



# JUDICIAL COUNCIL OF CALIFORNIA

TRIAL COURT BUDGET  
ADVISORY COMMITTEE

## TRIAL COURT BUDGET ADVISORY COMMITTEE

### MATERIALS FOR OCTOBER 12, 2017 ACTION BY E-MAIL BETWEEN MEETINGS

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JUDICIAL COUNCIL OF CALIFORNIA  
BUDGET SERVICES  
Report to the Trial Court Budget Advisory Committee

**(Action Item 1)**

**Title:** Consideration of Children’s Waiting Room Fund Balance Cap Adjustment Requests

**Date:** 10/5/2017

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**Issue**

Consideration of the recommendation from the Fiscal Planning Subcommittee (FPS) that the Trial Court Budget Advisory Committee (TCBAC) recommend that the Judicial Council approve Children’s Waiting Room fund balance cap adjustments for three trial courts.

**Background**

The Judicial Council revised its Children’s Waiting Room (CWR) Distribution and Fund Balance Policy on June 26, 2015, placing a cap on the amount of CWR fund balance that courts can accumulate. Courts with fund balances that exceed the cap are required to return the amount above the cap to the Trial Court Trust Fund (TCTF) by the end of the fiscal year, unless the council approves a court’s request for a cap adjustment. The Judicial Council approved additional revisions to the policy on March 24, 2017 to extend the review and adjustment of CWR fund balances from an annual to a biennial schedule, beginning with the 2016–17 fund balances (Attachment E).

**2016–17 CWR Cap Adjustment Requests**

On August 25, 2017, Judicial Council Budget Services staff sent out the Estimated 2016-2017 CWR Fund Balance Cap Reductions which identified seven courts with fund balances above their cap. Three courts submitted CWR fund balance cap adjustment requests totaling \$862,289 that were approved for recommendation to TCBAC by the FPS at its October 4, 2017 meeting (See Attachment A). The courts’ rational for the adjustments are listed below.

1. Contra Costa: CWR fund balance cap adjustment of \$66,981 (Attachment B). This request is based on the continuation of multi-year contracts and projected annual expenditures exceeding annual revenues.
2. Orange: CWR fund balance cap adjustment of \$352,922 (Attachment C). This request is based on the continuation of multi-year contracts and projected annual expenditures exceeding annual revenues.

JUDICIAL COUNCIL OF CALIFORNIA  
BUDGET SERVICES  
**Report to the Trial Court Budget Advisory Committee**

3. Santa Barbara: CWR fund balance cap adjustment of \$443,386 (Attachment D). This request is based on the continuation of multi-year contracts and projected annual expenditures exceeding annual revenues.

Of the remaining four courts with CWR fund balances above the cap,

- two courts (San Luis Obispo and Stanislaus) agreed to a combined fund balance reduction of \$91,541;
- one court (Monterey) did not qualify for the reduction as this court has not yet begun operating a CWR and has a Judicial Council approved request from May 2017 to continue collecting CWR revenues to generate sufficient funds to begin CWR operations; and
- the final court (San Mateo) transferred \$200,000 in General Fund monies into the CWR account to cover multi-year contract expenses. This has been the court's practice so that it could cover expenses beyond what its restricted CWR revenue allows. The CWR fund balance policy is in place to prevent and discourage courts from accumulating fund balances in a restricted revenue stream that could otherwise be used for other purposes in the TCTF. As San Mateo's fund balance is due to unrestricted funds being put into the CWR account to cover a multi-year contract, no fund balance cap adjustment request was deemed necessary for the Judicial Council to approve.

**Recommendation**

The Fiscal Planning Subcommittee unanimously recommends that the Trial Court Budget Advisory Committee recommend the Judicial Council approve the following increases in the amount of the cap on the Children's Waiting Room 2016–17 fund balance the named courts can carry forward from one fiscal year to the next:

1. \$66,981 for the Contra Costa Superior Court;
2. \$352,922 for the Orange Superior Court; and
3. \$443,386 for the Santa Barbara Superior Court.

