



JUDICIAL COUNCIL
OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

TRIAL COURT BUDGET ADVISORY COMMITTEE
FUNDING METHODOLOGY SUBCOMMITTEE

MATERIALS FOR APRIL 12, 2021
VIRTUAL MEETING

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www.courts.ca.gov/tcbac.htm
tcbac@jud.ca.gov

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TRIAL COURT BUDGET ADVISORY COMMITTEE FUNDING METHODOLOGY SUBCOMMITTEE

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 12, 2021
Time: 1:00 p.m. to 3:00 p.m.
Public Call-in Number: 877-820-7831 PC: 18884843

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 tcbac@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 February 18, 2021 Funding Methodology Subcommittee (FMS) virtual 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 tcbac@jud.ca.gov. Only written comments received by 1:00 p.m. on April 9, 2021 will be provided to advisory body members prior to the start of the meeting.

III. DISCUSSION AND POSSIBLE ACTION ITEM (ITEM 1)

Item 1

Allocation Methodology of Trial Court Funding in 2021-22 Governor's Budget (Action Required)

Discuss allocation methodologies for the \$167.8 million funding restoration and the \$72.2 million new, discretionary funding included in the 2021-22 Governor's Budget for inclusion in the 2021-22 Workload Formula allocation should the funding be included in the enacted budget.

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

IV. INFORMATION ONLY ITEMS (NO ACTION REQUIRED)

None

V. ADJOURNMENT

Adjourn



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MINUTES OF OPEN MEETING

February 18, 2021
1:00 p.m. - 3:00 p.m.
<http://jcc.granicus.com/player/event/1169?>

Advisory Body Members Present: Judges: Hon. Daniel J. Buckley (Cochair), Hon. Mark Ashton Cope, and Hon. Patricia L. Kelly.

Executive Officers: Ms. Rebecca Fleming (Cochair), Ms. Sherri R. Carter, Mr. Michael D. Planet, Mr. Neal Taniguchi, and Mr. David Yamasaki.

Advisory Body Members Absent: Hon. B. Scott Thompson and Ms. Nancy Eberhardt.

Others Present: Hon. Jonathan B. Conklin, Mr. John Wordlaw, Mr. Zlatko Theodorovic, Ms. Fran Mueller, Ms. Brandy Olivera, Ms. Michele Allan, Ms. Oksana Tuk, Mr. Catrayel Wood, Ms. Leah Rose-Goodwin, and Ms. Kristin Greenaway.

OPEN MEETING

Call to Order and Roll Call

The cochairs called the meeting to order at 1:01 p.m. and took roll call.

Approval of Minutes

The subcommittee reviewed and approved the minutes of the June 2, 2020 Funding Methodology Subcommittee (FMS) meeting.

DISCUSSION AND ACTION ITEMS (ITEMS 1-3)

Item 1: Workload Formula Adjustment Request Process (ARP) (Action Required)

Discuss two ARPs submitted to the Judicial Council Administrative Director.

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

Action: The FMS voted to continue to study cluster two courts as part of the FMS Work Plan, which would include the Bureau of Labor Statistics (BLS), and to make no BLS adjustments at this time.

Item 2: Court Interpreters Program (CIP) Methodology (Action Required)

Consider recommendations by the Ad Hoc Interpreter Subcommittee on allocation savings, the one-time allocation methodology for 2021-22, and updates on an ongoing workload-based methodology.

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

Action: The FMS voted to approve the following recommendations for consideration by the Trial Court Budget Advisory Committee (TCBAC) at its March 9, 2021 meeting:

- (1) Require courts to return all unspent 2020-21 CIP allocated funds to the Judicial Council. The funds will first reimburse courts with a shortfall in Court Interpreters Program expenditures. Remaining funds will be reverted to the Trial Court Trust Fund as restricted program funding;
- (2) Allocate in 2021-22 the same amount of funding provided to trial courts in 2020-21, including any reimbursements from 2020-21; and
- (3) Expand the number of Ad Hoc Interpreter Subcommittee members, continued as a subset of the TCBAC, with members to be determined after TCBAC consideration and approval.

Item 3: FMS Work Plan (Action Required)

Discuss updates to the FMS Work Plan.

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

Action: The FMS voted to approve the recommendation to update the annual work plan, including moving items 1, 2, and 3 as ongoing through 2021-22 and updating the language on item 2 based on recent changes to the interpreter funding model from a reimbursement to an allocation model, for consideration by the TCBAC at its July 2021 meeting.

INFORMATION ONLY ITEMS (ITEMS 1)

Info 1: Governor's Budget Proposal for 2021-22

Update on the Governor's Budget proposal for 2021-22.

Presenter(s)/Facilitator(s): Ms. Fran Mueller, Deputy Director, 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 1:57 p.m.

Approved by the advisory body on *enter date*.

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(Action Item)

Title: Allocation Methodology of Trial Court Funding in 2021-22 Governor's Budget

Date: 4/12/2021

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

Issue

Develop recommendations for consideration by the Trial Court Budget Advisory Committee at its April 22, 2021 meeting on the allocation methodology for the restoration of the current year reduction of \$167.8 million and the \$72.2 million in new funding for trial court operations included in 2021-22 Governor's Budget, effective July 1, 2021. Fiscal year 2021-22 trial court allocation recommendations will be presented to the Judicial Council for approval at its July 8-9, 2021 business meeting. These recommendations are contingent on the proposed funding being included in the final enacted Budget Act.

