

**District Court of Appeal Budget Commission
Meeting Minutes
July 20, 2009**

Members Present

Judge David Monaco, Chair
Judge Carole Taylor, Vice-Chair
Judge Robert Benton, II
Judge Paul Hawkes
Judge Darryl Casanueva

Judge Stevan Northcutt
Judge Juan Ramirez Jr.
Judge Linda Wells
Judge Robert Gross
Judge Richard Orfinger

Others Present

Marshal Stephen Nevels
Marshal Jo Suhr
Marshal Dottie Munro
Lisa Goodner

Marshal Glen Rubin
Marshal Ty Berdeaux
Deputy Marshal Al Sadowski
OSCA Staff

Judge David Monaco called the District Court of Appeal Budget Commission (DCABC) meeting to order at 9:24 a.m.

Introduction of New Members and Guests

Judge Monaco opened the meeting by welcoming Commission members and guests. He acknowledged and introduced new Commission members. Lisa Goodner introduced OSCA staff to the Commission. Judge Monaco recognized Judge Stevan Northcutt for his service during the legislative session and thanked him on behalf of the Commission members.

Approval of the May 26, 2009 Meeting Minutes

Judge Monaco motioned for the approval of the May 26th meeting minutes. With no opposition, the minutes were approved unanimously.

Overview and Discussion of Purpose, Responsibilities, and Procedures of the District Court of Appeal Budget Commission

Charlotte Jerrett provided the Commission with an overview of Supreme Court of Florida Administrative Order No. AOSC09-32, *In Re: District Court of Appeal Budget Commission*. This order states the purpose of the DCABC and, in accordance with Rule 2.235, Florida Rules of Judicial Administration, provides for the appointment of members, Chair and Vice Chair of the Commission. This rule establishes the DCABC and identifies its purpose as developing and overseeing the administration of district courts budgets.

Ms. Jerrett stated that she felt it was important to review this rule as the Commission will most certainly encounter challenges during the implementation of the new State Courts Revenue Trust Fund and the rule seeks to ensure that the district courts speak with “one voice”. The rule also requires the DCABC to establish Operational Procedures. Ms. Jerrett reminded the Commission that the action the Supreme Court takes on the annual Legislative Budget Request (LBR) is based upon recommendations provided by the DCABC. Lisa Goodner also noted that the Trial Court Budget Commission (TCBC), the Supreme Court Budget Oversight Committee and the Office of the State Courts Administrator (OSCA) also provide recommendations for the LBR. These recommendations will be discussed at a Joint Leadership meeting in September so that everyone engaged in working on the budget is educated on the various budget entities’ requests and can advocate for the judicial branch budget as a whole.

2009 Legislative Session and Beyond

Ms. Goodner reviewed for the Commission a presentation entitled *Overview of Current Economic and Political Environments and the 2009 Legislative Session*. Ms. Goodner began with the impact of current economic factors on state government budgeting and noted that the State of Florida and the judicial branch are not alone in facing deep deficits. She reviewed information from the Florida Legislature Office of Economic and Demographic Research (EDR) that previously noted growth rates will be a slow return to more typical levels by summer of 2010. However, now the EDR is reporting that July 2011 is a more realistic point at which recovery and slow growth could begin. And, while things are expected to get better around that time, they won’t be returning to 2005-2006 economic levels. In reviewing the State Courts System budget between Fiscal Year 2008/09 and 2009/10, Ms. Goodner noted that the budget increase is due to new funding for drug courts awarded as part of the federal stimulus package.

Ms. Goodner continued the presentation with information regarding the impact across the nation of the economic downturn and the impact on judicial pay. She reviewed Florida’s political landscape, noting the turnover in the executive and legislative branches in 2010.

Ms. Goodner also reported that during the 2009 Legislative Session, OSCA tracked 985 bills, over half of which dealt with criminal and civil cases. The 2009 Legislative Session strategies were reviewed. Coalition building was an essential element of that strategy as was outreach. OSCA's Office of Communications and Intergovernmental Relations (OCIR) scheduled more than 95 formal meetings with legislators and legislative staff.

Ms. Goodner stated that the result of these strategies was success in four (Principle 2, 4, 5 and 7) of the seven principles for stabilizing court funding. Principle 6, which states that some components of the State Courts System are more appropriately funded from general revenue and should remain so, was not successful in that almost \$54 million of trial court judges' salaries was fund-shifted to the State Courts Revenue Trust Fund. In concluding the presentation, Ms. Goodner reviewed outstanding issues for the 2010 Legislative Session with focus on the sufficiency and reliability of new trust fund revenue streams.

