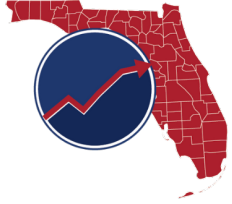


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Minutes of February 9, 2023, Budget Committee Meeting

Committee Action: Review and approve the minutes with amendments, as necessary.

The Budget Committee of the Clerks of Court Operations Corporation (CCOC) held a meeting on February 9, 2023. 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**.

Agenda Item 1 – Call to Order and Introduction

Clerk Tiffany Moore Russell, Chair of the Budget Committee, called the meeting to order at 1:08 PM. The meeting was turned over to Rafael Ali, CCOC Budget Manager I, to conduct roll call. Mr. Ali called the roll.

Present via WebEx: Clerk Tiffany Moore Russell, Clerk Greg Godwin, Clerk Joseph Abruzzo, Clerk Ken Burke, Clerk Stacy Butterfield, Clerk Pam Childers, Clerk John Crawford, Clerk Nadia K. Daughtrey, Clerk Tara S. Green, Clerk Bill Kinsaul, Clerk Crystal Kinzel, Clerk Grant Maloy, Clerk Brandon Patty, Clerk Donald Spencer, Clerk Cindy Stuart, Clerk Carolyn Timmann, Clerk Angela Vick.

Absent from meeting: Clerk Nikki Alvarez-Sowles, Clerk Tom Bexley, Clerk Gary Cooney, Clerk Brenda Forman, Clerk Carla Hand, Clerk Clayton Rooks, II, Clerk Rachel Sadoff.

Agenda Item 2 – Approve Agenda

A motion was made to approve the agenda by Clerk Maloy and seconded by Clerk Vick; the motion was adopted without objection.

Agenda Item 3 – Approve Minutes from 12/5/22 Meeting

Chair Russell presented the minutes of the December 5, 2022, meeting to the committee.

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.

A motion was made to adopt the minutes by Clerk Childers and seconded by Clerk Kinsaul; the motion was adopted without objection.

Agenda Item 4 – Approve the New Judges Calculation – Funding Methodology

Chair Russell called on Mr. Kolchakian to present the funding methodology options for the new judges funding calculation. Mr. Kolchakian stated that this is the funding piece to go with the FTE calculation that was approved at the December Budget Committee meeting. Mr. Kolchakian stated that the first option is the statewide average of salaries and benefits. This would be calculated using the Operational Budget submissions excluding the elected clerk. For CFY 2021-22, this calculation would total \$65,775. The second option would be the salaries and benefits average by county, also calculated using the Operational Budget submissions excluding the elected clerk. Mr. Kolchakian stated that, whichever option the committee approves, this calculation can be updated each year with the current Operational Budget data. The advantage of using the statewide average is that it is simple and uniform when requesting the Legislature's consideration. Mr. Kolchakian stated that this formula will be used to request additional State funding from the Legislature if new judges are certified. The Supreme Court did not certify any new judges for this year.

Clerk Kinzel supports the second option because she believes the statewide average will overfund some offices and underfund others. Clerk Butterfield supports the statewide average because it shows uniformity. Clerk Burke asked if the judiciary allocates the same amount of funding per position for all counties. Mr. Kolchakian stated that the courts presented to the workgroup on how they fund positions associated with new judges but could not recall the exact methodology. Clerk Burke stated that this is not a pressing issue for the committee and that he is okay with tabling it for now. Clerk Burke stated that the more consistent we can be with our request the better. Clerk Kinsaul stated that the reason the CCOC was created is that each clerk is different. Shannon Ramsey-Chessman stated that the courts have a uniform pay plan for all court positions statewide except for monthly stipends in certain counties, including JA positions. Clerk Kinzel stated that Collier County's calculated amount is \$73,000 and the statewide average is \$65,000, so Collier County would receive less funding if the statewide average is used. Clerk Kinzel stated that Collier County is already being subsidized \$500,000 by the county.

A motion was made to implement the average cost by county by Clerk Kinzel and seconded by Clerk Kinsaul; the motion failed.

