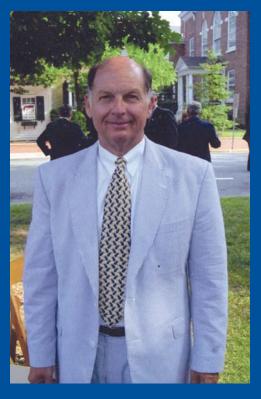
MESSAGE FROM THE CHIEF JUSTICE



Honorable Myron T. Steele

Innovation is the key to the Delaware Courts' ability to continue to provide core, constitutionally mandated services for our constituents, given growing workload demands and diminishing resources. Our efforts to innovate have increased because the fiscal challenges that the Courts have faced since FY 2008 have increased.

To help address fiscal concerns, the Delaware Courts struggled to adjust to several million dollars in budget cuts between FY 2008 and FY 2010; instituted a stringent hiring review process (which resulted in savings to the State of Delaware of more than \$3.5 million in the last two years); and, increased state revenues by close to \$4 million during that period. Given the increasing workload demands, a 2.5% pay cut for state employees enacted in FY 2010 in response to the State's fiscal challenges, brought court employee morale to a low point. In support of staff, all judges, commissioners, and justices of the peace, constitutionally exempt from a forced pay cut, voluntarily took a similar reduction in pay, either through a direct reduction in pay or by way of contributions to law related organizations, without regard to deductibility. We are extremely relieved and pleased that the State employees pay will be restored in FY 2011. However, employees' compensation continues to fall significantly behind inflation, federal deductions, and the employee share of benefit cost increases. Similarly, Delaware judges' national standing based upon judicial compensation comparisons with other states has fallen. This is not surprising since, factoring in inflation, Delaware judges averaged a loss of nearly \$15,000 apiece in real salary dollars in the last 5 years (since the last Compensation Commission Report).

A critical fiscal area relates to increasing costs in providing constitutionally mandated legal representation and related services to those who are indigent. Dramatic growth in indigent services costs occurred in FY 2010, representing a 9% increase from the previous year, and a 71% increase over the last four years (from \$2.7 million in FY 2006 to \$4.6 million in FY 2010). Although we carefully monitor these expenses to minimize costs, the most critical cost factor is caseload, over which the Courts have no control. The number of homicides requiring conflict attorney representation jumped from 15 in FY 2006 to 57 in FY 2010. Given this trend, we vigilantly monitor this area, and are exploring options to enhance program efficiencies, including possible changes to the program structure.

Another fiscal issue is the federal mandate contained in Title VI of the Civil Rights Act of 1964, which was recently clarified by the United States Department of Justice (USDOJ) to require that state courts provide interpreter services to limited English proficiency parties in all civil, criminal and administrative proceedings, including court functions conducted outside the courtroom, at no cost to the parties and without regard to ability to pay. For the Delaware courts to change their policies to comply fully with the unquantifiable federal mandates by USDOJ, the additional cost will be substantial.

I am pleased to report that the renovation of the Kent County Courthouse progressed as scheduled this fiscal year, and with the \$19.2 million FY 2011 appropriation, the first stage of the project is slated to be completed in July 2011. Renovations of the historic courthouse will begin immediately thereafter.

The need for two new Superior Court judges and associated staff, which were first authorized in FY 2009 – based upon a clearly demonstrated need, remains unaddressed, since these resources have not yet been fully funded. Access to these desperately needed resources to support Superior Court operations in New Castle County must be achieved as soon as possible.

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Regardless of the fiscal challenges, the Delaware Courts continue to do our best to process cases as efficiently as possible, with the limited resources currently available. We strive to use innovative means to achieve system-wide improvements, through on-going initiatives such as the Delaware Supreme Court Task Force on Criminal Justice and Mental Health, chaired by Justice Henry duPont Ridgely. This task force continues work on improving outcomes for persons with mental illness in the criminal justice system. The Delaware Courts: Fairness for All Task Force, co-chaired by Chief Magistrate Alan G. Davis and State Court Administrator Patricia Griffin, is working on improvements to accessibility and perceived fairness of the courts. Another initiative addressing racial and ethnic fairness in the justice system culminated in the adoption of the Criminal Justice Council's Declaration of Leading Practices to Protect Civil Rights and Promote Racial and Ethnic Fairness in the Criminal Justice System in Delaware during this fiscal year.

Since this year's signing of the Hague Convention on Choice of Court Agreements by the United States, Delaware Courts have undertaken innovative initiatives to ensure that we are poised to handle disputes arising out of choice-of-court agreements in international business contracts. These efforts include the recent creation of the Complex Commercial Litigation Division to enhance the Superior Court's administrative handling of complex commercial and business cases, and the Court of Chancery's procedural changes to arbitration proceedings for business disputes.

The Delaware Courts play an important role in the lives of the Delaware citizens who may use our courts to address injustices they face, as well as the national and international business community. Again in FY 2010, Delaware Courts, with the focus on fairness of process in the Superior Court, were ranked number one in the country for the eighth year in a row, in a recent national survey. Accordingly to the U.S. Chamber of Commerce's Institute for Legal Reform, which conducted the survey, two-thirds of the corporate lawyers surveyed stated that a state's legal environment is "likely to impact important business decisions at their company, such as where to locate or expand their business – up 10% from just three years ago." In addition, our Courts were included as an "influential" voice in the boardroom by "Directorship" (a magazine for corporate board members and high level corporate executives) – and the *only* court system to make that list. This recognition demonstrates the clear connection between the Delaware Courts' outstanding reputation and the State's attractiveness to businesses and other employers.

Other FY 2010 highlights include the successful completion of the civil phase of the COTS technology project and the restructuring of the COTS project, creating a new Project Leadership Team with Justice Ridgely as its chair. The Team is focusing on determining the best approach for moving forward with implementation of criminal and Family Court case management systems.

The entire system now focuses on the development, expansion, or improvement of innovative projects including the Court of Chancery's guardianship program through a volunteer monitoring program; Superior Court's mortgage foreclosure mediation program, felony Violation of Probation mental health court, and efforts to create a veterans' court; Family Court's specialized juvenile gun court and development of a risk assessment for pre-adjudicated juveniles; the Court of Common Pleas' and the Justice of the Peace Court's e-filing and e-payment initiatives, and the Justice of the Peace Court's police prosecution project.

Though facing many difficult financial challenges, the Judicial Branch continues to seek innovative solutions for meeting the needs of those who use our courts and we look with optimism toward a future improved by our efforts.

Respectfully yours,

MULLICELLE

Myron T. Steele