

**Trial Court Budget Commission
Meeting Minutes
Marco Island, Florida
June 18-19, 2004**



Members Present

Susan Schaeffer, Chair	Charles Francis	Belvin Perry
Stan Morris, Vice Chair	Kim Hammond	Judy Pittman
Jeffery Arnold	Nelly Khouzam	Thomas Reese
Mike Bridenback	John Laurent	William Roby
Don Briggs	Donald Moran, Jr.	Walt Smith
Paul Bryan	Carol Ortman	Mark Van Bever
Ruben Carrerou	Wayne Peacock	Theresa Westerfield
Joseph Farina	Nancy Perez	

Others Present

Britt Beasley-4th Circuit, Judge Blackwell-White-9th Circuit, Chief Judge Hayes-20th Circuit, Gay Inskeep-6th Circuit, Caron Jeffreys-20th Circuit, Chief Judge Menendez-13th Circuit, Elaine New-6th Circuit, Grant Slayden-2nd Circuit, Mark Weinberg-7th Circuit, Jennifer Wells-14th Circuit, and OSCA staff.

WELCOME & INTRODUCTION OF GUESTS

Judge Schaeffer called the meeting to order Friday, June 18, 2004, at 1:00 p.m. Introductions were made and guests were recognized.

Judge Schaeffer explained that since the last meeting and conclusion of the legislative session, the Funding Methodology Committee met to review the funding appropriated and make recommendations. The Budget Management Committee then met to address the salary shortfall and make recommendations. A joint meeting was then held with the Executive Committee, Budget Management Committee, and the Funding Methodology Committee to avoid duplicating efforts. The committee members reviewed and refined the recommendations to be made to the full commission. Many important decisions will be made by the commission today.

APPROVAL OF MEETING MINUTES

Because the minutes were not available in advance of the meeting, Judge Schaeffer requested the members read them this evening and report any inaccuracies at the start of the meeting tomorrow.

OTHER ANNOUNCEMENTS

Committee Changes

Judge Schaeffer reported that committee membership changes were made. The Chair and Vice Chair of the TCBC are non-voting, ex-officio members of each committee, except for the Executive Committee, where each is a voting member. Therefore, Judge Morris was removed from the Budget Management Committee and Funding Methodology Committee. Judge Francis will replace Judge Morris on both these committees as a representative for small circuits. Due to the new assignments, Judge Francis was removed from the Legislative Committee.

The extensive work performed by the Budget Management Committee required the addition of two new members. Judges Farina and Perry were added to the committee.

Appointment of New TCBC Chair and Vice-Chair

Judge Schaeffer recognized Chief Justice Anstead for his support of the TCBC and for allowing her to have input on the appointment of members. Likewise, Chief Justice-Elect Barbara Pariente has asked for her input on TCBC members' appointment and expiration dates. Judge Schaeffer stated that her term as TCBC Chair will expire on November 30, 2004.

Judge Schaeffer read a memorandum from Justice Pariente regarding new appointments. The memorandum expressed Justice Pariente's deep appreciation for the work of each member of the TCBC and extended a thank you from the entire Supreme Court for their tireless efforts. She announced that she would be appointing Judge Morris as the new Chair and Judge Perry as Vice-Chair, to be effective December 1, 2004. In November, Chief Justice-Elect Pariente will appoint seven new members to the commission to replace those with terms expiring on November 30, 2004. She will spend the next several months discussing those appointments with current commission members and chief judges. Judge Schaeffer stated that for ease of transition, she will ask the incoming Chair and Vice-Chair to lead discussions and make the Legislative Budget Request presentation. Judge Schaeffer requested Chief Justice-Elect Pariente's memorandum be attached to the final meeting minutes. Judges Morris and Perry were recognized by the commission. Judge Schaeffer expressed appreciation for Justice Pariente's appointment decisions and expressed deep gratitude to Judges Morris and Perry for their work of the past and for the responsibilities they have agreed to take on in the future.

Judge Morris stated his goal for the commission is to be as successful in the next two years as in the past two years. He said Judge Schaeffer is irreplaceable. Judge Morris stated that Judge Perry was his first choice as Vice Chair when asked by Chief Justice-Elect Pariente.

Judge Perry reaffirmed that Judge Schaeffer cannot be replaced. She held all the judges together.

He will enjoy working with Judge Morris. He thanked the trial court administrators and OSCA staff for their work. He pledged to continue Judge Schaeffer's vision of teamwork and all speaking with one voice.

FINAL ANALYSIS OF FY 03/04 TRIAL COURT SALARY SHORTFALL

May operating reports indicate savings measures are on target to cover payroll through fiscal year end. The Budget Management Committee will continue to monitor payroll expenditures closely. The Family Court Trust Fund salary budget has been working against a \$600,000 salary shortfall. Funds were placed in reserve from other operating categories. \$400,000 was transferred to cover the shortfall. \$400,000 of the total shortfall is projected to be made up through the hiring freeze, leaving an excess amount of approximately \$200,000.

