

MINUTES – FINAL VERSION

FLORIDA CLERK OF COURT OPERATIONS CONFERENCE MONDAY, MARCH 15, 2004 ORANGE COUNTY COURTHOUSE ORLANDO, FLORIDA

The meeting of the Clerk of Court Operations Conference was called to order at 10:00 a.m. by Chairman, James C. Watkins who welcomed members and guests. Members and staff of the Conference present were James Watkins, DeWitt Cason, Judge Belvin Perry, Regina Parish, Marsha Ewing, Lydia Gardner, Richard Ake, Howard Forman, Harvey Ruvlin, John Dew, Joe Boyd, and Judy Zorn.

APPROVAL OF MINUTES FROM FEBRUARY 27, 2004

Mr. Watkins asked if there were any revisions to the Minutes. It was requested and agreed upon that for future minutes we only include names of guests if they actually speak at the meeting. The motion to approve the minutes was made by Marsha Ewing and seconded by DeWitt Cason. The minutes were approved.

DISCUSSION ON CCOC WORKLOAD NEEDS

Mr. Dew went through a list of future CCOC responsibilities. These responsibilities may necessitate hiring additional staff or contract agreements to do the job properly. Specific responsibilities the CCOC will be undertaking in the next few months include analyzing clerk's budgets, conducting an analysis of expenditure caps and impacts on clerk's budgets, examining the sufficiency of the Article V State Trust Fund, developing a budget amendment process, and developing a budget deficit analysis and cost containment process.

After discussion on each of these issues the CCOC members agreed to have Mr. Ake work with Mr. Dew over the next few weeks to determine the best approach for handling these responsibilities. A recommendation will be made to the CCOC at the next meeting.

LEGISLATIVE ISSUES

Mr. Watkins pointed out that both the Senate and the House have recently proposed their "glitch bill" to address concerns from last year's House Bill 113A. He stated that he had numerous concerns with the language drafted by the House Select Committee on Article V. Two major concerns with the proposed legislation are: 1) the issue of possibly having

CCOC report to Department of Revenue (DOR) and 2) the issue of possibly diminishing the responsibilities of peer oversight.

Mr. Ruvin, Chair of the CCOC Legislative Committee, also emphasized his concerns regarding pending House legislation. His primary concern is the possibility that CCOC would be made a not for profit entity responding to a governmental agency that may not have the same Constitutional status as the Clerks. His fear is that should we accept the non-profit label, the next step is that we could become merely advisory to a governmental entity. He had spoken with Mr. Baggett, FACC General Counsel, who had spoken with DOR, and was told that DOR is currently as much in the dark about this issue as the Conference is. He also discussed several differences between the House and Senate versions of the HB113A Modification Bill.

Mr. Dew reported that he attended the March 11th meeting of the Select Committee on Article V. At that meeting Representative Benson commented that she wanted to see a better linkage between CCOC and state government. She also stated that she does not want to micro-manage the CCOC and that CCOC has done a good job. Another message in the proposed language of the bill and provided during the House meeting is that the Legislature wants to make sure there's a list of exactly what can or cannot be funded by the clerk's collected fees for court-related operations. The proposed House language gives the Department of Revenue authority to refuse budgeted funds for a program not on the list. And if Clerks still spend money on programs not on the list, the Clerk's office will be responsible for reimbursing those expended funds to the Trust Fund.

Mr. Forman said he appreciated being kept up to date on legislative issues but expressed a concern that updates regarding changes in legislation need to be done immediately after those changes are presented to legislators. Clerks can then act on and/or react to the proposed change(s). Barbara Scott, President of the Florida Association of Court Clerks, was recognized by the Chair and stated that Fred Baggett, as the FACC's lobbyist, is keeping clerks up to date on issues and is working hard on our behalf. Also there is staff at FACC responsible for attending as many meetings as possible concerning policy changes affecting the Clerks. In addition, Charlie Green, Clerk of Lee County and Chairman of the FACC Budget Committee, is following legislative issues related to the clerk budgeting process.

Mr. Forman made a motion that CCOC work very closely with FACC to get bulletins to clerks as soon as possible and as often as necessary on legislative issues during this session. Ms. Scott and Mr. Alderman, Executive Director the FACC, stated that FACC is already relaying information to Clerks and sited emails that were sent to Clerks last week regarding legislation. In addition, Mr. Green and CCOC member, Mr. Ake, will be meeting and working together on the issues. Based on this information, Mr. Forman withdrew his motion.

Mr. Ruvin requested that FACC present the Clerks a matrix for legislation presenting details of the proposed House Bill, details of the proposed Senate Bill, and FACC /

CCOC reaction to changes presented in each bill. Mr. Alderman stated that he hopes to have a matrix out to Clerks by the end of this week (week of March 15).

Mr. Watkins stated he will meet this week with Representative Holly Benson, Chair of the House Article V Select Committee and Stephen Hogge, Staff Director to discuss the affect the proposed legislation will have on CCOC. He noted that he will relay the message from CCOC that CCOC has concerns with any language that lessens the concept of peer review and oversight of the clerk's budgeting process. CCOC staff, in cooperation with the FACC, will continue to follow legislation this session and report to the CCOC Legislative Committee as necessary.

