



BUDGET COMMITTEE MEETING

July 9, 2019

Stacy Butterfield, CPA
POLK COUNTY
EXECUTIVE COUNCIL CHAIR

Tara S. Green
CLAY COUNTY
VICE-CHAIR

JD Peacock, II
OKALOOSA COUNTY
SECRETARY/TREASURER



JOHN CRAWFORD
NASSAU COUNTY

PAT FRANK
HILLSBOROUGH COUNTY

TODD NEWTON
GILCHRIST COUNTY

PAULA S. O'NEIL, PH.D.
PASCO COUNTY

HARVEY RUVIN, ESQ.
MIAMI-DADE COUNTY

RON FICARROTTA
13TH JUDICIAL CIRCUIT JUDGE
SUPREME COURT APPOINTEE

KYLE HUDSON
HOLMES COUNTY
SENATE APPOINTEE

VACANT
HOUSE APPOINTEE

JOHN DEW
EXECUTIVE DIRECTOR

JOE BOYD
GENERAL COUNSEL

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BUDGET COMMITTEE WORKSHOP & MEETING

July 9, 2019

Workshop: 10:00 AM (no call-in capabilities)

Meeting: 3:00 PM

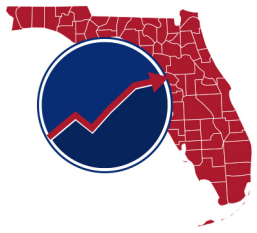
Conference Call line: 1-904-512-0115 Code 412463

Location: Omni Orlando Resort ChampionsGate
Osceola County Conference Center, Room: Celebration
1500 Masters Boulevard, ChampionsGate, FL 33896

- 1) Call to Order and Introduction.....Hon. Ken Burke, Chair
- 2) Approve AgendaHon. Ken Burke, Chair
- 3) Approve Minutes of **February 19, 2019** Meeting.....Marleni Bruner
- 4) Revenue Trend Report.....Jason Welty
- 5) Discussion on Budget Decisions.....Hon. Ken Burke, Chair
- 6) Presentation on Revenue ImpactsDoug Isabelle
- 7) Other Business.....Hon. Ken Burke, Chair

Committee Members: Ken Burke, CPA, Chair; Jeffrey Smith, CPA, Vice-Chair; Stacy Butterfield, CPA; Tom Bexley; Sharon Bock, Esq.; Pam Childers, CPA; Kellie Connell, CPA; Gary Cooney, Esq.; John Crawford; Greg Godwin; Tara S. Green, Carla Hand, CPA, CGFO; Tiffany Moore-Russell, Esq.; JD Peacock; Donald C. Spencer; Carolyn Timmann; and Angela Vick

Our Mission: As a governmental organization created by the Legislature, we evaluate Clerks' court-related budgetary needs, and recommend the fair and equitable allocation of resources needed to sustain court operations.



Minutes of February 19th CCOC Budget Committee Meeting

Committee Action: Review and approve with amendments as necessary.

The Budget Committee of the Clerks of Court Operation Corporation (CCOC) held a workshop followed by a formal meeting in Tallahassee, FL on February 19, 2019. An agenda and materials were distributed in advance of the meeting and posted on the CCOC Website. Provided below is a summary of staff notes from the meeting. These staff notes are designed simply to document committee action, not to be a full record of committee discussions. All motions adopted by the committee are in **bold** text. All action items based on committee direction are in **red** and **bold text**.

1. Agenda Item 1 – Call to Order and Introduction

The meeting was called to order by Clerk Ken Burke. Many members were present in-person for the workshop portion then joined the conference call for the meeting portion. Jason Welty, CCOC Director of Budget & Communications called the roll. Members present: Clerk Burke, Clerk Smith, Clerk Bexley (attended workshop, joined conference call), Clerk Butterfield, Clerk Childers (by phone), Clerk Connell (by phone), Clerk Cooney, Clerk Crawford (by phone), Clerk Green, Clerk Hand (by phone), Clerk Moore Russell, Clerk Peacock, Clerk Spencer, Clerk Timmann, and Clerk Vick.

Absent: Clerk Bock, Clerk Godwin, and Clerk Hudson

Clerk Burke thanked CCOC staff members Jason Welty and Marleni Bruner for their work leading up to this meeting. He also thanked the budget committee members for taking seriously their role on the Committee.

2. Agenda Item 2 – Approve Agenda

With no objections, the agenda was approved.

3. Agenda Item 3 – Approval of Minutes

The minutes from the January 9, 2019 meeting were presented for approval. A motion to approve the minutes was made by Clerk Vick and seconded by Clerk Crawford. Motion passed unanimously.