The Executive Committee recommended to Chief Justice Anstead that he lift the hiring freeze for staff attorneys, effective June 1, 2004. Chief Justice Anstead did so and this action for 29.0 FTE staff attorneys is projected to cost \$125,798 per month.

RETROSPECTIVE OF 2004 LEGISLATIVE SESSION

Judge Perry summarized the 2004 legislative session explaining that to fully understand it, one would need to realize that the effort started last summer. The "A-Team," consisting of Judges Schaeffer, Perry, Morris, Francis, Farina, Trial Court Administrator Carol Ortman, and State Courts Administrator Lisa Goodner, met with the Governor and staff regarding the budget. The Revision 7 Communications Advisory Committee and the business community played a vital role. The A-Team testified before committees, and met individually with members. Judge Laurent, a former senator, was added to the A-Team and was invaluable to the team. Work will start this summer for the next legislative session. Credibility was established with the legislature, proven by the number of times both the executive and legislative branches relied on our funding methodology. The A-Team was recognized for their very hard work in Tallahassee.

REVISION 7 BUDGET IMPLEMENTATION

Proposed Resolution of Projected FY 04/05 Salary Shortfall

A table showing the summary of the FY 04/05 actions to address the projected salary shortfall of \$5.3 million was reviewed. The table reflected savings for court administration, case management, and general masters. The table does not include due process or mediation. The uncommitted salary budget from due process experts will be placed in the due process bank. \$3,225,132 of the \$5,300,000 was made up through the measures approved by the commission, including delaying hiring of some new employees from July 1 until October 1.

Judge Schaeffer reminded the members that part of this year's shortfall savings are not permanent. The final appropriation FY 04/05 included a 2% lapse in salary and benefit dollars. The governor vetoed the leave liability appropriation. She will recommend the salary shortfall be addressed in next year's budget.

Allocation of Positions and Contractual Dollars By Element

Personnel Classification and Pay Issues

The following actions taken by the Executive, Funding Methodology, and Budget Management Committees were reviewed and ratified by the TCBC:

1. For employees whose positions are brought over as part of Revision 7 implementation, no county employees' existing salaries should be cut, even if their salaries are increased more than 2% due to a reclassification action, a COLA, or merit increase effective prior to May 11, 2004. The existing salary rule does not apply to employees who were in positions that were not part of the transition to state funding. If an employee in a non-Revision 7 position is offered a Revision 7 position, the minimum salary of the Revision 7 position would apply, as if they were a new employee.
2. County employees whose salaries are below minimum of the parallel state classification should be brought up to the minimum salary of their state classification.
3. After May 11, all vacant county positions to become state positions must be filled at the minimum for their state class. An exception request from the 8th and 11th circuit was withdrawn. An exception request from the 18th and 20th circuit was denied.
4. Recommend to the Chief Justice that the hiring freeze on state positions be lifted effective July 1, 2004, and be available to be filled at the minimum of the class.
5. Recommend to the Chief Justice that all vacant county positions that become state positions effective July 1, 2004, be available to be filled at the minimum of the class, beginning that date.
6. Exceptions to hiring at minimum - A JA transferring between circuits, within a circuit, or from circuit court to county court, or vice versa, may be transferred at his or her present salary, even if the present salary is above the minimum of the new position. All other exceptions are subject to the approval of the TCBC on a case-by-case basis. Exception requests must include documentation indicating that a circuit has advertised twice, with no applicants meeting the minimum job qualifications.
7. Discontinue current policy of JA coverage. Chief judges may use OPS for coverage due to a JA's illness, injury, or disability.
8. Due to the salary shortfall, the trial court law clerk compensation plan is held in abeyance for six months. Also, practices of providing salary increases to employees who achieve a "certification" in their field will not be accommodated.

9. To help address the salary shortfall, Revision 7 positions designated as “new” and not specifically allocated by the TCBC to be effective on July 1, 2004, will be available to be filled October 1, 2004.
10. All positions (current state, former county and new) that are not allocated to a specific circuit are to be placed in reserve to help address the salary shortfall. A separate “bank” will be maintained for unallocated due process positions and mediation positions. The dollars in reserve will be spent to cover the salary shortfall.

Discussion followed regarding the salary inequities created by hiring at base and the difficulty of internal promotions/hiring from within. After discussion, the following exception to hiring at minimum was added to the list of recommendations:

11. Exceptions to hiring at minimum for promotions is at the chief judges’ discretion. A 10% increase over the existing salary or the base of the new position may be offered. If a 10% increase exceeds the maximum for the new class, the promoted employee will receive the lesser amount. The exception will increase the amount of the salary shortfall.

