



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, district courts, and justices of the peace.

■ Supreme Court Duties

- Administer the Nevada judicial system
- Decide all civil and criminal cases appealed from District Court
- Exercise extraordinary writ review - *writs of mandamus, certiorari, prohibition, quo warranto*, and *habeas corpus*
- Licensure and discipline of lawyers
- Appellate review for judicial discipline

Supreme Court Cases Filed and Disposed

Projections for the 2013 – 2015 Biennium

	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13*</u>	<u>FY 14*</u>	<u>FY 15*</u>
New Cases Filed	2,266	2,395	2,500	2,625	2,756	2,894
Cases Resolved	2,419	2,220	2,270	2,270	2,270	2,270
Cases Pending	1,514	1,689	1,919	2,274	2,760	3,384

**Projections for cases filed and cases pending include a 5% increase each year*

Characteristics of Nevada's Supreme Court and Other State Supreme Courts (FY 12)

States Without an Appeals Court	Population Ranking ^a	En Banc or Panels	Justices	Cases Filed	Cases per Justice
Nevada ^b	35	Both	7	2,500	357
West Virginia ^{b,c}	37	En Banc	5	1,668	334
Maine ^d	41	En Banc	7	690	99
New Hampshire ^d	42	Both	5	910	182
Rhode Island ^d	43	En Banc	5	418	84
Montana ^b	44	Both	7	775	111
Delaware ^b	45	Both	5	714	143
South Dakota ^b	46	En Banc	5	406	81
Vermont ^d	49	En Banc	5	480	96
Wyoming ^{b,e}	50	En Banc	5	265	53

^a Source: U.S. Census Bureau, Population Division, Table 1. Annual Estimates of the Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2011 (NST-EST2011-01).

^b State does not have discretionary case review, unless otherwise noted.

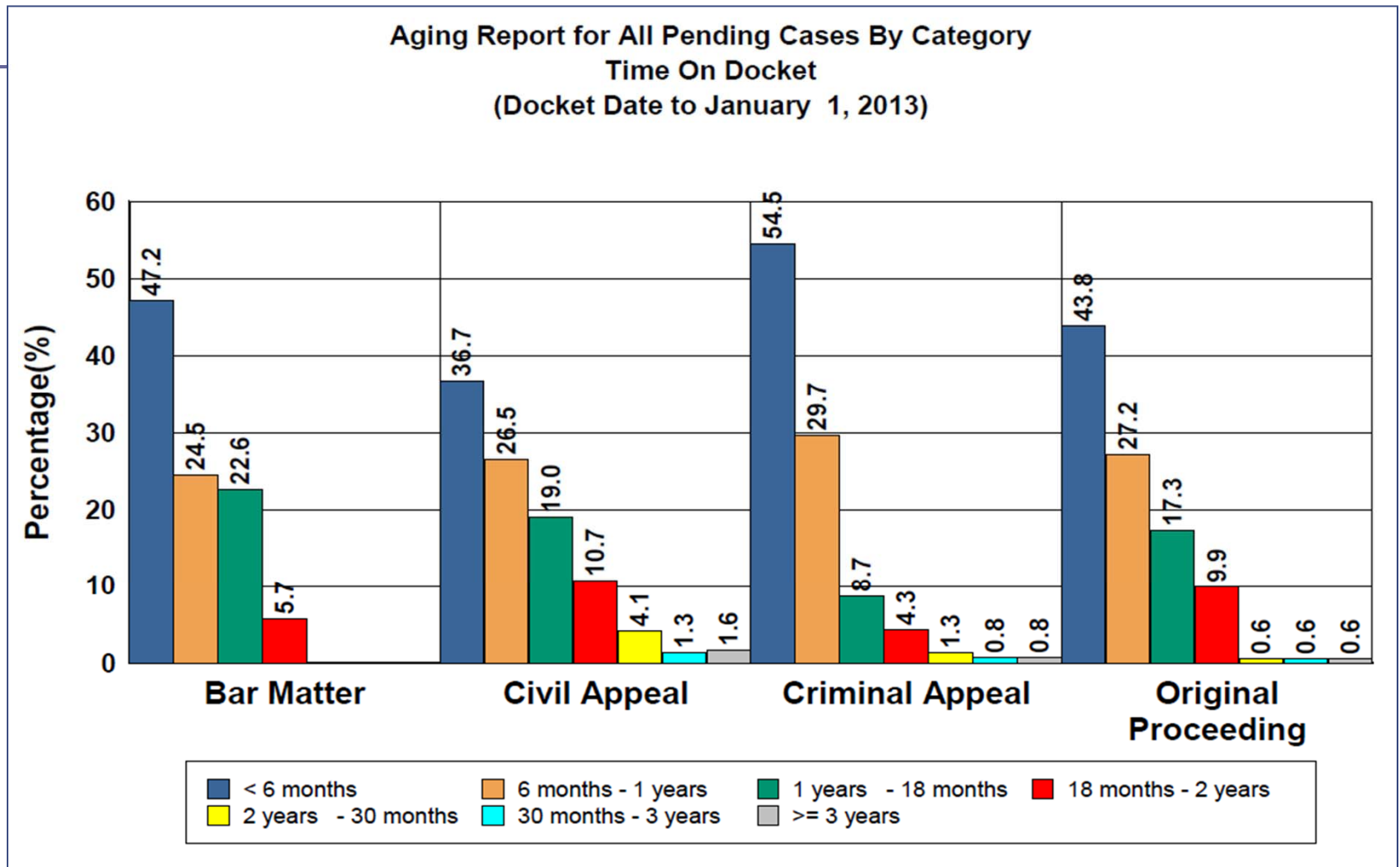
^c Supreme Court changed from discretionary to nondiscretionary case review on December 1, 2010.

