42007 and 42007.1. Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233).* p.4.

County Expenditure Maintenance of Effort Obligation History

The Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)) included an ongoing reduction to the counties' expenditure MOE obligation beginning in 1998–1999 under GC section 77201.1 (b)(1) that reduced the obligation amount of counties with a population of less than 70,000 to zero, $10.7 million of relief for 20 counties, and reduced the obligation of the remaining 38 counties by $273.8 million resulting in an obligation amount of $605.5 million as a result (see columns B and C of attachment 9B).[5] This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Counties' expenditure MOE obligation amounts were further adjusted in 1998–1999 under a provision included in AB 233 under GC section 77201(c) that allowed the court and/or county to seek an adjustment from the Department of Finance (DOF) to the expenditure MOE amount by February 15, 1998.[6] Assembly Bill 1590 (Stats. 1998, ch.406) reflected adjustments for 35 counties under this provision with the MOE obligation reduction amount of $33.8 million bringing the total county expenditure MOE obligation in 1998–1999 to $571.7 million (see columns D and E of attachment 9B).[7] This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Only one other adjustment to the county expenditure MOE obligation impacted multiple counties. Assembly Bill 2788 (Stats. 1998, ch. 1017) beginning in 1999–2000, increased the number of counties no longer contributing an expenditure MOE obligation amount from the 20 smallest counties to the 38 smallest counties and reduced the obligation amount for each of the remaining 20 counties by ten percent.[8] This resulted in a $96.6 million decrease in the county expenditure MOE obligation amount to $475.1 million which was replaced by an increased General Fund transfer to the TCTF (see columns F and G of attachment 9B).

One final adjustment was made beginning in 2006–2007 related to Los Angeles County. As modified under Assembly Bill 227 (Stats. 2007, ch. 383), GC section 77201.3(a)(1) increased the county's obligation by $23.5 million for the employer-paid retirement contribution the county paid for court employees in 1994–1995. This raised the total expenditure MOE obligation

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[5] Ibid., pp. 59-61.

[6] Ibid., pp. 54-56. The county could submit a declaration to the DOF to seek adjustments to the MOE amount: 1. to correct errors in reporting of expenditures resulting in the county obligation being too high; 2. to remove extraordinary one-time costs funded in the base year which unfairly misrepresented the normal costs of operating the courts; and 3. to remove costs that were funded by grants or subventions. The court could submit a declaration to the DOF stating (1) the county failed to report certain county costs of court operations for fiscal year 1994–1995, and (2) this failure resulted in the MOE amount being too low. The exclusion of any allowable costs understates (1) the costs courts might incur in the future and (2) the amount counties contributed to court operations. The DOF had 30 to act on the declaration.

[7] *Trial Court Funding Resource Manual: Second Edition 1998.* pp. 62-63. http://www.courts.ca.gov/partners/documents/TCFWG4-AdministrativeOfficeoftheCourtsResourceManualChangesMade-1997-1998.pdf.

[8] Ibid., pp. 64-65.

amount to $498.6 million where it stands today in 2015–2016 (see columns H and I of attachment 9B).

County Revenue Maintenance of Effort Obligation History

The Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)) included an ongoing reduction to the counties' expenditure MOE obligation beginning in 1998–1999 under GC section 77201.1 (b)(2) that reduced the obligation amount of counties and cities and replaced $66.2 million in MOE contributions with General Fund transfer amounts to the TCTF (see columns B and C of attachment 9C). Of the $66.2 million, $4.3 million of the relief provided was to five counties that had historically contributed more in fine, fee, and penalty revenues to the state than they received in state funding for court operations: Placer (310,923), Riverside (3,346,334), San Joaquin (131,975), San Mateo (473,498), and Ventura (61,945). In addition, cities were given approximately $62 million in relief and were allowed to retain 100 percent of base fines from city arrests and other city-generated traffic fine revenue.[9] Assembly Bill 1590 (Stats. 1998, ch.406) further adjusted county revenue MOE obligation amounts in 1998–1999 for 6 counties in the amount of $1.2 million as those counties' MOE amounts were initially based on 13 rather than 12 months' revenue data. As a result the MOE obligation amount in 1998–1999 was reduced to $224.0 million (see columns D and E of attachment 9B). This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.[10]

In 1999–2000, two separate pieces of legislation, Assembly Bill 2788 (Stats. 1998, ch. 1017) and Senate Bill 815 (Stats. 2000, ch. 671), reduced the MOE obligation for one court as that county's MOE amounts were initially based on 13 rather than 12 months' revenue data, granted relief to one county, and corrected a transposition error between two counties to reduce the total MOE obligation $1 million to $223.0 million (see Columns F through I of attachment 9C). This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Further and final adjustments to-date to the county MOE obligation did not occur until 2006–2007, first initiated by the passage of Assembly Bill (AB) 139 (Stats. 2005, ch. 74) and further impacted by the passage of Assembly Bill 145 (Stats. 2005, ch. 75). Assembly Bill 139 added GC section 68085.7 which served as a solution to a problem presented by Assembly Bill 1759 (Stats. 2003, ch. 159) after a long negotiation between the California State Association of the Counties (CSAC) and the Administrative Office of the Courts (AOC) (now the Judicial Council of California). AB 1759 (Stats. 2003, ch. 159) established GC section 68085.5 requiring the CSAC and AOC to come to an agreement on the distribution certain fees, sanctions and penalties

[9] Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233).* pp. 59-60.
[10] Ibid., p. 59.

listed in GC 68085.5(a), (b) and (f) with the distribution to take effect July 1, 2005. Civil assessments imposed pursuant to Penal Code section 1214.1 were included among those items. In addition, AB 1759 required that all fines and fees not currently a part of local revenue sharing agreements were to be remitted by the counties to the TCTF in an amount not to exceed $31 million and the General Fund transfer to the TCTF was then reduced by $31 million as an interim solution. As part of the agreement, GC section 68085.7 required that county revenue MOE obligation amounts be reduced based on the 2003–2004 county civil assessment revenues which would then be designated by AB 145 as TCTF revenues beginning January 1, 2006.[11] Each court and county was required to report the revenue amount, jointly if they agreed, to the CSAC and the AOC. As a result of those reported revenues, the MOE obligation amount was reduced up to $48.3 million beginning in 2006–2007 (AB 227 (Stats. 2007, ch.383)) (see Columns J and K of attachment 9C).[12] In lieu of allocating a reduction to the trial courts based on the reduced $48.3 million of revenue to the TCTF, the Judicial Council opted to recover the $48.3 million TCTF revenue shortfall by retaining in the TCTF that amount of the annual civil assessment revenue remitted by the trial courts and then distributing the remainder to the courts. In addition, the agreement added GC section 68085.6 which reduced the counties' interim $31 million obligation payments to the TCTF incrementally beginning in 2005–2006 until their contribution was reduced to zero in 2009–2010. This revenue shortfall was then allocated as a permanent $31 million reduction to the trial courts in 2009–2010.

Assembly Bill 145 added GC section 68085.2 which required that county revenue MOE obligation amounts be reduced based on the 2003–2004 county revenues of what were known as the "AB 233" fees which were designated by AB 139 as judicial branch revenues beginning January 1, 2006.[13] Each court and county were required to agree on the reduction amount and report that amount jointly to the CSAC and the AOC. As a result of those agreements, the MOE obligation amount was reduced $14.2 million beginning in 2006–2007 and half that amount in 2005–2006 (AB 227 (Stats. 2007, ch.383)) (see Columns L and M of attachment 9C). These "AB 233" revenues were retained in the TCTF to replace the revenue decrease from the MOE obligation amount reduction. As of 2015–2016, the total county revenue MOE obligation amount is $160.5 million.

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[11] Enhanced Civil Assessments Working Group. *Implementation of Assembly Bill 139 Provisions and Establishment of a Statewide Enhanced Civil Assessments Program (Action Required)*. Report to the Judicial Council. August 16, 2005. pp 7-9. http://www.courtinfo.ca.gov/courtadmin/jc/documents/reports/0805item8.pdf.

[12] Pursuant to GC 77201.3(a)(2)(B), Santa Clara County's obligation can be reduced by up to $2.5 million based on the level of net civil assessment revenues collected by Santa Clara Superior Court and Santa Clara County each fiscal year.

[13] Civil fees under Government Code sections 26823, 26827.4, 26830, 26832, 26832.1, 26833.1, 26835.1, 26836.1, 26837.1, 26838, 26850.1, 26851.1, 26852.1, 26853.1, 26855.4, and 72060; and Code of Civil Procedure section 116.230.

County Expenditure Maintenance of Effort Obligations

		AB 233, Stats. 1997, Ch. 850 GC 77201(b)(1) FY 1997-98	AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(1) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(1) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(1) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(1) FY 2006-07 & After	
	Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount
		Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
01	Alameda	$ 42,045,093	$ (12,490,817)	$ 29,554,276	$ (4,543,270)	$ 25,011,006	$ (2,501,101)	$ 22,509,905	$ -	$ 22,509,905
02	Alpine	46,044	(46,044)	-	-	-	-	-	-	-
03	Amador	900,196	(900,196)	-	-	-	-	-	-	-
04	Butte	2,604,611	(416,050)	2,188,561	(2,939)	2,185,622	(2,185,622)	-	-	-
05	Calaveras	420,893	(420,893)	-	-	-	-	-	-	-
06	Colusa	309,009	(309,009)	-	-	-	-	-	-	-
07	Contra Costa	21,634,450	(7,080,622)	14,553,828	(1,248,789)	13,305,039	(1,330,504)	11,974,535	-	11,974,535
08	Del Norte	780,786	(780,786)	-	-	-	-	-	-	-
09	El Dorado	3,888,927	(1,246,099)	2,642,828	(183,443)	2,459,385	(2,459,385)	-	-	-
10	Fresno	13,355,025	(2,134,703)	11,220,322	1,249,433	12,469,755	(1,246,975)	11,222,780	-	11,222,780
11	Glenn	371,607	(371,607)	-	-	-	-	-	-	-
12	Humboldt	2,437,196	(414,061)	2,023,135	(221,356)	1,801,779	(1,801,779)	-	-	-
13	Imperial	2,055,173	(200,000)	1,855,173	(13,302)	1,841,871	(1,841,871)	-	-	-
14	Inyo	546,508	(546,508)	-	-	-	-	-	-	-
15	Kern	16,669,917	(4,432,559)	12,237,358	(1,976,790)	10,260,568	(1,026,057)	9,234,511	-	9,234,511
16	Kings	2,594,901	(613,575)	1,981,326	(342,025)	1,639,301	(1,639,301)	-	-	-
17	Lake	975,311	(975,311)	-	-	-	-	-	-	-
18	Lassen	517,921	(517,921)	-	-	-	-	-	-	-
19	Los Angeles	291,872,379	(91,275,971)	200,596,408	(5,784,578)	194,811,830	(19,481,183)	175,330,647	23,527,949	198,858,596
20	Madera	1,242,968	(200,001)	1,042,967	93,475	1,136,442	(1,136,442)	-	-	-
21	Marin	6,837,518	(2,109,663)	4,727,855	116,393	4,844,248	(4,844,248)	-	-	-
22	Mariposa	177,880	(177,880)	-	-	-	-	-	-	-
23	Mendocino	1,739,605	(200,000)	1,539,605	20,582	1,560,187	(1,560,187)	-	-	-
24	Merced	1,363,409	(200,000)	1,163,409	1,306,467	2,469,876	(2,469,876)	-	-	-
25	Modoc	114,249	(114,249)	-	-	-	-	-	-	-
26	Mono	271,021	(271,021)	-	-	-	-	-	-	-
27	Monterey	5,739,655	(199,999)	5,539,656	(516,422)	5,023,234	(502,323)	4,520,911	-	4,520,911
28	Napa	2,866,986	(735,941)	2,131,045	253,317	2,384,362	(2,384,362)	-	-	-
29	Nevada	815,130	(200,000)	615,130	-	615,130	(615,130)	-	-	-
30	Orange	76,567,372	(24,225,977)	52,341,395	(9,179,170)	43,162,225	(4,316,222)	38,846,003	-	38,846,003
31	Placer	6,450,175	(2,521,781)	3,928,394	(2,117,868)	1,810,526	(1,810,526)	-	-	-
32	Plumas	413,368	(413,368)	-	-	-	-	-	-	-
33	Riverside	32,524,412	(11,298,249)	21,226,163	(1,384,784)	19,841,379	(1,984,138)	17,857,241	-	17,857,241
34	Sacramento	40,692,954	(14,894,890)	25,798,064	(2,761,104)	23,036,960	(2,303,696)	20,733,264	-	20,733,264
35	San Benito	460,552	(460,552)	-	-	-	-	-	-	-
36	San Bernardino	31,516,134	(8,979,580)	22,536,554	(61,996)	22,474,558	(2,247,456)	20,227,102	-	20,227,102
37	San Diego	77,637,904	(26,873,030)	50,764,874	(2,436,061)	48,328,813	(4,832,881)	43,495,932	-	43,495,932
38	San Francisco	31,142,353	(10,410,920)	20,731,433	707,792	21,439,225	(2,143,922)	19,295,303	-	19,295,303
39	San Joaquin	9,102,834	(1,972,882)	7,129,952	140,124	7,270,076	(727,008)	6,543,068	-	6,543,068
40	San Luis Obispo	6,840,067	(2,392,517)	4,447,550	61,635	4,509,185	(4,509,185)	-	-	-
41	San Mateo	20,383,643	(7,204,162)	13,179,481	355,051	13,534,532	(1,353,453)	12,181,079	-	12,181,079
42	Santa Barbara	10,604,431	(3,087,996)	7,516,435	-	7,516,435	(751,643)	6,764,792	-	6,764,792
43	Santa Clara	49,876,177	(16,965,560)	32,910,617	(1,033,450)	31,877,167	(3,187,717)	28,689,450	-	28,689,450

County Expenditure Maintenance of Effort Obligations

		AB 233, Stats. 1997, Ch. 850 GC 77201(b)(1) FY 1997-98	AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(1) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(1) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(1) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(1) FY 2006-07 & After	
	Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount
44	Santa Cruz	6,449,104	(1,814,368)	4,634,736	(241,856)	4,392,880	(4,392,880)	-	-	-
45	Shasta	3,369,017	(618,453)	2,750,564	(495,671)	2,254,893	(2,254,893)	-	-	-
46	Sierra	40,477	(40,477)	-	-	-	-	-	-	-
47	Siskiyou	478,144	(478,144)	-	-	-	-	-	-	-
48	Solano	10,780,179	(3,804,670)	6,975,509	(39,219)	6,936,290	(693,629)	6,242,661	-	6,242,661
49	Sonoma	9,273,174	(2,548,885)	6,724,289	122,895	6,847,184	(684,718)	6,162,466	-	6,162,466
50	Stanislaus	8,320,727	(2,448,543)	5,872,184	(1,976,299)	3,895,885	(389,588)	3,506,297	-	3,506,297
51	Sutter	1,718,287	(329,479)	1,388,808	(971,943)	416,865	(416,865)	-	-	-
52	Tehama	1,352,370	(1,352,370)	-	-	-	-	-	-	-
53	Trinity	620,990	(620,990)	-	-	-	-	-	-	-
54	Tulare	6,981,681	(1,729,293)	5,252,388	(139,623)	5,112,765	(5,112,765)	-	-	-
55	Tuolumne	1,080,723	(1,080,723)	-	-	-	-	-	-	-
56	Ventura	16,721,157	(5,328,703)	11,392,454	(576,687)	10,815,767	(1,081,577)	9,734,190	-	9,734,190
57	Yolo	2,564,985	(200,001)	2,364,984	-	2,364,984	(2,364,984)	-	-	-
58	Yuba	842,240	(842,240)	-	-	-	-	-	-	-
	Total	**$ 889,999,999**	**$ (284,520,289)**	**$ 605,479,710**	**$ (33,821,481)**	**$ 571,658,229**	**$ (96,586,092)**	**$ 475,072,137**	**$ 23,527,949**	**$ 498,600,086**
	Counties	**58**	**58**	**38**	**35**	**38**	**38**	**20**	**1**	**20**

