



JUDICIAL COUNCIL OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

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TRIAL COURT BUDGET ADVISORY COMMITTEE

MINUTES OF OPEN MEETING

June 11, 2020

10:00 a.m. – 2:00 p.m.

<http://icc.granicus.com/player/event/948?>

Advisory Body Members Present: Judges: Hon. Jonathan B. Conklin (Chair), Hon. Jeffrey B. Barton, Hon. Daniel J. Buckley, Hon. Jill C. Fannin, Hon. Kimberly Gaab, Hon. Joyce D. Hinrichs, Hon. Patricia L. Kelly, Hon. Charles Margines, Hon. Deborah A. Ryan, and Hon. B. Scott Thomsen.

Executive Officers: Ms. Rebecca Fleming (Vice Chair), Ms. Kim Bartleson, Ms. Sherri Carter, Ms. Nancy Eberhardt, Mr. Chad Finke, Mr. Shawn Landry, Mr. Michael D. Planet, Mr. Chris Ruhl, Mr. Neal Taniguchi, Mr. Brian Taylor, Ms. Kim Turner, and Mr. David Yamasaki

Advisory Body Members Absent: Hon. Mark A. Cope

Others Present: Mr. John Wordlaw, Mr. Zlatko Theodorovic, Ms. Fran Mueller, Ms. Brandy Olivera, Mr. Jason Haas, Mr. Catrayel Wood, Ms. Oksana Tuk, Ms. Leah Rose-Goodwin, Ms. Kristin Greenway, Ms. Audrey Fancy, and Ms. Vida Terry

OPEN MEETING

Call to Order and Roll Call

The chair welcomed the members, called the meeting to order at 10:02 a.m. and took roll call.

Approval of Minutes

The advisory body reviewed and approved minutes of the April 30, 2020 Trial Court Budget Advisory Committee (TCBAC) telephonic meeting.

DISCUSSION AND ACTION ITEMS (ITEMS 1-8)

***** As a result of the COVID-19 pandemic and the current recession, final 2020-21 budget actions may have an impact on some of the agenda items listed below. Based on the outcome of the state's final Budget Act, some items may need to be revisited by Judicial Council subcommittees and advisory bodies as recommendations are developed for council consideration. *****

Item 1 - 2020-21 Court-Appointed Dependency Counsel Allocations (Action Required)

Consideration of the 2020-21 allocations from the Trial Court Trust Fund (TCTF) for court-appointed dependency counsel.

Presenter(s)/Facilitator(s): Ms. Audrey Fancy, Principal Managing Attorney, Judicial Council Center for Families, Children, and the Courts
Ms. Vida Terry, Senior Analyst, Judicial Council Center for Families, Children, and the Courts

Action: TCBAC unanimously voted to approve the following recommendation to approve two separate allocations for court-appointed dependency counsel funding for consideration by the Judicial Council at its July 23-24, 2020 business meeting:

1. \$156.7 million in the event there is not a funding reduction included in the 2020 Budget Act; and
2. \$148.865 million in the event the \$7.835 million proposed reduction is included in the final 2020 Budget Act.

Item 2 - Review of General Ledger Accounts for Inclusion in the Workload Formula (Action Required)

Consideration of a Funding Methodology Subcommittee (FMS) recommendation on operating expenses and equipment accounts as well as a recommendation resulting from additional revenue general ledger account review.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council Business Management Services

Action: TCBAC unanimously voted to approve the following recommendations:

1. Approve the designations on accounts to include/not include in the operating expenses and equipment computation for transmittal to the Judicial Council for its July 23-24, 2020 meeting. If approved, this recommendation would be effective July 1, 2020 for use in the 2020-21 allocations;
2. Recommend that the Court Executives Advisory Committee and the Judicial Council Branch Accounting and Procurement (BAP) office include these accounts as part of existing efforts to standardize usage of the chart of accounts and that these groups review work breakdown structure (WBS) elements periodically for new WBS elements added/eliminated each year;
3. Approve the recommendations made by the FMS that reviewed the additional general ledger accounts that did not previously receive a designation for inclusion/exclusion in the Workload Formula; and
4. Recommend that BAP create a new project specifically for Civil Transcripts so that it can be aligned with revenue for this workload. Currently, the project being used for transcripts does not differentiate between criminal and civil.

