



2019-2020 Budget

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Executive Budget Summary

The E Filing Authority continues to realize growth. In 2018-19, we are projecting revenues from filings of \$7.3 million, which is an increase of nearly 12%. In 2019-20, we are estimating revenues above \$8.1 million, which is an increase of 10%. We are projecting this growth as more Appeals Courts are coming online, self-filing functionality is expanding and from external factors such as Hurricane Michael.

To understand our costs, you first must understand how the services are provided. The services to operate the Authority are provided by both CiviTek and the Association. These services are paid by either CiviTek or the Association and billed to the Authority at cost.

The services provided by CiviTek/Association are broken down into the following four categories.

- 1) **I31 – E Filing Statement of Work** – Enhancement/Maintenance of the Program
- 2) **P33 – Portal Service Desk** – Customer Service of the Program
- 3) **P34 – E Filing Operating** – Management/Admin of the Program
- 4) **D12 – E Filing Operating** – Association paid salaries, consulting and travel

In addition, the categories above receive allocations from our infrastructure/Overhead expense categories. These categories are:

- 1) **Central Site** – Server/Database operations based on Megabyte usage
 - a. Majority of expenses are salaries, licenses and hardware/software maintenance
- 2) **Network** – Day to Day Network Administration on Gigabyte usage
 - a. Majority of expenses include internet charges and equipment
- 3) **Overhead** – CiviTek overhead based on direct labor hours of E Filing FTE's
 - a. Expenses include various operating activities

We are projecting expenses for these services to increase by more than \$650k during the year. The additional expenses are being driven by increased transaction volume. More specifically, as volume increases, our projected costs are increasing in the following areas:

- 1) \$270k projected increase in interchange fees.
- 2) \$350k increase in contract services which is from a combination of increased personnel costs due to filling vacant positions and from increased networking costs/infrastructure enhancements.

- 3) \$125k increase in accounting and banking services. These costs are increasing as vacant positions are being filled and more CiviTek time is projected to be allocated towards E Filing.

At year end, we are projecting that the portal will operate at a net income of \$1.03m. As the Authority is now consistently realizing profits, we would be well served to create a reserve policy/strategy to invest excess funds. Over the past year, the cash balance for the Authority has grown by \$1 million to \$3.2 million. The current interest rate being earned in the bank account is 2.17%.

With continued growth and development of the portal, and strong fiscal management, we should expect continued success from E Filing Authority operations.

**E Filing Authority
Statement of Activities
Combined Operations**

A	B	C	D	(D-E)	F	G	(F-G)	H	(G-H)
Line #	Description	2019-20 Budget	2018-19 Budget	\$ Change Favorable/(Unfav.)	2018-19 Forecast	2017-18 Actual	\$ Change Favorable/(Unfav.)	2017-18 Budget	\$ Change Favorable/(Unfav.)
Revenues									
411000	Interest Income	60,000	-	60,000	55,306	22,446	32,860	-	22,446
412000	Statutory Convenience Fees	8,077,882	6,335,016	1,742,866	7,342,381	6,580,188	762,194	5,833,860	746,328
412250	Batch Application Fees	2,000	-	2,000	1,500	2,000	(500)	-	2,000
412260	Third party Batch Filing Fees	10,000	-	10,000	9,450	7,650	1,800	-	7,650
412550	Public Records Request	-	-	-	-	105	(105)	-	105
415500	Carry Forward	-	2,170,929	(2,170,929)	-	-	-	1,252,403	(1,252,403)
	Total Revenue	8,149,882	8,505,945	(356,063)	7,408,638	6,612,389	796,248	7,086,263	473,874
Expenses									
602000	Audit Services	27,000	35,000	8,000	27,000	-	(27,000)	30,000	30,000
602550	Contract Services	3,589,762	3,811,580	221,818	3,242,480	2,908,701	(333,779)	3,597,952	689,251
603100	Merchant Fees	3,019,057	2,959,779	(59,278)	2,748,429	2,596,932	(151,497)	2,376,459	(220,473)
603200	Bank Analysis Fees	70,000	78,000	8,000	66,853	60,368	(6,485)	78,000	17,632
603300	Payment Ctrls PCI Compliance		2,500	2,500	-	-	-	2,500	2,500
603400	Accounting & Banking Services	353,930	373,891	19,961	229,264	260,505	31,241	438,236	177,731
614100	Insurances		900	900	-	6,311	6,311	900	(5,411)
619100	General Legal	60,000	60,000	-	43,498	36,972	(6,526)	60,000	23,028
624000	Miscellaneous	-	100,000	100,000	100,000	-	(100,000)	-	-
	Total Expenses	7,119,749	7,421,650	301,901	6,457,524	5,869,789	(587,735)	6,584,047	714,258
	Net Income	1,030,133	1,084,295	(657,964)	951,114	742,600	208,514	502,216	240,384

