

MINUTES

FLORIDA CLERKS OF COURT OPERATIONS CORPORATION

MONDAY, JUNE 12, 2017 3:00 PM CDT

EXECUTIVE COUNCIL MEETING

Sheraton Bay Point, 4114 Jan Cooley Drive, Panama City Beach, Florida 32408 (St. Andrew's)

The June 12, 2017 meeting of the Executive Council of the Florida Clerks of Court Operations Corporation (CCOC) was called to order by Executive Council Chair Sharon Bock at 3:00 PM (CDT). Chair Bock thanked all in the room and on the telephone for attending the Executive Council meeting. Roll call was taken by John Dew. Council Members present were the Honorable Sharon Bock, Honorable Ken Burke, Honorable Stacy Butterfield, Honorable John Crawford, Honorable Tara Green, Honorable Todd Newton, Honorable Kyle Hudson and Honorable Paula S. O'Neil. The Honorable Harvey Ruvin was present via telephone. The Honorable Ron Ficarrota and the Honorable Jeff Smith were unable to attend. Mr. Dew stated that there was a quorum.

APPROVAL OF AGENDA

Chair Bock noted that the agenda was posted on the CCOC website. Clerk Butterfield made a motion to approve the agenda with a second by Clerk Crawford. Chair Bock asked if there was any discussion, changes or deletions. Hearing none, the vote was taken and passed unanimously.

APPROVAL OF MINUTES – February 27, 2017

Clerk Butterfield noted that the minutes as part of the materials packet were posted on the CCOC website. She made a motion to approve the minutes. Clerk Green seconded the motion. The vote was taken and the minutes were approved unanimously.

TREASURER'S REPORT

Clerk Butterfield noted that the report was on pages 12 through 15 in the materials packet. The CCOC office's budget and expenditures for the 16-17 fiscal year to date is provided. It shows that the office is well in budget. She noted that it might appear under budget, but there are some expenditure that come later such as education spending will come after this conference. She made a motion to approve the CCOC's office 16-17 expenditures report. Clerk Crawford seconded the motion. Chair Bock asked if there was any discussion. The vote was taken and the motion passed unanimously. Clerk Butterfield continued with the CCOC's 17-18 office budget which is a continuation budget and is the same amount as last year's budget. She made a motion to approve the proposed budget for 17-18. Clerk Crawford seconded the motion. Chair

Bock asked if there was any discussion. Hearing none, the vote was taken and the motion passed unanimously. Clerk Bock thanked Clerk Butterfield for her work this year as Secretary/Treasurer of the CCOC.

EXECUTIVE COMMITTEE

Chair Bock noted that the information for the Executive Committee is found in the materials packet on pages 16 through 62. The Executive Committee membership is the Chair, Vice Chair and Secretary/Treasurer of the Executive Council and that is Clerk Bock, Clerk Burke and Clerk Butterfield. The Executive Committee usually meets to go over issues that will need to come before the Council. The issues are vetted, discussed and voted on. They are then brought to the Council. That is what is going to happen today. The Executive Committee meeting was by telephone on April 20, 2017. The Executive Council received the minutes from that meeting. There were important items that need motions and be voted on by the Council. The first is the organizational study that was done by Evergreen. After going through the organizational study, there are items with some recommendations for the Council. Evergreen suggested that the Executive Director develop a flexible work schedule for staff. The reason being that there are times when the staff have to work a lot of overtime hours and then there are times when the staff does not have to work more than a 40 hour week. By having a flexible work schedule, this gives John Dew, the Executive Director, the opportunity to be able to not overtax the staff at the high pressure time. This was one of the organizational plans that the Committee adopted. The Committee generally accepted the organizational chart. There were some titles that were changed. The Executive Director felt they were no longer titles that corresponded with the jobs. The Committee accepted the pay plan to be more in line with the State's pay plan. The CCOC is a statutory creation and even though we have had a flat budget, there have been a couple of positions that have not been filled. As a result of that, we may or may not be able to follow the state plan, but would like to try and align the CCOC staff with what they are doing at the State. It was recommended that we bring the CCOC employees up to minimum recommended salary range and then review at a later time for any other increases. That recommendation is the cost of bringing up every employee up to the minimum was about \$5,062.00 in total annually. Those were the recommendations that were vetted by the Executive Committee. Clerk Green made a motion to approve the organizational study recommendations of the Executive Committee. Clerk Crawford seconded it. A discussion started with a question from Clerk O'Neil about the flex time being for salaried employees that are over \$42,000. Mr. Dew answered that it was for those staff below the \$42,000. He noted that Clerk O'Neil was referring to last summer when senior staff worked a lot of hours and are not allowed to receive overtime or comp time. This issue of flex time does not address that issue and if senior staff work extra hours they still not will receive comp time. However, use of flex time for those below the \$42,000 or not in a management position will actually help lower costs because the CCOC will not have to pay time and a half. There was no more discussion. Vote was taken on the motion and passed unanimously.