County Revenue Maintenance of Effort Obligations

	Court	AB 233, Stats. 1997, Ch. 850 GC 77201(b)(2) FY 1997-98 Amount	AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(2) FY 1998-99 Adjustment	AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(2) FY 1998-99 Amount	AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(2) FY 1998-99 Adjustment	AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(2) FY 1998-99 Amount	AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(2) FY 1999-00 Adjustment	AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(2) FY 1999-00 Amount	SB 815, Stats. 2000, Ch. 671 GC 77201.1(b)(2) FY 1999-00 to FY 2005-06 Adjustment	SB 815, Stats. 2000, Ch. 671 GC 77201.1(b)(2) FY 1999-00 to FY 2005-06 Amount	AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[1] Adjustment	AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[1] Amount	AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[2] Adjustment	AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[2] Amount
		Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M
01	Alameda	$ 12,769,882	$ (2,857,726)	$ 9,912,156	$ -	$ 9,912,156	$ -	$ 9,912,156	$ -	$ 9,912,156	$ (1,796,656)	$ 8,115,500	$ (585,686)	$ 7,529,814
02	Alpine	58,757	-	58,757	-	58,757	-	58,757	-	58,757	-	58,757	(298)	58,459
03	Amador	377,005	(111,298)	265,707	-	265,707	-	265,707	-	265,707	-	265,707	(4,089)	261,618
04	Butte	1,437,671	(220,619)	1,217,052	-	1,217,052	-	1,217,052	-	1,217,052	(365,845)	851,207	(53,695)	797,512
05	Calaveras	418,558	(108,227)	310,331	-	310,331	-	310,331	-	310,331	-	310,331	(12,084)	298,247
06	Colusa	485,040	(87,572)	397,468	-	397,468	-	397,468	-	397,468	-	397,468	(3,466)	394,002
07	Contra Costa	5,646,329	(1,478,135)	4,168,194	-	4,168,194	-	4,168,194	318,292	4,486,486	(1,045,423)	3,441,063	(304,656)	3,136,407
08	Del Norte	727,852	(174,122)	553,730	-	553,730	-	553,730	(429,645)	124,085	-	124,085	(3,487)	120,598
09	El Dorado	1,217,093	(188,744)	1,028,349	-	1,028,349	-	1,028,349	-	1,028,349	(251,264)	777,085	(44,479)	732,606
10	Fresno	4,505,786	(810,153)	3,695,633	-	3,695,633	-	3,695,633	-	3,695,633	-	3,695,633	(159,469)	3,536,164
11	Glenn	455,389	(94,415)	360,974	-	360,974	-	360,974	-	360,974	(67,848)	293,126	(112)	293,014
12	Humboldt	1,161,745	(136,162)	1,025,583	-	1,025,583	-	1,025,583	-	1,025,583	(57,562)	968,021	(34,420)	933,601
13	Imperial	1,350,760	(206,099)	1,144,661	-	1,144,661	-	1,144,661	-	1,144,661	-	1,144,661	(69,386)	1,075,275
14	Inyo	878,321	(263,401)	614,920	-	614,920	-	614,920	-	614,920	-	614,920	(4,482)	610,438
15	Kern	6,688,247	(1,157,275)	5,530,972	-	5,530,972	-	5,530,972	-	5,530,972	(161,109)	5,369,863	(122,812)	5,247,051
16	Kings	1,115,601	(133,393)	982,208	-	982,208	-	982,208	-	982,208	(201,707)	780,501	(20,784)	759,717
17	Lake	424,070	(48,500)	375,570	-	375,570	-	375,570	-	375,570	(231,464)	144,106	(11,103)	133,003
18	Lassen	513,445	(83,282)	430,163	-	430,163	-	430,163	-	430,163	(41,842)	388,321	(8,760)	379,561
19	Los Angeles	89,771,310	(18,769,181)	71,002,129	-	71,002,129	-	71,002,129	-	71,002,129	(19,046,032)	51,956,097	(4,932,531)	47,023,566
20	Madera	1,207,998	(165,201)	1,042,797	-	1,042,797	-	1,042,797	-	1,042,797	-	1,042,797	(17,113)	1,025,684
21	Marin	2,700,045	(588,333)	2,111,712	-	2,111,712	-	2,111,712	-	2,111,712	-	2,111,712	(101,684)	2,010,028
22	Mariposa	135,457	-	135,457	-	135,457	-	135,457	-	135,457	-	135,457	(3,846)	131,611
23	Mendocino	948,837	(193,157)	755,680	(38,605)	717,075	-	717,075	-	717,075	(246,643)	470,432	(29,395)	441,037
24	Merced	2,093,355	(360,199)	1,733,156	-	1,733,156	-	1,733,156	-	1,733,156	(83,772)	1,649,384	(49,157)	1,600,227
25	Modoc	122,156	(17,427)	104,729	-	104,729	-	104,729	-	104,729	-	104,729	(931)	103,798
26	Mono	415,136	-	415,136	-	415,136	-	415,136	-	415,136	-	415,136	(5,389)	409,747
27	Monterey	3,855,457	(525,332)	3,330,125	-	3,330,125	-	3,330,125	-	3,330,125	(563,067)	2,767,058	(104,060)	2,662,998
28	Napa	874,219	(152,782)	721,437	(2,269)	719,168	-	719,168	-	719,168	-	719,168	(8,336)	710,832
29	Nevada	1,378,796	(158,110)	1,220,686	-	1,220,686	-	1,220,686	-	1,220,686	-	1,220,686	(22,739)	1,197,947
30	Orange	24,830,542	(5,257,732)	19,572,810	-	19,572,810	-	19,572,810	-	19,572,810	(2,797,167)	16,775,643	(1,172,159)	15,603,484
31	Placer	2,182,230	(938,476)	1,243,754	-	1,243,754	-	1,243,754	-	1,243,754	(333,386)	910,368	(74,901)	835,467
32	Plumas	225,080	(31,308)	193,772	-	193,772	-	193,772	-	193,772	(34,162)	159,610	(5,226)	154,384
33	Riverside	13,328,445	(5,646,701)	7,681,744	-	7,681,744	-	7,681,744	-	7,681,744	-	7,681,744	(573,196)	7,108,548
34	Sacramento	7,548,829	(1,108,556)	6,440,273	(503,069)	5,937,204	-	5,937,204	-	5,937,204	(3,651,494)	2,285,710	(456,018)	1,829,692
35	San Benito	346,451	(44,127)	302,324	-	302,324	-	302,324	-	302,324	(10,088)	292,236	(21,296)	270,940
36	San Bernardino	11,694,120	(2,601,740)	9,092,380	-	9,092,380	(581,187)	8,511,193	(348,000)	8,163,193	(4,202,181)	3,961,012	(635,308)	3,325,704
37	San Diego	21,410,586	(5,243,851)	16,166,735	-	16,166,735	-	16,166,735	-	16,166,735	(1,503,534)	14,663,201	(1,162,069)	13,501,132
38	San Francisco	5,925,950	(1,879,843)	4,046,107	-	4,046,107	-	4,046,107	-	4,046,107	-	4,046,107	(922,293)	3,123,814
39	San Joaquin	4,753,688	(1,190,853)	3,562,835	-	3,562,835	-	3,562,835	-	3,562,835	(1,239,420)	2,323,415	(164,612)	2,158,803
40	San Luis Obispo	2,573,968	(537,453)	2,036,515	-	2,036,515	-	2,036,515	-	2,036,515	(212,950)	1,823,565	(69,434)	1,754,131
41	San Mateo	7,124,638	(2,293,141)	4,831,497	-	4,831,497	-	4,831,497	-	4,831,497	(2,106,535)	2,724,962	(197,607)	2,527,355
42	Santa Barbara	4,094,288	(816,678)	3,277,610	-	3,277,610	-	3,277,610	-	3,277,610	(34,950)	3,242,660	(124,983)	3,117,677
43	Santa Clara	15,561,983	(3,964,400)	11,597,583	-	11,597,583	-	11,597,583	-	11,597,583	(2,500,000)	9,097,583	(636,290)	8,461,293
44	Santa Cruz	2,267,327	(365,231)	1,902,096	-	1,902,096	-	1,902,096	-	1,902,096	(331,940)	1,570,156	(74,465)	1,495,691
45	Shasta	1,198,773	(154,073)	1,044,700	-	1,044,700	-	1,044,700	-	1,044,700	(401,580)	643,120	(68,737)	574,383
46	Sierra	46,778	(4,245)	42,533	-	42,533	-	42,533	-	42,533	-	42,533	(723)	41,810
47	Siskiyou	801,329	(185,748)	615,581	-	615,581	-	615,581	-	615,581	(125,243)	490,338	(8,256)	482,082
48	Solano	3,757,059	(745,226)	3,011,833	(303,075)	2,708,758	-	2,708,758	-	2,708,758	(549,745)	2,159,013	(227,248)	1,931,765
49	Sonoma	2,851,883	(534,884)	2,316,999	-	2,316,999	-	2,316,999	-	2,316,999	(734,695)	1,582,304	(143,117)	1,439,187
50	Stanislaus	2,669,045	(813,876)	1,855,169	-	1,855,169	-	1,855,169	-	1,855,169	(600,860)	1,254,309	(174,382)	1,079,927
51	Sutter	802,574	(123,893)	678,681	-	678,681	-	678,681	-	678,681	-	678,681	(34,507)	644,174
52	Tehama	761,188	(120,885)	640,303	-	640,303	-	640,303	-	640,303	(4,941)	635,362	(7,404)	627,958
53	Trinity	137,087	-	137,087	-	137,087	-	137,087	-	137,087	(32,126)	104,961	(2,728)	102,233
54	Tulare	2,299,167	(458,745)	1,840,422	-	1,840,422	-	1,840,422	-	1,840,422	(405,601)	1,434,821	(89,135)	1,345,686
55	Tuolumne	440,496	(78,831)	361,665	-	361,665	-	361,665	-	361,665	(65,664)	296,001	(18,428)	277,573
56	Ventura	6,129,411	(1,554,062)	4,575,349	-	4,575,349	-	4,575,349	-	4,575,349	(1,898,388)	2,676,961	(393,467)	2,283,494

County Revenue Maintenance of Effort Obligations

		AB 233, Stats. 1997, Ch. 850 GC 77201(b)(2) FY 1997-98	AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(2) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(2) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(2) FY 1999-00		SB 815, Stats. 2000, Ch. 671 GC 77201.1(b)(2) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[1]		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After[2]	
	Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount
57	Yolo	1,516,065	(357,436)	1,158,629	(277,831)	880,798	-	880,798	-	880,798	(365,844)	514,954	(50,924)	464,030
58	Yuba	402,077	(83,835)	318,242	(28,917)	289,325	-	289,325	-	289,325	-	289,325	(15,888)	273,437
	Total	**$ 291,415,374**	**$ (66,224,674)**	**$ 225,190,700**	**$ (1,153,766)**	**$ 224,036,934**	**$ (581,187)**	**$ 223,455,747**	**$ (459,353)**	**$ 222,996,394**	**$ (48,302,728)**	**$ 174,693,666**	**$ (14,243,250)**	**$ 160,450,416**
	Counties	**58**	**54**	**58**	**6**	**58**	**1**	**58**	**3**	**58**	**38**	**58**	**58**	**58**

1. Adjustments for county buyouts pursuant to GC section 68085.7 (civil assessment). Pursuant to GC 77201.3(a)(2)(B), Santa Clara County's obligation can be reduced by up to $2.5 million based on the level of net civil assessment revenues collected by Santa Clara Superior Court and Santa Clara County each fiscal year.

2. Adjustments for county buyouts pursuant to GC section 68085.2 (AB 233 civil fees). Half of the adjustment amount was applied in FY 2005-06.

AB 1759 (Stats. 2003, ch. 159) mandated that the AOC and the California State Association of Counties (CSAC) develop by January 1, 2005, an equitable long-term distribution of specified filing and miscellaneous fees, sanctions and penalties heretofore known as undesignated fees and listed in GC 68085.5(a), (b) and (f) to take effect July 1, 2005. Included in these undesignated fees was the civil assessment imposed pursuant to PC 1214.1. In addition, AB 1759 required that all fines and fees not currently a part of local revenue sharing agreements were to be remitted by the counties to the TCTF in an amount not to exceed $31 million. The General Fund appropriation for the trial courts was then reduced by $31 million, with the intention that there would be no change in revenues to the courts statewide.

Maintenance of Effort-Related Statutes

Government Code section 77201.

(a) Commencing on July 1, 1997, no county shall be responsible for funding court operations, as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007.

(b) In the 1997–98 fiscal year, each county shall remit to the state in installments due on January 1, April 1, and June 30, the amounts specified in paragraphs (1) and (2), as follows:

(1) Except as otherwise specifically provided in this section, each county shall remit to the state the amount listed below which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year:

(2) Except as otherwise specifically provided in this section, each county shall also remit to the state the amount listed below which is based on an amount of fine and forfeiture revenue remitted to the state pursuant to Sections 27361 and 76000 of this code, Sections 1463.001 and 1464 of the Penal Code, and Sections 42007, 42007.1, and 42008 of the Vehicle Code during the 1994–95 fiscal year:

(3) The installment due on January 1 shall be for 25 percent of the amounts specified in paragraphs (1) and (2). The installments due on April 1 and June 30 shall be prorated uniformly to reflect any adjustments made by the Department of Finance, as provided in this section. If no adjustment is made by April 1, 1998, the April 1, 1998, installment shall be for 15 percent of the amounts specified in paragraphs (1) and (2). If no adjustment is made by June 30, 1998, the June 30, 1998, installment shall be for the balance of the amounts specified in paragraphs (1) and (2).

(4) Except as otherwise specifically provided in this section, county remittances specified in paragraphs (1) and (2) shall not be increased in subsequent years.

(5) Any change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (A) the fees, fines, and forfeitures retained by that county and (B) the county's portion of fines and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county's remittance specified in paragraph (2) by an equal amount. Nothing in this paragraph is intended to limit judicial sentencing discretion.

(c) The Department of Finance shall adjust the amount specified in paragraph (1) of subdivision (b) that a county is required to submit to the state, pursuant to the following:
(1) A county shall submit a declaration to the Department of Finance, no later than February 15, 1998, that the amount it is required to submit to the state pursuant to paragraph (1) of subdivision (b) either includes or does not include the costs for local judicial benefits which are court operation costs as defined in Section 77003 and Rule 10.810 of the California Rules of Court. The trial courts in a county that submits such a declaration shall be given a copy of the declaration and the opportunity to comment on the validity of the statements in the declaration. The Department of Finance shall verify the facts in the county's declaration and comments, if any. Upon verification that the amount the county is required to submit to the state includes the costs of local judicial benefits, the department shall reduce on or before June 30, 1998, the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) by an amount equal to the cost of those judicial benefits, in which case the county shall continue to be responsible for the cost of those benefits. If a county disagrees with the Department of Finance's failure to verify the facts in the county's declaration and reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b), the county may request that the Controller conduct an audit to verify the facts in the county's declaration. The Controller shall conduct the requested audit which shall be at the requesting county's expense. If the Controller's audit verifies the facts in the county's declaration, the department shall reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) by an amount equal to the amount verified by the Controller's audit and the state shall reimburse the requesting county for the cost of the audit.
(d) The Department of Finance shall adjust the amount specified in paragraph (1) of subdivision (b) of Section 77201.1 that a county is required to submit to the state, pursuant to the following procedures:
(1) A county may submit a declaration to the Department of Finance, no later than February 15, 1998, that declares that (A) the county incorrectly reported county costs as court operations costs as defined in Section 77003 in the 1994–95 fiscal year, and that incorrect report resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too high, (B) the

amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) includes amounts that were specifically appropriated, funded, and expended by a county or city and county during the 1994–95 fiscal year to fund extraordinary one-time expenditures for court operation costs, or (C) the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) includes expenses that were funded from grants or subventions from any source, for court operation costs that could not have been funded without those grants or subventions being available. A county submitting that declaration shall concurrently transmit a copy of the declaration to the trial courts of that county. The trial courts in a county that submits that declaration shall have the opportunity to comment to the Department of Finance on the validity of the statements in the declaration. Upon receipt of the declaration and comments, if any, the Department of Finance shall determine and certify which costs identified in the county's declaration were incorrectly reported as court operation costs or were expended for extraordinary one-time expenditures or funded from grants or subventions in the 1994–95 fiscal year. The Department of Finance shall reduce the amount a county must submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount the department certifies was incorrectly reported as court operations costs or were expended for extraordinary one-time expense or funded from grants or subventions in the 1994–95 fiscal year. If a county disagrees with the Department of Finance's failure to verify the facts in the county's declaration and reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1, the county may request that the Controller conduct an audit to verify the facts in the county's declaration. The Controller shall conduct the requested audit, which shall be at the requesting county's expense. If the Controller's audit verifies the facts in the county's declaration, the department shall reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount verified by the Controller's audit and the state shall reimburse the requesting county for the cost of the audit. A county shall provide, at no charge to the court, any service for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 was

adjusted downward, if the county is required to provide that service at no cost to the court by any other provision of law.

(2) A court may submit a declaration to the Department of Finance, no later than February 15, 1998, that the county failed to report county costs as court operations costs as defined in Section 77003 in the 1994–95 fiscal year, and that this failure resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too low. A court submitting that declaration shall concurrently transmit a copy of the declaration to the county. A county shall have the opportunity to comment to the Department of Finance on the validity of statements in the declaration and comments, if any. Upon receipt of the declaration, the Department of Finance shall determine and certify which costs identified in the court's declaration should have been reported by the county as court operation costs in the 1994–95 fiscal year and whether this failure resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too low. The Department of Finance shall notify the county, the trial courts in the county, and the Judicial Council of its certification and decision. Within 30 days, the county shall either notify the Department of Finance, trial courts in the county, and the Judicial Council that the county shall assume responsibility for the costs the county has failed to report, or that the department shall increase the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount certified by the department. A county shall not be required to continue to provide services for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 was adjusted upward.

(e) The Legislature hereby finds and declares that to ensure an orderly transition to state trial court funding, it is necessary to delay the adjustments to county obligation payments provided for by Article 3 (commencing with Section 77200) of Chapter 13 of Title 8, as added by Chapter 850 of the Statutes of 1997, until the 1998–99 fiscal year. The Legislature also finds and declares that since increase adjustments to the county obligation amounts will not take effect in the 1997–98 fiscal year, county charges for those services related to the increase adjustments shall not occur in the 1997–98 fiscal year. It is recognized that the counties have an obligation to provide, and the trial courts have an obligation to pay, for services provided by the county pursuant

to Section 77212. In the 1997–98 fiscal year, the counties shall charge for, and the courts shall pay, these obligations consistent with paragraphs (1) and (2).

(1) For the 1997–98 fiscal year, a county shall reduce the charges to a court for those services for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 is adjusted upward, by an amount equal to the lesser of the following:

(A) The amount of the increase adjustment certified by the department pursuant to paragraph (2) of subdivision (d).

(B) The difference between the actual amount charged and paid for from the trial court operations fund, and the amount charged in the 1994–95 fiscal year.

(2) For the 1997–98 fiscal year, any funds paid out of the trial court operations fund established pursuant to Section 77009 during the 1997–98 fiscal year to pay for those services for which there was an upward adjustment, shall be returned to the trial court operations fund in the amount equal to the lesser of the following:

(A) The amount of the increase adjustment certified by the department pursuant to paragraph (2) of subdivision (d).

(B) The difference between the actual amount charged and paid for from the trial court operations fund, and the amount charged in the 1994–95 fiscal year.

(3) The Judicial Council shall reduce the allocation to the courts by an amount equal to the amount of any increase adjustment certified by the Department of Finance, if the cost of those services was used in determining the Judicial Council's allocation of funding for the 1997–98 fiscal year.

(4) In the event the charges are not reduced as provided in paragraph (1) or the funds are not returned to the trial court operations fund as provided in paragraph (2), the trial court operations fund shall be refunded for the 1998–99 fiscal year. Funds provided to the trial court operations fund pursuant to this paragraph shall be available to the trial courts to meet financial obligations incurred during the 1997–98 fiscal year. To the extent that a trial court receives total resources for trial court funding from the county and the state for the 1997–98 fiscal year that exceeded the amount of the allocation approved by the Judicial Council by November 30, 1997, these amounts shall be available for expenditure in the 1998–99 fiscal year and the Judicial

Council shall reduce the 1998–99 fiscal year allocation of the court by an equal amount.

(f) Nothing in this section is intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 68073.

(g) Nothing in this section is intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of Division of Juvenile Justice charges.

(h) The Department of Finance shall notify the county, trial courts in the county, and Judicial Council of the final decision and resulting adjustment.

(i) On or before February 15, 1998, each county shall submit to the Department of Finance a report of the amount it expended for trial court operations as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007, between the start of the 1997–98 fiscal year and the effective date of this section. The department shall reduce the amount a county is required to remit to the state pursuant to paragraph (1) of subdivision (b) in the 1997–98 fiscal year by an amount equal to the amount a county expended for court operation costs between the start of the 1997–98 fiscal year and the effective date of this section. The department shall also reduce the amount a county is required to remit to the state pursuant to paragraph (2) of subdivision (b) in the 1997–98 fiscal year by an amount equal to the amount of fine and forfeiture revenue that a county remitted to the state between the start of the 1997–98 fiscal year and the effective date of this section. The department shall notify the county, the trial courts of the county, and the Judicial Council of the amount it has reduced a county's obligation to remit to the state pursuant to this subdivision.

Government Code section 77201.1.

(a) Commencing on July 1, 1997, no county shall be responsible for funding court operations, as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007.

(b) Commencing in the 1999–2000 fiscal year, and each fiscal year thereafter until the 2006–07 fiscal year, each county shall remit to the state in four equal installments due on October 1, January 1, April 1, and May 1, the amounts specified in paragraphs (1) and (2). For the purpose of determining the counties' payments commencing in the 2006–07 fiscal year, and each fiscal year thereafter, the amounts listed in subdivision (a) of Section 77201.3 shall be used in lieu of the amounts listed in this subdivision.

(1) Except as otherwise specifically provided in this section, each county shall remit to the state the amount listed below, which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year:

(2) Except as otherwise specifically provided in this section, each county shall also remit to the state the amount listed below, which is based on an amount of fee, fine, and forfeiture revenue remitted to the state pursuant to Sections 27361 and 76000 of this code, Sections 1463.001, 1463.07, and 1464 of the Penal Code, and Sections 42007, 42007.1, and 42008 of the Vehicle Code during the 1994–95 fiscal year:

(3) Except as otherwise specifically provided in this section, county remittances specified in paragraphs (1) and (2) shall not be increased in subsequent years.

(4) Except for those counties with a population of 70,000 or fewer on January 1, 1996, the amount a county is required to remit pursuant to paragraph (1) shall be adjusted by the amount equal to any adjustment resulting from the procedures in subdivisions (c) and (d) of Section 77201 as that section read on June 30, 1998, to the extent a county filed an appeal with the Controller with respect to the findings made by the Department of Finance. This paragraph shall not be construed to establish a new appeal process beyond what was provided by Section 77201, as that section read on June 30, 1998.

(5) A change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (A) the fees, fines, and forfeitures retained by that county, and (B) the county's portion of

fines and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county's remittance specified in paragraph (2) of this subdivision by an equal amount. This paragraph is not intended to limit judicial sentencing discretion.

(6) In the 2005–06 fiscal year, the amount that the County of Santa Clara is required to remit to the state under paragraph (2) shall be reduced as described in this paragraph, rather than as described in subdivision (b) of Section 68085.7. It is the intent of the Legislature that this paragraph have retroactive effect.

(A) For the County of Santa Clara, the remittance under this subdivision for the 2005–06 fiscal year shall be reduced by an amount equal to one-half of the amount calculated by subtracting the budget reduction for the Superior Court of Santa Clara County for that fiscal year attributable to the reduction of the counties' payment obligation from thirty-one million dollars ($31,000,000) pursuant to subdivision (a) of Section 68085.6 from the net civil assessments received in that county in that fiscal year. "Net civil assessments" as used in this paragraph means the amount of civil assessments collected minus the costs of collecting those civil assessments, under the guidelines of the Controller.

