

MOTION NO. 5799

A MOTION authorizing the King County Executive to enter into Interlocal Agreements with various cities in King County for the purpose of establishing filing fees for certain criminal and traffic cases filed by such cities in district courts.

WHEREAS, RCW 3.62.070, as amended by Chapter 129, Laws of 1979, 1st Ex. Sess., and by Chapter 128, Laws of 1980, 1st Reg. Sess., requires King County and various cities in King County to enter into Interlocal Agreements for the purpose of establishing a filing fee to be paid in certain criminal and traffic infraction actions filed in district court for ordinance violations;

WHEREAS, pursuant to existing Interlocal Agreements, King County and these various cities are desirous of establishing a filing fee in such cases at a mutually acceptable rate prior to the termination date of January 1, 1984 of existing Interlocal Agreements; and

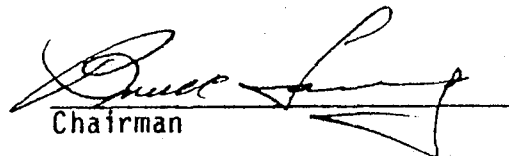
WHEREAS, pursuant to Motion No. 5587, the Office of Program Development conducted a comprehensive district court filing fee study to assess the relevant costs of processing municipal ordinance violations.

NOW, THEREFORE, BE IT MOVED by the Council of King County:

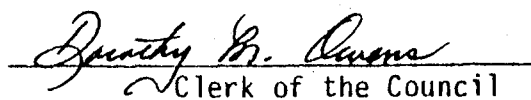
The King County Executive is hereby authorized to enter into Interlocal Agreements with cities pursuant to RCW 3.62.070, as amended by Chapter 129, Laws of 1979, 1st Ex. Sess., and by Chapter 128, Laws of 1980, 1st Reg. Sess., to establish filing fees for certain criminal and traffic infraction actions filed by such cities in King County district courts for ordinance violations;

PASSED this 8th day of August, 1983.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

  
Chairman

ATTEST:

  
Clerk of the Council

MOTION NO  
5799

KING COUNTY DISTRICT COURT FILING FEE STUDY

RECOMMENDATIONS FOR ESTABLISHING THE  
1984 DISTRICT COURT FILING FEES

Randy Revelle, King County Executive  
Prepared by the Office of Program Development  
July 15, 1983

# 1984 DISTRICT COURT FILING FEE STUDY

## EXECUTIVE SUMMARY

### I. BACKGROUND

Since 1980, King County has negotiated district court filing fees annually with sixteen suburban cities and towns to recapture the cost of providing municipal court services. The annual filing fees were based on the variable cost method which King County developed to calculate pertinent municipal court costs.

In light of escalating court costs and concern about the accuracy of the methodology, King County Executive Randy Revelle announced his intention to develop a new district court filing fee formula for calculating future fees in his September 3, 1982 memorandum to the suburban mayors.

The Office of Program Development conducted a comprehensive review of available methodologies to determine the "additional costs" borne by King County in processing municipal ordinance violations. Based on input from city officials, the marginal cost method has been chosen as the most accurate and equitable formula for calculating municipal court costs.

This report presents the results of the 1984 study which is based on the marginal cost method.

### II. PURPOSE OF THE STUDY

The purpose of this study was: (1) to analyze critically the costs of providing municipal court services; and (2) to develop an equitable, accurate fee schedule to serve as a basis for future negotiations with suburban communities.

### III. RESULTS OF THE STUDY

Future filing fees will be based on the marginal cost method which allocates a percentage of the cost to suburban jurisdictions based on court processing time and the related costs. Budget expenditures and projected caseloads for 1983 were used as the basis for determining the marginal unit cost of each municipal filing. No inflation adjustments were added to the 1983 budget figures in an attempt to estimate 1984 costs. Future fees will, therefore, lag one year behind actual costs by using current year data to calculate next year's fee schedule.