^d Includes mandatory cases and total discretionary petitions filed.

^e Fiscal year 2009 information per CSP 2009 (<http://www.courtstatistics.org/>).

Supreme Court

Cases Decided in Calendar Year 2012



Numbers Disposed in Calendar Year 2012 by Case Category

65 Bar Matters

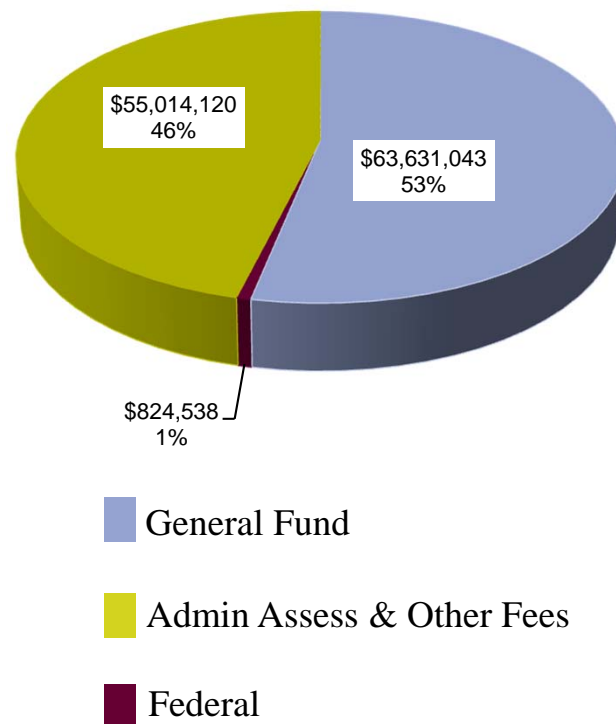
862 Civil Appeals

989 Criminal Appeals

329 Original Proceedings

Judicial Branch Revenue

Total Funding - \$119,469,701



General Fund Appropriation Distribution

- 67% Judicial Elected Official Salaries
- 16% to the Supreme Court
- 7% to the Judicial Retirement System
- 5% to the Law Library
- 3% to the Senior Judge Program
- 2% Judicial Programs
- 1% Other (Foreclosure Mediation & Judicial Selection)

