

# Trial Court Budget Advisory Committee

## Annual Agenda<sup>1</sup>—2021

Approved by Judicial Branch Budget Committee: November 12, 2020

### I. COMMITTEE INFORMATION

<b>Chair:</b>	Hon. Jonathan B. Conklin, Judge, Superior Court of Fresno County
<b>Lead Staff:</b>	Ms. Brandy Olivera, Manager, Judicial Council Budget Services
<b>Committee's Charge/Membership:</b> <a href="#">Rule 10.64(a)</a> of the California Rules of Court states the charge of the Trial Court Budget Advisory Committee, which is to make recommendations to the council on the preparation, development, and implementation of the budget for trial courts and provides input to the council on policy issues affecting trial court funding. <a href="#">Rule 10.64(b)</a> sets forth additional duties of the committee.  The Trial Court Budget Advisory Committee currently has 24 members, and meets in-person four times a year, in addition to numerous teleconferences, utilizing dedicated funds from the State Trial Court Improvement and Modernization Fund. The current committee <a href="#">roster</a> is available on the committee's web page. The Funding Methodology Subcommittee meets in-person twice annually, also using dedicated funds from the State Trial Court Improvement and Modernization Fund.	

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<sup>1</sup> The annual agenda outlines the work a committee will focus on in the coming year and identifies areas of collaboration with other advisory bodies and the Judicial Council staff resources.

### **Subcommittees/Working Groups<sup>22</sup>:**

1. Fiscal Planning Subcommittee (FPS) – Reviews recommendations regarding trial court requests to set aside funds on their behalf that have reverted to the Trial Court Trust Fund (TCTF) pursuant to Government Code section 77203. This group also reviews requests from trial courts that relate to Children’s Waiting Room funding.
2. Funding Methodology Subcommittee (FMS) – Ongoing review and refinement of the Workload Formula, develop a methodology for allocations from the TCTF Court Interpreter Program (CIP) (0150037) in the event of a funding shortfall, and consider funding allocation methodologies for other non-discretionary dollars as necessary.
3. Revenue and Expenditure (R&E) Subcommittee – Ongoing review of TCTF and State Trial Court Improvement and Modernization Fund (IMF) allocations supporting trial court projects and programs as well as any systematic cash flow issues affecting the trial courts.
4. Ad Hoc Interpreter Subcommittee – To develop a methodology for allocations from the TCTF CIP in the event of a funding shortfall and review existing methodologies.
5. Ad Hoc COVID-19 Backlog Subcommittee (New) – To develop more precise definitions and practices for documenting and reporting COVID-related backlog and workload to be funded by the \$50 million one-time augmentation in the 2020 Budget Act; determine information to be collected on how the first \$25 million allocation was spent; and develop recommendations for the remaining \$25 million based on data and need.

### **Meetings Planned for [YEAR(S)]<sup>3</sup> (Advisory body and all subcommittees and working groups)**

Date/Time/Location or Teleconference:

The Trial Court Budget Advisory Committee usually holds four in-person meetings annually and the Funding Methodology Subcommittee holds two in-person meetings. A budget allocation is provided to the committee to cover the costs of travel and per diem to allow these budget discussions to occur in-person. Due to the COVID-19 pandemic and ongoing public health protocols that restrict in-person gatherings, as well as the uncertainty of the state’s fiscal condition, the committee has not finalized its meeting schedule for 2021. Dates are estimated by month and the location is listed as “To Be Determined” where it would have been an in-person meeting. Additional meetings to address budget issues will be scheduled as needed.

#### **Trial Court Budget Advisory Committee**

January 2021/Videoconference; March 2021/TBD; April 2021/Videoconference; May 2021/TBD; July 2021/TBD; November 2021/TBD

#### **Fiscal Planning Subcommittee**

May 2021/Teleconference; September 2021/Teleconference; November 2021/TBD

<sup>2</sup> California Rules of Court, rule 10.30 (c) allows an advisory body to form subgroups, composed entirely of current members of the advisory body, to carry out the body's duties, subject to available resources, with the approval of its oversight committee.

<sup>3</sup> Refer to [Operating Standards for Judicial Council Advisory Bodies](#) for governance on in-person meetings.

**Revenue and Expenditure Subcommittee**

March 2021/Teleconference

**Ad Hoc Interpreter Subcommittee**

January 2021/Teleconference; February 2021/Teleconference; March 2021/Teleconference

**Ad Hoc COVID-19 Backlog Subcommittee**

January 2021/Teleconference; February 2021/Teleconference; March 2021/Teleconference

Check here if exception to policy is granted by Executive Office or rule of court.

