

FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU

EXECUTIVE SUMMARY: 2005 PROPOSED BUDGET – MUNICIPAL COURT

Personnel

The 2005 Proposed Budget provides \$1,799,426 in net salaries and wages to support 43 positions (39.5 FTE) compared to \$1,858,709 for 45 positions (40.8 FTE) as provided in 2004. (Page 4)

Operating Budget

The 2005 Proposed Budget provides \$570,881 for Operating Expenditures compared to \$564,523 in 2004, a \$6,358 or 1.13% increase. (Pages 4-5)

Special Funds

The 2005 Proposed budget provides \$15,000 for Minor Projects, \$45,000 for Court Hardware Replacement Project and \$11,475 for Parking Citation Electronic Case Transfer. (Page 6)

Special Purpose Accounts

The 2005 Proposed Budget provides \$430,000 to fund the Clerk of Court Witness Fees Special Purpose Account (\$15,000) and the Municipal Court Intervention Program Special Purpose Account (\$415,000), which pays the Justice 2000 contract. (Pages 6-7)

Drivers License Workforce Development Initiative

In 2004, the Municipal Court administered the Drivers License Workforce Development Program, in a collaborative effort with the Wisconsin Department of Transportation, the Drivers License Workforce Task Force and several community-based organizations. (Pages 7-8)

Department Revenues

The 2005 Proposed Budget estimates revenues from Charges for Services will increase \$109,700 or 8.76% to \$1,362,800 compared to \$1,253,100 in the 2004 Budget. (Page 9)

According to the Budget Office, forfeiture revenue will total \$5,213,000 in 2005, an increase of \$428,300 or 8.96% from 2004. (Page 9)

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LRB – Fiscal Review Analysis
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FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU

2005 DEPARTMENTAL BUDGET SUMMARY: Municipal Court

Expense Category	2003	2004	% Chg	2005	% Chg
	Actual	Budget		Proposed	
Operating	\$3,231,848	\$3,174,955	-1.8%	\$3,120,575	-1.8%
Capital	\$359,833	\$250,000	-44.5%	\$-0-	-100%
Positions	46	45	-2.2%	44	-2.3%
DLH	75,204	73,440	-2.4%	71,100	-3.2%

The Municipal Court is responsible for processing all City ordinance violations initiated by citizen complaint and by the following departments: Neighborhood Services, Health, Library, and Police.

Historical Information

Case Loads

Based on a Study Group recommendation, an April 1998 appropriation funded the expanded use of court commissioners. In 1999, the court commissioners heard all in-custody cases (17,643) and most pre-trials (approximately 18,000), decreasing the lag time between arraignment date and pre-trial, and trial dates within court schedule target goals.

Fees

In January of 2000, the Court initiated a "motion to reopen fee". A \$15 fee is charged upon granting motions to reopen judgments that are not based on a good cause. If the defendant requests to have the case reopened, and does not have a good cause for not appearing when the judgment was issued by default, a \$15 fee charge is added to the original judgment.

ACCOMPLISHMENTS - 2002 & 2003

(from website: Milwaukee.gov/Public/Municourt/strategicPlan04.htm)

- In 2002, the Court processed 168,000 case filings and collected \$6.8 million in net revenues - \$1.5 million more than projected revenues.
- In 2002, the Court expanded the Community Court Initiative to include the REACH program and other community groups increasing the opportunities for defendants to resolve issues before the court through payment of fines or community service placements.
- Participated in the development of pilot teen court program to be implemented in selected MPS schools. This program is intended to reduce the number of juvenile citations that come before the court and to reduce the incidence of actions that lead to the issuance of citations.
- In 2002, the Court initiated evening court hours to provide defendants with the option to schedule appearances outside of their regular work or school day dramatically increasing appearance rates for scheduled court session.

