

**JUDICIAL COUNCIL'S
BUDGET & FISCAL MANAGEMENT COMMITTEE**

**Minutes
October 11, 2022
Meeting held virtually through WebEx
12:00 a.m. – 12:40 p.m.**

Members Present:

Hon. Kara Pettit, (Chair)
Hon. Keith Barnes
Hon. Elizabeth Lindsley
Justice Paige Petersen

Excused:

Margaret Plane, Esq.
Ron Gordon
Sonia Sweeney
Nick Stiles
Jim Peters
Shane Bahr
Neira Siaperas
Chris Talbot
Daniel Meza-Rincon
Meredith Mannebach
Nathanael Player
Mark Urry, TCE, Fourth District Court
Brett Folkman, TCE, First District Courts

Jeff Wilcox

AOC Staff Present:

Todd Eaton
Brody Arishita
Keisa Williams
Jonathan Puente
Bart Olsen
Tina Sweet
Jordan Murray
Karl Sweeney
Alisha Johnson
Melissa Taitano
Suzette Deans, Recording Secretary

Guests:

Jessica Leavitt

1. WELCOME AND APPROVAL OF MINUTES (Judge Kara Pettit – “Presenter”)

Judge Kara Pettit welcomed everyone to the meeting. Bart Olsen introduced Tina Sweet as the Classification and Compensation Manager.

Motion: Judge Elizabeth Lindsley moved to approve the August 30, 2022 minutes, as presented. Judge Keith Barnes seconded the motion, and it passed unanimously.

2. FY 2023 Financials / Turnover Savings / ARPA Update (Alisha Johnson – “Presenter”)

Ongoing Turnover Savings (“OTS”) – Alisha Johnson reviewed the period 3 financials and gave an update on OTS. At the end of FY22 we ended with \$250,392 of OTS that have been carried forward into FY23. Most of these ongoing turnover savings carried forward were from reserves of FY22 OTS set aside in June 2022 by the Judicial Council. So far in FY23 we have earned \$100,120 of ongoing turnover savings. The amount is lower than our forecast, but we anticipate that amount will increase as new hires choose their medical coverage. YTD OTS is \$350,511. The forecasted amount for year end is conservatively estimated to be \$800,511.

As of 09/29/2022, the OTS schedule shows \$200,000 of hot spot raises as uses that have been pre-authorized by delegated authority from the Judicial Council to the State Court Administrator and Deputy. If the \$450,000 in 2023 performance-based raises are authorized by the Judicial Council in its next meeting, AOC Finance is forecasting that we will end FY23 with \$150,511 in OTS available for discretionary use.



FY 2023 Ongoing Turnover Savings as of 09/29/2022

#	Funding Type	Actual	Forecasted
		Amount YTD	Amount @ YE
1	Carried over Ongoing Savings (from FY 2022, includes unallocated ongoing appropriation)	250,392	250,392
2	Ongoing Turnover Savings FY 2023	100,120	550,120
3	TOTAL SAVINGS	350,511	800,511
	2023 Hot Spot Raises	(91,268)	(200,000)
	2023 Authorized Ongoing for Performance Based Raises (will be used at the end of the FY)	-	(450,000)
4	TOTAL USES before YE Requests	(91,268)	(650,000)
Actual Turnover Savings for FY 2023 as of 09/29/2022		\$ 259,244	\$ 150,511
<i>Prior Report Totals</i>		<i>\$ 231,868</i>	<i>\$ 130,756</i>

One-Time Turnover Savings - One-time TOS are generated from position vacancies and reimbursements of payroll expenditures with ARPA funds. Our forecast of one-time TOS before any uses are deducted is conservatively estimated to be \$3.9M.



