

**Trial Court Budget Commission
Meeting Minutes
June 4, 2010**



Attendance - Members Present

The Honorable Belvin Perry, Jr., Chair
The Honorable Charles Francis, Vice Chair
Mr. Mike Bridenback
The Honorable Catherine Brunson
The Honorable Joseph Farina
Mr. Tom Genung
Ms. Sandra Lonergan
The Honorable John Laurent
The Honorable Thomas McGrady
The Honorable Wayne Miller

Ms. Carol Ortman
The Honorable Judy Pittman
The Honorable Robert Roundtree
Mr. Walt Smith
The Honorable Margaret Steinbeck
Mr. Mark Weinberg
Ms. Robin Wright
The Honorable Peter Blanc
The Honorable Gary Flower

Attendance - Members Absent

The Honorable Paul Bryan
The Honorable Mark Mahon

The Honorable Clayton Simmons
The Honorable Patricia Thomas

Welcome and Approval of 03/22/10 and 05/20/10 Minutes

Judge Perry called the Trial Court Budget Commission (TCBC) meeting to order at 9:00 a.m. He asked the guests in attendance to introduce themselves and the roll was called.

Judge Perry asked if there were any revisions to the March 22, 2010 and May 20, 2010 meeting minutes. A motion was made by Judge Steinbeck to adopt the minutes as drafted. Judge Roundtree seconded and the motion was passed with none opposed. Judge Perry announced that this meeting will be Judge Pittman's last as a TCBC member. He stated that Judge Pittman is an original member of the TCBC and thanked her for her many years of service and dedication. Judge Pittman expressed appreciation for the opportunity to serve on the TCBC.

For informational purposes, Judge Perry referenced a ruling on a case filed in the 2nd Circuit regarding court filing fees collected and distributed to the General Revenue Fund. The judge held that filing fees must be used for court related functions.

Status of FY 2009-10 Budget

Status of FY 2009-10 Salary Budget

Dorothy Wilson presented a breakdown summary of salary budget data. Ms. Wilson reported that at full employment the projected liability of salary appropriations for the trial courts was over by \$1,711,744. She explained that approximately \$5.5 million was made up in salary lapse due to the hiring freeze that was in effect during the earlier part of the fiscal year. As a result, the adjusted liability of salary appropriations for the trial courts was under by \$3,813,961. After applying the estimated remaining leave payouts of \$253,366, the final adjusted liability was \$3,560,595 under the salary appropriation.

Status of FY 2009-10 Operating Budget

Ms. Wilson summarized the status of the FY 2009-10 State Courts Revenue Trust Fund (SCRTF) operating budgets as of May 24th, 2010. She noted that Expense category expenditures were slightly lower than for the same time period for last fiscal year. Operating Capital Outlay (OCO) expenditures were lower and Contracted Services expenditures were somewhat higher. Ms. Wilson further reported that 49% of the Expenses category had been expended or encumbered; approximately 26% for OCO and 50% for Contracted Services. Additionally, expenditures in the Contracted Services category is expected to increase in June as contracts come due.

Status of FY 2009-10 Due Process Budget

Ms. Wilson presented data which summarized the status of the FY 2009-10 SCRTF Due Process budgets as of May 24, 2010. She reported that spending rates for Expert Witness, Court Reporting, and Court Interpreting Due Process expenditures are slightly lower compared to this same time period last fiscal year. Of the total expenditures/encumbrances for Court Reporting, Due Process Contractual Services amounts accounted for \$6,457,088 or 89% of the total. Overall, Ms. Wilson stated that 75% of the budget for Due Process had been expended or encumbered for the current fiscal year; however, certified forward expenditures are expected.

3rd Judicial Circuit Court Reporting Contractual Request

The 3rd Circuit has requested \$27,083 in due process contractual service funds to meet CourtSmart annual maintenance contract obligations for FY 2009-10. The cost of the service contract is approximately \$54,000. As of May 28th, 2010, the 3rd Judicial Circuit had a total remaining balance of \$28,766. Dorothy Wilson noted that there has been a history of shortfalls in this particular category and the TCBC approved a similar request last year. Additional funding was requested in the 2010-11 Legislative Budget Request and in past years; however, the requests were not funded by the Legislature.

Ms. Wilson reviewed the following options:

- Option 1: Approve the request for an additional \$27,084 utilizing remaining unallocated due process contractual services funds.
- Option 2: Request that the 3rd Judicial Circuit maximize all of their available due process contractual services to meet the maintenance contract obligation. Approve funding, utilizing remaining unallocated due process contractual services funds, up to the additional amount needed to meet the maintenance contract obligation.

