**Minutes of March 28, 2024, Budget Committee Meeting**

**Approved by the Budget Committee at the meeting held on May 8, 2024.**

The Budget Committee of the Clerks of Court Operations Corporation (CCOC) held a meeting on March 28, 2024. 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 1:30 PM.

Chair Russell introduced Nike Campbell as the new CCOC Budget Manager I.

The meeting was turned over to Griffin Kolchakian, CCOC Budget and Communications Director, to conduct roll call. Mr. Kolchakian called the roll.

Present via WebEx: Clerk Tiffany Moore Russell, Clerk Ken Burke, Clerk Stacy Butterfield, Clerk Pam Childers, Clerk Gary Cooney, Clerk John Crawford, Clerk Nadia Daughtrey, Clerk Tara Green, Clerk Crystal Kinzel, Clerk Grant Maloy, Clerk Clayton Rooks, Clerk Rachel Sadoff, Clerk Cindy Stuart, Clerk Carolyn Timmann, Clerk Angela Vick.

Absent from meeting: Clerk Nikki Alvarez-Sowles, Clerk Tom Bexley, Clerk Greg Godwin, Clerk Brandon Patty.

**Agenda Item 2 – Approve Agenda**

Chair Russell proposed that, since the State’s General Appropriations Act (GAA) had not yet been signed by the Governor, the agenda be amended to remove agenda item #11.

**A motion was made to approve the agenda by Clerk Timmann and seconded by Clerk Daughtrey; the motion was adopted with Clerk Kinzel voting nay.**

**Agenda Item 3 – Approve Minutes from 10/17/23 Meeting**

Chair Russell presented the minutes of the October 17, 2023, meeting to the committee.

**A motion was made to adopt the minutes by Clerk Timmann and seconded by Clerk Vick; the motion was adopted without objection.**

**Agenda Item 4 – Revenue** **Estimating Conference (REC) Results Update**

Chair Russell called on Mr. Kolchakian to provide the REC results update. John Dew and Johnny Petit from the CCOC represented the Clerks at the Revenue Estimating Conference (REC) on December 20, 2023, in Tallahassee. Mr. Kolchakian reported that the REC estimated revenues of $465.1 million for the current fiscal year, which was $6.6 million higher than the previous July estimate. The REC also estimated $467.8 million for CFY 2024-25, which was $5.4 million higher than the previous July estimate. The continued projected increase is partly due to the great work clerks have done in collection efforts statewide, including Operation Greenlight.

Clerk Burke asked what the current year Cumulative Excess projection is at this time. Mr. Kolchakian answered $6.6 million. Clerk Burke asked what the clerks’ share of the Cumulative Excess available to use in the CFY 2024-25 budget was. Mr. Kolchakian answered $14.2 million (before reserve funding is taken out).

Clerk Butterfield asked for confirmation that in next year’s budget the committee has 50% of the Cumulative Excess available to build into the budget. Mr. Kolchakian confirmed the amount of $14.2 million (before reserve funding is taken out). Clerk Butterfield reminded the committee that the current REC projection of $465.1 million does not include the redirects in the clerks’ priority bill.

Clerk Kinzel asked for clarification on an earlier revenue projection of $511 million by the clerks. Mr. Kolchakian responded that the clerks’ recent projections were not $511 million but in the low- to mid- $400 million range. John Dew confirmed that the $511 million was the requested budget amount, not the projected revenue.

Chair Russell asked if a revenue estimate analysis has been conducted comparing the clerks’ revenue projections, the CCOC revenue projections, and the REC revenue projections. Mr. Kolchakian confirmed that the CCOC has this revenue data available. Chair Russell requested that a revenue forecasting accuracy analysis be conducted for the last three to four years to identify trends and to determine which estimates are closer to the actuals. Mr. Kolchakian stated that the CCOC can work on that.

**Agenda Item 5 – Revenue and Expenditures Update**

Chair Russell called on Mr. Kolchakian to provide the Revenue and Expenditures update. Mr. Kolchakian stated that, through January, clerks collected $184.5 million, which is 1.4% above the REC estimate for the year so far. Through the first four months of the fiscal year, expenditures totaled just over $143 million.

