

**MEMORANDUM**

TO: All Attorneys Admitted to Practice in the United States Bankruptcy Court,  
Northern District of Ohio

FROM: Pat E. Morgenstern-Clarren, Chief Bankruptcy Judge

DATE: 17 December 2015

RE: The Budget Situation for FY2016

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I have shared with you for the last several years the gloomy news concerning the bankruptcy court's budget. The drastic reductions have stemmed for the most part from Shared Administrative Services cuts which disproportionately impact the bankruptcy courts as compared to the district courts, courts of appeal, and Supreme Court. The funding situation for the last year and this year is now complicated by the lower case filings. Despite these issues, I'm glad to report that our overall budget picture is better for FY2016.

The improved situation is primarily due to two things: (1) the personnel decisions we made in earlier years that reduced the number of people in our clerk's office from 100 to 57; and (2) a program instituted by the Judicial Conference of the United States that encouraged all court units to release unneeded space in exchange for a budget credit that can be used over three years. We are making full use of this program. The Administrative Office of the United States Courts has also indicated informally that it will provide financial assistance to any bankruptcy court that would otherwise have to lay off additional personnel. We do not anticipate having to call on the AO for this funding, but appreciate that it may be available.

Those of us (both judges and clerks) who have spoken out about the crippling situation faced by the bankruptcy courts are encouraged that our concerns have been heard and aid offered. I want once again to thank the District Court for the Northern District of Ohio, headed by Chief Judge Solomon Oliver, for its unwavering support during these difficult times.

As you may know, the chief bankruptcy judge position in our district rotates every four years. My term comes to an end on January 4, 2016, at which time my friend and colleague Judge Russ Kendig will become the chief judge. Thank you for the honor and privilege of serving you in this capacity.

I hope that 2016 will be a peaceful one for you, your families, and the world.