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TO: Barbara Bergman
Chair, Ways & Means Committee

FROM: Robert E. Guenzel
County Administrator

DATE: November 7, 2007

SUBJECT: Creation of the Saline District Court Reserve Fund and
Authorizing Certain Monies to be placed into the Fund

Board Action Requested:

It is requested that the Washtenaw County Board of Commissioners create the Saline District Court Reserve Fund and authorize certain monies to be placed into the Fund.

Background:

Under Michigan law, Washtenaw County must provide for a district court within any city in the district which has a population exceeding 3250 people. Saline is located within the 14A District and has a population of more than 3250 people; thus, there must be a district court located in that city.

On November 15, 2006, the Board of Commissioners approved the County's purchase of approximately 11 acres within the City of Saline as the site of the new district court. On that same night, the Board also approved the funding mechanism for the new court. The funding came from the transfer of \$737,741.81 of surplus bond money from the County's Head Start facility, as well as \$248,137.00 of surplus bond money from the Chevron project into the Project Improvement Fund ("PIF"). In addition, the County's portion of certain fines and costs assessed by the 14A District Court will also be allocated to the PIF to help pay for the new court.

Discussion:

The money allocated by the Board in November, 2006 will be sufficient to build a functioning district court in Saline. However, District Court officials, including the Chief Judge have requested certain improvements for the new district court to meet recommended Supreme Court Administrative Office ("SCAO") standards.

These improvements have been entitled, "Phase II" of the district court building project. A schematic drawing of these improvements is attached to the present Resolution.

The present funding for the district court will not cover the cost to build the Phase II improvements. To address the District Court's concerns about the future needs of the new District Court, the parties have agreed to build the Saline District Court in phases, with the main court facility to be built with existing funds and Phase II improvements to be constructed at a later point when sufficient funding is available.

To fund the future cost of the Phase II improvements, the proposed Resolution calls for the Board of Commissioners to create a new Saline District Court Reserve Fund. This fund would receive any funds which may result from the 14A District Court's positive net position. In addition, the Fund could also accept other monies as may be directed by the Board of Commissioners. The Fund would continue to accumulate funds until such time as there was enough funding to pay for the Phase II improvements.

Impact on Human Resources:

The proposed Resolution will have no impact on Washtenaw County positions, personnel, policies or procedures.

Impact on Budget:

The proposed Resolution will have no impact on the County's general fund budget.

Impact on Indirect Costs:

There are no indirect costs associated with this Resolution.

Impact on Other County Departments or Outside Agencies:

The requested Resolution will have no impact on county departments or outside agencies.

Conformity to County Policies:

The requested Board action conforms to all County policies.

A RESOLUTION CREATING THE SALINE DISTRICT COURT RESERVE FUND
AND AUTHORIZING CERTAIN MONIES TO BE PLACED INTO THE FUND

WASHTENAW COUNTY BOARD OF COMMISSIONERS

November 7, 2007

WHEREAS, under Michigan law, it is the County's responsibility to pay for a district court of the second class to sit in every City with a population exceeding 3250 throughout the judicial district; and

WHEREAS, since the City of Saline is located within the 14A judicial district and has a population exceeding 3250, the County is required to provide a district court there; and

WHEREAS, on November 15, 2006, the Board of Commissioners approved the County's purchase of approximately 11 acres as the site for the new district court; and

WHEREAS, on November 15, 2006, the Board of Commissioners also approved the transfer of \$737,741.81 of bond surplus money from the Series 2002 bond issue which was used to construct the new Head Start facility, along with \$248,137.00 in surplus from the Series 2004 bond which financed the Chevron project into the Project Improvement Fund ("PIF") to help pay for the new Saline District Court; and

WHEREAS, the County's portion of certain fines and costs assessed by the 14A District Court will also be allocated to the PIF to help fund the construction of the new Saline District Court; and

WHEREAS, District Court officials, including the Chief Judge, have requested certain improvements for the new Saline District Court to meet recommended Supreme Court Administrative Office ("SCAO") standards; and

WHEREAS, the proposed future improvements to the Saline District Court are have been entitled Phase II of the building project and are attached to this Resolution; and

WHEREAS, using the current available funding, the County will be able to build a functioning court facility but will not be able to build Phase II to meet SCAO recommended court standards and improve the functionality of the court; and

WHEREAS, to address the District Court's concern about the future needs of the Saline District Court, the parties have agreed to build the Saline District Court in phases with the main court facility to be built with existing funds and Phase II

improvements to be constructed at a later point when sufficient funding is available; and

WHEREAS, the parties have agreed that to fund the future construction of the Phase II improvements to the Saline District Court, a new Saline District Court Reserve Fund be created which will be primarily funded by the District Court's positive net position, or from other monies the Board of Commissioners may choose to direct into the Fund; and

WHEREAS, the monies directed into the Saline District Court Reserve Fund would accumulate until there is enough in the Fund to construct the future Phase II improvements at the Saline District Court;

NOW THEREFORE, BE IT RESOLVED that the Washtenaw County Board of Commissioners creates the Saline District Court Reserve Fund and directs that any positive net position remaining at the end of each 14A District Court annual budget year, along with any other monies as directed by the Board of Commissioners be placed into the Fund.

BE IT FURTHER RESOLVED that when the Saline District Court Reserve Fund has accumulated sufficient funds as determined by the County's Facilities Division of Support Services, such funds shall be used to construct the future Phase II improvements at the Saline District Court as attached to this Resolution, to meet the future needs of Washtenaw County citizens who use that facility.