General Fund Appropriation by Decision Unit

Base (Ongoing Costs)	\$62,147,422	98%
M100 Inflationary Decreases	-44,684	0%
M300 Fringe Benefit Increases	356,514	1%
M200 Caseload Maintenance	503,375	1%
E### Enhancements	570,744	1%
E710 Equipment Replacement	97,672	0%
	<u>\$63,631,043</u>	100%

The Judicial Branch general fund appropriation is 1% of the total general fund appropriation contained in the Executive Budget. When comparing the Judicial Branch budget to all funding sources in the Executive Budget, the Judicial Branch receives .6% of all funding sources.

Judicial Branch

\$119,469,701 over the Biennium

Constitutional Authority (Article 6)

- Judicial Elected Officials

- 7 Justices
 - Sec. 1, 2, 3, 4, 7, 19
 - NRS Chapter 2
- 82 District Judges
 - Sec. 5, 6, 7
- \$42,613,115 General Fund Appropriation

- Judicial Selection

- Article 6, Sec. 20
- NRS 1.380 to 1.410
- Enhancement to fund 3 processes each year
- \$36,540 General Fund Appropriation

- Supreme Court

- Sec. 1, 2, 3, 4, 7, 19
- NRS Chapter 2
- 84 Full-Time Employees
- Maintenance request: 2 new civil attorney positions
- Enhancement request: 2.5 new security positions
- \$23,060,377
 - 56% Administrative Assessments (NRS 176.059)
 - 43% General Fund Appropriation

- Senior Judge Program

- Article 6, Sec. 19, 1 (c)
- 22 Senior Judges
- Part-Time Coordinator
- \$2,989,458
 - 64% General Fund Appropriation
 - 32% Administrative Assessments (NRS 176.059)

Judicial Branch Continued

\$119,469,701 over the Biennium

Statutory Authority

- Administrative Office of the Courts

- NRS 1.320 to 1.370
- 34.5 Full-Time Employees
- \$10,382,723 (NRS 176.059)

- Uniform System of Judicial Records

- NRS 1.360
- 11 Full-Time Employees
- \$5,771,619 (NRS 176.059, 19.0335)

- Judicial Programs and Services

- NRS 1.360
- 10 Full-Time Employees
- \$2,330,306 (62% General Fund Appropriation)
- Enhancement:
 - Travel to survey access and fairness in courts
 - \$7,782 General Fund Appropriation

- Judicial Education

- NRS 3.027, 4.035, 5.025, Sup Crt Rules
- 4 Full-Time Employees
- \$3,160,402 (NRS 176.059)

Judicial Branch Continued

\$119,469,701 over the Biennium

Statutory Authority

- Judicial Retirement System
 - NRS 1A.180, Sec. 2, Payment to PERS
 - \$4,191,116 General Fund Appropriation
- Foreclosure Mediation Program
 - NRS 107.080, Supreme Court Rules
 - 9 Full-Time Employees
 - \$3,968,605 (NOD Fees, Mediation Svs Fees)
 - Enhancement to continue the program
- Law Library
 - NRS 2.410 to 2.490
 - 6 Full-Time Employees
 - \$3,316,739 (99.7% General Fund Appropriation)
- Specialty Court
 - NRS 176A.240, 176A.280, 484C.340, 453.580
 - \$15,673,355 (NRS 176.059, 176.0613, 178.0613)
 - Funding is passed thru to Specialty Court Programs

Other Authority

- Judicial Support, Governance
 - Supreme Court Rule 48.1
 - \$1,975,346

Judicial Branch Continued

\$119,469,701 over the Biennium

- **There have been changes to our budgets in this past biennium:**
 - We've lost administrative assessment and other revenue and are projected to continue to lose administrative assessment and other revenue requiring \$1,108,205 more general fund appropriation
 - We've funded positions that we didn't request funding for in the last biennium. Some of those positions are in accounts funded from the general fund:
 - Chief of Supreme Court Police (NRS 2.295)
 - Judicial Chamber Assistant (NRS 2.300)
 - Clerk Program Officer (NRS 2.300)
 - Court Services Analyst (NRS 1.340)
 - Other changes