Next was the Plan of Operations discussion. Clerk Ken Burke focused on reviewing and updating the Plan of Operations this year. The Plan of Operations can only be changed once a year at the Annual Corporation Meeting. Clerk Burke will be giving the presentation on the changes then. The changes were sent to the Executive Committee and to the membership. Chair Bock assumed all had a chance to look at the changes. She asked for a motion so the Executive Council could approve the changes and then allow it to move forward to the whole corporation. Clerk Burke made a motion to accept the changes to the Plan of Operations. Clerk Butterfield seconded the motion. Chair Bock asked if anyone had any questions. Vote was taken and the motion passed unanimously.

The next item brought before the Executive Committee was CCOC contracts and the procurement process. Chair Bock asked Clerk Butterfield and John Dew to give the Council the information about this. Clerk Butterfield noted that included in the packet was a listing of all the contracts of the corporation, the process, the purpose, the expiration date, the amount, etc. It is in the packet on page 67 and posted on the CCOC website. Mr. Dew added that the Executive Committee asked that this be on the Council agenda to continue to show that the contract process is transparent. He said he will be glad to go through how a vendor was chosen, how much is being spent each month, etc.. Chair Bock asked if there were any questions. There were none.

The Executive Committee discussed CCOC's Policies and Procedures. Clerk Butterfield and John Dew will continue to work on these. Chair Bock asked if they had anything to report. Mr. Dew stated that they need to be reviewed as they have not been updated for a number of years and would appreciate any suggestions. Recommended changes will be brought back to the Council at a future meeting. Chair Bock asked if there were any questions. There were none.

The last issue that was dealt with by the Executive Committee was the New Case Count Business rules. Clerk Burke is the Chair and he gave his report. This process came from the Clerk's testimony at last year's budget hearings. The Clerks said that they may not be counting cases the same so how can they compare us using weighted workload measures based on case counts. There was a workgroup formed to look at this. He acknowledged those who have worked on this – Denise Bell, Gary Cooney, Jill Lennon, Doug Isabelle, CCOC and Clerk staff. There were 40+ counties that have sent in their information and FCCC staff will have Clericus counties soon. The few counties that have not responded will be contacted. Clerk Burke noted that the business rules that the Executive Council approved were not the final version. Clerk Butterfield moved to approve the final business rules for the case counting that have been distributed to all Clerks. Clerk Burke seconded the motion. Chair Bock asked if there were any questions. There were none. The vote was taken and the motion passed unanimously. Chair Bock thanked Clerk Burke and his team.

BUDGET COMMITTEE

Clerk Butterfield reported that the Budget Committee had two meetings and a workshop since the last Executive Council meeting. They met in March, April and May with May being the workshop. In the packet on page 63 is a

summary of the main items that have come out of the Budget Committee's work and workshop. These are the items she would like the Council to take action on and approve. The first action is the Peer Group Study. The law requires the CCOC in the budget process to compare Clerks during their request in similarly situated groupings. In carrying out that responsibility, we have a review of the peer groups on a periodic basis to make sure there are proper comparisons. The full study is included in your packet. It was presented by Bo Shippen of Economist, Inc. The results of the study were presented to the Budget Committee. All Clerks were asked to give their input and everyone's input was taken and addressed. Clerk Butterfield moved to approve the Budget Committee's recommendation for the twelve peer groups as defined in the study. Clerk Crawford seconded the motion. Chair Bock asked if there was any discussion. Hearing none, the vote was taken and the motion passed with Clerk Burke voting no.

