



Judicial Branch Budget Overview

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Legislative Commission's Budget Subcommittee

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Judicial Branch

■ Article 3, Section 1, of the Nevada Constitution

- The powers of the Government of the State of Nevada shall be divided into three separate departments,—the Legislative,—the Executive and the Judicial...

■ Article 6, Section 1, of the Nevada Constitution

- The judicial power of this State shall be vested in a court system, comprising a Supreme Court, a court of appeals, district courts, and justices of the peace.

Judicial Branch

■ Supreme Court Duties

- Administer the Nevada judicial system
- Decide, or assign to the Court of Appeals, civil and criminal cases appealed from District Courts
- Exercise extraordinary writ review - *writs of mandamus, certiorari, prohibition, quo warranto, and habeas corpus*
- Licensure and discipline of lawyers
- Appellate review for judicial discipline
- Administer the Foreclosure Mediation Program

■ Court of Appeals Duties

- Decide civil and criminal cases appealed from District Court assigned to the court by the Supreme Court
- Exercise extraordinary writ review - *writs of mandamus, certiorari, prohibition, quo warranto, and habeas corpus*

Supreme Court and Court of Appeals Cases Filed and Disposed

Projections for the 2015 – 2017 Biennium

<u>SUPREME COURT</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15*</u>	<u>FY 16*</u>	<u>FY 17*</u>
New Cases Filed	2,500	2,333	2,481	2,438	2,417	2,445
Cases Transferred to COA				416	700	700
Cases Resolved	2,270	2,373	2,372	2,338	2,011	2,007
Cases Pending	1,919	1,879	1,988	1,672	1,378	1,116
 <u>COURT OF APPEALS</u>				<u>FY 15*</u>	<u>FY 16*</u>	<u>FY 17*</u>
Cases Transferred from Supreme Court				416	700	700
Cases Resolved				300	700	700
Cases Pending				116	116	116

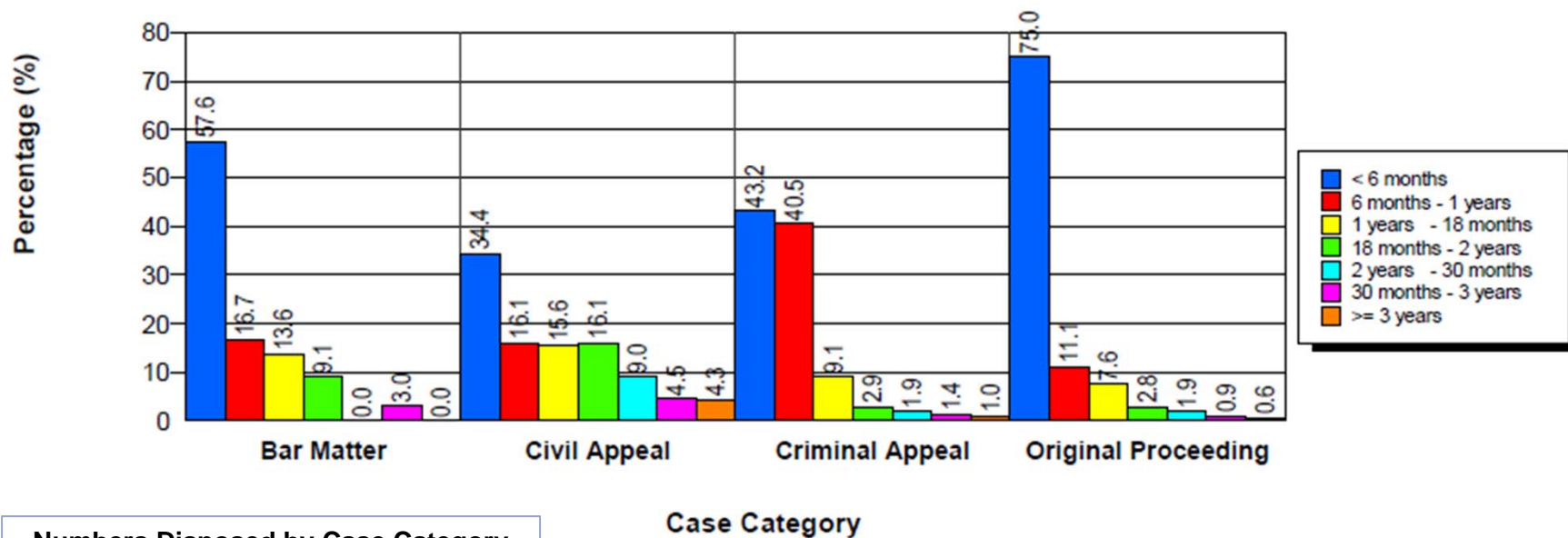
**Projected by Judicial Programs and Services, Research and Statistics*