Judicial Branch Continued

\$119,469,701 over the Biennium

- **The budget request reflects the Supreme Court's priorities**

- Compensation and retention of its most valuable asset – its employees
 - Retains base funding for longevity frozen for 4 years
 - Retains funding for merit salary increases frozen for 4 years
 - Retains funding for salaries at levels authorized in the 2007 legislative session (no salary reductions or furlough requirements)
- Caseload
- Security

Supreme Court

Enhancement

■ E350 Security

- **NRS 2.295 Employees to provide safety, security and police duties.** The Supreme Court, or a majority thereof, is authorized to appoint and employ one or more persons to provide for the safety and security of the justices and employees of the Supreme Court and to carry out any necessary police duties at the direction of the Chief Justice to maintain safe and reasonable access to justice for residents of Nevada.
- 2.5 full-time positions
- \$431,239 General Fund Appropriation
- Addresses existing security concerns and risks
- The plan we have developed will offset the need for Capitol Police supervised by Buildings and Grounds and the Executive Branch

Supreme Court

M200 Caseload-Driven Request

- To address delays in civil case time to disposition
- Adds 2 full-time attorney positions
 - There are currently 9 subordinate civil attorney positions in the civil division and 11 in the criminal division
- \$503,375 General Fund Appropriation

Administrative Assessments

NRS 176.059

- The amount collected depends on the amount of a misdemeanor fine
- Recent changes to the statute
 - 2003, the range of assessments in the fine schedule increased \$25 - \$115, added \$7 specialty court assessment
 - 2007, 48% of the Judicial Branch share to the Supreme Court (was 60%) and 12% to specialty court programs
 - 2009, AOC share was changed to 36.5% to fund operations, judicial education, and USJR
 - 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

Administrative Assessments

NRS 176.059

- Major funding source of the Judicial Branch
- Projections of the Economic Forum influence our projections
- The revenue is on the decline
 - \$5 general fund share added by the 2010 Special Session
 - Economy
- Projections are tied to historical patterns in the average number and amounts
 - The number of assessments have increased
 - The amount per assessment has decreased

Administrative Assessments

NRS 176.059

FY	Judicial & Executive Share (Sec 7 & 8)			GF Share (Sec 5, (c))		State Total		
	Amount Received	% Change	\$ Change	Amount Received**	% Change	Amount Received**	% Change	
2005	\$18,017,886	12.56%	\$0	\$ -	N/A	\$18,017,886		
2006	20,745,851	15.14%	2,727,965	-	N/A	20,745,851	15.14%	
2007	24,901,641	20.03%	4,155,790	-	N/A	24,901,641	20.03%	
2008*	27,743,475	11.41%	2,841,834	-	N/A	27,743,475	11.41%	GF %
2009*	29,464,703	6.20%	1,721,228	-	N/A	29,464,703	6.20%	of Total
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 Proj	27,165,657	-3.20%	(899,181)	2,571,000	1.32%	29,736,657	-2.83%	8.65%
2014 Proj	26,402,362	-2.81%	(763,295)	2,604,000	1.28%	29,006,362	-2.46%	8.98%
2015 Proj	26,755,480	1.34%	353,118	2,638,000	1.31%	29,393,480	1.33%	8.97%

*Year-end actual amounts were adjusted to remove known 1X receipts (sys conv 2008; amnesty 2009, June pay 2010)

**26th Special Session, AB 6, Sec 34, effective 3/12/10, fee scheduled increased \$5. \$5 deposited to the general fund.

Specialty Court Programs

- Costs to administer the program (1 full-time position, budget, accounting) are paid from the AOC's budget
- Funding is recommended by the Specialty Court Funding Committee and approved by the Judicial Council
- \$5,947,709 or 97% of expenses in the Specialty Court budget are passed to county and city Specialty Court programs
 - \$150,000 is retained for the data maintenance system in development
 - \$49,510 is retained for team training
- 44 programs are directly funded
- 3,700 active clients projected
- 1,700 graduates projected

