



June 1, 2011

To: BOCC Budget Review Committee

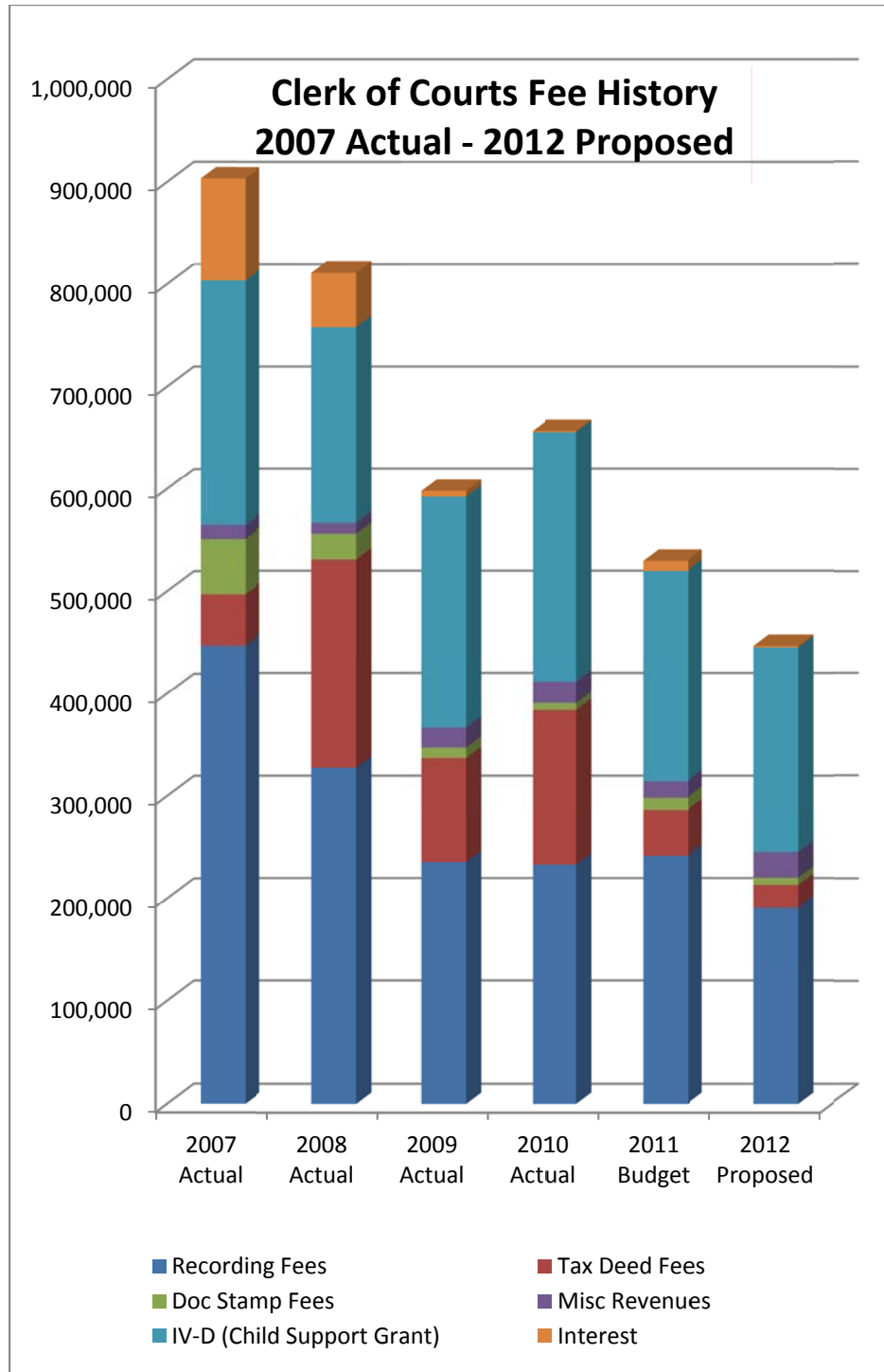
The Clerk of the Circuit Court, established by the Florida Constitution of 1838, is the public trustee for the county. The Clerk provides the checks and balances in county government by acting in their capacity as Clerk to the Board, Clerk to the Court, Keeper of the Public Records, Comptroller and Internal Auditor of county funds.

Since Article V Revision VII went into effect in July of 2004, the Clerk of Courts in non-charter counties has been required to submit two budgets. One budget is for non-court activities like Accounting/Finance, Recording and Tax Deeds; local option courts like Drug Court; and statutorily defined support services like technology, maintenance, courier services, etc., and is approved by the Board of County Commissioners (BOCC). The second budget is for court-related activities and is reviewed and approved by the State. Many of the assumptions used for developing and allocating my non-court budget have been mandated by the State, as I am unable to treat my State-funded employees differently from my BOCC-funded employees.

