

**Senate Finance**  
**General Government Subcommittee**

**Collections and Costs of Operating  
the Circuit and General District Courts by Locality**

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**APA**

**Auditor of  
Public Accounts**  
**COMMONWEALTH OF VIRGINIA**

**February 3, 2009**

# Court Operations

- **Provides a comprehensive overview of the fiscal operations of the Commonwealth's Circuit and District Courts.**
- **The information comes from various sources to show both the courts' collections and their general operating expenses.**
- **Both the Circuit and District Courts collect fines, fees, and costs for the adjudication of cases which come before the courts.**
- **Circuit Courts also record and maintain numerous official documents and, in connection with these duties, collect fees, taxes, and other funds for deposit in both the Commonwealth's and locality treasuries.**
- **The Courts also hold funds for others and amounts pending the adjudication of cases; this report does not include these amounts.**

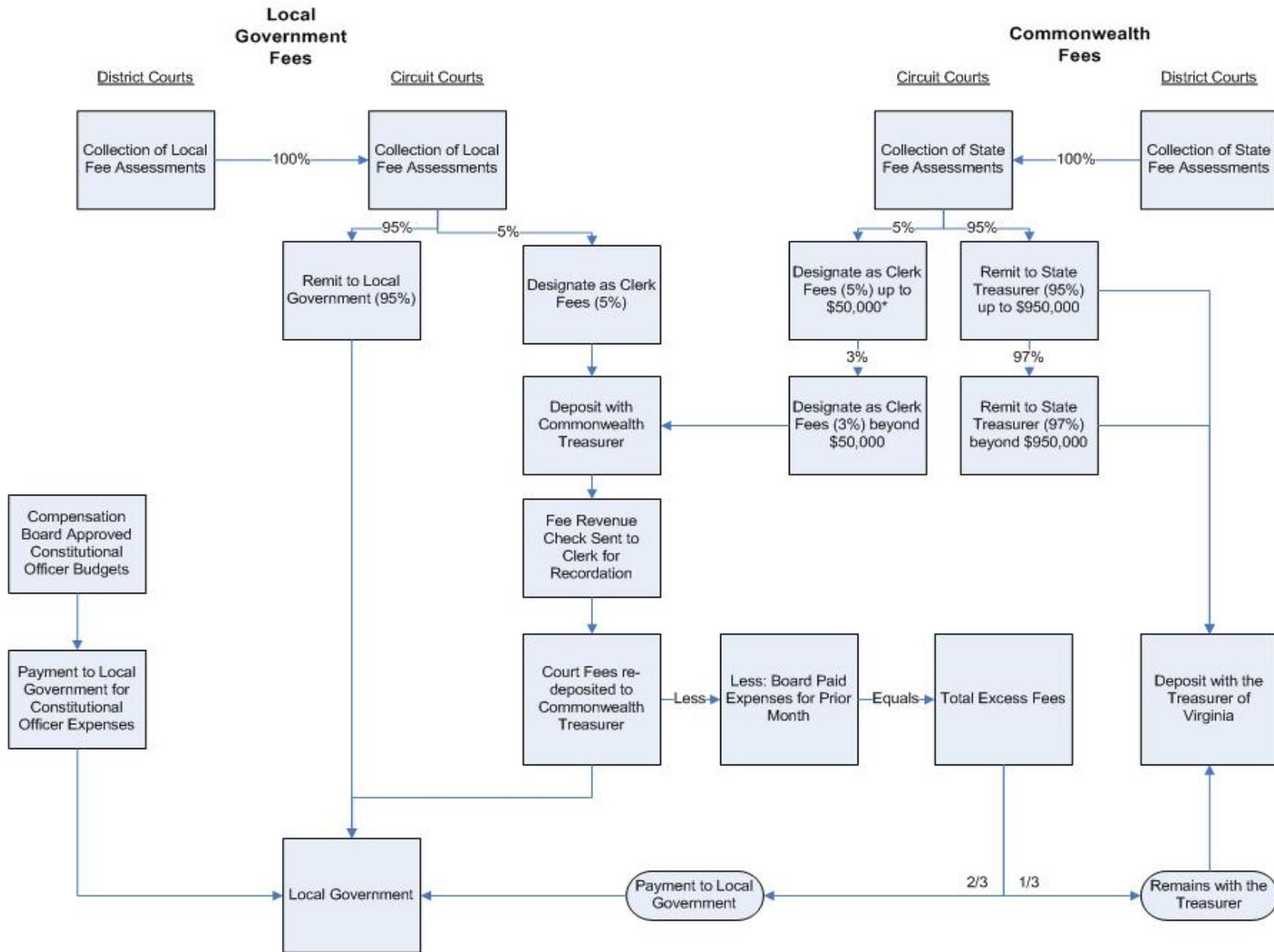
## SUMMARY SCHEDULE

	FY 2007		
	Circuit	District	Total
<b>Collections:</b>			
State	\$ 625,236,179	\$ 176,711,820	\$ 801,947,999
Locality	243,282,161	80,195,403	323,477,563
Town	7,980,984	7,190,951	15,171,935
Clerk's fees	67,552,382	-	67,552,382
Commissions on state	22,634,865	-	22,634,865
<b>Gross cash collections</b>	<b>966,686,570</b>	<b>264,098,173</b>	<b>1,230,784,744</b>
<b>State Compensation Board reimbursement:</b>			
State portion judicial administrations	48,973,012	-	48,973,012
State portion sheriff - courts	62,260,303	-	62,260,303
<b>Total collections</b>	<b>1,077,919,886</b>	<b>264,098,173</b>	<b>1,342,018,059</b>
<b>Expenses:</b>			
<b>Judicial Administration</b>			
Judges and district court staff salaries paid by State	(33,651,529)	(112,099,510)	(145,751,038)
State portion	(48,973,012)	-	(48,973,012)
Local portion	(39,132,302)	(66,084,397)	(105,216,699)
<b>Sheriff Support</b>	<b>(44,259,502)</b>	<b>(80,118,787)</b>	<b>(124,378,289)</b>
State portion	(62,260,303)	-	(62,260,303)