Discussion of CS/CS/HB 439 – Mark Wandall Traffic Safety Act

Judge Gross provided the Commission with a review of CS/CS HB 439 from the 2009 Legislative Session, a House staff analysis of the bill, and Revenue Estimating Conference information regarding the proposed fiscal impact. The bill would create the "Mark Wandall Traffic Safety Act". The bill would authorize counties and municipalities to enact ordinances that allow the use of traffic infraction detectors and specifies the required content to the ordinance. This bill did not pass as the House and Senate did not reach agreement as to the percentage of the fine that the state should receive from the issuance of infraction tickets.

Judge Gross, by way of additional background information, distributed a *Wall Street Journal* article regarding increasing state budget deficits, a Town of Juno Beach, Florida ordinance regarding unmanned recording devices to promote traffic safety, and other material regarding image capture enforcement technologies and resulting fine revenue.

Judge Hawkes noted the multiple probable cause issues resulting from the issuance of such citations.

Judge Gross explained that the infraction does not assess any points against the driver's record. Payment for each infraction is paid by mail through the provider of the technology in Norcross, Georgia. Judge Gross explained the benefits that such an ordinance would have for a local government similar to Juno Beach. He continued by identifying the workload associated with hand-issuing tickets in comparison with using this technology.

Judge Gross called attention to a Memorandum from the Town of Juno Beaches Chief of Police to the Town Manager. The memorandum identified that all of the cost associated

with operating and implementing the technology are borne by the vendor. This means that the system could be implemented without any out-of-pocket costs to the residents of Juno Beach.

Judge Gross also reviewed an article from the Palm Beach Post. The article estimates that after one year, 30,000 infractions will be charged raising roughly 1.5 million dollars in revenue.

In conclusion, Judge Gross asked what position the branch may have on proposed red light/speeding camera legislation. He asked whether the DCABC should support or oppose the legislation if, or when, it arises again. If the DCABC should support the legislation, what provisions are crucial to the branch? What percentage of the fines should support the branch? He also noted that the payment for the infraction should be made through the clerks of court who could then receive compensation for processing. Judge Gross also noted a concern regarding the hearings associated with the infractions. It would appear that the hearing officers hired by local government to hear the cases reinstitutes municipal courts which were invalidated by Article V of the Florida Constitution. Judge Gross pointed out that legislation could have a negative impact on the State Courts Revenue Trust Fund. If no provision were made for a percentage of the revenue to come to the courts and the legislation were passed, it would be very difficult to amend the bill at a later time.

Lisa Goodner informed the Commission that this bill had been filed and discussed during the last three legislative sessions. During that time, the branch was given opportunities to be included in policy formulation. Ms. Goodner explained that OSCA staff could study the bill and develop funding stream proposals. Judge Monaco asked that staff do so and Ms. Goodner stated the analysis could be placed on the next DBABC meeting agenda.

FY09/10 Budget Allotments

Dorothy Wilson, OSCA Budget Services Manager, provided the Commission with an overview of the General Appropriations Act (GAA) for the 2009-2010 Fiscal Year. Ms. Wilson began by noting that judicial branch funding is located in Section 7 of the GAA. She explained how funds are appropriated to the District Courts of Appeal as a collective unit rather than to each individual DCA. Funds have been appropriated in this manner for five years to improve the ability of the district courts to manage shared funding, including funding reductions. This also provides greater flexibility with requirements for submitting budget amendments to transfer categories of funds between each DCA.

Ms. Wilson reviewed each appropriation category within the District Courts of Appeals' budget. She noted the Approved Salary Rate, Positions and Salaries column and Benefits lines in the GAA for the DCA's, explaining that the Salaries and Benefits reflects Rate (base pay) plus benefits. The three sources of funding for the DCA's were identified: General Revenue Fund (where judicial salaries, Risk Management, and Human

Resources Services funding reside), State Courts Revenue Trust Fund (for all other costs) and the Operating Trust Fund for workers' compensation funding for the First DCA.