The Executive Committee recommended Option 1. Judge Roundtree moved to approve Option 1. The motion was seconded by Carol Ortman and the vote passed with none opposed.

Trust Fund Cash Statements

Charlotte Jerrett presented information pertaining to cash balances of three trust funds utilized by the State Court System: the Mediation and Arbitration Trust Fund (MATF), Operating Trust Fund (OTF) and the State Courts Revenue Trust Fund (SCRTF). Ms. Jerrett noted that \$4 million will be swept from the MATF at the end of the year resulting in a significant reduction to the cash balance. She further noted that at the beginning of the next fiscal year the State Court System will no longer utilize the OTF. Instead, the fund will be renamed the Administrative Trust Fund. In July, unspent funds in the OTF will be transferred to the SCRTF.

As of April 30, 2010, the cash balances were as follows:

Mediation Arbitration Trust Fund:	15,803,191
Operating Trust Fund:	2,045,261
State Courts Revenue Trust Fund:	116,684,823

FY 2010-11 Trust Fund Revenues

Foreclosure Revenue and Trend Analysis

Kris Slayden reported on this agenda item stating that on the February 8th, 2010 meeting of the Article V Revenue Estimating Conference, the conference principles increased the revenue projections for the SCRTF for FY 2009-10 and FY 2010-11. These increases were due to mortgage foreclosure/real property filing revenues exceeding the expected YTD collections from the November 2009 Conference estimate. The SCRTF increased from \$416 million to \$430.3 million in FY 2009-10 and from \$368.6 million to \$379.8 million in FY 2010-11.

Ms. Slayden reported that while the SCRTF continues to provide a stable funding structure for the State Court System for the remainder of FY 2009-10, foreclosure revenue continues to be a dominate source of revenue for the trust fund. It is expected that foreclosure filings for FY 2009-10 will be 7.3% off targeted projections. Based upon trend analysis, foreclosure filings have been on a downward trend and further analysis supports the finding that revenues are also off targeted projections by approximately \$22.6 million.

Ms. Slayden discussed that there may be a second and third wave of foreclosure activity that will result from properties other than the subprime mortgage defaults. However, she expressed concern that if revenues do not hold at the level projected for FY 2010-11 from a second or third wave of foreclosures, the SCRTF may have a shortfall in FY 2011-12. The Office of the State Courts Administrator (OSCA) will continue to monitor revenues closely and will update the TCBC regularly.

Judge Perry warned the TCBC that difficult times may lie ahead related to the possibility of diminishing revenue associated with foreclosure filings. He acknowledged that the SCRTF has served its purpose in providing a dedicated funding source for the trial courts and that monitoring is imperative to achieve its stability.

New Legislation Impacting Revenue

For informational purposes only, Kris Slayden reviewed the following six provisions passed during the 2010 Legislative Session that impacted the Courts' trust funds:

1. Timing of Clerks of Court Revenue Remittance (10th of the month rather than the 20th) to the Department of Revenue (CS/HB 5401)
2. Non-Judicial Foreclosure – Timeshares (CS/CS HB 1411)
3. Red Light Camera – Uniform Traffic Control (HB 325)
4. Operating Trust Fund Transfer (CS/HB 5401)
 - a. Section 1 of the bill, s. 25.241
 - b. Section 18 of the bill, s. 35.22
5. Adjudication Withheld Fund Shift (CS/HB 5401)
6. Decriminalizing Traffic Offenses (CS/HB 5401)
 - a. Section 25 of the bill, s. 320.061
 - b. Section 26 of the bill, s. 320.131
 - c. Section 27 of the bill, s. 320.131

Charlotte Jerrett reported on the fund shift of cost sharing and cost recovery from the Operating Trust Fund (OTF) to the State Courts Revenue Trust Fund (SCRTF) and Administrative Trust Fund (ATF). Because the OTF will cease to exist as of July 1, 2010, the funds currently being deposited into this fund will be redirected. The cost sharing funds will be deposited into the SCRTF to align them with the Court Reporting and Court Interpreting elements. The cost recovery funds will be deposited in the ATF as the source of these funds are not associated with the revenues authorized to be collected in the SCRTF.

Judge Laurent asked about the types of expenditures are allowed to be paid from the ATF. Ms. Jerrett responded that the ATF can be used to pay for cost recovery and due process services in the trial courts. Judge Perry inquired how these funds are allocated. Ms. Jerrett replied that each circuit has an allocation and they may spend what they collect, up to their allocation.

