

**MINUTES - FINAL**  
**FLORIDA CLERKS OF COURT OPERATIONS CORPORATION**  
**SUNDAY, JUNE 12, 2005**  
**ANNUAL CORPORATION MEETING**

The June 12, 2005 Annual Meeting of the Florida Clerks of Court Operations Corporation (CCOC) was called to order at 1:00 p.m. by Executive Council Chairman, Maryanne Morse, who welcomed members and guests. Members and staff of the Corporation present were the Honorable Howard Forman, Honorable Jim Fuller, Honorable Gail Wadsworth, Honorable Becky Norris, Honorable Jeffrey Barton, Honorable Charlie Green, Honorable Bob Inzer, Honorable Chips Shore, Honorable David Ellspermann, Honorable Marsha Ewing, Honorable Don Howard, Honorable Sharon Bock, Honorable Jed Pittman, Honorable Ken Burke, Honorable Richard Weiss, Honorable Tim Smith, Honorable Karen Rushing, Honorable Maryanne Morse, Honorable Ed Fry, Honorable Annie Mae Murphy, and Honorable Regina Parrish, John Dew, Joseph Boyd, Judy Zorn, and Laura El Kadiri. Present by telephone was Honorable Harvey Ruvin.

**APPROVAL OF MINUTES – JULY 1, 2004**

Ms. Morse asked if there were any revisions to the Draft Minutes from the July 1, 2004 Corporation Meeting. There being none, a motion to approve the minutes was made by Mr. Forman and seconded by Mr. Weiss. The minutes were approved as circulated.

**TREASURER'S REPORT**

Mr. Barton, Council Treasurer, reported that between July 1, 2004 and June 3, 2005 we transferred \$210,000.00 from the Conference and received \$862,361.76 for a total of \$1,072,361.76. During this same period, the Corporation has disbursed checks totaling \$901,617.99 leaving \$170,743.77 available for Corporation use. He reported that some of the expenditures made after July 1 were payments for bills for work done on behalf of the Conference. A breakdown of expenditures by categories is available in the packet.

Ms. Murphy asked why bills from the previous year had been paid with Corporation funds. Ms. Morse explained that the Corporation began July 1, 2004, but contracts were not signed until August, 2004. We were obligated to pay bills from the ongoing contracts with the Conference. This created an overlap of the Conference and Corporation fiscal years.

Mr. Fuller suggested that we are not using FACC's expertise as much as we should as they have expended only 21% of their contracted budget. Ms. Morse explained that we are still under contract with FACC. The amount reported is the amount we've been billed by invoices submitted only through April 2005. We have not yet received FACC's May and June invoices. There being no objections, the financial report will be filed for audit.

## **SUBCOMMITTEE REPORTS:**

### **CCOC Audit**

Mr. Dew reported that the accounting firm of Law, Redd, Crona, and Monroe conducted a financial audit of the Conference (July 1, 2003 through June 30, 2004). They found no issues of non-compliance. We had an Auditor General Operational Audit of the Conference for the same time period. Five findings were noted by the Auditor General's office. We have responded to all five findings. The issues were reviewed both by Mr. Watkins as Chair of the Conference and Ms. Morse as Chair of the Corporation to facilitate a clean transition between the two Chairpersons and to be sure all issues were addressed and problems resolved. Both audits and responses are included in the packets and are posted on the website. Mr. Forman noted that of the five findings, four can be attributed to our need to get things going quickly when the Conference was established. As to the fifth, he agrees we should always employ the competitive bid process to avoid the appearance of impropriety and to hire the most qualified person / company for a reasonable fee.

### **Activities and Accomplishments**

Ms. Morse noted that the Corporation has come a long way but noted that there is a great deal of work yet to be done. Ms. Morse did not read the accomplishments but directed members to their packets. While required to only meet quarterly, the Executive Council has met ten times over the past year due to a number of issues needing resolution. Ms. Morse thanked members of the Executive Council for their attendance at the meetings and their hard work and thanked staff for their diligence and efforts to get the work done well and in a timely manner.

### **Expectations for this year**

Mr. Dew reported that we have developed a work plan defining what we need to accomplish under Section 28.355, Florida Statute. Highlights include establishing a process for certifying clerks' 05/06 budgets, identifying those budgets which exceed the maximum allowed and those budgets which include items / services not on the standard list of court functions, developing performance measures, and submitting an annual audited financial statement to the auditor general. By October 15, 2005 we must certify to the President of the Senate, Speaker of the House, CFO, and DOR the amount of the proposed certified budget for each clerk; the names of each county eligible to retain some or all of the state's share of fines, fees, service charges, and costs; the amount to be paid to each eligible county from the State Trust Fund; the performance measures approved by the Corporation and the assessment of each clerk in meeting those standards. By November 1, if there is a decision by the Council to recommend an increase in fees, we must publish a written schedule, with recommend changes, of fees, costs, and service charges charged by each clerk for each court-related function. We must also present to the Legislature any legislative recommendations we feel are needed to ensure that clerks will be able to carry out their assigned duties. Other requirements / obligations are contained in the Department of Financial Services contract.

Ms. Morse clarified the issue of the adopted performance standards. She has heard that some clerks believe that performance standards are just estimates of what Clerks should be doing. Performance standards are real, and they are a part of legislation awaiting the Governor's signature. In order to increase staffing to accommodate new judge(s), county or circuit, civil or criminal, the Clerk must meet his / her performance standards across the board. It appears in this new legislation that if the Clerk does not meet the established performance standards, his request for additional funding to staff new judges/magistrates cannot be approved by the Legislative Budget Commission (LBC). The LBC process is the only method allowed for increasing a county's budget expenditure cap to support the needs of new judges. Ms. Morse recommended that Clerks evaluate where they stand regarding each of these standards. Budgets are due to the CCOC office by August 15.

