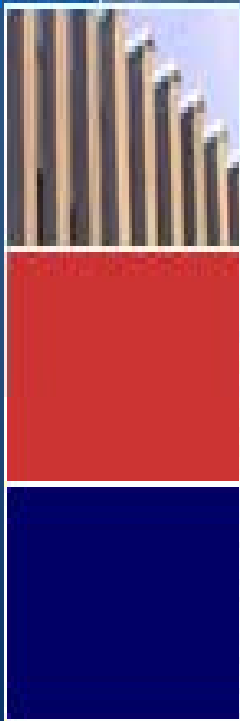




# 43<sup>rd</sup> District Court Expense Reduction Discussion for Budget Year 2012



TRUTH TELLS US WHAT IS DUE TO OTHERS,  
AND JUSTICE RENDERS THAT DUE.

April 13, 2010

-HORACE WALPOLE

# What We Do

## ■ **Felony and Misdemeanor Criminal Cases**

- Arraignments, Pretrials, Bench Trials, Jury Trials, Pre-Exam Conferences, Preliminary Exams, Probation Violations and Showcauses

## ■ **Civil Cases**

- General Civil - Litigation up to \$25,000
  - Motions, Trials, Pretrials, Jury Trials, and Discovery Hearings
- Small claims – Litigation up to \$3,000
  - Mediation, Motions, Trials, Discovery Hearings and Showcauses
- Landlord Tenant
  - Motions, Possession Hearings, Land Contract Hearings, Jury Trials, Bench Trials, Discovery Hearings and Showcauses