FY 2010-11 Budget Allotments

Mediation

Sharon Buckingham provided background information regarding allotments for the mediation element. She noted that since Revision 7, the ADR/Mediation element has never been fully funded. A new funding ceiling was used in the needs assessment calculated for FY 2009-10 and FY 2010-11. The ceiling is calculated using a standard cost per mediation session held with modifiers applied for coordination, multi-court facilities, and the use of volunteers. Contractual allocations for FY 2009-10 were based on annualized FY 2008-09 expenditures with a cushion applied (based on the projected increase in mediation sessions held as reported by the circuits in the Uniform Data Reporting (UDR) system). Circuits that exceeded the ceiling were held harmless to allow time to adjust their operations to be in line with Supreme Court approved standards and best practices during FY 2009-10. The members discussed modifiers and the use of volunteers/pro bono. Mike Bridenback stated that circuits benefit from using volunteers. Judge Laurent added that in the calculation, all circuits take a 20% reduction for volunteers/pro bono, regardless of use.

Circuit level FY 2010-11 MATF authority allocations need to be determined for mediation/arbitration contractual services. Ms. Buckingham presented two options:

- Option 1: Allot contractual authority based on annualized FY 2009-10 expenditures with a 5% cushion applied (based on the projected increase in UDR mediation sessions held) as long as the allotment does not cause a circuit to exceed the ceiling calculation. Place the \$322,404 balance in the statewide reserve.
- Option 2: Allot contractual authority based on annualized FY 2009-10 expenditures with a 15% cushion applied to support the expansion of mediation services to all model case types and all counties, as long as the allotments does not cause a circuit to exceed the ceiling calculation. Place the \$90,039 balance in the statewide reserve.

The Funding Methodology Committee (FMC) recommendation was to allot contractual authority based on annualized FY 2009-10 expenditures with a 5% cushion applied (based on the projected increase in UDR mediation sessions held), holding harmless those circuits exceeding their ceiling calculation. Place the \$133,114 balance in the statewide reserve. The FMC further recommended that OSCA staff should work with circuits whose expenditures are projected to exceed the ceiling calculation to identify operational changes that may lead to increased cost efficiency and increased compliance with Supreme Court approved standards of operation and best practices. The Executive Committee agreed with the FMC's recommendation and further recommended that FY 2010-11 be the last year circuits exceeding the ceiling calculation are held harmless.

Judge Steinbeck asked why Option 1 was best. Ms. Buckingham responded that Option 1 meets all circuits' needs and places some of the funds in reserve. Four circuits also need more time to prepare for expansion of mediation services.

Judge McGrady moved to approve Option 1, with the understanding that FY 2010-11 will be the last year circuits are held harmless. Judge Roundtree seconded the motion and it passed with none opposed. Mike Bridenback expressed concern with the reliability of data. To ensure the integrity of data, he asked all circuits to review the reporting of their data. He also recommended looking at other factors such as the cost of doing business, rates that are paid and long-term employees whose salaries are above average. Mark Weinberg added that circuits should be held harmless on payroll costs due to Revision 7 when county employees moved to the state payroll.

Civil Traffic Infraction Hearing Officers

Heather Thuotte-Pierson offered an overview of allotments from FY 2009-10. In FY 2009-10, funding was allotted to the circuits for the first six months of the year based on one-half of the highest year of historical expenditures (2006-07). A total of \$920,841 was allotted, leaving a \$419,023 reserve. Approval of the allotment was based on the presumption that a budget amendment would be filed with the Legislature to temporarily transfer Expense reserve funds into the Civil Traffic Infraction Hearing Officer category. In December 2009, a second allotment was approved using the \$419,023 reserve. For the \$632,367 balance of funding needed, a budget amendment was filed and a third allotment was provided to the circuits following approval by the Legislature.

Ms. Thuotte-Pierson reported that the total statewide contractual authority appropriation for civil traffic infraction hearing officers is \$1,339,864. It is estimated that \$664,920 in additional funding is needed in this element. She noted that a budget amendment may be filed to temporarily transfer funds from Expense reserve to the Civil Traffic category. The proposed FY 2010-11 Expense reserve allotment is \$1,630,014.