- Made the transition to a new collection agency -- resulting in increased collections overall and dramatic increases in collections due to their interface with the State of Wisconsin Tax Intercept Program.
- Implemented a policy allowing for the acceptance of written stipulations from attorneys at the pre-trial stage of the adjudication process thereby reducing the number of in-person appearances by private attorneys and reducing the need for City Attorney appearances on these cases.
- Implemented a policy to allow walk-in defendants with cases in more than one branch to be seen in one branch. Defendants can now take care of their business with an appearance in one branch rather than being required to check-in and appear in all three branches.
- Increased the number of telephone lines available to accept credit card payments, resulting in reductions in waiting time and increased use of this payment option.
- Reduced the scheduled pre-trial calendar for Branch A resulting in savings in Court Commissioner time, additional time for court clerks to perform office duties, and time for City Attorney staff to devote to other duties.
- In 2003, the Court completed a mini reorganization of Court staff to improve service and achieve budget savings.
- Stabilized the Court's computer system and increased reliability over 2002 levels.
- Selected a vendor to provide the new case management system.
- Allocated intake calendar slots for the acceptance of defendants with contested parking citations thereby reducing waiting time for defendants who are motivated to resolve outstanding parking fines.
- Assisted in the development of a Youth Development Boot Camp for high-risk, repeat young offenders with cases before the Court. This program is intended to reinforce acceptable behavior and reduce recidivism.
- Instituted the preparation of the "Top 100 Egregious Defendants" listing provided to the Milwaukee Police Department for follow-up by the warrant squad as a means of enforcing the Court's judgments.
- Streamlined processes related to the filing of Department of Neighborhood Services summons and complaints thereby reducing staff time allocated to this task and providing for timelier scheduling of court dates.
- Referrals to the court alternatives program come primarily from Municipal Court Judges and Court Commissioners, police officers, probation agents, City Attorneys, Criminal Justice Facility staff, and other community agencies. In 2003, a total 2,792 clients (5,791 cases) were

referred to WCS/Justice 2000. The primary goal of this program is to reduce the imposition of jail sentences.

Month	Defendants Referred	Number of Cases	Community Service Hours Completed	Fines Paid	Jail Days Avoided
January	240	526	1,250	\$3,997	1,219
February	269	549	1,372	\$5,845	871
March	261	514	1,614	\$7,249	981
April	256	554	2,047	\$3,074	1,132
May	216	441	1,706	\$1,725	1,008
June	273	511	2,217	\$3,753	1,046
July	228	474	1,753	\$1,951	970
August	210	396	2,135	\$2,498	927
September	192	435	1,749	\$974	1026
October	227	445	2,037	\$3,872	1209
November	193	448	609	\$2,897	631
December	227	498	996	\$1,926	714
Total	2,792	5,791	19,485	\$39,761	11,734

The following table shows referrals, number of cases, CSO hours completed, fines paid and jail days avoided by month through July 2004.

Month	Defendants Referred	Number of Cases	Community Service Hours Completed	Fines Paid	Jail Days Avoided
January	224	490	1,551	\$2,647	996
February	215	595	1,025	\$2,944	991
March	245	598	1,873	\$5,800	1,060
April	197	471	1,503	\$3,504	862
May	173	425	1,416	\$2,240	1,191
June	180	430	1,479	\$1,502	1,167
July	145	490	1,204	\$1,766	1,543
Total	1,379	3,499	10,051	\$20,404	7,810

- Municipal Court renewed its contract with MATC's Defensive Driving Program in 2004 to refer eligible traffic defendants to the four-hour defensive driving course. All traffic defendants having a valid driver's license are eligible for referral to the program. There is no cost to the Court for making referrals to this program. The following table summarizes utilization and completion rates of MATC's Defensive Driving Program.

**UTILIZATION AND COMPLETION RATES
MATC DEFENSIVE DRIVING PROGRAM**

	Registered	Completed	Completion Rate
2002	1,616	1,225	75.90%
2003	990	747	75.50%
2004 Projection	900	681	75.70%

2005 PROPOSED CHANGES AND MAJOR ISSUES

The 2005 Proposed Budget reduces the Municipal Court Operating Budget by 1.72%, or -\$54,380, from \$3,174,955 in 2004 to \$3,120,575 in 2005.

