

**Trial Court Budget Advisory Committee
AOC San Francisco Office – Judicial Council Boardroom
July 9, 2013 Meeting
Minutes**

A total of 32 of 34 advisory committee members were in attendance (absent: Jody Patel and Curt Child).

Action Item 1 – Allocation of Criminal Justice Realignment Act Funding

The Trial Court Budget Advisory Committee (TCBAC) by unanimous vote approved the four recommendations of the Revocation Subcommittee of the former Trial Court Budget Working Group and Option 1 presented by staff of the Administrative Office of the Courts (AOC), as follows:

1. Allocate \$5,183 to the Superior Court of Mariposa County for the four petitions for revocation filed in FY 2012–2013 based on the FY 2012–2013 methodology (\$1,296 per petition) from the \$150,000 held in reserve from the FY 2012–2013 realignment funding. The remaining \$144,817 will continue to be held in reserve to address costs that exceed a court’s FY 2013–2014 allocation. Unlike in FY 2012–2013, none of the \$9.223 million will be held in reserve from the FY 2013–2014 allocation.
2. Courts should retain any unspent FY 2012–2013 realignment funding.
3. Allocate initially one-half of the \$9.223 million in ongoing realignment funding to the trial courts in July 2013 based on the allocation methodology used in FY 2012–2013 (see column F, Table 1A) After the first quarter of FY 2013–2014 realignment data collected from the courts as required by Penal Code section 13155 has been received and analyzed, a new methodology will be developed and proposed for allocation of the funding.
4. AOC staff will survey courts to obtain their FY 2013–2014 expenditures on both parole and post release community supervision related to criminal justice realignment. This information, in conjunction with the workload data that courts are collecting, will be used to determine if additional funding beyond the \$9.223 million is needed to address these costs. If funding is required, the information will be presented to the Department of Finance in support of a request for augmentation. During this same period, staff will develop the capability for courts to report the expenditure data in Phoenix.

Option 1 -- Allocate \$7,776 or \$1,296 per petition to the Superior Court of Trinity County from the \$150,000 reserve. The court submitted FY 2012–2013 realignment statistics after the

subcommittee met and made its recommendations. The court's information indicates that 6 petitions to revoke post release community supervision were filed in FY 2012–2013.

Action Item 2 – Allocations for Various Trial Court Costs Reimbursed from the Trial Court Trust Fund (Program 45.10 Expenditure Authority)

The TCBAC took the actions indicated below in the specific program areas for FY 2013–2014. All votes were unanimous except for the vote on the audits item, which had one no vote.

Court-Appointed Dependency Counsel

Approve maintenance of the \$103.725 million annual allocation for court-appointed counsel in juvenile dependency proceedings, the same base level provided in fiscal year (FY) 2011–2012.

Jury

Approve maintenance of the \$16.0 million annual allocation for eligible juror costs, the same base level provided in FY 2012–2013.

Self-Help Centers

Approve maintenance of the \$2.5 million annual allocation for self-help centers, the same base level provided in FY 2012–2013.

Replacement Screening Stations

Approve \$2.286 million allocation for the trial court weapons screening replacement program. This is the base level provided in all years since the program was funded in FY 2006–2007 through a Budget Change Proposal, except for FY 2012–2013, when it was reduced to \$1.0 million.

Elder/Dependent Adult Abuse

Approve maintenance of the \$332,000 allocation for the elder/dependent adult abuse program, the same level provided in FY 2012–2013.

Audits

Approve the allocation of \$325,000 from the Trial Court Trust Fund (TCTF) to the Bureau of State Audits for the costs of trial court audits incurred by the California State Auditor pursuant to Section 19210 of the Public Contract Code.

Action Item 3A – Allocation of \$261 million Ongoing Reduction

The TCBAC approved, by a unanimous vote, the allocation to the courts of the \$261 million in ongoing reductions as provided in Table 3A, column 11. The methodology for the reductions was approved by the Judicial Council at its April 26, 2013 meeting.