Ms. Thuotte-Pierson presented two options for consideration:

- Option 1: Allot contractual authority based on each circuit's percent of the total statewide expenditures using expenditures from October 2009 to April 2010 (to account for recent variability in available funding from the counties) applied to the total available FY 2010-11 appropriation. Pending legislative approval of the \$644,920 budget amendment, provide a second allotment based on the same methodology.
- Option 2: Same as Option 1, but increases the amount of the budget amendment for the second allotment to \$783,990 by holding circuits harmless to their FY 2009-10 total allotment.

The FMC and the Executive Committee recommended Option 2. A motion was put forth by Judge Roundtree to approve Option 2. Carol Ortman seconded the motion and it passed with none opposed.

Additional Compensation for County Judges

Heather Thuotte-Pierson reported that in FY 2009-10, the Legislature appropriated \$75,000 in spending authority for additional compensation for county judges. The TCBC had approved to make \$25,000 available on a first come, first serve bases with the remainder placed in reserve until other allocation options were developed. The TCBC asked the Conference of County Court Judges to recommend allocation methodologies for the August 18, 2009 meeting. The Conference recommended a pro-rata calculation based on three years of historical expenditure data. The Executive Committee approved the methodology as recommended by the Conference. The Executive Committee also recommended that the \$50,000 allocated to the circuits be utilized before the \$25,000 pooled funds. Additionally, during the 2009 Legislative Session, SB 1718 amended section 26.57, Florida Statutes. The revision provided that "a county court judge designated to preside over circuit court cases shall receive the same salary as a circuit court judge, to the extent that funds are specifically appropriated by law for such purposes."

Ms. Thuotte-Pierson reported that as of April 2010, several circuits had run out of funding for additional compensation for county judges and the \$25,000 in pooled funding had been depleted. Circuits were asked to report to the OSCA any hours served as of April 20, 2010 for which the circuits would have sought reimbursement but were uncompensated due to lack of funds.

Ms. Thuotte-Pierson presented two options for consideration:

- Option 1: Allot contractual authority based on each circuit's percent of the total statewide expenditures using three years of historical expenditure data.
- Option 2: Allot contractual authority based on each circuit's percent of the total statewide expenditures using only FY 2009-10 expenditure data (to account for the changes in statute that occurred in 2009 Legislative Session) and including hours served through April 30, 2010 in FY 2009-10 for which circuits would have requested reimbursement but were uncompensated due to lack of funds.

The FMC and the Executive Committee had recommended Option 2. Judge Flower expressed concern of relying solely on FY 2009-10 expenditure data for the allotment due to judges not submitting compensation request forms after funds were exhausted. Judge McGrady noted that using the three-year historical data may also be problematic due to the prevalence of underreporting in prior fiscal years, and that utilizing data from FY 2009-10 may be more accurate. Charlotte Jerrett added that after funds were depleted, trial court administrators

were asked to track the data and not to submit requests for compensation. Judge Blanc suggested that the TCBC postpone action on the issue until the July TCBC meeting. Judge Farina stated that postponing action would result in a delay of compensation for eligible county judges. Judge Perry stressed the importance of form submission to capture the data.

Judge Roundtree offered a motion to allot contractual authority based on each circuit's percent of the total statewide expenditures using three years of historical expenditure data. Judge Pittman seconded the motion and it passed with Judge McGrady opposed.

All Other Elements

Expenses, Operating Capital Outlay, Contracted Services, and Senior Judge Compensation

Dorothy Wilson reported that during the April 20, 2010 meeting, the FMC recommended that allotments be maintained for the Expenses, Operating Capital Outlay, Contracted Services, and Senior Judge Compensation categories for the elements indicated below based on the FY 2009-10 beginning allotments. The Executive Committee also recommended no changes to the allotments.

- Child Support Hearing Officer Program
- Circuit Judges and Judicial Assistants
- County Judges and Judicial Assistants
- Expert Witness
- Court Reporting
- Court Interpreting
- Case Management
- Magistrates
- Court Administration
- Drug Court
- Post-Conviction Law Clerks
- Trial Court Law Clerks
- Senior Judges
- Drug Court American Recovery and Reinvestment Act (ARRA)

Ms. Wilson noted that the proposed allotments have not been adjusted for any internal transfers or budget amendments that may have been processed during FY 2009-10, since those transfers are not considered permanent from one fiscal year to the next. She reviewed each of the proposed allotment charts and noted that the Child Support Hearing Officer Program element was revised to reflect FTE changes recently approved by the TCBC. All other elements remain unchanged.