Ms. Wilson explained proviso language that may be added to line items in the GAA by the legislature and "back of the bill" language which begins in Section 8 of the GAA. She noted that Section 8(1)(a) reducing employee base rate of pay in excess of \$45,000 by 2% had been vetoed by the Governor. She also directed the Commission's attention to Section 8(1)(b) where elected officers', including judges', pay is found; to Section 8(2) where funding for benefits such as health, life and disability insurance is found as well as is information regarding state paid premiums and premiums paid by employees. She also stated that the "back of the bill" is where fixed capital outlay funds could be re-appropriated. She then referred the Commission to Section 16 wherein authority has been granted to the State Courts System to transfer up to \$7 M from the Mediation and Arbitration Trust Fund to the State Courts Revenue Trust Fund, in the event SCRTF collections fall short.

Ms. Jerrett pointed out that the GAA is the beginning point for all the DCA's allotment proposals and decisions. Judge Ramirez asked about the FY 2009-2010 appropriation for the Court Education Trust Fund. Ms. Wilson explained the appropriation is provided within the GAA in the Executive Direction and Support Services (OSCA) budget entity. Judge Northcutt explained that in regards to trust funds, the GAA addresses spending authority only. Ms. Wilson clarified that unlike General Revenue funding, the GAA prescribes the amount to which each trust fund is able to spend as long as cash is available within the trust fund. She referred the Commission back to the DCA Salaries and Benefits line in the GAA as an example. The funding in that item is for \$21,911,270 authorized in the State Court Revenue Trust. However, that amount can only be spent if there is available cash in the trust fund to cover it. Ms. Jerrett added that unlike General Revenue funds, trust fund dollars do not revert if funds are not spent at the end of the fiscal year. However, at any time, the legislature may "sweep" unobligated trust fund cash.

Judge Ramirez noted that court technology funds were intended to provide financial assistance to the courts in transitioning to a paperless system and that during the last legislative session nearly \$1 million was swept from this funding. He asked when those funds would be restored. Ms. Wilson clarified that the funds that were taken by legislature were nonrecurring General Revenue funds and that they will not be restored. Ms. Goodner identified the specific line item within the GAA (line 3123) that reflects funding in the amount of \$338,000 in support of court technology.

Ms. Wilson presented the proposed 2009-2010 allotments for each DCA. She reviewed each of the individual line items, methodology, and issues leading to the development of the proposal.

Judge Orfinger asked why the number of FTE positions allocated by the GAA does not match that of the total proposed allotment. Ms. Wilson explained that the additional positions within the GAA are “Reduction in Force” (“RIF”) positions that are not currently funded by the legislature, and are identified as “Reserve” positions.

Ms. Jerrett discussed the differences between allocating funds with the base budget method and using funding methodologies adopted by the DCABC. The TCBC bases trial court allocations on funding methodologies, whereas the DCABC uses base budget amounts that are derived from prior year allocations.

Judge Northcutt explained that the Commission felt there was an inherent inequity between DCA’s by calculating budgets based on that of previous years. In recent years it became quite difficult to use the previous year’s budget as a base to establish current year allocations, due to required budget reductions. This is very different from the trial courts who have established funding methodologies to be used during budget development. Judge Northcutt stated his belief that methodologies should be developed to account for equitable category allotments for each of the DCA’s.

Ms. Wilson reviewed the FY 2009-10 Rate Reduction Analysis. Although Governor Crist vetoed the 2% salary reduction, these funds have not been restored to the branch’s budget. For this reason, a \$472,356 reduction in rate was required for the DCA’s. Ms. Wilson’s analysis concluded that all of DCA’s with the exception of the 5th DCA would be able to sustain the prescribed rate reductions.

Judge Monaco asked what could be done about this deficit. Ms. Jerrett explained that Chief Justice Quince had submitted a budget amendment to restore the 2% salary reduction but that legislative staff had asked that the branch withdraw the amendment to allow the legislature time to consider what action, if any, to take. Ms. Jerrett noted that the salary reduction veto affects all agencies and not just the Judicial Branch. Ms. Jerrett pointed out that the 5th DCA had no fault in the deficit in their rate. It is the branch’s intention to get the funding authority for the 2% salary reduction restored through some mechanism before the end of the 2009-10 fiscal year to resolve this issue. At this time, the Commission can vote to change the rate allocation for each DCA or leave it as proposed and monitor how much rate obligation is incurred throughout the year.

Judge Monaco asked the Commission if they wanted to adjust the 5th DCA’s rate allocation for the projected deficit. All members of the Commission agreed that no action was necessary at this time.

