

MINUTES
FLORIDA CLERKS OF COURT OPERATIONS CORPORATION
TUESDAY, JUNE 19, 2007
ANNUAL CORPORATION MEETING

The June 19, 2007 Annual Meeting of the Florida Clerks of Court Operations Corporation (CCOC) was called to order at 1:00 p.m. by Executive Council Chairman, Honorable James Watkins, who welcomed members and guests. In attendance were Honorable Harold Bazzel, Honorable Howard Forman, Honorable Barbara Scott, Honorable Dwight Brock, Honorable Dewitt Cason, Honorable Gail Wadsworth, Honorable Joe Gilliam, Honorable Becky Norris, Honorable Barbara Butler, Honorable Pat Frank, Honorable Jeff Barton, Honorable Kirk Reams, Honorable Ricky Lyons, Honorable Jim Watkins, Honorable Danny Shipp, Honorable Tim Sanders, Honorable Chips Shore, Honorable David Ellspermann, Honorable Marsha Ewing, Honorable John Crawford, Honorable Don Howard, Honorable Ken Burke, Honorable Richard Weiss, Honorable Mary Johnson, Honorable Karen Rushing, Honorable Maryanne Morse, Honorable Ed Fry, Honorable Annie Mae Murphy, Honorable Brent Thurmond, and Honorable Martha Ingle. Other members of the Corporation were present on the phone, but names were not provided.

MINUTES

Mr. Watkins asked if there were any revisions to the Draft Minutes from the June 18, 2006 Corporation Meeting. There being none, a motion to approve the minutes was made by Mr. Crawford, Nassau County Clerk, and seconded by Mr. Forman, Broward County Clerk. The minutes were approved as circulated.

TREASURER'S REPORT

The Corporation approved budget for 2006-2007 was \$981,327.40 for General Operations and \$400,000 for Clerk Education. Through eleven months (July 1, 2006 – May 31, 2007) we have expended \$606,677.83 for general operations and \$275,000 for Clerk Education. We are well within our budget. Motion to approve the report was made by Mr. Weiss. Seconded by Mr. Sanders, the motion passed unanimously.

FINANCIAL STATEMENT

Mr. Dew reported that the Financial Statement was provided to the Council at its January 07 meeting. We are presenting it today to the whole Corporation. We have a clean financial statement. There were two issues noted in Lanigan and Associates' management letter.

The first issue is related to our own internal auditing relative to the proper use of QuickBooks. At no time were there any expenses shown on our financial statement that

were not a reality. The issue was simply how to use QuickBooks and staff from Lanigan and Associates worked on QuickBooks with Ms. Zorn to correct the issue.

The second issue was adding the ability to earn interest to our checking account. Mr. Weiss had suggested this even before Lanigan and Associates. We have done this and we are earning approximately \$1,000 per month in interest that goes back into the Corporation account.

Both issues noted in the financial audit have been resolved.

CCOC ACTIVITIES AND ACCOMPLISHMENTS

Mr. Watkins reported that he wrote a summary and thoughts about the past year at CCOC. He highlighted that it was a busy and successful year. CCOC held eight meetings and eleven workgroup meetings. The workgroups did a great job. The operating committees have been expanded to include not only members of the Executive Council, but also members-at-large from the body of elected Clerks of Court. This allowed for more people to be involved in the work at hand.

The peer process has been successful. CCOC was created by the Legislature. And the Corporation, along with the Legislature and the Department of Financial Services, were charged with its implementation. There are things we would like to see tweaked especially relating to unexpected needs of Clerks, but the process has been successful. It is our goal to make the process less cumbersome for the Clerks but still enable us to gather the information necessary for the Department of Financial Services and for the Legislative Committees. Both of these entities have oversight of the process. We have worked with the Legislative Budget Commission to assure there is funding for mandates created by the Legislature, most notably staffing for new judges approved and placed throughout the state. The LBC has been very receptive to Clerks' needs and this process seems to be working well.