FY 2023 One Time Turnover Savings

Updated as of Pay Period Ending 09/16/2022 (448 out of 2088 hours)

#	Funding Type	Actual Amount
1	One Time Turnover Savings (from actual payroll data versus budget as of PPE 09/16/2022)	871,655.55
2	YTD Amount Anticipated to be Reimbursed through ARPA Funding (as of PPE 09/16/2022)	184,069.27
3	Est. One Time Savings for 1,640 remaining pay hours (\$1,750 / pay hour)	2,870,000.00
Total Potential One Time Savings		\$ 3,925,724.82

Prior Report Totals \$ 3,783,095.03

ARPA Expenditures – Life to date through 9/27/2022 we have spent \$4.6M of the \$11M in IT access to justice part 1 expenses and \$879K of the \$1M in case backlog part 1 expenses. In July 2022 the Courts were reimbursed \$3.750M from the state of Utah ARPA funds which represents all of the ARPA funds expended through June 30, 2022.

We have requested the \$1.758M amount shown in the 2023 Expended column as our first draw for FY 2023. This leaves us an authorized balance available to be expended before 12/31/2024 of:

1. approximately \$6.5M of the \$12M in FY 2022 authorized ARPA funds;

2. all of the \$3M in FY 2023 authorized ARPA funds (for a total of \$9.5M left to spend)

Courts IT is confident they will expend the \$12.373M in funds allocated to them before the 12/31/2024 deadline. The case backlog funding of \$2M was intended to reduce the criminal case backlog back to pre-COVID levels (approximately 13,500 open criminal cases). The trend has stalled at 20,500 – 21,500 open criminal cases. The Courts will have approximately \$300K of ARPA funds from Supplies that we forecast will be available for reallocation to either the case backlog or Innovation Office by the Judicial Council.



ARPA Expenses as of 09/27/2022

#	Funded by	GOPB	Requested	Approved	Actual FY		Balance	Activity	Description	
					2022	2023				
	Legislature	Approved	Amount	Amount	Expended	Expended	Available	Code		
1	IT Access to Justice - Response to COVID - Part I	May-21	Yes	11,000,000	11,000,000	3,042,468	1,585,662	6,371,870	ITCV	Projects will extend thru 12/31/24
2	Courts Case Backlog - Part I*	May-21	Yes	1,000,000	1,000,000	707,963	172,289	119,748	BKLG	See detail below.
	Subtotal			12,000,000	12,000,000	3,750,431	1,757,951	6,491,618		
Requests to Legislature for FY 2023 - \$3,000,000 approved by the Legislature										
			Requested	Approved	Actual 2022	Actual 2023	Available			
1	IT Access to Justice - Response to COVID - Part II	2022 GS	Submitted 10/21	1,373,400	1,373,400	-	-	1,373,400	ITC2	Projects will extend thru 12/31/24
2	Courts Case Backlog - Part II	2022 GS	Submitted 10/21	1,000,000	1,000,000	-	-	1,000,000	BKLG	Projects case backlog will take thru 6/30/2023
3	COVID-19 Supplies	2022 GS	Submitted 10/21	640,000	302,100	-	-	302,100	CV19	
4	Legal Sandbox Response to COVID	2022 GS	Submitted 10/21	649,000	324,500	-	-	324,500	LSCV	
5	Self-Help Center	2022 GS	Submitted 10/21	64,000	-	-	-	-		
6	Interpreter Equipment	2022 GS	Submitted 10/21	97,000	-	-	-	-		
7	Eviction Court	2022 GS	Submitted 10/21	166,000	-	-	-	-		
8	Public Outreach & Engagement	2022 GS	Submitted 10/21	30,000	-	-	-	-		
9	IT Access to Justice - Response to COVID - Part III	2022 GS	Submitted 10/21	1,881,500	-	-	-	-		
	Subtotal			5,900,900	3,000,000	-	-	3,000,000		
					\$ 17,900,900	\$ 15,000,000	\$ 3,750,431	\$ 1,757,951	\$ 9,491,618	

ARPA spending cut off date is 12/31/2024 ; ARPA cut off date for lost revenue is 12/31/2023.