Item 3 - Workload Formula Adjustment Request Process (ARPs) – San Francisco Superior Court Cluster Assignment Evaluation (Action Required)

Consideration of an FMS recommendation to change the San Francisco Superior Court's cluster assignment based on the court's current number of authorized judicial positions (APJs).

Presenter(s)/Facilitator(s): Ms. Kristin Greenaway, Supervising Research Analyst, Judicial Council Business Management Services

Action: TCBAC unanimously voted to approve the following for consideration by the Judicial Council at its July 23-24, 2020 business meeting:

1. Change San Francisco Superior Court's cluster assignment from cluster 4 to cluster 3 based on the court's current number of AJP's and its Resource Assessment Study (RAS) estimated workload effective July 1, 2020;
2. Include the other items concerning cluster re-analysis in the FMS work plan item concerning clusters; and
3. Reject the last item in the request, concerning re-calculation of base funding. The concept of funding "base" was discontinued when the Workload Formula was updated in 2018. Also, the principles of the RAS and Workload Formula models are that changes may be made to the models at any time, as more data becomes available and as policy decisions evolve. However, there is no policy in place to retroactively change funding need or allocations as changes to the models are made.

Item 4 - Allocations from the State Trial Court Improvement and Modernization Fund (IMF) for 2020-21 (Action Required)

Consideration of recommendations of the Revenue and Expenditure (R&E) Subcommittee regarding allocations from the IMF for 2020-21.

Presenter(s)/Facilitator(s): Mr. Jason Haas, Senior Analyst, Judicial Council Budget Services

Action: TCBAC unanimously voted to approve the R&E Subcommittee recommendation for consideration by the Judicial Council at its July 23-24, 2020 business meeting to approve a total of \$54,488,999 in allocations for 2020-21 from the IMF. Due to the COVID-19 pandemic and subsequent recession, final allocation amounts for 2020-21 will be based on available state revenues and final budget decisions.

In addition, TCBAC further recommended that Judicial Council offices be cautious about obligating these allocations as they may be subject to further mid-year allocation reductions due to the current budget situation.

Item 5 - Allocations from the TCTF and Trial Court Allocations for 2020-21 (Action Required)

Consideration of recommendations of the R&E Subcommittee regarding allocations from the TCTF for 2020-21, consideration of recommendations of the FMS regarding one-time funding and a reduction proposed in the 2020-21 May Revision, and consideration of 2020-21 trial court allocations, including the Workload Formula, from the TCTF, Immediate and Critical Needs Account (ICNA), and General Fund (GF).

Presenter(s)/Facilitator(s): Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

Action: TCBAC unanimously voted to approve the following for Judicial Council consideration at its July 23-24, 2020 business meeting, with two exceptions:

1. Approve base, discretionary, and non-discretionary programs from the TCTF in the amount of \$2.2 billion (Attachment 5A, line 69);
 - a. The \$50 million one-time funding for COVID-19 related backlog included in this recommendation and recommended for allocation by FMS was altered to a pro rata allocation recommendation to all courts based on Workload Formula. This recommendation also includes:
 - i. Distributing all of the funding out to courts immediately;
 - ii. Acknowledges that it is not possible to measure COVID-19 backlog based on a variety of operational differences and inability to accurately capture cost impacts as a result; and
 - iii. Includes providing a notification to courts that the funding will be used for this purpose upon receipt of the funds.

This recommendation received two “no” votes.

2. Approve a GF allocation in the amount of \$68.8 million for employee benefits (Attachment 5A, line 8);
3. Approve an ICNA allocation in the amount of \$50.0 million for support for operation of the trial courts (Attachment 5A, line 9); and
4. Approve a Workload Allocation of \$2.0 billion based on methodologies approved by the Judicial Council.
 - a. The \$168.937 million reduction included in this recommendation from the FMS was deferred to a TCBAC meeting to be scheduled the following week that provides 4, 6, and 8 percent banded allocation scenarios based on:
 - i. Courts within the band taking a pro rata reduction, but not falling outside the band;
 - ii. Courts above the band taking up to an additional one percent cut from those within the band without falling into the band;
 - iii. Courts below the band taking an approximate one percent cut below those within the band, scaled by their size and distance from the statewide average, not taking more of a cut than those inside of the band; and
 - iv. Cluster 1 courts taking the same reduction as courts within the band.