**Attachments**


- A. 2016-2017 Biennial Review of Children's Waiting Room Fund Balances
- B. Contra Costa Superior Court Biennial Fund Balance Cap Adjustment Request
- C. Orange Superior Court Biennial Fund Balance Cap Adjustment Request
- D. Santa Barbara Superior Court Biennial Fund Balance Cap Adjustment Request
- E. *Children's Waiting Room (CWR) Distribution and Fund Balance Policy*

Court	2014-15	2015-16	2016-17	Highest Dist.
	A	B	C	D
Alameda	165,434	162,487	161,044	165,434
Alpine	-	-	-	-
Amador	-	-	-	-
Butte	21,312	19,372	23,243	23,243
Calaveras	-	-	-	-
Colusa	-	-	-	-
Contra Costa	106,292	104,333	110,553	110,553
Del Norte	-	-	-	-
El Dorado	-	-	-	-
Fresno	98,711	98,469	102,249	102,249
Glenn	-	-	-	-
Humboldt	-	-	-	-
Imperial	-	-	-	-
Inyo	-	-	-	-
Kern	-	-	-	-
Kings	-	-	-	-
Lake	-	-	-	-
Lassen	-	-	-	-
Los Angeles	829,265	830,421	1,135,306	1,135,306
Madera	-	-	-	-
Marin	-	-	-	-
Mariposa	-	-	-	-
Mendocino	-	-	-	-
Merced	20,851	(95,781)	-	20,851
Modoc	-	-	-	-
Mono	-	-	-	-
Monterey <sup>1</sup>	35,124	32,856	34,348	35,124
Napa	-	-	-	-
Nevada	-	-	-	-
Orange	376,107	369,617	395,976	395,976
Placer	-	-	-	-
Plumas	-	-	-	-
Riverside	254,609	253,815	267,712	267,712
Sacramento	241,942	504,807	331,970	504,807
San Benito	-	-	-	-
San Bernardino	-	-	254,178	254,178
San Diego	350,800	336,581	363,973	363,973
San Francisco	106,721	115,160	119,097	119,097
San Joaquin	-	-	-	-
San Luis Obispo	24,872	23,484	25,058	25,058
San Mateo <sup>2</sup>	66,316	64,791	68,540	68,540
Santa Barbara	39,718	39,686	41,033	41,033
Santa Clara	154,615	147,497	148,907	154,615
Santa Cruz	-	-	-	-
Shasta	-	-	-	-
Sierra	-	-	-	-
Siskiyou	-	-	-	-
Solano	47,757	46,724	48,472	48,472
Sonoma	48,527	45,987	46,841	48,527
Stanislaus	21,299	19,924	20,812	21,299
Sutter	-	-	-	-
Tehama	-	-	-	-
Trinity	-	-	-	-
Tulare	-	-	-	-
Tuolumne	-	-	-	-
Ventura	83,721	84,342	87,949	87,949
Yolo	-	-	-	-
Yuba	-	-	-	-
<b>Total</b>	<b>3,093,995</b>	<b>3,204,572</b>	<b>3,787,262</b>	<b>3,993,999</b>

Info Only				Calculated CWR Reduction	Adjustments to CWR Reductions	Court Confirmed Reduction	FPS Recommended Adjustment Requests	Confirmed Adjusted Reductions
CWR 14-15 Fund Balance	CWR 15-16 Fund Balance	CWR 15-16 Fund Balance Reduction	CWR 16-17 Fund Balance					
E	F	G	H	I	J	K	L	M
417,014	269,323	(77,305)	69,270	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
13,736	6,148	-	10,011	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,092,262	1,044,995	(845,962)	177,534	(66,981)	-	-	66,981	-
-	-	-	-	-	-	-	-	-
244,892	245,806	(245,806)	-	-	-	-	-	-
34,043	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
853,148	539,503	-	428,506	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
92,638	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
35,157	68,223	-	103,177	(68,053)	68,053	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,287,568	1,009,393	-	747,898	(351,922)	-	-	351,922	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
138,470	123,107	-	141,514	-	-	-	-	-
190,408	451,860	(155,661)	368,698	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	126,416	-	-	-	-	-
0	-	-	-	-	-	-	-	-
(0)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
290,713	315,631	(285,783)	55,670	(30,612)	-	(30,612)	-	(30,612)
971	9,886	-	200,875	(132,335)	132,335	-	-	-
516,950	503,272	-	484,419	(443,386)	-	-	443,386	-
649,828	558,715	(369,755)	125,995	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
248,473	234,248	(176,197)	46,860	-	-	-	-	-
15,119	10,578	-	7,382	-	-	-	-	-
1,044,233	1,055,373	(993,567)	82,229	(60,929)	-	(60,929)	-	(60,929)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
50,556	50,026	-	45,345	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>7,216,178</b>	<b>6,496,087</b>	<b>(3,150,036)</b>	<b>3,221,799</b>	<b>(1,154,218)</b>	<b>200,388</b>	<b>(91,541)</b>	<b>862,289</b>	<b>(91,541)</b>