Charlotte Jerrett presented additional information regarding the Drug Court Grant – ARRA. The allocation was updated to reflect the Fourth Judicial Circuit discontinuing their drug court due

to the state attorney not placing participants into the program. Mark Weinberg inquired if ARRA funds can be carried over if circuits experienced delays in FY 2009-10 start up. Charlotte Jerrett responded that the State Courts System has the authority to ask for an extension.

Ms. Wilson then examined proposed allotments for reserve and statewide operating expenses. In the Circuit Operating Reserve, \$38,000 was moved from Expense to Other Personal Services (OPS) so that the Circuit Court budget entity would have base authority in the SCRTF for OPS. \$100,000 was added from Bar Dues as those are now prohibited from being paid in the GAA. \$200,000 was added from Unemployment Compensation as those obligations are decreasing since the Reduction in Force of FY 2008-09. \$22,363 was deducted for an increase in dues for the National Center for State Courts. \$58,031 was added as unfunded Cost Sharing Reserve authority moved from the Operating Trust Fund to the State Courts Revenue Trust Fund. \$5,500 in Expense and \$600 in Contracted Services were added from Trial Court Workload Studies (renamed from *Judicial Resource Study Phase II*) as the proposed budget for that issue has been reduced to account for only two face-to-face meetings including materials and meeting space. It is proposed that \$50,000 in Expense and \$50,000 in Contracted Services be moved to a new Legal Services cost center to track these expenditures. \$783,900 will be deducted for a budget amendment to cover the Civil Traffic Infraction Hearing Officer allotments just approved.

Judge Laurent offered a motion to approve the allotments. Judge Miller seconded the motion and it passed with none opposed.

Special Request

Ninth Circuit Court Reporting Contractual Request

Sharon Buckingham presented the court reporting contractual request for the Ninth Circuit. She noted that the Ninth Circuit has not had a contractual budget allotment in the court reporting element. However, \$80,000 was transferred to the court reporting contractual category in FY 2009-10. During FY 2009-10, the Ninth Circuit has experienced that significant overtime hours and cost recovery funds were used to eliminate a voluminous backlog resulting in lengthy delays for the completion of transcripts necessitating repeated requests for extensions of time to the Fifth District Court of Appeal. As of April 30, 2010, \$46,639.80 has been expended from this category for transcription production.

Ms. Buckingham reported that the Ninth Circuit has requested \$100,000 in court reporting contractual funds for FY 2010-11 to aid in transcript production. With the \$100,000 in contractual dollars for FY 2010-11, the circuit believes they will be able to reduce expenditures by \$5,000 and eliminate the transcript backlog.

Ms. Buckingham presented two options for consideration:

- Option 1: Approve \$100,000 request using funds from the statewide court reporting contractual reserve.
- Option 2: Consider \$100,000 request later in FY 2010-11 if the circuit cannot cover expenditures within their budget.

The FMC recommended consideration of the \$100,000 request later in FY 2010-11 if the circuit has to contemplate using overtime funds to keep current on transcript production. Ms. Buckingham stated that OSCA staff plans to work with the circuits to review resource needs resulting from court reporting rule revisions, standards of operation, and best practices recently adopted by the Supreme Court. It is expected that the impact on each circuit will differ due to the current variation in operations throughout the state.

The Executive Committee recommended Option 1 after receiving additional information. Judge Miller stated that the 9th Circuit has seven additional judges and has not received additional court reporters. Mike Bridenback added that based on the needs assessment, the circuit requires five FTE's. Additionally, circuits with contractual funds have received increases in their allocation. Mike Bridenback moved to approve Option 1. The motion was seconded by Carol Ortman and it passed with none opposed.

Eighth Circuit Court Reporting Contractual Request

Charlotte Jerrett stated that on September 22, 2009, the TCBC approved funds for the continued development of OpenCourt, an open source software product for Digital Court Recording systems currently being developed in the Eighth Circuit for statewide use. A contractor was hired approximately five months ago to begin work on the project. Since March 18, 2010, the system has been running in one courtroom with excellent results. To date, of the \$75,000 originally approved by the TCBC, approximately \$25,000 has been expended. At the end of the fiscal year, it is anticipated that the total expenditures will be approximately \$43,000, leaving \$32,000 balance for FY 2009-10. These funds are budgeted in Court Reporting Contractual Services, category 105420.

The 8th Judicial Circuit requests \$100,000 for FY 2010-11 to complete the project; \$93,000 will be used to pay the consultant during that fiscal year; the remaining \$6,400 will be reserved to provide for travel for staff from other circuits to visit and view the progress on the project.