Supreme Court

Cases Decided in Fiscal Year 2014

Cases Decided in 2014
Time on Docket By Case Category
(Docketing to Disposition)

Disposed Period: July 01, 2013 - June 30, 2014

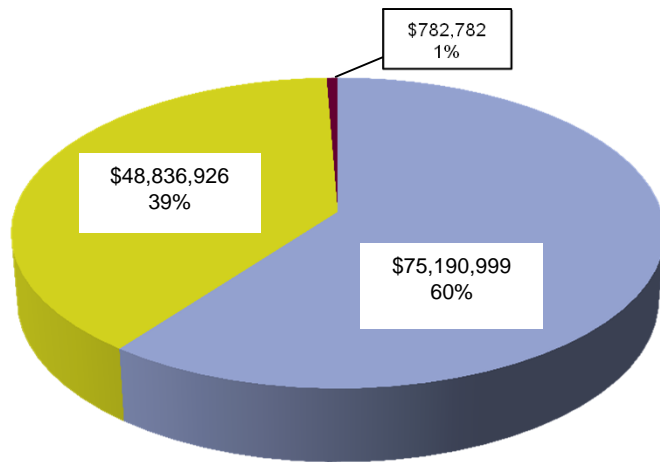


Numbers Disposed by Case Category

Criminal Appeal	1,137
Civil Appeal	840
Original Proceeding	316
Bar Matters	66
	<u>2,359</u>

Judicial Branch Revenue

Total Funding - \$124,810,707



- General Fund (60%)
- Admin Assess & Other Fees (39%)
- Federal (1%)

General Fund Request

- 58% Judicial Elected Official Salaries (\$43,698,092)
- 12% Supreme Court (\$9,023,461)
- 10% Specialty Courts (\$7,431,160) *New Request*
- 6% Court of Appeals (\$4,240,368)
- 5% Judicial Retirement System (\$3,787,663)
- 5% Law Library (\$3,602,132)
- 3% Senior Judge Program (\$1,930,056)
- 2% Judicial Programs and Services (\$1,447,369)
- <1% Judicial Selection (\$30,698)

General Fund Appropriation by Decision Unit

Base (Ongoing Costs)	\$67,596,438	89.9%
M100 Inflationary Increases	62,125	.1%
M300 Fringe Benefit Decreases	-252,161	-.3%
E35# Enhancements: Specialty Court	7,431,160	9.9%
E### Enhancements: Other	353,437	.5%
	<u>\$75,190,999</u>	100%

The Judicial Branch General Fund appropriation is 1% of the total statewide General Fund appropriation. The Judicial Branch overall funding is 0.6% of all funding sources statewide. *Source: 77th Legislature, Appropriations Report*

Judicial Branch

\$124,810,707 over the Biennium

Constitutional Authority (Article 6)

- Judicial Elected Officials (1490)
 - 7 Justices
 - Sec. 1, 2, 3, 4, 7, 15, 19
 - NRS Chapter 2
 - 3 Court of Appeals Judges
 - Sec. 3A, 15
 - NRS Chapter 2A
 - 82 District Judges
 - Sec. 5, 6, 7, 15
 - NRS Chapter 3
 - \$43,698,092 General Fund Appropriation
 - 2.9% more than 2013-15 budget
- Supreme Court (1494)
 - Sec. 1,2,3,4,7,19
 - NRS Chapter 2
 - 79.51 Full-Time Positions
 - \$21,810,788
 - 41% General Fund Appropriation
 - 59% Admin Assess & Other Fees
 - 1.5% less than 2013-15 budget
- Court of Appeals (1489)
 - Sec. 3A
 - NRS Chapter 2A
 - 18 Full-Time Positions
 - \$4,240,368 General Fund Appropriation
- Senior Judge Program (1496)
 - Sec. 19, 1 (c)
 - 26 Senior Judges
 - \$2,985,291
 - 65% General Fund Appropriation
 - 35% Admin Assess & Other Fees
 - No change from 2013-15 budget
- Judicial Selection (1498)
 - Sec. 20
 - NRS 1.380 to 1.410
 - Funding for two selection processes
 - \$30,698 General Fund Appropriation
 - 16% less than 2013-15 budget