Judge Northcutt moved to approve the FY 2009-2010 total allocations as presented. Judge Orfinger seconded the motion. The motion was approved unanimously.

Ms. Wilson reviewed the June 2009 expenditure reports. She explained that this report can be used as a guide for each DCA to establish cost center allotments for the 2009-2010

fiscal year. She noted that the reports do not reflect the pending certified forward expenditures. Ms. Wilson reviewed the allotment worksheets which will be provided via email to each of the marshals for determining specific cost center allotment amounts.

Welcome and Remarks by Chief Justice Quince

Judge Monaco introduced and welcomed Chief Justice Peggy Quince to the Commission. Chief Justice Quince gave opening remarks about judicial pay and asked Ms. Goodner to summarize the results from the July 7th Judicial Leadership Meeting. Ms. Goodner stated that leaders of the various court-related conferences, committees, commissions, task forces, and Justices of the Supreme Court met to discuss and develop consensus regarding the significant challenges facing the branch. These challenges include budget reductions, clerks of the trial courts issues, pay cuts from last legislative session, and the direction that the branch should be headed for the next legislative session. In total, twenty to twenty-five judges, as well as six of the seven justices were in attendance. After considerable discussion, the group agreed on three major issues:

1. The branch is not done yet in terms of obtaining adequate resources and ensuring measures are in place to protect court system funding. Although a new funding stream has been developed, the branch is not funded at the level that it should be. The group agreed that they need to look at substantive statutory changes that will secure court funding.
2. Determine the viability of seeking a restoration of the two percent cut in judicial pay. In the long term, the group agreed that when the time is right, increases in judicial compensation should be sought that will return Florida to a more appropriate compensation level, in comparison with other state's courts.
3. Changes should be made to improve communications throughout the branch.

Chief Justice Quince mentioned that all of the members of the group were very concerned about the 2% reduction to judicial salaries. She pointed out that during the past legislative session, a lot of legislative work was done by the branch. The legislature began discussions of salary reductions starting at a much higher percentage that were significantly lowered to the final 2% reduction. Chief Justice Quince explained that there has been concern within the branch that the salary reductions were aimed at the judges. She explained that she does not believe that this is true, because the salary reductions included all state employees. Because judges' salaries are specifically appropriated along with other public officers in the GAA, the 2% reduction of those salaries had a disparate impact on the judiciary, due to the large number of judges compared to the number of other public officers. It seems the best course of action is to try to get the 2% judicial salary reduction restored during the next legislative session.

Chief Justice Quince asked the Commission members for their input regarding judicial salaries. Judge Gross mentioned that when times were flush, judges did not always share in the fruits of labor as did other state agencies. When a cost of living increase was provided by the Legislature, judges were excluded from receiving this salary increase. Chief Justice Quince stated that all levels of the court system must be unified in this effort. The Conferences must not be split in their approach. The approach must be unified so that we all may benefit from one another's efforts. Judge Hawkes raised the point that each Conference traditionally seeks pay issues separately. It is responsible for the DCA's to bring pay issues to the Legislature. If issues are not raised, then the Legislature will assume that they do not exist.

Ms. Goodner stated that the main focus during the last legislative session was to prevent any additional salary reductions. She clarified that the last salary pay increase was awarded during the 2006-07 legislative session, which was the year that judicial benchmarking policies were implemented. If the branch uses benchmarks to establish its judicial salaries, then all levels of the court will have to work with one another to a certain extent. Judge Hawkes said that a pay increase to one section of the branch will only help to benefit the others. He predicts that roughly \$20,000 has been lost in salaries and cost of living in recent years. Credibility comes from using the specific knowledge provided from each of the courts. At this time, DCA's are unable to recruit effectively from private practice because of salary restrictions. He also pointed out that during good years the courts have stood together.