Court Interpreting Element

The court interpreting allocation table was reviewed. The salary and benefit amounts are projected amounts based on what was reported by the circuits as of June 15, 2004. Any personnel actions after that date will impact the payroll allocation to the affected circuit. Circuit 00 represents pooled amounts for circuits 1, 2, 3, 4, 5, 8, 14, and 18. In those circuits with a shared model, the model is based on a proportionate share with the public defenders and state attorneys.

Court Reporting Element

The court reporting allocation table was reviewed. The dynamics of court reporting are always changing and because of this, the figures may change throughout the year. The LBR was generated based on each circuit’s projected actual requirements, plus a 3% adjustment for inflation of court reporting contracts. \$865,600 was requested and appropriated to cover costs relating to recording services provided by the clerks. This element was fully funded, less a 2% salary lapse. \$4.5 million of this funding was provided in the form of trust authority to spend dollars contributed by the state attorneys, public defenders and JAC on behalf of court appointed counsel to circuits providing court reporting services on their behalf.

The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees at their joint committee meeting were reviewed.

1. Allocate to meet each circuit’s existing FTE and contract requirements, including accommodating increased needs, such as:

- the increased contractual need in the 13th, due to coverage of 3 additional court division;
 - the increased need in the 17th due to the expansion of their digital court reporting;
 - the increased need in the 18th due to negotiation of a 9% increase to their court reporting contract; and
 - 4.0 additional FTE for the 7th due to an impending model change.
2. Allocate new positions to the 5th, 12th, and 19th circuits for purposes of addressing recording services previously provided by the clerks.
 3. Do not allocate expense dollars related to court reporting equipment maintenance. Equipment for which the county holds title should be maintained by the county and the state should pay costs related to equipment actually owned by the state.
 4. The 1.0 FTE requested in the LBR for the 20th circuit but not actually a county-funded FTE should be credited to the due process bank.
 5. When a circuit subsequently determines that it no longer needs an FTE due to the introduction of digital court reporting equipment, the FTE should be credited to the due process bank.
 6. On behalf of circuits that will be providing court reporting services to the state attorneys, public defenders and court-appointed counsel under a cost sharing model, the OSCA should prepare and submit quarterly invoices to the JAC, based on the shared cost amounts provided by the trial court administrator and used by the legislature to determine the trust authority needed.

Discussion followed regarding the costs associated with the operation of court reporting equipment by the clerks of court, and one circuit's need to access contingency because of the clerks' intent to no longer provide the service. After discussion, the following was added to the list of recommendations:

7. Discourage the practice of paying clerks of court to operate court reporting equipment. Discontinuation of that practice will enable courts to control costs and more accurately reflect costs for future budget requests.

The table shows a balance of -29.75 FTE. Needed positions can be obtained from the 50 FTE that was provided for circuits moving to an employee model. Funds in the due process bank will be used to offset any deficit, if incurred.

Status Update on Shared Costs for Court Reporting

In November, 2003, representatives of the OSCA, TCBC, State Attorneys, Public Defenders, and JAC participated in an informal work session on due process and Revision 7 transition issues. All those at the workshop agreed that in instances where the court provides due process services for the state attorney, public defender, or court appointed counsel, the trial court administrator, state attorney, and public defender would meet to determine each entity's respective estimated percent

usage of the court-provided resource. It was understood that this percentage would only be an estimate. Upon agreement of the percentages, the state attorney and the public defender would seek to ensure that the legislature provided funds in their respective budgets to cover their percentage. It was agreed that each entity was responsible for contributing its percentage for FY 2004/05, regardless of actual usage.

The Public Defenders report that the General Appropriations Act for 2004/05 does not provide adequate funding for their due process costs, and this will limit their ability to contribute dollars to the trust fund. If the respective users do not contribute to the trust fund, the court will be unable to cover salaries for its employees who provide due process services, which will impede the courts' ability to provide transcripts and process appeals.

The idea of having OSCA bill the state attorneys and public defenders bill for services at the beginning of every quarter was discussed. Such a practice would enable the TCBC to assess the status in September. This will give the TCBC an estimate, in advance, of how short funding is, instead of finding out at the end of the year. Judge Schaeffer recommended that the courts continue providing services in good faith, even if the other entities do not pay. Members discussed the possibility of drawing against the contingency fund and the working capital fund. Judge Perry made the motion to continue providing services, and the motion was approved without objection by all Commission members.

Expert Witness Element

The LBR was fully funded, less a 2% salary lapse. The expert witness table was reviewed and the following recommendations by the Executive, Funding Methodology, and Budget Management Committees to the TCBC were reviewed.

