



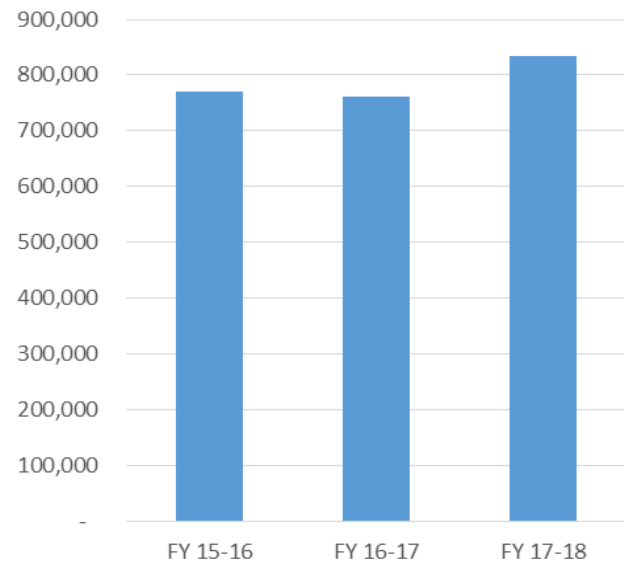
E-Filing Authority Proposed 2018-19 Budget

Background

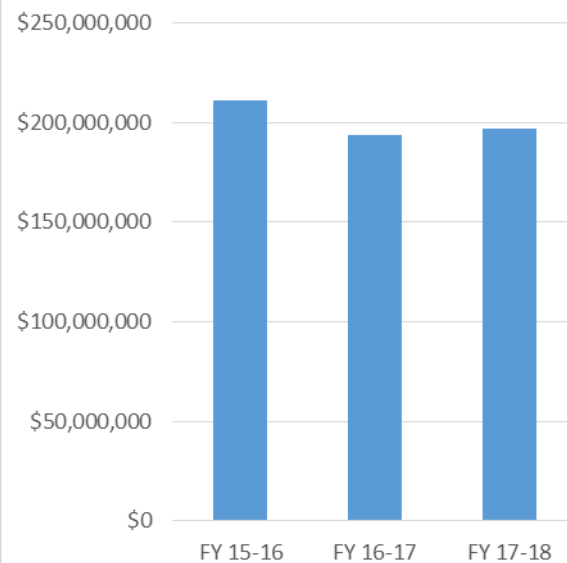
- ❑ **eFiling Authority signed Interlocal Agreement with the Clerks establishing a F.S. 163 governmental entity.**
- ❑ **FCCC contracted with CiviTek to run the Portal**
 - ✓ FCCC & CiviTek contributed an annual subsidy from 2010 through 2017 for a total of \$6,523,746 paid for E-portal development and operations.
 - ✓ The Authority Board voted to increase convenience fees starting in FY 2016-17 in order for Portal to be fully self-funded starting with FY 2017-18 (first year with no FCCC/CiviTek subsidy).
 - ✓ Current funding model is based on convenience fees of filing fees paid.
 - ✓ Filings have increased 9% in past two years but filing fees have decreased 7% in the same period.
 - ✓ Only new cases in Civil divisions include filing fees (5% of total submissions), so no revenue is generated from 95% of all filings, however they generate storage and transmission costs.
 - ✓ May 2018 set new record for most amount of submissions and new cases initiated, with a 7% increase in submissions and an 25% increase in # of pages submitted as compared to May 2017.

Historical Trends

Fiscal YTD Transactions through April

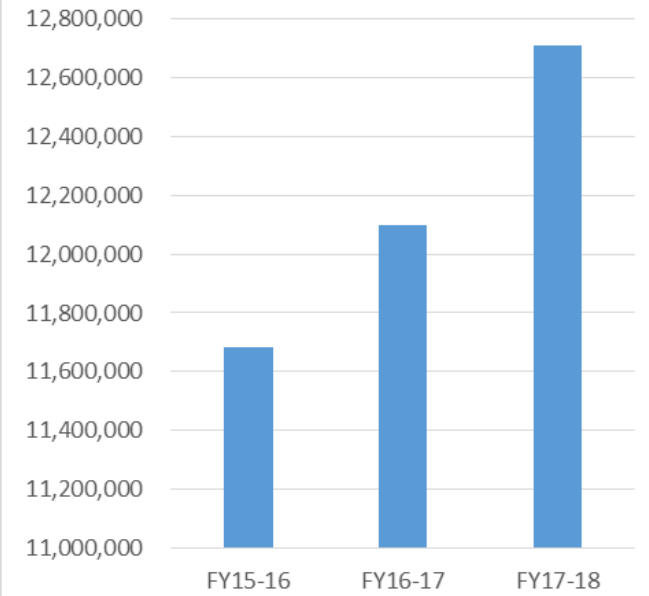


Fiscal YTD Throughput through April



Transactions & Throughput generate 100% of Revenue and approximately 42% of expenses (Merchant Fees)