Chair Russell opened the floor for discussion on the motion. Clerk Butterfield stated that she is leaning towards following the court's model because it would be more consistent. Clerk Green commented that if we factor in AOs in a particular county, it would require an additional position. Clerk Vick agrees with Clerk Burke to table this issue because it's not something that needs to be applied this year. Clerk Timmann stated that the committee needs to consider local AOs because her office is required to have a clerk in every courtroom proceeding. Clerk Stuart asked if it is possible to

have the funding conversation when a new judge is actually certified. Chair Russell stated that the goal is to get this figured out by the time the request for new judges is submitted. Clerk Burke stated that if we do multiple different averages versus doing a statewide average, that could raise a lot of questions from the Legislature. Clerk Burke stated that we are trying to obtain State appropriated funds that we have never received before. He stated that, given that the courts are going to come in with a very simple request, if the clerks submit a very complex funding request, complex usually does not work when asking for additional funding. Clerk Kinzel mentioned to Clerk Burke that his county is under the statewide average amount of \$65,000. Clerk Kinzel stated that it does not need to be complex and that Mr. Kolchakian has already averaged out the cost per county. Clerk Kinzel commented that the clerks that support the statewide average do so because their calculated cost is less than the statewide average. Clerk Patty agreed with what Clerk Burke said about the less complex it is the better because, if we go to the Legislature with a complex proposal, it could get denied. If we submit a simple request, we have a greater chance of getting what we are asking for. Clerk Patty stated that he doesn't think that his county would win with the statewide average amount, but he wants to remain realistic about what will work. Clerk Timmann also commented that a simple request has a greater chance to be approved. Clerk Kinzel stated that going with simplicity will cause half of the clerks to lose and that we won't be able to go back and request additional funding at a later date. Clerk Patty stated that point of view is very short-sighted, and if we can get something, let's get something. He is willing to table this discussion for now.

A motion was made to table this discussion until we get additional information by Clerk Burke and seconded by Clerk Butterfield; the motion was adopted with Clerk Kinsaul and Clerk Kinzel voting nay.

Agenda Item 5 – Revenue and Expenditures Update

Chair Russell called on Mr. Kolchakian to give the revenue and expenditures update. Through the first four months of the fiscal year, clerks collected just under \$140 million which is \$2.1 million under the year-to-date REC projection. Through the first three months of the fiscal year, clerks' expenditures totaled \$95.5 million. Mr. Kolchakian stated that the REC is meeting on Monday, February 20th to project updated revenues leading up to legislative session.

Agenda Item 6 – Approve Updated Funding Issues Request Forms

Chair Russell called on Mr. Kolchakian to present the updated Funding Issues Request Forms. Mr. Kolchakian stated that during the annual budget development process, each clerk submits their budget requests to the CCOC for any item they would like funded over their current CCOC budget. This submission includes three forms: the Budget Issues Request spreadsheet, the Revenue Projections spreadsheet, and the Certification Letter. These forms are included in the meeting packet for review. Mr. Kolchakian stated that the only changes to the Budget Issues Request spreadsheet from last year's form include combining the 'Efficiencies' and 'Performance Measures'

issue categories and streamlining the issues detail request box. The Revenue Projections spreadsheet and the Certification Letter are the same as last year. These are the forms that are statutory due on June 1st. Clerk Kinzel made the recommendation to add language to the Certification Letter that the budget being submitted is a balanced budget.

A motion was made to add wording that the budgets that are submitted must be a balanced budget by Clerk Kinzel; the motion failed to get a second.

A motion was made to approve the Funding Issues Request Forms as presented by Clerk Vick and seconded by Clerk Maloy; the motion was adopted with Clerk Kinzel voting nay.

Agenda Item 7 – Establish Reserve Fund Calculation for CFY 2023-24

Chair Russell called on Mr. Kolchakian to present the reserve fund calculation for CFY 2023-24. Mr. Kolchakian stated that, in 2021, the Legislature established the clerks' reserve fund. That year, the Reserve Fund Workgroup led by Clerk Smith created the Reserve Fund Policy which is included in the meeting packet. During the past two years, the committee funded the reserve at the statutorily-required minimum of 10% of the clerk's share of the Cumulative Excess, but the committee has the ability to increase this amount if it chooses to do so.

A motion was made to approve the 10% calculation for the reserve fund by Clerk Maloy and seconded by Clerk Vick; the motion was adopted without objection.

Clerk Vick commented that she is not sure if the jury funding discussion belongs in Agenda Item 7 or Agenda Item 8. Mr. Kolchakian believes the issues are separate, and jury can be addressed in Other Business.