Resource	2004 Adopted	2005 Proposed	Change
Net Salaries & Wages Total	\$1,858,709	\$1,799,426	-3.19%
Operating Expenditures Total	\$564,523	\$570,881	-1.13%
Equipment Purchases Total	\$4,000	\$31,000	+675.0%
Special Funds Total	\$60,000	\$71,475	+19.13%
Municipal Court Operating Budget Total	\$3,174,955	\$3,120,575	-1.72%

Personnel

1. The 2005 Proposed Budget provides \$1,799,426 to Salaries and Wages, compared to \$1,858,709 provided in 2004. The \$59,283 reduction is calculated by factoring annual step increases in addition to the following:
 - In 2005, in addition to reducing total authorized positions from 45 to 44, the Court reduces O&M FTE's by 1.30 units from 40.80 to 39.50.
 - The Court merged its Pre-Trial Case Preparation and Post-Trial Record Processing & Maintenance Sections into a new Records & Case Preparation Section. Nine total positions are affected; cross-training 8 various clerical positions and eliminating 1 Office Assistant III-PR 425, a vacant lead worker position in the Pre-Trial Case Preparation Section. The elimination of this position will result in a salary and benefits savings of approximately \$40,800.
 - Reducing the number of hours allocated for the Court Commissioners from 1,500 to 1,000 hours annually, resulting in fewer court sessions at Criminal Justice Facility-Branch A at a savings of \$19,650. This reduction reflects actual staffing patterns and the anticipated reduction in case filings. The number of case filings directly affects the number of pre-trials.
 - Overtime is generally related to providing staff support for evening court sessions, community court activities, and preparing case files for off-site storage. Based on staff preference to compensatory-time-off versus paid overtime; Overtime Compensation is reduced \$6,000 from \$16,000 to \$10,000.

Operating Budget

The 2005 Proposed Budget provides \$570,881 for Operating Expenditures compared to \$564,523 in 2004, a modest \$6,358 or 1.12% increase. The table on page 5 illustrates the changes among proposed operating expenditure budget lines.

Budget Line	2004 Adopted	2005 Proposed	% Change
General Office Expense	\$202,024	\$234,758	+16.21%
Other Operating Supplies	\$3,000	\$3,000	0%
Non-Vehicle Equipment Rental	\$3,641	\$3,787	+4.00%
Professional Services	\$68,200	\$78,700	+15.40%
Information Technology Services	\$155,000	\$130,000	-16.13%
Property Services	\$38,000	\$42,560	+12.00%
Other Operating Services	\$22,650	\$20,000	-11.70%
Reimburse Other Departments	<u>\$72,008</u>	<u>\$58,076</u>	<u>-19.35%</u>
Totals	<u>\$564,523</u>	<u>\$570,881</u>	<u>+1.13%</u>

General Office Expense: Funds were moved to this budget line from Reimburse Other Departments for form printing. Also, previous funding authority was insufficient for Court needs.

Professional Services: Approximately 25% of this increase is related to increased fees to the Milwaukee County Circuit Court or the docketing of court judgments. The Court has a policy whereby all judgments in excess of \$200 are docketed at circuit court. The process prevents defendant from selling any real property until the judgment has been satisfied. The remainder of the increase in Professional Services relates to temporary help costs.

Information Technology Services:

- (\$25,000) directly related to the elimination of consulting services and support contracts necessary to maintain MCMIS after it is retired in the first quarter of 2005.
- +\$82,650 will be used to support the old case management system (MCMIS) during the first quarter of 2005 and systems peripheral to case management, such as the file and print servers, court recording software, and backup systems. Funds will also be used to support on-going repairs and upgrades to hardware and software throughout the Court.
- +\$47,350 for maintenance of the Court Automation Tracking System (CATS) for the following proposes uses:

2005 CATS Fund Uses	
Oracle Maintenance	\$16,500
Cold Fusion Maintenance	\$5,000
Crystal Reports Maintenance	\$4,350
Enact Maintenance	\$21,500
Total	\$47,350

These maintenance contracts provide system support for the new CATS system and software upgrades. The annual maintenance agreement with Enact (the actual case management system provided by Court Specialists, Inc.), also includes any modifications to the software required to comply with changing municipal and state regulations.

