

FLORIDA COURT REPORTERS ASSOCIATION

TREASURER'S REPORT

Back in September of 2009 I stood before you as the newly installed Secretary/Treasurer of FCRA. For years I sat where you sit, never imagining myself trading places with anyone up on this dais. I was honored when I was nominated for consideration as a member of the Board. I was honored again when after being scrutinized by the Nominating Committee I received the nod as their choice to serve as Secretary/Treasurer. I must admit that I was more than a little intimidated. But, after the initial wave of panic passed, I thought, "Okay, I've got this. Really, how hard can it be?"

The truth is had I known the answer to my own question I might have cut and run at that point. I did not have an appreciation for a number of things at the time I was installed into my first term of office. For instance, I did not appreciate the history of this organization. I had not given much thought to, nor did I have a tremendous understanding of where we have been, where we are now, where we are going. I certainly had no appreciation for the hard work and dedication of the people who comprise this completely volunteer board and the many members who give their precious time to work on FCRA committees. Mostly, I did not appreciate the financial magnitude of what it takes to keep a large organization like FCRA humming along. What I did know when I began was we are a not-for-profit organization. And, come to find out, that's a very fortuitous thing because we definitely are not making a profit. In fact, financially we are limping along. And that brings me to my topic of the day: The budget and finances of FCRA.

We, the members, have reached a fork in the road and important decisions lie ahead. We all know from our daily experience that the cost of everything is on the rise. However, there are certain things in life that we cannot place a value on. They are priceless. To me, personally, being a member of a strong statewide association who is advocating for me in the trenches every day, who is taking steps to promote my profession as it is being threatened by emerging digital technology, and who has my back on the floor of the legislature is priceless. If it makes good financial sense in my professional life then I know it holds, at the very least, an equal value in my personal life.

We stand at the threshold of our 50th anniversary, and without being around 50 years ago I can state, without hesitation, that the mission of FCRA today is vastly different than the FCRA of 1961. In 1961 our profession was not facing the challenges that we face on a daily basis as competing technologies assault the marketplace hoping to convince our clients that their method of recording is far superior to our method of reporting. The FCRA of 1961 was not staring in the

face of legislation targeted at financially gutting their income all in the name of decreasing the state budget. The FCRA of 1961 was where we have been. It is not where we find ourselves now.

OUR ACCOMPLISHMENTS: I'm sure many of you have been loyal members for years but have you ever really asked yourself, "What does FCRA do for me?"

What Do I Get For My Dues?

Following is a breakdown of the various products and services each member receives from or through the Association in a typical year. The dollar amount on the right is the estimated amount it would cost for a member to obtain comparable services/benefits individually.

FCRA MEMBERSHIP BENEFIT BALANCE SHEET PER MEMBER PER YEAR*	
Conferences/Educational Seminars	\$760.00
Discounted Services (Stenograph/Order purchasing)	\$100.00
Florida Manual, Member, & Updates	\$75.00
Public Relations on behalf of membership	\$75.00
The F C R Magazine	\$100.00
Hotlines & E-Flashers (important issues)	\$50.00
The Florida Professional Reporter (FPR) Designation Program	\$100.00
Referral Services	\$150.00
Tolling Sites	\$300.00
Online Membership Directory	\$50.00
Lobbying/Advocacy Activities	\$280.00
Student Scholarship Donations	\$10.00
Networking Opportunities	\$50.00
Websites with variety of resources	\$23.00
Professional Association Management/Headquarters Office	\$150.00
TOTAL VALUE OF YOUR MEMBERSHIP:	\$2,683.00

FCRA has come up with a breakdown of the various products and services that the members receive for their dues dollars. This slide on the screen now shows the services you receive and the estimated value of those services if they were to be purchased separately. I think you can see that the value of your membership is exponentially larger than the dues you pay each year.

In addition to these items I would like to take a moment to highlight the accomplishments and the activities of some of our most active committees which you may not even be aware of who are working behind the scenes for you.