Fiscal YTD Submissions through April



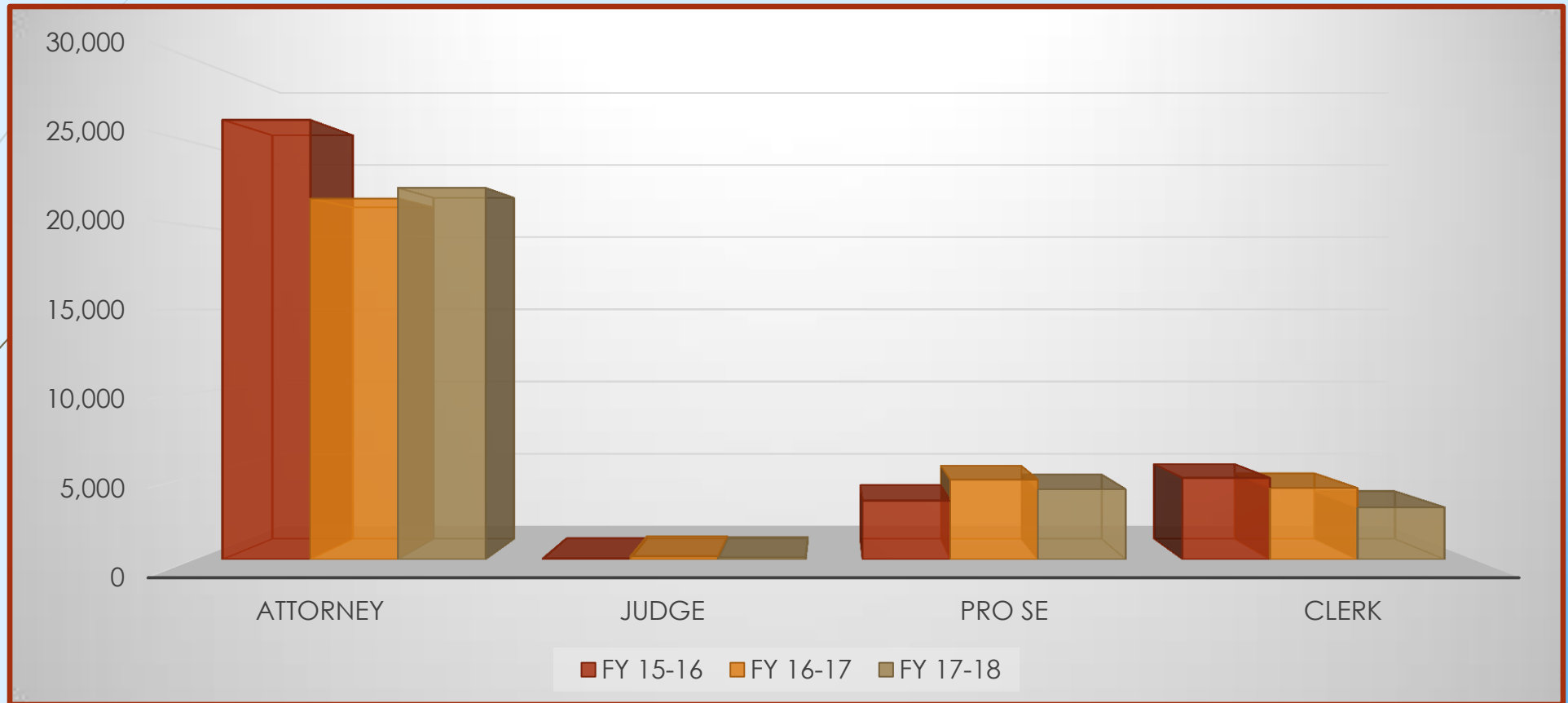
Submissions generate 0% of Revenue and 21% of expenses (Central Site & Network)

