



JUDICIAL COUNCIL OF CALIFORNIA

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REPORT TO THE JUDICIAL COUNCIL

Item No.: 22-180

For business meeting on September 20, 2022

Title

Allocations and Reimbursements to Trial Courts: Funding for Increased Transcript Rates

Agenda Item Type

Action Required

Effective Date

September 20, 2022

Rules, Forms, Standards, or Statutes Affected

None

Date of Report

September 2, 2022

Recommended by

Trial Court Budget Advisory Committee
Hon. Jonathan B. Conklin, Chair
Ms. Rebecca Fleming, Vice Chair

Contact

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Executive Summary

Senate Bill 170 amended the 2021 Budget Act and included \$7 million ongoing General Fund for the Judicial Council to establish a methodology to allocate the funding to all trial courts to cover the costs associated with increased transcript rates under Assembly Bill 177 (Stats. 2021, ch. 257). The Trial Court Budget Advisory Committee recommends approving a proportional allocation based on the current council-approved methodology of the ongoing \$7 million to all trial courts to cover the costs associated with increased transcript rates for 2022–23.

Recommendation

The Trial Court Budget Advisory Committee recommends that the Judicial Council approve a \$7 million allocation to each trial court proportionally, based on the council-approved methodology updated with the average transcript expenditures from the most recent three fiscal years (i.e., 2019–20, 2020–21, and 2021–22) as outlined in Attachment A, effective September 20, 2022.

This recommendation was presented to the Judicial Branch Budget Committee on August 24, 2022 and approved for consideration by the Judicial Council.

Relevant Previous Council Action

The Judicial Council approved the allocation methodology for the first year of this new funding at its January 21, 2022 business meeting and directed Judicial Council staff to update the allocation methodology used for this ongoing funding based on the most recent data available each year thereafter.

Analysis/Rationale

Last fiscal year, the Funding Methodology Subcommittee of the Trial Court Budget Advisory Committee (TCBAC) established the Ad Hoc Court Reporter Funding Subcommittee consisting of members from the TCBAC to develop an allocation methodology recommendation for the first year of funding in 2021-22. Through deliberations, the ad hoc subcommittee developed an implementation recommendation that helps courts cover increased transcript costs and presented that recommendation to the TCBAC at its meeting on November 30, 2021 and the Judicial Branch Budget Committee on December 7, 2021.

The council-approved allocation methodology was developed for implementation that helps courts cover increased transcript costs. Focusing on an equitable approach for allocating funds to all trial courts, consistent with the budget language, the methodology includes:

- Averaging actual transcript expenditures by court for the last three fiscal years (i.e., 2019–20, 2020–21, and 2021–22);
- Applying a proportional allocation of the \$7 million to each court based on the three-year average of transcript expenditures. The allocation methodology for 2022–23 would provide each court with additional funding representing the same 45 percent increase for each court from their historical three-year average expenditures; and
- Funds would be allocated in one lump sum upon approval by the council.

The three-year average is updated each year based on the most recent data available for actual expenditures for court reporter transcripts, which is consistent with other workload methodologies for other funding sources. Detail of the allocations by court is included as Attachment A.

Annual reconciliation process

Because this funding is intended solely to cover the costs associated with increased transcript rates, any unspent funds are required to revert to the General Fund each fiscal year. The actual expenditures for each court from 2020–21 will be used to establish a baseline from which cost increases eligible to be covered by these funds will be determined for each court. Based on the historical baseline amount and the actual expenditures for the current fiscal year, a reconciliation process will occur at the end of each fiscal year to pull back any remaining funds. This process for 2022–23 is outlined in Table 1.

Table 1. Annual Reversion Calculation for 2022–23

Court	Actual Expenditures			3-Year Average	2022-23 Allocation from \$7M	2022-23 Expenditures	GF Reversion
	2019-20	2020-21 (Baseline)	2021-22				
A	\$110,000	\$85,000	\$100,000	\$98,333	\$43,260	\$110,000	\$18,260

Based on the example in Table 1, Court A would receive an allocation of \$43,260 from the 2022–23 \$7 million court reporter transcript appropriation. In this example, the court’s actual expenditures for 2022–23 would be \$110,000, which is a \$25,000 increase from the baseline amount for 2020-21 ($\$110,000 - \$85,000 = \$25,000$). Comparing the \$25,000 increase to the \$43,260 allocation from the 2022-23 appropriation, the court would be required to revert the remaining \$18,260 ($\$43,260 - \$25,000 = \$18,260$) to the General Fund.