The second item that came out of the Budget Committee was the revised budget forms to be used in the budget submittal process. Clerk Butterfield made a motion that the Council ratify the forms that were part of the budget submittal process. Clerk Green seconded the motion. Chair Bock asked if there was any discussion. Hearing none, the vote was taken and the motion passed unanimously.

The next two items were actually workgroups that were developed from the Budget Committee as a sub-workgroup, but due to the nature of the funding, the Budget Committee has suggested at this point, that the two workgroups, one working on defining what is a courthouse and the other looking at the costing of administrative orders to be suspended. Clerk Butterfield made that in the form of a motion and seconded by Clerk Burke. Clerk Burke noted that this is in direct response to Clerks asking for less work on their offices due to limited resources due to the budget reductions. Vote was taken and the motion passed unanimously.

The last recommendation from the Budget Committee had to do with case counting. As the Budget Committee makes the analyses of the weighted workload benchmark budgets, they need to make sure they are making appropriate comparisons of case counts because that is in the calculations. The second piece is that in all of the committee's discussions, it was talked about all those things that a Clerk does not have direct control over such as health insurance, FRS, etc. The committee felt that in the comparisons that costs related to FRS, retirement pension, total health insurance, OPEB and other benefits would be pulled out first and then calculate the weighted workload benchmark comparisons. Clerk Butterfield made the motion to pull out the cost related to healthcare, FRS and other benefits when performing those weighted workload comparisons. The motion was seconded by Clerk Burke. There was no discussion and the vote was taken. The motion passed unanimously.

PERFORMANCE IMPROVEMENT & EFFICIENCY (PIE) COMMITTEE

Clerk Green began by presenting her report and giving some background to the Performance and Accountability for Clerks (PAC) Framework which is found on page 90 in the meeting packet. The main focus is the nine services the Clerks

offer throughout the Clerks' offices. The main driver in honing in on the services that the Clerks do will help explain and tell the Clerks' story better to individuals that do not understand what Clerks do and how they do it. It is plain language as to what Clerks do in their offices each day and is a great way to inventory it. The second half of that framework is the ability to start identifying what services cost the Clerks and what offsetting revenue is there. Clerk Green introduced the next steps of the Framework. There is a new form in the needs-based budget forms-Exhibit E. You will start seeing across the top when you denote an FTE, you will look at it from a service area prospective. She noted that we are now starting to talk about where the people are spending their time. This is very important when the Clerks start talking about their needs and why they need the budgets that they need. It is also a tool for the Budget Committee. They can review where they need to focus on certain customer services and the costs associated with them as well as the workload. She noted if you look on page 91, there is the tentative schedule for the Framework. The group is going to continue to work on interconnecting the revenue resources with the nine services. This will allow us to see where we offer services and the direct revenue that offsets the cost and where it does not. It will create a service costing methodology. The Framework will help us look at the outcomes and outputs based on the work the Clerks do and what are the measures that we want to use to tell us how effective we are doing the job regardless of whether the funding is there or not. The workgroup is also looking to automate the PAC Framework to support the Clerks' budget requests. One of the big efforts as a result of the Framework is looking at the outputs which the PIE Committee is going to take on this year as far as performance measures.

The second update that Clerk Green had was providing information on collection efforts statewide. There is a collection training in the pipeline. On page 96, there is a chart that was provided and we are looking at since the last REC meeting in December, revenues are at \$369.2 million and that is a continuing decline. When we are talking about collection standards, Clerk Green wanted to go on the record by saying, even if we focus on our collections and perfecting the collections process this does not necessarily mean it will solve our revenue situation. However, the Clerks have tools in front of them that was given by Legislators that say in Statutes, you can do these things. As Clerks, we want to make sure we are leveraging those tools and we are collecting the revenues. That is the focus of the training towards the end of this year. She proposed that the items on page 92, in house collection programs, best practices that came out of the Association in conjunction with CCOC, collection agencies and their performance, and initiatives such as the negotiating statute that we are going to take a look at and see if we can do a state-wide initiative. These will be given to the CCOC Financial Workgroup and let them vet and decide where to start and what to build into a collection summit. Chair Bock asked if anyone had any questions. There were no questions.

