

**FLORIDA CLERKS OF COURT OPERATIONS CORPORATION**  
**June 26, 2020 1:00 PM EST**  
**EMERGENCY EXECUTIVE COUNCIL MEETING**

MINUTES APPROVED AT 9/29/20 EXECUTIVE COUNCIL MEETING

**Via WebEx and Conference call**

The June 26, 2020 meeting of the Executive Council of the Florida Clerks of Court Operations Corporation (CCOC) was called to order by Executive Council Chair JD Peacock at approximately 1:00 PM. Clerk Crawford began the meeting with an invocation. Clerk Peacock called the roll. Council Members present during the meeting were the Honorable Peacock, Clerk Smith, Clerk Moore-Russell, Clerk Butterfield, Clerk Crawford, Clerk Newton, Clerk Roth, Clerk Ruvin, Clerk Ficarrota, Clerk Colonnese, John Dew (Executive Director).

**INTRODUCTION AND AGENDA APPROVAL**

Clerk Peacock began by stating that an emergency Executive Council meeting requires a motion for the meeting and to adopt the agenda. Clerk Newton made the motion to hold the emergency meeting and approve the agenda which was seconded by Clerk Colonnese. Clerk Peacock then asked if anyone had any discussion or objections to the meeting or agenda. Seeing no objections, motion passed unanimously.

**PROPOSED BUDGET REDUCTION**

Clerk Peacock asked Jason Welty, CCOC Budget and Communications Director, to provide an overview and explanation of the Budget Reduction Revision spreadsheet. Mr. Welty thanked everyone for their presence and feedback upon his release of the budget scenario spreadsheet. He recalled the great historical significance of the COVID-19 pandemic, and its groundbreaking impact on the economy. He spoke about the collections across the state observing a significant decrease, specifying two months collecting only \$21.5 million, the lowest in CCOC budget history. While the June revenues look better, the situation of the pandemic continues to remain fluid, giving no clear guidelines as to what can be expected in the future. Mr. Welty states that we are observing a shortfall of likely \$60 million, come August, providing over a 13% budget shortfall for this county fiscal year.

Clerk Peacock called for questions from Executive Council members. Clerk Roth asked Mr. Welty for clarification regarding the true budget cut that the Clerks will find in their internal offices. The budget cut is absorbed in the last quarter, which would increase Clerk Roth's true budget cut to 42.7%. Clerk Peacock responded, validating Clerk Roth's concern that the fourth quarter cut will dramatically impact the Clerks' budgets. Clerk Peacock recognized the offices that have found ways to cut the budget, to say that those offices will feel less of an impact in the fourth quarter. Mr. Welty explained that this pattern occurred based on each clerk's budget authority number and spending patterns. Clerk Peacock stated that nearly 90% of each clerk's budget is compiled of personnel, and because of that, it is nearly impossible to make a 40% budget cut.

Clerk Butterfield mentioned that the fourth quarter starts on July 1<sup>st</sup>, and regardless of one clerk's spending habits, the budget cut remains widely dramatic. The budget cut would impact all Clerks' ability to provide services, greatly concentrated in a three-month period.

Clerk Moore-Russell added that certain Clerks have received word from their respective counties that they will obtain financial assistance. Clerk Moore-Russell asked if or how this will be considered in planning the intricacies of the budget itself, upon cuts. Clerk Peacock replied stating that CCOC holds a great responsibility to serve all counties, and before considering the impact of each county's commitment to their Clerks, a decision needs to be made regarding the budget. Clerk Moore-Russell pointed out that it is difficult for her to explain to her County that she is in need of financial help from the county when at the same time as a Surplus Clerk she is sending up excess revenues to the CCOC Trust Fund. Clerk Peacock stated that a conversation regarding county contribution to Clerks must occur with the entire Budget Committee, to help all understand the impact it will have on each county's financial state.

Clerk Newton commented that court functions are supposed to be funded through the State. He stated that this situation has brought to light how broken the system has been regarding the way courts have been funded. He stated that while there is no solution right now, we must keep working toward a solution. Clerk Peacock replied reminding that court related duties are State functions and commented that it is hard to remain a team-player when there is lack of funding. He mentioned the struggle of stability within the court, in relation to time related situations. He stated that advocating for a financial stability model is incredibly important to move forward. He noted that the communication from the staff of the Governor's Office, the budget office, our legislative partners has been great through this as they are all reaching out and trying to understand. Where we are today however is that we just have not gotten a commitment to resolve the problem. Creating a budget for the following year, utilizing some sort of reserve, and communicating properly needs to the State office will aid the CCOC in moving forward.

Clerk Ruvin acknowledged the challenges occurring due to the global pandemic. He recognized that looking at available revenues, problems have been created out of nowhere. The pressure must now be put on the Governor as we provide statewide services, he stated. Clerks have started making their cuts to make the budget cut percentage, but this cut cannot be done alone. He stated that each day waiting for help from the Governor is another day in which the budget erodes quickly so he needs to decide now.

Chair Smith agreed with the previous statement made by Clerk Newton and understood Clerk Moore Russell's point. He said that all counties must receive, or strive to receive funding from their county government, as Clerks must work hard to make ends meet right now. Clerk Peacock agreed, stating that Clerks must do all they can to get by.