1. Allocate psychological and other experts category according to the formula.
2. Allocate custody evaluation category according to the formula, adjusting for existing state positions (former FCTF) that the circuits elect to apply to this element. Two circuits changed their model from employee to contract, leaving excess salary dollars and a shortfall in contract dollars.
3. Sweep unallocated positions and remaining salary dollars to reserve.

Masters and Hearing Officers Element

The LBR included a general master ratio of 1 master for every 3000 eligible cases. In calculating the ratio, circuits that were close to the 3,000 were rounded up and became eligible for another master. The request included a 1:1 ratio for support staff for masters. 198.0 FTE were requested in the LBR and the legislature funded 192.0 FTE, resulting in a deficit of 6 FTE. The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Recalculate the master to case ratio and eliminate the rounding up for those circuits that were not at the 3,000 mark necessary for another master. Using this methodology, the 1st, 5th, 7th, and 9th would not be eligible for one master position. This reduction lowers the number of employees by 8.0 FTE (4 masters and 4 support staff) - 2 more than was required to address the appropriation deficit.
2. Allocate existing county-funded master and support positions, effective July 1.
3. Allocate "new" FTE due to circuits negatively affected by the prohibition against sharing child support and general master positions, effective July 1.
4. Allocate the remaining positions, effective October 1.
5. An individual cannot fill a general master position and a child support hearing officer position.
6. Sweep the 3.0 unallocated positions to the reserve for the salary shortfall.

Masters and Hearing Officers Element - Child Support Hearing Officers - Grants and Donations Trust Fund

The LBR appropriation included the hearing officer and support staff positions on DOR/county cooperative agreements, as verified by DOR, and included in the DOR budget. These positions will be added to the OSCA/DOR cooperative agreement for child support hearing officers and support staff. Because these positions were requested as they existed in the county/DOR agreements, no adjustments were made for hearing officers to support staff ratios.

The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Allocate child support hearing officers and support staff as provided in the DOR cooperative agreement.
2. An individual cannot fill a child support hearing officer position and a general master position. It is recommended that general master positions be released effective July 1 to allow circuits to designate formerly shared resources separately between GM and CSHO caseload.
3. Persons appointed to a child support hearing officer position may only perform duties as allowed by the terms of the Title IV-D contract with DOR. If DOR cannot keep these individuals occupied with Title IV-D cases, the circuit should request a reduction in its FTE allocation.
4. TCAs should be required to submit monthly reports, completed by the hearing officers, documenting IV-D workload to the OSCA.
5. Failure to report workload information, or use of these resources for work other than IV-D cases should result in a loss of the circuit's funding.

Judge Moran testified before the commission, on behalf of the 4th circuit. The circuit requests to use 1 FTE and split duties between regular master work and child support hearing officer work,

for better efficiency. Others members agreed that such a split can be more efficient in some instances, and provided examples of added expense of sending two people, instead of one, to outlying rural counties. However, Judge Schaeffer explained that the trust fund monies are federal funds and therefore, can only be used for Title IV-D cases. The contract was entered on behalf of the state. Non-compliance with federal regulations could result in Federal audit criticism and result in the loss of IV-D funding or other sanctions statewide, not just in one circuit. Judge Schaeffer reminded everyone that there is no prohibition on a general master doing DOR work, only a prohibition on a CSHO paid with DOR funds doing regular general master work.

Masters and Hearing Officers Element - Traffic Infraction Hearing Officers

The LBR included the current county match to the existing state dollars, plus an additional request to: pick up existing funding where the county was providing more than the match amount; provide equity in allocation; and provide an opportunity to expand the program to additional counties. This request was fully funded.

The following recommendations made by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Ensure continuing operations and allocate current state and existing county funding for traffic infraction hearing officers.
2. All counties with 3 or more judges should be brought up to a threshold of \$6,473 per judge.
3. All counties that have fewer than 3 county judges and where additional county judge need was certified by the Supreme Court should be brought up to a threshold of \$6,473 per judge.
4. Apply \$500,000 of the unallocated dollars to the salary shortfall.
5. Defer a decision on the remaining unallocated dollars until next quarter when the Funding Methodology Committee is to propose an allocation plan.
6. As the counties no longer have any responsibility for this element, file a budget amendment to move these funds out of the Grants-in-Aid category.
7. All traffic infraction hearing officer allocations are to be contractual, as FTE are not contemplated by either the traffic hearing officer statute or the appropriations act. This includes support staff.
8. An individual cannot serve under a hearing officer contract while filling a general master or child support hearing officer position.

Case Management Element

The LBR was based on a formula of 1.0 case manager per 6,760 eligible filings. Included in this formula were existing state positions, FCTF positions to be brought over to GR, existing county positions, and where applicable, new positions. This element was fully funded, less a 2% salary lapse.

