



RESERVE FUND POLICY & PROCEDURES

AUTHORITY

Pursuant to s. 28.36(3), Florida Statutes (F.S.), and s. 28.37(4)(b), F.S.

PURPOSE & SCOPE

Provide official policy and procedures for the establishment and management of a reserve for contingencies within the Clerks of the Court Trust Fund. This policy will provide guidance to the Committee as to funding of the reserve as well as distributions from the reserve in accordance with s. 28.36(3)(c), F.S.

REPORTING PROCEDURES

- **DEFINITIONS:**
 - a. Continuation Budget – current budget authority approved for the current county fiscal year by the Executive Council carried forward into the upcoming fiscal year.
 - b. Cumulative Excess – revenues derived from fines, fees, service charges, and court costs collected by clerks which are greater than the Original Revenue Projection.
 - c. Deficit – occurs when the revenue available to the clerks of court falls below the original revenue projection for that county fiscal year.
 - d. Emergency – any natural, technological, or manmade occurrence (or threat thereof) that causes damage of sufficient severity and magnitude to result in a declaration of a state of emergency by a county, the Governor, or the President of the United States.
 - e. Original Budget Authority – the budget authority amount approved by the Executive Council prior to the beginning of the upcoming county fiscal year.
 - f. Original Revenue Projection – the official estimate, as determined by the Revenue Estimating Conference, of revenues from fines, fees, service charges, and court costs available for court-related functions for the applicable county fiscal year.
 - g. Reserve – moneys specifically retained and carried forward into the following county fiscal year for future use within the Clerks of the Court Trust Fund.
 - h. Revenue Available – the sum of the fines, fees, court cost, and service charges collected and kept by the clerks in the local Fine & Forfeiture Fund. The revenue available for any fiscal year is the revenue from September through August.
- **PROCEDURES:**
 - a. Deposits into the reserve fund:
 - i. ***Statutory Minimum*** – Until the reserve reaches the statutorily required percentage limit, the Budget Committee will deposit at least 10% of any Cumulative Excess into the reserve fund at the conclusion of each county fiscal year per s. 28.36(3)(b), F.S.

b. Use of reserve funds:

- i. **Statutory Requirement** – Any moneys held in reserve in the Clerks of the Court Trust Fund may only be utilized in accordance with s. 28.36(3)(c), F.S.
- ii. **Statutory Requirement** – To release the funds in reserve, the CCOC is required to submit a budget amendment through the Budget Amendment Processing System (BAPS) to the Executive Office of the Governor’s Office of Policy and Budget (OPB) pursuant to s. 216.292, F.S. The CCOC will work with the Department of Revenue (DOR) to complete this process.
 - o **Allocation of Funds** – CCOC will work with the Budget Committee to draft a proposed allocation of released reserve funds based on situational need. This allocation must be approved by the Budget Committee and the Executive Council prior to CCOC submitting the budget amendment.
- iii. **Statutory Requirement** – Moneys held in reserve may be used by the CCOC to offset a current deficit between the revenue available and the original budget authority, to provide funding for an emergency as defined in s. 252.34(4), F.S., or to provide funds in the development of the total aggregate budget of the clerks of court to ensure a minimum continuation budget is met per s. 28.36(3)(c), F.S.
- iv. The CCOC will ensure that the policy aligns with state required policies for funds held in reserve. The CCOC will work with DOR on a continual basis for the administration of these funds.

c. Restoration and replenishment of reserve funds:

- i. At the time the committee discusses the amount allocated to reserve, the committee shall consider replenishing any used reserve funds with available funding above a continuation budget.

• **REPORTING:**

- a. The CCOC is statutorily required to report the balance and use of the reserve funds during each county fiscal year as part of the CCOC’s Annual Report (submitted per s. 28.35(2)(h), F.S.).

• **REVISIONS/EXEMPTIONS:**

- a. The provisions of this policy shall not be waived or suspended except by a two-thirds vote of the Budget Committee and subsequent Executive Council approval.
- b. Proposed revisions to the policy shall be made by a two-thirds vote of the Budget Committee and subsequent approval by the Executive Council.

QUESTIONS

Any questions should be directed to CCOC staff at 850-386-2223.