4. Agenda Item 4 – Settle-Up Report

CCOC Staff Member Marleni Bruner, Senior Budget Manager, presented the settle-up report during the workshop portion of the meeting. During the formal meeting, the report was presented as printed in the packet.

Clerk Smith made a motion to adopt the report as printed. Clerk Cooney seconded the motion. No questions were asked. **Motion passed unanimously.**

5. Agenda Item 5 – Operational Budgets

CCOC Staff Member Marleni Bruner, Senior Budget Manager, presented that the final budget was received but still needs a technical review. All other Operational Budgets have been submitted and technical reviews have been performed. E-mails were sent regarding any issues.

No motion was made.

6. Agenda Item 6 – REC Update

CCOC Staff Member Jason Welty reviewed the latest from the REC regarding Office of Economic and Demographic Research (EDR)'s projections and the outlook for the remainder of the current fiscal year. Projections for CFY 19-20 and CFY 20-21 are stable. EDR holds flat for the next two fiscal years.

Clerk Burke pointed out that the current projections show that clerks will collect approximately \$3 million over current revenue estimates.

No motion was made.

7. Agenda Item 7a – Case Counting Workgroup Update

Clerk Burke, Clerk Cooney, and Denise Bell (Lake) have been the workgroup members working on this project. Any counties having a subcase type that is more than 3 standard deviations out will be reviewed and contacted for explanation. The review is not to say there is a right way or a wrong way, just that everyone is doing it the same way. They are looking for subject matter experts to join the review team. Most auditing functions can be done remotely. So far, they have seen positive results and corrections, with some justifications for outliers. They anticipate finishing the project in April.

No motion was made.

8. Agenda Item 7b – Budget Workgroup Update

Information from the Budget Workgroup can be found in the meeting packet on pages 35 through 80. Clerk Smith, who led the workgroup, presented two surveys the workgroup would like to send to all clerks.

Clerk Peacock made a motion to approve a health insurance survey as presented during the workshop and the motion was seconded by Clerk Butterfield. Clerk Burke reminded everyone that the purpose of the survey was for informational purposes and not to take action. **Motion was approved unanimously.**

A location/branch survey was also presented. It was requested that only those who have an incremental cost associated with their additional branches or locations complete the survey. A question on the form would need to be completed for those who do not have multiple locations or those who do not have incremental costs from additional locations. The expectation is that all counties would submit a response.

Clerk Green made a motion to approve the location/branch survey are explained with a second from Clerk Moore Russell. Motion was approved unanimously.

The workgroup is going through an intense study of costs drivers. No questions were asked. **A motion was made by Clerk Butterfield for the workgroup to continue their review to look at comparisons, variable, and cost drivers. It was seconded by Clerk Spencer and the motion passed unanimously.**

9. CFY 2019-20 Forms

CCOC Staff requested the approval of the CFY 2019-20 Original Budget Request forms and to work with the Chair as needed.

A motion was made by Clerk Cooney and seconded by Clerk Vick to allow CCOC staff to make necessary changes to the CFY 2019-20 Original Budget Request form and direct staff to work with the Budget Chair to finalize the forms. Motion was approved unanimously.

10. Agenda Item 10 – Other Business

Clerk Burke moved to Item D – Study of Ticket Mills, toll violations, and minimum assessments. Changes to tolling procedures have bypassed Clerks and reduce an importance source of revenue. **Clerk Burke requested CCOC Staff, Doug Isabelle, Deputy Executive Director, to work on this project with input from clerk staff.** A motion was made by Clerk Spencer and seconded by Clerk Smith. Motion passed unanimously.

11. Agenda Item 7c – Expenditure Workgroup

The Expenditure Workgroup met and decided that changed to the current Expenditure and Collection (EC) form or the creation of a new form at this time would

not be most prudent. The alternative to getting actual expenditures would be to request is as part of Exhibit G on the CFY 2019-20 Original Budget Request form.

Clerk Vick made a motion for CCOC staff to make changes to the CFY 2019-20 form to accommodate the changes requested by the Expenditure Workgroup. It was seconded by Clerk Peacock and the motion passed unanimously.

12. Agenda Item 10 – Other Business

Tools for Trend Reports – presented by staff from Citrus County. Clerks and their staff are encouraged to contact them for further information.

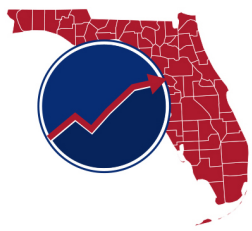
Everyone was reminded that a **PIE Committee** meeting is schedule for February 20, 2019 at the FCCC conference room in Tallahassee. Meeting materials and call-in information can be found on the CCOC's website.