The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Allocate existing county-funded case management positions, effective 07/01/04.
2. Allocate positions designated as “new” to be filled effective 10/01/04.
3. Apply dollars that had previously been used for grant-in-aid to the counties for unified family court pilots or mediation to the salary shortfall. The pilot projects were terminated in December 2003 and the related county-funded positions or grant-in-aid should be accommodated in the new allocations.
4. Due to a decision made by the 10th circuit (to bring over an existing county position, rather than apply a FCTF position to their formula allocation) 1.0 FTE originally in the FCTF, and now in GR, will be unallocated as of July 1, 2004. This position should be held in the reserve for the salary shortfall.
5. The 4th circuit’s request to fill 2 positions designated as new with 2 county-funded employees was denied. These positions may be filled at minimum on 10/01/04 to provide case management services allowed by the Revision 7 definition of case management or filled 07/01/04, if other positions are delayed to make up the lapse. Judge Moran withdrew the 4th circuit’s request and will seek county funding.

Court Administration Element

The methodology for court administration was based on a minimum level of support necessary to support executive direction, general administration, and judicial operations in small (9 FTE), medium (14 FTE), and large (27 FTE) circuits and Miami-Dade (42 FTE). The formula included 1 trial court administrator and 1 court technology officer per circuit and 2 court counsel positions (general counsel and support staff position) for the large circuits and Miami-Dade.

The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Allocate existing county-funded court administration positions, up to the funding formula, effective 07/01/04.
2. Allocate 2 new FTE each to the 3rd, 14th, and 16th circuits in order to ensure administrative capacity previously accommodated by the counties can continue effective 07/01/04. Remaining new positions will be effective 10/01/04.
3. A request to fill new court administration positions effective 07/01/04, based on administrative workload no longer provided by the county in the 5th and 15th circuits, was not approved due to the current number of FTE available on 07/01/04 in this element. These positions may be filled 07/01/04, if other positions are delayed to make up the lapse.

Mediation Element

The legislature did not fund GR dollars for the mediation element as requested in the supplemental budget request. The model in the supplemental LBR was based on an initial number of FTE for small, medium, and large circuits, plus additional GR dollars, based on \$7 per eligible filing and trust authority for expending dollars recovered from parties. The funding provided by the legislature is reportedly extrapolated from the CFO numbers provided to the legislature.

The following recommendations approved by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

1. Initially allocate current FTE and contractual dollars up to the amounts in the model used to develop the supplemental LBR, recognizing that circuits will need to make adjustments for the cost recovery specified in statute and that it is difficult to predict all implications that this may have on each circuit's mediation services.
2. Effective 07/01/04: allocate mediation coordinator positions to the 1st, 14th, and 16th circuits to accommodate in-kind services they had been receiving from their counties; allocate positions in the 5th to cover mediation program services that a clerk or law library had been providing; allocate 0.5 FTE to cover mediation program support previously provided by the county in the 18th; and allocate \$15,000 contract dollars to the 2nd to cover the funds formerly received as a grant-in-aid from the FCTF.
3. Hold the remaining unallocated dollars pending a review of the capacity of this initial allocation to maintain circuits' current programs within the cost recovery allowed by the statute and identify those circuits that will require additional FTE to operate a reasonable program.
4. Use the cash balance in the state mediation trust fund to serve as "seed" money for circuits relying on their cost recovery for operations.
5. Cost recovery from parties (deposited to the state mediation and arbitration trust fund) must be used to offset the contract or salary requirements to provide the mediation services to the parties. It should not be used for expenses.

Judge Francis made a motion to approve the recommendations made by the Executive, Funding Methodology, and Budget Management Committees. Judge Perry seconded, and the motion was approved without objection.

APPROVAL OF MARCH 29, 2004 MEETING MINUTES

Judge Schaeffer asked for corrections to the minutes from the March 29, 2004, meeting. On page two, the beginning of the third bulleted item, "The House and" is incorrect and should be deleted. On the same page and section, the second to the last bulleted item after "certification bill was included in a bill," Judge Schaeffer asked that "in the House" be added. On page three, under the title "Revision 7 Substantive Legislation," the last line should be deleted. On page four, line two

after “chief judge,” Judge Schaeffer asked that “who then will forward to the OSCA.” be added. No other corrections were required and the meeting minutes were approved without an objection, as amended.

OPERATING BUDGET ALLOCATIONS

Judge Schaeffer explained that allocations must be approved for the operating budget categories of OPS, Expenses, and Senior Judge Days.

OPS

The proposed OPS allocation was reviewed. Funds were allocated based on the total number of judges per circuit. Five percent of the total budget was placed in reserve (circuit 0) for unforeseen circumstances.