Agenda Item 8 – Additional Cumulative Excess Budget Discussion

Chair Russell stated that, to build this year's budget, the committee used the projected Cumulative Excess as estimated by the REC since the fiscal year was still ongoing. However, we actually collected \$1.1 million more than the estimated clerks' share of the Cumulative Excess. Once the statutorily-required 10% goes into the reserve fund, that leaves just over \$1 million of additional Cumulative Excess funds available. Chair Russell stated that there are two options on how the committee can handle these funds. The first option is to roll the \$1 million into the available CFY 2023-24 budget total; this is what the committee did last year with these funds. The second option is to roll the \$1 million into the clerks' reserve fund. Chair Russell stated that any decision that is made today can be revisited in the future, if needed. Clerk Vick raised the jury reimbursement funding issue, including the potential shortfall as well as the legislative request to increase the \$11.7 million recurring appropriation. Clerk Vick asked if we could table this discussion until we see what the impact of the projected jury funding shortfall will have on the clerks' Revenue-Limited Budget. Clerk Daughtrey asked if it

would be difficult to distribute the \$1 million quickly if the Legislature does not provide additional jury funding. Mr. Kolchakian stated that last year the committee chose to use the \$1 million of the same funding to build this year's Revenue-Limited Budget, so in a way that \$1 million is helping us handle these potential overages this year. We have the opportunity to do the same thing we did last year with this \$1 million to address any potential shortfalls we may face next fiscal year. Mr. Kolchakian mentioned that there is a way to distribute that \$1 million across the 67 counties this year, if needed; however, that would mean that we would have two years of additional Cumulative Excess dollars in the same year. If the REC comes back and projects that we have the same amount of revenue or less as we do in the current fiscal year, then we would not have this funding available to help alleviate a shortfall next fiscal year. Clerk Patty asked if there was a deadline for deciding how to use this funding. Chair Russell answered that we could address this issue at the committee meeting in April. Clerk Karnes stated that it could be beneficial to notify the chief judge of the potential shortfall in jury funding so they can factor that into possible jury trials for the rest of the fiscal year. Clerk Vick stated that this should be tabled to see where we are at the end of April and then revisit this issue at that time.

A motion was made to table this issue until the April committee meeting by Clerk Vick and seconded by Clerk Daughtrey; the motion was adopted without objection.

Agenda Item 9 – Establish 2023 Budget Committee Workgroup

Chair Russell stated that, prior to this meeting, committee members had the opportunity to request the creation of a workgroup to address any budget issue or topic by filling out the blank form sent out prior to the meeting. Only one form was submitted. Included in the meeting packet is the proposed Statutory Compliance Review Workgroup that will review sections 28.35, 28.36, and 28.37, Florida Statutes, to evaluate the CCOC and the Budget Committee's compliance with these sections of law. Chair Russell stated that this workgroup is being created to address this issue that has been raised by Clerk Kinzel at previous committee meetings as well as to ensure that the work of the CCOC and the Budget Committee complies with statute. The workgroup will provide a verbal report upon its conclusion and will provide a standard educational baseline for all current and future committee members. The workgroup does not seek to change any statutes. If approved today, Clerk Abruzzo will serve as the chair of this workgroup. Clerk Kinzel asked if clerks will have the opportunity to serve on this workgroup. Chair Russell answered that, to comply with Florida's Sunshine Law limitations, the workgroup should be chaired by one elected clerk and any staff that would like to participate. Clerk Kinzel stated that she would like to join the workgroup since she brought the issue forward.

A motion was made to establish the Statutory Compliance Review Workgroup by Clerk Timmann and seconded by Clerk Kinzel; Clerk Kinzel later withdrew her second. Clerk Vick then seconded the motion; the motion was adopted with Clerk Kinzel voting nay.