Judicial Branch Continued

\$124,810,707 over the Biennium

Statutory Authority

- Administrative Office of the Courts (1483)
 - NRS 1.320 to 1.370
 - 32 Full-Time Positions
 - \$10,078,105 Admin Assess & Other Fees
 - 1% less than 2013-15 budget
- Judicial Programs and Services (1484)
 - NRS 1.360
 - 10 Full-Time Employees
 - \$2,283,475
 - 63% General Fund Appropriation
 - 34% Federal
 - 3% Other Fees
 - 2.7% more than 2013-15 budget
- Uniform System of Judicial Records (1486)
 - NRS 1.360
 - 11 Full-Time Positions
 - \$4,610,331 Admin Assess & Other Fees
 - 19.4% less than 2013-15 budget
- Judicial Education (1487)
 - NRS 3.027, 4.035, 5.025, Supreme Court Rules
 - 4 Full-Time Positions
 - \$2,568,819 Admin Assess & Other Fees
 - 17% less than 2013-15 budget
- Judicial Retirement System (1491)
 - NRS 1A.180, Sec. 2, Payment to PERS
 - \$3,787,663 General Fund Appropriation
 - 7% less than 2013-15 budget
- Law Library (2889)
 - 2.410 to 2.490
 - 6 Full-Time Employees
 - \$3,607,526
 - 99.9% General Fund Appropriation
 - 10.7% more than 2013-15 budget

Other Authority

- Judicial Support, Governance (1493)
 - Supreme Court Rule
 - \$1,093,408 Other Fees

Enhancements

Supreme Court

- Courtroom Sound System Improvements
 - \$26,902 General Fund Appropriation
- CMS Security Enhancement
 - \$11,088 General Fund Appropriation
- Increase in Settlement Judge Pay from \$85 to \$100 per hour
 - Last increased in 2007
 - \$146,978 General Fund Appropriation
- New test environment to improve CMS reports
 - \$4,450 General Fund Appropriation
- Upgrade Reporter of Judicial Decisions
 - \$13,286 General Fund Appropriation

Multiple Programs

- E672 Eliminates Longevity
 - \$48,875 decrease to General Fund Appropriation
 - \$24,000 increase to reserves

- E9## Transfer of Education Costs
 - Originally paid in program budgets through 2010 and moved to Judicial Education as part of General Fund reduction efforts at that time
 - Judicial Education reserves can no longer support this expense
 - \$92,192 General Fund Appropriation

Technology Improvements

- E710 Replacement Hardware
 - Data center hardware, desktop and laptop computers, printers, UPS, etc.
 - \$125,732 General Fund Appropriation
 - \$170,165 decrease to reserves
- E711 Replace Video Conference Systems
 - Law Library and AOC
 - \$24,658 General Fund Appropriation
 - \$10,878 decrease to reserves
- E712 Replacement Software
 - SQL server software, Crystal Reports server software, Microsoft Office, Adobe Acrobat
 - \$145,095 General Fund Appropriation
 - \$49,816 decrease to reserves
 - \$1,184 Federal

Enhancements

Technology Improvements (Cont.)

- Data Center
 - E713 Replaces outdated e-mail archiving system
 - E720 Software to shift virtual servers to disaster recovery sites automatically
 - E721 Creates unlimited virtual servers in the P1 zone
 - E722 Software to manage virtual servers
 - E723 10GB network switch for higher network speeds
 - \$34,464 decrease to reserves

Trial Court Technology Improvements (1486)

- E### JWorks Implementation/Improvements
 - Implementation meeting with customers
 - Staff travel to implement JWorks
 - Microsoft Office Pro upgrade to enable documents within JWorks
 - \$118,628 decrease to reserves