Mr. Watkins praised the working relationship between the Council staff, the professional staff, and FACC staff. Much of the success this year is due to the cooperation between these entities.

Workgroups are one of the CCOC's greatest strengths. We have the opportunity to employ not only the Clerks, but also Deputy Clerks and staff, to examine the law under which we're operating, the needs of the Clerks' offices, and how to improve the process. This year the Rebasing Workgroup has been working on rebasing and the budgetary format. Mr. Watkins asked Mr. Weiss to report on the work of the Rebasing Workgroup. Mr. Weiss reported that on May 31, 2007, the Rebasing Workgroup met in Orlando to review the rebasing law. There were approximately thirty attendees, five of whom were Clerks. The workgroup came up with two strategies to include some more immediate solutions which would require minor changes in the law and some that could help Clerks but which didn't require any legislative intervention and then some bigger suggestions that would require changes in the law. Suggestions were sent to all Clerks' offices approximately a week ago. We are asking Clerks to review the suggestions, add any they might have, and return them to us. We will try to reconvene in late June or July to review the whole process again and make suggestions which we will submit to the committee put together by Mr. Watkins and Ms. Rushing.

Mr. Watkins interjected that FACC has brought together a group of Clerks and Deputy Clerks to look at all of Article V, not just the funding. Mr. Watkins noted that rebasing is working for the majority of Clerks, but we need to work on solutions for those Clerks for whom rebasing is not working.

Mr. Watkins did not read the past year's activities and accomplishments of CCOC but suggested interested people could read them from the packet of materials.

GOALS FOR 07-08

The primary goals are to look at the Council's activities, the Clerks' offices and the funding of those offices to discern where we are being successful and where we have need. Mr. Watkins noted that we know there are needs we are not able to satisfy, but he is offering the CCOC staff and Mr. Dew is willing to travel to any Clerk's office to discuss concerns. One of Mr. Watkins goals for the coming year is to develop solutions and move those solutions forward.

Mr. Fry, St Lucie County Clerk, asked if CCOC plans to make any request for changes in the rebasing law. Mr. Watkins answered that it is his hope that the committee will meet, develop strategies, and that FACC will lobby for the changes so that the Clerks of Florida act with one voice. He sees FACC as the legislative advocate for the Clerks of Florida. It is CCOC's responsibility to look at financially what is happening on the court side of the budget and make recommendations to Legislative staff and DFS as they ask us. He believes that making those recommendations in terms of writing them into law or proposing a bill is where Mr. Baggett, FACC General Counsel, comes in.

Mr. Chips Shore, Manatee County Clerk, noted that our Goals state that we are working toward a web-based system for reporting. He wanted to know where things stand with looking into using FACC's CCIS system. Mr. Dew answered that the Goals language is a carry-over from last year. He further stated that we are planning to look at the CCIS system. Mr. Watkins has volunteered some of his staff to look at it with us. Ms. Ewing asked if, as Chair of the Performance Measures Committee, she could be involved in the CCIS decision. Mr. Watkins stated that he would be happy to have Ms. Ewing serve on the committee that will make that recommendation to the Executive Council. Mr. Sanders hopes we will be looking at a time frame and a cost when making this decision. Mr. Dew stated that he views investigating the possibility of using CCIS as an opportunity. Our goal is to help all Clerks, and especially small county Clerks who may not have enough staff to easily gather and submit required data. He received information from Mr. Shore and, realizing he needed to enlist people with expertise in this arena, asked Mr. Watkins if his Clerk staff could help evaluate CCIS. Mr. Dew also asked Mr. Inzer if Leon staff can participate. Both agreed to help. Mr. Shore has also offered his staff. The plan is to meet at FACC for a presentation of what the system can do and see how it interfaces with what we need for the system to do. The group's recommendation will be brought back to the Executive Council for vote. The time frame has not been worked out. Mr. Watkins commented that there might be some concern about the independence of CCOC from FACC to include the independence of the data. Mr. Watkins believes this system can be developed to insure that no manipulation of data is possible. Mr. Forman moved that we remove the term "web-based" from Service 1.0 Approve/Certify Article V Clerks' Budgets / Strategy Ideas / "2. Design an Article V