CITY OR COUNTY	FY 14	FY 15
CLARK COUNTY	3,420,854	3,420,854
WASHOE COUNTY	1,145,781	1,145,781
WESTERN REGION	421,120	421,120
CITY OF LAS VEGAS	282,751	282,751
ELKO COUNTY	242,843	242,843
NYE COUNTY	110,802	110,802
CARSON CITY COUNTY	101,710	101,710
CITY OF RENO	83,564	83,564
HUMBOLDT COUNTY	52,020	52,020
CITY OF N LAS VEGAS	34,563	34,563
CITY OF HENDERSON	28,815	28,815
CITY OF SPARKS	22,886	22,886
	5,947,709	5,947,709

Specialty Courts Programs by Region

■ Western Region

- Western Region Adult Drug Court (5 programs)
- Carson City & Storey County Juvenile Drug Court
- Carson City 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 and Juvenile Drug Courts
- White Pine County Adult and Juvenile Drug Court

■ Fifth Judicial District

- Nye County Adult and Juvenile Drug Courts

■ Central Region (6th Judicial District)

- Humboldt County Adult Drug Court
- Lander 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
- North Las Vegas Municipal Alcohol and Drug Court

*There are programs not directly funded from the Specialty Court budget, but from other sources:
prison re-entry north, prison re-entry south, veteran's court south

Specialty Courts

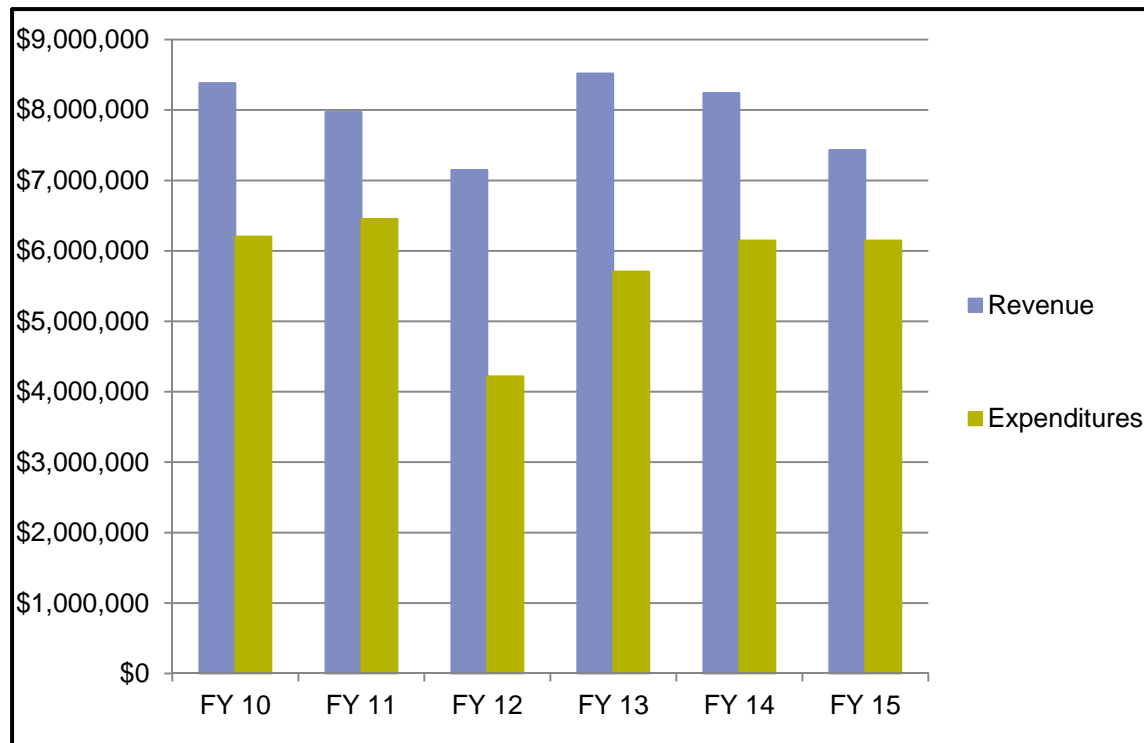
- Funding in the next biennium:
 - \$7 specialty court administrative assessment (NRS 176.0613)
 - 12% of the Judicial Branch share of administrative assessment revenue collected pursuant to NRS 176.059
 - Felony bond forfeitures (10% to Specialty Courts, NRS 178.518)
- Administrative Assessment revenue projections are for continued declines

