

EXECUTIVE SUMMARY

The Office of Inspector General (OIG) evaluated the efficiency and effectiveness of the City of New Orleans' system of city courts, with a focus on Municipal Court and Traffic Court. During the course of the evaluation, we identified fundamental problems in Traffic Court operations that led us to expand the scope to include a performance review of Traffic Court practices in 2010.

Part I of this report presents an assessment of the City's court system and recommends changes that would produce cost savings for the City. Part I also identifies deficiencies in the City's budget adoption practices for Municipal and Traffic Courts and recommends changes to improve City oversight and control over Court revenues and expenditures.

Part II contains findings related to Traffic Court performance in 2010, including weaknesses in financial management, internal controls, personnel practices, and other functions. The recommendations presented in Part II are designed to improve Traffic Court's efficiency, safeguard cash receipts, increase accountability for case dispositions, ensure compliance with laws, and increase revenues paid to the City's General Fund from traffic fines.

PART I: ASSESSMENT OF NEW ORLEANS' CITY COURT SYSTEM

Louisiana has 49 city courts and 3 parish courts that exercise limited jurisdiction over civil disputes below a set dollar amount (typically \$20,000), lesser criminal offenses (misdemeanors and local ordinances), and traffic violations. The City of New Orleans is unique among the State's local governments in having separate city courts for civil and criminal cases and a court devoted exclusively to traffic violations. New Orleans has four city courts, with a combined total of 12 judges, to exercise jurisdiction over matters that are handled in a single city court in other Louisiana jurisdictions.

In First City Court and Second City Court, a total of four full-time judges hear civil disputes under \$25,000, small claims, and evictions. These courts share funding with Orleans Parish Civil District Court, derived from fees paid by attorneys and litigants, and receive little operational support from the City. In Municipal Court, four judges hear criminal cases based on violations of city ordinances and misdemeanor offenses. Traffic Court also has four judges; its jurisdiction is limited to traffic offenses. Municipal and Traffic Courts are courts of criminal jurisdiction and, unlike the civil courts, are not supported by fees from attorneys and litigants. In 2010, Municipal Court received \$3,250,089 and Traffic Court received \$5,597,972 in city funds. These funds were derived from the City's General Fund budget and from certain fees and city fines collected by the Courts and retained for their expenses.

To gauge the efficiency of the New Orleans court system, we compared the four city courts with Baton Rouge City Court, where five judges handled all civil, criminal, and traffic cases for the City of Baton Rouge. We chose Baton Rouge for this comparison because of its similarity to New