1. Monterey has not yet begun CWR operations and therefore does not qualify for a reduction per the CWR policy.  
 2. San Mateo has transferred non CWR funds into its CWR account to cover expenditures in excess of CWR revenues so cap adjustment does not apply.

**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS /  
BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST**

<p>Please check all that apply:</p> <p><input type="checkbox"/> <b>ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS</b> <i>(Complete Sections I and II) To be submitted in fiscal years ending in an even number (i.e., 2017-2018)</i></p> <p><input checked="" type="checkbox"/> <b>BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST</b> <i>(Complete Sections I, II, and III)</i> <i>To be submitted in fiscal years ending in an odd number (i.e., 2016-2017)</i></p>	
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**SECTION I: GENERAL INFORMATION**

<p><b>SUPERIOR COURT:</b> Contra Costa</p>	<p><b>PERSON AUTHORIZING REPORT</b> <i>(Presiding Judge or Court Executive Officer):</i> Stephen H Nash, CEO</p> <hr/> <p><b>CONTACT PERSON AND CONTACT INFO</b> <i>(Please include mailing address, email, and phone number):</i> <b>Jeff Jones, Financial Services Manager</b></p>
<p><b>DATE OF SUBMISSION:</b> 9/19/2017</p>	<p><b>RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(No biennial reporting is required if less than 12 months of distributions received)</i></p> <p><b>DO YOU HAVE MULTI-YEAR CONTRACTS?</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(If yes, provide an explanation of the contracts in the CWR Program Update below)</i></p>

**CWR PROGRAM UPDATE** *(Please briefly summarize the status of your current program):*

The court is still operating a Children's waiting room, and has a contract with a vendor to run the CWR. The contract with the vendor currently runs through 6/30/2018

## SECTION II: FINANCIAL INFORMATION

**A. THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** (Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):

Row	Fiscal Year	Actual			Estimated			
		Beginning Fund Balance	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Distributed to the Court		106,292	104,333	110,553	92,222	84,264	76,993
1a	Interest/Other Adj.		2,445	2,890	-842,413			
2	Expenditures		130,867	154,489	135,601	120,000	120,000	120,000
3	Fund Balance	1,114,391	1,092,262	1,044,995	177,534	149,756	114,020	71,013
<b>CWR Fund Balance above CAP Calculation:</b>								
4	Highest Year of Revenue Distributed to the Court	110,553						
5	Fund Balance at the End of the Current Fiscal Year	177,534						
6	Amount to Return to the TCTF	66,981						
7	Requested Adjustment to Fund Balance CAP <sup>1</sup>	66,981						
<sup>1</sup> Due to the Director of Budget Services within 60 days of the end of the fiscal year								


**B. CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

The court plans to continue running the CWR in the foreseeable future, and is projecting expenditures to remain consistent. The court will negotiate another contract after FY 17/18, and until then, the court will not know if there will be any variation on future expenditures, so we are projecting the same level of expenditures in the next 3 years.

**SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF****A. IF REQUESTING AN ADJUSTMENT TO THE FUND BALANCE CAP, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** *(Include a summary of your ongoing CWR expenditure plan):*

As revenue projections continue to decline, and expenditures are projected to stay the same, the CWR fund balance will continue to decline. In order be able to continue to operate the CWR at the same level of service (which represents a limited, though important, program), the court requests no decrease/returns on the CWR fund.