Recurring Expenses

The proposed allocation was reviewed. The Interpreter Consortium amount will maintain funding of the Court Interpreter Program managed by the OSCA. The Trial Court FCSC Operational & Committee Support amount will be transferred to the OSCA for management, due to the transfer of the Family Court Trust Fund to General Revenue. The National Center for State Courts amount is a branch-wide assessment, with the costs shared with the appellate courts as well. Judge Perry stated that circuits do benefit from membership. Circuit judges conference dues will be paid from each circuit’s expense budget. Judge Perez reported that counties will be paying for county judges conference dues this year and most counties are also paying for the July county judges meeting. The following recommendations were made.

1. Combine all circuit and county recurring expense appropriations, both existing and new appropriations.
2. Reserve amounts used to benefit all circuits will be administered centrally.
3. Hold 5% of the total expense budget in reserve for unanticipated expenditure.
4. Allocate an additional \$3,000 for each circuit and county judge. Historically, new judgeships have been appropriated \$3,000 more than is funded for expenses with associated staffing complement. Calculate per FTE allocation on remaining funds based on total State FTE (including judges). Circuits receive a combined allotment of judge allocation (\$7,194) plus FTE allocation (\$4,194).

The Budget Management Committee is charged with quarterly monitoring of recurring expenses and will make recommendations to the TCBC for a release of reserves to the circuits, based on spending trends and the overall health of the trial court budget.

Senior Judge Days

The proposed allocation was reviewed. It was recommended that 5% of the total budget be placed in reserve and allocate the remaining funds based on judicial need for each circuit.

The Budget Management Committee is charged with quarterly monitoring of senior judge days and will make recommendations to the TCBC for a release of reserves to the circuits, based on spending trends and the overall health of the trial court budget.

Judge Schaeffer asked that chief judges be informed to use their allotted days and that days are held in reserve for emergencies. Judge Pittman also asked that chief judges be reminded that days may be shared with other circuits in need. Lisa Goodner reminded the group that senior judge travel expense is paid from the circuit's budget.

Judge Perry made a motion to approve the methodology for the operating budget allocations. Discussion followed. Judges are allocated an additional \$3,000 for expense but does not allow for individual expense budgets. The funds are pooled per circuit with management by the chief judge and court administrator. Funds for child support hearing officers were not included in the allocation. The allocation will be made later when an agreement is finalized with the Department of Revenue. The table represents the base expense and does not reflect the non-recurring allocation. Charlotte Jerrett will review the allocations with court administrators in great detail.

There is no formal policy to access the reserve funds. The Budget Management Committee will monitor and reserve funds will be released on a quarterly basis, providing there is no need to cover a shortfall.

The Commission members approved the methodology for the operating budget allocations.

POLICIES AND GUIDELINES FOR BUDGET MANAGEMENT

Currently, policy decisions regarding budget and pay administration are disseminated via the "Budget and Pay Administration Memorandum" from the Chief Justice. The Chief Justice is the chief administrator for the branch. New policies must be put in place to manage the salary shortfall, as well as operating policies for Revision 7 implementation.

A chart (attached) showing the policy issues, statute/TCBC policy reference, staff recommendation, Budget Management Committee recommendation, and joint committees' recommendation was reviewed.

The Commission members approved the proposed policies and guidelines for budget and pay administration.

LEGISLATIVE BUDGET STRATEGY FOR FY 05/06

Budget Issues

The Revision 7 transition has typically been viewed by the Trial Court Budget Commission as a six-year plan. The first two years were dedicated to maintaining resources, the next two years dedicated to fixing problems resulting from the initial transition, and the last two dedicated to improving the system. FY 05/06 is the first year of the “fix-it” phase, and could address issues not fully funded in the FY 04/05 budget. The fix it phase will not address new plans or programs.

The following fix it issues recommended by the Executive, Funding Methodology, and Budget Management Committees were reviewed.

- A. New Judges - No new judges were funded for the last two years, so certification becomes a priority.
- B. Salary Shortfall - Even with new positions, only 3/4 of the shortfall was made up.
 - Restoration of Salary Shortfall plus the 2% lapse factor that is contrary to the State Courts System’s actual turnover. This becomes a major issue.
 - Leave Liability
- C. Due Process Costs - These are volatile costs and include changes in court reporting. The State Courts System has access to contingency funds for 2004/05, but needs to bring due process costs into the budget in the future.
- D. Mediation - 30 positions short to implement the model statewide.
- E. Law Clerks - The legislature felt this was not a Revision 7 issue. We need to continue to update and ensure accuracy of data and ask chief judges to obtain county court appeals data. Perhaps a phase-in of this issue is possible.
- F. General Masters - This item will be deleted from this list. We are only short 6 positions, but believe we can operate within current funding.
- G. Technology - Includes the JIS system that was vetoed this year.
- H. Resource Management System - The system would generate data for all circuits, on all levels, and would assist the courts in providing performance information the legislature wants to see collected, but for which there are no current resources.
- I. Pay Issues
 - Law Clerk Longevity
 - Compensation & Pay Study by Outside Consultant - Need major branch-wide study and consider action of the impact of loss of senior management benefits.