(B) The reduction under this paragraph of the amount that the County of Santa Clara is required to remit to the state for the 2005–06 fiscal year shall not exceed two million five hundred thousand dollars ($2,500,000). If the reduction reaches two million five hundred thousand dollars ($2,500,000), the amount the county is required to remit to the state under paragraph (2) of subdivision (a) of Section 77201.3 in each subsequent fiscal year shall be eight million four hundred sixty-one thousand two hundred ninety-three dollars ($8,461,293).

(C) This paragraph does not affect the reduction of the annual remittance for the County of Santa Clara as provided in Section 68085.2.

(7) Notwithstanding the changes to the amounts in paragraph (2) made by Section 68085.7 or any other section, the amounts in paragraph (2) shall not be changed for purposes of the calculation required by subdivision (a) of Section 77205.

(c) This section is not intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 70311.

(d) This section is not intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of juvenile justice charges.

(e) County base year remittance requirements specified in paragraph (2) of subdivision (b) incorporate specific reductions to reflect those instances where the Department of Finance has determined that a county's remittance to both the General Fund and the Trial Court Trust Fund during the 1994–95 fiscal year exceeded the aggregate amount of state funding from the General Fund and the Trial Court Trust Fund. The amount of the reduction was determined by calculating the difference between the amount the county remitted to the General Fund and the Trial Court Trust Fund and the aggregate amount of state support from the General Fund and the Trial Court Trust Fund allocated to the county's trial courts. In making its determination of whether a county is entitled to a reduction pursuant to paragraph (2) of subdivision (b), the Department of Finance subtracted from county revenues remitted to the state, all moneys derived from the fee required by Section 42007.1 of the Vehicle Code and the parking surcharge required by subdivision (c) of Section 76000 of this code.

(f) Notwithstanding subdivision (e), the Department of Finance shall not reduce a county's base year remittance requirement, as specified in paragraph (2) of subdivision (b), if the county's trial court funding allocation was modified pursuant to the amendments to the allocation formula set forth in paragraph (4) of subdivision (d) of Section 77200, as amended by Chapter 2 of the Statutes of 1993, to provide a stable level of funding for small county courts in response to reductions in the General Fund support for the trial courts.

(g) In any fiscal year in which a county of the first class pays the employer-paid retirement contribution for court employees, or other employees of the county who provide a service to the court, and the amounts of those payments are charged to the budget of the courts, the sum the county is required to pay to the state pursuant to paragraph (1) of subdivision (b) shall be increased by the actual amount charged to the trial court up to twenty-three million five hundred twenty-seven thousand nine hundred forty-nine dollars ($23,527,949) in that fiscal year. The county and the trial court shall

report to the Controller and the Department of Finance the actual amount charged in that fiscal year.

Government Code section 77201.3.

(a) Commencing with the 2006–07 fiscal year, and each fiscal year thereafter, except as otherwise specifically provided in this section, each county shall remit to the state the amounts described in this subdivision in four equal installments due on October 1, January 1, April 1, and May 1. The amounts listed in this subdivision are in lieu of the amounts listed in subdivision (b) of Section 77201.1. However, for purposes of the calculation required by subdivision (a) of Section 77205, the amounts in paragraph (2) of subdivision (b) of Section 77201.1 shall be used.

(1) Each county shall remit to the state the amount listed below, which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year. The amount listed for Los Angeles County includes the twenty-three million five hundred twenty-seven thousand nine hundred forty-nine dollars ($23,527,949) increase required by subdivision (g) of Section 77201.1.

(2) (A) This paragraph sets forth the amount of the revenue maintenance of effort payment as modified by the reductions in Sections 68085.2 and 68085.7, including, if applicable, any adjustment made pursuant to paragraph (1) of subdivision (b) of Section 68085.8.

(B) The amount remitted by the County of Santa Clara shall be ten million nine hundred sixty-one thousand two hundred ninety-three dollars ($10,961,293) reduced as described in clauses (i) and (ii).

(i) The amount remitted by the County of Santa Clara pursuant to this paragraph for each fiscal year shall be reduced by an amount equal to one-half of the amount calculated by subtracting the budget reduction for the Superior Court of Santa Clara County for that fiscal year attributable to the reduction of the counties' payment obligation from thirty-one million dollars ($31,000,000) pursuant to subdivision (a) of Section 68085.6 from the net civil assessments received in that county in that fiscal year. "Net civil assessments" as used in this paragraph means the amount of civil assessments collected minus the costs of collecting those civil assessments, under the guidelines of the Controller.

(ii) The reduction calculated pursuant to paragraph (i) shall not exceed two million five hundred thousand dollars ($2,500,000) in any fiscal year. If the reduction for a fiscal year reaches two million five hundred thousand dollars ($2,500,000), the amount that the county is required to remit to the state under this paragraph in that fiscal year and in

each subsequent fiscal year shall be eight million four hundred sixty-one thousand two hundred ninety-three dollars ($8,461,293).
(b) Except as otherwise specifically provided in this section, county remittances specified in subdivision (a) shall not be increased in subsequent years.
(c) Except for those counties with a population of 70,000, or less, on January 1, 1996, the amount a county is required to remit pursuant to paragraph (1) of subdivision (a) shall be adjusted by the amount equal to any adjustment resulting from the procedures in subdivisions (c) and (d) of Section 77201 as that section read on June 30, 1998, to the extent a county filed an appeal with the Controller with respect to the findings made by the Department of Finance. This subdivision shall not be construed to establish a new appeal process beyond what was provided by Section 77201, as that section read on June 30, 1998.
(d) Any change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (1) the fees, fines, and forfeitures retained by that county, and (2) the county's portion of fines and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county's remittance specified in paragraph (2) of subdivision (a) by an equal amount. Nothing in this subdivision is intended to limit judicial sentencing discretion.
(e) Nothing in this section is intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 68073.
(f) Nothing in this section is intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of juvenile justice charges.

Government Code section 68085.2.

(a) Notwithstanding Section 77201.1, commencing with the 2005-06 fiscal year, the amount of each county's annual remittance to the Trial Court Trust Fund under paragraph (2) of subdivision (b) of Section 77201.1 shall be reduced by the amount determined under this section. In the 2005–06 fiscal year, the remittance shall be reduced by one-half the amount determined in subdivision (b). In the 2006–07 fiscal year and thereafter, the remittance shall be reduced in each fiscal year by the full amount determined in subdivision (b).

(b) The amount of the reduction under this section for each county shall be the actual receipts into the county general fund for retention by the county for civil fees under Sections 26823, 26827.4, 26830, 26832, 26832.1, 26833.1, 26835.1, 26836.1, 26837.1, 26838, 26850.1, 26851.1, 26852.1, 26853.1, 26855.4, and 72060 of this code and Section 116.230 of the Code of Civil Procedure for the fiscal year ending June 30, 2004. This reduction is intended to compensate the counties for the loss of the revenue, as measured by receipts for the 2003–04 fiscal year, that was allocated to them from these fees by statute before January 1, 2006.

(c) In each county, the superior court and the county shall exchange relevant information to determine the amount of reduction they believe is correct under subdivision (b) and jointly report it to the California State Association of Counties (CSAC) and the Administrative Office of the Courts (AOC) on or before January 1, 2006. If the superior court and the county do not agree on the amount, the superior court and the county shall each report the amount it believes is correct to the CSAC and the AOC on or before January 1, 2006.

(d) The AOC and the CSAC shall agree on the amount of the reduction for each county on or before January 1, 2006. If a court or county disagrees with the amount agreed to by the AOC and the CSAC for that county, the court or county may appeal to the AOC and the CSAC for an adjustment. The CSAC and the AOC shall determine whether to make any requested adjustment.

(e) If the CSAC and the AOC do not agree on the amount of the reduction for a county, they may request a mutually agreed-upon third party to arbitrate and determine the amount. The amount shall be determined by March 1, 2006.

Government Code section 68085.7.

(a) (1) Notwithstanding any other provision of law, Section 68085.5 does not apply to the following fees and fines collected on or after July 1, 2005: any fees and fines specified in subdivision (a) or (b) of Section 68085.5, Section 177.5 or 1218 of the Code of Civil Procedure, or Section 166 or 1214.1 of the Penal Code. Commencing July 1, 2005, these fees and fines shall be distributed as provided by Section 68085, except that the fees listed in subdivision (b) of Section 68085.5 and the fee in Section 1835 of the Probate Code shall be distributed to the court or the county, whichever provided the services for which the fee is charged or incurred the costs reimbursed by the fee.

(2) Notwithstanding any other provision of law, until January 1, 2006, upon direction of the Administrative Office of the Courts, the court and the county shall deposit the money each collects under the sections listed in paragraph (2) of subdivision (c) of Section 68085 as soon as practicable after collection and on a regular basis into a bank account established for this purpose and specified by the Administrative Office of the Courts. The deposits shall be made as required by rules adopted by and financial policies and procedures authorized by the Judicial Council under subdivision (a) of Section 77206 of the Government Code. Within 15 days after the end of the month in which the money is collected, the court and the county each shall provide the Administrative Office of the Courts with a report of the money it collects, as specified by the Administrative Office of the Courts. The money shall be transmitted to the State Controller for deposit in the Trial Court Trust Fund by the Administrative Office of the Courts.

(3) Commencing January 1, 2006, the fees and fines listed in Section 68085.5 shall be distributed as provided by Section 68085.1, or if no provision is made in Section 68085.1, as specified in the section that provides for the fee or fine. The fees in Sections 26840.1, 26847, 26854, 26855.1, 26855.2, and 27293 shall be distributed to the county.

(b) Commencing July 1, 2005, in each fiscal year, the amount of each county's annual remittance to the state Trial Court Trust Fund under paragraph (2) of subdivision (b) of Section 77201.1 shall be reduced by the amount that the county received from civil assessments under Section 1214.1 of the Penal Code, after deducting the cost of collecting those civil assessments as defined in subdivision (f), in the 2003-04 fiscal year. The reduction provided by this subdivision for the 2005-06

fiscal year shall apply only to a county that transmits to the Trial Court Trust Fund any money received by the county between July 1, 2005, and the effective date of this section that would have been transmitted to the Trial Court Trust Fund pursuant to subdivision (a), and the amendments to Section 68085 of this code and Section 1214.1 of the Penal Code, if this section had been effective on July 1, 2005.

(c) The amount of the reduction under this section for each county shall be determined by agreement between the Administrative Office of the Courts (AOC) and the California State Association of Counties (CSAC). Each county and each superior court shall exchange relevant factual information to determine and jointly report to the AOC and the CSAC the total amount the county received from civil assessments for the 2003-04 fiscal year, both gross and net after costs, on or before August 31, 2005. If the court and the county do not agree on the amount, the court and the county shall each report the amount each believes is correct to the AOC and the CSAC on or before August 31, 2005.

(d) The AOC and the CSAC shall agree on the amount of the reduction for each county under this section on or before October 31, 2005. If a court or county disagrees with the amount agreed to by the AOC and the CSAC for that county, the court or county may appeal to the AOC and the CSAC for an adjustment. The AOC and the CSAC shall determine whether to make any requested adjustment.

(e) If the AOC and the CSAC do not agree on the amount of the reduction for a county, they may request a mutually agreed-upon third party to arbitrate and determine the amount. The amount shall be determined on or before December 31, 2005.

(f) Guidelines of the Controller shall apply to the determination of revenues from civil assessments under Section 1214.1 of the Penal Code. The costs of collecting civil assessments applied in determining net civil assessments are only those costs used to collect those civil assessments.

ATTACHMENT 5

INTRA-BRANCH AGREEMENT
(NO. FY 2009-2010/#43-B5-11/Family Justice Center Project)
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA AND
THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA
REGARDING THE COURT'S FINANCIAL COMMITMENTS TO THE
FAMILY JUSTICE CENTER PROJECT

This **Intra-Branch Agreement** (this "**IBA**") is entered into as of the 1st day of July, 2014 (the "**IBA Effective Date**") by and between the Judicial Council of California ("**Council**") and the Superior Court of California, County of Santa Clara (the "**Court**"). For the purpose of this IBA, the Council and the Court are sometimes individually referred to as a "**Party**" and together referred to as the "**Parties**".

BACKGROUND AND PURPOSE OF IBA:

A. On May 11, 2010 (the "**Original Effective Date**"), the Council and the Court entered into that certain Memorandum of Understanding (the "**Original MOU**") setting forth the terms and conditions for the Court's financial commitments and contributions to the construction of a new courthouse that the Parties anticipate will consist of approximately 234,000 square feet of interior space and certain related exterior improvements, to be known as the Family Justice Center (the "**Project**"). A copy of the Original MOU, as amended by the certain First Amendment to the Memorandum of Understanding, dated as of February 1, 2011 (the "**First Amendment**" and together with the above-described Memorandum of Understanding, the "**MOU**"), is attached to this IBA as **Exhibit "C"**.

B. As contemplated by the Parties in the MOU, the Project is being constructed in the City of San Jose, County of Santa Clara on certain land located at the corner of St. James Street and North Market Street (the "**Land**"). A portion of the Land was donated to the State of California ("**State**") by the County of Santa Clara ("**County**") pursuant to the terms of that certain Agreement For Donation of Real Property between the County and the Council ("**Donation Agreement**").

C. Upon completion of the Project, the Parties intend that the Court will consolidate into the Project the Court's operations from six existing court facilities and associated parking located in or on premises originally leased by the County and for which responsibility was transferred to the Council by the County under the Trial Court Facilities Act of 2002 (codified in Government Code sections 70301 *et seq.*).

D. Upon completion of the Project, the Parties intend that the Court will also consolidate into the Project the Court's operations from premises leased directly by the Court in two buildings.

E. Although the Project is being funded through SB 1407 (Perata-2008) funds authorized by the Council, since the Original Effective Date, the Court has been contributing financial support to the Project as described in the MOU. Commencing on the IBA Effective Date, the Court will continue to contribute financial support to the Project on the terms set forth in this IBA.

F. In the MOU, the Council and the Court agreed to proceed with the design, development, financing, construction, completion, and operation of the Project based on (i) the Court's agreement to commit certain of its financial resources to the Project as described in the MOU, and (ii) the County's agreement to donate the Land pursuant to the Donation Agreement, and (iii) the County's performance of its obligation to sell the Los Gatos Courthouse and the related real property and deliver the net sale proceeds arising from that sale to the Council, as provided in that certain Transfer Agreement between the Council and the County, dated December 18, 2008 (the "**Los Gatos Transfer Agreement**"). The Council would not have proceeded with the Project but for the agreements made by the Court in the MOU and by the County in the Donation Agreement and the Los Gatos Transfer Agreement.

G. Since the Original Effective Date (i) the Court has contributed its financial resources to the Project when and in the amounts required by the MOU and the Court is current with its payments under the MOU as of the IBA Effective Date; (ii) the County has completed the donation of the Land to the State pursuant to the Donation Agreement; and (iii) the County has completed the sale of the Los Gatos Courthouse and delivered the net proceeds from that sale to the Council pursuant to the Los Gatos Transfer Agreement.

H. The MOU memorialized the Court's financial commitments to the Project and established certain payment and reimbursement mechanisms that the Parties agreed to follow in connection with the funding of the Court's financial commitments to the Project; however, the funding mechanisms described in the Original MOU were subject to approval by the State Department of Finance (the "**DOF**").

I. Since the Original Effective Date, there have been substantial modifications made to the estimated Project budget, which was attached and incorporated into the Original MOU as Exhibit "A" thereto (the "**Original Budget**"), and the estimated schedule for the Court's annual funding of certain of the Court's financial contributions to the Project, which estimated schedule was attached and incorporated into the Original MOU as Exhibit "B" thereto (the "**Original Court Contributions Schedule**").

J. After the Original Effective Date, the Parties determined that the funding mechanisms described in the Original MOU, by which the Council and the Court agreed that the Court would fund its financial contributions to the Project, were not practical. After conferring with the DOF, the Parties entered into the First Amendment permitting use of a new funding mechanism for the Court's annual funding of certain of the Court's

financial contributions to the Project. The Council notified the DOF of such new funding mechanism, and the DOF concurred in the new funding mechanism.

K. The Parties now enter into this IBA for the purpose of memorializing, among other things: (i) their more-detailed agreement to the new funding mechanism described herein for the Court's annual payments of certain of the Court's financial contribution to the Project; (ii) the replacement of the Original Budget with the updated Project budget attached and incorporated into this IBA as **Exhibit "A"** (the "**Amended and Restated Budget**"); and (iii) the replacement of the Original Court Contributions Schedule with an updated schedule for the Court's annual funding of certain of the Court's financial contributions to the Project, which is attached and incorporated into this IBA as **Exhibit "B"** (the "**ICNA Contributions Schedule**").

L. All of the Court's financial commitments to the Project are described in section 2 of this IBA and are sometimes collectively referred to in this IBA as the "**Court Contributions**". Those annual Court Contributions that are shown on the ICNA Contributions Schedule that is attached as **Exhibit "B"** to this IBA (the "**ICNA Contributions**") will be funded through the Court's semi-annual delivery to the Council of a check made payable to the State of California in an amount sufficient for the Court to pay the full amount of all ICNA Contributions that are then due from the Court pursuant to the ICNA Contributions Schedule.

M. The Court shall make the annual ICNA Contributions to the Project at the times and in the amounts shown on the ICNA Contributions Schedule for the entire period of fiscal years shown on the ICNA Contributions Schedule (the "**ICNA Contributions Period**"), subject to section 1.3 of this IBA.

N. On July 29, 2014, the Council adopted California Rules of Court, Rule 10.81, which retired the use of the name Administrative Office of the Courts, as well as the use of the abbreviation "AOC". Pursuant to California Rules of Court, Rule 10.81, all references in the MOU to the "Administrative Office of the Courts" or the "AOC" shall be deemed to mean and refer to the Council.

O. Written agreements between the Council and a superior court are now to be in the form of an Intra-Branch Agreement rather than a memorandum of understanding. As such, the Parties have agreed to amend and restate the MOU by entering into this IBA rather than by entering into an amendment and restatement of the MOU.

P. The Parties intend and agree that this IBA will take effect and be binding on the Parties commencing on the IBA Effective Date. On and at all times after the IBA Effective Date, the MOU is amended, restated, superseded, and replaced by this IBA for all purposes.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Council and the Court hereby agree as follows:

AGREEMENT:

1. SEMI-ANNUAL COURT PAYMENTS AND PAYMENT DATES.

1.1. Semi-Annual Court Payments of ICNA Contributions. Except as otherwise expressly provided in this IBA, during the entire ICNA Contributions Period, the Court shall, twice per year on the dates set forth in Section 1.2, below, deliver to the Council, at the address set forth in section 4.16, below, a check made payable to the State of California in a sum equal to 50 percent of all ICNA Contributions that are due from the Court for the applicable fiscal year pursuant to the attached ICNA Contributions Schedule (each a "**Court Payment**" and collectively, the "**Court Payments**"). The Council shall promptly deposit each Court Payment received from the Court into: (i) the Immediate and Critical Needs Account of the State Court Facilities Construction Fund, established by Government Code section 70371.5 (the "**ICNA**"), (ii) the Court Facilities Architecture Revolving Fund, established by Government Code section 70379(c) and administered by the Council (the "**CFARF**"), and/or (iii) such other fund or account that the DOF may designate. The Council shall use all of the ICNA Contributions, including but not limited to the Catch-Up Payment described in section 2.2 of this IBA, and the FF&E Contribution described in section 2.5 of this IBA, solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose.

1.2. Payment Dates. Starting on the IBA Effective Date, the Council shall make the first semi-annual Court Payment for each fiscal year during the ICNA Contributions Period on September 30, and the Court shall make the second semi-annual Court Payment for each fiscal year during the ICNA Contributions Period on March 31 (each a "**Payment Date**" and together, the "**Payment Dates**"). If any Payment Date falls on a weekend or a Court holiday, the Court shall instead pay and deliver the Court Payment that is then due to the Council on the next succeeding business day after such Payment Date.