In order to meet my statutory responsibilities to the citizens of Putnam County, I am proposing a total non-court budget of \$1,880,170 for the fiscal year ended September 30, 2012. This is a \$133,154 reduction from our FY 2011 budget of \$2,013,324.

	2011 Budget	2012 Proposed	Change
General Appropriation	\$1,392,363	\$1,336,668	(\$55,695)
Solid Waste	41,560	41,560	-
Drug Court	50,261	55,642	\$5,381
Total Appropriation	\$1,484,184	\$1,433,870	(\$50,314)
CSE IV-D Revenue	205,000	200,000	(\$5,000)
Other Revenues	324,140	246,300	(\$77,840)
Total Budget	\$2,013,324	\$1,880,170	(\$133,154)

The overall reduction is driven by the combination of a lower appropriation (\$50,314) and an ongoing reduction in other revenues collected by my office (\$82,840), as seen in the chart below.

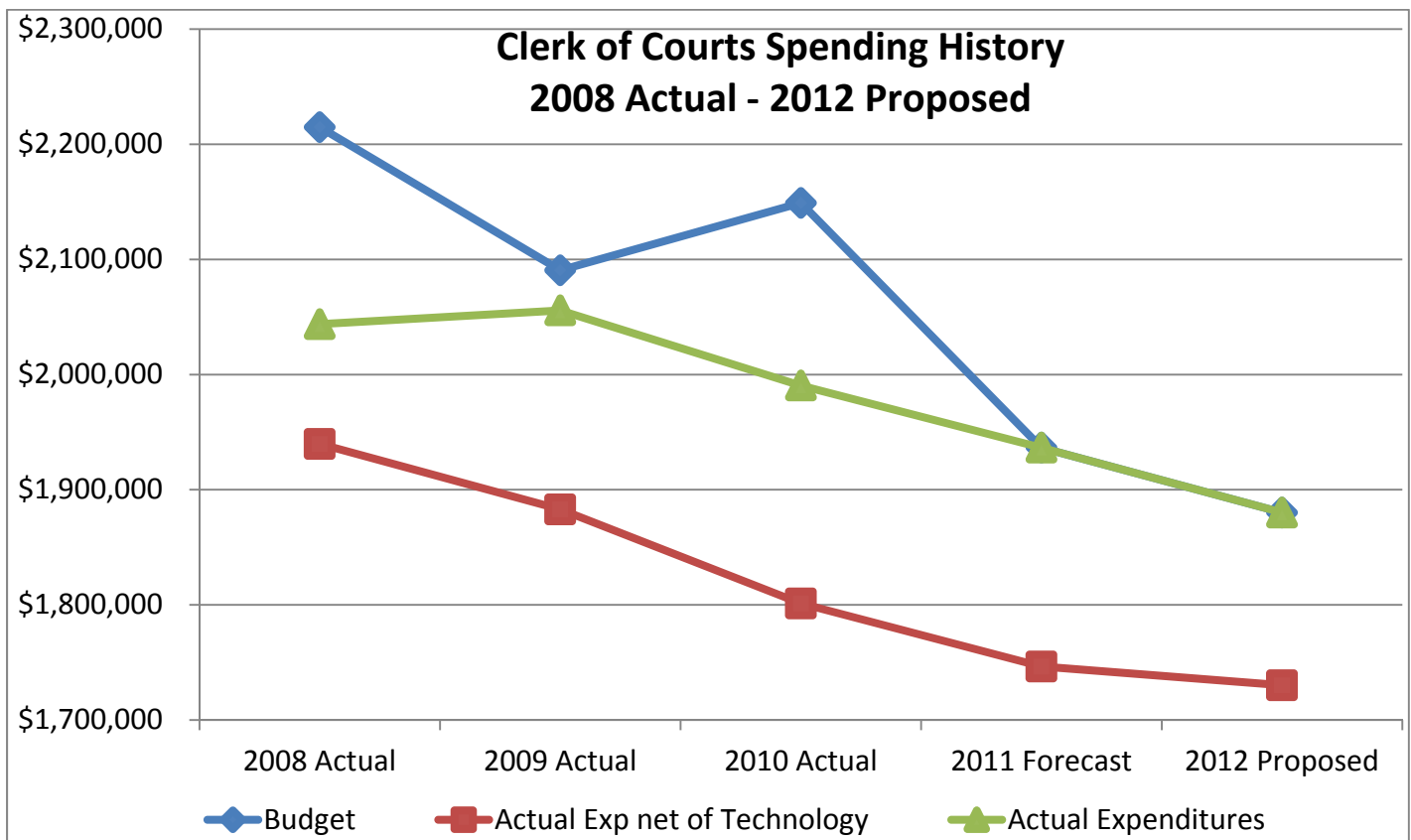


As mentioned, a portion of the reduction is in response to the 4% appropriation reduction requested by the BRC (Budget Review Committee) of all county departments and constitutional

officers. For the Clerk, most of this reduction is offset by new FRS (Florida Retirement System) rates scheduled to go into effect on July 1, 2011. On that date, my staff will incur a 3% reduction in their pay as they begin to contribute that amount to the FRS to reduce the cost of government employee pensions to the citizens of Florida. In effect, my employees are absorbing the majority of the appropriation reduction in the form of lower net pay.