Policy implications

No policy implications are associated with this report.

Comments

This item was not circulated for comment and no public comments were received.

Alternatives considered

The recommended allocations are based on the methodology approved by the council in January 2022. The committee did not consider modifying the previously approved allocation methodology other than updating the data used in the methodology.

Fiscal and Operational Impacts

The recommended allocation methodology would provide courts with the funds needed to cover the costs associated with increased transcript rates under Assembly Bill 177, as intended by the budget language.

Attachments and Links

1. Attachment A: *Court Reporter Transcripts – Recommended 2022–23 Allocations*

Court Reporter Transcripts: FY 2022-23 Allocations

Cluster	Court	Actual Expenditures on Court Reporter Transcripts				Proportion of Average Expenditures	Proportional Allocation of \$7M	New Funding as a Percent of Expenditures
		FY 2019-20	FY 2020-21 *	FY 2021-22	Average			
	Statewide	\$15,996,562	\$12,739,717	\$17,974,624	\$15,570,301	100.00%	\$7,000,000	45%
4	Alameda	\$462,789	\$316,575	\$527,628	\$435,664	2.80%	\$195,863	45%
1	Alpine	\$71	\$139	\$650	\$287	0.00%	\$129	45%
1	Amador	\$32,387	\$18,321	\$32,359	\$27,689	0.18%	\$12,448	45%
2	Butte	\$91,273	\$97,894	\$101,943	\$97,037	0.62%	\$43,625	45%
1	Calaveras	\$27,309	\$26,846	\$40,629	\$31,595	0.20%	\$14,204	45%
1	Colusa	\$14,533	\$8,008	\$10,812	\$11,118	0.07%	\$4,998	45%
3	Contra Costa	\$509,894	\$405,961	\$522,978	\$479,611	3.08%	\$215,621	45%
1	Del Norte	\$81,558	\$53,391	\$42,074	\$59,007	0.38%	\$26,528	45%
2	El Dorado	\$85,149	\$49,904	\$74,572	\$69,875	0.45%	\$31,414	45%
3	Fresno	\$502,569	\$431,683	\$686,268	\$540,173	3.47%	\$242,848	45%
1	Glenn	\$10,673	\$7,650	\$14,521	\$10,948	0.07%	\$4,922	45%
2	Humboldt	\$3,742	\$7,435	\$4,145	\$5,107	0.03%	\$2,296	45%
2	Imperial	\$22,759	\$23,298	\$33,028	\$26,362	0.17%	\$11,852	45%
1	Inyo	\$11,028	\$10,357	\$15,168	\$12,184	0.08%	\$5,478	45%
3	Kern	\$797,067	\$709,145	\$907,055	\$804,422	5.17%	\$361,647	45%
2	Kings	\$316,901	\$275,882	\$401,049	\$331,277	2.13%	\$148,934	45%
2	Lake	\$30,351	\$32,336	\$44,614	\$35,767	0.23%	\$16,080	45%
1	Lassen	\$36,511	\$30,822	\$32,613	\$33,316	0.21%	\$14,978	45%
4	Los Angeles	\$4,589,304	\$3,433,513	\$5,169,252	\$4,397,356	28.24%	\$1,976,936	45%
2	Madera	\$75,441	\$83,123	\$116,359	\$91,641	0.59%	\$41,199	45%
2	Marin	\$64,012	\$45,711	\$108,027	\$72,583	0.47%	\$32,632	45%
1	Mariposa	\$1,737	\$4,709	\$2,485	\$2,977	0.02%	\$1,339	45%
2	Mendocino	\$148,140	\$134,226	\$156,358	\$146,241	0.94%	\$65,746	45%
2	Merced	\$122,600	\$156,237	\$178,975	\$152,604	0.98%	\$68,607	45%
1	Modoc	\$28,306	\$7,155	\$6,034	\$13,831	0.09%	\$6,218	45%
1	Mono	\$5,300	\$2,806	\$10,568	\$6,225	0.04%	\$2,798	45%
3	Monterey	\$165,151	\$127,556	\$143,806	\$145,504	0.93%	\$65,415	45%
2	Napa	\$135,651	\$90,806	\$167,582	\$131,346	0.84%	\$59,050	45%
2	Nevada	\$35,114	\$23,786	\$32,868	\$30,589	0.20%	\$13,752	45%
4	Orange	\$1,015,335	\$982,451	\$1,041,335	\$1,013,040	6.51%	\$455,436	45%
2	Placer	\$170,553	\$148,518	\$196,763	\$171,945	1.10%	\$77,302	45%
1	Plumas	\$4,740	\$2,104	\$5,553	\$4,132	0.03%	\$1,858	45%
4	Riverside	\$24,959	\$11,186	\$28,642	\$21,596	0.14%	\$9,709	45%
4	Sacramento	\$754,751	\$623,902	\$918,902	\$765,852	4.92%	\$344,307	45%
1	San Benito	\$6,206	\$3,766	\$14,632	\$8,201	0.05%	\$3,687	45%
4	San Bernardino	\$737,088	\$636,886	\$840,984	\$738,320	4.74%	\$331,929	45%
4	San Diego	\$1,058,891	\$501,181	\$1,146,404	\$902,159	5.79%	\$405,587	45%

