

**Revenue Estimating Conference
Article V Fees & Transfers
Executive Summary
December 20, 2023**

During the four-month period since the July 2023 conference, revenue collections for Article V Fees and Transfers exceeded expectations, but both the percentage gain (1.8%) and the dollar amount (\$4.6 million) were relatively small. In this regard, County Court was a combined \$1.5 million above estimate; Circuit Court Other was \$4.3 million above estimate; Traffic Court was \$0.7 million above estimate; Family Court was \$0.3 million above estimate; and the miscellaneous collection of Other was \$0.1 million above estimate. Conversely, the revenues available to the Clerks fell below expectations by -\$1.1 million and the separately treated Foreclosure Filings underperformed by -\$1.1 million.

Adopted December 20, 2023, the overall forecast for Article V Fees and Transfers was revised upward relative to the prior estimate, with actual performance through November forming the basis for discrete adjustments. As a result, the forecast did not change for nine revenue categories: Removal of Tenant Action; Family Court Base Fees; Family Court Marriage Dissolution; Circuit Court Probate; Appeals; Counterclaims; Other Revenue to the Clerks; 10% of Fines to the Clerks of Court; and Chapter 2008-111 Fees for the Clerks. Another seven categories were modestly increased each year of the forecast period: County Court Claims above \$2500 and below \$15,000; County Court Claims above \$15,000; County Court Additional Fees; Traffic Court Allocated Civil Penalties; Violations/Red Light Ticket/Unlawful Speed; Circuit Court Base Fees; and Circuit Court Additional Fees. In contrast, the Foreclosure Base Fee and Foreclosure Variable Fee were decreased throughout their forecasts. For the remaining two categories, the change relative to prior forecast was mixed among increases, no changes, and decreases: County Court Foreclosure; and Mediation/Marriage License/Other.

The downward adjustments to the foreclosure-related variables resulted from a revised activity-based forecast that takes into account both the actual filings observed during the first part of FY 2023-24 and the relatively low number of homes that are currently delinquent or in foreclosure. Shaping the level of future foreclosures is the Conference’s assumption that the heightened foreclosure activity throughout most of the prior decade, as well as the significant refinancing opportunities in the recent past, has likely affected the forecast for years to come. While the new forecast begins a gradual return to normal levels, the last year of the forecast is still below the Conference’s long-term expectations. The annual changes to filings are shown below:

Foreclosure Filings	July 2023 REC	December 2023 REC	Forecast Diff
2023-24	40,516	36,202	(4,314)
2024-25	43,800	38,926	(4,874)
2025-26	45,600	40,570	(5,030)
2026-27	46,600	41,276	(5,324)
2027-28	47,600	41,657	(5,943)
2028-29	48,600	41,840	(6,760)

The Conference also discussed several other issues involving the clerks of court. Most importantly, state law (s. 28.37(3)(b)2, F.S.) requires that not less than 50% of the cumulative excess of all fines, fees and charges be transferred to General Revenue no later than February 1st of each year. Based on the new forecast, \$14.2 million is expected to be transferred by the February 2024 deadline and \$3.3 million is expected to be transferred by the February 2025 deadline.

Cumulatively, the Article V revisions resulted in positive changes to the overall forecast throughout the forecast period. The impact on specific funds, however, varies in both size and direction. For the major funds, the new forecast results in the following near-term changes:

- Direct receipts into the General Revenue Fund were decreased by -\$0.6 million in FY 2023-24 and decreased by -\$1.4 million in FY 2024-25. In addition to the direct receipts, the prior forecast projected a transfer of \$8.8 million in FY 2023-24 and no transfer in FY 2024-25, while the new forecast includes a higher transfer of \$14.2 million in FY 2023-24 and \$3.3 million in FY 2024-25. Combining the two sources of revenue, the net change relative to the prior forecast was an increase of \$4.8 million for FY 2023-24 and an increase of \$1.9 million in FY 2024-25.
- The State Courts Revenue Trust Fund was increased by \$5.4 million in FY 2023-24 and by \$4.9 million in FY 2024-25.
- The Clerks' Fine and Forfeiture Funds were increased by \$5.7 million in FY 2023-24 and by \$5.4 million in FY 2024-25.