1.3. Duration of ICNA Contributions Period. The Parties hereby acknowledge that after the Original Effective Date, the State bond financing for the Project was sold under the authority of SB 1407 (Perata – 2008) (the "**State Bond Financing**"). Based on the terms of the State Bond Financing as they exist on the IBA Effective Date, the ICNA Contributions Period will commence on the Effective Date with respect to those ICNA Contributions that were due from the Court for fiscal year 2009-2010, and will continue until the date on which the Court has paid in full all ICNA Contributions owed pursuant to the ICNA Contributions Schedule attached to this IBA, which will occur at the end of fiscal year 2037-2038 so long as the Court fully and timely

pays all Court Payments on the semi-annual Payment Dates specified in section 1.2 hereof.

1.4. Payment Date Funding Obligations. By no later than the first Payment Date for each fiscal year during the ICNA Contributions Period, the Court shall deliver to the Council a check made payable to the State of California in an amount that is equal to at least 50 percent of all ICNA Contributions that are due from the Court for that fiscal year, and by no later than the second Payment Date for each fiscal year during the ICNA Contributions Period, the Court shall deliver to the Council a check made payable to the State of California in an amount equal to the entire remaining balance of all ICNA Contributions that are due from the Court for that fiscal year. The terms of this section 1.2 shall not apply to the Catch-Up Payment (as defined in section 2.2, below), which shall instead be governed by section 2.2 of this IBA, or to the FF&E Contributions (as defined in section 2.5, below) made by the Court, which shall instead be governed by section 2.5 of this IBA.

1.5. Council's Remedy for Non-Payment of ICNA Contributions. In the event that the Court at any time fails or refuses to deliver full and timely payment of any ICNA Contributions due hereunder on any Payment Date, the Council shall have the right, in its sole discretion, to take such actions as are necessary to ensure that payment of such ICNA Contributions is made, which actions may include reducing the Court's Trial Court Trust Fund allocation by an amount equal to the ICNA Contributions then due from the Court and depositing such funds into the ICNA, or making a direct transfer of funds equal to the ICNA Contributions then due from the Court from the Trial Court Trust Fund into the ICNA.

2. COURT'S FINANCIAL COMMITMENTS TO PROJECT.

2.1. Court Contributions. The Court Contributions consist of: (i) the annual ICNA Contributions (including, but not limited to, the FF&E Contribution described in section 2.5 of this IBA) that the Court is obligated to make during the ICNA Contributions Period, as shown on the ICNA Contributions Schedule; (ii) the Janitorial Services Contribution described in section 2.6 of this IBA; and (iii) the Offsite Parking Plan described in section 2.7 of this IBA.

2.1.1. ICNA Contributions Amounts. As shown on the ICNA Contributions Schedule, with the exception of the period commencing with fiscal year 2009-2010 and continuing through and including fiscal year 2015-2016, the annual amount of the Court's ICNA Contributions shall be $5,031,257; provided that a $2,500,000 portion of the Court's ICNA Contributions for the final fiscal year of the ICNA Contributions Period may be prorated pursuant to section 2.4 of this IBA.

2.2. Fiscal Year 2009-2010 Catch-Up Payment. The Parties hereby acknowledge that since the Original Effective Date, the Court has paid in full the ICNA

Contributions that were due from the Court for fiscal year 2009-2010 including, without limitation, the $9,800,000 in fiscal year 2009-2010 ICNA Contributions shown on the ICNA Contributions Schedule attached hereto (the first $7,550,000 of which is referred to herein and in the MOU as the "**Catch Up Payment**").

2.3. Court's Obligation to Pay Shortfalls. It shall be the sole right and obligation of the Court to plan for and determine the sources of Court revenue that the Court will use to fund the Court Contributions to the Project, including but not limited to, the funds that the Court will reserve and use from time to time to pay the Court's semi-annual ICNA Contributions. Except as otherwise expressly provided in section 2.3.1 of this IBA, the Court shall not be relieved of its obligation to pay the full amount of the Court Contributions, including but not limited to the full amount of the Court's annual ICNA Contributions, even if, in any one or more fiscal years during the ICNA Contributions Period, there is a shortfall in any source of the Court revenues from which the Court otherwise intended to pay the Court Contributions. In such event, the Court shall nevertheless be and remain obligated to pay the full amount of the Court Contributions, including but not limited to the Court's annual ICNA Contributions, that are due at each Payment Date and for each fiscal year, by supplementing the amount of the revenues actually collected and allocated to the Court Contributions by the Court during each fiscal year with additional funds from the Court's general operating budget or other funds then available to the Court for such purpose.

2.3.1. Reliance on Court's Ongoing Receipt of Net Civil Assessment Revenues. The Council and the Court acknowledge that a $2,500,000 portion of the Court's annual ICNA Contributions (the "**Civil Assessments Contribution**") will be funded, in whole or in part, through net civil assessment revenues that the Court anticipates will be collected in the County and allocated to the Court for each fiscal year during the ICNA Contributions Period. For purposes of this IBA, the term "net civil assessments revenues" means civil assessment revenues collected in the County under Penal Code section 1214.1 net of the costs of collecting such civil assessment revenues that are permitted to be reimbursed to the collecting party or parties under the guidelines of the State Controller. The Court agrees to pay the full annual amount of the Civil Assessments Contribution in accordance with the ICNA Contributions Schedule and the Court agrees to cover any shortfalls that may occur between the annual amount of the Civil Assessments Contribution and the amount of net civil assessment revenues that are actually allocated to the Court in any fiscal year or years during the ICNA Contribution Period. The Court is expressly relying that the following will remain in effect for the duration of the ICNA Contributions Period: (i) current Council policy with respect to allocation of net civil assessment revenues to the Court and the retention of net civil assessments revenues by the Court; and (ii) applicable law providing for imposition of civil assessments; and (iii) applicable law providing for allocation of net civil assessment revenues to the Court and retention of net civil assessment revenues by the Court. If any or all of the policies and laws described in (i)

through (iii) above change during the ICNA Contributions Period, the Council and the Court will promptly meet and confer to discuss further funding of the Civil Assessment Contribution; however, the required Court Contributions shall remain the responsibility of the Court.

2.4. Proration. In the event that the ICNA Contributions Period ends on a date other than June 30 in the applicable fiscal year, then the portion of the Court's ICNA Contributions that consists of the Court's Civil Assessments Contribution for that fiscal year shall be prorated on the basis of a 365-day year.

2.5. FF&E Contributions. The Court acknowledges that the Council has reduced the furniture, fixtures, and equipment line item of the Amended and Restated Budget by the sum of $2,750,000 based on the Court's commitment to contribute, and the Court's actual contribution of, such amount to the Project as part of the Court's ICNA Contributions paid during the first four fiscal years of the ICNA Contributions Period (the "**FF&E Contribution**"). The Council and the Court acknowledge that the $2,750,000 FF&E Contribution paid by the Court during those four fiscal years is being held by the Council in the CFARF and will be used by the Council to purchase, on a "pay-as-you-go" basis, furniture, fixtures, and equipment for the Project that are not otherwise included in the Amended and Restated Budget. The Council shall consult with the Court prior to completing the purchase of any such furniture, fixtures, and equipment for the Project. The Council shall, on behalf of the Court, make all payments to vendors for the purchase of furniture, fixtures, and equipment for the Project directly from the CFARF up to the total $2,750,000 amount of the FF&E Contribution. The Council shall only expend sums in the CFARF that comprise the FF&E Contribution as follows: (i) as and when the Council actually purchases such furniture, fixtures, and equipment for the Project, the sum that the Council expends from the CFARF shall be equal to the total, actual cost to purchase such furniture, fixtures, and equipment for the Project; and (ii) when the Council has completed its purchase of, and has fully paid for, directly from the CFARF, such furniture, fixtures, and equipment for the Project, if there remains any portion of the FF&E Contribution that was not expended by the Council from the CFARF for such purpose, the Council shall deposit such remaining portion of the FF&E Contribution into the ICNA to use toward payment of debt service on the State Bond Financing. In such case, any portion of the FF&E Contribution that has not been expended by the Council upon payment in full of the State Bond Financing shall be promptly refunded to the Court.

2.6. Janitorial Services Contribution. The Court shall be solely responsible for all janitorial costs and expenses of the Project commencing on the date that the Court first takes occupancy of the Project and at all times thereafter that the Court continues to occupy the Project. The Court shall directly arrange for such janitorial services and shall make direct payment of all costs and expenses associated with such janitorial services (the "**Janitorial Services Contribution**"). The Court has estimated

that the annual cost of providing janitorial services to the Project will be $439,743 per fiscal year. The Parties agree that, commencing in the fiscal year that the Court first takes occupancy of the Project, the Court shall reduce its annual ICNA Contributions by the annual sum of $439,743 (or, a $219,871.50 reduction in each semi-annual Court Payment of the ICNA Contributions) to provide the Court with a source of funds for payment of the Janitorial Services Contribution (the "**Janitorial Services Contribution Credit**"); provided, however, that in no event shall the Court be entitled to a Janitorial Services Contribution Credit in a total amount greater than $439,743 in any fiscal year, even if the actual costs and expenses incurred by the Court in providing janitorial services to the Project for any fiscal year exceed $439,743 and irrespective of any amount by which the Court's actual Janitorial Services Contribution to the Project exceeds $439,743. In the event that the Court first takes occupancy of the Project on any date other than July 1 of the applicable fiscal year, both the Janitorial Services Contribution Credit and the sum that the Court withholds from its semi-annual Court Payments of the ICNA Contributions for the first fiscal year of the Court's occupancy of the Project shall be prorated on the basis of a 365-day year to reflect the actual portion of that fiscal year during which the Court was actually paying the Janitorial Services Contribution.

2.7. Offsite Parking. The Parties anticipate that the Project will include a total of approximately 21 secured on-site parking stalls for exclusive use by the Court (the "**On-Site Parking Facilities**"). The costs and expenses for development, design, construction, completion, and financing of the On-Site Parking Facilities are included in the Amended and Restated Budget. The Court shall be solely responsible, at the Court's sole cost and expense, to: (a) develop a parking plan for the Project as part of, and entirely consistent with, the Mitigated Negative Declaration for the Project that is certified by the Council under the California Environmental Quality Act, California Public Resources Code sections 21000, *et seq.*, and its implementing guidelines, Title 14, California Code of Regulations, sections 15000, *et seq.*; and (b) address all parking needs of the Court, its judges, staff, employees, jurors, witnesses, and visitors at the Project that are not addressed by virtue of the On-Site Parking Facilities (together, the "**Offsite Parking Plan**"). The Council shall have no liability or responsibility whatsoever for any costs or expenses associated with the Offsite Parking Plan or with any parking other than the On-Site Parking Facilities that may be provided for the Project thereunder. Nothing in this section shall be construed as a requirement of the Project that the Court pay for the cost of offsite parking.

2.8. Termination of Court's Obligation for ICNA Contributions. At such time as the ICNA Contributions Period ends, and the Court has paid in full all of the ICNA Contributions that the Court is obligated to pay pursuant to the ICNA Contributions Schedule, the Court will have no further obligation or responsibility whatsoever to pay any portion of the ICNA Contributions or otherwise to make any financial contributions to the Project; provided that, nothing in this section 2.8 shall relieve the Court of its obligation to pay: (a) the Janitorial Services Contribution

pursuant to section 2.6 of this IBA; (b) any ongoing financial obligations that the Court may have undertaken in respect of the Offsite Parking Plan, if any, pursuant to section 2.7 of this IBA; and (c) the customary financial obligations of the Court with respect to operation of court facilities under Rule 10.810 of the California Rules of Court, the Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 - Escutia and Pringle; California Government Code sections 77000 through 77400, inclusive, as amended), and other similar laws that are or may be in effect during the period of the Court's occupancy of the Project.

2.9. Consent to Council's Expenditure and Use of ICNA Contributions. By signing this IBA, the Court hereby expressly consents and agrees to the Council's expenditure and use of the ICNA Contributions (including, but not limited to, the Catch-Up Payment, the FF&E Contribution, and other sums contributed by the Court from fiscal year 2009-2010 through the IBA Effective Date) solely in connection with the Project pursuant to this IBA and the Amended and Restated Budget.

3. CERTAIN COUNCIL OBLIGATIONS.

3.1. ICNA Contribution Amounts. During the ICNA Contributions Period and until the Court has paid in full all of the ICNA Contributions provided for in the ICNA Contributions Schedule, the Council shall promptly deposit each Court Payment of the ICNA Contributions into the ICNA, the CFARF, and/or other fund or account designated by the DOF. The Council shall use the ICNA Contributions paid by the Court solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose.

3.2. Monitoring of Expenditures. The Council shall monitor: (i) expenditures of the ICNA Contributions for the Project from the ICNA, the CFARF, and any other fund or account into which DOF directs the Council to deposit any of the ICNA Contributions; and (ii) expenditures of the FF&E Contribution directly from the CFARF for furniture, fixtures, and equipment for the Project pursuant to section 2.5 of this IBA, and the Council shall make copies of supporting detail available to the Court upon the Court's written request, but in no event more frequently than twice per fiscal year.

3.3. Intentionally deleted.

3.4. Management of Project. Subject to the Court's performance of its financial obligations under this IBA, the Council shall contract for, manage, and administer the design, development, construction, financing, completion, and operation of the Project for the benefit of the Court in accordance with the Amended and Restated Budget.

3.5. Final Project Accounting; Disposition of ICNA Contributions Not Required For Project. Within 180 days after completion of the Project, payment of all

Project costs reflected in the Amended and Restated Budget, and payment in full of the State Bond Financing, the Council shall deliver to the Court a final accounting for the Project, which shall reflect the sources and uses of all funds used to pay costs associated with the design, development, financing, construction, and completion of the Project, including without limitation all ICNA Contributions paid by the Court during the ICNA Contributions Period under section 3.1 of this IBA. If, pursuant to such final Project accounting, any portion of the ICNA Contributions have not been expended by the Council toward payment of Project costs or payment of debt service on the State Bond Financing, the Council shall reimburse and return all such excess and unused ICNA Contributions to the Court at the time that the Council delivers the final Project accounting to the Court.

4. CERTAIN COURT OBLIGATIONS.

4.1. Assuring Sufficient Financial Resources. This IBA is approved by the Parties based, in part, upon the Court's promise and obligation to: (i) manage the impact of the Court's share of any reductions included in the State budget; (ii) plan on the potential of additional reductions in the State budget during the period that the Court remains obligated to pay the Court Contributions toward the Project; and (iii) address the Court's share of any statewide allocation of costs for statewide administrative infrastructure, to ensure that the Court at all times has sufficient financial resources to honor its financial commitments to the Project and to pay all Court Contributions as and when provided for in this IBA.

5. MISCELLANEOUS PROVISIONS.

5.1. IBA Effective Date and Termination. This IBA takes effect on the IBA Effective Date, upon which date this IBA amends, restates, supersedes, and replaces the MOU in its entirety; however, the MOU shall continue to govern as to the period of time commencing on the Original Effective Date and until the IBA Effective Date. This IBA shall remain in full force and effect unless and until it is terminated by the Court's full payment and performance of all of the Court Contributions contemplated in this IBA or by a writing signed by both of the Parties hereto.

5.2. Dispute Resolution. If a disagreement or dispute arises between the Parties regarding the terms of the MOU or this IBA, the Parties will attempt to resolve their disagreement by unassisted negotiation between Council staff and Court staff at the operating level. If the Parties are not able to fully and finally resolve their disagreement through such discussions, the Parties will refer the matter to the then Presiding Judge of the Court and the then Chief of Staff for the Council for resolution.

5.3. Counterparts. This IBA may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

5.4. Entire Agreement. This IBA, including the recitals herein and the Exhibits attached hereto, contains the entire and complete understanding and agreement of the Parties hereto with respect to the subject matter of this IBA, and supersedes any and all other prior or contemporaneous agreements, representations, or understandings between the Parties, oral or written pertaining to the subject matter hereof.

5.5. Amendment. This IBA can be amended only by a written document signed by both Parties.

5.6. Time of Performance. Unless otherwise specifically provided in this IBA, all references to days herein shall be deemed to refer to calendar days. If the final date for payment of any amount or performance of any duty falls on a Saturday, Sunday, holiday, or furlough day, such payment shall be made or duty performed on the next succeeding business day.

5.7. Further Assurances. Each Party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time in order to effectuate the terms and intent of this IBA.

5.8. Time of the Essence. Time is of the essence with respect to each and every provision of this IBA.

5.9. Waivers. Any waiver by a Party of any term of this IBA or of any breach of this IBA shall not constitute a waiver of any other term or of any other breach of the same or any other provision on the same or any other occasion.

5.10. Binding Effect. This IBA shall be binding upon and shall inure to the benefit of the Council and the Court and their respective successors.

5.11. Counsel and Drafting. Each Party has had the opportunity to participate in the drafting and preparation of this IBA and represents that it has reviewed this IBA with its own counsel. No Party shall deny the validity of this IBA on the ground that such Party did not have the advice of counsel in connection with this IBA. The terms of this IBA shall not be construed for or against either Party as the principal draftsperson hereof.

5.12. Severability. If any term of this IBA is inconsistent with applicable law, then upon the request of either Party, the Parties will meet and confer in good faith to determine how to amend the inconsistent term in a manner consistent with law, but all parts of this IBA not affected by the inconsistency shall remain in full force and effect.

5.13. Governing Law. This MOU shall be governed and construed in accordance with the internal laws of the State of California without resort to choice of law principles.

5.14. Authority to Execute this IBA. The Court and the Council each certify that the individual signing this IBA on its behalf has the authority to execute this IBA on its behalf.

5.15. Recitals Incorporated. The recitals in this IBA and the Exhibits attached to this IBA are hereby incorporated into and a part of this IBA for all purposes.

5.16. Notices. Any notices required or permitted to be given under this IBA must be in writing and delivered to the other Party, as follows: (a) personal delivery; (b) certified United States mail, first class postage pre-paid, with return receipt requested; or (c) reputable overnight courier service. Notices shall be addressed to the Parties as follows:

If to the Court: Superior Court of California, County of Santa Clara
161 N. First Street
San Jose, California 95113
Attention: Presiding Judge
Tel: (408) 882-2280

If to the Council: Judicial Council of California
455 Golden Gate Avenue
San Francisco, California 94102
Attention: Mr. Stephen Saddler
Tel: (415) 865-4090

Either Party may change the address to which notices must be sent hereunder by giving notice to the other Party in accordance with this section 5.16.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this IBA as of the IBA Effective Date.

APPROVED AS TO FORM:
Judicial Council of California,
Legal Services

By: _____
Name: Leslie G. Miessner
Title: Supervising Attorney

JUDICIAL COUNCIL OF CALIFORIA,

By: _____
Name: Stephen Saddler
Title: Manager, Business Services

APPROVED AS TO FORM:

By: _____
Name: David H. Yamasaki
Title: Court Executive Officer

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SANTA CLARA

By: _____
Name: Hon. Brian C. Walsh
Title: Presiding Judge

EXHIBIT "A"

AMENDED AND RESTATED ESTIMATED PROJECT BUDGET

[See attached.]

