Trial Court Budget Commission  
Meeting Minutes  
December 18, 2017  
Conference Call

**Attendance – Members Present**
The Honorable Margaret Steinbeck, Chair
The Honorable Mark Mahon, Vice Chair
The Honorable Scott Bernstein
The Honorable Monica Brasington
The Honorable Catherine Brunson
Ms. Holly Elomina
The Honorable Ronald Ficarrotta
Mr. Tom Genung
The Honorable Robert Hilliard
The Honorable Frederick Lauten
Ms. Sandra Lonergan
The Honorable Diana Moreland

The Honorable Debra Nelson
The Honorable Gregory Parker
Ms. Kathleen Pugh
The Honorable Anthony Rondolino
Mr. Grant Slayden
The Honorable Elijah Smiley
Mr. Walt Smith
The Honorable Bertila Soto
The Honorable John Stargel
The Honorable Patricia Thomas
Mr. Mark Weinberg

**Attendance – Members Absent**
The Honorable Joseph Williams

**Special Note:** It is recommended that these minutes be used in conjunction with the meeting materials.

Chair Steinbeck called the Trial Court Budget Commission (TCBC) meeting to order at 11:30 a.m. and reminded members that the meeting was being recorded for administrative accuracy. The roll was taken with a quorum present. She invited phone participants and members of the audience to introduce themselves.

**Agenda Item I: Approval of July 22, 2017, Meeting Minutes**
Chair Steinbeck presented the draft meeting minutes from the July 22, 2017, TCBC meetings and asked if there were any changes necessary before approval. Judge Mahon moved to approve the minutes as drafted. Judge Parker seconded, and the motion passed without objection.

**Agenda Item II: FY 2017-18 Budget Status**

A. Salary Budgets
Dorothy Willard provided an overview of the trial court salary budgets for FY 2017-18 as of November 30, 2017. The salary liability for the trial courts General Revenue/State Court Revenue Trust Fund is approximately $2.2 million over the salary appropriation. The Administrative Trust
Fund salary liability is under the appropriation by $39,634, and the Federal Grants Trust Fund liability is over the appropriation by $31,358. Ms. Willard noted there is an additional contract adjustment due from the Department of Revenue, and once the funding is received from that contract adjustment, the Federal Grants Trust Fund liability should be under appropriation by approximately $23,000.

B. Positions Vacant More Than 180 Days
Beatriz Caballero provided an overview of the positions vacant for more than 180 days as of December 7, 2017. Ms. Caballero noted that the majority of the vacancies are interpreters.

C. Operating Budgets
Dorothy Willard provided an overview of the operating budgets for FY 2017-18 as of November 30, 2017, in comparison with the same time period last fiscal year. She noted spending is down in the Other Personal Services (OPS) category approximately 17%, Expenses and Other Capital Outlay (OCO) categories spending is approximately the same, and Contracted Service and Lease Purchase categories continue to have a downward trend. Ms. Willard noted that staff is continuing to work with the circuits to shift these funds to a more useful category as the needs for Contracted Service and Lease Purchase continue to decrease in the circuits. It was noted that spending is slightly lower in the court reporting and court interpreting elements, and more significantly lower in the expert witness element.

Ms. Willard provided an overview of FY 2017-18 legislative projects and senior judge activity as of November 30, 2017. She stated the senior judge days served are down approximately 13% from this same period last year.

D. Trust Fund Cash Balances
Dorothy Willard provided an overview of the State Courts Revenue Trust Fund (SCRTF) cash analysis as of November 30, 2017, and stated there is an approximate carry forward into next fiscal year of $8 million. Ms. Willard noted there was a reduction in revenue for October 2017 due to some of the courts being closed during Hurricane Irma. The upcoming Revenue Estimating Conference (REC) meeting in January will take into consideration the impact Hurricane Irma may have had on the trust fund.

Ms. Willard then provided an overview of the Administrative Trust Fund (ATF), and stated there is an approximate balance of $2.6 million.
Agenda Item III: FY 2017-18 Allocation Policies and Procedures

A. Standard Base Operating Categories and Non-Due Process Categories

Dorothy Willard provided a historical overview of base operating budget and non-due process category allocation procedures from FY 2004-05 through FY 2014-15, noting the standard base operating categories were not reallocated each year, and specific non-due process categories were only changed through the legislative budget process or when an individual circuit requested to realign funding to meet long-term operating needs.

She stated that in FY 2015-16, the TCBC approved revised allocation procedures in an effort to apply all unobligated funds toward a year-end statewide spending plan to address critical needs. In FY 2016-17, the TCBC set specific budget management policies and procedures for circuit allocations, in part due to FY 2016-17 budget reductions and prior reversion history, to ensure resources were maximized and to allow for a year-end spending plan earlier than the last quarter of the fiscal year.

It was noted that on June 27, 2017, the TCBC directed the Budget Management Committee (BMC) to evaluate the effectiveness of the FY 2016-17 budget management policies and procedures, and make recommendations to continue for FY 2017-18 or adopt revised budget management policies and procedures.