## II. COMMITTEE PROJECTS

#	New or One-Time Projects <sup>4</sup>	
1.	<b>Project Title: One-Time \$50 Million COVID-19 Backlog Funding (New)</b>	<b>Priority 1<sup>5</sup></b>
<p data-bbox="174 410 1978 673"><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated with the inclusion of \$50 million one-time funding for COVID-19 backlog in the 2020 Budget Act. Allocation of the first \$25 million was approved by the Judicial Council at its July 24, 2020, business meeting, with a motion made by the council providing guidelines to the Trial Court Budget Advisory Committee for developing a recommendation for allocating the remaining \$25 million. The Ad Hoc COVID-19 Backlog Subcommittee will be developing a recommendation to the Trial Court Budget Advisory Committee, following the guidelines outlined by the council. The expected outcome is to allocate the remaining \$25 million to courts based on determined data elements and identified need.</p> <p data-bbox="174 711 1978 820"><b>Status/Timeline:</b> Targeted completion date is for the Trial Court Budget Advisory Committee to make a recommendation at the November 2020 Judicial Council business meeting on allocating the remaining \$25 million in COVID-19 backlog funding for the remainder of the 2020-21 fiscal year.</p> <p data-bbox="174 857 1978 894"><b>Fiscal Impact/Resources:</b> Budget Services and Business Management Services staff.</p> <p data-bbox="174 932 1978 969"><b>Internal/External Stakeholders:</b> External stakeholders include the trial courts.</p> <p data-bbox="174 1006 1978 1044"><b>AC Collaboration:</b> Judicial Branch Budget Committee.</p>		

<sup>4</sup> All proposed projects for the year must be included on the Annual Agenda. If a project implements policy or is a program, identify it as *implementation* or *a program* in the project description and attach the Judicial Council authorization/assignment or prior approved Annual Agenda to this Annual Agenda.

<sup>5</sup> For non-rules and forms projects, select priority level 1 (must be done) or 2 (should be done). For rules and forms proposals, select one of the following priority levels: 1(a) Urgently needed to conform to the law; 1(b) Urgently needed to respond to a recent change in the law; 1(c) Adoption or amendment of rules or forms by a specified date required by statute or council decision; 1(d) Provides significant cost savings and efficiencies, generates significant revenue, or avoids a significant loss of revenue; 1(e) Urgently needed to remedy a problem that is causing significant cost or inconvenience to the courts or the public; 1(f) Otherwise urgent and necessary, such as a proposal that would mitigate exposure to immediate or severe financial or legal risk; 2(a) Useful, but not necessary, to implement statutory changes; 2(b) Helpful in otherwise advancing Judicial Council goals and objectives.

<sup>6</sup> Indicate which goal number of The Strategic Plan for California’s Judicial Branch the project most closely aligns.

<sup>7</sup> A key objective is a strategic aim, purpose, or “end of action” to be achieved for the coming year.

#	<b>New or One-Time Projects<sup>4</sup></b>	
2.	<b>Project Title: Interpreter Funding Methodology</b>	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> VII</b>
<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated due to the declining fund balance in the TCTF CIP (0150037), and the Ad Hoc Interpreter Subcommittee was established to develop a methodology for allocations from the CIP in the event of a funding shortfall and to review existing methodologies. The Ad Hoc Interpreter Subcommittee made a recommendation to the Trial Court Budget Advisory Committee that was approved by the Judicial Council on July 24, 2020, to allocate the 2020 Budget Act appropriation to the trial courts, replacing the prior reimbursement process. The Ad Hoc Interpreter Subcommittee will continue its work to develop an ongoing allocation methodology for Trial Court Budget Advisory Committee and Judicial Council consideration for the 2021-22 fiscal year. The expected outcome is to appropriately allocate funds that do not exceed the CIP appropriation via a methodology that takes workload into consideration.</p> <p><b>Status/Timeline:</b> Targeted completion date for an ongoing allocation methodology is fiscal year 2020–21 for a 2021-22 implementation.</p> <p><b>Fiscal Impact/Resources:</b> Budget Services and Center for Children, Families &amp; the Courts (CFCC) staff.</p> <p><b>Internal/External Stakeholders:</b> External stakeholders include the trial courts.</p> <p><b>AC Collaboration:</b> None.</p>		
3.	<b>Project Title: State Trial Court Improvement and Modernization Fund (IMF) and Trial Court Trust Fund (TCTF) Review</b>	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> VII</b>
<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated from a Trial Court Budget Advisory Committee recommendation approved by the Judicial Council on July 24, 2020, on 2020-21 allocations from the IMF in the amount of \$54.5 million due to an ongoing \$7.9 million General Fund reduction to the IMF. The R&amp;E Subcommittee will review 2020-21 allocations from the IMF and the TCTF to ensure consistency with the Judicial Council goals and objectives and propose solutions to address any structural shortfall in either fund. The expected outcome is to assist the council in ensuring solvency of the IMF and TCTF.</p> <p><b>Status/Timeline:</b> One-time review in 2020-21 to determine if any current year allocation adjustments are needed. The allocations for 2021–22 will be approved by July 2021.</p> <p><b>Fiscal Impact/Resources:</b> Budget Services staff as well as multiple other Judicial Council office staff that have programs funded from the IMF and/or TCTF.</p>		