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2037-38

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15[1]	2015-16[1]	2016-17	2017-18
Expenditures									
State Operations									
Debt Service								16,976,400	16,978,000
Subtotal - State Operations	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*16,976,400*	*16,978,000*
Capital Outlay (Pay as you go)									
Planning									
Acquisition	3,905,000	1,804,000	-1,934,000		-197,000				
Preliminary Plans		11,111,000	-4,400,000		-548,955				
Working Drawings			10,005,000		-2,205,000				
Construction (Financed)					0				
Subtotal - Capital Outlay	*3,905,000*	*12,915,000*	*3,671,000*	*0*	*-2,950,955*	*0*	*0*	*0*	*0*
Total Expenditures	**3,905,000**	**12,915,000**	**3,671,000**	**0**	**-2,950,955**	**0**	**0**	**16,976,400**	**16,978,000**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*								-3,343,881	-3,343,881
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)[1]	0	-10,050,000	-2,500,000	-2,500,000	-3,000,000	0	0	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility			-3,766,600						
Subtotal - CFP/Court/County Contributions:	**0**	**-10,050,000**	**-6,266,600**	**-2,500,000**	**-3,000,000**	**0**	**0**	**-8,375,138**	**-8,375,138**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**3,905,000**	**2,865,000**	**-2,595,600**	**-2,500,000**	**-5,950,955**	**0**	**0**	**8,601,262**	**8,602,862**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A) Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2037-38

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Expenditures									
State Operations									
Debt Service	16,978,900	16,977,300	16,975,800	16,977,400	16,976,200	16,980,000	16,978,400	16,976,700	16,978,400
Subtotal - State Operations	*16,978,900*	*16,977,300*	*16,975,800*	*16,977,400*	*16,976,200*	*16,980,000*	*16,978,400*	*16,976,700*	*16,978,400*
Capital Outlay (Pay as you go)									
Planning									
Acquisition									
Preliminary Plans									
Working Drawings									
Construction (Financed)									
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**16,978,900**	**16,977,300**	**16,975,800**	**16,977,400**	**16,976,200**	**16,980,000**	**16,978,400**	**16,976,700**	**16,978,400**
Less **Offsets (Transfers to Fund/Miscellaneous Revenue)**									
CFTF (Fund 3066) - CFP (Offset)*	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)[1]	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility									
Subtotal - CFP/Court/County Contributions:	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**8,603,762**	**8,602,162**	**8,600,662**	**8,602,262**	**8,601,062**	**8,604,862**	**8,603,262**	**8,601,562**	**8,603,262**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A)
Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2037-38

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Expenditures										
State Operations										
Debt Service	16,977,400	16,977,700	16,977,900	16,976,400	16,975,900	16,976,700	16,981,000	16,980,300	16,976,800	16,978,600
Subtotal - State Operations	*16,977,400*	*16,977,700*	*16,977,900*	*16,976,400*	*16,975,900*	*16,976,700*	*16,981,000*	*16,980,300*	*16,976,800*	*16,978,600*
Capital Outlay (Pay as you go)										
Planning										
Acquisition										
Preliminary Plans										
Working Drawings										
Construction (Financed)										
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**16,977,400**	**16,977,700**	**16,977,900**	**16,976,400**	**16,975,900**	**16,976,700**	**16,981,000**	**16,980,300**	**16,976,800**	**16,978,600**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)										
CFTF (Fund 3066) - CFP (Offset)*	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881	-3,343,881
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)[1]	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility										
Subtotal - CFP/Court/County Contributions:	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**	**-8,375,138**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**8,602,262**	**8,602,562**	**8,602,762**	**8,601,262**	**8,600,762**	**8,601,562**	**8,605,862**	**8,605,162**	**8,601,662**	**8,603,462**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A) Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2037-38

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2037-38	Total
Expenditures		
State Operations		
Debt Service	16,978,500	**373,510,700**
Subtotal - State Operations	*16,978,500*	**373,510,700**
Capital Outlay (Pay as you go)		
Planning		
Acquisition		**3,578,000**
Preliminary Plans		**6,162,045**
Working Drawings		**7,800,000**
Construction (Financed)		**0**
Subtotal - Capital Outlay	*0*	***17,540,045***
Total Expenditures	**16,978,500**	**391,050,745**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)		
CFTF (Fund 3066) - CFP (Offset)*	-3,343,881	**-73,565,382**
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)[1]	-5,031,257	**-128,737,654**
County of Santa Clara - Sale of Los Gatos Facility		**-3,766,600**
Subtotal - CFP/Court/County Contributions:	**-8,375,138**	**-206,069,636**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**8,603,362**	**184,981,109**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A)
Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

EXHIBIT "B"

ICNA CONTRIBUTIONS SCHEDULE

[See attached.]

EXHIBIT B

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2037-38

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 [4]	2015-16 [4]	2016-17	2017-18
Revenues									
Court Reserves	4,000,000								
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)	2,300,000								
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	1,000,000	1,000,000	750,000	0	1,000,000	0	0	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*750,000*	*0*	*1,000,000*	*0*	*0*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]								*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]								*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves				*-1,250,000*	-500,000				
Subtotal - Revenues	***9,800,000***	***3,500,000***	***3,250,000***	***1,250,000***	***3,000,000***	***0***	***0***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution) [3]				2,750,000					
Janitorial (Court)								439,743	439,743
Adjustment due to sweep of court reserves									
Subtotal - Expenditures - State Operations	*0*	*0*	*0*	*2,750,000*	*0*	*0*	*0*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**9,800,000**	**3,500,000**	**3,250,000**	**-1,500,000**	**3,000,000**	**0**	**0**	**5,031,257**	**5,031,257**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,4]	*0*	*-10,050,000*	*-2,500,000*	*-2,500,000*	*-3,000,000*	*0*	*0*	*-5,031,257*	*-5,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*9,800,000*	*3,250,000*	*4,000,000*	*0*	*0*	*0*	*0*	*0*	*0*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.

2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).

3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.

4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: March 2016 (Estimated)

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: Judicial Council, Capital Program
Updated September 24, 2014

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2037-38

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Revenues									
Court Reserves									
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)									
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves									
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution) [3]									
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Adjustment due to sweep of court reserves									
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,4]	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.

2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).

3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.

4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: March 2016 (Estimated)

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2037-38

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Revenues										
Court Reserves										
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)										
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves										
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures										
Furniture, Fixtures and Equipment (Capital Project - Court Contribution) [3]										
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Adjustment due to sweep of court reserves										
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,4]	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*	*-5,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.

2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).

3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.

4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions ending after final debt service payment obligation is due, FY 2037-38. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: March 2016 (Estimated)

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2037-38

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2037-38	Total
Revenues		
Court Reserves		**4,000,000**
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)		**2,300,000**
Civil Assessments	2,500,000	**67,500,000**
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	**69,112,000**
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	***25,750,000***
Court Leases (Consolidated into New Family Justice Center) [1]	*571,000*	***12,562,000***
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*1,400,000*	***30,800,000***
Adjustment due to Sweep of Court Reserves		**-1,750,000**
Subtotal - Revenues	***5,471,000***	***141,162,000***
Expenditures		
Furniture, Fixtures and Equipment (Capital Project - Court Contribution) [3]		**2,750,000**
Janitorial (Court)	439,743	**9,674,346**
Adjustment due to sweep of court reserves		
Subtotal - Expenditures - State Operations	*439,743*	**12,424,346**
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**128,737,654**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,4]	*-5,031,257*	*-128,737,654*
Court Contribution Pending Transfer to ICNA as of June 30:	*0*	

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.
2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).
3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.
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EXHIBIT "C"

MEMORANDUM OF UNDERSTANDING

[See attached.]

MEMORANDUM OF UNDERSTANDING

(BUILDING #43-00 -- FAMILY JUSTICE CENTER PROJECT) REGARDING COURT'S FINANCIAL COMMITMENTS TO THE FAMILY JUSTICE CENTER PROJECT

City of San Jose, County of Santa Clara

This Memorandum of Understanding (this **"MOU"**) is entered into as of the ____ day of MAY 11, 2010, (the **"Effective Date"**) by and between the Judicial Council of California (**"Judicial Council"**), Administrative Office of the Courts (together with the Judicial Council, the **"AOC"**) and the Superior Court of California, County of Santa Clara (the **"Court"**). For the purpose of this MOU, the AOC and the Court are sometimes individually referred to as a **"Party"** and together referred to as the **"Parties."**

BACKGROUND AND PURPOSE OF MOU:

A. The AOC and the Court desire to construct a new courthouse that the Parties presently anticipate will consist of approximately 234,000 square feet of interior space and certain related exterior improvements, to be known as the Family Justice Center (the **"Project"**).

B. The Parties contemplate that the Project will be constructed in the City of San Jose, County of Santa Clara on certain land located at the corner of St. James Street and North Market Street (the **"Land"**). The Parties further contemplate that a portion of the Land will be donated to the State of California (**"State"**) by the County of Santa Clara (**"County"**) pursuant to the terms of that certain Agreement For Donation of Real Property between the County and the AOC (**"Donation Agreement"**).

C. Upon completion of the Project, the Parties intend that the Court will consolidate into the Project the Court's operations from six existing court facilities and associated parking located in or on premises originally leased by the County and for which responsibility has been transferred, or is being transferred, to the AOC by the County under the Trial Court Facilities Act of 2002 (codified in Government Code sections 70301 *et seq.*).

D. Upon completion of the Project, the Parties intend that the Court will also consolidate into the Project the Court's operations from premises leased directly by the Court in two buildings.

E. While the Project will be funded through SB 1407 (Perata-2002) funds authorized by the Judicial Council, the Court will contribute financial support to the Project as described in this MOU.

F. The Judicial Council, the AOC, and the Court have agreed to proceed with the design, development, financing, construction, completion, and operation of the Project based on (i) the Court's agreement to commit certain of its financial resources to the Project as described in this MOU, and (ii) the County's agreement to donate the Land pursuant to the Donation Agreement, and (iii) the County's performance of its obligation to sell the Los Gatos Courthouse and the related real property and deliver the net sale proceeds arising from that sale to the AOC, as provided in that certain Transfer Agreement between the AOC and the County, dated December 18, 2008, (the **"Los Gatos Transfer Agreement"**). The Judicial Council and the AOC would not proceed with the Project but for the agreements made by the Court in this MOU and by the County in the Donation Agreement and the Los Gatos Transfer Agreement.

G. This MOU memorializes the Court's financial commitments to the Project. This MOU further establishes certain payment and reimbursement mechanisms that the Parties will follow in connection with the funding of the Court's financial commitments to the Project, subject to approval of the funding mechanisms described in this MOU by the State Department of Finance (**"DOF"**).

H. This MOU is based on the AOC's agreement to contract for and manage the design, development, permitting, financing, and construction of the Project for the benefit of the Court in accordance with, among other things, this MOU, the estimated Project budget, which is attached hereto and incorporated herein as **Exhibit "A"** (the **"Budget"**), and the estimated schedule for the Court's annual funding of certain of the Court's financial contributions to the Project, which is attached hereto and incorporated herein as **Exhibit "B"** (the **"TCTF Contributions Schedule"**).

I. The Capital Project Fund is a Court account established as a line item revenue account within the Court's budget (the **"Court Capital Project Fund"**).

J. All of the Court's financial commitments to the Project are described in the subsections of section 2 of this MOU and are sometimes collectively referred to in this MOU as the **"Court Contributions."** Subject to approval by the DOF, those annual Court Contributions that are shown on the attached TCTF Contributions Schedule (the **"TCTF Contributions"**) will be funded through (i) the AOC making semi-annual reductions in the allocations that the AOC makes to the Court from the Trial Court Trust Fund (**"TCTF"**), as described in section 3.1 of this MOU, each in a sum equal to all TCTF Contributions that are then due from the Court pursuant to the TCTF Contributions Schedule (each a **"TCTF Reduction Amount"** and collectively, the **"TCTF Reduction Amounts"**), and (ii) the Court's periodic deposit, retention, and use of funds in the Court Capital Project Fund, as provided in section 1.2 of this MOU, to replace the TCTF

Reduction Amounts that are withheld by the AOC on a semi-annual basis from the Court's TCTF allocations.

K. The Court shall make the annual TCTF Contributions to the Project at the times and in the amounts shown on the TCTF Contributions Schedule for the entire period of fiscal years shown on the TCTF Contributions Schedule (the **"TCTF Contributions Period"**), subject to section 1.1.3 of this MOU.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the AOC and the Court hereby agree as follows:

AGREEMENT:

1. SEMI-ANNUAL TCTF REDUCTIONS AND REDUCTION DATES; DEPOSITS INTO COURT CAPITAL PROJECT FUND.

1.1. Semi-Annual TCTF Contributions.

1.1.1. Semi-Annual Withholding and Deposits of TCTF Reduction Amounts. Except as otherwise expressly provided in this MOU, the AOC shall, on a semi-annual basis, reduce the Court's allocation from the TCTF by a sum equal to 50 percent of all TCTF Contributions that are due from the Court for the applicable fiscal year pursuant to the TCTF Contributions Schedule, as more fully described in section 3.1 of this MOU. The AOC shall deposit each TCTF Reduction Amount into (i) the Immediate and Critical Needs Account of the State Court Facilities Construction Fund, established by Government Code section 70371.5 (the **"ICNA"**), (ii) the Court Facilities Architecture Revolving Fund, established by Government Code section 70379(c) and administered by the AOC (the **"CFARF"**), and/or (iii) such other fund or account that the DOF may designate. The AOC shall use all of the TCTF Reduction Amounts, including but not limited to the TCTF Reduction Amounts related to the Catch-Up Payment outlined in section 2.2 of this MOU, and the FF&E Contribution outlined in section 2.5 of this MOU, solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose.

1.1.2. Reduction Dates. The AOC shall make the first semi-annual reduction in the Court's TCTF allocation for each fiscal year on the date that the AOC makes its first regular, monthly allocation to the Court from the TCTF after March 31 of the applicable fiscal year, and the AOC shall make the second semi-annual reduction in the Court's TCTF allocation for each fiscal year on the date that the AOC makes its first regular, monthly allocation to the Court from the TCTF after September 30 of the next succeeding fiscal year (each a **"Reduction Date"** and together, the **"Reduction Dates"**). Except for the Catch-Up Payment Reduction Date described in section 2.2 of this MOU, the Parties anticipate that the first Reduction Date shall occur on or about October 20,

2010. At or about the time that the State bond financing for the Project is sold under the authority of SB 1407 (Perata-2002) (the **"State Bond Financing"**), the Parties may, if required by the DOF or requested by the AOC, modify the dates on which the Reduction Dates occur for each fiscal year during the TCTF Contribution Period, such that the Reduction Dates thereafter occur approximately 60 calendar days in advance of the dates that the AOC's semi-annual installment payments are due on the State Bond Financing.

1.1.3. Duration of TCTF Contributions Period. As of the Effective Date of this MOU, the Parties anticipate that the TCTF Contributions Period will commence on the Effective Date with respect to those TCTF Contributions that are due from the Court for fiscal year 2009-2010, and will continue until the end of fiscal year 2043-2044; however, the Parties acknowledge that the TCTF Contributions Schedule and the TCTF Contributions Period are subject to change based on (i) requirements that the DOF may impose, and (ii) the date on which the AOC's semi-annual installments payments on the State Bond Financing for the Project actually commence. Notwithstanding any such change, in no event shall the TCTF Contributions Period or the Court's obligation to fund the TCTF Contributions continue after the earlier to occur of (a) the original maturity date of the State Bond Financing, or (b) the end of the 30th fiscal year after the fiscal year during which the AOC's first installment payment is due on the State Bond Financing.

1.1.4. DOF Approval Required. The Court and the AOC acknowledge that the funding mechanisms described in this MOU for the Court's TCTF Contributions are subject to approval and possible modification by the DOF. Therefore, the AOC shall not implement any reductions in the Court's allocation from the TCTF under section 3.1 of this MOU until: (i) the State Public Works Board (**"PWB"**) has approved the Project; and (ii) the DOF has approved the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions; and (iii) the DOF has provided direction to the AOC concerning whether TCTF Reduction Amounts withheld by the AOC pursuant to section 3.1 of this MOU are to be deposited into the CFARF, the ICNA, and/or other funds or accounts designated by the DOF. If the DOF does not approve any aspect of the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions, then the AOC and the Court shall promptly amend this MOU, in writing, to provide for any alternate funding mechanisms required by the DOF for such TCTF Contributions.

1.2. Reduction Date Funding Obligations. Prior to each Reduction Date, the Court shall deposit into the Court Capital Project Fund an amount equal to 50 percent of all TCTF Contributions that are due from the Court for the applicable fiscal year, as shown on the TCTF Contributions Schedule, it being the agreement and intention of the Parties that (i) by no later than the first Reduction Date for each fiscal year during the TCTF Contributions Period, the Court shall have deposited into the Court Capital Project Fund an amount that is equal to at least 50 percent of all TCTF Contributions that are due

from the Court for that fiscal year, and (ii) by the second Reduction Date for each fiscal year, the Court shall have deposited into the Court Capital Project Fund the entire remaining balance of all TCTF Contributions that are due from the Court for that fiscal year. On and after each Reduction Date, when the AOC has reduced the Court's allocation from the TCTF by the applicable TCTF Reduction Amount, pursuant to section 3.1 of this MOU, and has deposited the applicable TCTF Reduction Amount into the ICNA, the CFARF, or other fund or account designated by the DOF, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to such Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC on that Reduction Date. The terms of this section 1.2 shall not apply to the Catch-Up Payment (as defined in section 2.2, below), which shall instead be governed by section 2.2 of this MOU, or to the $1,000,000 per year in FF&E Contributions (as defined in section 2.5, below) made by the Court, which shall instead be governed by section 2.5 of this MOU.

2. COURT'S FINANCIAL COMMITMENTS TO PROJECT.

2.1. Court Contributions. The Court Contributions consist of: (i) the annual TCTF Contributions that the Court is obligated to make during the TCTF Contributions Period, as shown on the TCTF Contributions Schedule; (ii) the Janitorial Services Contribution described in section 2.6 of this MOU; and (iii) the Offsite Parking Plan described in section 2.7 of this MOU.

2.1.1. TCTF Contributions Amounts. As shown on the TCTF Contributions Schedule, with the exception of the period commencing with fiscal year 2009-2010 and continuing through and including fiscal year 2013-2014, the annual amount of the Court's TCTF Contributions shall be $5,471,000; provided that a $2,500,000 portion of the Court's TCTF Contributions for the final fiscal year of the TCTF Contributions Period may be prorated pursuant to section 2.4 of this MOU.

2.2. Fiscal Year 2009-2010 Catch-Up Payment. By no later than 15 business days after the Effective Date of this MOU, the Court shall deposit, record, and reserve for the Project in the Court Capital Project Fund the sum of $7,550,000 (the **"Catch-Up Payment"**) reflecting a portion of the $9,800,000 in TCTF Contributions that are due from the Court for fiscal year 2009-2010, as shown on the TCTF Contributions Schedule. Notwithstanding the date on which the next Reduction Date will occur, the AOC shall be entitled to, and shall, reduce the Court's allocation from the TCTF by a sum equal to the Catch-Up Payment, and shall deposit that sum into the CFARF, the ICNA, or other fund or account designated by the DOF, as promptly as possible after: (i) the PWB has approved the Project; and (ii) the DOF has approved the funding mechanisms set forth in this MOU for the Court's annual TCTF Contributions; and (iii) the DOF has provided direction to the AOC concerning whether the TCTF Reduction Amount comprising the Catch-Up Payment is to be deposited into the CFARF, the ICNA, and/or other fund or account designated by the DOF (the **"Catch-Up Payment**

Reduction Date"). Thereafter, the Court shall, by no later than the October 2010 Reduction Date, deposit, record, and reserve in the Court Capital Project Fund the entire, remaining balance of the Court's TCTF Contributions for fiscal year 2009-2010, which amount the AOC shall withhold from the Court's TCTF allocation, pursuant to section 3.1 of this MOU, on the October 2010 Reduction Date; provided that, the AOC shall not reduce the Court's TCTF allocation by the Court's $1,000,000 FF&E Contribution for fiscal year 2009-2010 on the Catch-Up Payment Reduction Date or on the October 2010 Reduction Date. Rather, the Court's FF&E Contribution for fiscal year 2009-2010 shall be governed by the terms of section 2.5 of this MOU. On and after the Catch-Up Payment Reduction Date, when the AOC has reduced the Court's allocation from the TCTF by an amount equal to the Catch-Up Payment pursuant to this section 2.2, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to the Catch-Up Payment Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC pursuant to this section 2.2.

2.3. Court's Obligation to Pay Shortfalls. It shall be the sole right and obligation of the Court to plan for and determine the sources of Court revenue that the Court will use to fund the Court Contributions to the Project, including but not limited to, the funds that the Court will deposit, record, and reserve from time to time in the Court Capital Project Fund toward payment of the Court's semi-annual TCTF Contributions. Except as otherwise expressly provided in section 2.3.1 of this MOU, the Court shall not be relieved of its obligation to pay the full amount of the Court Contributions, including but not limited to the full amount of the Court's annual TCTF Contributions, even if, in any one or more fiscals years during the TCTF Contributions Period, there is a shortfall in any source of the Court revenues from which the Court otherwise intended to pay the Court Contributions. In such event, the Court shall nevertheless be and remain obligated to pay the full amount of the Court Contributions, including but not limited to the Court's annual TCTF Contributions, that are due at each Reduction Date and for each fiscal year, by supplementing the amount of the revenues actually collected and allocated to the Court during each fiscal year with additional funds from the Court's general operating budget, the Court's reserves, or other funds then available to the Court for such purpose.