- E711 & E720 Improvements to trial court reporting capabilities
 - Upgrade crystal reports used to provide report capabilities for CourtView & JWorks
 - Purchase crystal reports server to create test environment for testing reports
 - \$22,677 decrease to reserves
- E225 MCIJIS Enhancements
 - To maintain service levels and add additional functionality
 - \$38,000 decrease to reserves

Other Enhancements

- E225 Auditor Travel (1483)
 - Conduct MAS audits per audit plan approved by the Supreme Court
 - \$16,734 decrease to reserves
- E225 Training (1484)
 - Existing budget is \$241/year for 8 full-time positions (insufficient)
 - Requests \$5,054 over 2 years or \$2,527/year to send staff either to NCSC statistics training or juvenile justice conference

Specialty Court Budget

- The Statewide Specialty Court Funding Committee makes funding recommendations that are approved by the Judicial Council
- \$5,437,726 or 97% of budgeted expenses in each year of the biennium are passed to county and city programs
 - \$136,000 is retained for maintenance of the data management system
 - \$48,396 is retained for training of specialty court team members
- Costs to administer the program (1 full-time position, budget, accounting) are paid from the AOC's budget
- 41 programs are funded
- 3,836 active clients projected (3-yr average)
- 1,471 graduates projected (3-yr average)

CITY OR COUNTY	FY 16	FY 17
CLARK COUNTY	3,083,830	3,083,830
WASHOE COUNTY	1,064,000	1,064,000
WESTERN REGION	391,062	391,062
CITY OF LAS VEGAS	262,572	262,572
ELKO COUNTY	225,511	225,511
NYE COUNTY	98,274	98,274
CARSON CITY	94,452	94,452
CITY OF RENOT	77,600	77,600
HUMBOLDT COUNTY	48,306	48,306
PERSHING COUNTY	44,108	44,108
CITY OF HENDERSON	26,758	26,758
CITY OF SPARKS	21,253	21,253
TOTAL	5,437,726	5,437,726

Specialty Court Programs by Region

■ Western Region

- Western Region Adult Drug Court (5 programs)
- First Judicial District Juvenile Drug Court
- Carson City/Douglas County Felony DUI Court
- Carson City Mental Health Court

■ Washoe Region*

- Second Judicial District Court
 - Adult Drug Court (includes diversion)
 - Family Drug Court
 - Felony DUI Court
 - Juvenile Drug Court
 - Mental Health Court
 - Veterans Court
- Reno Justice Alcohol and Drug Court
- Sparks Municipal Alcohol and Drug Court
- Reno Municipal Alcohol and Drug Courts (2 programs)

■ Eastern Region

- Elko County Adult Drug Court
- White Pine County Adult and Juvenile Drug Court

■ Fifth Judicial District*

- Nye County Adult Drug Court

■ Central Region (6th Judicial District)*

- Humboldt County Adult Drug Court
- Pershing County Adult Drug Court

■ Clark Region*

- Eighth Judicial District Court
 - Adult Drug Court
 - Child Support Drug Court
 - Dependency Mother's Drug Court
 - Family Drug Court
 - Felony DUI Court
 - Juvenile Drug Court
 - Mental Health Court
- Las Vegas Justice Adult Drug and DUI Courts (3 programs)
- Las Vegas Municipal Adult Drug, DUI, Habitual Offender, and Female Prostitution Courts
- Henderson Municipal Habitual Offender Court

*There may be additional programs in these regions that are reliant upon other funding sources.

Specialty Court Funding

- \$7 specialty court administrative assessment (NRS 176.0613)
- 12% of the Judicial Branch share of administrative assessment revenue collected pursuant to NRS 176.059
- Felony bond forfeitures (10% to Specialty Courts, NRS 178.518)

Revenue Source	Actuals			Projected		
	2012	2013	2014	2015	2016	2017
Admin Assess (NRS 176.059)	1,717,568	1,634,164	1,496,332	1,421,517	1,574,817	1,590,565
	-2.8%	-4.9%	-8.4%	-5.0%	10.8%	1.0%
Spec Crt Admin Assess (NRS 176.0613)	3,803,260	3,659,787	3,358,074	3,190,170	3,190,170	3,222,072
	-2.1%	-3.8%	-8.2%	-5.0%	0.0%	1.0%
DUI Fee (SB 224, '13 Session, NRS 484C)	-	-	217,213	320,000	-	-
			0.0%	47.3%	-100.0%	
Bond Forfeitures (NRS 178.518)	110,481	118,765	92,481	107,320	101,242	101,242
	-22.7%	7.5%	-22.1%	16.0%	-5.7%	0.0%
Revenue Totals	5,631,309	5,412,715	5,164,100	5,039,007	4,866,229	4,913,879
	-2.8%	-3.9%	-4.6%	-2.4%	-3.4%	1.0%
Change in Value	(161,828)	(218,594)	(248,615)	(125,093)	(172,778)	47,650