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The **Florida Professional Reporter Committee.** This committee presented the first seminar and test on June 26, 2006. To date, not including the class yesterday, there are 720 FPRs in the State of Florida. The FPR Committee has worked tirelessly to improve the certification course with each presentation since. As of this date I am pleased to announce that the manuals, handouts, and test for the FPR have been copyrighted.

The future goal of the FPR Committee and, indeed, FCRA, is to have the FPR certification become a mandatory certification for everyone in the reporting industry in the State. In other words, to be recognized as the statewide certification which has been legislated, but for which there is no funding. This will take money.

Membership Committee. The membership of FCRA has seen a slight rise due in part to the new FPR members we have welcomed. The committee has tightened the membership requirements and now reviews each membership application that comes into FCRA headquarters for completeness and sponsorship. This committee's goal is to step up its recruiting efforts by conducting information exchanges and membership drives across the state.

Our goal for the future is to see every stenographic reporter and voice writer on our membership rolls because there is a basic premise in business that only the strong survive, and we all know there is strength in numbers.

Technology and Social Networking. New technology has been embraced by FCRA on all levels. The quarterly magazine is now sent in an electronic format, members are contacted via e-flashes with important information and announcements, and we enjoy a presence on Facebook.

FCRA has just launched a new website which has been made possible because of the hard work of Su-

san Wasilewski and the headquarters IT department. It has an updated professional look and if you have not yet done so I invite you to please visit it soon. You will find many enhancements that make the website user friendly and it provides many, many new features you have been asking for.

Public Relations Committee. This committee has done an amazing job of representing us on many different levels. They have made appearances at such venues as the Florida Alliance of Paralegal Associations' annual meeting, The Volusia/Flagler Women Lawyers Association, and some local chapters of the Florida Bar Association in an effort to promote FCRA and stenographic reporters and voice writers in the industry, as well as educate their members on the guidelines governing gift-giving in the legal arena.

The PR Committee and its volunteers would love to travel around the state to every legal forum they can to educate attorneys about FCRA and re-educate attorneys, for anyone who may have forgotten, about the valuable role the professional reporter plays on their road to success. Unfortunately, at this time, increasing personal appearances and the professionally printed handouts that we would like each person to leave with are simply not in the budget.

Government Relations Committee. As you all know by now, this committee began getting a real workout in May of last year when it came to our attention that the Florida Legislature, in their infinite wisdom, had slashed the income of many reporters across the state virtually with the swipe of their pen.

We have hired a lobbyist to represent us in Tallahassee, which I will speak about in more detail in a few moments. Susan Wasilewski serves as the liaison between The Fiorentino Group and FCRA carrying through with the commitment she began when she was president. Susan has devoted a tremendous amount of time and energy representing FCRA at meetings with legislators and the lobbyist and does so at great personal expense since, unfortunately, FCRA is not in a position to reimburse her or any of her committee members.

Mid-Year and Annual Conventions Committee. This committee is tasked with putting together outstanding programs and speakers for our conventions twice yearly. They may be the greatest magicians of all because they are always called upon to work magic fielding top notch convention speakers on a shoestring budget.

Schools Committee. Members of this committee travel around the state visiting schools and their stu-

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dents to not only promote FCRA but encourage the students in their endeavors. One of the most important keys to our longevity is the student who will step into your shoes when you have retired your machine. Here again, the budget is only a fraction of what it needs to be.

We all know that court reporting is a service based profession. We also recognize that good customer service for our clients is often the key to our success. FCRA recognizes you, its members, as our clients, and we strive to provide you with the best customer service that money can buy.

That brings me to our Headquarters staff. Throughout the years I never really gave much thought to who was on the other end of the phone when I called FCRA Headquarters; who it was that was answering my dues questions, giving me information about an upcoming convention, maintaining my CEU transcript. All I knew was I was always able to reach someone when I called and I was always able to get an answer to my question. Little did I know that years ago some wise board strapped our caboose to Kautter Management Group who serves in the capacity of the Wizard of FCRA.