## ■ **Traffic and Parking cases**

- Explanation hearings, informal hearings, formal hearings and Showcauses

2010

Criminal, Civil and Traffic Caseload

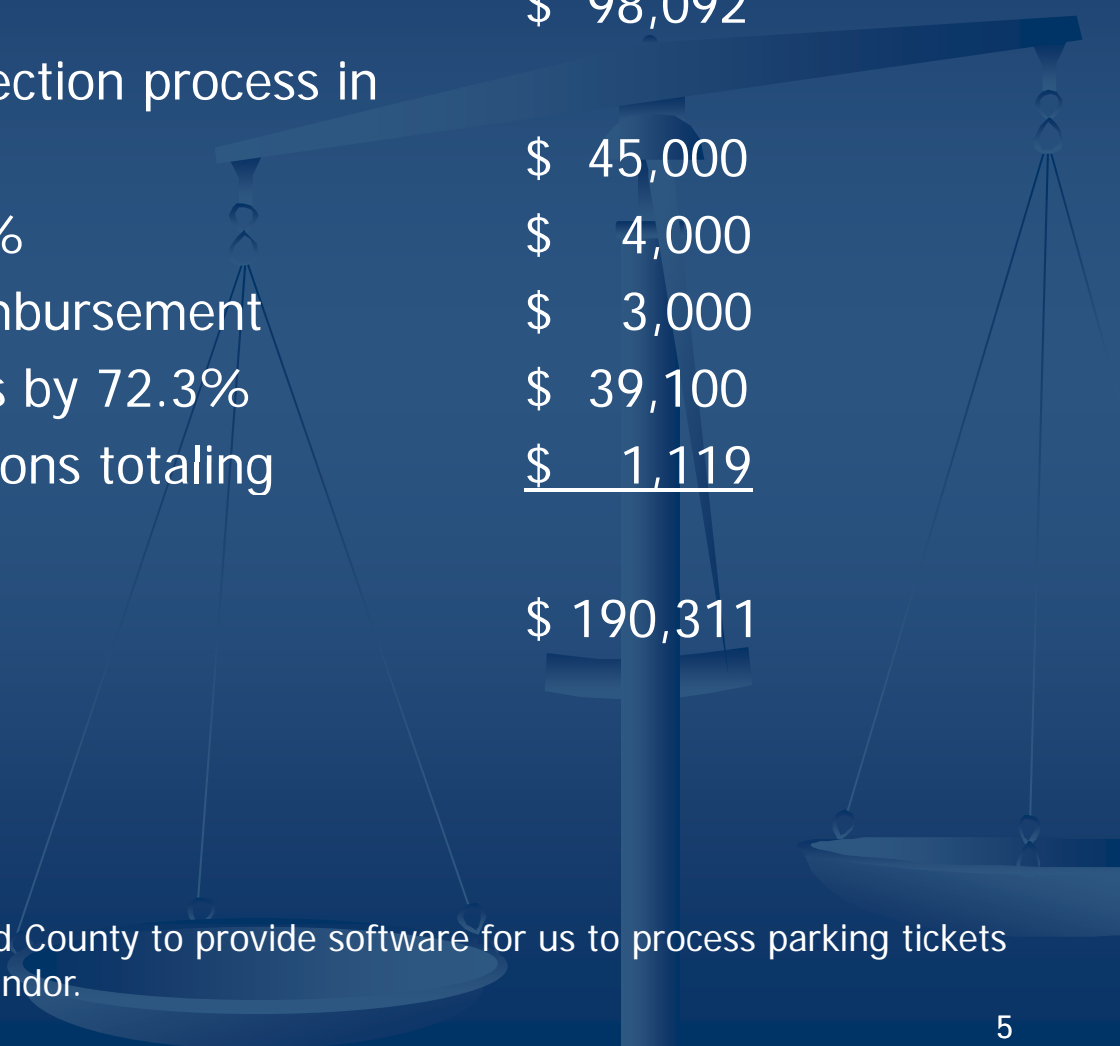
35,294

# Expense Reduction Options

Based on 2011 Expenses of \$1,268,739:

- A 15% reduction would reduce expenses by \$190,311
- A 20% reduction would reduce expenses by \$253,748

# 15% Reduction Illustration



■ Reduce clerks by 28.5%	\$ 98,092
■ Bring parking ticket collection process in house*	\$ 45,000
■ Reduce overtime by 80%	\$ 4,000
■ Eliminate education reimbursement	\$ 3,000
■ Reduce capital expenses by 72.3%	\$ 39,100
■ Various line item reductions totaling	<u>\$ 1,119</u>
 Total Reductions:	 \$ 190,311

\*We made arrangements with Oakland County to provide software for us to process parking tickets in house and eliminate the outside vendor.

# Consequences of a 15% Reduction

- **Negative impact on customer service (See Appendix A)**

- Delays in getting cases in front of judge or magistrate
- Longer wait time in line at court house
- When telephoning, the public will be unable to speak directly to a clerk during business hours. Public will therefore be forced to leave a message.
  - Court closed ½ hour early. Staff would use that time to return phone calls
- Inability to stagger staff lunch times will cause court to close between 12 and 1 p.m.
- Civil filings will not be accepted after 3:45 p.m.

# Consequences of a 15% Reduction

## ■ Eliminate cashier

- Contrary to Supreme Court and the city auditors' recommendation
- Rotating clerks, not trained in collecting, will handle people as they come from court. (see Appendix B)
- When available, Probation will be required to initiate payment plans.

# Consequences of a 15% Reduction

## ■ Absorption of duties by remaining staff

- The court recorder/civil clerk will be assigned to clerk duties 100% of the time. Administrative staff will spend 25% of their time acting as court recorder.
- An additional 38.5% of administrative staff time would be used to cover contractual time off by union members.
- Probation Department will absorb collection activity as administrative staff will no longer be available for this function

# Consequences of a 15% reduction

- **Entering of warrants given back to Police Department**
  - Convert back to more labor and cost intensive paper warrants
- **Agreement would be needed from union for administrative staff to do union work**
- **No reduction in revenue would be anticipated.**

# 20% Reduction Illustrations




## ■ Example A:

- Reduce court clerks by 42.9%
- Eliminate part time probation clerk
- Reduce contractual services
- Reduce overtime by 80%
- Eliminate education reimbursement
- Reduce capital expenses by 72.3%

## ■ Example B:

- Reduce court clerks to 28.5%
- Bring parking ticket collection process in house
- Completely eliminate Probation Department and Sobriety Court Program
- Reduce capital expenses by 72.3%

# 20% Example A



■ Reduce clerks by 42.9%	\$ 169,687
■ Eliminate part time probation clerk	\$ 21,667
■ Reduce contractual services	\$ 15,600
■ Reduce overtime by 80%	\$ 4,000
■ Eliminate education reimbursement	\$ 3,000
■ Reduce capital expenses by 72.3%	\$ 39,100
■ Various line item reductions totaling	<u>\$ 694</u>
 Total Reductions	 \$ 253,748

# Consequences of 20% Example A

- **Revenue loss resulting from extended case processing time due to fewer clerks**

In FYE 2010, Hazel Park reduced its court budget to allow for only 4 clerks, as does this example:

- Arraignments were set 15 months into the future.
- Informal hearings were set 18 months from date of offense

When 2 clerks were added back in FYE 2011, case processing time was shortened to acceptable levels.