Everyone was reminded that the **FCCC Winter Conference** will be held February 27 – March 1 in Daytona Beach. CCOC will hold their Executive Council meeting on the 26th and also lead two sessions at the conference.

Clerk Burke asked if there was any other business to bring before the Budget Committee with no response from the committee members or those joining by phone. He likewise asked for any questions, with no response form committee members or those joining by phone.

Clerk Vick thanked the members of the Expenditure workgroup and Clerk Burke for his visionary leadership. Clerk Burke thanked her for her comments and pointed out that making budget determinations are important but there are many frustrating factors. He also thanked the partnership between FCCC and CCOC to coordinate the meeting in Tallahassee since it was during session.

Clerk Burke adjourned the meeting.



AGENDA ITEM 4

DATE: July 9, 2019
SUBJECT: Revenue Trend Report
COMMITTEE ACTION: Informational Purposes Only

OVERVIEW: The Article V Revenue Estimating Conference will meet on July 18, 2019 and will set a new revenue estimate for the clerks of the circuit court. Previously, the law prohibited CCOC from approving budgets greater than the revenue projections. However, changes made during the 2019 Legislative Session diversified the revenue streams for the clerks' budgets.

	CFY 2018-19	CFY 2019-20
REC Revenue Projection (FFF)	\$412.9 million	\$420-\$430 million (ESTIMATE)
Unspent Budgeted Funds (TF)	-\$0-	\$5.8 million
Cumulative Excess (TF)	-\$0-	\$10 million
Juror Funding (GR)	\$11.7 million	\$11.7 million
TOTALS	\$424.6 million	\$447.5 – \$457.5 million

There are two main differences between the CFY 2018-19 budget and the CFY 2019-20 budget. First, the legislature passed HB 337, which allows the clerks to bring Unspent Budgeted Funds and Cumulative Excess Funds from CFY 2018-19 into the CFY 2019-20 budget cycle. These terms were previously referred to carryforward dollars and include:

- Unspent Budgeted Funds – Funds approved for use during the previous fiscal year that were not ultimately spent during the year. These funds are held in the Clerks of Court Trust Fund.
- Cumulative Excess Funds – Funds collected by the clerks in greater than the original REC revenue projection. These funds are held in the Clerks of Court Trust Fund.

Secondly, the CFY 2019-20 budget will likely see an increase in the revenue estimates approved by the Article V – Revenue Estimating Conference. The original estimate from August 2018 was \$412.9 million, which was revised upward to \$416.3 million in February 2019. Through May 2019, clerks collected \$321 million and if there is no growth in June – August revenues, the clerks will collect close to \$430 million for the remainder of the fiscal year.

Revenue Growth during the first nine months of the fiscal year is predominately in the County Civil Court division, but there is growth in other areas as well.

AGENDA ITEM 4 – REVENUE TREND REPORT

Court Division	Year-over-Year Growth
Circuit Criminal	\$777,446.21
County Criminal	\$98,370.61
Circuit Civil	\$4,945,343.76
County Civil	\$12,760,645.55
Probate	\$(121,332.20)
Family	\$648,149.64
Criminal Traffic	\$(315,398.99)
Civil Traffic	\$629,459.20
Juvenile Dependency	\$35,863.72
Juvenile Delinquency	\$(12,998.09)
Other Local Court	\$(1,147,576.61)
TOTAL	\$18,297,972.80

County Civil is up over \$12.7 million with Circuit Civil at a distant second at \$4.9 million. From an overall trend perspective, the Circuit Criminal and the Civil Traffic divisions present interesting dynamics. Civil Traffic is up over \$600K from last year, which was up from the previous year. This two-year trend suggests civil traffic may be stabilizing from its free-fall the previous fiscal years. Additionally, Circuit Criminal is not generally a high growth arena, however, it has outperformed last year in eight of the first nine months of the fiscal year. The only significant decline, Other Local Court, can be explained by a one-time forfeiture that was over \$2.3 million. Without this anomaly, even this catch-all category would have shown growth year-over-year.

CFY 2019-20 Budget

The Budget Committee could have somewhere between \$23 million and \$33 million extra to distribute for the CFY 2019-20 budget. Some of these dollars are non-recurring; the Cumulative Excess Funds is likely to decline in future years and as clerks feel comfortable about having sufficient revenue, Unspent Budgeted Funds might decrease in future years also. An example of a three-percent budget increase is attached for informational purposes.

