

Trial Court Budget Commission
Meeting Minutes
April 12, 2016
Orlando, Florida



Attendance – Members Present

The Honorable Mark Mahon, Chair	Ms. Kathy Pugh
The Honorable Robert Roundtree, Vice Chair	Mr. Grant Slayden
The Honorable Catherine Brunson	The Honorable Elijah Smiley
The Honorable Jeffrey Colbath	Mr. Walt Smith
The Honorable Ronald Ficarrotta	The Honorable Bertila Soto
The Honorable Diana Moreland	The Honorable John Stargel
The Honorable Augustus Aikens	The Honorable Margaret Steinbeck
The Honorable Frederick Lauten	The Honorable Patricia Thomas
Ms. Sandra Lonergan	The Honorable Debra Nelson
The Honorable Gregory Parker	The Honorable Anthony Rondolino
Mr. Tom Genung	Mr. Mark Weinberg
Ms. Robin Wright	

Attendance – Members Absent

The Honorable Wayne Miller

Special Note: It is recommended that these minutes be used in conjunction with the meeting materials.

Chair Mahon called the Trial Court Budget Commission (TCBC) meeting to order at 8:30 a.m. The roll was taken with a quorum present. Chair Mahon invited the members of the audience to introduce themselves.

Agenda Item I: Approval of January 8 and March 23, 2016, Meeting Minutes

Judge Mahon presented the draft meeting minutes from the January 8 and March 23, 2016, TCBC meetings and asked if there were any changes necessary before approval. Judge Smiley moved to approve the minutes as drafted. Judge Brunson seconded, and the motion passed without objection.

Agenda Item II: FY 2015-16 Budget Status

A. Salary Budgets

Dorothy Willard provided an overview of the trial court salary budgets for FY 2015-16 as of March 31, 2016. The salary liability for the trial courts General Revenue/State Court Revenue Trust Fund was \$1,363,539 under the salary appropriation, which equates to 0.38% under appropriation. Judge Steinbeck noted that implementing a diligent salary management plan and the annual Budget and Pay Administration Memorandum are the reasons the deficit projected at the beginning of the fiscal year has been covered.

Ms. Willard reported the Administrative Trust Fund's salary liability was under the appropriation by \$68,678, and the Federal Grants Trust Fund's liability was under the appropriation by \$184,504.

B. Personnel Actions

Beatriz Caballero provided an overview of the status of reclassifications and other personnel actions as of April 1, 2016.

C. Positions Vacant More Than 180 Days

Beatriz Caballero provided a brief overview of the positions vacant for more than 180 days as of April 1, 2016. Mr. Tom Genung provided an update on the 19th Circuit's position, stating the position has been filled with a start date of April 25, 2016. Judge Mahon noted these positions are tracked in order to have data available as to extenuating circumstances, to be able to provide to the legislature if necessary.

D. Operating Budgets

Dorothy Willard provided an overview of the operating budgets for FY 2015-16 as of March 31, 2016. Ms. Willard noted that the percent expended compared with rate of release should be about 75%. Ms. Willard stated due to guidelines changing periodically on what is allowed in Contracted Services and Lease/Lease Purchase categories, it appears there is a need to shift funds to a more appropriate category, and that this need will be addressed during the next Legislative Budget Request (LBR) cycle.

E. Trust Fund Cash Balances

1. State Courts Revenue Trust Fund

Dorothy Willard provided an overview of the trust fund cash balance through March 31, 2016, for FY 2015-16. She noted that a \$6.3 million loan was received in February 2016 and the SCRTF loan repayment will be made utilizing General Revenue funds. The estimated ending cash balance was \$4.9 million; however, the estimated General Revenue service charge to be paid in July was \$1.5 million.

2. Administrative Trust Fund

Dorothy Willard provided an overview of the trust fund cash balance through March 31, 2016, for FY 2015-16. The estimated ending cash balance was approximately \$1.7 million.

3. State Courts Revenue Trust Fund Cash Balance Estimates

Kris Slayden provided an overview of the State Courts Revenue Trust Fund (SCRTF) projected cash balance estimates through March 2016 for FY 2015-16 and FY 2016-17. Assuming the revenues come in as projected and with the loan received from State Treasury in FY 2015-16, the estimated ending cash balance for FY 2015-16 is approximately \$4.9 million. Ms. Slayden stated based on the estimated ending balance in FY 2016-17, the SCRTF will not experience a shortfall or require a loan, with an estimated ending cash balance of about \$4.9 million.