**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS /  
BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST**

Please check all that apply:  <input type="checkbox"/> <b>ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS</b> <i>(Complete Sections I and II) To be submitted in fiscal years ending in an even number (i.e., 2017-2018)</i>  <input checked="" type="checkbox"/> <b>BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST</b> <i>(Complete Sections I, II, and III)</i> <i>To be submitted in fiscal years ending in an odd number (i.e., 2016-2017)</i>	
<b>SECTION I: GENERAL INFORMATION</b>	
<b>SUPERIOR COURT:</b> Orange	<b>PERSON AUTHORIZING REPORT</b> <i>(Presiding Judge or Court Executive Officer):</i> David H. Yamasaki, Court Executive Officer  <b>CONTACT PERSON AND CONTACT INFO</b> <i>(Please include mailing address, email, and phone number):</i> Kristine Swensson, 657-622-7736, <a href="mailto:kswensson@occourts.org">kswensson@occourts.org</a> 700 Civic Center Drive West, Santa Ana, CA 92701
<b>DATE OF SUBMISSION:</b> 9/8/2017	<b>RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(No biennial reporting is required if less than 12 months of distributions received)</i>  <b>DO YOU HAVE MULTI-YEAR CONTRACTS?</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(If yes, provide an explanation of the contracts in the CWR Program Update below)</i>
<b>CWR PROGRAM UPDATE</b> <i>(Please briefly summarize the status of your current program):</i>  <p>The Superior Court of California, County of Orange (Court) operates the Children's Waiting Room (CWR) at six justice centers located throughout the county. The CWRs are open five days a week, from 8am to 5 pm (excluding a lunch hour). During Fiscal Year (FY) 2016-17, a total of 2,826 families utilized the CWR. In total, 4,188 children were provided with a safe place to stay while their parents participated in court proceedings and/or resolved their legal issues. Services were provided in multiple languages including English, Spanish, Arabic as well as various others.</p> <p>In October 2016, the Judicial Council of California (JCC) approved an adjustment to the Court's cap on the CWR fund balance. Since the approval, the Court has been able to continue operating the six waiting rooms at the same service level without interruption. As proposed in the cap adjustment request, Court staff began work on a thorough assessment of the operations and costs of the CWRs in Orange County. Relevant data (e.g. utilization rate, language needs, and filing trends) were gathered and analyzed with the goal of determining how to best use limited funds. As a result, a list of items that require immediate action such as needed supplies and furniture and recommendations for long-term changes (e.g. reduced operating hours and the elimination of CWR locations) were presented to the Court executives in June 2017.</p> <p>The Court has entered into the fourth year of a five-year contract with the current CWR provider. The current contract ends on June 30, 2019. Court executives are examining various options to decrease operating expenditures now without compromising contractual obligations. The next step for the Court is to convene a working group to begin a formal bidding process to secure a new service contract. This type of large bid—one that equates to millions of dollars over a period of five years—requires at least nine months to a year of lead time. Within the next few months, the Court should have identified key factors that will be incorporated into the formal bid. By the end of FY 2017-18, the bidding process should be well underway.</p>	



**SECTION II: FINANCIAL INFORMATION**

- THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** (Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):

Row	Fiscal Year	A	B	C	D	E	F	G
		<i>Actual</i>				<i>Estimated</i>		
		Beginning Fund Balance	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Distributed to the Court		376,113	369,617	395,976	396,000	396,000	397,600
1a	Interest/Other adj.		3,486	4,658	6,321	4,685	2,500	1,600
2	Expenditures		643,459	652,449	663,793	750,000	550,000	400,000
3	Fund Balance	1,551,428	1,287,568	1,009,393	747,897	398,582	247,082	246,282
<b>CWR Fund Balance above CAP Calculation:</b>								
4	Highest Year of Revenue Distributed to the Court	395,976						
5	Fund Balance at the End of the Current Fiscal Year	747,897						
6	Amount to Return to the TCTF	351,922						
7	Requested Adjustment to Fund Balance CAP <sup>1</sup>	351,922						

- CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

The Court has a multi-year contract with its current CWR services provider, Children's Creative Learning Centers (CCLC)—Agreement no. SC5310. The contract ends on June 30, 2019. Services currently provided by CCLC at the six CWR locations include:

- Childcare services on a drop-in basis for all ages up to 16 years
- Age-appropriate activities for each child
- Age-appropriate supplies, materials, and manipulatives (such as educational games, building blocks)
- Child sleeping/resting area
- Light snacks and bottled water