* Data pulled using list of employees provided by TCEs

FY 2022 Expenses Include

Personnel Expenses:	\$	680,101
Mileage Expenses:	\$	2,475
Sr. Judge Travel Expenses:	\$	2,203
	\$	684,778
COVID Testing Kit purchase:	\$	23,185
	\$	707,963

3. Ongoing, Reserve and Year End Spending Requests (Karl Sweeney – “Presenter”)



FY 2023 Year End Forecasted Available One-time Funds

Forecasted Available One-time Funds			# One-time Spending Plan Requests		Current Requests	Judicial Council Approved
Description	Funding Type	Amount			Amount	Amount
Sources of YE 2023 Funds			1	Performance Bonus Payments		\$ 450,000
* Turnover Savings as of PPE 9/16/2022 (including anticipated ARPA reimbursement)	Turnover Savings	1,055,725	2	St. George Courtroom Audio		\$ 141,000
** Turnover savings Estimate for the rest of the year (\$1,750 x 1,640 pay hours)	Turnover Savings	2,870,000	3	Adobe E-Signatures		\$ 260,000
(a) Total Potential One Time Turnover Savings		3,925,725	4	IT Equipment for new JA Clerks	\$ 5,872	
			5	Build-out of Replacement for Courts' Access Revenue System	\$ 40,000	
Operational Savings From TCE / AOC Budgets						
(b) Reserve Balance (balance from FY 2022 Carryforward) if request approved	Internal Operating Savings	-				
(c) Anticipated Reserve Uses - including previously approved and pending requests	Judicial Council Reserve	500,076				
	Judicial Council Reserve Uses	(152,000)				
Uses of YE 2023 Funds						
Carryforward into FY 2024 (Request has been made for up to \$3,200,000)	Historical Carryforward	(2,500,000)				
Total Potential One Time Savings = (a) + (b) + (c) less Carryforward		\$ 1,773,801				
Less: Judicial Council Requests Previously Approved		\$ (851,000)	Current Month One-time Spending Requests		45,872	
Less: Judicial Council Current Month Spending Requests		\$ (45,872)	Previously Approved 1x FY 2022 YE Spending Request			851,000
Remaining Forecasted Funds Available for FY 2023 YE Spending Requests		\$ 876,929				

Updated 10/05/2022

Year End Spend Requests Presented for Approval to Forward to Judicial Council

4. IT Equipment for new JA Clerks (Todd Eaton – “Presenter”)

Todd Eaton is requesting \$5,872 in one-time funds for IT equipment for newly hired JA clerks.

As a result of legislative funding approved to hire 7 additional JAs for debt collection and to handle additional caseload for DUIs, the Courts will hire 7 new JAs in Q1/Q2 FY 2023. These new hires need IT equipment to perform their jobs. Since the legislature did not provide 1x funding for these new hires, we will need to fund IT purchases out of district funds, IT funds or YE funds.

Motion: Judge Elizabeth Lindsley made a motion to approve, Judge Keith Barnes seconded the motion, and it passed unanimously. Will be forwarded on to the Judicial Council with a favorable recommendation to approve.

5. Replacement for Access Revenue System (Brody Arishita & Karl Sweeney – “Presenters”)

Brody Arishita is requesting \$40,000 in one-time turnover savings for build out of replacement for the Courts Access Revenue System. The Courts have used a MS Access-based revenue system for +/- 20 years. This Access program is an aging software and when combined with the design of the Courts Access revenue program as a single database it has long outlived its useful life and is becoming increasingly unstable. IT and AOC Finance are working together to build a replacement revenue system using a more robust open source web browser based software system as the code base and customizing it to meet the needs of the Courts. This new system is designed to be flexible in meeting new demands and uses code that is more robust than Access. IT has funded this project entirely from its internal funds for approximately 8 months but has reached the limits of the funds it can use. The new revenue system needs approximately 6 additional months of build-out. The estimated cost of the external consultant on this project for the next 6 months is \$40,000. When complete, this revenue system will also be deployed to those areas of the courts (self-help center, law library, AOC finance) that receive non-CORIS/CARE revenues. It will be the first time that these types of revenues will have a dedicated system of record.

Motion: Judge Keith Barnes made a motion to approve, Judge Elizabeth Lindsley seconded the motion, and it passed unanimously. Will be forwarded on to the Judicial Council with a favorable recommendation to approve.

