



July 11, 2022

Livingston County Board of Commissioners
Howell, Michigan 48843

Dear Commissioners,

A report titled, "Livingston County Courts: Cost Per Case Analysis" was provided to the Courts on June 6, 2021. By adopting the findings in this report taxpayers could save \$26 million over the next decade.

The Report encourages readers to offer their own perspectives on this analysis. This quote from the fourth page of the Report best illustrates this, "Not only are readers encouraged to read and digest this report, but they are also encouraged to offer their critique, and if warranted, their own analysis." Also included in the Report was the spreadsheet that was exported directly from the County's financial database (MUNIS). Providing this spreadsheet makes it easy for anyone to examine the methodology and/or conduct their own analysis.

Since the Report was published there has been one meeting with Court personnel, however, no alternative budgetary plan was put forward. Accordingly, I am recommending the Livingston County Board of Commissioners take the necessary steps to align the Courts' budget with both the decline in caseloads, as well as recommendations made by the Michigan State Court Administrative Office (SCAO) and the National Center for State Courts (NCSC). As the governing body responsible for establishing the budget, it is incumbent on us to act now, especially in these unprecedented inflationary times.

As shown in the Report, some findings are not new. Specifically, in 2011 a surplus of 6.3 quasi-judicial officers was identified by both SCAO and the NCSC. A savings of over \$6 million would have been realized by now had action been taken when the surplus was first identified.

In addition to the \$26 million savings identified in the Report, Commissioners have recently been made aware that the Courts are projecting a decline in revenue of over \$449,000 for FY 2023. This decline stems from a reduction in fines and costs assessed by the Courts to users of its services. It is unclear as to the specific reason(s) for these reduction as the Board's request for more detail has not yet been fulfilled. In any event, this revenue reduction suggests that caseloads are expected to continue their decline, a trend that has been in place since 2009.

Rather than adjusting expenditures during one budget cycle, it is recommended that budgetary reductions take place over multiple budget cycles. This approach enables the Courts to better plan for the changes.

Regards,

Wes Nakagiri
Chairman
Livingston County Board of Commissioners