2.3.1. Reliance on Court's Ongoing Receipt of Net Civil Assessment Revenues. The AOC and the Court acknowledge that a $2,500,000 portion of the Court's annual TCTF Contributions (the **"Civil Assessments Contribution"**) will be funded, in whole or in part, through net civil assessment revenues that the Court anticipates will be collected in the County and allocated to the Court for each fiscal year during the TCTF Contributions Period. For purposes of this MOU, the term "net civil assessments revenues" means civil assessment revenues collected in the County under Penal Code section 1214.1 net of the costs of collecting such civil assessment revenues that are permitted to be reimbursed to the collecting party or parties under the guidelines of the State Controller. The Court agrees to pay the full annual amount of the Civil

Assessments Contribution in accordance with the TCTF Contributions Schedule and the Court agrees to cover any shortfalls that may occur between the annual amount of the Civil Assessments Contribution and the amount of net civil assessment revenues that are actually allocated to the Court in any fiscal year or years during the TCTF Contribution Period. The Court is expressly relying that the following will remain in effect for the duration of the TCTF Contributions Period: (i) current AOC policy with respect to allocation of net civil assessment revenues to the Court and the retention of net civil assessments revenues by the Court; and (ii) applicable law providing for imposition of civil assessments; and (iii) applicable law providing for allocation of net civil assessment revenues to the Court and retention of net civil assessment revenues by the Court. If any or all of the policies and laws described in (i) through (iii) above change during the TCTF Contributions Period, the AOC and the Court will promptly meet and confer to discuss further funding of the Civil Assessment Contribution, however, the required Court Contributions remain the responsibility of the Court.

2.4. Proration. In the event that the TCTF Contributions Period ends on a date other than June 30 in the applicable fiscal year, then the portion of the Court's TCTF Contributions that consists of the Court's Civil Assessments Contribution for that fiscal year shall be prorated on the basis of a 365-day year.

2.5. FF&E Contributions. The Court acknowledges that the AOC has reduced the furniture, fixtures, and equipment line item of the Budget by the sum of $4,000,000 based on the Court's commitment to deposit, record, and reserve for the Project in the Court Capital Project Fund and as part of the Court's TCTF Contributions for the first four fiscal years of the TCTF Contributions Period, commencing with fiscal year 2009-2010 through and including fiscal year 2012-2013, the sum of $1,000,000 per year (the **"FF&E Contribution"**). The AOC and the Court agree that the $4,000,000 FF&E Contribution reserved by the Court during those four fiscal years will be used by the AOC to purchase, on a "pay-as-you-go" basis, furniture, fixtures, and equipment for the Project that are not otherwise included in the Budget. The AOC shall consult with the Court prior to completing the purchase of any such furniture, fixtures, and equipment for the Project. The AOC shall, on behalf of the Court, make all payments to vendors for the purchase of furniture, fixtures, and equipment for the Project directly from the TCTF up to the total $4,000,000 amount of the FF&E Contribution. The AOC shall only reduce the Court's TCTF allocation by sums comprising the FF&E Contribution, as follows: (i) as and when the AOC actually purchases such furniture, fixtures, and equipment for the Project, each such reduction to be in the amount of all invoices paid by the AOC directly from the TCTF as of the applicable Reduction Date to purchase such furniture, fixtures, and equipment for the Project, and (ii) when the AOC has completed its purchase of, and has fully paid for, directly from the TCTF, such furniture, fixtures, and equipment for the Project, if there remains any portion of the FF&E Contribution that was not expended by the AOC directly from the TCTF for such purpose, the AOC shall withhold such remaining portion of the FF&E Contribution from the Court's TCTF allocation on the

next semi-annual Reduction Date, pursuant to section 3.1 of this MOU, and the AOC shall deposit such remaining amount of the FF&E Contribution into the ICNA to use toward payment of debt service on the State Bond Financing. On and after each Reduction Date on which the AOC withholds from the Court's TCTF allocation all or any portion of the FF&E Contribution pursuant to this section 2.5 of this MOU, when the AOC has reduced the Court's allocation from the TCTF by an amount equal to the applicable portion of the FF&E Contribution pursuant to this section 2.5, the Court shall have the right to use all or any portion of the funds that it deposited into the Court Capital Project Fund prior to such Reduction Date to replace, in the Court's general fund, all or any portion of the TCTF Reduction Amount that was withheld by the AOC pursuant to this section 2.5.

2.6. Janitorial Services Contribution. The Court shall be solely responsible for all janitorial costs and expenses of the Project commencing on the date that the Court first takes occupancy of the Project and at all times thereafter that the Court continues to occupy the Project. The Court shall directly arrange for such janitorial services and shall make direct payment of all costs and expenses associated with such janitorial services (the **"Janitorial Services Contribution"**). The Court has estimated that the annual cost of providing janitorial services to the Project will be $439,743 per fiscal year. The Parties agree that, commencing in the fiscal year that the Court first takes occupancy of the Project, the AOC shall apply as a credit toward the annual amount that the AOC withholds from the Court's allocation from the TCTF, pursuant to section 3.1 of this MOU, the sum of $439,743 to provide the Court with a source of funds for payment of the Janitorial Services Contribution (the **"Janitorial Services Contribution Credit"**); provided, however, that in no event shall the Court be entitled to a Janitorial Services Contribution Credit in an amount greater than $439,743 in any fiscal year, even if the actual costs and expenses incurred by the Court in providing janitorial services to the Project for any fiscal year exceed $439,743 and irrespective of any amount by which the Court's actual Janitorial Services Contribution to the Project exceeds $439,743. In the event that the Court first takes occupancy of the Project on any date other than July 1 of the applicable fiscal year, the Janitorial Services Contribution Credit for the first fiscal year of the Court's occupancy of the Project shall be prorated on the basis of a 365-day year to reflect the actual portion of that fiscal year during which the Court was actually paying the Janitorial Services Contribution.

2.7. Offsite Parking. The Parties anticipate that the Project will include a total of approximately 43 secured on-site parking stalls for exclusive use by the Court (the **"On-Site Parking Facilities"**), and that the costs and expenses for development, design, construction, completion, and financing of the On-Site Parking Facilities will be included in the Budget. The Court shall be solely responsible, at the Court's sole cost and expense, to (a) develop a parking plan for the Project as part of, and entirely consistent with, the Mitigated Negative Declaration for the Project that is certified by the AOC under the California Environmental Quality Act, California Public Resources Code

sections 21000, *et seq.*, and its implementing guidelines, Title 14, California Code of Regulations, sections 15000, *et seq.*; and (b) address all parking needs of the Court, its judges, staff, employees, jurors, witnesses, and visitors at the Project that are not addressed by virtue of the On-Site Parking Facilities (together, the **"Offsite Parking Plan"**). The AOC shall have no liability or responsibility whatsoever for any costs or expenses associated with the Offsite Parking Plan or with any parking other than the On-Site Parking Facilities that may be provided for the Project thereunder. Nothing in this section shall be construed as a requirement of the Project that the Court pay for the cost of offsite parking.

2.8. Termination of Court's Obligation for TCTF Contributions. At such time as the TCTF Contributions Period ends, and the Court has paid in full all of the TCTF Contributions that the Court is obligated to pay pursuant to the TCTF Contributions Schedule, the Court will have no further obligation or responsibility whatsoever to pay any portion of the TCTF Contributions or otherwise to make any financial contributions to the Project; provided that, nothing in this section 2.8 shall relieve the Court of its obligation to pay: (a) the Janitorial Services Contribution pursuant to section 2.6 of this MOU; (b) any ongoing financial obligations that the Court may have undertaken in respect of the Offsite Parking Plan, if any, pursuant to section 2.7 of this MOU; and (c) the customary financial obligations of the Court with respect to operation of court facilities under Rule 10.810 of the California Rules of Court, the Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 - Escutia and Pringle; California Government Code sections 77000 through 77400, inclusive, as amended), and other similar laws that are or may be in effect during the period of the Court's occupancy of the Project.

2.9. Consent to AOC's Reduction and Use of TCTF Contributions. By signing this MOU, the Court hereby expressly consents and agrees to (i) the AOC's semi-annual reductions of the AOC's allocations to the Court from the TCTF in amounts equal to the TCTF Contributions due from the Court on the Catch-Up Payment Reduction Date and on each and all of the semi-annual Reduction Dates, as applicable, pursuant to section 3.1 of this MOU, and (ii) the AOC's deposit of the TCTF Reduction Amounts into the CFARF, the ICNA, or other funds or accounts designated by the DOF. The Court further consents and agrees to the AOC's expenditure and use of the TCTF Reduction Amounts and the FF&E Contribution solely in connection with the Project pursuant to this MOU and the Budget.

3. REDUCTION FROM TCTF DISTRIBUTIONS.

3.1. TCTF Reduction Amounts. During the TCTF Contributions Period and until the Court has paid in full all of the TCTF Contributions provided for in the TCTF Contributions Schedule, the AOC shall implement the payments of the Court's TCTF Contributions on the Catch-Up Payment Reduction Date and on each of the semi-annual Reduction Dates by reducing the amount of the AOC's allocation to the Court

from the TCTF by a sum equal to the total amount of all TCTF Contributions that are then due from the Court pursuant to the TCTF Contributions Schedule and this MOU. The AOC shall promptly deposit the TCTF Reduction Amount withheld by the AOC on the Catch-Up Payment Reduction Date and each semi-annual Reduction Date into the CFARF, the ICNA, and/or other fund or account designated by the DOF. Except as otherwise specifically set forth in this MOU with respect to the Catch-Up Payment and the FF&E Contribution, on each semi-annual Reduction Date during the TCTF Contributions Period, the TCTF Reduction Amount that the AOC shall withhold from its TCTF allocation to the Court shall be in an amount equal to 50 percent of all TCTF Contributions owed by the Court for the applicable fiscal year, minus the sum of $219;871.50, representing one-half of the annual $439,743 Janitorial Services Contribution Credit. The AOC shall use the TCTF Reduction Amounts solely in connection with the design, development, construction, financing, and completion of the Project and for no other purpose. The Court will reflect each TCTF Reduction Amount as non-cash revenue and as an expenditure in the Court's financial records for each fiscal year during the TCTF Contribution Period. If for any reason the Court does not deposit, record, and reserve in the Court Capital Project Fund the full amount of all TCTF Contributions that the Court is obligated to contribute to the Project by the Catch-Up Payment Reduction Date, any semi-annual Reduction Date, or for any fiscal year, such failure shall in no event limit, diminish, or modify in any respect whatsoever the AOC's right to withhold such sums from the Court's TCTF allocation for each fiscal year during the TCTF Contributions Period, as, when, and in the amounts provided in this section 3.1 and the TCTF Contributions Schedule.

3.2. Certain AOC Obligations.

3.2.1. Compliance with Procedure for TCTF Reduction Amounts. The AOC Finance Division, Office of Budget Management, will comply with the procedure for reducing the Court's annual allocation from the TCTF by the TCTF Reduction Amounts in accordance with section 3.1 of this MOU, and will notify the Court from time to time of the distribution of the TCTF Reduction Amounts toward payments made with respect to the Project.

3.2.2. Monitoring of Expenditures. The AOC's Office of Court Construction and Management shall monitor (i) expenditures of the TCTF Reduction Amounts for the Project from the CFARF, the ICNA, and any other fund or account into which DOF directs the AOC to deposit any of the TCTF Reduction Amounts, and (ii) expenditures of the FF&E Contribution directly from the TCTF for furniture, fixtures, and equipment for the Project pursuant to section 2.5 of this MOU, and shall make copies of supporting detail available to the Court upon the Court's written request, but in no event more frequently than twice per fiscal year.

3.2.3. Equitable Adjustment. If the AOC is able to complete the Project in accordance with the Budget, the total, combined amount of the Court's TCTF

Contributions to the Project are expected to comprise approximately 30 percent of the total cost to design, develop, construct, finance, and complete the Project. However, during the period from the Effective Date until the date of Budget Act approval of construction funding for the Project, the Court's TCTF Contributions to the Project are expected to materially exceed the Judicial Council's financial contributions to the Project. As such, if the AOC makes a final determination, at any time prior to the date of Budget Act approval of the construction funding for the Project, that the Project will not be built, the AOC and the Court will promptly meet and confer to discuss whether and to what extent it is appropriate for the AOC to reimburse to the Court an equitable portion of the total TCTF Contributions that have been made by the Court, through TCTF reductions implemented by the AOC under section 3.1 of this MOU. If the Parties are not able to reach agreement during that meet and confer process concerning whether or to what extent any such equitable adjustment is appropriate, then at the request of either Party, the Parties shall endeavor to resolve the issue through the dispute-resolution process described in section 4.2 of this MOU.

3.2.4. Management of Project. Subject to the County's completion of the donation of the Land in accordance with the Donation Agreement, the County's compliance with its obligations under the Los Gatos Transfer Agreement, and the Court's performance of its financial obligations under this MOU, the AOC shall contract for, manage, and administer the design, development, construction, financing, completion, and operation of the Project for the benefit of the Court in accordance with the Budget.

3.2.5. Final Project Accounting; Disposition of TCTF Contributions Not Required For Project. Within 180 days after completion of the Project, payment of all Project costs reflected in the Budget, and payment in full of the State Bond Financing, the AOC shall deliver to the Court a final accounting for the Project, which shall reflect the sources and uses of all funds used to pay costs associated with the design, development, financing, construction, and completion of the Project, including without limitation all TCTF Reduction Amounts withheld by the AOC from the Court's TCTF allocation during the TCTF Contributions Period under section 3.1 of this MOU. If, pursuant to such final Project accounting, any portion of the TCTF Reduction Amounts have not been expended by the AOC toward payment of Project costs or payment of debt service on the State Bond Financing, the AOC shall reimburse and return all such excess and unused TCTF Reduction Amounts to the Court at the time that the AOC delivers the final Project accounting to the Court.

3.3. Certain Court Obligations. This MOU is approved by the Parties based, in part, upon the Court's promise and obligation to (i) manage the impact of the Court's share of any reductions included in the State budget; (ii) plan on the potential of additional reductions in the State budget during the period that the Court remains obligated to pay the Court Contributions toward the Project; and (iii) address the Court's share of any statewide allocation of costs for statewide administrative infrastructure, to

ensure that the Court at all times has sufficient financial resources to honor its financial commitments to the Project and to pay all Court Contributions as and when provided for in this MOU. The Parties hereby acknowledge their understanding that, even if the Court is in full compliance with the terms of this MOU, the AOC has, and hereby expressly reserves, the right (but not the obligation) to terminate, modify, or restructure the Project, in the AOC's sole discretion, if the County does not perform in full its obligations under the Donation Agreement or the Los Gatos Transfer Agreement.

4. MISCELLANEOUS PROVISIONS.

4.1. Effective Date and Termination. This MOU takes effect on the Effective Date and shall remain in full force and effect unless and until it is terminated by the Court's full payment and performance of all of the Court Contributions contemplated in this MOU or by a writing signed by both of the Parties hereto.

4.2. Dispute Resolution. If a disagreement or dispute arises between the Parties regarding the terms of this MOU, the Parties will attempt to resolve their disagreement by unassisted negotiation between AOC staff and Court staff at the operating level. If the Parties are not able to fully and finally resolve their disagreement through such discussions, the Parties will refer the matter to the then Presiding Judge of the Court and the then Chief Deputy Director of the AOC for resolution.

4.3. Counterparts. This MOU may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

4.4. Entire Agreement. This MOU, including the recitals herein and the Exhibits attached hereto, contains the entire and complete understanding and agreement of the Parties hereto with respect to the subject matter of this MOU, and supersedes any and all other prior or contemporaneous agreements, representations, or understandings between the Parties, oral or written.

4.5. Amendment. This MOU can be amended only by a written document signed by both Parties.

4.6. Time of Performance. Unless otherwise specifically provided in this MOU, all references to days herein shall be deemed to refer to calendar days. If the final date for payment of any amount or performance of any duty falls on a Saturday, Sunday, holiday, or furlough day, such payment shall be made or duty performed on the next succeeding business day.

4.7. Further Assurances. Each Party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time in order to effectuate the terms and intent of this MOU.

4.8. Time of the Essence. Time is of the essence with respect to each and every provision of this MOU.

4.9. Waivers. Any waiver by a Party to this MOU of any term or breach of this MOU shall not constitute a waiver or any other provision or breach on the same occasion or a waiver of the same or any other provision or breach on any other occasion.

4.10. Binding Effect. This MOU shall be binding upon and shall inure to the benefit of the AOC and the Court and their respective successors.

4.11. Counsel and Drafting. Each Party has had the opportunity to participate in the drafting and preparation of this MOU and represents that it has reviewed this MOU with its own counsel. No Party shall deny the validity of this MOU on the ground that such Party did not have the advice of counsel in connection with this MOU. The terms of this MOU shall not be construed for or against either Party as the principal draftsperson hereof.

4.12. Severability. If any term of this MOU is inconsistent with applicable law, then upon the request of either Party, the Parties will meet and confer in good faith to determine how to amend the inconsistent term in a manner consistent with law, but all parts of this MOU not affected by the inconsistency shall remain in full force and effect.

4.13. Governing Law. This MOU shall be governed and construed in accordance with the internal laws of the State of California without resort to choice of law principles.

4.14. Authority to Execute this MOU. The Court and the AOC each certify that the individual signing this MOU on its behalf has the authority to execute this MOU on its behalf.

4.15. Recitals Incorporated. The recitals in this MOU and the Exhibits attached to this MOU are hereby incorporated into and a part of this MOU for all purposes.