Several of the suburban communities recommended that King County explore the feasibility of establishing a separate, reduced filing fee for paid citations and infractions that do not require a court appearance. The study included a review of this option and recommends that all bail forfeitures be charged a filing fee of \$3.00.

## BACKGROUND

For the past four years, the Office of Program Development has negotiated interlocal agreements establishing district court filing fees with sixteen cities and towns on an annual basis. The annual filing fees have been set on a court by court basis and represent the unit cost of providing municipal court services in each of six district courts.

The methodology used since 1980 to calculate the district court filing fees was based on the concept of "fixed" vs. "variable" costs. The "fixed" costs were those necessary to maintain the mandated level of district court services, and the full cost of these expenditures was borne by King County. Costs associated with handling the volume of cases were considered "variable" costs and were shared by all parties contributing to the caseload volume. The variable cost method attempted to calculate the "additional costs" of handling municipal cases.

Fees for 1980-83 were negotiated and then adopted by interlocal agreement. In several instances, suburban jurisdictions did not agree with the recommended filing fees, and therefore, the fees were set through formal arbitration. Because of the continued dissatisfaction with the variable cost method and resultant fee structure, King County Executive Randy Revelle directed his staff to reassess the methodology for calculating the costs of processing municipal ordinance violations in six King County district courts.

In April, 1983 the Office of Program Development began a three month study to assess the methodology and develop an equitable, accurate fee schedule. The selected marginal cost method replaces the variable cost formula and serves as the basis for establishing future interlocal agreements between King County and sixteen jurisdictions.

## METHODOLOGY

The task of developing a fee structure is very complex. Efforts to retain administrative ease had to be balanced against equity and accuracy. Four methodologies were scrutinized by county staff and city officials. The four methods included the 1.) variable cost method, 2.) marginal cost method, 3.) relative weight method, and 4.) volume percentage basis method. Each method attempted to assess the additional cost of processing municipal ordinance violations. (See Attachment A).

Based on input from suburban representatives and County staff, the marginal cost method was selected, because it most accurately reflected the additional municipal costs while remaining simple and understandable. This method is based on the costs associated with court processing time. The marginal cost method determines the filing fee from three cost categories -- (1) personnel, (2) space, and (3) general operations and maintenance (O&M) costs. The cities' share of space, O&M, and extra help judicial costs are allocated based on the percentage of municipal cases out of total caseload. The clerical staff costs are allocated based on statistics collected on time spent processing city cases.

The methodology is summarized in the following formula:

$$\frac{\text{CLERICAL} + (y\% \times \text{EXTRA JUDICIAL}) + (y\% \times \text{SPACE}) + (y\% \times \text{O\&M COSTS})}{\text{MUNICIPAL CASELOAD}} = \text{FILING FEE}$$

An important advantage of the marginal cost method is that a separate fee can be accurately calculated for bail forfeitures. This distinct element is particularly important to the smaller communities which do not have their own municipal traffic violations bureau for handling such cases. These city officials have argued convincingly that a reduced fee for processing paid infractions and citations to reflect the actual cost should be developed. These cities lose revenue every time a traffic ticket is written, because the filing fee exceeds the municipal fine.

The recommended policy is to charge \$3.00 for each bail forfeiture processed in the courts. This policy will minimize the inequity borne by cities/towns without traffic bureaus while charging a fee that is more representative of actual costs.

The following assumptions and steps explain the marginal cost method:

#### Personnel Costs

- The County assumed full personnel costs associated with all district court judges, since the County is required by statute (RCW 3.32.020) to provide the current level of judges due to population statistics. Additional judge pro-tempores and magistrates, however, are not required by Washington State law, and the need for additional judicial support is contingent upon case-load demand. For this reason, a prorated share of the judge pro-tempores/magistrates' time is included in the filing fee.

$$(\text{TOTAL JUDICIAL COSTS} - \text{REQUIRED JUDGES}) \times \% \text{ OF MUNICIPAL CASES} = \text{TOTAL CITY SHARE OF COST FOR JUDICIAL SUPPORT}$$

