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Minutes of September 20th CCOC Budget Committee Meeting

Approved at the Budget Committee meeting held on September 26, 2019

The Budget Committee of the Clerks of Court Operation Corporation (CCOC) held a meeting via WebEx on September 20, 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 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 workshop was called to order by Clerk Ken Burke, Chair of the Budget Committee. Jason Welty, CCOC Director of Budget & Communications called the roll. Prior to the meeting, Clerk Butterfield, Clerk Bock, and Clerk Green notified CCOC staff that they had conflicts and would not be able to join the call.

Present for meeting conference call: Clerk Burke, Clerk Smith, Clerk Bexley, Clerk Childers, Clerk Connell, Clerk Cooney, Clerk Crawford, Clerk Hand, Clerk Kinsaul, Clerk Moore Russell, Clerk Spencer, Clerk Timmann, and Clerk Vick

Absent from conference call: Clerk Butterfield, Clerk Bock, Clerk Godwin, and Clerk Green

2. Agenda Item 1 – Agenda

A motion was made to approve the agenda by Clerk Vick and seconded by Clerk Spencer. Without objection the motion was approved.

3. Agenda Item 2 – Approval of Minutes

The minutes from the July 23, 2019 meeting were presented for approval. **Motion to approve the minutes was made by Clerk Moore Russell, seconded by Clerk Timmann. With no discussion the motion was approved unanimously.**

4. Agenda Item 3 – REC Update

Jason Welty, CCOC Budget and Communications Director, gave an update on the Revenue Estimating Conference meeting from August 7, 2019. They have projected \$431 million for the clerk's CFY 2019-20 budget. This is a \$17.1 million increase over the current fiscal year. EDR and OPB projected an increase in revenue that was less than the CCOC projection and did not project sustained growth. The REC projection is part of the meeting packet on pages 7 through 15.

Clerk Burke thanked Jason and Marleni for their work with the REC and preparing the packet for today's meeting and the workshop to be held on Tuesday, September 24. He also asked for questions regarding the REC update and none were mentioned.

5. Agenda Item 4 – Revision to Distribution Calculation

Clerk Burke asked Jason to explain the next agenda item which is a motion to adjust the previously approved calculation for distribution of the increased funds.

An estimate of what the budget would be was at the July 23, 2019 meeting. The revised estimate is located in the packet starting on page 16. The official REC estimate is approximately \$431 million, the cumulative excess is estimated at \$10 million, and the unspent budgeted funds is projected at \$5.8 million. This gives the Budget Committee approximately \$446.8 million to allocate for clerk's budgets. This is a net increase of \$33.9 million.

These figures were applied to the committee's three step process previously agreed upon, which includes a 3% increase across the board over current fiscal year, an additional amount is acquiring a new judge, and an allocation based on weighted case counts (page 17 of the packet).

The first step, 3% across the board, totals \$12.3 million. The second step for the four counties receiving a new judge is \$240K, and approximately 50% of the balance was allocated for the weighted workload allocation which was \$10.6 million. That leaves a balance of \$10.6 million for specific funding requests unless the budgets are capped at the amount requested in the Original Budget submission which would then allow \$11.5 million to be allocated for special funding requests.

Clerk Burke then addresses the committee regarding the significant increase. For a long time, the clerks were decreasing while other justice partners were receiving increases. This increase makes headway towards bringing back those reductions and still less than the amount clerks had 10 years ago.

Clerks were required to submit a needs-based budget. Clerks were also given the chance to amend their Original Budget requests. After the first three steps, there are still some clerks who will have an amount greater than their Original Budget submission.

A motion was made by Clerk Moore Russell to accept the calculations of the first three steps but cap the budgets to not exceed the Original Budget submission, which was seconded by Clerk Childers.

There was much discussion on this issue. Clerk Cooney did not agree with the cap and said that if the CCOC was going to use weighted workloads then those counties were entitled to the amount the calculation suggested they needed. He felt the individual clerks that would be impacted should have the opportunity to come back and say whether or not they needed the additional amount over their Original Budget Submission.

Clerk Hand agreed that the Clerks that would be capped should be contacted. Clerk Peacock appreciated the sentiments but was concerned that there would be a disconnect between what was submitted as a needs-based budget and what was allocated. He was ok with allocation over what was submitted if there was a process by which the requests were justified.