Fred Buhl, Chief Technology Officer for the Eighth Circuit reported on the overall status of the project and identified several features that will be implemented during this fiscal year. Mr. Buhl also explained other features that may be pursued if the project is funded for the 2010-11 fiscal year.

Ms. Jerrett presented two options for consideration:

- Option 1: Approve funding for FY 2010-11 in the amount of \$100,000 to allow the 8th Judicial Circuit to complete the development of OpenCourt.
- Option 2: Do not approve the request.

The FMC recommended Option 1. Judge McGrady offered a motion to approve Option 1. Walt Smith seconded the motion and it passed with none opposed.

Foreclosure and Economic Recovery Funding

Case Reporting System

Kris Slayden reported that the TCBC had voted during the May 20, 2010 meeting to focus this project on Real Property/Mortgage Foreclosure cases. The following has been adopted as the primary goal of the Foreclosure and Economic Recovery Funding Initiative: 62% of all Real Property/Mortgage Foreclosure cases pending (non-disposed and reopened) will be disposed in FY 2010-11.

Ms. Slayden identified four types of data that will be collected in order to monitor the success of the initiative:

- Clearance rates
- The number of cases disposed
- The percent of backlogged cases
- The average age of target cases

Additionally, Ms. Slayden reviewed data reporting requirements for the Clerks of Court. The Clerks of Court in each county will be required to provide to the OSCA a list of all cases, non-disposed or reopened (i.e. pending), as of June 30, 2010. The list should be provided to the OSCA no later than close of business July 9, 2010. The file will be submitted in a format determined by the OSCA.

Ms. Slayden noted that OSCA will include in its audit schedule additional time to audit this data to ensure that the data reported is accurate. The Court Statistics and Workload Committee of the Trial Court Performance and Accountability Commission will oversee the data collection instruments and reporting elements. Approval is needed to have the Budget Management Committee monitor expenditures and compare to these statistics to ensure that the budget is being expended as intended and the backlog is decreasing.

Judge Roundtree offered a motion to approve the monitoring of expenditures and statistics by the Budget Management Committee. Judge Brunson seconded the motion and it passed with none opposed.

Update on Clerk of Court Operations Corporation Allocation of Clerks' Economic Recovery Funding

Judge Steinbeck briefed the members and stated that the Clerks of Court Operations Corporation (CCOC) Executive Council met on May 25, 2010 to discuss their Finance and Budget (F&B) Committee's recommendation on the methodology for distribution of their foreclosure appropriation. They discussed the language in CS/HB 5401 and were aware that the TCBC had asked the chief judges to work with the clerks on their plan.

The CCOC F&B's \$3.6 million recommended circuit allocation for the clerks of court, was based on two calculations. \$1.8 million was distributed proportionally to the \$6 million budget that the circuit courts are getting. The other \$1.8 million is distributed proportionally based on the total number of real property/mortgage foreclosure cases in the circuit (as calculated by the OSCA). Kris Slayden presented a chart which shows the two allocations and the total \$3.6 million allocation by circuit.

Since the CCOC F&B methodology has yet to allocate by county, there was discussion about an appropriate allocation in multi-county jurisdictions. It was decided that the clerks in multi-county jurisdictions should coordinate with each other, and all clerks, in every circuit, should meet with their chief judges to make sure that the county allocations and the clerks' plans match the plan of the chief judges in each circuit.

The clerks stated their understanding that the funding will be available on July 1st and they recognized the urgency to get the resources in place as soon as possible. They discussed the goal of the appropriation to clear the foreclosure backlog and agreed that they would hire resources to assist the courts in achieving that goal. They also passed a motion to develop a simple tracking system to make sure that they were able to track the money spent on this initiative. They plan to present a more formal plan for the tracking system at their next meeting on June 29, 2010.

An email was sent out on May 28, 2010 from the OSCA asking each chief judge to contact the clerks in their circuit as soon as possible about their plan to fund this initiative. Legislative staff has requested that the clerks' and courts' spending plans be submitted at the same time so that they can ensure that the two plans work together in support of the goal. The chief judges were informed that the TCBC planned to discuss this matter again at their June 4th meeting, and were asked to provide any update on the status of the communication with their clerks before the meeting, if at all possible.

A letter was sent out on May 28, 2010, from CCOC Chair Howard Forman, to all chief judges in multi-county circuits. Mr. Forman requested that the chief judge meet with each of the clerks in their circuit to collaborate on a plan to provide resources to address the foreclosure backlog. He also asked the chief judges, after their collaboration with the clerks in their circuit, to

provide any information and/or suggestions to help the CCOC make a decision to allocate dollars among the clerks in their circuit, as specific dollar amounts dedicated to each county or as a percentage of the circuit total. He is requesting a response by June 5, 2010.