Growth in 2016 is tied to increase in statewide share of revenue from 51% to 56.5%

Projected amounts currently contained in the budget request are likely overstated based on a continued downward trend in the amount collected

Specialty Court Budget Request

- Reserves are on the decline:

	FY 15	FY 16	FY 17
Projected Year-End Cash (reserves)	1,650,427	894,534	186,291

- E350 requests a \$1,431,160 General Fund appropriation in FY 17 to ensure adequate reserves to continue Specialty Court programs into FY 18
- Programs will experience a 15% reduction to their FY 16 and FY 17 distribution if the E350 enhancement is not approved
- E351 requests \$3,000,000 from the General Fund in each year of the biennium
 - To provide treatment services to an additional 800-900 participants each year

Foreclosure Mediation Program (FMP)

- Created during the 2009 session of the Nevada Legislature
 - Amended NRS Chapter 107
- Homeowners meet face-to-face with lender representatives who must have the authority to negotiate and modify the terms of a loan. Mediations can result in loan modification, a short sale agreement or other resolution.
 - Brings together key stakeholders, including homeowners, lenders, and their respective representatives, in a neutral setting to discuss alternatives to foreclosure. By working together to explore various options, agreements can be reached that benefit both sides and avoid foreclosure.
- Funding
 - \$44.33 of the \$200 fee for each Notice of Default and Intent to Sell filed
 - \$400 Mediation Service Fee
 - The lender and the homeowner each pay \$200
 - Passed through to the mediator

FMP Statistics

- Program statistics available on-line: <http://foreclosure.nevadajudiciary.us/>

Category	FY 13	FY 14	FY 15 Thru Dec
Notices of Default and Intent to Sell	18,655	11,558	6,120
Mediations Held	1,411	1,894	509
Agreement Outcomes	439	504	141
<i>Retained Property</i>	216	273	63
Non-Agreement Outcomes	972	1,391	336
Certificates Issued	10,600	14,646	4,592
Non-Applicable Properties	9,891	13,493	4,325
Applicable Properties	710	1,153	209

FMP Revenue Projections

- **Notice of Default Fee (NODs)** projections are based on those of the Economic Forum (NRS 353.246)
 - FY 16: \$320,027 for 7,220 NODs projected to be filed
 - FY 16 ongoing program expenses: \$888,632
 - FY 17: \$279,469 for 6,305 NODs projected to be filed
 - FY 17 ongoing program expenses: \$908,302
 - **Revenue is not enough to continue the program beyond February 2016**

- **Mediation Service Fees**
 - Mediations will be requested on 15% of NODs filed @ \$400 each
 - FY 16: 1,083 requests
 - FY 17: 946 requests

FMP Budget Request

- The Base, M100 and M300 alone will end the program after **February 2016**

- Solutions
 - Fund continuation of the program from a General Fund appropriation (approve the M220 requesting \$792,187)

 - Fund continuation of the program through the Attorney General Settlement Fund (340), and the budget account for the National Settlement Administration (1045) (approve both the M220 and the E225, which replaces the appropriation with funds transferred from the AG)

FMP Costs

- 6 full-time positions (\$941,634 over the biennium)
 - Program Manager
 - Customer Services and Administrative Support Assistant
 - Intake Unit (2 positions)
 - Certificate Unit (2 positions)

- Operating (travel, rent, supplies, postage, printing, copiers, legal support, administrative support, temporary employee services, maintenance of the case management system, SWCAP, etc.)
 - \$855,300 over the biennium

FMP Enhancements

- E710 and E712 requests \$65,687 from the General Fund for replacement hardware and software
 - E226 and E227 changes the funding source from a General Fund appropriation to a Transfer from the AG