Judge Wells added that it is much more likely that the Legislature would provide a salary increase to a single level of court than to the entire branch as a whole. Judge Wells also said it did not appear that all of the courts were in lock-step together during the last legislative session. Chief Justice Quince explained that during the Unified Judicial Compensation meeting, it was decided not to pursue a salary increase at the current time. Judge Orfinger reflected that if the system must be unified then it will be disheartening if the trial courts do not receive any salary increases but the DCA's do. He is concerned that fragmenting the system will dishearten other judges that may potentially not receive any salary increases when others do. Judge Taylor asked if there is a concern as to how the public perceives all of the publicity associated with these salary issues. Chief Justice Quince responded by explaining that she believes that the public will be concerned. There are many citizens who have lost much more than 2% of their salaries. At this current time, Florida is above the national average in unemployment. Judge Monaco explained that he feels as though it can never hurt to ask. What he does not want is for salary issue to become controversial or be against the efforts of the trial courts during the next legislative session. There is nothing wrong with planting seeds especially for staff salaries. The issue can be brought to the legislature without being offensive.

Judge Ramirez raised questions about concerns that the Legislature will be seeking an additional 3% salary reduction during the next Legislative Session. The point must be made that adequate compensation must be given to judicial positions. If this continues it

will lead to an exodus of professionals who have the ability to receive greater compensation elsewhere. Justice Quince informed the Commission that a list and tally is being formulated as to the arguments and points that must be made to the Legislature during the next session.

Chief Justice Quince thanked the Commission for the discussion and reiterated that salary and benefit issues are a priority of the judicial branch.

Theresa Westerfield provided the Commission with an update from the July 17, 2009 Revenue Estimating Conference meeting. The actual report is not yet available since the numbers are still being “scrubbed”. However, the Conference has predicted that an additional 6 months will be added to the original estimate of economic recession, moving recovery time out to the Spring of 2010. The Conference also estimates that unemployment could go up as high as 11%. Housing indicators were up but that is thought to be a result of foreclosures. The Conference also reported that they believe the economy is just starting to stabilize but how quickly that will actually happen is still an unanswered question.

Impact of the Governor’s Veto of the 2% Pay Reduction for Employees Making Over \$45,000

Ms. Jerrett provided the Commission an overview of the resulting impact of the Governor’s veto of the 2% pay reduction for employees making over \$45,000.

It was determined that in all budget entities, the State Courts Revenue Trust Fund could not absorb this reduction, nor could the Operating Trust Fund in the First District Court of Appeal. It was also determined that all other trust funds in all budget entities could absorb the reduction of the salary trust authority.

The Chief Justice authorized a budget amendment to be submitted to the Legislative Budget Commission (LBC) for an increase in spending authority for the various budget entities to cover the 2% salary authority reduction. OSCA staff met with Governor’s Office and legislative staff and explained that if the budget amendment was not approved, the State Courts System would be forced to implement either furloughs or layoffs to absorb the deficit. Ms. Jerrett reviewed the projected furlough days and layoffs per budget entity. As noted previously, legislative staff conveyed that they would like to have the opportunity to address the insufficient budget authority issue in some way other than through a budget amendment, especially since there was uncertainty as to whether the Legislature was going to challenge the constitutionality of the Governor’s veto of the salary reduction.

Judge Gross asked whether, in terms of the 30-day required lapse before filling vacant law clerk positions, those vacancies would be used to meet the 2% shortfall. Ms. Jerrett clarified that the lapse does assist in reducing the shortfall since the salary dollars used to

fund the positions are recurring. Judge Orfinger added that filling positions at a lower pay scale helps with reducing the shortfall. Judge Northcutt noted that although these methods help in lowering the deficit, they are not a permanent fix.

Issues in Managing the State Courts Revenue Trust Fund

Revenue Projections and Reporting

Ms. Jerrett provided the Commission with an overview of the State Courts Revenue Trust Fund (SCRTF) budget. She explained that one of the most important issues associated with implementing the trust fund budget is to insure that all of the revenues for the courts are deposited into the trust fund correctly and in a timely manner. Because the revenue streams are newly authorized, there is no historical trend data that can be used upon which to base projections for future revenue collections. For this reason, close monitoring of the revenue is required. Ms. Jerrett explained that clerks must deposit funds by the 20th of the month for collections from the prior month. Ms. Goodner added that the clerks are statutorily required to remit funds to the SCRTF in a timely manner. The incentive for the clerks to process payments in a timely manner results from their budgets being funded through fees as well. An important issue to be addressed during the next Legislative session is whether or not a change in the payment schedule is necessary to require the clerks to remit funds sooner than the statute currently provides for. Ms. Jerrett explained that some counties have not yet remitted funds. Trial Court chief judges have been asked to work with their clerks to analyze and resolve those issues.