CCOC web-based budget system to allow Clerks to input directly and access data over time for internal budget management.” Instead, it would read, “2. Design an Article V budget system to allow Clerks to input directly and access data over time for internal budget management.” Mr. Shore seconded the motion which passed unanimously.

PROPOSED BUDGET FOR FY 2007-2008

Mr. Weiss noted that the Executive Council reviewed the proposed budget for FY 07-08 at its last meeting. The Corporation has continued to take on additional duties which the attached budget reflects. It also includes a ten percent increase in funding for Clerk Education programs which are currently contracted with FACC.

By category: Staff - \$442,815.00, OPS - \$30,000.00, General Expenses - \$100,500.00, Travel - \$20,000.00, Contractual Expenses - \$474,000.00 for an overall budget of \$1,071,315.00. The breakdown of contractual services is: General Counsel - \$96,000 (no change), Survey / Report Services - \$300,000 (no change), Budget Services - \$68,000 (decreased from \$88,000 during the current fiscal year), and Audit Services - \$10,000 (no change). Mr. Dew explained the Survey / Report Services category. In addition, Education Services is budgeted at \$440,000.00. Mr. Weiss moved to put the budget on the floor for discussion. Mr. Forman seconded the motion.

Mr. Burke from Pinellas County asked why, with almost 92% of our year gone and having only expended \$100,000 of the \$300,00 budgeted for Survey / Report Services, are we budgeting \$300,000 for that category again next year. Mr. Dew explained that we still expect outstanding bills from this fiscal year. The reality is that there is still the potential need for all of the \$300,000 budgeted there. FACC does much of this work. In addition, studies like that done by Thomas, Howell, and Ferguson on the Unit Cost Survey are also paid from this category. Mr. Dew said he would like to have the ability to contract with FACC and others as needs arise during the coming year. The work assignment concept has worked well for us. It has enabled us to design the task, analyze what we hope to learn, explain it clearly to the appropriate vendor, establish time frames and cost estimates, and track it as the work is done.

Ms. Murphy from Taylor County took exception to the salary increases for staff. She noted that the state did not give salary increases and she may have to lay off employees to meet her budget. She recommended salary increases be delayed. Mr. Weiss reminded Ms. Murphy that this is just a budget. Mr. Watkins restated that Mr. Sanders will bring any recommendations as to staffing pattern and salary increases to the Council for approval after review by the Personnel and Administration Committee. His concern is that we have the ability to provide a salary and benefits package competitive enough to hire and retain quality staff just as is done with FACC staff. Mr. Burke asked Mr. Kent (FACC Executive Director) what salary increase package was approved by Clerks yesterday for FACC staff for the coming year. Mr. Kent reported that the FACC salary increase package included a 2.4% cost of living increase and up to a 3% merit increase. Mr. Barton (Indian River County) asked if there is a time frame for the Personnel Committee to come back to the Executive Council with salary increase recommendations. Mr. Watkins answered that there is not but felt it would be done before the beginning of the October budget cycle. Ms. Ewing asked who serves on the Personnel Committee. Mr. Sanders, as Chair, noted that Mr. Forman, Mr. Ruvin, and Mr.

Smith (Putnam) serve on the committee. Vote was taken and the presented budget was approved.

Our Plan of Operations requires us to approve our bank each year. Mr. Weiss moved that we continue to use SunTrust Bank as our public depository for FY 2007-2008. Mr. Sanders seconded the motion which passed unanimously.

There being no other business, the meeting was adjourned at 3:25 pm.