Clerk Smith agreed with Clerk Peacock because it is an accountability issue. Clerk Cooney thought that if we were going to go ahead with the motion that we have cut off clerks from the opportunity to submit a funding request because it was due weeks ago.

Clerk Burke asked if Clerk Moore Russell would be willing to amend her motion and she was not. She felt that clerks have been asked to give us a needs-based budget and we need to be honest with our process. Clerk Connell agreed with Clerk Moore Russell and doesn't think it is good policy to give a budget that is more than what a clerk has said they needed. Clerk Childers also agreed with the motion and that after this year the process could be addressed as needed.

Clerk Vick spoke regarding items that have cropped up after the budget was submitted. She wanted no prohibition against those from coming before the budget committee if there are funds available. Clerk Moore Russell indicated that there had been ample opportunity to submit a request revised budget or a request for additional funding and Clerk Burke agreed.

Clerk Spencer thought that capping would give money available for incentives or for collections.

Clerk Burke identified all the ways clerks were given the opportunity to change their Original Budget Submission or submit a funding request. Clerk Vick thanked him for making everyone aware that ample opportunity was given. Clerk Hand indicated that knowing this new information she no longer had an objection.

A vote was taken and with only 1 nay, the motion passed.

6. Agenda Item 5 – Budget Allocations

Jason Welty reviewed the spreadsheets that were included in the packet, which begin on page 18. These spreadsheets are the total of the allocation of the first three steps, prior to Specific Funding Requests.

Clerk Cooney mentioned that the Case Counting Workgroup is still working on verifying numbers and the allocation could change before Tuesday's meeting. Jason responded that the latest numbers that CCOC staff is using is from the Case Counting Workgroup.

Clerk Spencer wanted to know how the 3% across the board was developed and Clerk Burke responded that it was a decision of the Budget Committee at a meeting that Clerk Spencer was unable to attend and would send him the minutes.

7. Agenda Item 6 – CCOC and Statutory Requirements

Clerk Burke indicated that there is no requirement for action from the Budget Committee on these reports but the CCOC is statutorily required to report the information. The Budget Committee is not in statute, but the Executive Council is and these reports will be passed on to them for their acknowledgement.

Jason Welty identified the required reports from information submitted on Original Budget Submission as follows (page 21 – 26 of the packet):

- Identify pay and benefit increases, including, but not limited to, cost of living increases, merit increases, and bonuses.
- Identify increases in anticipated expenditures in any clerk budget that exceeds the current year budget by more than 3 percent.
- Identify the budget of any clerk which exceeds the average budget of similarly situated clerks by more than 10 percent.
- Identify those clerks projected to have court-related revenues insufficient to fund their anticipated court-related expenditures (Funded or Depository designation).

A motion was made by Clerk Cooney and seconded by Clerk Smith that the Budget Committee acknowledge the reports as submitted by staff and send to the Executive Council.

Clerk Smith asked if the Committee had a duty to investigate the reasons for the outliers and Clerk Burke indicated that statutorily they were required to identify, but that in the future the Committee should certainly do follow up. He also indicated that there may be adjustments needed in January when final numbers are in. **Clerk Burk asked that Jason take note of the items that need to be addressed post October 1.**

A vote was taken and with no objections the motion was approved.

8. Agenda Item 7 - CFY 2018-19 Juror Management Budget Authority

Clerk Burke asked Clerk Vick to present the next agenda item regarding Jury Management. Clerk Vick indicated that at the Gainesville meeting Jason brought to her attention some improvements that could be made to Jury Budget Authority, the distribution of jury funds, and to be sure there is a clear process for all clerks going forward. We want to make sure that the \$11.7 million appropriated from State General Revenue is distributed equitably to all clerks and that if there is money on the table that it is used by clerks who need it.

There were no questions regarding the material that was presented.

Jason explained agenda item 7a – Jury Management Budget Authority adjustment, which would adjust 35 clerk’s current year budget authority so that they can expend the dollars they have already received from JAC (page 28). A new letter would be sent to each county. No dollars over the \$11.7 million that is appropriated will be spent.

A motion was made by Clerk Vick, seconded by Clerk Kinsaul with no opposition the motion was approved.

Agenda Item 7b is the modification to the CFY 2019-20 Jury Budget Authority which the recommendation is based on a three-year historical average. It does not anticipate issues that may arise from sudden excess jury trials (pages 30-31). The second part would be to allow the Workgroup to continue their work, and the third issue would be to allow a line for jury expenditures to be added back to the EC form. Clerk Vick identified these three items as the mechanics of the management of jury funding.