Although my staff is very deserving of a raise, they will actually be getting a pay cut (from their perspective). To be consistent with State budget guidelines, the Clerk’s Office cannot give employees a cost-of-living or merit increase this year. In fact, my office has not given any cost-of-living or merit increases to staff since a 4% across-the board increase was given on September 21, 2008. This has been driven by budget pressures at both the County and State levels; I do not see any relief in the near term.

An even larger reduction in budget is being driven by the continuing decline of fees collected by my office for Recording, Doc Stamps and Tax Deeds. These more recent declines were preceded by a significant reduction in interest earnings. We have voluntarily reduced headcount throughout the organization using attrition and the re-allocation of resources since first observing the decline in revenues back in 2008 and 2009. Our FTEs have dropped from a high of 78.5 during the real estate “boom” in the last decade, to the current proposal of just under 66 FTEs.



We have used technology and cross training to not only meet minimum acceptable service levels, but to actually increase them by implementing initiatives like document imaging and

redaction, e-Recording, e-Filing, online inquiry, laser check printing, automated time reporting, etc. These technology efforts have been supported to a great extent by the County's IT department and we are very grateful for their ongoing, and very necessary, cooperation. Excess revenues created by conservative management of resources, as well as Trust Funds, have allowed us to purchase the multiple servers, scanners, printers, storage arrays, controllers, etc. that have been required to support these enhancements. Our ability to meet the additional budget reduction driven by lower fee collections is directly related to these and other similar efforts by my staff.

Unfortunately, we are approaching the point where we have little room to absorb additional appropriation and/or fee revenue reductions. We are down to a skeleton crew in many areas, having redeployed the available headcount to areas with more critical needs. Many of our more knowledgeable/flexible employees have morphed into virtual floaters, with primary responsibilities for one or more areas, and back-up for several more. Even senior staff members find themselves covering service counters during the lunch hour.

We have no control over benefit costs which currently account for 20% of our budget. We've reduced travel as far as we can by using webinars to meet most of our training needs. A negative side effect of this is the loss of personal interaction with the staff from other Clerk's offices - interactions which can often lead to major process improvements/ efficiencies. The remaining budget is tied to copier contracts, maintenance agreements, courier fees, legal fees, equipment repair and replacement, operating supplies, etc. There is very little true discretion remaining.

When the economy begins to improve, we will start to see additional activity and will struggle to support it. We will re-allocate resources, re-train staff, streamline procedures and employ technology wherever possible to delay the need for additional budget. However, if the lines still get too long, and customers start to speak up, we will be back to see you with a budget amendment request – that will be a good problem to solve! In the meantime, my staff and I are totally committed to maximizing the value of the services we provide our customers by doing as much as we can, as efficiently as possible.

Respectfully submitted by:

Tim Smith

Tim Smith, Clerk of Courts

Exhibit A

Account Description	Proposed FY12 BOCC Budget
Executive Salaries	\$ 40,377
Regular Salaries	909,567
IV-D Adjustment	100,000
Salaries - Student Workers	7,846
Overtime	710
Experience Pay	40,090
F. I. C. A. Taxes	72,884
Retirement Contributions	60,584
Health Insurance	168,076
Dental Insurance	4,706
Subtotal Personnel Services	1,404,840
Professional Services	5,660
Employee Physicals	215
Contractual Services	57,160
Travel and Per Diem	8,299
Communications	7,500
Postage	2,435
Equipment Rentals & Leases	78,000
Repair and Maintenance	666
Software Service Contracts	67,200
Vehicle Maintenance	3,900
Printing and Binding	5,000
Other Current Charges	21,635
Bank Service Charges	6,660
Maintenance Utilities & Repair	1,500
IV-D Indirect Adjustment	33,239
Office Supplies	9,510
Operating Supplies	10,012
Gas, Oil & Lube	6,600
Books, Publ. & Subscriptions	2,189
Dues and Memberships	3,353
Training	11,597
Subtotal Operating	342,329
Computers, Printers & Scanners	70,000
Software	26,000
Other Equipment	25,000
Principal	10,000
Interest	2,000
Total	\$ 1,880,170