It is recommended that staff be directed to follow up with the Trial Court Administrators in those circuits that have not reported on the status of their plan with the clerks. Judge Roundtree offered a motion to approve the recommendation. Judge Brunson seconded the motion and it passed with none opposed.

The CCOC Executive Director, John Dew stated that the urgency of completing plans is due to the need for a budget amendment for the clerks to have funds available July 1 to implement their plans. The Legislature requires a 14-day consultation period for approval of this budget amendment. He acknowledged the TCBC's efforts to work with the CCOC to achieve the goal of the project. Mr. Dew thanked Judge Steinbeck for serving on the Executive Council. Lisa Goodner added that the circuit courts also have to complete a budget amendment with a 14-day consultation period. The Legislature will review both budget amendments to see how both work together.

FY 2010-11 Budget and Pay Policies - Hiring and Travel Freeze

Child Support Hearing Officer Hiring Freeze

Gary Phillips reported on this agenda item and stated that the Trial Court Salary Budget Management Schedule calls for a mandatory minimum of 0, 30, 60, or 90 days in which certain positions must stay vacant, and recently CSE Hearing Officer and secretarial positions were put in a hard freeze when it appeared program funding was in jeopardy. Prior to that, these positions were in the zero days to fill category. The threat of losing funds has now subsided.

Mr. Phillips noted that only one position was vacant in March when the freeze was enacted. There are presently two vacancies and staff is aware of one more position that will become vacant within a few weeks.

Mr. Phillips relayed staff's recommendation that the hiring freeze for CSE Hearing Officers and secretaries be rescinded. Further, the TCBC should recommend to the Chief Justice that the Salary Budget Management Schedule be changed so that CSE Hearing Officers and associated secretarial positions may again be filled after 0 days vacant. Judge McGrady moved to approve staff's recommendations. Judge Brunson seconded the motion and it passed with none opposed.

Recommendations for Modification of Chief Justice's Travel Restrictions

Charlotte Jerrett reported on recommendations for modification of the Chief Justice's Travel Restrictions as outlined in the Budget and Pay Administration Memorandum. Ms. Jerrett reviewed each of the proposed revisions to the travel restrictions. Substantive changes include:

- A trial court administrator may assign a designee for certification of expenditures.
- The chief judge of each circuit may authorize mission critical out-of-state travel, provided that all travel expenses are paid with a source of funding other than state funds.
- Intra-circuit travel in support of the administration of justice does not include travel to attend conferences, conventions, seminars, training classes, workshops, or travel for events. The chief judge of each circuit may approve such travel provided that all travel expenses are paid with a source of funding other than state funds.
- Members of court-appointed committees of The Florida Bar may be reimbursed for reasonable travel expenses associated with meetings of those groups with prior approval from the chief judge or designee and submission of a Travel Authorization Request form. These expenses will be charged against the local circuit budget.

Mark Weinberg asked for the protocol to assign a designee for trial court administrator certification of expenditures. Judge Perry asked trial court administrators to send a letter to OSCA.

The Executive Committee recommended approval of the proposed changes. Judge Brunson offered a motion to recommend the proposed revisions to the travel restrictions. Walt Smith seconded the motion and it passed with none opposed.

FY 2011-12 Legislative Budget Request

Legislative Budget Request (LBR) Timeline

Dorothy Wilson presented a draft of the FY 2011-12 Legislative Budget Request Timeline for the Trial Courts. Judge Blanc suggested that representatives of the judges' conferences be present at the proposed Joint Meeting of Leadership on September 8, 2010. Judge Perry replied that the meeting is called by the Chief Justice and a request may be forwarded to the chief's office. Hearing no other questions or comments, Judge Roundtree moved to approve the draft timeline. Carol Ortman seconded the motion and it passed with none opposed.

Strategy for FY 2011/12 LBR/Needs Assessment Process

Sharon Buckingham presented the following information on the strategy for the 2011-12 LBR and Needs Assessment Process.

In the fall of 2008 as a part of a comprehensive Judicial Branch effort, the TCBC undertook a needs assessment in order to determine the amount of funding required to operate the trial courts at a reasonably efficient and effective level. Starting with the existing base budget, a total funding need was calculated by circuit for all trial court elements based on institutionalized funding methodologies, which considered both the impact of recent budget cuts and insufficient funding levels experienced for several years.