Clerk Green asked how many years the clerks have come in over projected revenues consecutively. Mr. Kolchakian responded at least the past four years.

Clerk Butterfield asked for confirmation that the target revenue for the current fiscal year is $458 million. Mr. Kolchakian confirmed.

**Agenda Item 6 – CFY 2022-23 Settle-Up Update**

Chair Russell called on Mr. Kolchakian to provide the CFY 2022-23 Settle-Up update. Mr. Kolchakian stated that collected revenues totaled $469.4 million, and the REC set the annual projection at $441.0 million. This provides $14.2 million in Cumulative Excess, minus the amount determined to go to the reserve fund, to build the CFY 2024-25 budget. The CFY 2022-23 expenditures totaled $441.3 million, and the Revenue-Limited Budget for the year was $453.2 million. This provides just under $12 million in Unspent Budgeted Funds to build the CFY 2024-25 budget as well.

Mr. Kolchakian stated that Settle-Up payments to the Trust Fund were made and verified by CCOC staff prior to the January 25th deadline. If you are owed funds from the Trust Fund, you will receive a portion of these funds once the budget amendment is processed, which will likely be this month or next. The remainder of the funds will likely be sent out at the beginning of the state fiscal year.

Clerk Kinzel requested that clerks review and consider a more proportional allocation in the future.

**Agenda Item 7 – Post Session Legislative Update**

Chair Russell called on Clerk Timmann to provide the post session legislative update. Clerk Timmann stated that the clerks’ priority bill was passed for a third year in a row by the Legislature. Though the final budget did not include everything originally requested, the bill is projected to provide clerks $28.8 million annually. It is currently awaiting the Governor’s signature. Clerk Timmann stated that the bill includes funding for court-related technology, redirects the s. 318.18(18) administrative fee from General Revenue to the clerks, corrects the revenue “glitch” from last year’s bill, establishes a driver license reinstatement pilot program in Miami-Dade, and allows clerks to invest Fine and Forfeiture funds into an interest-bearing account with earnings used for court-related operations. Other funding items include $8 million of current year funding for the “glitch” fix to make clerks whole this year, continued State funding for jury reimbursement costs although additional funding was not approved, the employer FRS costs increased slightly, the employee FRS costs did not increase, nine new judges (two circuit judges and seven county judges) were approved, and continued State funding for eNotify. Clerk Timmann stated that the clerks’ legislative team will continue to build upon these wins and advocate on behalf of all clerks as we plan and prepare for the 2025 Legislative Session.

**Agenda Item 8 – Workgroups Update**

Chair Russell thanked the workgroup chairs and staff for their work. She reminded the workgroups to submit their final proposals to Mr. Kolchakian by April 22nd in preparation for the May 8th meeting.

Chair Russell stated that items included in the meeting packet include the workgroups update memo sent out last month providing detailed information on each of the four workgroups as well as a summary of the Quarter 2 jury reimbursement shortfall. The clerks’ jury funding was not increased during legislative session, so we will continue to face a quarterly reimbursement shortfall moving forward. Clerks should plan to be reimbursed for 60%-70% of their quarterly jury costs.

Clerk Kinzel asked if covering excess jury costs from CCOC budget dollars was allowable in statute. Chair Russell asked Mr. Kolchakian to take this issue back to legal counsel for review. Chair Russell asked Clerk Vick to have the Jury Management Workgroup review this issue. Clerk Green requested the workgroup to look at when there is a change in venue from one county to another, including the use of staff. Clerk Russell supported this review.

Clerk Burke requested that Mr. Kolchakian provide an update on the Needs-Based Budget Workgroup. Mr. Kolchakian stated that the workgroup is proposing guidelines and recommendations that aim to increase consistency in the budget request process. The proposal will be presented to the committee at the next meeting. Clerk Kinzel stated that there should be a balanced budget every year by June 1st and then address those counties who cannot fund their expenditures with their revenues.