CCOC BUDGET PROCESS CONCEPT REVIEW

Glenn Robertson presented an overview of concepts involving the CCOC's role in evaluating budgets when they are submitted on May 3, 2004. He said that the purpose of the presentation is to help members see the numerous policy questions that need to be examined as well as gain an understanding of the potential steps for budget review. The budget review process is expected to evolve from a basic budget review of the submission for the last quarter of 2003-2004 to more in-depth reviews in following budget years.

Key policy issues of concern that will need to be addressed by the CCOC are the 10% reserve, the 1/3 collection share, budget approval policies, budget amendment process, cash flow coverage, and expenditure / revenue projections. It is expected that these policies will be addressed by the CCOC in April.

When the Clerk's budgets are received May 1 – 3, the CCOC will first review them for completeness. If there are any problems, CCOC will contact that Clerk's office requesting corrections and resubmission. Reviews and resubmissions will need to be completed during the week of May 3. Mr. Robertson noted that with the Legislative session ending the first week of May, the CCOC staff and FACC will need to assess Legislative change impacts, revise budget instructions being used, provide additional information / training, and receive Clerks' changes in a short time period.

It is expected that the analysis for the budget will include estimation of each Clerk's Article V court expenditures and reserves, revenue collections, the number of court cases, and the unit cost for each case. The CCOC staff should also estimate the Trust Fund balances and determine Trust Fund demands to balance budgets. Lastly it will be necessary to have an understanding of how much the state is expected to receive from the Trust Fund compared to how much is expected to be available.

Also a certification process will be done when a Clerk must request monies from the Trust Fund to balance his / her budget. The extent of budget analysis that will need to be done on budgets requiring retention of part or all of the 1/3 share is not clear yet. This is a policy decision that will have to be made by the CCOC. Mr. Robertson suggested that

utilizing an outside independent source for the certification process could help the Conference feel more comfortable. Once this is completed, the CCOC will review and approve the budgets providing for appeal opportunities if necessary.

Based on the outlined presentation, the Clerks will receive their approved budgets by June 20, allowing ten days to put together their final operating budget and get their operation going by July 1, 2004. CCOC will attempt to resolve issues relating to unapproved budgets prior to July 1.

At this point the CCOC and the Department of Revenue (DOR) will develop the required authorization to provide Clerks with trust fund disbursements to assure a balanced budget. The Conference will then certify the budgets to the state. If there is an unapproved budget, CCOC will indicate issues involved to the state. Finally, during the budget cycle, it is anticipated that the CCOC will receive, assess, and approve budget amendments from Florida Clerks as needed.

Mr. Watkins stated that before the next CCOC meeting Mr. Ake and CCOC staff will work with the FACC's Article V Budget Process Subcommittee to see if there are any issues or concerns related to the budget concepts and processes. Likewise, it is important to be aware of any concerns from the Legislature. The proposed policies and budget issues will then be presented for discussion and a vote at the next CCOC meeting.

CCOC BUDGET PROCESS AND FORMS EDUCATION AND TRAINING

Roger Alderman reported that two budget workshops were held on March 4 and March 12 with 22 counties and 64 attendees participating. The objective of these workshops was to start the framework for thinking through and analyzing the data process. There have already been some positive results from these workshops.

FACC staff began today with the training workshops for the CCOC budget forms and instructions. There are eight workshops scheduled throughout the state that will take place in March to assure all clerks and their staffs are trained on how to complete the forms. In addition, it has been built into the contract with FACC, that FACC staff will be available to give additional guidance to clerks as needed to help them prepare the budget submissions. Mr. Alderman said that FACC will identify special needs and provide additional assistance where needed.

Mr. Watkins asked if FACC was being paid on a timely basis. Mr. Alderman said that there has been no payment to date as a result of FACC not getting invoices prepared and submitted to CCOC in a timely manner. Mr. Dew requested that Mr. Alderman review the invoice form he drafted and submitted to Mr. Alderman for comment.

Mr. Ake requested that Mr. Alderman relay to the trainers that they need to emphasize to the Clerks the area of the budget forms where the Clerk can list any budget item he/she

wants the Conference to consider which might be unique to his/her county. This will save the CCOC from having to call all the clerks with questions regarding these items.

CCOC END OF YEAR AUDIT REQUEST FOR PROPOSAL REPORT:

Mr. Cason reported that this week the CCOC Staff will be mailing the Request for Proposals (RFP) to seek an accounting firm to do the annual CCOC audit. Seventeen accounting firms in the Tallahassee are will be mailed a RFP packet . The RFP response deadline is April 5 with interviews anticipated between April 20 and 24. The Committee will make a report and recommendation to the CCOC in May.

TREASURER'S REPORT:

Ms. Parrish, CCOC Treasurer, reported that to date CCOC has written 53 checks totaling \$346,696.66. Our current bank balance including interest earned is \$153,328.64. There is \$300,000 available for a drawdown from the Department of Revenue.

NEXT MEETING:

The next CCOC meeting is scheduled for April 13, 2004 from 10:00 a.m. until 3:00 p.m. in Tampa in the Planning Commission Board Room on the 18th floor of the County Center at 601 W Kennedy Boulevard, Tampa, Florida.

There being no further business, the meeting was adjourned at 11:56 a.m.