FINANCIAL ANALYSIS AND ENHANCEMENT WORK GROUP

Clerk Don Barbee, Chair of the Workgroup, stated that the group has put together a weight for each case type and sub case type. The purpose is to assist the Budget Committee to carry out their duties to properly compare like-size

Clerk's offices in a more detailed manner. The team of Clerks and staff met several times to figure out how to do that. Clerk Burke's group figured out if new cases were being counted correctly and our group asked what weight do you put on a profile, a felony, or an eviction case. The team had four in-person meetings. They came up with a final work product which gives a weight to each one of those case types and subcase types. This should not be any additional work for the Clerks because they are collecting these for SRS purposes. Clerk Barbee said he hopes this will be put in the Framework and the Budget Committee will be able to use that table to more accurately compare Clerks. Chair Bock asked if there were any questions. There were none. She thanked Clerk Barbee for his work.

LEGISLATIVE COMMITTEE

Chair Bock asked Clerk Timmann to give her report. Clerk Timmann thanked Chair Bock. She began by saying there have been numerous Legislative updates from the FCCC and CCOC. She noted that we are in a holding pattern waiting on the Governor's approval of Senate bill 2506 which was the bill that dealt with the revenue changes. The deadline is June 20th. It was presented to the Governor on June 5th. In the interim since the session ended and the bills were being prepared to be sent to the Governor, CCOC staff has been working to make sure the Governor's office and EDR have all the information they need. Their questions have been answered quickly with accurate data. Clerk Timmann recognized that the coordination between and CCOC has been tremendous. The dedication of the finance staffs working as a team with the Budget Committee and CCOC staff made sure that everyone had true data they could rely on. She appreciated all the Clerks that helped also.

Clerk Timmann said the session this coming year begins January 9th and runs through March 9th. Because of the special session it really shortens the timeframe to be able to produce any additional legislative platform for next year and also to respond to any questions the Legislature will have moving forward. Committee meetings will start around September 16th. The presiding officers will be coming up with their prospective Committees. Over 30 bills were analyzed by Finance Staff and CCOC. That is a record and shows the interaction that was occurring. Hopefully, there will be positive news that the Governor's office allowed SB 2506 to go into effect by June 20th. Chair Bock thanked Clerk Timmann for her report and asked if there were any questions.

Clerk Burke asked a question of General Counsel Joe Boyd. He asked what is CCOC's obligation to address legislation regarding fees. Mr. Boyd responded that there is a statutory obligation to tell the Legislature what we think is adequate funding for the Court system whether it is fees, fines or forfeitures. The CCOC has the duty to report this to the Legislature under the statutes. Clerk Burke noted that in past few years, we have been very shy to suggest any increases in fines and fees to our offices because we had gotten the indicators from the Legislature it is a no starter. However, the Clerks have an obligation according to statute to do our job even if we are opposed to fees increasing. Even if we say to the Legislature to find another source of funding for us otherwise you need to increase these fees in order to be

adequately funded. He believes that the Clerks have not done that. Each fee needs to be looked at and when is the last time it has been raised. Healthcare costs, FRS, cost of business, attorney fees have gone up. All these costs have gone up and the Clerks' costs have been suppressed. The Clerks need to go on record and say that these fees need to be increased to give them adequate funding. If the Legislature is not willing to raise these fees, the Clerks welcome a new source of revenue. Since Clerk Timmann said we are on the fast track to January 9th and mid-September is close, and the CCOC Executive Council does meet that often, the Clerks need to take the responsibility a little more aggressively this year in proposing fee increases and allows us the revenue to run our offices which is our statutory duty. He asked if anyone disagreed with this. Chair Bock stated she did not. She feels that it is the process that we need to talk to the Legislative Committee about what happens to the suggestions that come from the CCOC and how are those suggestions put forth from the CCOC to the State Legislature. She thinks this question would piggy-back with Clerk Burke's question. To formalize this Clerk Burke made a motion to assign the Legislative Committee to look into the Clerks' statutory duty of recommending fines and fees that adequately fund their offices. John Crawford seconded the motion. Chair Bock asked if there was any discussion. Clerk Todd Newton commented that he was concerned by unwanted consequences. Clerk Burke reminded the members that his motion was to study this. Clerk Butterfield noted that it was a study of the fees not just increasing the fees. It could be an increase in distribution, a new fee, etc. It is the study of proposals going forth from this body to be in compliance with the law. Clerk Pat Frank said she agreed with Clerk Burke. The charges that Clerks receive were created back in 2004-2005 and all we have to do is see how the value of these has changed with the value of the dollar. This is not an increase in fees if it has kept up with inflation.