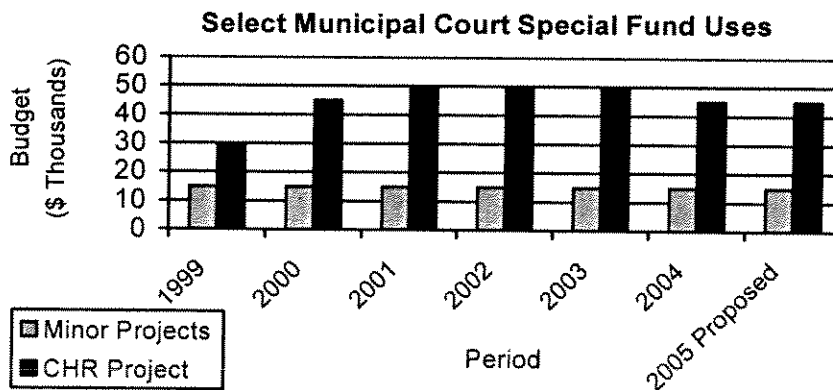
Reimburse Other Departments: The change from 2004 to 2005 reflects the movement of funding to General Office Expense for form printing due to MPR changes in providing printing services.

Equipment

The 2005 Proposed budget provides \$31,000 for equipment, compared to \$4,000 provided in 2004. The Court plans to purchase office furniture (\$2,000) and replace its Court Sound System (\$29,000) in 2005.

Special Funds

The 2005 Proposed budget provides \$15,000 for Minor Projects, \$45,000 for Court Hardware Replacement Project and \$11,475 for Parking Citation Electronic Case Transfer (a parking fund driven activity). The Parking Citation Electronic Case Transfer budget was not funded in previous Court budgets. Funding levels for these multi-year projects during 1998 to the 2005 proposed budget are as follows:



Special Purpose Accounts

The Municipal Court administers two special purpose accounts. The 2005 Proposed budget provides \$430,000 total funding as follows:

Clerk of Court Witness Fees – \$15,000

Tax levy funds support the Clerk of Court Witness Fees SPA. This account reimburses witnesses subpoenaed by the City to appear before the Municipal Court, excluding Police Officers as stipulated by City Ordinance and s. 814.67(1)(a)1. Wis. Stats.

Municipal Court Intervention Program – \$415,000

This special purpose account provides funding for contractual services directly affiliated with the intervention program. The goal of this program is to provide the Court with alternatives to jail or forfeiture payments, on behalf of municipal ordinance violators who are unable to pay fines due to indigence or who are in need of special services. These alternatives ultimately reduce Milwaukee County Criminal Justice Facility and House of Correction populations and reduce the associated costs to the City of housing these offenders.

In June 2003, Justice 2000 was awarded the service contract. The Wisconsin Correctional Services (WCS) contract extension expired on June 30, 2003. Justice 2000 is a community based not-for-profit organization located in Milwaukee.

Case Filings

The number of case filings increased by 29,836 or 20.4% from 146,271 in 2001 to 176,107 in 2003. Department of Neighborhood Services and Milwaukee Police department activities have a direct impact on the Court's case load and generally influence performance measures for the Court. DNS cases are actually declining – 44% less than last year at the same time – they do, however, require much more time and effort to settle and have forfeitures that are much greater than other types of cases. The annual total number of case filings is expected to decrease to 140,000-145,000 in both 2004 and 2005.

Innovative Collection Methods

The Court offers a flexible array of payment methods to clients for paying forfeitures and fees.

In Person: Payments can be made via cash, check, Visa or Master Card

Phone: Payments can be made via Visa or Master Card. The Court recently increased the number of phone lines available to accept credit card payments. At least three lines are available during regular business hours for this purpose.

Fax: Clients choosing to pay by credit card can fax credit account information, court case information and signature to the Municipal Court.

The Court anticipates increasing interest and activity in clients paying forfeitures and fees using credit cards. No additional fees are collected from persons making credit card payments. The new computer system contract requires the future system design to include features to accept online check and credit card payments. The Court is working with ITMD and the City Treasurers Office to accelerate this project.