The BMC completed their analysis and recommended Option 3, to discontinue the FY 2016-17 budget management policies and procedures and recommended circuits be given an opportunity in January to evaluate unobligated funds for a year-end spending plan. The Executive Committee (EC) also recommended Option 3.

Walt Smith moved to approve Option 3. Judge Ficarrotta seconded, and the motion passed without objection.

B. Due Process Category

Dorothy Willard reported that with the elimination of FY 2016-17 budget management policies, the TCBC must re-address the Due Process category and policies for addressing due process deficits. Ms. Willard then provided a historical overview of Procedures for Addressing Deficits in Due Process Services Appropriation Category, stating these procedures were first developed in FY 2008-09.

Ms. Willard noted that on June 27, 2017, the TCBC directed the BMC to evaluate the effectiveness of the FY 2016-17 budget management policies and procedures, and make recommendations to continue for FY 2017-18 or adopt revised budget management policies and procedures.

The BMC completed their analysis and recommended Option 3: should the TCBC approve discontinuation of the FY 2016-17 budget management policies and procedures, reactivate the FY 2015-16 Procedures for Addressing Deficits in Due Process Services Appropriation Category for FY 2017-18. The EC also recommended Option 3.
Judge Stargel, Chair of the BMC, added that as the committee reviewed FY 2016-17 data, it was clear that the FY 2016-17 policies provided all court staff a better understanding of the administrative processes and therefore, the committee concluded that reverting to the FY 2015-16 policies would not impede the circuits ability to work together, to ensure the trial courts are maximizing funds and addressing statewide needs.

Judge Stargel moved to approve Option 3. Judge Thomas seconded, and the motion passed without objection.

**Agenda Item IV: Allocation of Re-Appropriated FY 2016-17 Senior Judge Days**

Jessie McMillan reported that at the June 27, 2017, TCBC meeting, the anticipated number of FY 2016-17 senior judge days to be re-appropriated was unknown. Therefore, the TCBC approved delaying the allocation until after the certified forward process for FY 2016-17 was complete.

Ms. McMillan stated the Funding Methodology Committee (FMC) voted to approve Option 1, approve the proposed FY 2017-18 circuit allocations of the FY 2016-17 re-appropriation senior judge days based on the official methodology using judicial need.

Judge Steinbeck clarified the methodology used for FY 2016-17 re-appropriated days is the same methodology used to determine FY 2017-18 senior judge day allocations previously approved in June.

Judge Smiley moved to approve Option 1. Tom Genung seconded, and the motion passed without objection.

**Agenda Item V: FY 2017-18 Mediation Allocation – 6th Circuit Request to Move FTE and Recalculate Funding Formula**

Jessie McMillan reported the 6th Circuit has requested the transfer of 2.0 FTE from the mediation element to the case management element in an effort to mitigate a projected deficit of approximately $120,000. In conjunction with the requested FTE shift, the 6th Circuit also requested the contractual funding formula for mediation be recalculated. Ms. McMillan then reviewed the proposed recalculation of the FY 2017-18 contractual funding formula based on the transfer of the 2.0 FTE, and reported the proposed additional contractual funding to the 6th Circuit from the statewide mediation reserve is $84,697.

Ms. McMillan stated the recalculation still requires the 6th Circuit be held to their funding ceiling, and no additional funding above the current ceiling is being provided. Also, no adjustments were made to the methodology or funding formula that was used to determine FY 2017-18 allocations, and approval of this request will not impact previously approved FY 2017-18 allocations for any circuit.
The FMC and BMC recommended Option 1, to approve the 6th Circuit’s request to transfer 2.0 FTE Court Program Specialist I positions and allocate additional contractual funding from the statewide mediation reserve in the amount of $84,697 for a total contractual allocation of $448,292.

Judge Ficarrotta moved to approve Option 1. Judge Mahon seconded, and the motion passed without objection.

**Agenda Item VI: Legislative Developments**

**A. Governor’s FY 2018-19 Budget Recommendations**

Eric Maclure reported the governor has issued his FY 2018-19 budget recommendations. The governor proposes elimination of 43.0 FTE in the court system; as written, the recommendation does not impact salary dollars or associated rate.

The proposed eliminations are 9.0 FTE in Executive Direction, 15.5 FTE in the appellate courts, and 18.0 FTE in the trial courts. Of the 18.0 FTE in the trial courts, 10.0 are currently unfunded FTE that are remaining from prior legislative reductions in past fiscal years; the remaining 8.0 FTE are positions in the 11th, 16th, and 17th circuits. OSCA staff is monitoring these recommendations; there is no indication at this time whether the House or Senate will recommend a similar reduction. The positions currently identified for elimination are being monitored by OSCA Human Resources staff to report to legislative staff if any of these vacant FTE are filled.

Judge Steinbeck recommended staff in the 11th, 16th, and 17th circuit confer with Eric Maclure and Beatriz Caballero to discuss the identified position numbers.