I would like to give you just some examples of the services Kautter Management provides for FCRA and why they are a necessary and integral part of our everyday operations. They field all of your phone calls, process membership applications, process dues and convention payments, do all of the bookkeeping and accounting, cut checks, do hotel site inspections for potential convention locations, negotiate hotel contracts, provide on-site staff at all conventions to run the event, attend board meetings, and provide support services, everything from copying to typesetting to printing, for the board and all FCRA committees. This is a list of just some of the items that comprised their original scope of work.

Then, as if that wasn't enough, in 2006 we added to their list of duties anything and everything having to do with FPR certification from registration, manual production, handling last minute program revisions, notification of results, and finally maintaining continuing education transcripts. They have taken on this voluminous workload as a gesture of goodwill all at no additional cost in past years. However, as of this year, KMG was forced to seek a raise in their contract price with us since, much to my dismay, they are a for-profit business.

When I took office I immediately began to look at the budget to see if there were any suggestions I could make to curtail some of the expenditures of the organization.

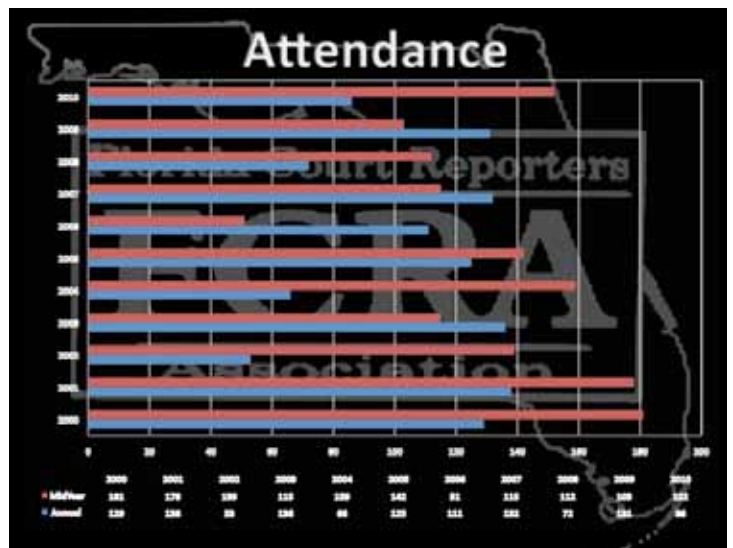
You may have noticed that we now offer a discounted price for check payments. This new tiered system was enacted with an eye towards encouraging cash payments thereby reducing some of the very costly credit card usage charges incurred by FCRA, the merchant, when a credit card is accepted.

No budget increases were awarded to any committees. In all cases their budget remained stagnant or was reduced. I have also requested that the committee chairs monitor their budgets closely and that no expenditures be made in excess of their budget without prior approval from the treasurer as there is simply no cushion in the budget to cover the unexpected. In fact, we are facing a potential deficit.

For the first time in January 2011 the board conducted our meeting via video teleconference to defray the cost of board members traveling to one central location in the state.

I have requested that board members not submit reimbursement requests for any activities associated with their service even though it is anticipated that certain expenses would be reimbursed. For the most part this is an entirely volunteer board who is not being reimbursed for actual out-of-pocket expenses associated with their service.

At our Budget & Finance Committee meeting in October 2010 I presented an analysis of our biannual convention history. After asking Headquarters to provide some attendance and income history for the past 10 years it became obvious that the attendance varied widely as well as the income.



The slide above demonstrates the historical convention attendances from 2000 through 2010. I believe this clearly shows that attendance at these events

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does not increase with each succeeding year. Unfortunately, it does not even remain steady but varies widely.

tain their certification.

The steps I have outlined were all very real cost-saving measures taken to trim what little we could from a wafer thin budget. I'm sorry to say it is still not enough.