Agenda Item III: FY 2015-16 End-of-Year Spending

Dorothy Willard presented a FY 2015-16 year-end funding need request from the Twelfth Judicial Circuit. Judge Roundtree stated the Budget Management Committee (BMC) met on April 6, 2016, and deferred the request for CourtSmart upgrade pending additional information. Judge Roundtree noted the BMC felt the hardware request to upgrade judicial viewers was warranted and recommended approval. Walt Smith stated that in lieu of the CourtSmart upgrade, the Twelfth circuit would move to OpenCourt for less money. The move to OpenCourt is estimated to be approximately \$100,000. Judge Smiley moved to approve the \$75,000 for the hardware upgrade and tentatively approved the move to OpenCourt estimated at \$100,000. Judge Nelson seconded, and the motion passed without objection.

Agenda Item IV: Due Process Issues

A. Circuit Due Process Deficits

Dorothy Willard presented the Circuit Due Process Deficits, noting FY 2014-15 was the first time the due process reserves were depleted. Ms. Willard stated the due process reserve as of March 31, 2016, was approximately \$3 million. The following options were presented for the commission's consideration.

1. Authorize staff of the Office of the State Court Administrator to transfer a net of \$1,291,546 from the due process reserve to those circuits with projected deficits and sweep excess balances in each element as reflected. The remaining balance of the due process reserve after the transfers will be \$1,804,780. Recommend any circuits requiring additional funds after the deficit mitigation distribution follow the Procedures for Addressing Deficits in Due Process Services Appropriation Category.

2. Authorize staff of the Office of the State Court Administrator to transfer \$1,481,256 from the due process reserve to those circuits with projected deficits in each element as reflected. The remaining balance of the due process reserve after the transfer will be \$1,615,070. Recommend any circuits requiring additional funds after the deficit mitigation distribution follow the Procedures for Addressing Deficits in Due Process Services Appropriation Category.
3. Do not authorize systematic transfer of funds and review due process deficit requests on a case-by-case basis following the Procedures for Addressing Deficits in Due Process Services Appropriation Category.

Judge Roundtree noted that the BMC thought it a better practice to not sweep excess balances and approved recommending Option 2. Judge Smiley inquired what the remaining \$1.6 million due process reserve balance in Option 2 would be used for. Ms. Willard stated the remaining reserve balance would be used to cover the Twelfth Circuit year-end request and to maximize the SCRTF. Judge Smiley moved to approve Option 2, transfer \$1,481,256 from the due process reserve to those circuits with projected deficits in each element as reflected. Judge Lauten seconded, and the motion passed without objection.

B. Recommendations on Shared Remote Interpreting Services in Trial Courts

Tom Genung presented the Recommendation on Shared Remote Interpreting Services in the Trial Courts, stating the report was for informational purposes only and did not require a vote at this time. Judge Mahon deferred the report to the Funding Methodology Committee (FMC) for input and recommendations. Judge Lauten noted that establishing a governance committee was recommendation #5, stating that even with a pilot program there is a need for a governance committee. Mr. Genung indicated there is a need for a governance committee due to so many groups being tied to the issue, stating the assumption that the Supreme Court will provide direction. Judge Steinbeck inquired if cost savings were being identified. Maggie Lewis stated the cost savings are difficult to determine; due to the pilot program being so small, once implemented there will be cost savings. Judge Steinbeck suggested setting up a comparison study using one with the pilot virtual remote interpreting technology (VRI) and one without VRI to accurately measure and demonstrate the cost savings to the legislature. Judge Mahon suggested the need for a governance committee now, asking PK Jameson to present the request to the Chief Justice.

C. Due Process Workgroup Status Report

Judge Roundtree and Judge Moreland presented an update on the Due Process Workgroup, a joint committee of TCBC and TCP&A. Judge Moreland stated the workgroup met April 11, 2016, to review the draft statewide expert witness invoice. Judge Roundtree noted that some of the workgroup's recommendations may be in the form of standards and some may

be in the form of best practices. Kris Slayden stated the workgroup will meet again in May 2016 by conference call to discuss a statewide rate structure for expert witness.

Agenda Item V: Special Initiatives and Updates

A. Foreclosure Backlog Status Report and Resources

Lindsay Hafford presented the FY 2015-16 Foreclosure Initiative October 2015 Status Report, stating the information contained in the report was compiled on April 7, 2016.

B. Cases Over the Flat Fee

Jessie McMillan presented an update on amount paid over the flat fee for conflict counsel criminal cases. The amount paid over the flat fee year-to-date as of March 2016 was \$7,833,782. It is estimated close to \$10,000,000 will be spent in FY 2015-16 on cases over the flat fee, which will be about a 30% increase.