Background

2021-22 Governor's Budget Proposals

The 2021-22 Governor's Budget includes \$4.2 billion in operating and facility funds for the judicial branch. This includes \$381.1 million in new General Fund monies, despite the economic downturn caused by the global pandemic and continuing need for statewide fiscal constraint. There are no additional operational reductions proposed for the judicial branch in 2021–22. The proposed budget reflects critical funding needs to support the essential services provided by all areas of judicial branch operations.

In February 2021, Governor Newsom and legislative leaders announced an agreement that would restore the previously enacted 2020-21 reductions of \$200 million for the judicial branch, effective July 1, 2021. Of this amount, the proposal would restore the \$167.8 million reduction included in the 2020-21 trial court allocations.

The proposed budget also includes \$72.2 million ongoing General Fund (GF) for the trial courts, which represents an overall increase of 3.7 percent compared to the 2020 Budget Act. This funding is for general trial court operational courts and is intended to assist courts in continuing to provide fair and timely access to justice, including taking actions to confirm making

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modifications to improve court processes. This funding would also support the courts' efforts to implement recently enacted legislation.

Non-Sheriff Court Security

At its July 28, 2015 business meeting, the council approved the following policy as it relates to court-provided (non-sheriff) security:¹

- 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; and
- 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.

In 2019-20, 39 eligible courts received a total of \$455,000 in additional security funding due to the \$24.5 million received for the cost of 25 new judgeships. The total security base allocation is now \$43 million.

Consistent with council policy, the Funding Methodology Subcommittee will consider the application of the non-sheriff court security adjustment as it relates to new funding proposed for 2021-22.

Methodology

The restoration amount of \$167.8 million will be allocated back to the trial courts on a dollar-for-dollar basis, consistent with the reduction amounts implemented in 2020-21, without allowing any court to exceed 100 percent of their Workload Formula amount. Any funding that exceeds 100 percent of a court's Workload Formula amount will be pooled and added to the \$72.2 million for allocation to the trial courts.

To allocate the new funding of \$72.2 million, the Workload Formula methodology will be applied. Workload Formula methodology is the current process for allocating any new funding to the trial courts in an equitable manner. It was updated most recently by the Judicial Council at its January 17, 2020 business meeting, and includes the steps as outlined below:²

¹ Judicial Council meeting report (July 28, 2015), <https://www.courts.ca.gov/documents/jc-20150728-itemG.pdf>;
Judicial Council meeting minutes (July 28, 2015), <https://www.courts.ca.gov/documents/jc-20150728-minutes.pdf>

² Judicial Council meeting report (January 17, 2020),
<https://jcc.legistar.com/View.ashx?M=F&ID=7976128&GUID=DC14BAC5-0079-4C0C-A0E6-52C7EC068BB0>

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[Apply security deduction.]

1. Bring all Cluster 1 courts up to 100 percent of funding need.
2. Allocate up to 50 percent of remaining funding to courts under the statewide average funding ratio. Allocated funds will bring courts up to but not over the statewide average funding ration.
 - a. The first 50 percent allocation of new funding to courts below the statewide average will be scaled by courts' distance from the statewide average and size based on the courts' Workload Formula need.
3. Allocate remaining funding to all courts based on the Workload Formula.
4. Allow no court's allocation to exceed 100 percent of its need unless it is the result of a funding floor calculation.

Currently, there are two base funding floor courts, Alpine and Sierra, that receive a set allocation amount of \$800,000 beginning in 2019-20.³ There is a separate process in place in which this allocation amount is reviewed annually, as requested by the applicable courts, for presentation to the Trial Court Budget Advisory Committee each December to determine whether an inflationary adjustment is needed.⁴ As a result, these two courts would be excluded from receiving any portion of restoration funding and \$72.2 million in new operational funding, and their 2021-22 allocation amounts would remain unchanged from 2020-21 allocation amounts.

Recommendations

The following recommendations are presented for the Funding Methodology Subcommittee's consideration:

- a) Approve a recommendation to restore \$167.8 million and allocate to the trial courts on a dollar-for-dollar basis consistent with the initial reduction, without allowing any court to exceed 100 percent of their Workload Formula amount;
- b) Approve a recommendation that funds resulting from courts going over 100 percent of their Workload Formula amounts due to the restoration will be used to bring cluster 1 courts up to 100 percent of their funding needs; and

³ Judicial Council meeting report (March 15, 2019), <https://jcc.legistar.com/View.ashx?M=F&ID=7058011&GUID=805D0070-0C38-40C7-A8CE-F08E82D8DDD5>; Judicial Council meeting minutes (March 15, 2019), <https://jcc.legistar.com/View.ashx?M=M&ID=640295&GUID=4C88EDD5-7207-4839-BB72-89B184E22C9B>

⁴ Trial Court Budget Advisory Committee meeting report beginning on page 10 (July 25, 2019), <https://www.courts.ca.gov/documents/tcbac-20190725-materials.pdf>; Trial Court Budget Advisory Committee meeting minutes (July 25, 2019), <https://www.courts.ca.gov/documents/tcbac-20190725-minutes.pdf>

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- c) Approve a recommendation that any remaining funds will be added to the \$72.2 million in new funding and will be allocated via approved Workload Formula methodology.
 - a. The non-sheriff court security will be reduced from the \$72.2 million prior to adding any remaining restoration funds and the Workload Formula calculation.