Action Item 3B – Workload-Based Allocation and Funding Model (WAFM) Cost of Labor Adjustment

The TCBAC approved, by a unanimous vote, an amended cost of labor methodology as part of WAFM that includes the following elements:

- **Establish the unadjusted base per Resource Assessment Study (RAS) Full-Time Equivalent (FTE) value to apply to each position estimated in the model** – Using FY 12/13 Trial Court 7A data, calculate the average salary of a position in the trial courts. This was a two step process. 1) Calculate the average salary in each trial court by dividing total salary costs on the 7A by total positions (excluding positions not included in the workload model and excluding the CEO’s salary) then 2) Averaging the values of all 58 courts. This resulted in a single unadjusted base to use per calculated FTE for the workload model. **This figure is not meant to establish an average salary for individual trial court employees.** Although a single state average is used to calculate need, this does not presume nor imply a single salary statewide. Because the average includes all RAS related employees – clerks, custodians, mediators, investigators, court reporters, management, etc – and because not every court uses employees for these functions (for example, a small court does not have sufficient workload to have a full-time employee) it is simply an estimation tool and should not be used to evaluate individual salaries.

Additionally, because the average 1) is an average of all positions within a court that is then 2) averaged between all courts, it provides only a baseline factor that can be used in conjunction with the BLS adjustment factor (below) to project total salary needs. An average of averages is used because the same methodology is used to calculate the Bureau of Labor Statistics (BLS) salary adjustment factor outlined below.

- **Compute Unadjusted Base Total** – A total unadjusted base for each court is computed by multiplying the projected number of FTE for each court (less one FTE for the CEO) by the unadjusted base per FTE calculated above.
- **Add Court Executive Salary based on the cluster average** – Previously the CEO actual salary was added into the salary need after adjustment. In the amended method the CEO salary will be added to the unadjusted salary total using the cluster average CEO salary.
- **Adjust the unadjusted base for local cost of labor using BLS Category 92**

 - The BLS identifies multiple industry categories. The work group is recommending the use of Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) for “Public Administration 92”, which included the closest match to trial court

salaries¹. The BLS series reports an average salary for this set of government entities for each county. The average includes **all classifications**. An average of the BLS county averages is calculated. A ratio for each county is then calculated by dividing the BLS series average for a specific county by the state BLS average. The ratio indicates what each county's average is relative to the state average.

County's Category 92 Average Salary
---divided by--
Statewide Category 92 Average Salary
=County's "New" Salary Adjustment Factor

- **Review government employment mix when determining the use of BLS Category 92**
– Category 92 can be limited to local government or can include both state and local government employment. The original application of the BLS in the WAFM compared court salaries to local government salaries. Some courts, however, were concerned that their local cost of labor was driven more by state government employee salaries rather than local government employee salaries. To address this issue, the subcommittee is recommending that:

For courts where the government workforce is less than 50% state employees – the Category 92 – Local Government will be used.

For courts where the government workforce is more than 50% state employees – the Category 92 – State and Local Government will be used.

In both cases, government workforce is determined using data available from BLS.

Table 1C shows how the BLS adjustment was calculated for each court.

- **Determine Total Pre-Benefits Workload Allocation Need** –The total unadjusted base for each county is then multiplied by the BLS Salary Adjustment Factor to project a total adjusted base need amount for each trial court.

Action Item 3C – WAFM Computation

The TCBAC unanimously approved the WAFM computation of each court's share of total funding need based on workload captured by the RAS, as displayed in Table 3E, columns Q, Q1, S, and S1.

¹ Bureau of Labor Statistics Cost of Labor adjustment based on Quarterly Census of Wages & Employment, 2011. Salaries of Local or State Government are used for comparison based on Public Administration (North American Industrial Classification System (NAICS), 92)

Action Item 3D – Computation and Allocation of Adjustments to Base Funding

The TCBAC approved, with one no vote, Option 1 as displayed in Table 3G, which excludes cluster 1 courts from the reallocation of \$60 million in base funding. \$60 million in base funding is reduced from all other courts in proportion to their current historical funding share and then \$60 million is allocated to the same courts in proportion to their WAFM share.

Action Item 4 – Allocation of 2 Percent Reserve in the Trial Court Trust Fund

The TCBAC approved unanimously the use of the same methodology for the calculation of the 2 percent reserve allocation of the TCTF as used in FY 2012–2013, with an adjustment to column A6 of Table 4A that uses the April 13, 2013 computation for the \$261 million reduction, as approved in action item 3A.

These action items will be incorporated as TCBAC recommendations into an allocations report for the July 25, 2013 Judicial Council meeting.