Ms. Jerrett referred the Commission to Attachments IV and V in the materials for this agenda item. Attachment IV provides an overview of the new estimates for projected SCRTF revenue related to Senate Bill 12A fines. The original Revenue Impact Conference estimate of \$47,053,679 has been revised downward to \$38,255,874. Attachment V depicts the projected monthly revenues from SB12A fines and SB1718 fees. Ms. Jerrett pointed out that the trust fund is subject to a monthly general revenue service charge of 8 percent.

Implementing SB 2602, Section 6 and SB 2600 Section 16

Ms. Jerrett noted that provisions in the GAA implementing bill, SB 2602, address revenue collections that fall below the predictions provided by the Revenue Estimating Conference. The bill's language provides for a temporary transfer from general revenue funds when revenue collections fall below 98% of the established projections. Kris Slayden, OSCA staff, is working with the Revenue Estimating Conference regarding those issues. Additionally, Section 16 of the GAA (SB 2600) allows for the State Courts System to transfer up to \$7,000,000 from the unobligated cash balance in the Mediation and Arbitration Trust Fund to satisfy outstanding obligations through June 30, 2010, in the State Courts Revenue Trust Fund, in the event collections fall short.

Hiring and Travel Freeze

Chief Justice Quince has asked for recommendations regarding both pay and budgeting policies. She has asked the Commission to review the policies that are currently in place and to make recommendations for the new fiscal year. At the July 17th Trial Court Budget Commission meeting, members voted on keeping the current travel restriction in place.

During the past 19 months, the branch has been participating in a self-imposed travel freeze. Ms. Jerrett reviewed Section 58 of the FY 2009/10 General Appropriations Act. The implementing bill stipulates that travel by state employees must be limited to only include travel that is critical to each agency's core mission. Funds may not be used for travel by state employees unless the agency head certifies in writing that such activities are essential to the agency's core mission. The branch is not subject to this Section of the bill. Ms. Jerrett asked the Commission for questions regarding this agenda item.

Judge Hawkes asked if the current travel restriction applies to travel for the purpose of recruitment. Judge Monaco responded to this question by explaining that travel to a college in close proximity to the court can be done within standard business hours but mileage cannot be reimbursed to the traveler.

Judge Orfinger asked Ms. Jerrett to clarify if the July 20th memo is the current document that dictates travel policy at this time. Ms. Jerrett confirmed that this is the current policy that that the branch is operating within.

Judge Wells asked if this policy will provide reimbursement for DCA conferences. Judge Monaco responded by informing the Commission about scholarships, room reimbursements and travel subsidies for the ABA Appellate Judges Education Institute Summit which will substitute for the DCA regular conference this year. Ms. Goodner added that registration fees will be provided using funds from the Court Education Trust Fund. Judge Monaco stated that rooms and registration fees will be subsidized as well as \$50.00 for travel. Jo Suhr provided further clarification as to the current reimbursements being offered for the DCA conference.

Judge Monaco stated that based on discussion it appears that the Commission wants to continue with the travel freeze policy that is currently in place. He then asked if there were any disagreements among any of the members. Judge Hawkes was concerned about provisions for waivers. He expanded upon problems that have arisen with the provision of CLE credits for the attorneys in the Workers Comp unit. A motion was made by Judge Benton to continue the travel freeze as currently constituted. The motion was seconded by Judge Taylor and passed unanimously.

Dorothy Wilson provided the Commission with an overview of the DCA payroll projections for FY 2009-10. The analysis compared the total payroll liability to appropriation for the fiscal year including the 2% salary reduction that was vetoed by the Governor, with the assumption that staff will continue to work for restoration. This analysis projects a deficit in the salary budgets for the 1st, 2nd, and 5th DCA's. Deficits will be managed as a whole between both general revenue and trust fund budgets. Current vacancies, including judicial vacancies, are creating lapse that can be used to cover the deficit.

Judge Benton asked about strategies to cover the deficit. Ms. Wilson explained that position vacancies and lapse will be used towards the deficit. Some courts may have to transfer money from their other operating budget categories to cover any remaining deficit. Ms. Goodner explained that it does not cost the legislature any funding to adjust the DCA's spending authority within the SCRTF. She noted that it is also possible that during the anticipated special legislative session, the Legislature may override the Governor's veto of the 2% reduction.

Judge Orfinger asked for clarification as to the difference between spending authority and revenue collections. Ms. Goodner explained that the decisions before the DCABC concern the administration of budget and pay for FY 2009-10. Once those have been approved by the Chief Justice, OSCA staff will manage cash collections.