<b>Total expenses</b>	<b>18,000,801</b>	<b>(80,118,787)</b>	<b>(62,117,986)</b>
<b>Total expenses</b>	<b>(166,016,345)</b>	<b>(258,302,694)</b>	<b>(424,319,038)</b>
<b>Net summary before code required transfers</b>	<b>911,903,541</b>	<b>5,795,480</b>	<b>917,699,020</b>
<b>Code required transfers subject to commissions:</b>			
State transfers from district to circuit	146,907,801	(146,907,801)	-
Locality transfers from district to circuit	65,379,664	(65,379,664)	-
Town transfers from district to circuit	7,190,951	(7,190,951)	-
<b>Total transfers</b>	<b>219,478,416</b>	<b>(219,478,416)</b>	<b>-</b>
<b>Net collections/expenses/transfers</b>	<b>\$ 1,131,381,957</b>	<b>\$ (213,682,937)</b>	<b>\$ 917,699,020</b>

# Report Recommendations

## **Recommendation 1:**

The General Assembly may wish to consider having the Compensation Board change its method of determining the allocation of excess fees to using a base line minimum and then having the Clerk allocate the amount in excess of the baseline to both the Commonwealth and the Locality.



Notes: \* The first \$50,000 in a six month period is retained as a clerk fee, once that threshold is met the clerk fees drop to 3% of any total fee collections beyond \$1 million.

# Report Recommendations

## **Recommendation 2:**

The General Assembly may wish to consider amending the Code of Virginia and eliminating the commission charged by the Clerk on Commonwealth and locality collections.

Further, the General Assembly may wish to direct that the District Courts deposit their collections directly in the Commonwealth or locality Treasurer, therefore increasing the opportunity for interest earnings.

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# Report Recommendations

- In fiscal 2007, the Commonwealth paid the Circuit Court Clerks \$4.4 million to deposit District Court Collections in the State Treasury
- District Courts are capable of making direct deposits to the State Treasury
- District Courts provide the Circuit Court Clerks the information to make the Deposit
- There is also the opportunity for increased interest earnings by more timely deposits