Clerk Abruzzo informed the committee that he has no problem with having a co-chair. Clerk Kinzel stated that she does not think there is an issue to have two clerks on the workgroup because it is a fact-finding workgroup and a decision is not being made. Clerk Timmann stated that there is an issue with two clerks on the workgroup if the workgroup develops recommendations. Clerk Green asked if this workgroup is clarifying if a particular county is following statute. Chair Russell stated that this workgroup is looking at the Budget Committee and the CCOC, not if an individual county is in compliance. Clerk Green asked what the output or result of the workgroup is going to be. Chair Russell stated that the workgroup will look at the CCOC and the Budget Committee and their compliance with the identified statutes. Clerk Kinzel asked if this workgroup could be advertised as a subcommittee and allow for multiple clerks to participate. Clerk Kinzel stated that she appreciates that Clerk Abruzzo is willing to let her be co-chair but feels that, since she is the clerk that brought the issue forward, it seems like the committee is attempting to exclude her from the workgroup. Clerk Vick agreed that this should be in the form of a workgroup and that, since there could be a recommendation that comes from the workgroup, it is better to stay clear of any Sunshine violations. Chair Russell stated that, as chair of the Budget Committee, she tries to be as fair and inclusive as possible. If clerks have staff that want to participate in the workgroup, please email Mr. Kolchakian.

Chair Russell recognized Clerk Patty to give his recommendation on a potential workgroup. Clerk Patty stated that, to build on the conversation we had at the August committee meeting, the more revenue that we bring in the greater the overall budget we have available to then distribute to the 67 counties. Clerk Patty stated that he is proposing to develop a Compliance Allocation Workgroup that would identify clerk-driven revenue enhancement opportunities. Clerk Patty stated that the clerks that are meeting compliance standards can be rewarded and that a plan can be developed for clerks not meeting standards to help them meet standards moving forward.

Clerk Kinzel asked Mr. Kolchakian if there was a reason why an expenditures column header on the Settle-Up spreadsheet was not changed. Mr. Kolchakian stated that the spreadsheet for this year was already sent out, but we have added it as a recommendation for next year. Clerk Kinsaul agreed that relabeling the column would be a good idea.

Clerk Daughtrey asked where this workgroup will go once it has its recommendation. Chair Russell stated that the workgroup will go back to the Budget Committee. Clerk Patty hopes that this workgroup could develop a proposal for the committee and that the goal is for counties to become balanced counties and maybe even keep some of the additional revenue collected as an incentive. Clerk Patty stated that, when we go to the Legislature, it is important that we can show that we are doing everything possible to ensure that we are collecting the most revenue possible. Clerk Maloy commented that it becomes very complex when you start seeing all the little issues that may come up with compliance. Last year, the Compliance Workgroup developed an updated checklist as well as a proposal of what clerks could do to remain compliant and, if you aren't meeting those requirements, the CCOC could help you get there. Clerk

Green stated that there should be required compliance items that need to be done as well as optional items that can be done based on county resources. Clerk Green stated that we should focus on our statutory ability to negotiate fines. Clerk Green commented that this issue needs a lot more discussion because it is very complicated.

Agenda Item 10 – Other Business

Chair Russell called on Mr. Kolchakian to provide the CFY 2021-22 settle-up calculation update. Mr. Kolchakian stated that the CFY 2021-22 settle-up calculation has been finalized and that 58 counties owed money to the Trust Fund and eight counties were owed funds. CCOC staff has provided this information to DOR to prepare the budget amendment. There is also almost \$15 million in Unspent Budgeted Funds that will be used to build the CFY 2023-24 budget.

Mr. Kolchakian also provided an update on available jury reimbursement funding. Quarter two juror expenditures totaled \$3.5 million, which means clerks have spent 53% of the jury funding so far this fiscal year and that we are likely to run out of funding.

Clerk Kinzel stated that there are counties that did not make the revenue that they initially projected, and they continue to spend budget and now they are getting more money from the Trust Fund. These are issues we must continue to investigate. Clerk Kinzel requested that the column title for total expenditures on the settle-up spreadsheet be changed. Chair Russell asked that CCOC staff make this change and resend out the final spreadsheet.

Chair Russell announced that there is an Executive Council Meeting February 21st in Daytona Beach. Chair Russell also announced the dates and locations for the next Budget Committee meetings, including April 24th at 10:00 AM in the Tampa area, May 25th at 1:30 PM (virtual), and August 3rd at 9:00 AM in Orlando. Chair Russell announced that the first day of Legislative Session is March 7th.

Chair Russell requested that Clerk Cooney provide an update on weighted cases on behalf of the Case Counting Workgroup at the April Budget Committee meeting.

Meeting adjourned at 3:06 PM.