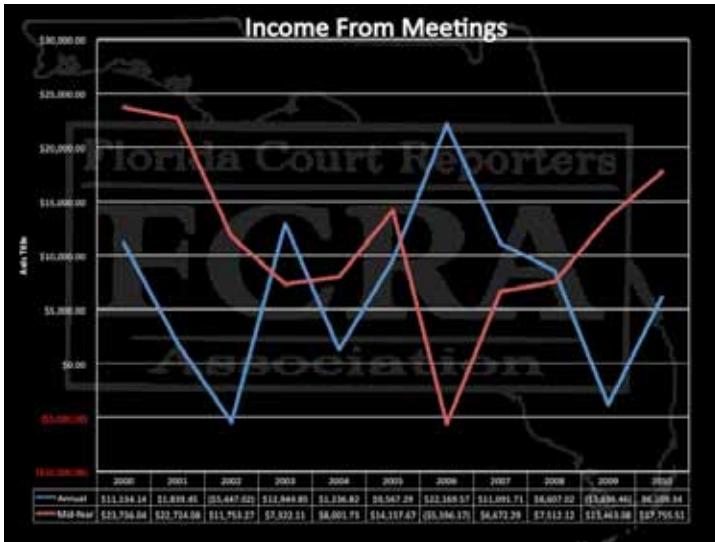
That brings me to our hot button topic of the past year and that is the legislative budget bill and the necessity for FCRA to hire The Fiorentino Group as our lobbyist. A lobbyist was not one of the line items in our budget since we have felt relatively safe and insulated in years past. Unfortunately, by the time we became aware of what was happening in the middle of the night we had been caught with our pants down and it was too late. We had been exposed.

With our sights set on gaining back the ground we had lost FCRA was able to hire a lobbyist after an unprecedented response from you, our members, at last year's Mid-Year Conference to raise a portion of the funds to pay for those services entirely through donations, a whopping \$30,000 in donations and pledges. Those fundraising efforts continued through our Call to Action Now campaign and donations continue to trickle in, but as the finish line is in sight we find ourselves again limping along and the threat looms that we will run out of money before we are able to see this mission through to completion.

To date, the efforts of raising the needed capital for this endeavor, \$60,000, has been borne on the shoulders of only 177 donors or just 26% of our members. As of right now, without additional donations being collected to see us through to the end of May, we will run out of money after April 1.

We have talked about where we have been and we have talked about where we are now. There's only one question that remains to be answered. Where are we going? Where do you want to see this organization go in the future?

We would like to see our organization grow and prosper. We would like to see our members continue to enjoy the level of customer service they have become accustomed to. We would like to see the FPR certifications continue to increase across the state. We would like to see our Schools Committee have a larger budget to allow them to personally contact more students throughout the year. We would like to see our Membership Committee members and volunteers travel around the state to do information exchanges and membership drives to boost our membership numbers. We want to continue to improve on the content and the value of the conventions you attend. We would like to see our Public Relations Committee continue to meet with and present information to ancillary as-



And here we see the result of the fluctuating attendance translated into dollars. The attendance directly impacts profitability of our conventions, and although some conventions have made money others all too often finished in the red. While our conventions should be a consistent source of revenue for the Association the reality is quite different.



At the end of the day, after our analysis and the recommendation of the Finance & Budget Committee, the FCRA Board of Directors, recognizing that we needed to change our convention format to remain solvent and successful,

voted unanimously "yes" on an interim bylaw change that will restructure the convention format to one annual convention each year. We envision that to be what we have termed "a humdinger" of an event, three days rather than two, which will allow our members an opportunity to obtain more CEUs without incurring the travel costs for two meetings. We also hope it will allow us a larger speaker budget to bring you a variety of interesting and educational programs for the next 50 years.

As for the FPR class, that will still be given in conjunction with the convention, and a second time throughout the year at varied locations around the state to make it more convenient for reporters to ob-

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sociations and market the value of your services in the legal arena.

The Board recently received an e-mail from a new member asking us to explore the feasibility of FCRA developing a CEU program for attorneys to educate them on realtime and the value of those services to their practice, a service which only we provide that clearly sets us apart from the competition being marketed today. We want to see all of this come to fruition, but it is not possible at our current dues level. For FCRA to continue at its current level of service and expand some of its programs will require an additional \$75 a year from each of you.

I told you at the beginning that financially FCRA has been limping along for a number of years. One of the main reasons for that is because in the last 19 years FCRA has raised its dues \$60. That translates to an average increase of only \$3.15 a year.