Budget and Pay Administration Memorandum

Recommendations regarding the hiring freeze were discussed in conjunction with the Salary Budget Management section (Section 3) of the Draft Budget and Pay Administration for Fiscal Year 2009-10 Memorandum. Judge Ramirez expressed concerns with the current policy and problems that occur from rotating law clerks, instead of hiring law clerks on a more permanent basis. He stated that the policy more severely penalizes judges who utilize rotating law clerks within their judicial suites as those judges would have vacancies more often, since the current hiring freeze policy requires vacancies in law clerk positions to remain unfilled for 30 days. He stated this would be a great disincentive for judges to rotate their law clerks. Judge Hawkes raised a concern that remote management makes it difficult to address specific issues with managing law clerk positions. He believes that the hiring freeze policy should incorporate flexibility in order to meet the specific needs of each of the DCA's. Judge Benton suggested the policy for holding vacant law clerk positions open for 30 days should include an exemption for law clerks working within judicial suites.

Judge Benton made a motion to exempt judicial suite law clerks from the 30 day hiring freeze policy. Judge Ramirez seconded the motion.

Judge Hawkes, in the interest of including unique circumstances surrounding vacant positions, suggested an amended motion that would, in effect, lift the hiring freeze and

allow each court to fill vacancies while maintaining the policy that appointment rates of more than 10% above the minimum require the Chief Justice's approval. Judge Orfinger supported the motion as amended, adding the condition that each court would have to manage salary dollars within their respective salary budgets. Judge Benton accepted Judge Hawkes amendment with Judge Orfingers's caveat. The amended motion passed without objection.

Charlotte Jerrett explained to the Commission that the Florida Bar meeting travel policy has not yet been clarified. Should chief judges be limited to annual and midyear meetings and should travel to selected committee meetings be exempt from the freeze for the chair and vice chair? Judge Monaco asked if any of the Commission members were having trouble functioning within the current guidelines. Following a brief discussion, Judge Monaco asked if there were any objections to Section C.4.c. No objections were voiced.

Ms. Jerrett asked the Commission for a decision on Sections C.5 and C.6, "Travel Expenses for Participation in State Courts System Committees" and "Travel Expenses for Legislative Hearings". The commission voiced no objections.

Ms. Jerrett asked the Commission for a decision on Section C.4. a. and b, "Annual and Midyear Meetings" (Florida Bar) and "Selected Committees" (Florida Bar). The commission voiced no objections.

Ms. Jerrett stated that with the approval of these items, the Budget and Pay Administration recommendations from the DCABC will be submitted to the Chief Justice.

Legislative Budget Request Timeline

Ms. Jerrett brought the Legislative Budget Request (LBR) Timeline to the attention of the Commission. She asked for each member to review this document. The commission will be voting on the DCA LBR during the September 2nd video conference meeting.

Funding Stabilization Initiative Needs Assessment

OSCA Court Services staff member Jim Ledbetter provided the Commission with a brief review of the background and history of the DCA needs assessment undertaken as part of an overall effort to stabilize funding in the judicial branch. He also reviewed the principles utilized by the DCABC in formulating budgetary decisions and the DCABC-approved funding methodologies from the needs assessment by element.

Mr. Ledbetter then presented two different approaches the DCABC may want to utilize in order to develop the FY 2010-11 Legislative Budget Request:

Option One – Determine the LBR by: 1) allowing districts to submit request for the DCABC’s consideration in a format similar to prior years; 2) updating the needs assessment using approved methodologies; and 3) comparing the results of first two steps.

Option Two – Determine the LBR by: 1) allowing districts to submit request only for fixed capital improvement projects and other non-recurring costs for the DCABC’s consideration in a format similar to prior years; 2) updating the needs assessment using approved methodologies; and 3) adding the results of the first two steps.

Judge Monaco asked the marshals for comments or concerns regarding the two options. Jo Suhr explained that option one leaves no room for non-recurring fixed capital outlay. Glen Rubin identified Option Two as his choice. Stephen Nevels also confirmed that Option Two was his choice as well. Judge Northcutt moved to approve Option Two in developing the DCA Legislative Budget Request. Judge Hawkes seconded the motion. The motion passed unanimously.

There being no further business, the meeting adjourned at 2:50.