The Commission members approved the proposed fix it issues for FY 05/06 and for Judge Schaeffer to discuss fix it issues with chief judges at their June 20, 2004 meeting, and advise them to follow the six year plan approved by the TCBC.

Judge Schaeffer directed the Funding Methodology Committee to research expense dollars vs. specific appropriation, relating to copiers and leasing of copiers.

Budget Development Time Line

The budget development time line was reviewed and will be presented to the Judicial Administration Section at it's meeting on June 20, 2004. The time line was revised, adding the August 19 tentative joint meeting with leadership of all judicial branch budget commissions including: the newly formed Supreme Court Budget Oversight Committee, District Court of Appeal Budget Commission, and the Trial Court Budget Commission.

ADJOURNMENT

The next TCBC meeting will be held July 1, 2004, before the July 1 Revision 7 Commemoration Ceremony. With no other business before the commission, Judge Schaeffer adjourned the meeting at 1:30.

REVISION 7 POLICY ISSUES - FY 2004/2005

Policy Issue	Reference	Staff Recommendation	Date to BMC	BMC Recommendation	Date to JC	Joint Committees' Recommendation	Date to TCBC	TCBC Action Taken	
1	Are circuits allowed to pay for Professional Certification Fees for Volunteer/OPS/Staff/Contract Mediators	112 F.S., Division of Financial Services Reference Guide	Unallowable Expenditure; Requires Specific Appropriation in the GAA	3/28/04	Not an allowable expenditure.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
2	Should circuits charge for mediation fees "No Shows"?			3/28/04	NO.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
3	Should circuits charge mediation fees for "Rescheduled Appointments"?			3/28/04	NO.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
4	Who covers costs for grand jury? SA or Circuit Courts?			3/28/04	State Courts System from Juror & Witness Appropriation.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.