She reminded Clerks who are getting a new judge to not include staffing for the new judge in their budget as this will be handled in the LBC process. This is a separate issue that we will address once the LBC process is established and we have performance standards data. She also clarified that the new legislation means the Council will certainly have to go back and revisit its decision to wait one year to collect performance data. In order to have this data for the LBC we will most likely need to start collecting some of the performance measures quarterly, even though it is still an annual standard we will be compared to. DFS already wants to know now where we stand with performance measures. With just ninety days of data collected, Clerks won't be able to meet annual performance standards for collections on felony misdemeanor fines. On June 15, we will be meeting with the DFS to attempt to explain some of this and other issues. However, we will absolutely need for you to begin submitting your April, May, and June collections figures to CCOC by July 20. She asked that any Clerk who cannot produce his / her standards in a reasonable manner needs to notify CCOC as soon as possible to see how they could be helped.

Mr. Smith stated that as the performance measures process was established, every county is required to meet the same standards. He noted that all counties are not the same. Poorer counties have greater difficulty collecting from poor people and often will not be able to meet their collections standard. Many counties are in this position. It is impossible to have a single standard across the state and expect every county to meet that standard. This issue will also affect poorer counties with regard to methods of increasing revenue and ultimately with rebasing. Mr. Smith feels he cannot increase revenues without an increase in filing fees. Mr. Smith's other concern is that compensation is not the same across the board. He asks the Corporation to understand that, without punishing counties, standards need to be adjusted according to counties' abilities. Ms. Morse said she took this issue to the FACC leadership in January requesting more reasonable figures for some of the established measures. We were told it was not wise to adjust the numbers at that time because we did not have enough historical data to ascertain their inaccuracy. Ms. Morse's particular concern is that counties not meeting the 15% felony or misdemeanor collections rate for ninety days could be categorized as not meeting the standard. While this standard may not be possible over a three month period, it may happen over time. Our contract with DFS states that by March 1, for an effective date of October 1, the CCOC must submit proposed changes to the standards. She stated that CCOC will attempt to address these issues at our meeting with DFS next week.

Ms. Morse reiterated that the primary issues with regard to performance measures relate to collections of misdemeanor, felony, and civil traffic infractions and cooperation from the judiciary. She stated that CCOC will accept suggestions for handling these issues. She also strongly encouraged Clerks to determine where they stand with meeting both timeliness and collections standards. Reports are due at the CCOC office by July 20. Time is of the essence. We need to have this data for the LBC.

Ms. Karen Nicolai, Clerk of Court, Hernando County reported that FACC developed best practices, where clerks work with court staff to accomplish mandates / standards. She hopes CCOC will adopt this so that a clerk who cannot meet his/her mandate will be able to document that he/she has met with the Chief Judge and that he simply refuses to accept best practices.

### **Proposed Budget**

Mr. Barton presented the 05-06 CCOC Proposed Budget. The proposed cost for staffing, to include the Director, two analysts, and an administrative assistant is \$291,790. The proposed staff costs are: for general expenses \$56,384, for travel \$24,165, and for staff training \$4,000. The total for staffing and staff expenses is \$376,339.00. As regards contractual expenses, we have proposed \$96,000 for our General Counsel, \$250,000 for Analysis and research, \$88,500 for deliverables related to the budgets and budget process, and \$10,000 for audit services. The total for contractual services is \$444,500. The total for the entire budget is \$820,839.00.

As regards to the contract amounts on page 2 of the budget, Ms. Morse reminded the Council that we were criticized in our Auditor General Audit for not bidding the services provided to the Corporation. Ms. Morse agrees that we need to develop an RFP in the future for these services. Ms. Morse further recommended that the contract for “performing analysis and research, reporting, budget related education and training, and development of an online financial reporting system” be increased to \$340,000. The \$250,000 proposed in the handout provided by Mr. Barton was based on actual expenditures year-to-date. With limited historical data and because we will need to bid these services, we are recommending increasing this category by \$90,000 (from \$250,000 to \$340,000).

Mr. Weiss moved approval of the budget as amended (adding the \$90,000 back into Contractual Services bringing it to \$340,000), and Mr. Smith seconded the motion. By vote, the motion failed. Mr. Shore suggested that the budget be amended by withdrawing the \$45,000 including benefits for a new staff position and use FACC to provide those services until their contract is over. Mr. Fuller seconded the motion. Mr. Barton moved to amend Mr. Shore’s motion, that we take the \$45,000 plus benefits and put it into an OPS reserve / contingency account. Mr. Forman seconded Mr. Barton’s amendment. Neither Mr. Shore nor Mr. Fuller had any objections with the amendment. Ms. Morse restated the motion as amended, that we add \$90,000 back into Contractual Services, and remove \$45,000 plus benefits from salaries and put it into an OPS account. Motion carried.

Mr. Barton moved that we continue to use SunTrust Bank as CCOC’s qualified public depository for the receipt and handling of all our funds for the Corporation for the upcoming fiscal year. Mr. Fuller seconded the motion. Mr. Forman asked if we are

happy with the service we receive from them and was assured we are. The motion carried unanimously.

**Special Meeting**

Ms. Morse announced that the final item on our Agenda was discussion of a request from some Clerks to have a Special Corporation meeting. She invited discussion. There being none, she restated that this was time for discussion of issues related to the request for a Special Meeting. There was no response and no discussion.

Having no further business, Ms. Morse thanked all those attended and adjourned the meeting at 2:15 p.m.