Historical Trends

	Through	April				
	FY 15-16					ATC
	Throughput	Tx	Estimated Revenue	Submissions	Pages	
E-Portal Credit Card	\$90,859,862	340,723	\$2,725,796			
E-Portal E-Check	\$120,016,908	428,993	\$1,286,979			
total by period	\$210,876,770	769,716	\$4,012,775	11,682,962	77,243,106	\$ 274
	FY 16-17					
	Throughput	Tx	Estimated Revenue	Submissions	Pages	
E-Portal Credit Card	\$76,519,921	334,481	\$2,678,197			
E-Portal E-Check	\$116,916,088	427,615	\$2,138,075			
total by period	\$193,436,009	762,096	\$4,816,272	12,097,560	80,304,801	\$ 254
	FY 17-18					
	Throughput	Tx	Estimated Revenue	Submissions	Pages	
E-Portal Credit Card	\$85,523,700	381,406	\$2,993,330			
E-Portal E-Check	\$111,271,247	452,602	\$2,263,010			
total by period	\$196,794,947	834,008	\$5,256,340	12,711,392	84,411,339	\$ 236
Change from Prev Year	1.7%	9.4%	9.1%	5.1%	5.1%	
Change from 2 yrs ago	-7%	8%	31%	9%	9%	

ATC = Average Transaction Charge


E-Portal Service Desk Statistics



Fiscal year to Date through April

2017-2018 Budget Discussion

- ❑ Revenue through April 2018 for FY 2017-18 is up 8% compared to the same period in 2016-17. Throughput is only up 1.7%, so this increase in revenue is due to a shift in how payments are being made rather than a proportional result of an increase in fees paid.
 1. More payments are being made via electronic check than credit card (\$5 per transaction vs 3.5% of total transaction).
 - A. average transaction in 2015-16 was \$274
 - B. average transaction in 2017-18 is \$236
 2. Total transactions are up 9.4% over last year and 8% over 2015-16. However, each transaction is smaller
 3. More filing fees are being paid by e-check and not credit card, which yields the benefit of the per-transaction revenue (ach), rather than the fee based revenue (credit card).
 4. Corresponding costs for e-check are lower than for credit card processing, so expenses are down.
- ❑ Expenses are down across the board, with fewer personnel hours billed to the Authority. In addition, not all equipment anticipated was purchased in 2017-18. As a result, expenses as well as allocations for infrastructure accounts in CiviTek are lower than budgeted.
- ❑ The difference between budgeting on a cash basis and adjusting the year end accounting to an accrual basis means that capitalization of equipment at year end by CiviTek skews the picture on actual costs and is reducing perceived actual costs, particularly in relation to budgeted costs. While this is eventually made up through Depreciation Expense, the timing of the recording of those expenses does not match the budget.



❑ Estimated Carry Forward for 2018-19 is \$2,170,829. This balance does not reflect the \$655,000 seed money that CiviTek loaned the Authority to open the Checking Account for the filing fees. These fees are reflected as part of the annual audit. Auditors have requested that the payable be cleared.

❑ Loans to the MyFloridaCourtAccess account to fund the E-Filing Churning account totaling \$655K:

➤	January 2011	\$10,000
➤	August 2012	\$ 5,000
➤	March 2013	\$40,000
➤	April 2013	\$100,000
➤	May 2013	\$500,000

2017-18 Budget vs Actual

(May & June Estimated)

	Budget	Estimated Annualized	Variance
Revenue	\$ 5,833,860	\$ 6,372,060	109%
Carry Forward	\$ 1,252,403	\$ -	
Total Revenue	\$ 7,086,263	\$ 6,372,060	
Audit Services	\$ 30,000	\$ 30,000	100%
Contract Services	\$ 3,597,952	\$ 2,859,424	79%
Merchant Fees	\$ 2,376,459	\$ 2,503,330	105%
Bank Analysis Fees	\$ 78,000	\$ 56,860	73%
PCI Compliance	\$ 2,500	\$ -	0%
Accounting & Banking	\$ 438,236	\$ 321,127	73%
Insurance	\$ 900	\$ 900	100%
General Legal	\$ 60,000	\$ 50,000	83%
Total Expenses	\$ 6,584,047	\$ 5,821,641	88%
Net	\$ 502,216	\$ 550,419	