Court Reporter Transcripts: FY 2022-23 Allocations

Cluster	Court	Actual Expenditures on Court Reporter Transcripts				Proportion of Average Expenditures	Proportional Allocation of \$7M	New Funding as a Percent of Expenditures
		FY 2019-20	FY 2020-21 *	FY 2021-22	Average			
	Statewide	\$15,996,562	\$12,739,717	\$17,974,624	\$15,570,301	100.00%	\$7,000,000	45%
3	San Francisco	\$464,089	\$300,914	\$409,721	\$391,575	2.51%	\$176,042	45%
3	San Joaquin	\$330,322	\$349,811	\$434,522	\$371,552	2.39%	\$167,040	45%
2	San Luis Obispo	\$117,302	\$135,606	\$222,544	\$158,484	1.02%	\$71,250	45%
3	San Mateo	\$221,966	\$280,961	\$295,795	\$266,241	1.71%	\$119,695	45%
3	Santa Barbara	\$182,937	\$134,408	\$181,113	\$166,153	1.07%	\$74,698	45%
4	Santa Clara	\$706,321	\$497,743	\$644,517	\$616,193	3.96%	\$277,024	45%
2	Santa Cruz	\$145,513	\$100,255	\$128,923	\$124,897	0.80%	\$56,150	45%
2	Shasta	\$89,173	\$88,543	\$117,894	\$98,537	0.63%	\$44,299	45%
1	Sierra	\$2,256	\$698	\$975	\$1,310	0.01%	\$589	45%
2	Siskiyou	\$20,518	\$31,755	\$37,262	\$29,845	0.19%	\$13,418	45%
3	Solano	\$170,800	\$159,262	\$288,247	\$206,103	1.32%	\$92,659	45%
3	Sonoma	\$157,135	\$118,224	\$154,601	\$143,320	0.92%	\$64,433	45%
3	Stanislaus	\$152,415	\$239,016	\$197,748	\$196,393	1.26%	\$88,293	45%
2	Sutter	\$42,100	\$36,528	\$35,849	\$38,159	0.25%	\$17,155	45%
2	Tehama	\$19,604	\$13,000	\$35,585	\$22,730	0.15%	\$10,219	45%
1	Trinity	\$29,273	\$7,875	\$9,543	\$15,563	0.10%	\$6,997	45%
3	Tulare	\$402,174	\$298,604	\$386,039	\$362,272	2.33%	\$162,868	45%
2	Tuolumne	\$47,574	\$90,624	\$72,486	\$70,228	0.45%	\$31,573	45%
3	Ventura	\$292,846	\$168,224	\$248,114	\$236,395	1.52%	\$106,277	45%
2	Yolo	\$197,301	\$138,545	\$230,010	\$188,619	1.21%	\$84,798	45%
2	Yuba	\$25,100	\$23,853	\$65,501	\$38,151	0.25%	\$17,152	45%

* Total expenditures in FY 2020-21 will serve as the baseline for the true-up process at the end of FY 2022-23

GL Accounts

938701 Court Transcripts
 938702 Non-Felony Appeals
 938703 Felony Appeals
 938705 Civil Transcripts
 938711 Electronic Reporting