Agenda Item VI: Legislative Issues and Updates

A. FY 2016-17 General Appropriations Act (GAA), Proviso, and Implementing Bill

Judge Mahon thanked everyone who represented the trial courts during legislative session, stating it was a challenging year that resulted in a \$2.7 million cut to the circuit court budget. The legislature looked at reversion amounts in determining the reduction amount. Judge Mahon noted this action necessitates the need to fine tune internal processes as the trial courts have unmet needs and should be reverting as little as possible. Dorothy Willard presented the FY 2016-17 GAA, Proviso, and Implementing Bill. Ms. Willard noted on the Back of Bill Provisions, line 4, the unexpended balance of funds for the compensation of retired judges shall revert and is reappropriated for FY 2016-17, referenced the DCA's in error. The DCA's do not have a reversion. Legislative staff intended to reference the reversion for trial courts and are evaluating whether it can be implemented as intended.

B. Pay and Benefits (GAA Section 8)

Beatriz Caballero presented the FY 2016-17 GAA Section 8 – Pay and Benefits stating there was no change in premiums paid by employees.

C. Substantive Legislation

Sarah Naf presented the Judicial Branch legislative agenda and other bills of interest.

Agenda Item VII: Budget Management Committee Recommendations for FY 2016-17 Budget Management Policies and Procedures

A. Allocation of Base Budget Reductions

Dorothy Willard presented the base budget reductions implemented in the FY 2016-17 GAA by category, noting Expense takes into account items that are paid at the reserve level, such as Bar Dues and unemployment compensation. Ms. Willard presented the following option for the commission's consideration.

1. Allocate reductions based on the percent of total FY 2014-15 reversions.

Robin Wright inquired if using a three year average for reversions would be a better way to disburse the reduction. Ms. Willard stated that historically reversions were higher and to use an average based on previous years would disburse at larger amounts. Judge Mahon noted that the legislature only looked at FY 2014-15 reversions when determining the budget reduction. Judge Parker moved to approve option one to allocate based on percent of total FY 2014-15 reversions. Judge Nelson seconded, and the motion passed without objection.

B. Allocation Policy Recommendations

Dorothy Willard presented the alternative FY 2016-17 allocation policy recommendations provided by the BMC. These recommendations are due in part to the recent \$2.7 million budget reduction sustained during the 2016 legislative session and to ensure resources are maximized throughout the trial court budget. Ms. Willard presented the following options for the commission's consideration.

Standard Base Operating Categories (includes OPS, Expense, OCO, Contracted Services, and Lease-Purchase of Equipment)

1. Release allocations in accordance with the state standard release plan of 25% per quarter, and any unused funds at the end of the 1st, 2nd, and 3rd quarters would be returned to the statewide reserve to be used for statewide initiatives.
2. Release allocations in 50% increments (at the beginning of the 1st and 3rd quarters), and any unused funds at the end of the 2nd quarter would be returned to the statewide reserve to be used for statewide initiatives. Any unobligated funds that may exist after the 2nd quarter would have to be determined through an unobligated survey of the circuits.
3. Maintain current policy of releasing 100% of allocations and review on an as-needed basis.

The BMC approved recommendation of Option 2 and will develop procedures for early access. Walt Smith moved to approve Option 1, release at 25% per quarter, and any unused funds at the end of the 1st, 2nd, and 3rd quarters be returned to the statewide reserve to be used for statewide initiatives. Judge Roundtree seconded, and the motion passed with a vote of fourteen for Option 1 and five for Option 2.

Other Operating Categories

A. Compensation to Retired Judges (Senior Judge Days)

1. Release allocations in accordance with the state standard release plan of 25% per quarter, and any unused funds at the end of the 2nd and 3rd quarters would be returned to the statewide reserve to be used for statewide initiatives. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
2. Release allocations in 50% increments (at the beginning of the 1st and 3rd quarters), and any unused funds at the end of the 2nd quarter would be returned to the statewide reserve to be used for statewide initiatives. Any unobligated funds that may exist after the 2nd quarter would have to be determined through an unobligated survey of the circuits. Policy recommendations would need to be developed by the BMC to address accessing the remaining allocations early.
3. Maintain current policy of releasing 100% of allocations and review on an as needed basis.

Note: Existing policies regarding senior judge day deficits may need to be revisited by the BMC for consideration by the TCBC.

The BMC approved recommendation of Option 2.

B. Additional Compensation for County Judges

Due to current allocation policies for Additional Compensation for County Judges, these funds are being fully expended.

1. Maintain current policy of releasing 100% of allocations and utilizing any unspent funding during the certified forward process to cover uncompensated hours that occurred during the fiscal year.

The BMC approved recommendation of Option 1.

