

**Trial Court Budget Commission
Conference Call Meeting Minutes
March 5, 2008**



Members Present

Belvin Perry, Jr., Chair
Paul Bryan
Shelly Kravitz
Robert Morris
Nancy Perez
William Roby
Walt Smith
Mary Vanden Brook

Charles Francis, Vice-Chair
Ruben Carrerou
John Laurent
Stan Morris
James Perry
Robert Roundtree
Margaret Steinbeck
Mark Weinberg

Mike Bridenback
Joseph Farina
Donald Moran
Carol Ortman
Judy Pittman
Susan Schaeffer
Patricia Thomas
Robin Wright

Members Absent

Thomas Reese

The March 5, 2008 telephonic meeting of the Trial Court Budget Commission (TCBC) was called to order at 12:05 p.m. by Judge Belvin Perry, Chair.

I. Welcome and Roll Call

Judge B. Perry welcomed the members and the roll was called. Judge Perry referenced the last item in the meeting materials, the Supreme Court opinion creating the TCBC. It is the responsibility of the commission to lay out the path for the trial courts, vote on the path to take, then speak with one voice. The TCBC's actions should be for the good of the system. TCBC decisions are sometimes difficult and unpopular. As long as everyone works together, the trial courts will survive this budget crisis.

II. Update on FY 07/08 Budget Reductions

Judge Perry reported that two weeks ago, the chief judges and trial court administrators met with the Senate President. The TCBC legislative team and leadership of the judicial conferences, met with the House Speaker. With direction from TCBC leadership, OSCA staff worked with legislative staff and produced the current budget reduction proposal that will avoid furloughs in the current fiscal year. The four percent budget reductions will be permanent, however.

A. House and Senate Side by Side

Dorothy Wilson reviewed a side-by-side chart detailing the remaining Schedule VIII-B reductions after Special Session C adjustments, 03/07/08 Senate proposal, and 03/07/08 House proposal. The bulk of the House and Senate proposals are salary reductions in which non-recurring funds may be used for FY 07/08 only. The

Supreme Court, OSCA, and DCA's have given up non-recurring salary dollars to assist the trial courts in meeting the reduction amount. However, the total of these salary backfill amounts are still short \$645,276 of meeting the total needed to cover the \$11.6 million salary reduction.

B. 3.5 Million Expense Reserve

Charlotte Jerrett reviewed a memorandum addressed to chief judges and trial court administrators, for the commission's approval. The memorandum directs the circuits to take actions in preparation for pending current year budget reductions by the Legislature and to ensure obligations are met through year end. The following are the actions as outlined in the memorandum:

- Terminate all OPS employment no later than March 7, 2008. All remaining funds are being cut.
- Reduce Operating Capital Outlay (OCO) expenditures by the pro-rata share of the statewide cut of \$205,850.
- Reschedule, cancel, or assign judicial resources to cover all civil traffic hearing officer workload after March 14, 2008.
- Reduce senior judge allocation by the pro-rata share of the statewide circuit cut of 600 days.
- Effective immediately, additional compensation to county court judges when presiding over circuit cases will only be paid where there is no resident circuit judge, pursuant to s. 26.57, Florida Statutes.
- Reductions in due process costs and expenses are pending, but will be covered from unallocated reserve funds and a portion of the \$3.5 million Expense hold-back that was implemented earlier in January.
- Any outstanding obligations after the reductions are taken remain the responsibility of each circuit to cover from within other areas of their budget.
- Budget amendments will be allowed to cover existing outstanding obligations or other expenses necessary for general operations through the end of the fiscal year. However, budget amendments will not be allowed for the purpose of restoring cuts or programs.

Judge B. Perry cautioned members to spend only what is absolutely necessary to make it through this fiscal year. Judge Roundtree made the motion to approve the actions as outlined in the memorandum and approve the memorandum for distribution. Judge Francis seconded, and the motion passed without objection.