Expenditure Projection/Plan

In FY 2017-18, the Court expects to spend more than previous years to account for: 1) the expected increase in yearly contractual services costs, and 2) the investment in one-time, immediate need items. These items were identified during the assessment, and they are related to the health and safety needs of the CWR users. Specifically:

- \$675,000 for contractual services (CWR provider)
- \$29,400 for architectural design, space reconfiguration, material cost (including secure gate areas), and installation of secured check-in/check-out areas (3 locations)
- \$9,600 for purchase and installation of storage cabinets and furniture as well as new carpet and paint
- \$36,000 for purchase/upgrade and installation of closed circuit television (CCTV) cameras and data video recorders (DVR) to enable and improve monitoring by Sheriff personnel (3 locations)

In FY 2018-19 (the last year of the multi-year contract), the Court expects to begin realizing savings as adjustments are made to the operations of CWRs. Details on the adjustments are being reviewed and discussed, but they will likely involve changes in service locations and service levels. This is a logical step for the Court to take in order to gradually adjust to the current and projected financial constraints.


By FY 2019-20, the Court expects to have a new service contract that operates at a cost close to the projected available annual funding.

There are no significant changes to revenues and expenditures since the Court's fund balance cap adjustment was approved last year. Since October 2016, the Court has received slight increases in CWR distribution (as compared to the prior year) and in the interest earned from the fund balance. However, the contractual services costs have also increased. The variance from the projected ending CWR balance as of June 30, 2017 contained in the original fund balance cap exception request (submitted in August 2016) varied less than 4% from the actual ending fund balance. The Court fully expects to be below the cap by the end of the current fiscal year.

### **SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF**

#### **A. IF REQUESTING AN ADJUSTMENT TO THE FUND BALANCE CAP, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** *(Include a summary of your ongoing CWR expenditure plan):*

**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS /  
BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST**

Please check all that apply:  <input type="checkbox"/> <b>ANNUAL REPORTING FOR COURTS WITH CWR CAP ADJUSTMENTS</b> <i>(Complete Sections I and II) To be submitted in fiscal years ending in an even number (i.e., 2017-2018)</i>  <input checked="" type="checkbox"/> <b>BIENNIAL FUND BALANCE CAP ADJUSTMENT REQUEST</b> <i>(Complete Sections I, II, and III)</i> <i>To be submitted in fiscal years ending in an odd number (i.e., 2016-2017)</i>	
<b>SECTION I: GENERAL INFORMATION</b>	
<b>SUPERIOR COURT:</b> Santa Barbara	<b>PERSON AUTHORIZING REPORT</b> <i>(Presiding Judge or Court Executive Officer):</i> Darrel Parker, CEO  <b>CONTACT PERSON AND CONTACT INFO</b> <i>(Please include mailing address, email, and phone number):</i> Patrick Ballard, CFO pballard@sbcourts.org phone: 805-882-4682
<b>DATE OF SUBMISSION:</b> 9/21/2017	<b>RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(No biennial reporting is required if less than 12 months of distributions received)</i>  <b>DO YOU HAVE MULTI-YEAR CONTRACTS?</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(If yes, provide an explanation of the contracts in the CWR Program Update below)</i>
<b>CWR PROGRAM UPDATE</b> <i>(Please briefly summarize the status of your current program):</i> <p>The Superior Court of Santa Barbara County requests a cap adjustment to the funds accumulated by Santa Barbara County's Children's Waiting Room fund*. The court currently operates two children's waiting rooms in the major population centers within the county. The first is operated in downtown Santa Barbara, in the Figueroa Division, a criminal court building adjacent to the civil and family courts operated in the historic courthouse. The second children's waiting room is operated in the Juvenile Court building in Santa Maria. Both rooms were previously open a limited number of hours under the supervision of a contracted non-profit agency.</p> <p>In order to better serve the needs of the public, a new contract was negotiated with the non-profit agency to operate both rooms on a full-time basis. The new contract and expanded hours became effective on June 1, 2017. The children's waiting room in Santa Barbara, previously opened for just 24 hours per week and is now currently open 40 hours per week. The children's waiting room in Santa Maria at the Juvenile Court, was previously opened a mere 8 hours per week, is now serving the public 35 hours per week.</p> <p>The Court seeks to preserve the entire balance of the fund for the increase in services available to the public since June, and also in anticipation of furnishing a waiting room for a new facility in FY2019-2020. Additionally, the court aspires to add technologically advanced learning equipment to the existing room in Santa Maria.</p> <p><b>*PLEASE NOTE</b>  <i>The Judicial Council, effective October 28, 2016, increased the amount of the fiscal year 2016-2017 cap on the children's waiting room fund balance the Superior Court of Santa Barbara County can carry forward from one fiscal year to the next by \$455,732. (See: Judicial Council of Cal., mins. (October, 2016), p. 45; <a href="https://jcc.legistar.com/Calendar.aspx">https://jcc.legistar.com/Calendar.aspx</a>)</i></p>	