In the summer of 2009, the TCBC decided to repeat the needs assessment calculation in addition to using the traditional LBR process. In the traditional LBR process, circuits are asked to submit legislative budget requests for each element as needed. These requests are then compared to the funding methodology. Circuit requests that exceed the need calculated under the funding methodology are not approved by the TCBC. With the similarity between the needs assessment process and the traditional LBR process, these two efforts were combined into one exercise using the institutionalized funding methodologies for each element. For the elements, the TCBC decided to approve a LBR based on the statewide need calculated under the funding methodology.

Ms. Buckingham reported that resources continue to have a significant impact on the trial courts due to severe losses experienced over the last few years, which in turn, has affected the volume and complexity of the LBR process (over 1,000 individual circuit requests were submitted last year). This has led to an enormous workload for the circuits, the TCBC and its subcommittees, and OSCA staff in preparing and reviewing the circuit LBR requests in addition to determining the statewide needs assessment for each element. During last year's LBR process, the District Court of Appeal Budget Commission decided to allow the districts to submit requests for non-recurring issues and to use the needs assessment figures for all other issues. This streamlined approach was more efficient, less work and time intensive, and still adequately addressed their needs. A similar approach could be applied by the TCBC for the FY 2011-12 LBR/Needs Assessment process.

Additionally, as there has not been a dramatic change in caseload or the amount of resources appropriated by the Legislature, updating the statewide needs assessment calculations may not result in a significant change from last year's \$100 million LBR request. Further, with the discontinuation of federal stimulus funding and the continued budget crisis facing the State of Florida, it is fairly unlikely that the trial courts will receive additional funding for FY 2011-12. In fact, the court system may again be in a position of protecting the trial courts from cuts. Thus, given the low probability that the court system will receive additional funding and that the statewide needs assessment will likely not differ significantly from last year's calculations, it may be unnecessary to recalculate the entire needs assessment for the FY 2011-12.

Ms. Buckingham presented a table that provided a comparison between last year's LBR/Needs Assessment process and a proposed streamlined process for the FY 2011-12 LBR/Needs Assessment.

For the FY 2011-12 LBR/Needs Assessment, the Funding Methodology Committee and the Executive Committee recommended approving the proposed streamlined process as described above. In future years, the TCBC may wish to consider standardizing a streamlined LBR/Needs Assessment process. The Executive Committee asked staff to review cost sharing and Economic Recovery for continued funding.

Judge Brunson offered a motion to approve the proposed streamlined process. The motion was seconded by Judge Roundtree and it passed with none opposed.

Other Business

Staff Attorney Incentive Pay

Judge Perry noted that incentive pay was rescinded due to concerns of funding shortfalls. Now that the concerns have been somewhat alleviated, the Executive Committee proposed that incentive pay be restored as of June 1, 2010. The committee believes if these incentives are not restored, there may be a negative impact on staff attorney retention. Judge Miller further noted that staff attorneys were hired under the presumption that they would be eligible for incentive pay. Walt Smith asked if the restoration would apply to law clerks in the Supreme Court and District Court of Appeal. Lisa Goodner affirmed.

Gary Phillips noted that there are currently 58 law clerks who would qualify for incentive pay, and if restored June 1, the estimated cost is approximately \$14,998. It is further estimated that the recurring cost for FY 2010-11 would be approximately \$170,000.

Judge Roundtree made a motion to reinstate staff attorney incentive pay, if funding permits. The motion was seconded by Judge Brunson and it passed with none opposed.

TCBC Membership Change

Judge Perry stated that he is stepping down as chair of the TCBC. The incoming chief justice will issue an administrative order that will appoint Judge Laurent as Chair and Judge Steinbeck as Vice Chair. Judge Perry has been involved since 2000 with the Article V Steering Committee which led to the formation of the TCBC. He thanked OSCA staff, specifically, Lisa Goodner, Charlotte Jerrett, Dorothy Wilson, Kris Slayden, Sharon Buckingham, Brenda Johnson, Debbie Howells, and Greg Smith. Judge Perry especially thanked Sue Bruce for coordinating lodging and meeting rooms for out of town meetings and for supporting visiting TCBC members when in Tallahassee. He thanked his Vice Chair, Judge Francis. He also thanked all the TCBC members and Executive Committee members. He indicated his appreciation for the opportunity to serve and thanked everyone for their support.

Adjournment

With no other business before the commission, the meeting was adjourned at 12:21 p.m.