Drivers License Workforce Development Initiative

In 2004, the Municipal Court administered the Drivers License Workforce Development Program, in a collaborative effort with the Wisconsin Department of Transportation, the Drivers License Workforce Task Force and several community-based organizations, including:

- UMOS
- Agape Community Center
- Milwaukee Urban League
- Better Self Jobs Task Force
- Marquette University Legal Clinic
- Lisbon Ave. Neighborhood Development
- 3rd District Community Justice Center
- Neighborhood House Services of Milwaukee
- Hope House
- HeartLove Place Ministries
- Bayview Community Center
- Harambee Ombudsman Project
- South Division High School
- Holy Cathedral Word of Hope Ministries
- Wisconsin Regional Training Partnership
- Community Enterprises of Greater Milwaukee, Inc.

The program objective was to allow for actions of the Milwaukee Municipal Court, in this one-time effort, to facilitate the goals of the Driver's License Workforce Development Program to remove a barrier to employment for certain persons by providing an opportunity for the reinstatement of suspended motor vehicle operating privileges.

In 2003, Milwaukee Municipal Court records indicated that 61,837 adults and juveniles had their motor vehicle operating privileges suspended for the non-payment of forfeitures and assessments regarding 157,979 cases, which involved violations of ordinances relating to the operation of motor vehicles, as indicated in Common Council Resolution 031158. In addition, the City of Milwaukee, Milwaukee County and the State of Wisconsin were owed approximately \$14.5 million in outstanding judgments for cases in which the non-payment of forfeitures and assessments resulted in the suspension of offenders' motor vehicle operating privileges.

The suspension of motor vehicle operating privileges often restricts an offender's ability to gain or maintain employment, and individuals must pay the forfeitures and assessments required before reinstatement of suspended motor vehicle operating privileges.

The greatest concentration of participation was documented in inner city neighborhoods including those in the 6th, 7th, and 15th aldermanic districts. Most community-based organizations are headquartered in those districts. Nonetheless, clients traveled for every district to actively participate in the program. A map of the activities through February 25, 2004 is attached.

The Wisconsin Department of Transportation dedicated staff to assist the Municipal Court in its effort to restore driving privileges through a program designed to encourage Accordingly, the state will follow the program to see if those relicensed will continue to be licensed.

The Milwaukee Journal Sentinel reported the following statistics in August 2004:

- Of the approximate 47,000 eligible participants, 4,214 defendants applied for the program
- 76 defendants withdrew in the initial days of the program, 4,138 enrolled
- Of those 640 persons deemed eligible for the reduced fines program, 15% successfully cleared their records, and 655 are still working with the Court to complete their commitments
- Those still working toward paying the remainder of their fines have until October 18, 2004
- As of August 18, the Court had collected \$170,980 from cases that were 4-5 years old

Departmental Revenues

State statute requires that the court remit 24% of collections to the state and the county. Stated revenues are actually lower than those collected. The Municipal Court remit 30% of collection to County and State due to various fees and surcharges.

The Court developed a strategy (requiring a change in statute) to provide a mechanism for the state to share in collection costs of overdue forfeitures. In the past, the state received 100% of the state surcharge (24%) regardless of the cost of collecting that judgment. Under the new WI Act 140, the state now shares in the cost of employing a private company to collect these judgments. This will result in approximately \$100-\$150,000 more money retained by the City each year.

Revenues: Charges for Services and Forfeitures

The 2005 Proposed Charges for Services revenue estimate is \$1,362,800, a \$109,700 or 8.76% increase compared to \$1,253,100 2004 revenue estimate.

The 2005 Proposed Forfeitures revenue estimate is \$5,213,000; a \$428,300 increase compared to the \$4,784,700 2004 revenue estimate. Revenues are directly related to the number of citations issued.

	2003 Actual	2004 Adopted	% Change	2005 Projected	% Change
Charges For Services	\$1,858,238	\$1,253,100	-32.57%	\$1,362,800	8.76%
Fines & Forfeitures	\$6,115,060	\$4,784,700	-21.05%	\$5,213,000	8.96%
Total	\$7,973,298	\$6,037,800	-24.28%	\$6,575,800	8.91%

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