## Section II: FINANCIAL INFORMATION

**A. THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** (Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):

Row	Fiscal Year	Actual				Estimated		
		Beginning Fund Balance	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
1	Revenue Distributed to the Court		39,718	39,686	41,033	40,146	40,146	40,146
2	Expenditures		53,177	55,397	63,205	157,745	157,745	217,745
3	Fund Balance	535,762	522,303	506,591	484,419	366,820	249,221	71,622
<b>CWR Fund Balance above CAP Calculation:</b>								
4	Highest Year of Revenue Distributed to the Court	41,033						
5	Fund Balance at the End of the Current Fiscal Year	484,419						
6	Amount to Return to the TCTF	443,386						
7	Requested Adjustment to Fund Balance CAP <sup>1</sup>	443,386						
<sup>1</sup> Due to the Director of Budget Services within 60 days of the end of the fiscal year								

\*(Furniture, fixtures and equipment in the amount of \$60,000 in planned new court facility)

**B. CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

The court has a Multi-year contact: agreement for Children's Waiting Room with Community Action Commission. Please see below for the expenditure plan of the agreement. Within the next three fiscal years the court will be incurring a total of \$533,235 to run the children's waiting rooms in both the north and south locations. However, only \$120,438 is estimated (based on average of prior 3-years of revenues) to be received in revenues during the same period leaving a large deficit. Without an ability to use existing reserves the court would have to cease operating the children's waiting rooms in both locations.

Ongoing Expenses	Annual Max Amount
Contractor Staff Salaries	126,433
Classroom Expenses	17,424
Total Costs	12,227
Indirect Costs @8.5%	12,227
Other Allowable Expenses	2,448
<b>Annual Total</b>	<b>\$157,745</b>

<b>One-time FF&amp;E costs*</b>	<b>\$60,000</b>
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\*(Furniture, fixtures and equipment in the amount of \$60,000 for the planned new court facility.)

**SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF****A. IF REQUESTING AN ADJUSTMENT TO THE FUND BALANCE CAP, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** *(Include a summary of your ongoing CWR expenditure plan):*

The children's waiting room in Santa Barbara, at 118 East Figueroa Street, is open 24 hours per week. The children's waiting room in Santa Maria, at the Juvenile Court, was only open 8 hours per week. Using the balance in the children's waiting room fund allows the court to expand those services now full-time in Santa Barbara and 3.5 days per week in Santa Maria. The total cost of operating the two centers under the old contracts was \$55,400 annually. This is more than the fund has been collecting. Expanding the availability in both ends of the County costs \$157,745 annually. Assuming annual revenue of \$40,000, the court would need an additional \$117,745 in ongoing costs each year. After reducing the current balance for the acquisition of new equipment and furnishings, the Court could operate both children's waiting rooms, to better serve the community, for approximately 3.5 years. At the end of that time the court would have exhausted the balance of the fund and would either find an alternate source of funding or reduce the schedule accordingly.