#	<b>New or One-Time Projects<sup>4</sup></b>	
	<p><b>Internal/External Stakeholders:</b> Various Judicial Council offices with programs funded from the IMF and/or TCTF, and external stakeholders include trial courts and service providers.</p> <p><b>AC Collaboration:</b> Various advisory bodies that have programs in these funds and provide recommendations regarding funding and program priorities.</p>	
4.	<p><b>Project Title: Court Cluster System and Floor Funding</b></p>	<p><b>Priority 2<sup>5</sup></b></p> <p><b>Strategic Plan Goal<sup>6</sup> VII</b></p>
	<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated from an FMS recommendation on February 20, 2020 to initiate an ad hoc subcommittee to reevaluate the cluster system and floor funding to identify any opportunities for refinement or change. The expected outcome could impact the statewide four-cluster system and/or its criteria as well as updates to the funding floor determination process.</p> <p><b>Status/Timeline:</b> One-time.</p> <p><b>Fiscal Impact/Resources:</b> Budget Services and Business Management Services staff.</p> <p><b>Internal/External Stakeholders:</b> External stakeholders include the trial courts.</p> <p><b>AC Collaboration:</b> Workload Assessment Advisory Committee.</p>	
5.	<p><b>Project Title: Trial Court Pension Trust Fund</b></p>	<p><b>Priority 2<sup>5</sup></b></p> <p><b>Strategic Plan Goal<sup>6</sup> VII</b></p>
	<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated from a January 2019 Senate Bill 1413 (Chapter 665, Statutes of 2018) creating Government Code 21711, which established the California Employers' Pension Prefunding Trust (CEPPT). The CEPPT is a trust fund dedicated to prefunding employer contributions to defined benefit pension systems and works similarly to the existing California Employer's Retiree Benefit Trust dedicated to prefunding other post-employment benefits. The Trial Court Budget Advisory Committee voted on July 16, 2020 to further research the cost benefit impact for developing a recommendation regarding potential trial court participation in the CEPPT for consideration by the Judicial Council at a future business meeting. The expected outcome will inform the recommendation to the council.</p>	

#	<b>New or One-Time Projects<sup>4</sup></b>	
	<p><i>Status/Timeline:</i> One-time.</p> <p><i>Fiscal Impact/Resources:</i> Branch Accounting and Procurement and Budget Services staff.</p> <p><i>Internal/External Stakeholders:</i> External stakeholders include the trial courts.</p> <p><i>AC Collaboration:</i> None.</p>	
6.	<b>Project Title: Judicial Council-Provided Services Review</b>	<b>Priority 2<sup>5</sup></b>
	<p><b>Strategic Plan Goal<sup>6</sup> VII</b></p> <p><i>Project Summary<sup>7</sup>:</i> Part of the charge of the committee pursuant to rule 10.64. The project originated from the FMS work plan to identify and evaluate the impact of Judicial Council-provided services versus those that are funded by local trial court operations funds. The expected outcome is to determine if any services provided should be shifted or combined along with any associated funding.</p> <p><i>Status/Timeline:</i> One-time.</p> <p><i>Fiscal Impact/Resources:</i> Various Judicial Council offices that provides services to trial courts.</p> <p><i>Internal/External Stakeholders:</i> Workload Assessment Advisory Committee.</p> <p><i>AC Collaboration:</i> Various advisory bodies that have programs that provide various court services.</p>	