Clerk Vick made a motion to adjust the CFY 2019-20 Jury Management Budget Authority as outlined in the staff recommendation, allow the Workgroup to continue their oversight of the Jury Management Funding process, and to approve changes to the EC for regarding jury. This motion was seconded by Clerk Smith. With no objections, the motion was approved.

Agenda Item 7c – Jury Management Policy Guidelines is a draft memo that will be sent out to all clerks regarding jury management funding policy. Clerk Vick indicated that the jury funding could not be used for CCOC expenses and that if jury management expenditures exceed jury management funding, then the CCOC funding must be used.

Clerk Vick made a motion to approve the memo as outlined in the packet and submit to the Executive Council with a second by Clerk Childers. With no objections the motion was approved.

9. Agenda Item 8 - Approval Criteria for Funding Requests

Clerk Burke asked for CCOC staff to provide an update on this item and reminded the Committee that any monies not allocated through this process would be distributed back to all clerks.

Marleni Bruner reviewed the logistics of the meeting, the scheduling process, and the request that counties submit their supporting documentation or presentation items to CCOC staff so that it can be included in the packet. Several committee members will be online attending the meeting via WebEx and several will be presenting their Funding Requests via WebEx.

Clerk Cooney asked about the lack of available slots and no time allotted to making decisions. Jason Welty mentioned that there is a WebEx for Thursday the 26th for making decisions on the requests heard on Tuesday. The Budget Committee agreed to move the meeting to 9 AM to have some discussions on philosophical concepts.

Clerk Burke wanted a criteria sheet for the members to review while going through presentations. Jason reminded the committee that he sent the requests as he had them out to the committee members so they could begin looking at the requests and start getting ideas about the questions they may have. He also described a Weighted Workload Benchmark Budget that he was working on for the committee.

Clerk Burke declined the spreadsheet and wanted to know with each funding request, what the problem is being solved with the additional funds. Will it enhance revenue to the trust fund? Does it solve technology issues that would provide efficiencies? Enhance collection efforts?

Clerk Cooney suggested basic questions to ask each clerk. Clerk Burke asked if he would work with CCOC staff to develop those questions and provide as part of the packet. Jason provided a rundown of the major asks that have been submitted such as personnel and FTE, IT, collections/compliance, restore county-supplemented funding, etc.

Clerk Burke wanted to wait until hearing from all presenters before making decisions on where the priorities for funding should be topically.

Clerk Crawford reviewed various requests and questions the legality of CCOC funding and its use for some of the requests. He asked to have Joe Boyd, CCOC General Council, to review the legality of the requests, regarding what the county must pay for and what the clerk court-related can pay for. While there is money available to restore some deficits, he does not want to come in conflict with the legislature to make we get this right. John Dew, CCOC Executive Director, has had a meeting with Joe Boyd already and is currently reviewing the requests and will have that information at Tuesday's meeting.

Clerk Kinsaul wanted to know if the Weighted Workload Benchmark Budget would have the breakdown of the cost per case and was told by Jason Welty that it did. He

felt that the legislature focuses on our expenditures as well as revenues. With so many requests for personnel and FTE he thought that how a county fell in their peer group would be an important criterion. He also wanted to know if the budget committee would set a reserve.

Clerk Burke indicated that the current year has already decided that anything unallocated would be distributed to all clerks. He also felt that the legislative team at CCOC and FCCC would need to weigh in on the issue of a reserve and getting that through the legislative budget process. Clerk Kinsaul didn't want to fund a lot of FTE's and the revenue comes in under and then cuts are being made.

Clerk Timmann wanted to make a comment to Clerk Crawford's point and requested that CCOC staff reach out to clerks who may have submitted a questionable Funding Request so that they can be prepared when they come before the Budget Committee on Tuesday, as they may have their own legal opinion.

Mike Murphy from Orange County indicated that Clerk Moore Russell wanted to know if the request was a part of their Original Budget Submission or if it was a unique issue. Clerk Burke requested that be added to the question list.

Clerk Kinsaul asked if the Child Support Reimbursement could be looked at if it is a county funding and be reviewed by Joe Boyd.

Clerk Burke asked for any comments, questions, from the public. Hearing none, Clerk Burke adjourned the meeting.