Tom Genung moved to approve Option 1 for Compensation to Retired Judges, release at 25% per quarter, and any unused funds at the end of the 2nd and 3rd quarter be returned to the statewide reserve to be used for statewide initiatives, and Option 1 for Additional Compensation to County Judges, maintain current policy. Judge Steinbeck seconded, and the motion passed with a vote of fourteen for Option 1 and six for Option 2 regarding the Compensation to Retired Judges.

C. Civil Traffic Infraction Hearing Officers

1. Maintain category funding at statewide level and continue to maintain expenditures at the circuit level. An expenditure monitoring report of allocations approved by the TCBC would be prepared and monitored by the BMC. A copy of the report would be maintained on the courts' intranet site for circuits to view. Circuits would be expected to continue to spend within their approved allotment.
2. Release allocations in accordance with the state standard release plan of 25% per quarter, and any unused funds at the end of the 2nd and 3rd quarters would be returned to the statewide reserve to be used for statewide initiatives. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
3. Release allocations in 50% increments (at the beginning of the 1st and 3rd quarters), and any unused funds at the end of the 2nd quarter would be returned to the statewide reserve to be used for statewide initiatives. Any unobligated funds that may exist after the 2nd quarter would have to be determined through an unobligated survey of the circuits. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
4. Maintain current policy of releasing 100% of allocations and review on an as needed basis.

Note: Policy recommendations would need to be developed by the BMC for the TCBC's consideration to address deficits.

The BMC approved recommendation of Option 1.

D. Mediation/Arbitration Services

1. Maintain category funding at statewide level and continue to maintain expenditures at the circuit level. An expenditure monitoring report of allocations approved by the TCBC

would be prepared and monitored by the BMC. A copy of the report would be maintained on the courts' intranet site for circuits to view. Circuits would be expected to continue to spend within their approved allotment.

2. Release allocations in accordance with the state standard release plan of 25% per quarter, and any unused funds at the end of the 2nd and 3rd quarters would be returned to the statewide reserve to be used for statewide initiatives. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
3. Release allocations in 50% increments (at the beginning of the 1st and 3rd quarters), and any unused funds at the end of the 2nd quarter would be returned to the statewide reserve to be used for statewide initiatives. Any unobligated funds that may exist after the 2nd quarter would have to be determined through an unobligated survey of the circuits. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
4. Maintain current policy of releasing 100% of allocations and review on an as needed basis.

Note: Policy recommendations would need to be developed by the BMC for the TCBC's consideration to address deficits.

The BMC approved recommendation of Option 1.

E. Due Process Services

1. Maintain category funding at statewide level and continue to maintain expenditures at the circuit level. An expenditure monitoring report of allocations approved by the TCBC would be prepared and monitored by the BMC. A copy of the report would be maintained on the courts' intranet site for circuits to view. Circuits would be expected to continue to spend within their approved allotment. Existing policies regarding due process deficits would need to be revisited by the BMC for consideration by the TCBC.
2. Release allocations in accordance with the state standard release plan of 25% per quarter, and any unused funds at the end of the 2nd and 3rd quarters would be returned to the statewide reserve to be used for statewide initiatives. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.

3. Release allocations in 50% increments (at the beginning of the 1st and 3rd quarters), and any unused funds at the end of the 2nd quarter would be returned to the statewide reserve to be used for statewide initiatives. Any unobligated funds that may exist after the 2nd quarter would have to be determined through an unobligated survey of the circuits. Policy recommendations would need to be developed by the BMC to address accessing remaining allocations early.
4. Maintain current policy of releasing 100% of allocations and review on an as needed basis.

The BMC approved recommendation of Option 1.

Judge Ficarotta moved to approve Option 1 for Civil Traffic Infraction Hearing Officers, Mediation/Arbitration Services, and Due Process Services. Judge Nelson seconded, and the motion passed without objection.

Agenda Item VIII: Report from Designee to Florida Clerks of Court Operations Corporation

Judge Ficarotta reported there is a projected shortfall for the clerks across the board, a reduction of about 3.4%. Judge Ficarotta stated there will be a meeting on April 14, 2016, based on continuing decline; aligning budget to revenue received will be discussed. The clerks will continue to look at efficiencies. The legislature provided \$11.7 million to Justice Administrative Commission (JAC) for juror costs, although the clerks estimate juror costs will be closer to \$14 million. The GAA states it is the clerks' responsibility to cover juror costs in excess of the \$11.7 million provided.

Agenda Item IX: Other Business

Judge Mahon stated the next TCBC meeting is scheduled for Friday, June 17, 2016, in Orlando.

Adjournment

With no other business before the commission, the meeting adjourned at 11:52 a.m.