Judge Steinbeck then reported there is a legislative proposal for an 18% reduction in traffic fines for defendants that complete a driver education course. Eric Maclure added that the reduced revenues would impact the State Court Revenue Trust Fund (SCRTF), with a projected reduction in the first year of implementation of $3.2 million, and a reduction of $3.6 million per year once fully implemented. Mr. Maclure stated there has been a proposal by the governor’s office to the Revenue Estimating Conference (REC) to redirect marriage license and appearance fees from General Revenue to the SCRTF to hold the trust fund harmless. This proposal is only offered as an option and has not been picked up as an amendment by either the House or the Senate. PK Jameson clarified that this proposal would not resolve the revenue reduction issue in the legislature, but OSCA management has been in communication with legislative staff about this issue.

**B. 2018 Regular Session**

Chair Steinbeck provided an overview of activities to date and preparations for the legislative session that begins in January 2018. Judge Mahon, Judge Steinbeck, and PK Jameson, along with District Court of Appeal Budget Commission (DCABC) members Judge Gerber and Judge Roberts,
have held meetings with our budget subcommittee senators and representatives to discuss the Judicial Branch’s Legislative Budget Request (LBR) issues.

Chair Steinbeck noted trial court issues have been discussed with legislative staff, primarily the impact the reduction in salary budget has had on the trial courts in the form of a hard freeze during FY 2017-18. In addition, the branch’s representatives have expressed the impact for FY 2018-19 should the salary cut not be restored. Chair Steinbeck noted legislative feedback to this issue has been positive; however, it may be a hard year for legislative approval of issue requests as revenues received are down from revenue projections. Chair Steinbeck thanked the circuit court chief judges and trial court administrators for their efforts and outreach in making their local delegation aware of this issue.

**Agenda Item VII. Other Business**

**A. Proposed Rule on Recording of Certain Court Interpreting Events**
Chair Steinbeck reported the TCBC has been asked to provide comments in regards to a proposed rule change on court interpreting events. Chair Steinbeck asked Eric Maclure and Judge Moreland to present this issue.

Eric Maclure began by providing an overview of this issue’s origination. Judge Moreland, Chair of the Commission on Trial Court Performance and Accountability (TCP&A), then provided a summary of actions to date, and a status report.

Judge Moreland reported that upon receipt of Chair Steinbeck’s request, the Joint Due Process Workgroup of the Trial Court Budget Commission (JDPW) began collaborating with the Due Process Technology Workgroup (DPTW), chaired by Gary Hagan, Chief Technology Officer in the 14th Circuit, to evaluate the technical solutions for implementing this proposed rule amendment. The JDPW and DPTW have met in three times to date, and the determination is there is not a one-size-fits-all approach to this issue as there are numerous logistical and operational implications of implementing this proposed rule amendment. In conclusion, the JDPW and the DPTW recommend, should the Supreme Court move forward with this rule and requirement, that a pilot program be created to test the implications and to glean a more accurate assessment of the impact (viability, cost, FTE needs, etc.). The JDPW and DPTW also recommend the TCBC request the TCP&A to examine the issue to develop standard operating practices/best practices for implementing a rule that will certainly impact every day proceedings in all courtrooms.

Chair Steinbeck then referenced Rule 2.230 that established the TCBC, and noted the commission’s responsibilities are solely budgetary and feels the TCBC should only make recommendations regarding budgetary impact(s); however, the joint workgroup has been extremely successful with their recommendations to determine best practices that may make an issue affordable. Therefore, Chair Steinbeck stated her intent is to respond to the Supreme Court’s request for comments by
providing fiscal impact implications only, but will also explain the TCBC’s coordination with the TCP&A and the TCBC’s agreement with the JDPW and DPTW recommendations.

Chair Steinbeck added the TCBC’s response is due to the Supreme Court by January 2, 2018. She will circulate the proposed response to the commission between Christmas and New Years for feedback.

**B. Alternative Dispute Resolution Rules and Policy Committee Workgroup on Mediation Fees**

Chair Steinbeck stated feedback for this issue is not due to the court until April 2018; therefore she recommends deferring this issue to the next TCBC meeting for discussion. However, she did ask Eric Maclure to provide a brief overview of the issue.

Eric Maclure reported the ADR Rules and Policy Committee has recommended changes to the mediation fees, which support the SCRTF. The proposal is to consolidate current fees to one fee. This would potentially increase revenue to the trust fund, but would also potentially allow for more individuals to participate in the subsidized mediation offered by circuit programs, which could create a workload impact. The TCBC has been asked to analyze this proposed change, and staff continues to work with Chair Steinbeck and at her direction, will present the proposed findings/response to the full commission for consideration.

**Agenda Item VIII. Report from Chief Justice Designee to Clerks of Court Operations Corporation Executive Council**

Judge Ficarrotta reported the Clerk of Court Operations Corporation (CCOC) will meet today, December 18, 2017, via conference call. The CCOC will be discussing the impact Hurricane Irma had on the clerks and their revenues, currently estimated at a loss of $14 million. The clerks are facing a budget shortfall for this fiscal year, and the CCOC is working with the legislature to address these funding issues. Judge Ficarrotta noted there was a very successful collection summit in early November, and there is discussion of collaborating with the judicial conferences and presenting an education program regarding collections of clerk issues at those conferences.

**Adjournment**

With no other business before the commission, the meeting adjourned at 12:59 p.m.