


**County of Milwaukee**  
Inter-Office Communication

**Date:** February 6, 2013

**To:** Willie Johnson, Jr., Co-Chair, Finance, Personnel, & Audit Committee  
David Cullen, Co-Chair, Finance, Personnel, & Audit Committee

**From:** John Barrett, Clerk of Circuit Court / Register in Probate 

**Subject:** Projected revenue deficits

As per Milwaukee County Ordinance 56.02, the Milwaukee County Combined Courts Related Operations is reporting projected line item revenue deficits for the following accounts for calendar year 2013:

Account Number	Account Description	Budget	Projected	Surplus (Deficit)
1322	Forfeitures - Bail	500,000	275,000	(225,000)
1410	Interest on investments	200,000	35,000	(165,000)

With the success of the Alternatives to Incarceration Program, fewer individuals are being put on bail which results in less potential forfeitures to occur. The current recession also affects the revenue stream because the public as a whole is less willing to “walk away” from any bail funds held by the County. The decreasing revenue trend can be seen on the chart below.

The reduction in interest is a direct result of the economy, as the Federal Reserve has lowered interest rates to minimal amounts for the last several years. In addition, interest income on bank certificates of deposits that were rolled over upon renewal were not always properly recorded in accounting in the past. This recognition was corrected in calendar year 2012. The decreasing revenue trend can be seen on the chart below.

Account Number	Account Description	Budget Year	Amended Budget	Actual Ledger	Surplus (Deficit)	Status
1322	Forfeitures - Bail	2010	700,000	800,151	100,151	Actual
1322	Forfeitures - Bail	2011	700,000	465,918	(234,082)	Actual
1322	Forfeitures - Bail	2012	700,000	287,805	(412,195)	Actual
1322	Forfeitures - Bail	2013	500,000	275,000	(225,000)	Projected
1410	Interest on investments	2010	300,000	272,092	(27,908)	Actual
1410	Interest on investments	2011	300,000	210,077	(89,923)	Actual
1410	Interest on investments	2012	200,000	163,065	(36,935)	Actual
1410	Interest on investments	2013	200,000	35,000	(165,000)	Projected

Correction action plan

For 2013, our office will take the projected revenue deficits into account and attempt to lower expenditures during the year. Our intent is to work within vacancy and turnover for personnel as well tightening juror related costs in order to lower expenditures. The expenditure reduction required is approximately 1% of our total departmental expenditures. We feel that we will be able to break-even in relation to the departmental budget for the entire year.

For the 2014 budget year, we will take the decreasing revenue trends for these revenues into account when creating our requested budget. Whenever applicable, we will attempt to hold the departmental budget request to a minimal increase as compared to the prior year.

Signed,

John Barrett  
Clerk of Circuit Court / Register in Probate

/dpe

C: Chris Abele, County Executive  
Marina Dimitrijevic, County Board Chair  
Mark Borkowski, Chair, Judiciary, Safety, & General Services Committee  
Scott Manske, Controller  
Steve Cady, County Board Fiscal and Budget Analyst  
Patrick Farley, Administrator, Department of Administrative Services  
Josh Fudge, Fiscal Management Analyst, Department of Administrative Services  
Jeffrey A. Kremers, Chief Judge  
Bruce Harvey, District Court Administrator  
James J. Smith, Chief Deputy, Milwaukee County Clerk of Circuit Court  
David P. Ehlinger, CPA, Fiscal Operations Administrator – Courts