Then, there is the issue of lobbyist protection of our profession and our livelihood. I think we all realize as we've watched the politics of the last couple years unfold and the economy take a drastic downturn that we must be vigilant in protecting ourselves. We can never again be caught bare and exposed. For those of us who do not work in the criminal arena it is easy to sit back and think "I feel sorry for them, but that doesn't really affect me." Well, guess what? Civil arena fees have already been discussed as documented in the minutes of the JAC. Rest assured that insurance companies, which so many of us do business with, are watching closely. So please, don't take solace in the idea that your portion of the world is immune to a swipe of that same pen.

What if one day the legislature decides that digital transcripts of civil court proceedings is an untapped source of revenue for them and they pass legislation banning stenographic and voice writers from court? How would that affect you? How would that affect your income? It's hard to imagine that happening, right? But who would have imagined we would find ourselves fighting the battle we are fighting today. If we have not learned anything from the events of this past year then shame on us!

I believe, and the board believes, it is obvious that FCRA cannot rely on donations to fund this cause. Those who do not donate cannot ride on the coattails and the goodwill of those members who do. This is an expense that must forever be borne by and shared equally amongst all members. We must write into our budget a line item that reads "Lobbyist" and make it a permanently funded portion of our budget from now into the future. That means yet an additional \$75 a

year to have someone keeping their ear to the ground and the target off of your back. \$75 is a small price to pay to remain competitive in the marketplace where every special interest group, just like us, is funneling money to a PAC or Political Action Committee.

During my many sleepless nights first before I had to deliver the budget news to the Board and the several I had thinking about facing all of you today, I started remembering back to the days when my son played T-ball. Now I'm not going to share with you just how long ago that was, but my husband was the coach and, of course, he talked me into being team mom. It was another one of my how hard can it be moments.

One of the requirements of the league was that each family donate one evening sometime during the season to staff the concession stand for the league. We had 12 players on the team and I was determined to get my volunteer schedule filled out quickly. Well, by the end of the season after hours of calling, begging, and cajoling, my schedule looked like this: I was signed up for six nights, two other families did two nights each, and my friend, Maria, who didn't even have kids at the time, did two nights as well.

I had many parents offering me money to hire someone to work for them because it just didn't fit in with their work schedule, their other obligations, it meant they'd need to hire a sitter to come and work for the evening, or they didn't want to sacrifice an evening at home with their family. Well, guess what? The idea caught on. The following season the parents either signed up to work, or, they could pay \$25 to be relieved of that obligation so the league could hire a high school student to work in their place. There were a lot of wealthy high school students by the end of baseball season every year. So what's the point? The point is that they were willing to support the league financially, when they could not give of themselves, in order to make the league a success.

FCRA will hopefully always be here for you. Although the search never ends for willing volunteers service does not always fit in with the other things that are happening in our professional and personal lives. However, for an additional \$150 a year you are hiring an 11 member board who works 52 weeks a year for you. You are hiring a professional customer service department that works 40 hours a week, 52 weeks a year just for you. And, you are hiring a lobbyist who will be working for you 24 hours a day, 7 days a week. I think that's a lot for 82 cents a day. When the time comes for you to vote on this issue if you do not think that's a lot of bang for your buck, especially these days, then look again at your fellow members sitting next to you and around you and vote "No." But, if you want to

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be part of the group that changed the game and propelled FCRA into the next 50 years stronger than we have ever been I would implore you to vote an emphatic "Yes!"

When I mentioned to you earlier that we were at a fork in the road I'm sure you had a mental image of something similar to this.



it can continue to work for each and every one of us in ways that were never envisioned in 1961.

MOTION

By order of the Board of Directors I move that the dues of the Participating Members be increased from \$150 to \$300, and that all other categories be increased at the discretion of the Board of Directors.

However, in my eyes our future does not look like what you have envisioned. Our future looks like this:



A proactive operations side coupled with a strong legislative arm.

You, the members of FCRA, and our organization will not prosper and we will not grow if we do not take every step necessary to be financially strong and legislatively wise. We cannot choose to go either to the left or to the right. We must make up our minds that the two prongs will become one unified effort and that we will financially support our association so that