COMMITTEE ACTION: Informational Purposes Only

LEAD STAFF: Jason L. Welty, CCOC Budget and Communications Director

ATTACHMENTS:

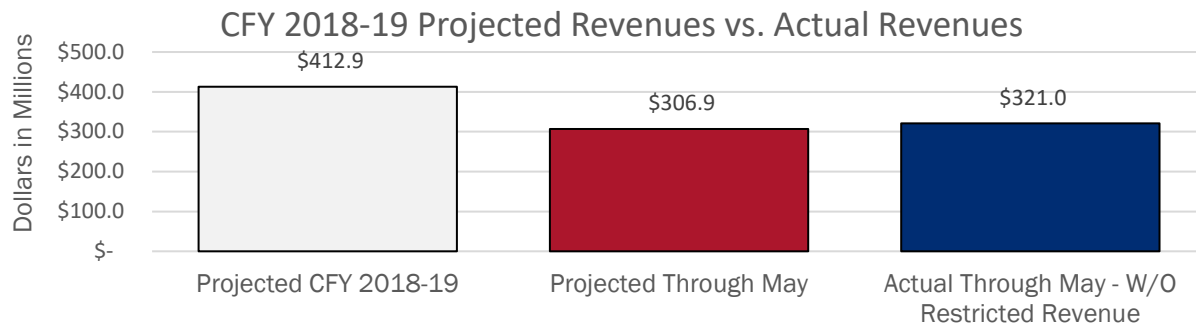
1. May Revenue Report
2. Three-percent Across the Board Budget Increases Worksheet
3. Additional Allocation Worksheet



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MONTHLY REVENUE REPORT May 2019

The August Article V Revenue Estimating Conference projected the clerks to collect a total statewide revenue of **\$412.9 million** for CFY 2018-19. May 2019 is the ninth month of the twelve months used for the CFY 2018-19 budget revenue.



- Total revenues reported for April 2019 were **\$38,621,778.83**
 - This is approximately **\$4.1 million, or 12 percent** above the REC monthly projection and does not include restricted Ch. 2008-111, L.O.F., revenues.
- Through the first nine months, the REC expected clerks to collect approximately **\$306.9 million**. Actual revenues are **\$321 million**, which is **\$14.1 million above** expectations or **4.59 percent** above the eight-month projection.

Compared to April 2019

- Revenues were up **\$524,199 or 1.38 percent**, compared to last month.
- The County Civil court division was up **\$1.2 million** compared to last month.

Compared to May 2018

- Revenues were up **\$807,423 or 2.14 percent**, year-over-year.
- Court divisions with May year-over-year increases include:
 - County Civil – \$685,679
 - Civil Traffic – \$354,268
 - Circuit Criminal – \$126,629

Year to Date

- The Circuit Criminal court division is up \$777,446
 - Revenues for Circuit Criminal are up eight out of nine months
- Criminal Traffic and Juvenile Delinquency are the only divisions down year-over-year