#### EXAMPLE:

$$(\$156,490 - \$120,690) \times 36\% = \$12,888.$$

- Clerical staff costs are allocated based on actual time spent processing city cases. The District Court Administrator's office collects monthly statistics on clerical workload and processing time. The average clerical salary for each court was used as the standard. The salary of the Administrative Clerk for each court is not included in determining the average, since this person manages the office and does not handle city cases directly.

$$\text{AVERAGE SALARY} \times \text{NUMBER OF "CITY" CLERKS} = \text{CLERICAL COSTS ATTRIBUTABLE TO CITY CASES}$$

#### EXAMPLE:

$$\$20,459.72 \times 8 \text{ clerks} = \$163,677.76$$

Space and O&M costs

- Since the allocation of manpower (i.e. clerks) is closely linked to the municipal caseload, the county allocated the majority of space based on the percentage of municipal cases. The county recognized, however, that the cost of space associated with the judicial administration of the court should be completely borne by King County. The space used for courtrooms, judges' chambers, and administrator's office, therefore, are charged to the county as fixed expense. The actual square footage was determined by floor plans and site visits to measure space. The cost of the remaining space, i.e. common and clerical space, is divided between the suburban jurisdictions and the county.

(TOTAL SPACE - FIXED SPACE) x % OF MUNICIPAL CASES = TOTAL SHARE OF SPACE  
RELATED TO CITY CASES

EXAMPLE:

$$8,268' - 4,960.80' = 3,307.20' \text{ (REMAINING SPACE)}$$

$$3,307.20' \times 36\% = 1,190.59'$$

- Space costs in the district courts are determined by including the fair market rental value of the space in the filing fee.

REMAINING SPACE (BASED ON ABOVE CALCULATION) x DOLLAR PER SQUARE FOOT =  
TOTAL SPACE COST ATTRIBUTABLE TO CITIES

EXAMPLE:

$$1,190.59' \times \$5.08/\text{SQ.FT.} = \$6,048.20$$

- General O&M costs, such as supplies, equipment, maintenance, and utility costs, are allocated as a percentage of expenditure based on municipal caseload. There were several O&M costs which are directly related to the judges' ability to fulfill their jobs, such as association memberships, publications, etc. These judicial support items are subtracted from the total O&M costs before the O&M expenditures related to city cases are determined.

(TOTAL O&M COSTS - JUDICIAL SUPPORT COST) x % OF MUNICIPAL CASES =  
O&M COSTS ATTRIBUTABLE TO CITIES

EXAMPLE:

$$(\$105,379 - \$1,651) \times 36\% = \$37,342.04$$

Filing Fee

- The filing fee is based on all of the previous calculations totaled together and divided by the total number of municipal cases.

$$\frac{\text{CLERICAL} + (y\% \times \text{JUDICIAL}) + (y\% \times \text{SPACE}) + (y\% \times \text{O\&M COSTS})}{\text{MUNICIPAL CASELOAD}} + \text{FILING FEE}$$

EXAMPLE:

$$\frac{\$163,678 + \$12,888 + \$6,048 + \$37,342}{11,920} = \frac{219,956}{11,920} = \$18.45 \text{ (FILING FEE)}$$

- Table #3, Estimated 1984 Costs By Court, provides the marginal costs and municipal filings for each court.

RESULTS AND RECOMMENDATIONS

The proposed fee structure is based on the marginal cost methodology (See Table #1). This method allocates court costs to sixteen suburban jurisdictions based on court processing time and the related costs. The data used to calculate the 1984 filing fees are derived from 1983 adopted budgets and 1983 projected city cases.

No inflation adjustments were added to the 1983 costs. Furthermore, costs resulting from proposed or adopted budget supplementals also were not included in the 1984 fee calculation. Using 1983 costs as the basis for 1984 fees means that the County's efforts to recoup the cost of offering municipal services are delayed by one year. This "year lag" approach enables county staff to more accurately determine the cost of processing city cases, because the fee for service is based on actual data.

