



City of Tracy City: Court Cost Comparison

*Ron Darden, Municipal Management Consultant
June 1, 2012*

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THE UNIVERSITY of TENNESSEE 
MUNICIPAL TECHNICAL ADVISORY SERVICE

In cooperation with the Tennessee Municipal League

City of Tracy City

Court Cost Computations

By Ron Darden, MTAS Municipal Management Consultant
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I. Background

The city court meets six (6) times per year with the city recorder, a city clerk, a court officer and city judge. The court heard approximately 314 cases during 2011. Court costs have not been established by ordinance. The accounting system does not break out court costs from other general government expenses. Basing court costs on what other cities or general sessions court charges is not a reasonable method of determining the actual costs for Tracy City's court system. This report will outline a method for calculating municipal court costs using audited data, pay records and reasonable estimates.

II. Direct Court Expenses

Clerical staff (sal. + S.S.)	\$7,641.10
City Recorder (6 appear. @ \$15.52/hr.+SS.)	200.48
Staff training (estimated)	600.00
Judge's compensation	1,950.00
Judge's training (estimated)	300.00
Court officer (\$15/hr. x 2hrsx6 per year)	180.00
Court Software (annual cost)	740.00
Docket books (estimated)	<u>250.00</u>
Total Estimated Direct Cost	<u>\$11,861.58</u>

III. Indirect Court Expenses

Many of the court costs are indirect expenses included in the city's general government account of the general fund such as liability insurance, computer equipment, telephones, office hearing and cooling, postage stamps, office supplies, etc. The city's general government account for 2011 totaled \$54,786.00 and it included the above direct court expenses of \$11,861.58. In order to establish indirect costs, remove the direct cost (\$54,786.00-\$11,861.58) from the general government account. This leaves an adjusted general government account balance of \$42,911.42. Since costs are not separated in the accounting system, an estimate of 10 percent of the general government account is estimated to be for indirect court expenses or \$4,291.14.

IV. Court Cost Computations

Local direct court cost (see II above)	\$11,861.58
Indirect court cost (see III above)	<u>4,291.14</u>

Total Estimated Annual Court Cost \$16,152.72

(\$16,152.72/314 cases=\$51.44 per case)

Local court cost	\$51.48
Special Court Cost	10.00
State Litigation tax	13.75
Local Litigation tax	13.75
Court training fee	<u>1.00</u>
Total Court Cost	<u>\$89.98</u>

V. Summary

The city needs to pass an ordinance establishing reasonable court cost. The above represents a reasonable method for establishing court costs. The computations will need to be reviewed on an annual basis. The city also needs to adopt by ordinance a local litigation tax of \$13.75. This is in addition to the state's litigation tax of \$13.75. A local litigation tax is a way for users of the court to pay part of the cost of using the court instead of tax payers. An ordinance needs to appoint a court clerk and an assessment needs to be made as to the need for two court clerks. The ordinance recommended by Court Consultant Karen Beyke is reasonable and should be adopted. I do recommend an amendment that designates a city court clerk.