E-Filing Authority Proposed Budget 2018-19 Scenarios

	Revenue Static/ All Anticipated Expenses	Moderate Revenue Growth / 95% of Expenses	Continued Revenue Growth/ 85% of Expenses
Revenue	\$ 6,335,016	\$ 6,640,440	\$ 6,973,273
Total Revenue	\$ 6,335,016	\$ 6,640,440	\$ 6,973,273
Audit	\$ 35,000	\$ 35,000	\$ 35,000
Contract Services	\$ 3,811,580	\$ 3,621,001	\$ 3,239,843
Merchant Fees	\$ 2,959,779	\$ 3,030,254	\$ 3,156,728
Bank Analysis Fees	\$ 78,000	\$ 78,000	\$ 78,000
PCI Compliance	\$ 2,500	\$ 2,500	\$ 2,500
Accounting & Banking	\$ 373,981	\$ 355,282	\$ 317,884
Insurance	\$ 900	\$ 900	\$ 900
General Legal	\$ 60,000	\$ 60,000	\$ 60,000
Program Development	\$ 100,000	\$ 100,000	\$ 100,000
Total Expenses	\$ 7,421,740	\$ 7,282,937	\$ 6,990,854
Net	\$ (1,086,724)	\$ (642,497)	\$ (17,581)

❖ **Budget scenarios do not include estimated available carryforward balance of \$2,170,829**

Of the \$7,421,740 in Maximum Expenses Anticipated (1st Scenario):

❑ \$276,400- Direct Expenses by E-Filing Authority

- Program Development \$100,000 for PDF-A project
- Bank Fees \$78,000
- Legal Expense \$60,000
- Audit Expense \$35,000

❑ \$124,646- Billed by FCCC

- Staff Expenses \$55,646
- Contract Services \$69,000

❑ \$7,020,693- Billed by CiviTek

- Staff Expenses \$840,625
- Operating Expenses \$3,747,629
- Infrastructure Expenses \$2,365,439
- Equipment Purchases \$67,000

	Efiling	Portal Service Desk	Efiling Authority Services	TOTAL
Staff	\$ 250,026	\$ 473,049	\$ 117,550	\$ 840,625
Operating	\$ 625,500	\$ 82,500	\$ 3,039,629	\$3,747,629
Allocation	\$1,663,001	\$ 600,857	\$ 101,581	\$2,365,439
Equipment	\$ 64,500	\$ 2,500	\$ -	\$ 67,000
Total Costs	\$2,603,027	\$ 1,158,906	\$ 3,258,760	\$7,020,693

**Please see next slide for additional details on CiviTek Expenses*

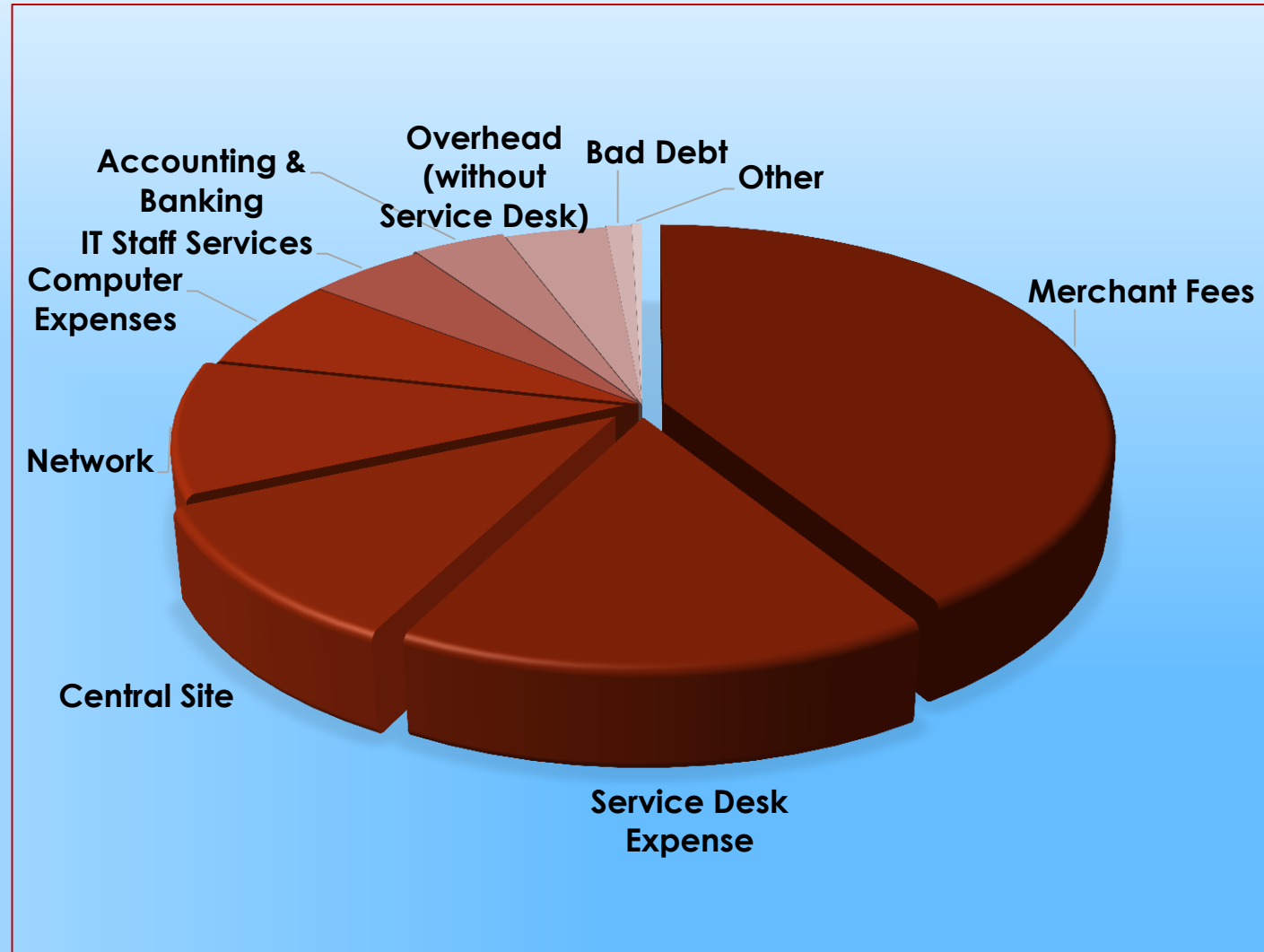
What is Included in CiviTek's Service?