Faster case processing resulted in a 22.5% increase in revenue in the first nine months of FYE 2011 when compared to the same time period in FYE 2010.

# Consequences of 20% Example A

- **Negative impact on customer service**
  - As described under revenue loss above, Hazel Park when reduced to 4 clerks had a delay of 15-18 months for the public to get a court hearing. We should expect the same delay.
  - With the reduction of personnel, we expect people coming out of court, to pay fines and costs, will have to wait 20 minutes opposed to the 5 minutes they currently wait.
  - As described earlier on page 6, we will close a half hour early each day to return phone calls. In addition, the court will be closed every Friday, from 12:00 p.m. - 4:30 p.m. to prepare dockets, update files, return correspondence, file, etc.
  - Inability to stagger staff lunch times will cause court to close between 12:00 p.m. to 1:00 p.m.
  - Civil filing will not be accepted after 3:45 p.m. Monday through Thursday or after 11:45 a.m. on Fridays.

# Consequences of 20% Example A

- **Absorption of clerk duties by remaining staff**
  - The court recorder/civil clerk will be assigned to clerk duties 100% of the time. Administrative staff will spend 25% of their time acting as court recorder.
  - 30.8% of Administrative Staff time would be used to cover contractual time off by union members
- **Entering of warrants given back to Police Department**

# Consequences of 20% Example A

- **Reduction of cases sent to Probation.**
  - With fewer clerks less cases will be processed per year and with the elimination of the probation clerk fewer cases will be able to be referred to probation.
- **Internal collections would be eliminated.**
  - The elimination of the cashier position, the elimination of time for administrative staff to create and police payment plans and the elimination of the probation clerk will result in a revenue loss of over \$150,867 based on last calendar year.

# Consequences of 20% Example A

- Agreement would be needed from union for Administrative Staff to do union work.
- No savings opportunity by eliminating vendor for parking ticket processing because needed in-house staff will have been eliminated under this example
- Elimination of cashier with consequences as noted earlier

# Effect on Revenue For 20% Example A

Reduction of revenue due to  
extended processing time

(\$319,000)

Reduction of probation cases

(\$ 54,300)

Collection efforts eliminated

(\$150,867)

Loss of Revenue

(\$524,167)

# 20% Example A

## Expense Cuts and Revenue Loss

Expense Reduction  
Effect on Revenue

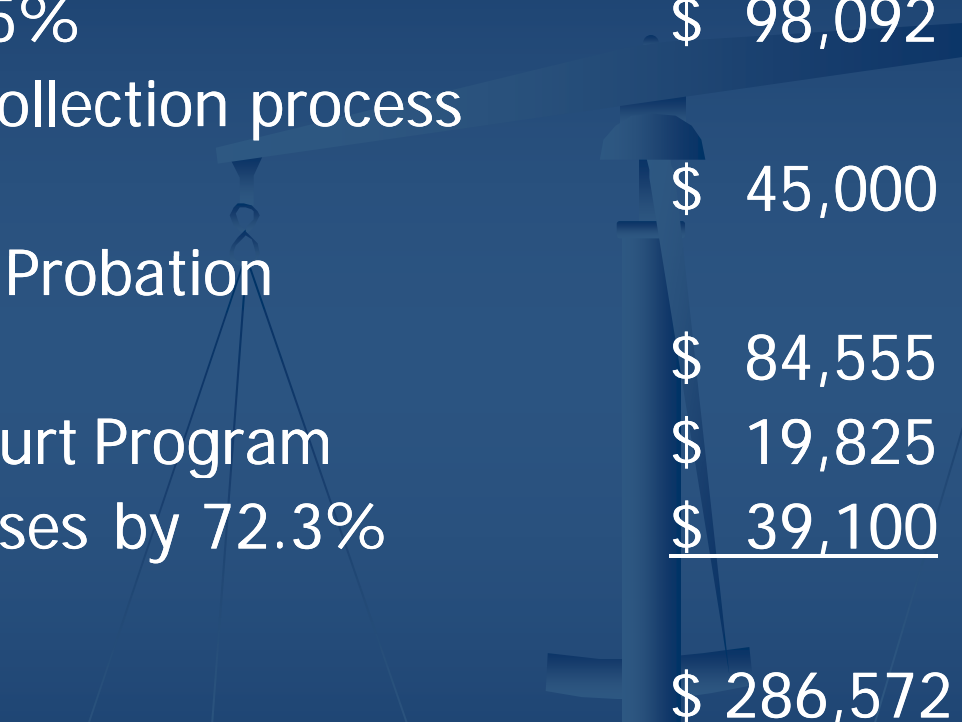
\$253,748

(\$524,167)