#	<b>Ongoing Projects and Activities<sup>4</sup></b>	
1.	<b>Project Title: Workload Formula Adjustment Request Process (ARP)</b>	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> VII</b>
<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. At its August 22, 2013 meeting, the Judicial Council approved a recommendation made by the Trial Court Budget Advisory Committee to approve the Workload Formula Adjustment Request Process to allow courts an annual opportunity to submit recommendations for changes to the Workload Formula. The expected outcome is to assist the courts and the council with ongoing review and refinements to the Workload Formula.</p> <p><b>Status/Timeline:</b> Ongoing.</p> <p><b>Fiscal Impact/Resources:</b> Budget Services and Business Management Services staff.</p> <p><b>Internal/External Stakeholders:</b> External stakeholders include the trial courts.</p> <p><b>AC Collaboration:</b> The Workload Assessment Advisory Committee oversees the Resources Assessment Study model, which feeds into the Workload Formula, and which is often the area for recommendation submissions by trial courts.</p>		
2.	<b>Project Title: Child Support Commissioner and Family Law Facilitator (AB 1058) Funding</b>	<b>Priority 2<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> VII</b>
<p><b>Project Summary<sup>7</sup>:</b> Part of the charge of the committee pursuant to rule 10.64. The project originated from a Judicial Council meeting in April 2015 as a recommendation from the Family and Juvenile Law Advisory Committee, with an original targeted completion date of December 2017 for 2018–19 implementation (which has been delayed to 2021–22 implementation). The Family and Juvenile Law Advisory Committee will work on the development of a workload-based funding methodology for the facilitator portion of the program, which was originally developed in 1997 (the commissioner portion is completed, and a reallocation of funds will be considered every two years beginning with fiscal year 2021–22). The expected outcome is for the Trial Court Budget Advisory Committee to provide input on allocating funds based on workload per a Judicial Council December 2016 report. The AB 1058 program experienced a \$7 million reduction by the California Department of Child Support Services (DCSS) to the Judicial Council’s cooperative agreement for 2020-21, which was allocated via an approval by the Judicial Council on September 25, 2020.</p> <p><b>Status/Timeline:</b> Targeted completion for the facilitator portion of the methodology is fiscal year 2020–21 for 2021–22 implementation.</p> <p><b>Fiscal Impact/Resources:</b> Budget Services and CFCC staff.</p>		



***Internal/External Stakeholders:*** Internal stakeholders include CFCC, and external stakeholders include trial courts and DCSS.

***AC Collaboration:*** Family and Juvenile Law Advisory Committee.

### III. LIST OF 2020 PROJECT ACCOMPLISHMENTS

#	Project Highlights and Achievements
1.	<p><b>Workload Formula</b></p> <p>The Trial Court Budget Advisory Committee made recommendations to the Judicial Council that were approved on January 17, 2020 including redirecting the fee collected per Government Code section 68086(a)(2), court reporter services in civil proceedings lasting more than one hour, to be distributed back to trial courts on a dollar-for-dollar basis after deposit into the TCTF and that this revenue stream be excluded from the Workload Formula; and technical refinements to current Workload Formula policy parameters that provided clearer allocation methodologies to further the goal of funding equity, minimize adverse funding impacts to trial courts, and provide clear direction on applying policy parameters.</p> <p>The Trial Court Budget Advisory Committee made recommendations to the Judicial Council that were approved on July 24, 2020 that included allocation of \$2.201 billion to the trial courts from the TCTF, an ongoing reduction of \$167.831 million, and allocation of the first \$25 million in one-time funding for COVID-19 backlog.</p>
2.	<p><b>Operating Expenditures and Equipment (OE&amp;E) Review</b></p> <p>The Trial Court Budget Advisory Committee made a recommendation to the Judicial Council that was approved on July 24, 2020 related to how Workload Formula-based allocations are calculated and increasing the accuracy and transparency of the Workload Formula by updating the calculation for OE&amp;E, and making updates to general ledger accounts used in the Workload Formula effective with 2020-21 allocations.</p>
3.	<p><b>IMF and TCTF Allocations</b></p> <p>The Trial Court Budget Advisory Committee made 2020–21 IMF and TCTF recommendations to the Judicial Council that were approved on July 24, 2020.</p>
4.	<p><b>Interpreter Funding Methodology</b></p> <p>The Trial Court Budget Advisory Committee made a recommendation to the Judicial Council that was approved on September 25, 2020 to allocate CIP funds via a one-time allocation methodology not to exceed the 2020 Budget Act appropriation. The project continues into the 2021 agenda.</p>

#	Project Highlights and Achievements
5.	<p data-bbox="201 204 596 240"><b>Consumer Price Index (CPI)</b></p> <p data-bbox="201 280 1881 423">The Ad Hoc CPI Subcommittee was disbanded as the charge to develop a methodology for CPI allocations to trial courts was no longer required as this funding request was not included in a 2020-21 budget change proposal (BCP) submission. The Ad Hoc CPI Subcommittee could be reestablished in the event this funding is included in the 2021-22 budget. A 2021-22 BCP for Inflationary Cost Adjustment for Trial Courts was submitted to the Department of Finance for consideration in the 2021-22 Governor's Budget.</p>
6.	<p data-bbox="201 448 489 483"><b>Joint Facilities Costs</b></p> <p data-bbox="201 521 1818 553">Costs of leases remaining with courts are pending the outcome of a funding request for these costs included in a 2021-22 BCP.</p>