C. Status of Hiring Freeze

Judge B. Perry reviewed the February 26, 2008 memorandum from Chief Justice Lewis regarding a hiring freeze and travel restrictions. Previously the TCBC implemented a hold on vacant positions for 60 days. The hiring freeze imposed by

the Chief Justice applies to all vacant positions. Judge Farina asked what happens when judicial assistants leave. Judge Perry stated that as of today approximately \$645,000 must be made up in salary dollars. Salary lapse was already applied to the budget reduction amount. An exception request to hold the position for 60 days can be recommended. However, decisions are driven by the availability of funds. All offers of employment extended before the Chief Justice's memorandum will be allowed to proceed.

III. Proposals for FY 08/09

A. Recurring Cuts from FY 07/08

Lisa Goodner stated that the \$11.7 million salary reduction for FY 2007-08 was made by using non-recurring funds, but will need to be made permanent in FY 2008-09. The current proposed budget cuts by the Legislature are 4% or approximately \$17.3 million.

Robin Wright asked if the circuits would be given flexibility in how the salary reductions are taken. Judge B. Perry stated the salary reductions will be reviewed globally and by elements, and may have flexibility within boundaries.

B. Six Percent Target for FY 08/09

Lisa Goodner reviewed a summary of target reductions by budget entity for FY 2008-09. The calculated target reduction for the Trial Courts is approximately \$21.5 million, and the total target reduction for the State Courts System is approximately \$25.3 million. The TCBC legislative team will be working to limit exposure from further reductions.

Judge Perez inquired how the County Courts budget entity can take a \$4.5 million reduction when judges and judicial assistants are the only cost centers in that budget entity. Judge Perry acknowledged that the legislature expects the reduction to be absorbed from the circuit budget entity, and for this reason, the State Courts System has been trying to combine the two budget entities as an LBR issue for the last 5 years. Judge Perez asked if constitutional officers' compensation can be cut. Judge Perry responded that the legislature sets the compensation, and is able to reduce it. Lisa Goodner stated that because approximately 42% of the trial court salary budget is judicial salaries, the legislative team continues to educate and make the case regarding the disproportionate impact on staff, but to no avail.

Judge Perez stated that with programs being cut or eliminated, other entities outside of the State Courts System may offer resources. Should the TCBC be notified in these instances? Judge S. Morris replied yes, and that the chief judges must retain control of quasi judicial officers.

Judge Perry declared that leadership will work hard to preserve what so many people have worked so hard to get and as a result, made the courts what it is today. Judge Perry thanked the legislative team of Carol Ortman, Judge Francis, Judge Laurent, Judge Farina, Judge Kravitz, Judge Steinbeck, and OSCA staff.

C. Potential Adjustments in Fees Assessments – Mediation

Lisa Goodner stated that the Alternative Dispute Resolution (ADR) Performance and Accountability Workgroup, chaired by Mike Bridenback, has been working on a proposal to adjust fees associated with mediation. Mike Bridenback reported that the proposal would increase local and state mediation program fees, and filing fees. The increased revenues may supplant GR funding of the program.

Kris Slayden detailed the cost of the program, approximately \$12,024,976 in total, of which \$8.1 is GR. The total revenue generated by the program is \$3,295,803. Additional revenue needed to fund the program without GR is \$8,729,173. \$5,951,648 additional revenue is needed if supplanted by \$2,800,000 in GR. The details of fee increases were reviewed and discussed.

Mike Bridenback added that the proposal would include consolidating the revenue into the state trust fund instead of maintaining locally. The revenues would be distributed statewide based on the mediation model.

Judge Roundtree made the motion to approve the proposal as presented. Mike Bridenback seconded and the motion passed without objection.

Adjournment

Judge B. Perry stated that as he mentioned at the last meeting in Jacksonville, the budget situation has presented the trial courts an opportunity to do some things that otherwise would not have been done. The trial courts will only be better and stronger. He reminded the members to speak with one voice. Judge S. Morris thanked OSCA staff work their assistance in providing data and attending meetings. With no other business before the commission, Judge Perry adjourned the meeting at 1:20 p.m.