Merchant Fees

- Merchant Fees Expense- \$2,884,779

Contract Services

- Service Desk Expense- \$1,158,906
- Central Site- \$756,750
- Network- \$710,422
- Computer Equipment, Maintenance, and Software- \$492,000
- IT Staff Services- \$345,026
- Accounting & Banking Services- \$272,400
- Overhead Expense (excluding Service Desk)- \$297,440
- Bad Debt Expense- \$75,000
- Other \$29,971



E-Filing Portal

CiviTek Budget

I31- E-Filing

E-Filing	17-18 Budget	18-19 Budget	Variance	%
Revenue	2,372,512	2,603,028	230,516	10%
Expense	(2,372,512)	(2,603,028)	230,516	10%
Net	0	0	0	-

P33- Portal Service Desk

Portal Service Desk	17-18 Budget	18-19 Budget	Variance	%
Revenue	1,094,907	1,158,906	63,999	6%
Expense	(1,094,907)	(1,158,906)	63,999	6%
Net	0	0	0	-

P34- E-Filing Authority Services

E-Filing Authority Svcs	17-18 Budget	18-19 Budget	Variance	%
Revenue	2,814,695	3,258,760	444,065	16%
Expense	(2,814,695)	(3,258,760)	444,065	16%
Net	0	0	0	-

- Less personnel are allocated to the project, but due to increased numbers of filings, Central Site and Network costs are increasing.
- The Portal Service Desk handles calls for the E-Filing Portal
- E-Filing Authority Services includes banking, fraud and card costs

E-Filing Proposed Authority Budget

	2017-18 Approved Budget	2018-19 Propsed Budget
Revenue	\$ 5,833,860	\$ 6,335,016
Carry Forward	\$ 1,252,403	\$ 2,170,829
Total Revenues	\$ 7,086,263	\$ 8,505,845
Audit	\$ 30,000	\$ 35,000
Contract Services	\$ 3,597,952	\$ 3,811,580
Merchant Fees	\$ 2,376,459	\$ 2,959,779
Bank Analysis Fees	\$ 78,000	\$ 78,000
PCI Compliance	\$ 2,500	\$ 2,500
Accounting & Banking	\$ 438,236	\$ 373,981
Insurance	\$ 900	\$ 900
General Legal	\$ 60,000	\$ 60,000
Program Development	\$ -	\$ 100,000
Total Expenses	\$ 6,584,047	\$ 7,421,740
Net	\$ 502,216	\$ 1,084,105

Note- Revenue Carry Forwards are based on estimates at time of budget development. Actual carry forwards vary depending on outcome of actual financials.