4. Reallocation Request to the Legislature (Chris Talbot & Karl Sweeney – “Presenters”)

Chris Talbot is requesting reallocation of retiring Farmington Courthouse Construction Bond.

The objective of this request is to reallocate the retiring construction bond annual rent payment (\$399,045.93) so the Court may retain the amount as a credit towards the construction of a new Davis County Courthouse. The Court will be proposing the replacement of three aging courthouses (Farmington, Layton and Bountiful) with a new combined facility that will also provide future expansion in a growing County. It is anticipated that the new courthouse will be built on the existing Farmington Courthouse site with a portion of the existing building to be sold

to Davis County. We will also be exploring the sale of the existing State-owned Layton Courthouse to Layton City. The existing Bountiful Courthouse is a shared building we lease from Bountiful City. It is unknown at this time if these other facility changes will provide additional funding reallocation opportunities for the new project. After the proper legislative committees approves the project, the reallocated annual funds would be used towards the new annual bond payment. The new construction bond payment will be determined in the near future during the design and cost estimating process. The new combined courthouse facility could house up to 16 courtrooms and could reach total construction costs of \$80M - \$90M. This reallocation would reduce the new project funding request by providing a credit within the Court Facilities budget.

Motion: Judge Elizabeth Lindsley made a motion to approve, Judge Keith Barnes seconded the motion, and it passed unanimously. Will be forwarded on to the Judicial Council with a favorable recommendation to approve.

5. Proposal to Increase Interpreter Pay Rate (Jessica Leavitt – “Presenter”)

The AOC proposes to increase the rate for Certified Contract Court Interpreters from \$50 per hour to \$52 per hour. This change comes after conversations with Contract Court Interpreters regarding pay and workload. This change will allow Contract Court Interpreters to remain competitive in the Intermountain West market where average pay ranges between \$25-\$50. The funding for the rate increase is coming from the J/W/I fund. This request will cost an estimated \$41,000-\$42,000 and the JWI fund has sufficient funding to be able to handle the request within current legislative funding. Because this is J/W/I funding within budget, this is a Judicial Council request to change the rate of pay for certified Contract Court Interpreters paid out of J/W/I funds, not a request to expend ongoing or 1x general funds.

Motion: Judge Keith Barnes made a motion to approve, Justice Paige Petersen seconded the motion, and it passed unanimously. Will be forwarded on to the Judicial Council with a favorable recommendation to approve.

6. Grant Approval – HB 359 (Jordan Murray – “Presenter”)

Jordan Murray presented a sub-award to be considered by the committee before forwarding on to the Judicial Council. It is a grant agreement between the Department of Workforce Services (“DWS”) and the State of Utah. The legislature is choosing to fund the fiscal note with grant monies that DWS received under the Emergency Rental Assistance funds. Even though this is an atypical process for a grant, the BFMC prefers to follow the typical grant documentation process (including a Grant Application Proposal (“GAP”) analysis) in the approval process. Karl and Jordan are going to work on a GAP analysis which will be emailed to the committee for review and approval before being forwarded to the Judicial Council.

Effective July 1, 2022, this legislation addresses the expungement of eviction records and anticipates one-time costs to the Courts totaling \$116,600 through FY 2023. To fund this

mandate, the legislature is utilizing previously–authorized federal Emergency Rental Assistance funds disbursed as a non–competitive subaward “grant” issued through Utah DWS serving as the pass–through agency. Due to the unique nature of this grant, it is not subject to the minimum eight–week lead time preceding submission deadline per the grant management rule (UCJA Rule 3-411).

Motion: The grant approval will be done via email to the BFMC members once the document has been revised and necessary documentation is provided.

Subsequent to this meeting the revised grant with a GAP analysis was approved by email with Judge Pettit making a motion to approve, Judge Lindsley seconding and unanimous approval by the committee members to forward the grant to the Judicial Council for approval, subject to adding a paragraph to the GAP on who would be responsible for compliance.

7. Old Business/New Business

No old/new business

Meeting adjourned 12:40 p.m.

Next meeting via WebEx November 7, 2022.