- E228 requests \$560,059 from a Transfer from the AG for a web-based electronic case management portal for electronic filing and electronic commerce
 - E229 would eliminate \$54,025 in hardware and software costs requested in the E710 and E712 if the funding for the portal is approved

Administrative Assessments

NRS 176.059

- The amount collected depends on the amount of a misdemeanor fine
- Recent changes to the statute
 - 2010 Special Session, the range of assessments in the fine schedule increased by \$5. Now ranges from \$30 to \$120. The \$5 increase goes to the state general fund.
- Order of Collection
 - \$2 County Treasurer for Juvenile Court
 - \$7 Municipal/Justice Court Use
 - \$5 to the State General Fund
 - Not less than 51% of the remainder to the Judicial Branch
 - Not more than 49% of the remainder to the Executive Branch

**The Judicial Branch budget request contains 56.5%
of the statewide revenue projected**

Administrative Assessments

NRS 176.059

- Significant funding source of the Judicial Branch
- The revenue is experiencing a continuous decline
 - \$5 general fund share added by the 2010 Special Session
 - Traffic citations influence the number of filings. Filings have declined
- Projections are tied to historical patterns
- Projections assumed the decline would slow beginning in fiscal year 2015
 - Projections may be too optimistic

Fiscal Year 2010-14 Total Traffic / Parking Filings and Charges for District, Justice, and Municipal Courts*

Year	Filings ^a	Charges	Cases Yrly % Change	Charges Yrly % Change
2014	484,913	660,886	-8%	-11%
2013	525,747	745,438	-6%	-6%
2012	559,716	790,575	-2%	-3%
2011	571,124	813,185	-7%	-7%
2010	615,267	870,739	-2%	-5%

^a Includes reopened counts

Source: Uniform System for Judicial Records, NV AOC, Research & Statistics

Administrative Assessments

NRS 176.059

FY	Judicial & Executive Share (Sec 7 & 8)			GF Share (Sec 5, (c))		State Total		GF % of Total
	Amount Received	% Change	\$ Change	Amount Received**	% Change	Amount Received**	% Change	
2008*	27,743,475	11.41%	2,841,834	-	N/A	27,743,475	11.41%	
2009*	29,464,703	6.20%	1,721,228	-	N/A	29,464,703	6.20%	
2010*	30,435,241	3.29%	970,538	271,461	N/A	30,706,702	4.22%	0.88%
2011	28,862,863	-5.17%	(1,572,378)	2,381,634	777.34%	31,244,497	1.75%	7.62%
2012	28,064,838	-2.76%	(798,025)	2,537,600	6.55%	30,602,439	-2.06%	8.29%
2013	26,702,026	-4.86%	(1,362,812)	2,509,553	-1.11%	29,211,579	-4.54%	8.59%
2014	24,449,879	-8.43%	(2,252,147)	2,335,123	-6.95%	26,785,002	-8.31%	8.72%
2015	23,227,385	-5.00%	(1,222,494)	2,218,400	-5.00%	25,445,785	-5.00%	8.72%
2016	23,227,385	0.00%	0	2,218,400	0.00%	25,445,785	0.00%	8.72%
2017	23,459,659	1.00%	232,274	2,240,600	1.00%	25,700,259	1.00%	8.72%

Reserves in AA Funded Accounts

On the Decline

BA	BA Desc	FY 15	FY 16	FY 17
1483	ADMINISTRATIVE OFFICE OF THE COURTS	1,762,593	1,329,089	988,974
1486	UNIFORM SYSTEM OF JUDICIAL RECORDS	1,660,657	966,865	390,018
1487	JUDICIAL EDUCATION	623,178	404,333	205,781
1495	SPECIALTY COURT	1,650,427	894,534	186,291
	TOTAL	5,696,855	3,594,821	1,771,064
	% CHANGE		-36.9%	-50.7%

Supreme Court Supplemental Appropriation

- To address the Administrative Assessment revenue shortfall
- Current request is for \$555,000
- Amount will change in coming months depending on whether revenue continues its downward trend

	5% Deficit	6% Deficit	7% Deficit	8% Deficit
Revenue Shortfall	-561,595	-621,449	-681,302	-741,155
Less Expenditure Savings	67,339	67,339	67,339	67,339
Potential Supplemental Need	-494,256	-554,110	-613,963	-673,816
Difference from 5% Deficit		-59,853	-119,707	-179,560