For the first time since King County began charging a variable filing fee in 1980, a two-tiered fee structure has been developed. Based on input from several suburban officials, one aspect of the study included the feasibility of creating a reduced filing fee for all bail forfeitures. Bail forfeitures are those infractions and citations which are simply paid by the citizen without a court appearance. The study recommendation is to charge \$3.00 for each bail forfeiture processed in the courts. This policy minimizes the inequity previously borne by those communities without traffic bureaus while charging a fee that is more representative of actual processing costs.

CONSIDERATIONS FOR 1984 FILING FEE

The cost of probation services and the capital construction costs of new court facilities were considered for inclusion in the 1984 district court filing fees. Brief explanations why these issues should not enter into the calculation of the filing fees are summarized below.

Probation Services

The King County District Courts Probation Services Division provides two types of services to district courts -- pre-sentence reporting and probation follow-up. A judge may request these services for criminal offenses and mandatory traffic violations. Because of the increased demand for probation ser-

vices over the last three years, probation staff have resurfaced their request for cost reimbursement by suburban jurisdictions.

The majority of city cases, however, are traffic or parking infractions which do not require probation services. Because the cost of probation cannot be uniformly applied to all municipal cases, it seems inappropriate to include probation costs as a factor in the filing fee calculations. Therefore, in exploring the possibility of including probation costs in the 1984 fee, the Program Development staff recommended that such costs be treated as a separate fee for service. A "fee for service" approach was also recommended in the 1980 District Court Filing Fee Study, but was never implemented.

Since King County Executive Randy Revelle declared a moratorium on any "new" fee for services contracts at the June 29, 1983 Suburban Mayors Meeting until the completion of the regional services study conducted by the Puget Sound Council of Governments, the fee for service concept will not be pursued. Once the study results are available, this issue may receive further consideration as another "fee for service" contract.

#### Capital Construction Costs

The County is in the process of constructing or renovating four district court facilities during 1983 and 1984. The four projects include the new construction of the Aukeen, Northeast and Renton courts, and extensive renovation at the site of the Bellevue District court. In an attempt to distribute the space costs across all parties using court services, County staff considered charging suburban cities a portion of the construction costs amortized over the life of the building.

This policy consideration was not consistent with the basic premise that processing municipal court services should be considered "marginal" or "additional" costs. For this reason, filing fees include only the fair market rental value for the shared court space and do not include capital construction costs.



TABLE # 1

SUMMARY OF FILING FEES FOR 1983 & 1984

DISTRICT COURT	1983 CALCULATED FEES	1983 ADOPTED FEES	1984 PROPOSED FEES	1984 PROPOSED BAIL FORFEITURE
AIRPORT	\$ 11.50	\$ 11.50	\$ 18.50	\$ 3
AUKEEN	22.00	20.75	20.00	3
BELLEVUE	27.00	23.00	16.50	3
ISSAQUAH	11.00	10.00	12.00	3
MERCER IS.	26.50	22.00	24.50	3
NORTHEAST	16.00	13.00	19.50	3

TABLE #2

FILINGS BY COURT

COURT	TOTAL 1984 FILINGS	MUNICIPAL 1984 FILINGS	% MUNICIPAL OF TOTAL	1984 BAIL FORFEITURES FILINGS	% BAIL FORF OF MU
Airport	18,872	560	3%	148	26
Aukeen	32,836	11,920	36%	892	7
Bellevue	30,812	19,556	63%	1,944	10
Issaquah	18,656	2,632	14%	104	4
Mercer Isl	4,760	2,940	61%	1,016	34
Northeast	35,420	15,356	43%	1,004	6

\* 1984 Figures are based on 1983 data.

