



## Minutes of May 27<sup>th</sup> CCOC Budget Committee Meeting

Approved at the Budget Committee Meeting held on July 8, 2020.

The Budget Committee of the Clerks of Court Operation Corporation (CCOC) held a meeting via WebEx and in person on May 27, 2020. An agenda and materials were distributed prior to the meeting and posted on the CCOC website on the Budget Committee page: <https://flccoc.org/committees/budget/>. 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 JD Peacock, Chair of the Budget Committee. Marleni Bruner, CCOC Senior Budget Manager called the roll.

On Call for meeting: Clerk Peacock, Clerk Smith, Clerk Bexley, Clerk Burke, Clerk Butterfield, Clerk Childers, Clerk Cooney, Clerk Crawford, Clerk Forman, Clerk Godwin, Clerk Green, Clerk Hand, Clerk Kinsaul, Clerk Russell, Clerk Spencer, Clerk Timmann, and Clerk Vick.

Absent from call: Clerk Bock and Clerk Connell

### 2. Agenda Item 2 – Approve Agenda

**With no adjustments to the agenda, it was approved without objection.**

### 3. Agenda Item 3 – Approval of Minutes from 2/19/20 Meeting

Clerk Peacock noted that some changes needed to be made to the minutes. The noted changes were Clerk Burke's attendance as he was listed twice under attended and absent. Clerk Burke was present and Clerk Bock was absent. Clerk Smith pointed out that he asked a question and the answer was not being included in the minutes.

**Clerk Peacock asked the committee members to delay adoption of the minutes until the next meeting so CCOC staff can make appropriate corrections. There were no objections.**

### 4. Agenda Item 4 – Case Counting/Business Rules Workgroup Report

Clerk Cooney presented three items for approval from the council. The first item is to approve new clarified business rules, the second item is to update reports as needed, then send them to CCOC, and the third is to continue the workgroup and their work for the fiscal year.

**A motion was made by Clerk Cooney to adopt the three action items and seconded by Clerk Burke.**

Clerk Burke asked for clarification about eliminating the guardianship from the Business Rules. Clerk Cooney confirmed that professional guardians must file with clerks and would not count yearly as a case count.

Clerk Russell asked if there are specific dates that CCOC will be expecting updates from the odyssey counties. Clerk Cooney said after the end of fiscal year because they are just configurations, not reprogramming.

**The motion was approved with no objections.**

Clerk Cooney stated that there is a workgroup made up of members from across the state. He recognized these members and thanked them for all their hard work.

5. Agenda Item 5 – CFY 2019-20 Operational Budget Update

Clerk Peacock started off by explaining corrections that were made to the layout of the Operational Budget. He then opened the floor to any committee members who had questions or concerns regarding the Operational Budget for CFY 2019-20.

Clerk Burke identified confusion in the budget and explained how it should really look. Clerk Childers thanked staff members for identifying the commonly seen errors. Marleni Bruner explained that these corrections and suggestions will be taken into consideration for next year's budget forms.

6. Agenda Item 6 – 2020 Legislative Session Update

Clerk Peacock stated that this report is for informational purposes. No committee members expressed any questions or concerns.

7. Agenda Item 7 – CFY 2019-20 Budget Update

Clerk Peacock started out by summarizing the year. He said the year started out great, then the world turned upside down with COVID-19. He then turned it over to Jason Welty for more explanation. Jason began by thanking everyone for their work during this time. He stated that the projected reduction/shortfall will be about \$35,079,811.38.

Clerk Peacock shared his thoughts then opened discussion as to what this means for the next 3-4 months. Clerk Butterfield asked for clarification on the last column with

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projected statewide revenue, if \$382.7 M local collected revenue were based on assumptions. Jason Welty clarified that she is correct. She stated that they have no idea what June, July and August revenues will look like. The current projection for those months is \$382.7 M but that number, compared to Budget Authority which is \$446.8 M, the difference in those numbers is \$64.1 million short. Clerk Butterfield stated the \$35 million potential reduction would be larger without the \$29 million reduction in expenditures. Jason Welty reiterated the unprecedented lack of visibility due to the unknown fact of how law enforcement or the judiciary will react. Clerk Butterfield stated that this will put us at zero for the start of CFY20-21.

Mike Murphy from Orange County commented about the \$29 million being the money we need to start the next year. Jason Welty stated that this money is from depository counties. Clerk Peacock responded by saying its not a reserve that can rescue us.

Clerk Burke agreed with Clerk Butterfield. He stated that the FCCC should work on the workload issue – trial court, small claims, etc. Clerk Butterfield, Clerk Peacock, and Clerk Green all agree with Clerk Burke. Jason Welty stated that staff at CCOC have started working on revenue projections using case count numbers. He referred to Orange County for their revenue enhancement model that CCOC used in the process which will now be used in the future.

Clerk Peacock stated that we need to act and should recommend a cut if we were not getting funding from the Governor. Should funding come through, cuts would then be restored. He mentioned one of the goals they need to keep in front of them is considering how to keep clerks cash solvent. He stated we need to give some clarification on a statewide interim short-term solution. He wanted to give clerks some direction on what the next 4 months will look like.

Clerk Butterfield told Clerk Peacock she understood where he stands because of the uncertainty being dealt with. She stated we cannot do everything we need to do because of the situation at hand. Clerk Peacock obtained a copy of the framework done by the PIE Committee. He questioned what the critical due process would be. He stated we need to determine what is non-critical and can be put off until another time.