REVISION 7 POLICY ISSUES - FY 2004/2005

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5	If counties will not act as the fiscal agent for local grant funding, can an exception be made to allow circuit/OSCA to act as fiscal agent?	In FY 2001/02 TCBC adopted policy to prohibiting State to act as fiscal agent due to negative impact on overall budget regarding budget cuts.		3/28/04	NO.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
6	Are circuits allowed to pay for robes and dry-cleaning for judges?	Perquisite approval required by the Chief Justice.		3/28/04	NO.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
7	Will circuits be allowed to pay for continuing education courses for the purpose of maintaining certifications or licences?	Continuing education courses are currently restricted by a lack of funds for this purpose.		3/28/04	NO.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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8	What policies can be put in place at the circuit level, so TCAs are in the loop for judges and ja's travel?	s.939.08 F.S.		3/28/04	HB 113A requires certification of all expenditures by the Trial Court Administrator. Can be delegated by TCA.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
9	What policy restrictions are there for the purchase of legal publications at the circuit level?			3/28/04	Local discretion.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
10	Will the circuit budget pay for exam fees for interpreters?	112 F.S., Division of Financial Services Reference Guide	Unallowable Expenditure; Requires Specific Appropriation in the GAA	3/28/04	NO.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.
11	Will the circuit budget pay for background check for volunteer mediators?	112 F.S., Division of Financial Services Reference Guide	Allowable State Expenditure.	3/28/04	Local discretion.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.
12	Will the circuit budget pay for fuel for donated cars?	112 F.S., Division of Financial Services Reference Guide	Allowable State Expenditure; Title must transfer to State.	3/28/04	Local discretion.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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13			5/17/04	New Policy Recommendation - All travel reimbursement requests, payment of Senior Judges Days served, and payment for Additional Compensation for County Judges, must be submitted for payment within 60 days of occurrence.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended. Requested that requests for payment past 60days are to be tracked and reported to the BMC.
14			5/17/04	New Policy Recommendation - Circuit and County Conference must submit business meeting budgets to the TCBC for approval.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.
15			5/17/04	Recommend funding for one Circuit and one County Conference business meeting per year.	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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16		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - Upon promotion, an employee's salary shall be increased at least to the minimum of the class to which the employee is being promoted. However, if that amount is less than ten percent (10%), the chief judge or his/her designee may approve a promotional increase for an employee of up to ten percent (10%) of the employee's salary prior to promotion, provided such an increase will not place the employee's salary above the maximum for the new range. Promotional pay increases of more than ten percent (10%) must be approved by the Chief Justice, or his/her designee unless the employee's salary is being raised to the new minimum. <u>BMC Recommendation</u>- Remove strikeout language and adopt remaining policy .</p>	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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17	FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - The chief judge or his/her designee may approve an initial appointment rate of up to ten percent (10%) above the minimum of the pay range for a new employee who possesses training and/or experience above the minimum requirements that are directly related to the duties and responsibilities of the position being filled.</p> <p><u>BMC Recommendation</u>- Due to the salary shortfall all initial appointments will be at the minimum of the pay range. All exception requests must include documentation of the affected position being advertised no less than two times, with indication that no applicant met the qualifications.</p>	6/09/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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18		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - The chief judge may approve an overlap of a position for up to fourteen (14) calendar days for training purposes. The chief judge may approve an overlap of a position for up to thirty (30) calendar days due to an employee's illness, injury, or disability. Requests for an overlap of a position beyond the amount authorized for the above reasons must be approved by the Chief Justice, or his designee.</p> <p><u>BMC Recommendation</u> - Due to the salary shortfall no overlaps will be allowed. OPS funds may be utilized for coverage due to a judicial assistant's training, illness, injury or disability.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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19		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - For all cost centers except 110 and 210, the chief judge of each circuit has the responsibility of determining, according to circuit priorities, how the funds will be spent, including decisions on in-state training and travel, as well as the purchase of office materials, equipment (with the exception of computer equipment) and supplies. The purchase of computer equipment must be coordinated with Information Systems Services in the Office of the State Courts Administrator. <u>BMC Recommendation</u> - No restrictions on spending from 110 and 210. All purchases of computer equipment must be paid for by the Counties.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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20		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - Allotments for salaries (010000 category) are managed for the circuits as a whole, at the statewide level. As such, no transfers in this category are allowed between cost centers or to other categories.</p> <p><u>BMC Recommendation</u>- Continue to monitor salaries at the statewide level, until the salary shortfall has been permanently met.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
21		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - All out of state travel must be requested and approved by the Chief Justice or his designee. <u>BMC Recommendation</u> - All out of state travel must be requested and approved by the chief judge of each circuit or his designee in accordance with the guidelines in Section F of the FY 2003/2004 Budget and Pay Administration Memo.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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22		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<u>Current Policy</u> - For all inter-circuit travel not related to a cross jurisdictional assignment (e.g., visiting court programs in another circuit, CLE meetings), prior authorization is required. <u>BMC Recommendation</u> -Local discretion.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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23	FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - Chief Judges and members of the Executive Committee of the Florida Conference of Circuit Judges will be reimbursed for reasonable travel expenses for their attendance at the mid-year and annual meetings of The Florida Bar. So too, will the president and president-elect fo the Conference of County Court Judges. <u>BMC Recommendation</u>- Only Chief Judges, president and president- elect, chairman and chairman-elect, will be reimbursed for reasonable travel expenses for their attendance at the mid-year and annual meetings of The Florida Bar. These expenses will be paid out of operating reserve funds.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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24	FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - Circuit and county court judges who participate regularly as members of selected committees and sections of The Florida Bar may be reimbursed for reasonable travel expenses associated with meetings of those groups listed in the FY 2003/2004 Budget and Pay Administration Memo. <u>BMC Recommendation</u> - Reimbursement for these expenses shall be paid from the operating reserve and managed by OSCA on behalf of the TCBC.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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25		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<u>Current Policy</u> - Reimbursement for attendance at Supreme Court oral argument representing a section or committee, or at seminars, symposiums, retreats, etc., sponsored by any of the foregoing sections or any other section must be approved in advance. <u>BMC Recommendation</u> - No reimbursement for attendance at Supreme Court oral argument unless making the oral argument.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
26		FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<u>Current Policy</u> - Reimbursement for attending moot court competitions must be approved in advance. <u>BMC Recommendation</u> - Reimbursement for attending moot court competitions may be paid locally at the discretion of the Chief Judge.	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.

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27	FY 2003/2004 Budget and Pay Administration Memo		5/17/04	<p><u>Current Policy</u> - The OSCA will coordinate travel by judges to participate in legislative hearings and expenses associated with such travel do not need prior written approval. However, when judges receive personal invitations to appear before a legislative committee, or determine that they would like to attend a committee meeting, the OSCA should be notified in advance and reimbursement for travel costs must be approved by the Chief Justice prior to the expenses being incurred. <u>BMC Recommendation</u>- Reimbursement for travel costs will be paid only for Judges who receive personal invitations to appear and testify before a legislative committee. OSCA will continue to coordinate travel and should be notified in advance.</p>	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
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28	GAA			Payment of Florida Bar dues. <u>BMC Recommendation</u> - Allow payment for staff attorneys, general master, and hearing officer positions. (Only those positions that require bar membership as a condition of their employment.)	6/9/04	Adopt as recommended.	6/18/04	Adopt as recommended.
29				Intra-Circuit Travel - <u>BMC Recommendation</u> - State Law should govern expenditures for Intra-circuit travel.	6/9/04	Adopt as recommended. See enclosed General Counsel memorandum.	6/18/04	Adopt as recommended.