Revenue Source	Actual			Projected		
	2010	2011	2012	2013	2014	2015
Admin Assess (NRS 176.059)	1,886,652	1,766,407	1,717,568	1,662,538	1,615,825	1,637,435
	-3.2%	-6.4%	-2.8%	-3.2%	-2.8%	1.3%
Spec Crt Admin Assess (NRS 176.0613)	4,237,191	3,883,744	3,803,260	3,803,260	3,689,162	3,578,487
	0.6%	-8.3%	-2.1%	0.0%	-3.0%	-3.0%
Bond Forfeitures (NRS 178.518)	94,068	142,986	110,481	122,782	122,782	122,782
	-30.4%	52.0%	-22.7%	11.1%	0.0%	0.0%
Revenue Totals	6,217,911	5,793,137	5,631,309	5,588,580	5,427,769	5,338,704
	-1.3%	-6.8%	-2.8%	-0.8%	-2.9%	-1.6%

Specialty Courts

Revenue and Expenditures

- Programs are likely to see a reduction in their FY 15 budgets if the revenue outlook does not improve and if the policy on cash balances does not increase the amount of cash available for subsequent fiscal years. Reserves are on the decline.



- Policy on cash balances went into effect in FY 12. Cash balances reported by programs at the end of FY 11 reduced their FY 12 distributions by the amount of cash on hand at the end of FY 11.
- The difference between revenue and expenditures is reserve.

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 property owners, 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 11	FY 12	FY 13 Thru Dec
Notices of Default and Intent to Sell	54,191	16,818	8,528
Mediations Held	6,370	4,803	596
Agreement Outcomes	3,227	989	173
<i>Retained Property</i>	<i>1,941</i>	<i>547</i>	<i>80</i>
Non-Agreement Outcomes	3,143	3,814	423
Certificates Issued	47,919	22,219	4,758
Non-Applicable Properties	45,936	19,125	4,388
Applicable Properties	1,983	3,094	370