Agenda Item 4 - Attachment 2

County	Peer Group	CFY 18-19 Budget Authority (Minus Jury)	<u>3.00%</u>	CFY 2019-20 C.COC Budget
Calhoun	1	\$406,693	\$12,201	\$418,894
Franklin	1	\$592,227	\$17,767	\$609,994
Glades	1	\$482,017	\$14,461	\$496,478
Jefferson	1	\$399,371	\$11,981	\$411,352
Lafayette	1	\$270,644	\$8,119	\$278,763
Liberty	1	\$275,350	\$8,261	\$283,611
Dixie	2	\$441,673	\$13,250	\$454,923
Gilchrist	2	\$489,197	\$14,676	\$503,873
Gulf	2	\$448,173	\$13,445	\$461,618
Hamilton	2	\$432,807	\$12,984	\$445,791
Holmes	2	\$567,484	\$17,025	\$584,509
Madison	2	\$510,301	\$15,309	\$525,610
Union	2	\$412,787	\$12,384	\$425,171
Baker	3	\$609,318	\$18,280	\$627,598
Bradford	3	\$643,534	\$19,306	\$662,840
DeSoto	3	\$727,070	\$21,812	\$748,882
Hardee	3	\$770,566	\$23,117	\$793,683
Taylor	3	\$496,913	\$14,907	\$511,820
Wakulla	3	\$610,086	\$18,303	\$628,389
Washington	3	\$545,900	\$16,377	\$562,277
Gadsden	4	\$1,059,586	\$31,788	\$1,091,374
Hendry	4	\$987,157	\$29,615	\$1,016,772
Jackson	4	\$995,231	\$29,857	\$1,025,088
Levy	4	\$870,756	\$26,123	\$896,879
Okeechobee	4	\$1,187,722	\$35,632	\$1,223,354
Suwannee	4	\$994,218	\$29,827	\$1,024,045
Columbia	5	\$1,408,086	\$42,243	\$1,450,329
Highlands	5	\$1,686,635	\$50,599	\$1,737,234
Nassau	5	\$1,430,675	\$42,920	\$1,473,595
Putnam	5	\$1,737,655	\$52,130	\$1,789,785
Walton	5	\$1,512,483	\$45,374	\$1,557,857
Citrus	6	\$2,191,658	\$65,750	\$2,257,408
Flagler	6	\$1,595,211	\$47,856	\$1,643,067
Indian River	6	\$2,839,503	\$85,185	\$2,924,688
Martin	6	\$3,196,230	\$95,887	\$3,292,117
Monroe	6	\$3,282,275	\$98,468	\$3,380,743
Sumter	6	\$1,647,397	\$49,422	\$1,696,819
Bay	7	\$3,390,963	\$101,729	\$3,492,692
Charlotte	7	\$3,284,698	\$98,541	\$3,383,239
Clay	7	\$3,171,152	\$95,135	\$3,266,287
Hernando	7	\$3,209,853	\$96,296	\$3,306,149
Okaloosa	7	\$3,402,079	\$102,062	\$3,504,141
Saint Johns	7	\$3,404,737	\$102,142	\$3,506,879
Santa Rosa	7	\$2,830,132	\$84,904	\$2,915,036
Alachua	8	\$5,634,478	\$169,034	\$5,803,512
Lake	8	\$5,407,078	\$162,212	\$5,569,290
Leon	8	\$5,472,079	\$164,162	\$5,636,241
Marion	8	\$6,033,563	\$181,007	\$6,214,570
Collier	9	\$6,187,449	\$185,623	\$6,373,072
Escambia	9	\$6,244,314	\$187,329	\$6,431,643
Manatee	9	\$5,738,374	\$172,151	\$5,910,525

Agenda Item 4 - Attachment 2

County	Peer Group	CFY 18-19 Budget Authority (Minus Jury)	<u>3.00%</u>	CFY 2019-20 C.COC Budget
Osceola	9	\$6,535,519	\$196,066	\$6,731,585
Saint Lucie	9	\$6,445,895	\$193,377	\$6,639,272
Sarasota	9	\$7,561,998	\$226,860	\$7,788,858
Seminole	9	\$8,324,931	\$249,748	\$8,574,679
Brevard	10	\$11,115,588	\$333,468	\$11,449,056
Lee	10	\$10,911,289	\$327,339	\$11,238,628
Pasco	10	\$10,434,730	\$313,042	\$10,747,772
Polk	10	\$11,573,392	\$347,202	\$11,920,594
Volusia	10	\$10,545,633	\$316,369	\$10,862,002
Duval	11	\$17,588,394	\$527,652	\$18,116,046
Hillsborough	11	\$28,055,057	\$841,652	\$28,896,709
Orange	11	\$27,006,971	\$810,209	\$27,817,180
Pinellas	11	\$21,402,811	\$642,084	\$22,044,895
Broward	12	\$36,705,664	\$1,101,170	\$37,806,834
Miami-Dade	12	\$67,696,403	\$2,030,892	\$69,727,295
Palm Beach	12	\$28,822,358	\$864,671	\$29,687,029
Totals		\$412,892,171	\$12,386,769.00	\$425,278,940.00



Revenue Categories	
REC Revenue Projection*	\$ 425,000,000
Cumulative Excess	\$ 5,776,202
Unspent Budgeted Funds	\$ 10,000,000
CFY 2019-20 Budget Authority	\$ 440,776,202

CFY 2018-19 Budget Authority	\$ 412,892,171
Available for Distribution for CFY 2019-20	\$ 27,884,031

Adjustments	Statewide Average**	Or	County Average***
Citrus County Judge	\$ 114,998		\$ 90,200
Flagler County Judge	\$ 114,998		\$ 111,400
Ninth Circuit (Orange County) Judge	\$ 114,998		\$ 110,200
Twelfth Circuit (Manatee County) Judge	\$ 114,998		\$ 104,000
Judges Subtotal	\$ 459,992	Or	\$ 415,800

Three Percent Across the Board	\$ 12,386,769
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Total Available for Distribution By Specific Allocation	\$ 15,037,269.90	Or	\$ 15,081,461.90
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*This projection is an estimate and will not be finalized until the Article V - Revenue Estimating Conference meets on July 18, 2019

** The Statwide Average is based on all FTE divided by total personnel costs

*** The County Average is an estimate based on positions that would be considered in courtroom and excludes admin positions.