Net Loss of Revenue

(\$270,419)

## 20% Example B



■ Reduce clerks by 28.5%	\$ 98,092
■ Bring parking ticket collection process in house	\$ 45,000
■ Completely eliminate Probation Department	\$ 84,555
■ Eliminate Sobriety Court Program	\$ 19,825
■ Reduce capital expenses by 72.3%	<u>\$ 39,100</u>
Total Reductions	\$ 286,572

# Consequences of 20% Example B

## ■ Negative impact on customer service

### ■ Elimination of Probation Department

- Fines and jail have little impact on criminal behavior.
- Local defendants will be denied help for drug addiction, emotional or mental problems and lack of employment.
- More defendants will go to jail but released too early back to the community due to jail overcrowding.
- Recidivism rates of defendants not exposed to probation are higher, so therefore, police involvement will continue.

# Consequences of 20% Example B

- **Negative impact on customer service (cont.)**

- **Elimination of Sobriety Court Program**

- Non sobriety court participants are 6.5 times more likely to reoffend according to Douglas B. Marlowe of National Association of Drug Court Professionals
- Since the participants of the program are limited to the general area of the court, the streets of Ferndale will be more vulnerable to drunk drivers.
- Elimination of the program would cause people to lose their jobs because only a certified Sobriety Court can give them a restricted license to drive to and from work.

# Consequences of 20% Example B

## ■ Negative impact on customer service (cont.)

- Delays in getting cases in front of judge or magistrate
- Longer wait time in line at court house
- When telephoning, the public will be unable to speak directly to a clerk during business hours. Public will therefore be forced to leave a message.
  - Court closed ½ hour early. Staff would use that time to return phone calls
- Inability to stagger staff lunch times will cause court to close between 12 and 1 p.m.
- Civil filings will not be accepted after 3:45 p.m.

# Consequences of 20% Example B

- **Elimination of cashier with consequences as noted earlier**
- **Absorption of clerk duties by remaining staff**
  - The court recorder/civil clerk will be assigned to clerk duties 100% of the time. Administrative staff will spend 25% of their time acting as court recorder.
  - An additional 38.5% of administrative staff time would be used to cover contractual time off by union members
- **Entering of warrants given back to Police Department**
- **Agreement would be needed from union for administrative staff to do union work.**

# Consequences of 20% Example B


## ■ No Probation Department Revenue

- Complete loss of probation oversight revenue
- Complete loss of collection revenue will result as administrative staff time will be reduced and Probation will not be available to absorb, as in Example A.
- Would have to hire someone to do statutorily required pre-sentence investigations

## ■ Loss of Sobriety Court revenues

- The Sobriety Court Program has been a positive revenue producer since its inception.

# Effect on Revenue for 20% Example B



Complete loss of probation oversight revenue	(\$181,113)
Elimination of collection efforts	(\$150,867)
Complete loss of Sobriety Court revenue	<u>(\$ 27,900)</u>
Loss of Revenue	(\$359,880)

# 20% Example B

## Expense Cuts and Revenue Loss

Expense reduction

\$286,572

Effect on Revenue

(\$359,880)

Net Loss of Revenue

(\$ 73,308)

# Impact of Expense Reduction Options

- reduce expenses by
- reduce revenues by
- revenue increase/decrease

	15% reduction	20% reduction Example A	20% reduction Example B
reduce expenses by	\$190,311	\$253,748	\$286,572
reduce revenues by	0	(\$524,167)	(\$359,880)
revenue increase/decrease	\$190,311	(\$270,419)	(\$73,308)

# Appendix A

- Currently cases are scheduled within 30 days of offense. A reduction in clerks would push scheduling out to 90 days. This number may increase depending on our caseload.
- Typically the average person waits 5 minutes after court to pay their fine. If there were a reduction of clerks, the wait time would increase to 14 minutes.
- Phone calls must be returned daily due to time sensitive issues. If clerks are reduced, they will no longer be available to answer incoming phone calls. Therefore, we will be forced to close ½ hour early to return phone calls.

# Appendix B

- The cashier has been trained pursuant to Administrative Order 2005-13 - 2010-1. She has been certified in allocations of payments under MCL 712A.18m and collections of payments as required under MCR 1.110. She has completed extensive training in collections in accordance to the Trial Court Financial Management Guidelines.