FMP Revenue Projections

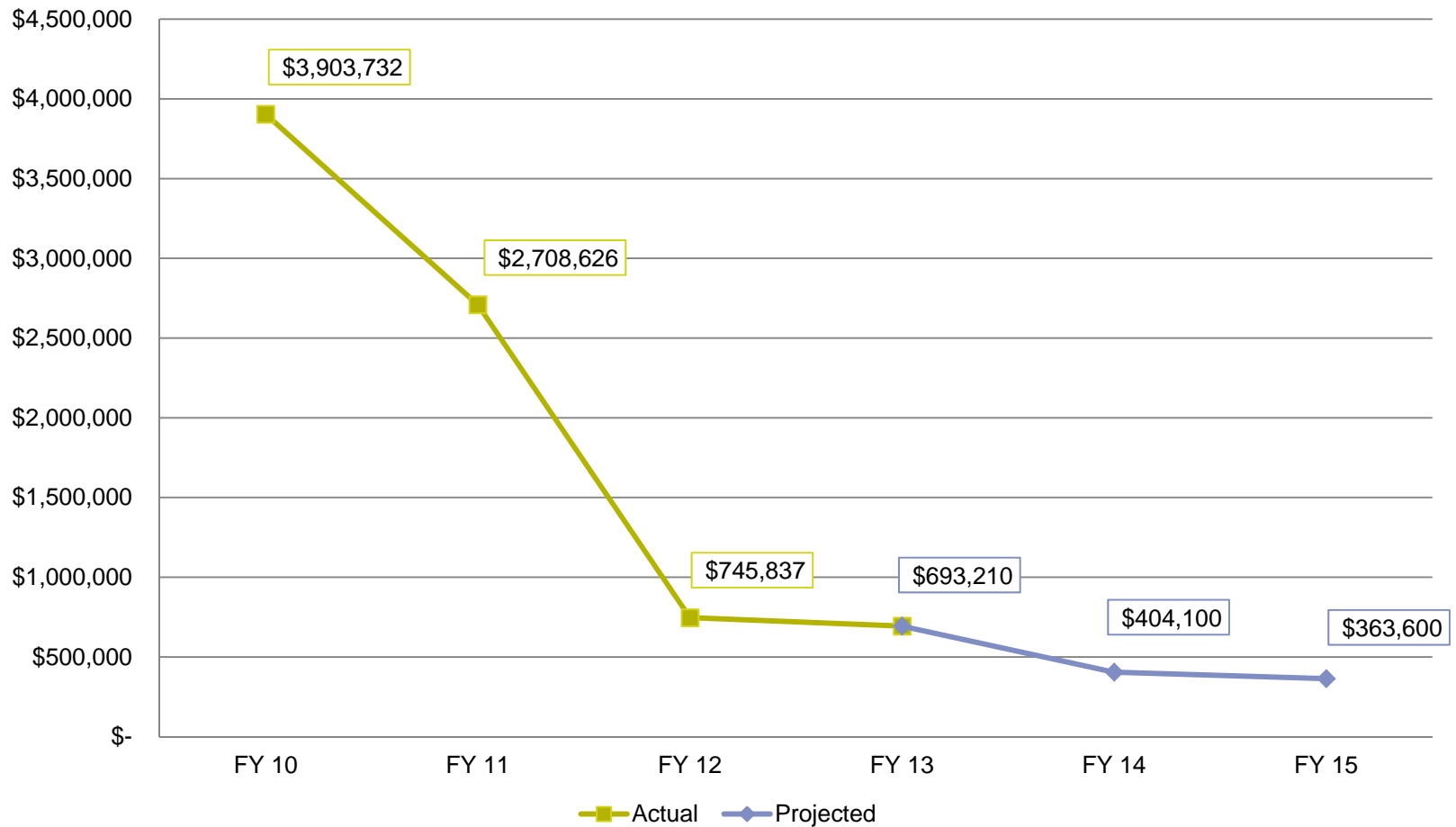
- **Notice of Default Fee (NODs)** projections are based on those of the Economic Forum (NRS 353.246)

- FY 14: \$404,100 for 9,117 NODs projected to be filed
 - FY 14 program expenses: \$1,141,356
- FY 15: \$363,600 for 8,203 NODs projected to be filed
 - FY 15 program expenses: \$1,170,125
- The program is spending down its general reserves

- **Mediation Service Fees**

- Mediations will be requested on 12% of NODs filed @ \$400 each
 - FY 14: 1,094 requests
 - FY 15: 984 requests

FMP Revenue: NOD Fees



FMP Enhancement

- E750
- Exhausts general reserves (\$370,144)
- Requests a \$202,727 general fund appropriation to continue the program
 - 9 full-time positions
 - Program Manager
 - Customer Services and Administrative Support Assistant
 - Intake Unit (3 positions)
 - Certificate Unit (2 positions)
 - Mediation Unit (1 position)
 - Quality Control and Assurance Manager
 - Costs to operate (rent, administrative services, security, travel, supplies, postage, etc.)
 - Corresponding enhancements in the Supreme Court and AOC budgets

Revenue

Cost to Operate by Funding Source