Clerk Crawford stated that he is really grappling and explained that if temporary solutions continue to pop up, they will fall through eventually. This situation is an ongoing situation and will not disappear one day. In making the right decision, Clerks must make long term decisions. Clerk Peacock then asked if any other Council members wanted to weigh in. Then,

he opened the floor to anyone on the call, as there were no Council members wanting to weigh in.

Clerk Green, as FCCC newly elected President and Clay County Clerk, commented that in making cuts to the budget, Clerks are required to cut jobs, and therefore, people, from the staff. As the court and citizens return to normal, dollars are translated to true dollars. She stated her extreme concern with the next quarter, but also the domino effect that will take place going into the next fiscal year.

Clerk Kinsaul, Bay County Clerk, agreed with Clerk Moore Russell's previous comment, and its great impact on the surplus counties. He stated that he has held 12 years of frustration with this budget process. Although his county was prepared for a 9% cut, a 13% cut has shattered his original data findings. He mentioned that a hybrid of the state and county budget processes might be helpful moving forward. To meet this number will require laying off many staff members and going to the county commission will be a hard thing to do in asking them for more money considering we are sending in excess funds to the CCOC Trust Fund.

Clerk Kinzel, Collier County Clerk, agreed with Clerk Kinsaul in the overwhelming frustration as a surplus county. She stated that it is hard to defend the request for more money from her county when there is a healthy flow of revenue. She stated that some months, she might end underfunded, when there is a revenue surplus by nature. Clerk Kinzel stated that the Executive Council must act now and move forward.

Clerk Daughtery, Desoto County Clerk, thanked everyone for their work. She agreed with Clerk Ruvin's comment earlier that we need a response from the Governor's office now. She stated that as we demonstrate that we take this deep of a cut, but continue to somehow do our jobs, the State will believe we are just crying wolf. I don't believe they will hear our message if we keep figuring it out when it is their responsibility to fund us properly.

Clerk Ellspermann, Marion County Clerk, agreed with Clerk Ruvin that the issue needs to be addressed. He stated that he will not go to his county and ask for dollars, as this is a state revenue and not county problem. He stated that he has worked with the budget cuts, and closed offices one day a week to adjust. In doing so, he salvages the salary at stake for the budget. He asked, if a Clerk chooses to do so, will the Council be in support of closing offices? Clerk Peacock responded saying that it is indeed a state responsibility from a funding standpoint, but as each Clerk is individually elected, they must make independent decisions on how to react. Due to that statement, he said he does not see the Council weighing in on the ways in which Clerks adjust operations for budgeting purposes. Moving forward, the CCOC will collect information on how each Clerk reacted to the budget cut to communicate to the Governor and Legislature what has happened independently from county to county. He encouraged that each Clerk creates a way to support their community.

Clerk Ruvin explained that the COVID-19 global pandemic has been the root of these budget cuts. He said that he's gone to his county but has received little to no assistance. He asked if we have considered applying for the CARES Act as a remedy. Clerk Peacock explained that

they have certainly investigated the CARES Act, and far beyond that for funding. He stated that this might not be the proper form now for funding, regarding legal interpretation.

Clerk Baker, Lafayette County Clerk, asked what amount of revenue was sent back to the State. Mr. Welty explained that \$5 million was sent back last year from revenues. Clerk Baker then asked a follow up question regarding the CARES Act, wondering if there is an administrative fee Clerks could receive if they are helping receive and administer CARES Act funds. Clerk Peacock said he was unsure but will make note of the question.

Clerk Chorvat, Hernando County Clerk, stated that this task has been very challenging. He mentioned that it is wrong that the Clerk have not had the ability to have a reserve or set aside for the kind of problems we are facing.

Clerk Alvarez, Pasco County Clerk, stated that COVID-19 has magnified the broken funding model system within the Clerk community. Conflict arises with terms such as funded counties, surplus counties, etc. Clerk Alvarez said that the county is providing funds for the court that the State should be funding. She stated that courts are at a deficit as far as reserves and this is a problem for us.

Clerk Roth stated that the fault is not on the counties, but the needs shown are on the State side. The budget cuts necessary are going to devastate the staffing numbers, which is not something counties want to do. The State is responsible for this budget deficit and suggested that the Council could use an update from the State to see what their plans are. Clerk Peacock states that he is sure that the State understands their financial hardships in this time. He stated they recognize the severity, but he is unsure they can do anything to adjust greatly.

Clerk Peacock concluded that the final estimate of budget deficit is a 13.1% cut to the overall budget.

**Clerk Butterfield motioned to implement the budget cuts, as presented on the spreadsheet, and that the Council allows the CCOC to adjust the spreadsheet as needed. Clerk Smith seconded that motion.**

Clerk Peacock acknowledged how challenging these decisions are to be made. He called the question to vote.

**The motion is adopted by verbal vote.**

Clerk Peacock stated that this issue will now be moved back to the responsibility of the Budget Committee. All are welcome to attend the Budget Committee meeting to provide any insight, said Clerk Peacock.

## **OTHER BUSINESS**

There was no other business.

Meeting was adjourned at 2:28PM.