<b>Ongoing Expenses</b>	<b>Santa Maria</b>	<b>Santa Barbara</b>	<b>Annual Max Amount</b>
Contractor Staff Salaries	55,610	66,823	126,433
Classroom Expenses	8,712	8712	17,424
Total Costs	68,322	75,535	12,227
Indirect Costs @8.5%	5,807	6,420	12,227
Other Allowable Expenses	264	2,184	2,448
<b>Annual Total</b>	<b>\$74,386</b>	<b>\$83,359</b>	<b>\$157,745</b>

## **Children's Waiting Room (CWR) Distribution and Fund Balance Policy**

### A. Applying for a New CWR Distribution

- A court's presiding judge or executive officer must submit a request to the director of the Judicial Council Finance Office 45 days prior to the date of the council meeting at which the court is requesting consideration.
- The request must include the following information:
  - Date of the council meeting at which the court is requesting consideration.
  - Requested effective date of the distribution (July 1 or January 1). If a court wants to begin receiving distributions more than one year in advance of the planned opening date of a CWR, the request should include an explanation of the extenuating circumstance(s).
  - The scheduled opening date of the CWR(s).
  - Description of the CWR(s).
  - The date when the court intends to make expenditures related to operating its CWR(s).
  - The requested distribution amount between \$2 and \$5. Courts can request the Judicial Council Finance Office to provide an estimate of annual distributions.
- The Trial Court Budget Advisory Committee (TCBAC) will make a recommendation to the council on each court's request.
- If the council approves that distributions begin prior to the operating of a CWR but the court does not operate a CWR six months after their planned opening date, the court must apply for a continued distribution.

### B. Requesting a Decreased CWR Distribution Amount

- Any court's request to decrease its existing CWR distribution is approved by the Judicial Council and the request can be implemented by Judicial Council staff, effective either January 1 or July 1.

### C. Temporarily or Permanently Ceasing CWR Operations

- Courts that cease operating all CWRs must notify the director of the JC Finance Office within 60 days of the cessation date. Unless a court provides notification and submits an application to continue receiving distributions while not operating a CWR within 60 days of the cessation date, the court's CWR distributions will be stopped either January 1 or July 1, whichever is earlier, and the court will be required to return any CWR fund balance to the TCTF.
- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return of the CWR fund balance will occur on the February trial court distribution for those courts that the CWR distribution stopped on January 1, and on the August distribution for those courts that the CWR distributions stopped on July 1.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.

## **Children's Waiting Room (CWR) Distribution and Fund Balance Policy**

- An application for a continued distribution must include all the information required of courts applying for a new distribution (see section A above) as well as the amount of any CWR fund balance.
- The TCBAC will make a recommendation to the Judicial Council on each court's application.
- For courts that apply and whose application is denied by the Judicial Council, any CWR fund balance shall be returned to the TCTF.

### **D. Cap on CWR Fund Balance**

- Courts shall monitor the CWR distribution amount per filing to ensure it is adequate to meet the CWR needs of the court without accumulating an amount in excess of the cap described below.
- Effective July 1, 2015, there shall be a cap on the amount of CWR fund balance that courts can carry forward from one fiscal year to the next. The cap shall be the amount of the highest annual distribution within the three most recent fiscal years.
- Courts that have a CWR fund balance greater than the cap (as described above) at the end of the every other fiscal year (beginning with fiscal year 2016–2017) will be required to return to the TCTF the amount above the cap in the subsequent fiscal year.
- For courts that are required to return the portion of their CWR fund balance above the cap to the TCTF, the return of the CWR fund balance will occur on the August trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.
- The cap applies only to courts that have received at least 12 months of distributions in a fiscal year while operating a CWR.
- If a court wants a cap adjustment, it must submit a request explaining the extenuating circumstance and including its CWR expenditure plan to the director of the JC Finance Office for consideration by the TCBAC and the Judicial Council. The request must be received by the Finance Director within 60 days of the end of the fiscal year for which the adjustment is being requested.
- JC staff will report any return of CWR fund balance through the trial court distribution process to the TCBAC and the Judicial Council.
- For courts that have Judicial Council–approved adjustments to their CWR caps, annual reporting will be required 60 days after the end of each fiscal year for courts that have an adjustment to their CWR cap approved by the Judicial Council, using a template provided by Judicial Council staff.

### **E. Courts that have Received a Distribution but Never Operated a CWR**

- Courts that received distributions between January 1, 2006 and June 30, 2014 but did not operate a CWR during that time period must either apply for a continued distribution by

## **Children's Waiting Room (CWR) Distribution and Fund Balance Policy**

September 26, 2015 or have their distributions stopped on January 1, 2016 and return to the TCTF any CWR fund balance.

- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return will occur on the October 2015 trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.