Clerk Green mentioned the unknowns will need to be collected as well. She also brought up a timing issue. A timeline needs to be created so that impacts won't be as harmful. Timing of the decision to take a reduction is very critical. Clerk Peacock stated that the Executive Council will have to adopt those decisions. He brought up that budget cuts will be necessary, and those cuts would be coming soon.

Clerk Butterfield agreed. She stated its not a matter of taking longer to do things but rather what absolutely cannot be done when facing budget cuts. Clerk Timmann agreed with Clerk Butterfield on prioritization, community recovery and due process rights. She stated we need to find a good balance for all these things. This will have a severe impact on all the clerk's offices.

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Clerk Smith discussed even cutting people still costs them money due to unemployment. He mentioned that no one should forget the benefits, unemployment, etc. Clerk Peacock stated that the council needs to consider a budget cut. He said it is an opportunity to recognize the lack of revenue to pay for expenses. Clerk Peacock stated that if/when we got a commitment or solution, we can get the action reversed.

Clerk Kinsaul asked for clarification on what Clerk Peacock was recommending. Clerk Peacock stated that clerk's need to recognize there is a deficit. Clerks need to prepare themselves and their offices for this without a specific amendment to their budget. The committee will still have to come back sooner or later with a real cut to current year budgets.

Clerk Colonnese brought to attention the fact that for their office to get caught up on the backlog of work during COVID closures, they would need to work extra hours. However, adding a cut will take them even longer due to a 40-hour max workweek. Clerk Peacock agreed with her completely. He mentioned that no one really had any answers for that. Some cases are more critical than others and they will eventually have to be dealt with.

Clerk Doggett weighed in by suggesting that clerks who reduced expenditures get credit for that when looking at cuts. Clerk Peacock stated that the cut to all 67 budgets needed to be done equally. Clerk Cooney stated that some clerks heeded the warnings and those that didn't will have to deal with it. Clerk Doggett disagreed. She stated that cost savings only allowed them to do so much, if you cut the budget, it hurt furloughed employees.

Clerk Butterfield believed that all clerks did investigate their budgets and truly reviewed them. Some didn't slow down, but others had no work. She stated that workload is different for each county. Clerk Smith agreed with Clerk Butterfield by stating that were all in this together. He stated by looking at who brought in revenue, would leave the committee here all day.

Clerk Peacock suggests we agree to adopt the current forecast indicates a 7.84% deficit, and a \$35 million shortfall of revenue to expenditure. Then allow the council to decide on the timeline of when we must make a final decision on cuts. He mentioned they don't need a formal adoption motion because they aren't asking for Executive Committee action.

#### 8. Agenda Item – CFY 2020-21 Outlook

Clerk Peacock began explaining that in February 2020, the committee discussed their path going forward regarding the base budget for CFY2020-21. He requested the committee adopt this base budget to move the process forward.

Jason Welty weighed in briefly to explain the presented spreadsheet. CCOC prepared a base budget spreadsheet using criteria voted upon by the Budget Committee at the committee meeting held on February 19, 2020. The spreadsheet breaks down the nonrecurring revenue and provides funding for Tier 1 items, such as FTE support to

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counties receiving new judges. In the past, CCOC required the submission of an entirely new budget each year. The Budget Committee changed this cumbersome process by providing the CFY 2020-21 base budget and allowing each clerk to submit individual issues building on the base budget.

Clerk Cooney agreed with the spreadsheet. He asked if the adopt the spreadsheet, will counties have to submit something to CCOC stating how much they have for an initial budget. Clerk Peacock responded by stating due to the COVID-19 issue, the entire timeline was pushed back. He believes if the committee chooses to adopt this base budget, they have complied with the June 1 deadline.

Clerk Frank asked Jason what the REC is doing. Jason responded by letting her know they are getting the same data the rest of us are. They are looking at likely increases in case filings, specifically foreclosures, small claims, etc. Clerk Frank told him she was still concerned with how things will be done.

Clerk Peacock asked Jason what the numbers will come in as. Jason responded by letting them know they are still evaluating everything coming in.

**Clerk Kinsaul motioned to adopt the spreadsheet and Clerk Childers seconded the motion. The committee adopted the motion unanimously.**

#### 9. Agenda Item 9 – Budget Forms

Clerk Peacock explained the requested budget forms. Seeing no questions or comments, Clerk Peacock requested the adoption of the Budget Forms by consensus of the committee. **With no objections, the forms were adopted.**

#### 10. Agenda Item 10 – Budget Training

Clerk Peacock stated that Marleni will take the decisions made today and develop training components. The training will be via WebEx. Information will be sent out statewide when training is finalized.

#### 11. Agenda Item 11 – Driver’s License Reinstatement Events

Clerk Peacock reminded the committee that the PIE Committee revised the rules for the Driver’s License Reinstatement Days. They will be working with FCCC for coordination of these events. He stated the Budget Committee will not need to act on this item. He asked if anyone had any questions, in which no one did.

#### 12. Agenda Item 12 – Other Business

Clerk Peacock opened the floor to anyone who had any other business; however there was none brought forward.

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13. Agenda Item 13 – Public Comments

Clerk Peacock added this subject for people from the public to have an opportunity to make comments or ask questions; however, there were none made. Clerk Peacock informed everyone on the call that the next Budget Committee meeting would be in early July as that would give another month of EC and Interim Revenue reports. If there are any other dramatic changes an emergency meeting could be called.

Clerk Peacock thanked the CCOC staff and the meeting was adjourned at 3:40 PM

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