TABLE #3  
ESTIMATED 1984 COSTS\* BY COURT

DISTRICT COURT	1984 MARGINAL COST	1984 CITY FILINGS (EXCLUDING FORFEITURES)	1984 FILING FEES
AIRPORT	\$ 7,627	412	\$ 18.50
AUKEEN	219,572	11,208	20.00
BELLEVUE	293,464	17,612	16.50
ISSAQUAH	31,115	2,528	12.00
MERCER ISLAND	47,410	1,924	24.50
NORTHEAST	282,197	14,352	19.50

KEY

$$MC = \frac{(\text{Clerical} - \text{Bail F. Costs}) + (y\% \times \text{Judicial}) + (y\% \times \text{Space}) + (y\% \times \text{O\&M})}{\text{Municipal Cases}}$$

$$\text{FILING FEE} = \frac{\text{MARGINAL COSTS}}{\text{CITY FILINGS (EXC. BAIL FORFITURE)}}$$

\* 1984 Figures are based on 1983 data.

TABLE #4

CLERICAL ALLOCATION BY COURT

COURT	ANNUAL CLERICAL HOURS USED	STANDARD HOURS	NO. OF CLERKS NEEDED
AIRPORT	415 HRS.	1,625 HRS.	.28 CLERK
AUKEEN	12,079	1,625	8 CLERKS
BELLEVUE	13,660	1,625	9 CLERKS
ISSAQUAH	1,915	1,625	1 CLERK
MERCER ISLAND	1,708	1,625	1 CLERK
NORTHEAST	13,008	1,625	8.75 CLERKS

FORMULA:

$$\frac{\text{HRS. SPENT}}{\text{ACTUAL HRS. (1,625)}} = \% \text{ of Manpower}$$

$$\frac{\% \text{ Of Manpower}}{\text{LEAVE (.9043824)}} = \# \text{ of Clerks}$$

ATTACHMENT A

OPTIONS FOR CALCULATING DISTRICT COURT FILING FEES

I. VARIABLE COST METHOD

- This formula has been used by King County since 1980.
- Determine the County's fixed expenditure costs using the adopted budget figures. These costs have included a portion of judicial and clerical salaries and most O&M costs, such as utility and rental costs.
- Subtract the fixed county costs from the total adopted budgets of each court to arrive at the total variable cost.

$$\text{Total Cost} - \text{Fixed Costs} = \text{Variable Cost}$$

- Estimate the number of municipal cases filed annually in each district court. Divide the total number of district court filings by the number of municipal cases to determine the percentage of municipal filings.

$$\frac{\text{Municipal Filings}}{\text{Total Filings}} = \% \text{ of Municipal Filings}$$

- Determine the percentage of variable cost attributable to municipal cases.

$$\text{Total Variable Cost} \times \frac{\text{Municipal Filings}}{\text{Total Filings}} = \% \text{ Attributable to Municipal Cases}$$

- Determine the unit cost for municipal filings by dividing the derived product (from step above) by the number of municipal cases.

$$\frac{\% \text{ Variable Cost Attributable to City Cases}}{\text{Number of Municipal Filings}} = \text{Filing Fee}$$

PROS:

- This method attempted to calculate the "additional costs" of providing municipal court services.
- The formula identified fixed costs associated with the provision of court services. The cities paid a portion of the variable costs in the filing fee.

CONS:

- The County assumed the total cost of most O&M costs which should be shared in part with the municipalities.
- The apportionment of salary costs were not related to the manpower used to process city cases.
- There has been no way to separate the cost of processing traffic infractions from other types of cases using this methodology.

## II. MARGINAL COST METHOD

- Determine the number of clerks used to process city cases on an annual basis. The staffing level would be based on the average number of minutes spent on each type of city case annually.
- The personnel and related cost of district court judges are mandated costs for King County. The additional costs associated with judge pro-tempores and magistrates, however, are not required by Washington State Statute. A prorated share of these costs will be included in the municipal filing fee, since the need for extra judicial help is contingent on the court's caseload.
- Required space costs for courtrooms, judiciary chambers, jury rooms, and the administrator's office will be borne solely by King county. The cost of remaining common space will be divided among the cities and county based on the percentage of municipal cases.
- General O&M costs, such as supplies, equipment, maintenance and utility costs, will be allocated as a percentage of expenditure based on municipal caseload.
- Project the number of municipal cases annually. Calculate the percentage of municipal cases out of total caseload.
- All of the personnel, space, and O&M costs are divided by the city filings to determine the marginal unit cost of processing municipal cases.

