



JUDICIAL COUNCIL
OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

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TRIAL COURT BUDGET ADVISORY COMMITTEE
FUNDING METHODOLOGY SUBCOMMITTEE

MINUTES OF OPEN MEETING

October 2, 2017

10:00 a.m. – 3:00 p.m.

2860 Gateway Oaks Drive, Sacramento CA, 95833: Veranda Room C

Advisory Body Members Present: Judges: Hon. Jonathan B. Conklin (Co-Chair), Hon. Mark Ashton Cope, and Hon. Joyce D. Hinrichs.

Executive Officers: Ms. Rebecca Fleming (Co-Chair), Ms. Sherri R. Carter, Ms. Kimberly Flener, Mr. Jeffrey E. Lewis (by phone), Mr. Michael D. Planet, Mr. Michael M. Roddy, and Ms. Tania Ugrin-Capobianco.

Advisory Body Members Absent: Hon. Paul M. Marigonda

Others Present: Hon. Wynne S. Carvill, Mr. Chad Finke, Mr. Jake Chatters, Ms. Jody Patel, Mr. John Wordlaw, Mr. Zlatko Theodorovic, Ms. Brandy Sanborn, Ms. Leah Rose-Goodwin, Ms. Rose Livingston, Mr. Colin Simpson, and Mr. David Yamasaki.

OPEN MEETING

Call to Order and Roll Call

The chair called the meeting to order at 10:02 a.m. and roll was called.

Approval of Minutes

The advisory body reviewed the minutes of the August 8-9, 2017 Funding Methodology Committee Meeting. A clarification was made that the minutes incorporate attachments A (whiteboard notes) and B (FMS Work Plan) by reference, and that the minutes and attachments can be used to identify possible objectives that may be applied to future funding models, but are not approved concepts. The minutes were approved as amended.

DISCUSSION AND POSSIBLE ACTION ITEMS (ITEM 1)

Item 1

Workload-based Allocation and Funding Methodology (WAFM) (Action Required)

Discussion regarding the structure of WAFM beginning in 2018-19 (details below).

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Co-Chair, Funding Methodology Subcommittee; Ms. Rebecca Fleming, Co-Chair, Funding Methodology Subcommittee; and Ms. Leah Rose-Goodwin, Manager, Judicial Council Budget Services

The subcommittee reviewed the following materials:

- **August 8-9, 2017 whiteboard notes, attachment A**
The chairs sought changes/modifications/additions; decision to remove items 2 (“new money coming in”) and 3 (“increase overall % of need funded”) from “Measures” section. Add to Outcomes: “model should adhere to principles and objectives” and #3 from Measures section (“increase overall % of need funded”).
- **2017-18 FMS WAFM Work Plan, attachment B**
Changes made at the August 8-9, 2017 meeting were reviewed; clarification on meaning of item 7 “other funding sources.” No changes made.
- **Bureau of Labor Statistics (BLS) data, attachments C1 and C2**
Discussion regarding:
 - Fixed adjustment factor
 - Local BLS and state/local BLS
 - Small court adjustments
 - BLS adjustments
 - Workforce needs
 - Parallels in other branches of state government

Requests of staff for next meeting:

- Scenario showing funding need using the higher of the local and state/local mix, for all courts
 - List of all adjustments in RAS/WAFM given to small courts
 - Comparison of dollar valuation of small court adjustments in RAS/WAFM to adjusting BLS to 1.0 for all courts below 1.0
- **Funding floor review, attachments D1 and D2**
These items were presented, and will be brought back at the next FMS meeting; a correction was needed on the worksheet showing the proposed floor.

Requests of staff for next meeting:

- Make correction to proposed floor
- Show impact of funding floor to each court if floor adopted

- **Funding to statewide average, attachment E**

A motion was made to not consider this as a possible scenario; the motion was seconded and approved unanimously.

- **Civil assessment and local revenues, attachments F1 and F2**

Discussion regarding:

- Types of local revenue
- Pending legislation impacting fines and fees
- Maintenance of Effort obligations
- Local revenues should not be included

Requests of staff for next meeting:

- List out local revenues
- Bring charts showing civil assessments, with MOE offsets, no local revenue; returned to courts dollar for dollar and pooled/allocated via WAFM

- **Allocation shifts based on applied bands, attachments G1 ad G2**

Discussion regarding:

- Need different formulas for years with new money, without money
- Need predictability or a pause in implementation
- Should we do away with the historical base?
- Could create a situation where all courts go up in some way

Requests of staff for next meeting:

- A scenario showing:
 - 1) No new money in 2018-19; 1% shift for those above 2%, applied to 2019-20; 1% shift for those above 2%, applied to 2020-21
 - 2) \$50 million in all three years, reallocate based on 50%/50%
 - 3) No new money first year; \$50m in second year; no new money in year three.
(Floor courts excluded, workload held constant for the scenario)

- **Discussion continued**

- Amount does not address core workload need for advocacy purposes.
- What principles can the group adopt to work towards?

To the second point, a series of principles for the group to work towards were developed and are included in Attachment A, Section D

These principles were rolled into a proposed model for allocations consisting of the following:

- Workload need calculated annually and shared with courts

- If new money is received, it should be implemented immediately (2018-19)
 - 50% going to courts below average
 - Remaining to all courts
- If no new \$: funding changes implemented with one year lag (2019-20)
 - Based on current three year average
 - Every other year of adjustment (even years)
 - Using bands that are graduated, limited

This proposal gives an additional year to plan when no new money and could be a perpetual model. Full funding could be in a range (i.e., 94-100%).

Whiteboard notes from the August 8-9, 2017 were updated and new notes added during the October 2, 2017 and are provided in full as Attachment A.

A D J O U R N M E N T

There being no further business, the meeting was adjourned at 4:56 p.m.

Approved by the advisory body on enter date.