[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: _____
Name: Dianne Barry
Title: Attorney

JUDICIAL COUNCIL OF CALIFORIA, ADMINISTRATIVE OFFICE OF THE COURTS

By: _____
Name: Grant Walker
Title: Senior Manager, Business Services

APPROVED AS TO FORM:

By: _____
Name: David Yamasaki
Title: Court Executive Officer

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA

By: _____
Name: Hon. Jamie Jacobs-May
Title: Presiding Judge

EXHIBIT "A"

ESTIMATED PROJECT BUDGET

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Expenditures									
State Operations									
Debt Service						17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*0*	*0*	*0*	*0*	*0*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)									
Planning									
Acquisition	3,905,000	2,300,000							
Preliminary Plans		11,111,000							
Working Drawings			14,637,000						
Construction (Financed)					0				
Subtotal - Capital Outlay	*3,905,000*	*13,411,000*	*14,637,000*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**3,905,000**	**13,411,000**	**14,637,000**	**0**	**0**	**17,124,500**	**17,124,500**	**17,124,500**	**17,124,500**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*	-105,879	-105,879	-105,879	-105,879	-105,879	-2,860,187	-2,816,262	-2,771,390	-2,732,139
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-8,800,000	-2,500,000	-2,500,000	-2,500,000	-3,500,000	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility		-4,000,000							
Subtotal - CFP/Court/County Contributions:	**-8,905,879**	**-6,605,879**	**-2,605,879**	**-2,605,879**	**-3,605,879**	**-7,891,444**	**-7,847,519**	**-7,802,647**	**-7,763,396**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**-5,000,879**	**6,805,121**	**12,031,121**	**-2,605,879**	**-3,605,879**	**9,233,056**	**9,276,981**	**9,321,853**	**9,361,104**

Assumptions:
New Courthouse: 233,906 square feet, $240.727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Expenditures									
State Operations									
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)									
Planning									
Acquisition									
Preliminary Plans									
Working Drawings									
Construction (Financed)									
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*	-2,691,905	-2,650,654	-2,608,368	-2,565,020	-2,520,584	-2,505,372	-2,428,332	-2,349,210	-2,267,946
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility									
Subtotal - CFP/Court/County Contributions:	-7,723,162	-7,681,911	-7,639,624	-7,596,276	-7,551,841	-7,536,629	-7,459,589	-7,380,467	-7,299,205
Net Expenditures (ICNA) - including fund transfers and outside contributions	9,401,338	9,442,589	9,484,876	9,528,224	9,572,659	9,587,871	9,664,911	9,744,033	9,825,295

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Expenditures										
State Operations										
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*
Capital Outlay (Pay as you go)										
Planning										
Acquisition										
Preliminary Plans										
Working Drawings										
Construction (Financed)										
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500
Less Offsets (Transfers to Fund/Miscellaneous Revenue)										
CFTF (Fund 3066) - CFP (Offset)*	-2,184,489	-2,098,773	-2,010,739	-1,920,323	-1,827,461	-1,732,087	-1,634,132	-1,533,525	-1,430,196	-1,324,070
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257
County of Santa Clara - Sale of Los Gatos Facility										
Subtotal - CFP/Court/County Contributions:	**-7,215,746**	**-7,130,030**	**-7,041,996**	**-6,951,580**	**-6,858,718**	**-6,763,343**	**-6,665,388**	**-6,564,782**	**-6,461,453**	**-6,355,327**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**9,908,754**	**9,994,470**	**10,082,504**	**10,172,920**	**10,265,782**	**10,361,157**	**10,459,112**	**10,559,718**	**10,663,047**	**10,769,173**

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223.623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3066), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2043-44

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	Total
Expenditures								
State Operations								
Debt Service	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	513,735,000
Subtotal - State Operations	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	*17,124,500*	513,735,000
Capital Outlay (Pay as you go)								
Planning								
Acquisition								6,205,000
Preliminary Plans								11,111,000
Working Drawings								14,637,000
Construction (Financed)								0
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*31,953,000*
Total Expenditures	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	17,124,500	545,688,000
Less Offsets (Transfers to Fund/Miscellaneous Revenue)								
CFTF (Fund 3066) - CFP (Offset)*	-1,215,071	-1,103,121	-988,140	-870,044	-748,751	-624,172	-496,218	-58,038,080
TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-5,031,257	-170,737,702
County of Santa Clara - Sale of Los Gatos Facility								-4,000,000
Subtotal - CFP/Court/County Contributions:	-6,246,328	-6,134,378	-6,019,396	-5,901,301	-5,780,008	-5,655,429	-5,527,475	-232,775,782
Net Expenditures (ICNA) - including fund transfers and outside contributions	10,878,172	10,990,122	11,105,104	11,223,199	11,344,492	11,469,071	11,597,025	312,912,218

Assumptions:
New Courthouse: 233,906 square feet, $240,727 million
Occupancy: July 2014
*CFTF and TCTF offsets will vary in initial fiscal year pending termination of existing leases
Debt Service Assumptions:
6.5% interest rate (7.11% bond load)
Construction: $208.774 million
Par Amount of Bonds: $223,623 million

Footnotes:
1) Capital Outlay (pay as you go) - offsets from CFTF (Fund 3068), TCTF (Fund 0932), and County of Santa Clara may be deposited directly into the Court Facilities Architectural Revolving Fund as opposed to deposit into ICNA (Fund 3138) to pay for acquisition and design phase costs.

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT "B"

TCTF CONTRIBUTIONS SCHEDULE

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Revenues									
Court Reserves	4,000,000								
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)	2,300,000								
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***9,800,000***	***3,500,000***	***3,500,000***	***3,500,000***	***3,500,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)	1,000,000	1,000,000	1,000,000	1,000,000					
Janitorial (Court)						439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*0*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**8,800,000**	**2,500,000**	**2,500,000**	**2,500,000**	**3,500,000**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year) [2]	*-4,400,000*	*-1,250,000*	*-1,250,000*	*-1,250,000*	*-1,750,000*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-4,400,000*	*-1,250,000*	*-1,250,000*	*-1,250,000*	*-1,750,000*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Revenues									
Court Reserves									
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)									
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures									
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)									
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.
Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Revenues										
Court Reserves										
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)										
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***
Expenditures										
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)										
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

EXHIBIT B

JUDICIAL COUNCIL - ADMINISTRATIVE OFFICE OF THE COURTS
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2043-44

TRIAL COURT TRUST FUND (FUND 0932)
CAPITAL PROJECT FUND

	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	Total
Revenues								
Court Reserves								4,000,000
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)								2,300,000
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	87,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	94,130,000
Subtotal - Revenues	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***5,471,000***	***187,930,000***
Expenditures								
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)								4,000,000
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	13,192,298
Subtotal - Expenditures - State Operations	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	*439,743*	***17,192,298***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**5,031,257**	**170,737,702**
Transfer from TCTF to ICNA/CFARF (March 31st each fiscal year)[2]	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-85,368,851*
Transfer from TCTF to ICNA/CFARF (September 30th at the completion of each fiscal year)	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-2,515,628*	*-85,368,851*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based on termination of existing leases
2) Transfer from TCTF to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010)
3) Transfer from TCTF (Fund 0932) may be directed to Court Facilities Architectural Revolving Fund for pay as you go acquisition and design phase costs.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2014

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: AOC, Office of Court Construction and Management
Date Prepared: Updated April 19, 2010

FIRST AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING
#43-B5-11 - FAMILY JUSTICE CENTER PROJECT
REGARDING
COURT'S FINANCIAL COMMITMENTS TO THE
FAMILY JUSTICE CENTER PROJECT

CITY OF SAN JOSE, COUNTY OF SANTA CLARA

This First Amendment to the Memorandum of Understanding (this **"MOU"**) is entered into as of the 1st day of FEBRUARY, 2011, (the **"Effective Date"**) by and between the Judicial Council of California (**"Judicial Council"**), Administrative Office of the Courts (together with the Judicial Council, the "**AOC**") and the Superior Court of California, County of Santa Clara (the **"Court"**). For the purpose of this First Amendment to the MOU, the AOC and the Court are sometimes individually referred to as a **"Party"** and together referred to as the **"Parties."**

BACKGROUND AND PURPOSE OF THE FIRST AMENDMENT TO THE MOU:

A. The purpose of this First Amendment to the MOU is to provide for an alternate method of payment of the TCTF Reduction as set forth in Section 3.1 of the MOU.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the AOC and the Court hereby agree to amend the MOU as follows:

1. Section 3.1 is amended to add the following paragraph;

> As an alternative to reducing the amount of the AOC's allocation to the Court from the TCTF, the Court may provide a check to the AOC at the address listed below, made payable to the State of California for the amounts required in this Section 3.1. The AOC shall promptly deposit the check into the Immediate and Critical Needs Account (Fund 3138).
>
> Judicial Council
> Administrative Office of the Courts
> 455 Golden Gate Avenue, Seventh Floor
> San Francisco, California 94102-3688
> Attn: Accounting, (Facilities – MOU#43-B5-11)

Family Justice Center
St. James and North Market St.
San Jose, CA
Facility: 43-B5

2. All other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: _____
Name: Dianne Barry
Title: Attorney

JUDICIAL COUNCIL OF CALIFORIA, ADMINISTRATIVE OFFICE OF THE COURTS

By: _____
Name: Grant Walker
Title: Senior Manager, Business Services

APPROVED AS TO FORM:

By: _____
Name: David Yamasaki
Title: Court Executive Officer

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA

By: _____
Name: Hon. Richard J. Loftus, Jr.
Title: Presiding Judge

ATTACHMENT 6

FIRST AMENDMENT TO INTRA-BRANCH AGREEMENT (NO. FY 2009-2010/#43-B5-11/Family Justice Center Project) BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA AND THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA REGARDING THE COURT'S FINANCIAL COMMITMENTS TO THE FAMILY JUSTICE CENTER PROJECT

This **First Amendment to Intra-Branch Agreement** (this **"First Amendment"**) is entered into as of the 22 day of June, 2017 (the **"First Amendment Effective Date"**), by and between the Judicial Council of California (**"Council"**) and the Superior Court of California, County of Santa Clara (the **"Court"**). For purposes of this First Amendment, the Council and the Court are sometimes individually referred to as a **"Party"** and together referred to as the **"Parties."**

RECITALS:

A. On or about July 1, 2014, the Council and the Court entered into that certain Intra-Branch Agreement (No. FY 2009-2010/#43-B5-11/Family Justice Center Project) Regarding the Court's Financial Commitments to the Family Justice Center Project (**"Original IBA"**);

B. Under section 2.3.1 of the Original IBA, the Council and the Court agreed that the amount of the Court's annual Civil Assessment Contribution would be $2,500,000 for each fiscal year during the ICNA Contributions Period, with such Civil Assessment Contribution being funded, in whole or in part, through net civil assessment revenues collected in the County and allocated to the Court;

C. Over the term of the Original IBA, the amount of net civil assessments revenues collected in the County has substantially declined and the Court has requested and the Council has agreed, without reducing the total amount of the Court's ICNA Contributions, to reduce the amount of the Court's annual Civil Assessment Contribution to $1,500,000 (**"Civil Assessment Contribution Reduction"**), commencing with the semi-annual Court Payment due on September 30, 2017 and continuing through the end of the ICNA Contributions Period (as the ICNA Contributions Period is extended hereby);

D. The Court and the Council now wish to enter into this First Amendment to amend the Original IBA to: (i) provide for the Civil Assessment Contribution Reduction; (ii) extend the duration of the ICNA Contributions Period so that the total amount of the ICNA Contributions will remain unchanged notwithstanding the Civil Assessment

Contribution Reduction; (iii) replace the Amended and Restated Budget, which was attached and incorporated into the Original IBA as Exhibit "A" thereto, and (iv) replace the ICNA Contributions Schedule, which was attached and incorporated into the Original IBA as Exhibit "B" thereto;

E. Capitalized terms used in this First Amendment, but not otherwise defined or modified herein, shall have the meanings given to them in the Original IBA.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Court and the Council hereby agree as follows:

1. Section 1.3. Duration of ICNA Contributions Period. Section 1.3 of the Original IBA is hereby deleted in its entirety and replaced with the following:

> "1.3. Duration of ICNA Contributions Period. The Parties hereby acknowledge that after the Original Effective Date, the State bond financing for the Project was sold under the authority of SB 1407 (Perata – 2008) (the **"State Bond Financing"**). Based on the terms of the State Bond Financing as they exist on the IBA Effective Date, the ICNA Contributions Period will commence on the Effective Date with respect to those ICNA Contributions that were due from the Court for fiscal year 2009-2010, and will continue until the date on which the Court has paid in full all ICNA Contributions owed pursuant to the ICNA Contributions Schedule attached as **Exhibit "B"** to the First Amendment to this IBA, which will occur at the end of fiscal year 2042-2043 so long as the Court fully and timely pays all Court Payments on the semi-annual Payment Dates specified in section 1.2 hereof."

2. Section 2.1.1 ICNA Contributions Amounts. Section 2.1.1 of the Original IBA is hereby deleted in its entirety and replaced with the following:

> "2.1.1 ICNA Contributions Amounts. As shown on the ICNA Contributions Schedule, with the exception of the period commencing with fiscal year 2009-2010 and continuing through and including fiscal year 2015-2016, the annual amount of the Court's ICNA Contributions shall be $4,031,257; provided that a $1,500,000 portion of the Court's ICNA Contributions for the final fiscal year of the ICNA Contributions Period may be prorated pursuant to section 2.4 of this IBA.

3. Section 2.3.1 Reliance on Court's Ongoing Receipt of Net Civil Assessment Revenues. The first sentence of section 2.3.1 of the Original IBA is hereby deleted in its entirety and replaced with the following:

> "The Council and the Court acknowledge that a $1,500,000 portion of the Court's annual ICNA Contributions (the **"Civil Assessments Contribution"**) will be funded, in whole or in part, through net civil assessment revenues that the Court anticipates will be collected in the County and allocated to the Court for each fiscal year during the ICNA Contributions Period."

4. Exhibit "A" – Amended and Restated Budget. Exhibit "A" of the Original IBA is hereby deleted in its entirety and replaced with **Exhibit "A"** attached to this First Amendment. Commencing on the First Amendment Effective Date and at all times thereafter, all references in the Original IBA to Exhibit "A" and/or to the Amended and Restated Budget shall mean and refer to the modified Amended and Restated Budget attached as **Exhibit "A"** to this First Amendment.

5. Exhibit "B" – ICNA Contributions Schedule. Exhibit "B" of the Original IBA is hereby deleted in its entirety and replaced with **Exhibit "B"** attached to this First Amendment. Commencing on the First Amendment Effective Date and at all times thereafter, all references in the Original IBA to Exhibit "B" and/or to the ICNA Contributions Schedule shall mean and refer to the modified ICNA Contributions Schedule attached as **Exhibit "B"** to this First Amendment. The Parties hereby acknowledge and confirm that, notwithstanding the definition of the term "ICNA Contributions Period" in Recital M of the Original IBA, from and after the First Amendment Effective Date, the ICNA Contributions Period shall be the entire period of fiscal years shown on the modified ICNA Contributions Schedule attached to this First Amendment.

6. ICNA Contributions. Nothing contained in this First Amendment shall be deemed or construed to terminate, waive, or limit the Court's obligation to pay in full all ICNA Contributions owed pursuant to the ICNA Contributions Schedule attached to this First Amendment as **Exhibit "B."**

7. Binding Effect. With the exception of those amendments to the Original IBA expressly provided for in this First Amendment, the Original IBA remains unchanged and in full force and effect on the First Amendment Effective Date.

8. Authority to Execute this First Amendment. Each Party hereby certifies that the individual signing this First Amendment on its behalf has all requisite authority to execute this First Amendment on its behalf.

9. Recitals Incorporated. The recitals in this First Amendment and the Exhibits attached to this First Amendment are hereby incorporated into and a part of this First Amendment for all purposes.

10. Counterparts. This First Amendment may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Council and the Court have signed and entered into this First Amendment on the date first written above.

APPROVED AS TO FORM:
Judicial Council of California,
Legal Services

By: _____
Name: Charles R. Martel
Title: Supervising Attorney
Date: 6-16-2017

JUDICIAL COUNCIL OF CALIFORNIA

By: _____
Name: Stephen Saddler
Title: Manager, Contracts
Date: 6/16/17

APPROVED AS TO FORM:

By: _____
Name: Lisa Herrick
Title: General Counsel
Date: 6/22/17

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SANTA CLARA**

By: _____
Name: Rebecca Fleming
Title: Court Executive Officer
Date: 6/22/17

EXHIBIT "A"

AMENDED AND RESTATED ESTIMATED BUDGET

[See attached.]

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2042-43

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15[1]	2015-16[1]	2016-17	2017-18[2]
Expenditures									
State Operations									
Debt Service								16,976,381	16,977,981
Subtotal - State Operations	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*16,976,381*	*16,977,981*
Capital Outlay (Pay as you go)									
Planning									
Acquisition	3,905,000	1,804,000	-1,934,000		-197,000				
Preliminary Plans		11,111,000	-4,400,000		-548,955				
Working Drawings			10,005,000		-2,205,000				
Construction (Financed)					0				
Subtotal - Capital Outlay	*3,905,000*	*12,915,000*	*3,671,000*	*0*	*-2,950,955*	*0*	*0*	*0*	*0*
Total Expenditures	**3,905,000**	**12,915,000**	**3,671,000**	**0**	**-2,950,955**	**0**	**0**	**16,976,381**	**16,977,981**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*								0	-5,237,277
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)	0	-10,050,000	-2,500,000	-2,500,000	-3,000,000	0	0	-5,031,257	-4,031,257
County of Santa Clara - Sale of Los Gatos Facility			-3,768,600						
Subtotal - CFP/Court/County Contributions:	**0**	**-10,050,000**	**-6,268,600**	**-2,500,000**	**-3,000,000**	**0**	**0**	**-5,031,257**	**-9,268,534**
Net Expenditures (ICNA) - including fund transfers and outside contributions	**3,905,000**	**2,865,000**	**-2,595,600**	**-2,500,000**	**-5,950,955**	**0**	**0**	**11,945,124**	**7,709,447**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A) Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

2) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

JUDICIAL COUNCIL OF CALIFORNIA **EXHIBIT A**
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
Fiscal Year 2009-10 Through 2042-43 **IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)**

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2018-19[2]	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Expenditures									
State Operations									
Debt Service	16,978,881	16,977,281	16,975,781	16,977,381	16,976,181	16,979,681	16,978,431	16,976,681	16,978,431
Subtotal - State Operations	*16,978,881*	*16,977,281*	*16,975,781*	*16,977,381*	*16,976,181*	*16,979,681*	*16,978,431*	*16,976,681*	*16,978,431*
Capital Outlay (Pay as you go)									
Planning									
Acquisition									
Preliminary Plans									
Working Drawings									
Construction (Financed)									
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**16,978,881**	**16,977,281**	**16,975,781**	**16,977,381**	**16,976,181**	**16,979,681**	**16,978,431**	**16,976,681**	**16,978,431**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)									
CFTF (Fund 3066) - CFP (Offset)*	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)*	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257
County of Santa Clara - Sale of Los Gatos Facility									
Subtotal - CFP/Court/County Contributions:	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657
Net Expenditures (ICNA) - including fund transfers and outside contributions	**9,769,224**	**9,767,624**	**9,766,124**	**9,767,724**	**9,766,524**	**9,770,024**	**9,768,774**	**9,767,024**	**9,768,774**

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A)
Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

2) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

EXHIBIT A

Fiscal Year 2009-10 Through 2042-43

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Expenditures										
State Operations										
Debt Service	16,977,431	16,977,681	16,977,931	16,976,431	16,975,931	16,976,681	16,980,500	16,980,250	16,976,750	16,978,500
Subtotal - State Operations	*16,977,431*	*16,977,681*	*16,977,931*	*16,976,431*	*16,975,931*	*16,976,681*	*16,980,500*	*16,980,250*	*16,976,750*	*16,978,500*
Capital Outlay (Pay as you go)										
Planning										
Acquisition										
Preliminary Plans										
Working Drawings										
Construction (Financed)										
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Expenditures	**16,977,431**	**16,977,681**	**16,977,931**	**16,976,431**	**16,975,931**	**16,976,681**	**16,980,500**	**16,980,250**	**16,976,750**	**16,978,500**
Less Offsets (Transfers to Fund/Miscellaneous Revenue)										
CFTF (Fund 3066) - CFP (Offset)*	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400	-3,178,400
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257
County of Santa Clara - Sale of Los Gatos Facility										
Subtotal - CFP/Court/County Contributions:	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657	-7,209,657
Net Expenditures (ICNA) - including fund transfers and outside contributions	9,767,774	9,768,024	9,768,274	9,766,774	9,766,274	9,767,024	9,770,843	9,770,593	9,767,093	9,768,843

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility - for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2015 Series A)
Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

2) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

EXHIBIT A

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

Fiscal Year 2009-10 Through 2042-43

IMMEDIATE AND CRITICAL NEEDS ACCOUNT (FUND 3138)

	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	Total
Expenditures							
State Operations							
Debt Service	16,978,500	0	0	0	0	0	373,509,677
Subtotal - State Operations	*16,978,500*	*0*	*0*	*0*	*0*	*0*	373,509,677
Capital Outlay (Pay as you go)							
Planning							
Acquisition							3,578,000
Preliminary Plans							6,162,045
Working Drawings							7,800,000
Construction (Financed)							0
Subtotal - Capital Outlay	*0*	*0*	*0*	*0*	*0*	*0*	*17,540,045*
Total Expenditures	16,978,500	0	0	0	0	0	391,049,722
Less Offsets (Transfers to Fund/Miscellaneous Revenue)							
CFTF (Fund 3066) - CFP (Offset)*	-3,178,400	0	0	0	0	0	-88,805,271
Court or TCTF (Fund 0932)- Superior Court of Santa Clara County (Offset)	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-2,676,257	-126,538,939
County of Santa Clara - Sale of Los Gatos Facility							-3,766,600
Subtotal - CFP/Court/County Contributions:	-7,209,657	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-2,676,257	-199,110,810
Net Expenditures (ICNA) - including fund transfers and outside contributions	9,768,843	-4,031,257	-4,031,257	-4,031,257	-4,031,257	-2,676,257	191,938,912

Assumptions:
New Courthouse: 233,906 square feet, $223.684 million (est.)
Occupancy: March 2016 (Estimated)
*CFTF and Court (TCTF) offsets will vary due to termination of leases and occupancy of new facility -- for purposes of this report, assumed to begin by July 1, 2016
Debt Service Assumptions:
Per Lease Payment Schedule included in Lease Revenue Bond issuance (2013 Series A)
Debt Service (Lease) payments begin in FY 2016-17 and end in FY 2037-38 (March 2038)

Schedule of Court Contributions Amended (September 2014):
1) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

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Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

EXHIBIT "B"

ICNA CONTRIBUTIONS SCHEDULE

[See attached.]