Chair Bock asked if there were any other questions. The motion to do a study by the CCOC Legislative Committee was voted on and passed unanimously.

FUNDING TECHNOLOGY WORKGROUP

Chair Bock asked Clerk Peacock if he had any comments on the Technology Funding Workgroup. He did not. Chair Bock thanked him for serving on the workgroup

REPORT ON CLERKS' TRUST FUND

Chair Bock called upon John Dew to give his report on the Clerks Trust Fund. On page 99 of the packet is the memo that Mr. Dew had written. He stated that there is not enough dollars currently to provide the 50 funded Clerks dollars from last month and this month. We are also are waiting for the \$7 million that we will be receiving soon to help with the Trust Fund. In addition, he did not put in the memo that the \$10.4 million that the Trust Fund will be getting soon as well if SB 2506 goes into effect. He will be looking on a monthly basis to make sure there are enough dollars to provide

the funded Clerks. He appreciates all the patience from those that receive the funding. He asked the Council to give the authority to the Budget Chair to do a pro rata distribution if the money is not there so we can at least get some out. Clerk Newton made the motion to allow pro rata share of the Trust Fund to go out to the funded Clerks. Clerk O'Neil seconded. Chair Bock asked if there were any questions. Hearing none, the vote was taken. The motion passed unanimously. There was a question on how much was needed. Mr. Dew stated that \$3.9 million is needed. As of today, we only have \$2.9 million. There is a shortfall of \$1 million for the month of May. Clerk Brock asked if counties that have funds available could help. Mr. Dew said he will call some of those Clerks to see if they could help.

UPDATE ON TCBC ISSUES

Chair Bock noted that Judge Ficarrota had another conflict today. Mr. Dew read a written report by the Judge. The TCBC activities for 17-18 budget outlook is reporting that the TCBC last met on May 12 of this year to review the status of 16-17 budgets as they related to the 2017 Legislative session. For 17-18 the courts received no additional resources except for several member projects designated for specific counties programs. They took a \$2 million reduction in trial court salary dollars. The Legislature identified the cut in reduction in lapse to reduce trial court salary dollars. The TCBC will meet in Orlando on June 27 and the commission will review the fiscal year 17-18 budget and allocations as well as beginning to consider Legislative budget requests for the fiscal year for 2018-19. Legislative session will be taking place earlier next year. The TCBC is also scheduled to meet on July 22 in Orlando with the results on the trial court budget request that will be submitted to the Supreme Court for consideration as part of the fiscal year 18-19 judicial branch legislative agenda. The materials for both will be available online on the Florida Courts website in advance of the meeting. Chair Bock asked if there were any comments or questions. There were none.

OTHER BUSINESS

The last item on the agenda is the tentative meeting schedule for the Council for the upcoming year. The Plan of Operations requires that we publish an annual meeting schedule. The Council decided many years ago, that what we would do to make it easier on Clerks' travel was to have our Council meeting at the same time as the FCCC meetings. On page 103-107 is the tentative schedule. Some of the blanks are because we have not firmed up yet the FCCC meetings but feel free to mark these on your calendar. Chair Bock asked if there were any questions on that. There were none.

Clerk Ruvin spoke that it was a pleasure to serve on the CCOC Executive Council since its inception. The person that is going to be replacing him is an amazing person that he supports and that is Pat Frank. He thanked all for this opportunity. Clerk Frank thanked Clerk Ruvin and will be calling him for advice. Chair Bock thanked him for his many years of service.

The meeting was adjourned at 4:05 PM.