Item 6 - Court Interpreter Program (CIP) Funding Shortfall (Action Required)

Consideration of an FMS recommendation to address the proposed reduction in the 2020-21 May Revision and a projected 2020-21 shortfall in the CIP.

Presenter(s)/Facilitator(s): Mr. Catrayel Wood, Senior Analyst, Judicial Council Budget Services

Action: TCBAC unanimously voted to approve the following:

1. Defer actions to reduce the CIP reimbursement to trial courts until the TCBAC August meeting to allow the Interpreter Ad Hoc Subcommittee additional time to develop an allocation reduction methodology that addresses the shortfall for 2020-21 and 2021-22 for consideration by the Judicial Council at its September 24-25, 2020 business meeting; and

2. Inform courts that reductions are imminent due to the state's economic downturn and that courts should prepare for a reduction in funding after the first quarter of 2020-21.

Item 7 - Update to Children's Waiting Room (CWR) Policy (Action Required)

Consideration of a Fiscal Planning Subcommittee (FPS) recommendation on revisions to the CWR Distribution and Fund Balance Policy to streamline the process including review and reporting requirements.

Presenter(s)/Facilitator(s): Mr. Catrayel Wood, Senior Analyst, Judicial Council Budget Services

Action: TCBAC unanimously voted to approve the following:

The following FPS recommendations are submitted to TCBAC for approval to be considered by the Judicial Council at its business meeting on July 23-24, 2020:

1. Recommendations to the council on each court's CWR request come directly from the FPS;
2. Remove the requirement for annual reporting by courts that receive a CWR cap adjustment; and
3. Direct Judicial Council Budget Services staff to revise forms that meet policy requirements based on action taken by the Judicial Council when considering the TCBAC recommendations.

Item 8 - Minimum Operating and Emergency Reserve Policy (Action Required)

Consideration of a recommendation to maintain the suspension of the Minimum Operating and Emergency Fund Balance Policy.

Presenter(s)/Facilitator(s): Ms. Brandy Olivera, Manager, Judicial Council Budget Services

Action: TCBAC unanimously voted to extend the suspension of the minimum operating and emergency fund balance policy for two fiscal years until June 30, 2022—or earlier if Government Code section 77203 is amended—for consideration by the Judicial Council at its July 23-24, 2020 business meeting.

INFORMATION ONLY ITEMS (INFO 1 - 5)

Info 1 - 2020-21 Budget Update

Update on the budget for 2020-21.

Presenter(s)/Facilitator(s): Mr. Zlatko Theodorovic, Deputy Director, Judicial Council Budget Services

Action: No action taken.

Info 2 - ARP Updates

An update on the El Dorado Superior Court ARP submission and the joint ARP submission from Contra Costa Superior Court and San Francisco Superior Court.

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

Ms. Leah Rose-Goodwin, Manager, Judicial Council Business Management Services

Action: No action taken.

Info 3 - ARP Update on Mental Health Caseweights

Update on the joint ARP submission from Los Angeles and San Diego Superior Courts and the Workload Assessment Advisory Committee recommendation to the Judicial Council.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council Business Management Services

Action: No action taken.

Info 4 - Cluster 2 Findings

Includes a report on findings regarding cluster 2 that was provided to the FMS.

Presenter(s)/Facilitator(s): Ms. Kristin Greenaway, Supervising Research Analyst, Judicial Council Business Management Services

Action: No action taken.

Info 5 - TCTF Funds Held on Behalf Expenditure Reporting

Quarterly report to the TCBC on how funds were expended for projects and planned expenditures that are complete; nothing to report this quarter.

Presenter(s)/Facilitator(s): Mr. Catrayel Wood, Senior Analyst, Judicial Council Budget Services

Action: No action taken.

A D J O U R N M E N T

There being no further business, the meeting was adjourned at 2:31 p.m.

Approved by the advisory body on July 16, 2020.