Chair Russell stated that Clerk Alvarez-Sowles was not able to attend today’s meeting, but the workgroup has been meeting and plans to provide a final product at the next committee meeting. Clerk Kinzel asked the workgroup to reconsider selecting an average statewide number for a living wage and stated that there should be an actual county by county assessment to address differences in cost of living. Chair Russell asked Mr. Kolchakian to take this recommendation back to Clerk Alvarez-Sowles and the workgroup. Clerk Green asked about the recent federal base salary for exempt employees and if this will be factored into the living wage. Chair Russell asked Mr. Kolchakian to take this issue to Clerk Alvarez-Sowles and the workgroup. Clerk Kinzel stated that she heard it did not pass at the federal level.

**Agenda Item 9 – Approve Funding Issues Request Forms**

Chair Russell stated that, during the annual budget development process, each clerk submits their detailed budget request to the CCOC for any items they would like funded over the current court-side budget and FTE amounts. This annual submission includes three forms: the Budget Issues Form, the Revenue Projections Form, and the Clerk Certification Letter. Chair Russell stated that all of these forms are included in the meeting packet and are very similar to the forms approved last year. These forms are statutorily due on June 1st.

Clerk Kinzel stated that these forms perpetuate a lack of a balanced budget and should be reconsidered.

Clerk Cooney asked if this spreadsheet was the appropriate place to address potentially using a blended FRS rate like we did last year. Chair Russell stated that this could be addressed at the May committee meeting.

Clerk Green asked if county summons still need to be reported separately under the Chapter 2008-111 section on the Revenue Projections Form once the clerks’ bill is signed into law. Mr. Kolchakian stated that this is one of the items that staff will address once the bill is signed and will ensure it is accounted for. Clerk Green asked for clarification on the traffic line as well and for clarification on the timing of the distribution of revenue collected prior to the date the bill goes into effect. Mr. Kolchakian stated that this will also be addressed prior to the forms being finalized. Clerk Butterfield clarified that the law states that it is the distribution in place at the time of collection. Clerk Timmann stated that the bill has not been signed into law yet; therefore, nothing can be finalized yet.

**A motion was made to tentatively approve the draft forms and for staff to address the changes required once the clerks’ bill becomes law and to bring the forms back for approval by Clerk Timmann and seconded by Clerk Daughtrey; the motion was adopted with Clerk Kinzel voting nay.**

The forms will come back to the committee at the next committee meeting.

**Agenda Item 10 – Establish Reserve Fund Calculation for CFY 2024-25**

Chair Russell stated that, in 2021, the Legislature established the clerks’ reserve fund. During the past three years, the committee decided to fund the reserve at the statutory minimum of 10% of the clerks’ share of the Cumulative Excess. However, the committee does have the ability to increase this amount if it so chooses. Chair Russell stated that the current balance of the reserve fund is just under $1.6 million. For the CFY 2024-25 budget, the committee can continue utilizing the 10% statutory minimum to reserve or select an increased amount.

**A motion was made to keep the 10% calculation for the reserve fund by Clerk Butterfield and seconded by Clerk Daughtrey; the motion was adopted without objection.**

**Agenda Item 11 – Approve Additional Current Year Funding Allocation**

Chair Russell stated that, since the GAA has not become law yet, the committee will not consider potential funding allocation options for the current year $8 million. Clerk Kinzel requested to add an additional allocation option to make whole those clerks who have had to receive local subsidies to fully fund their offices. Chair Russell confirmed that this will be the fifth option and to email Mr. Kolchakian any additional options you may have.

**Agenda Item 12 – Other Business**

Chair Russell stated that, for the annual Operational Budget submissions, the committee held a vote last year to approve collecting actual expenditure data moving forward. However, we ran out of time to get this approved by the Executive Council and thought it best to bring it back to the committee for additional review. The Operational Budget currently collects the budget projections for the upcoming fiscal year only. The CCOC is working on the proposal to collect the prior year actual budget expenditures as well and to streamline and improve the existing Operational Budget 10-tab spreadsheet. This will be brought before the committee for consideration later this year. Clerk Stuart asked the committee to look into the benefit of reviewing clerks’ actual expenditures as part of the budget process.

Chair Russell reminded the committee that, should the clerks’ bill and GAA be signed into law prior to the next in-person meeting on May 8th in Citrus County, an emergency meeting will be called.

Meeting adjourned at 2:34 PM.