### PROS:

- This method reflects the marginal costs most accurately. The method focuses on court processing time for each type of case.
- It would be fairly easy to determine the actual cost of processing traffic infractions vs. other types of city cases using this system. Therefore, a split fee structure would be possible.
- All the required data, such as processing times, are readily available to County staff.

### CONS:

- This method requires more data collection and calculations to determine the filing fee.

## III. RELATIVE WEIGHT METHOD

- Divide the court activities into two categories: (1) cost for judicial operations; (2) cost for clerical/support operations. These costs should include costs for salaries, benefits, equipment, supplies, space and O&M.

- Establish relative weights for the different types of court cases processed by the district courts. The State District Court Administrator's Office developed a weighting system in 1979. Non-bail forfeited traffic cases were used as the unitary standard in the State's Weighted Caseload Project.
- Determine relative judicial and clerical municipal workloads by multiplying the number of municipal cases by the appropriate weight. The weighted caseloads for each type of case are summed to obtain the total weighted caseload for judicial and clerical staff. This figure represents the percentages of judicial and clerical staff workload spent processing municipal cases.

Judicial Workload = .411  
 Clerical Workload = .467

- Determine the cost attributable to judicial and clerical municipal workloads.

$$(.411 \times \text{Judicial Cost}) + (.467 \times \text{Clerical Cost}) = \text{Total Cost Attributable to Municipal Cases}$$

- Calculate the cost per municipal filing by dividing total cost by municipal caseload.

$$\frac{\text{Total Municipal Cost}}{\text{Number of Municipal Cases}} = \text{Filing Fee}$$

PROS:

- Snohomish County has used this method since 1980. The County staff developed a relative weighting system in 1979. The suburban cities have accepted this methodology.
- It would be possible to determine a split fee structure, since bail forfeitures are assigned an individual weight. Thus, the costs of processing infractions could be separated out.

CONS:

- King County has not developed caseload weights that apply to the district courts in King County. The case weights developed three years ago by the State would be the only source of data.
- Given time and data constraints, it is not feasible to develop caseload weights at this time. After a relative weighting system is developed, this method could be used to determine the filing fees in King County.

IV. VOLUME PERCENTAGE BASIS METHOD

- This method was developed and recommended by the King County Council staff in 1982. This methodology is a modification of the variable cost method. (See Method I).

- Determine fixed costs for King County. Fixed costs are defined as only those costs associated with the personnel costs of the judge(s) and corresponding administrative clerks for each court.
- The fixed costs are subtracted from the total adopted court budgets to determine the total variable cost.

$$\text{Total Cost} - \text{Fixed Costs} = \text{Variable Cost}$$

- Estimate the municipal caseload and determine the percentage of municipal filings out of total filings.

$$\frac{\text{Municipal Filings}}{\text{Total Filings}} = \% \text{ Municipal Filings}$$

- Determine the percentage of variable costs attributable to municipal cases by multiplying the variable cost by the percentage of municipal filings.

$$\text{Total Variable Cost} \times \% \text{ Municipal Filings} = \% \text{ Attributable to Municipal Cases}$$

- All personnel costs were subtracted out as fixed costs in Step #1 of the Volume Percentage Method. The personnel costs associated with municipal cases are added to the costs that have been attributable to city cases up to this point.
- The derived figure is then divided by the number of municipal filings. The final calculation is as follows:

$$\frac{\% \text{ Cost Attributable to City} + \text{Additional Personnel Costs}}{\text{Number of Municipal Filings}} = \text{Filing Fee}$$

PROS:

- This method attempted to refine the variable cost method in order to recoup more of the County's cost of providing municipal services.

CONS:

- Using this formula, the County would not assume any fixed costs related to O&M and facility costs.