EXHIBIT B

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2042-43

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15[4]	2015-16[4]	2016-17	2017-18[5]	2018-19[5]
Revenues										
Court Reserves	4,000,000									
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)	2,300,000									
Civil Assessments	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	2,500,000	1,500,000	1,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	1,000,000	1,000,000	750,000	0	1,000,000	0	0	2,971,000	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*750,000*	*0*	*1,000,000*	*0*	*0*	*1,000,000*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]								*571,000*	*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]								*1,400,000*	*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves				-1,250,000	-500,000					
Subtotal - Revenues	***9,800,000***	***3,500,000***	***3,250,000***	***1,250,000***	***3,000,000***	***0***	***0***	***5,471,000***	***4,471,000***	***4,471,000***
Expenditures										
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)[3]				2,750,000						
Janitorial (Court)								439,743	439,743	439,743
Adjustment due to sweep of court reserves										
Subtotal - Expenditures - State Operations	*0*	*0*	*0*	*2,750,000*	*0*	*0*	*0*	*439,743*	*439,743*	*439,743*
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	9,800,000	3,500,000	3,250,000	-1,500,000	3,000,000	0	0	5,031,257	4,031,257	4,031,257
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2] [4]	0	*-10,050,000*	*-2,500,000*	*-2,500,000*	*-3,000,000*	*0*	*0*	*-5,031,257*	*-4,031,257*	*-4,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*9,800,000*	*3,250,000*	*4,000,000*	*0*	*0*	*0*	*0*	*0*	*0*	*0*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.

2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).

3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contibution revised to $2.750 million from original $4 million est.

4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

5) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2016

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

JUDICIAL COUNCIL OF CALIFORNIA EXHIBIT B
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2042-43

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2019-20[5]	2020-21[5]	2021-22[5]	2022-23[5]	2023-24[5]	2024-25[5]	2025-26[5]	2026-27[5]	2027-28[5]	2028-29[5]	2029-30[5]
Revenues											
Court Reserves											
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)											
Civil Assessments	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Court Operations - Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves											
Subtotal - Revenues	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***
Expenditures											
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)[3]											
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Adjustment due to sweep of court reserves											
Subtotal - Expenditures - State Operations	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,4]	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.
2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).
3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.
4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2018-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.
5) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Assumptions:
New Courthouse: 233,906 square feet

Occupancy: July 2016

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.
Janitorial: $1.86 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

JUDICIAL COUNCIL OF CALIFORNIA EXHIBIT B
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2042-43

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2030-31[5]	2031-32[5]	2032-33[5]	2033-34[5]	2034-35[5]	2035-36[5]	2036-37[5]	2037-38[5]	2038-39	2039-40	2040-41[5]	2041-42[5]
Revenues												
Court Reserves												
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)												
Civil Assessments	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Court Operations- Reserves/Savings due to Consolidation of Court Space	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
Court Operations (Reserves and savings as a result of consolidation)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*
Court Leases (Consolidated into New Family Justice Center) [1]	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*	*571,000*
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*	*1,400,000*
Adjustment due to Sweep of Court Reserves												
Subtotal - Revenues	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***	***4,471,000***
Expenditures												
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)[3]												
Janitorial (Court)	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743	439,743
Adjustment due to sweep of court reserves												
Subtotal - Expenditures - State Operations	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***	***439,743***
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**	**4,031,257**
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2]	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*	*-4,031,257*
Court Contribution Pending Transfer to ICNA as of June 30:	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.
2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).
3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.
4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.
5) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Assumptions:

New Courthouse: 233,906 square feet

Occupancy: July 2016

FF&E: Court will contribute to FF&E in consultation with AOC, QCCM Project Mgr.
Janitorial: $1.88 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

JUDICIAL COUNCIL OF CALIFORNIA
SENATE BILL 1407
SANTA CLARA - NEW FAMILY JUSTICE CENTER CAPITAL PROJECT
SUPERIOR COURT OF SANTA CLARA COUNTY (COURT CONTRIBUTION)

Fiscal Year 2009-10 Through 2042-43

TRIAL COURT TRUST FUND (FUND 0932) CAPITAL PROJECT FUND	2042-43	Total
Revenues		
Court Reserves		4,000,000
Civil Assessments (FY 2007-08 and FY 2008-09 Collections)		2,300,000
Civil Assessments	1,500,000	54,000,000
Court Operations -- Reserves/Savings due to Consolidation of Court Space	1,816,000	82,612,000
Court Operations (Reserves and savings as a result of consolidation)	*543,925*	30,293,925
Court Leases (Consolidated into New Family Justice Center) [1]	*310,581*	15,156,581
Court Security (Savings as a result of consolidation into New Family Justice Center) [1]	*761,494*	37,161,494
Adjustment due to Sweep of Court Reserves		-1,750,000
Subtotal - Revenues	***3,116,000***	141,162,000
Expenditures		
Furniture, Fixtures and Equipment (Capital Project - Court Contribution)[3]		2,750,000
Janitorial (Court)	439,743	11,873,061
Adjustment due to sweep of court reserves		
Subtotal - Expenditures - State Operations	*439,743*	14,623,061
Revenues Over or (Under) Expenditures - Transfer to ICNA (Fund 3138)	2,676,257	126,538,939
Trsf. from Court or TCTF to ICNA in Semi-Annual Payments (Sept. 30th and March 31st). [2,5]	*-2,676,257*	*-126,538,939*
Court Contribution Pending Transfer to ICNA as of June 30:		

Footnotes:

1) Transfer to ICNA (Fund 3138) will vary based upon schedule noted above.

2) Transfer from Court (TCTF) to ICNA (Fund 3138) for FY 2009-2010 (initial transfer will occur on approval of capital project by State Public Works Board anticipated in June 2010).

3) Transfer of Court contribution for FF&E to Court Facilities Architecture Revolving Fund for direct project costs. Court contribution revised to $2.750 million from original $4 million est.

4) September 2014: Court contributions delayed until debt service (lease) payments begin in FY 2016-17. No court contributions are scheduled to be receipted in FY 2014-15 or FY 2015-16. The revised schedule reflects court contributions continuing after final debt service payment obligation is due. Beginning with FY 2016-17 the annual court contribution is due in equal semi-annual payments on September 30th and March 31st of each fiscal year.

5) March 2017: The annual court contribution is reduced by $1 million (from FY 2017-18 through FY 2042-43) for a yearly payment of $4,031,257, with $1.5 million coming from civil assessment revenue. However the total court contribution remains unchanged and the payment period for the court contribution is extended 5 years until FY 2042-43. The court contribution will continue for 5 years after the Judicial Council debt service is retired.

Assumptions:

New Courthouse: 233,908 square feet

Occupancy: July 2018

FF&E: Court will contribute to FF&E in consultation with AOC, OCCM Project Mgr.

Janitorial: $1.58 sf, assume court operations budget to absorb ongoing inflation costs

Prepared by: Judicial Council, Budget Services
Updated May 9, 2017

ATTACHMENT 7

Superior Court of California
County of Santa Clara

191 North First Street
San José, California 95113
(408) 882-2700

Chambers of
HON. THEODORE C. ZAYNER, Presiding Judge

REBECCA J. FLEMING
Chief Executive Officer

March 23, 2021

Pella McCormick, Acting Director
Judicial Council of California
Facilities Services Office
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
pella.mccormick@jud.ca.gov

VIA ELECTRONIC MAIL

Re: Sale of Sunnyvale Courthouse, Santa Clara County

Dear Pella:

Since 2017, the Judicial Council of California ("JCC") has annually contacted the Superior Court of California, County of Santa Clara ("Santa Clara") to inquire whether Santa Clara would support or oppose the sale of the JCC owned property located at 605 West El Camino Road in Sunnyvale, California ("Sunnyvale Courthouse").

On behalf of its Administration and Bench, Santa Clara will not be opposing the sale of the Sunnyvale Courthouse. We thank the JCC for the opportunity to provide input on this issue.

Sincerely,

Hon. Theodore C. Zayner
Presiding Judge

Rebecca J. Fleming
Chief Executive Officer

cc: Zlatko Theodorovic, Judicial Council of California
Angela Cowan, Judicial Council of California
Charles Martel, Judicial Council of California

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: **2022-23 Trial Court Trust Fund (TCTF) Allocation Adjustments for the Judicial Council Information Technology (IT) Office**

Date: 4/14/2023

Contact: Ms. Heather Pettit, Director, Judicial Council Information Technology
916-263-2708 | Heather.Petit@jud.ca.gov

Issue

Consideration of Trial Court Budget Advisory Committee recommendations to adjust the 2022–23 TCTF allocations for the IT Data Center and Cloud Services program and a new Electronic Courts of Appeal Record and Transcripts program for consideration by the Judicial Branch Budget Committee (Budget Committee) and then the Judicial Council at its May 11–12, 2023 business meeting.

Background

California Courts Technology Center (CCTC) – Operations

In alignment with Judicial Council directives to affirm development and implementation of statewide technology initiatives, the CCTC program provides a Judicial Branch Technology Center for use by all courts. Funding is used for maintaining both core and court requested services including data network management and help desk services, which allow the courts to rely on the skills and expertise for maintenance and support. Additionally, some courts have requested Microsoft Office 365 G5 licenses through the state Department of Technology, and funding for this purpose will be reflected in this allocation.

The TCTF CCTC program costs are fully reimbursed by the participating courts. Courts reimburse the TCTF via the Schedule C process, where the courts confirm agreed upon technical charges. Once charges are confirmed by the courts, their monthly distributions are reduced over the fiscal year in the amount of the charges and returned to the TCTF.

Electronic Courts of Appeal Record and Transcripts (eCART)

Formerly known as the Transcript Assembly Program (or 'TAP'), eCART is a software program that automates the trial court's labor-intensive process of compiling a civil clerk's transcript and produces an electronic record that can be securely transmitted to the appellate court. The Los Angeles Superior Court leads the development effort, and the software has been deployed in 35 courts as of October 2022. The additional allocation this year will establish baseline funding to support eCART overhead costs through the Schedule C process.

Recommendation

The following recommendation is presented to the Judicial Branch Budget Committee for approval for consideration by the Budget Committee and then the Judicial Council at its May 11–12, 2023 business meeting:

Adjust the 2022–23 allocations from the TCTF to provide the Judicial Council IT office with funding for these expenditures:

1. $424,000 TCTF allocation increase for Data Center and Cloud Services to its current year allocation of $689,000, for a total current year allocation of $1.1 million to account for a new expense for Microsoft Office 365 that has been approved by the trial courts. These costs will be reimbursed by trial courts through the Schedule C process, resulting in a net neutral impact to the TCTF.

2. $200,000 TCTF allocation to create a new eCART program and as approved by the trial courts. These costs will be reimbursed by trial courts through the Schedule C process, resulting in a net neutral impact to the TCTF.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: **2022-23 Trial Court Trust Fund (TCTF) Allocations Adjustment for Judicial Council Budget Services**

Date: 4/14/2023

Contact: Oksana Tuk, Senior Analyst, Judicial Council Budget Services
916-643-8027 | oksana.tuk@jud.ca.gov

Issue

Consideration of a recommendation from the Trial Court Budget Advisory Committee (TCBAC) to adjust the current year 2022–23 TCTF allocation for elder abuse program reimbursements to the trial courts for consideration by the Judicial Council at its May 11–12, 2023 business meeting.

Background

Assembly Bill 59 (Stats. 1999, ch. 561)[1] authorized elders and dependent adults to seek emergency protective orders from nonrelative cohabitants under the Domestic Violence Protection Act for non-financially related abuses. It also created a new protective order for elder and dependent adult abuse which includes financial abuse. The 2000 Budget Act (Stats. 2000, ch. 52) provided $1.2 million to address court workload to process these orders. It also required that any funding not used for this purpose revert to the General Fund.

Since 2001–02, courts have been required to provide Judicial Council staff with the number of EA-100 forms filed with them on a quarterly basis for reimbursement of $185 for each filing. Due to declining filings at the time, the Trial Court Working Group (now the TCBAC) recommended, and the council adopted at its business meeting on July 25, 2005,[2] a permanent redirection of $875,000 of the $1.2 million for processing elder and dependent adult abuse protective orders to be used for other program areas. This left a total of $300,000 each year for elder abuse reimbursement costs.

In 2021–22, due to the increase in the number of protective orders in recent years, the Judicial Council approved an increase to the elder abuse reimbursement allocation from $300,000 to $650,000.[3]

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[1] Assembly Bill 59 (Stats. 1999, ch. 561), https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=199920000AB59.
[2] Judicial Council meeting report (July 25, 2005), https://www.courts.ca.gov/documents/age0705.pdf; Judicial Council meeting minutes (July 25, 2005), https://www.courts.ca.gov/documents/min0705.pdf.
[3] Judicial Council meeting report (July 9, 2021), https://jcc.legistar.com/View.ashx?M=F&ID=9503183&GUID=6AEC14FF-C7BD-455E-9B5B-86E521702022;

The number of protective orders has continued to increase and as a result, last fiscal year's allocation reimbursed courts for expenditures from the first quarter and part of the second quarter only. The current year allocation amount is $650,000[4], and based on available data and projections, the estimated total need for this reimbursement program is $1.2 million which represents a $550,000 increase to the existing allocation.

Recommendation

The TCBAC recommends the following for approval, to be considered by the Judicial Branch Budget Committee and then the Judicial Council at its business meeting on May 11–12, 2023:

Approve a $550,000 increase for the elder abuse reimbursement allocation for 2022–23 from the TCTF, for a total allocation of $1.2 million.

Judicial Council meeting minutes (July 9, 2021), https://jcc.legistar.com/View.ashx?M=M&ID=803683&GUID=7A91FDD5-4839-4018-9831-79E23D4383BF.
[4] Judicial Council meeting report (July 15, 2022), https://jcc.legistar.com/View.ashx?M=A&ID=869107&GUID=7982B915-4E53-4539-9B54-8536AB5EF9A1; Judicial Council meeting minutes (July 15, 2022), https://jcc.legistar.com/View.ashx?M=M&ID=869107&GUID=7982B915-4E53-4539-9B54-8536AB5EF9A1.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: Allocations and Reimbursements to Trial Courts: Firearm Relinquishment Grant Program for 2023–24 Through 2024–25

Date: 4/14/2023

Contact: Greg Tanaka, Supervising Attorney, Center for Family, Children and the Courts
415-865-7671 | gregory.tanaka@jud.ca.gov

Issue

The 2022 Budget Act (Assem. Bill 178; Stats. 2022, ch. 45) appropriated $40 million in one-time General Fund to the Judicial Council, of which $36 million must be distributed to trial courts to support court-based firearm relinquishment programs. The Family and Juvenile Law Advisory Committee and the Trial Court Budget Advisory Committee recommend that the Judicial Council approve the allocation and distribution of $1.5 million to one trial court for Cycle 2 Firearm Relinquishment Grant awards for 2023–24 through 2024–25.

Background

At its business meeting on January 20, 2023, the Judicial Council approved the allocation and distribution of $18.5 million to seven trial courts to fund new or expanded firearm relinquishment programs.[1] Additionally, the Judicial Council delegated authority to the Family and Juvenile Law Advisory Committee to reallocate and distribute any unspent funding from these grant awards to any of the awarded courts, based on the same criteria established during the application period.

Of the $36 million that must be distributed to trial courts under this program, $17.5 million remains after the Judicial Council allocated $18.5 million earlier this year. A total of eight court applications were received for Cycle 1 of the grant program. With one court withdrawing its application, the remaining seven court applicants were awarded grant allocations. The council has fully executed IBAs with the seven Cycle 1 grantee courts with an effective date of February 1, 2023. No funds have been distributed yet because every grantee court is currently still in the process of negotiating and drafting MOUs with their respective counties and law enforcement partners.

One unanticipated issue raised by prospective court applicants have been general challenges faced in securing law enforcement agency partners, given that the grant is for one-time funding. As a result, many courts were unable to obtain a law enforcement agency partner, making them ineligible to apply for the grant under AB 178.

[1] Judicial Council meeting report (January 20, 2023), https://jcc.legistar.com/View.ashx?M=F&ID=11589761&GUID=C8033AC8-2569-4E4B-A6E7-795900CF73F9. Also, see Attachment B for Cycle 1 allocations.

To distribute the remaining funds, the Judicial Council's Center for Families, Children & the Courts (CFCC) circulated another grant application (Cycle 2), inviting all courts, including those that received grants in Cycle 1, to apply. The application was sent to all trial court presiding judges and court executive officers on January 10, 2023, with an initial deadline of February 10, 2023. The deadline was subsequently extended to February 17, 2023. Information regarding the program was also posted on the California Courts website, and a live information webinar was hosted on January 12, 2023.[2] In addition, a recording of the webinar was posted on the Judicial Resources Network.

Two trial courts applied for funding during Cycle 2: Orange and San Francisco Superior Courts. Both courts met the eligibility criteria. However, during the review period, the San Francisco Superior Court withdrew its application, leaving Orange Superior Court as the sole applicant for consideration. San Francisco ended up withdrawing their application, after further consideration, in determining that their Cycle 1 allocation would be sufficient for a pilot program.

Orange Superior Court would partner with the Anaheim Police Department to focus on relinquishment efforts for civil domestic violence restraining orders. The court would also work with technology consultants to enhance communication between the court and law enforcement and would develop training and education for stakeholders and the public.

Recommendation

The Family and Juvenile Law Advisory Committee and the Trial Court Budget Advisory Committee recommend that the Judicial Branch Budget Committee and then Judicial Council, effective May 12, 2023:

- Approve the allocation and distribution of $1.5 million to the Orange Superior Court to fund a new firearm relinquishment program for 2023–24 through 2024–25; and

- Delegate authority to the Family and Juvenile Law Advisory Committee to reallocate and distribute any unspent funding allocated to any of the awarded courts in Cycles 1 and 2, based on the same criteria established during the application period.

The proposed allocation for funding is listed in Attachment A.

Attachments

Attachment A: Firearm Relinquishment Grant Program Proposed Funding Allocation for 2023 24 Through 2024–25
Attachment B: Firearm Relinquishment Grant Program (Cycle 1) Funding Allocation for 2022–23 Through 2024–25

[2] California Courts, *"Firearm Relinquishment Grant Program,"* www.courts.ca.gov/programs-cfcc.htm.

Judicial Council of California

Firearm Relinquishment Grant Program
Proposed Funding Allocation for 2023–24 Through 2024–25

#	Recipient Court	Region/Court Size	Proposed Grant Funding Allocation
1	Orange	Southern California/Large	$1,551,777
Total			**$1,551,777**

Judicial Council of California

Firearm Relinquishment Grant Program
Proposed Funding Allocation for 2022–23 through 2024–25

#	Recipient Court	Region/Court Size	Proposed Grant Funding Allocation
1	Los Angeles	Southern California/Large	$4,271,000
2	Modoc	Northern California/Small	529,544
3	San Diego	Southern California/Large	2,346,843[1]
4	San Francisco	Bay Area/Large	2,000,000
5	San Mateo	Bay Area/Medium	4,859,905
6	Santa Clara	Greater Bay Area/Large	3,080,253
7	Ventura	Central California/Medium	1,428,740
Total			**$18,516,285**

[1] The committee does not recommend funding leases for vehicles at this time. The award represents the proposed budget less the cost of leasing vehicles for law enforcement ($81,200).