**E Filing Authority
Budget Variance Explanations
Fee Revenue**

	2019-20 Budget	2018-19 Forecast	2019-20 Increase/(Decrease)	% Increase
Statutory Convenience Fees	8,077,882	7,342,381	735,501	10%
Fee Revenue	8,077,882	7,342,381	735,501	10%

Variance Explanations

1) During 2018-19 we are projecting revenues to grow by 12%. With more Appeals Courts coming online, with self filing functionality expanding and continued external factors such as Hurricane Michael, we are projecting filing fees to grow 10% during 2019-20.

**E Filing Authority
Budget Variance Explanations
Program Costs**

	2019-20 Budget	2018-19 Forecast	2019-20 Increase/(Decrease)	% Increase
Contract Services	3,589,762	3,242,480	347,282	11%
Merchant Fees	3,019,057	2,748,429	270,628	10%
Accounting & Banking Services	353,930	229,264	124,666	54%
Operating Expenses	6,962,749	6,220,173	742,576	12%

Variance Explanations

- 1) The increase in contract service fees is from increased personnel costs due to filling vacant positions that support portal operations such as Portal Support Analysts. In addition, as volume increases, the networking costs and need for infrastructure enhancements also increases.
- 2) We are projecting merchant fees to increase in line with transaction volume.
- 3) Accounting and Banking service costs are increasing as vacant Finance and Banking positions are filled. In addition, as volume increases we are projecting that our allocated staff time will increase.

eFiling Infrastructure Allocations

	Central Site - Megabytes used		Network - Gigabytes Used		Service Desk - Call Volume		Marketing - DL Hours	
		\$ 2,705,816		\$ 1,958,591		\$ 1,692,899		\$ 634,906
I13 CCIS	39.80%	\$ 1,077,042	11.45%	\$ 224,288	9.7%	\$ 163,726		
I31 Efiling	19.86%	\$ 537,502	42.29%	\$ 828,318				
P02 MFC	12.15%	\$ 328,821	8.99%	\$ 176,090	3.5%	\$ 59,235	21.00%	\$ 133,330
P03 Clerc	11.80%	\$ 319,385	17.29%	\$ 338,730	38.4%	\$ 650,259	3.00%	\$ 19,047
P06 TCATS	4.08%	\$ 110,457	2.62%	\$ 51,338	5.6%	\$ 94,055		
P19 ORI					3.0%	\$ 50,656		
P21 Clericus					15.4%	\$ 261,216		
P22 Jury					0.4%	\$ 7,015		
P25 Non	9.26%	\$ 250,505	13.07%	\$ 255,941	21.5%	\$ 364,305	35.00%	\$ 222,217
P32 MPP	3.03%	\$ 82,104	4.28%	\$ 83,886	2.5%	\$ 42,431	41.00%	\$ 260,311
Total	100.00%	\$ 2,705,816	100.00%	\$ 1,958,591	100.0%	\$ 1,692,899	100.00%	\$ 634,906