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AT A GLANCE

- Each year about 1.3 million cases are filed in district court.
- District court proceedings are held in 104 locations throughout all 87 Minnesota counties.
- District courts are organized into ten judicial districts for administrative purposes.
- There are 295 judges at the District Court level.
- District courts serve all Minnesota citizens.

PURPOSE

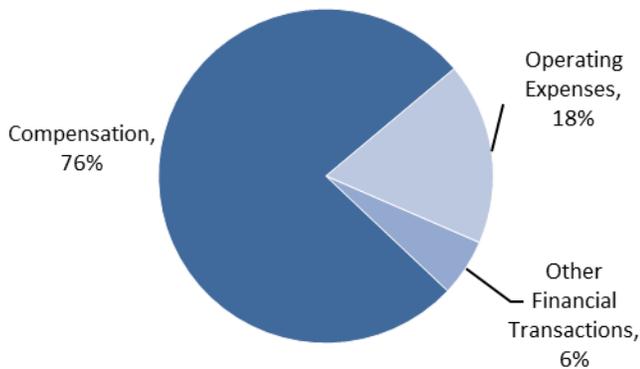
The mission of the Judicial Branch is to provide justice through a system that assures equal access for the fair and timely resolution of cases and controversies.

District courts are the backbone of the state’s court system. District courts provide access to the justice system across the state, with courthouses located in all 87 counties. For administrative purposes, district courts are divided between ten judicial districts. A chief judge serves as the administrative head in each judicial district. Judicial District Administrators assist the Chief Judge in carrying out his/her responsibilities. Court administration staff at the county level manage scheduling, case flow, finance, personnel and juries.

District Court judges hear everything from traffic tickets, to civil and family conflicts, to first degree murder trials. Some district courts may have separate divisions, such as criminal, civil, probate, family, and juvenile courts.

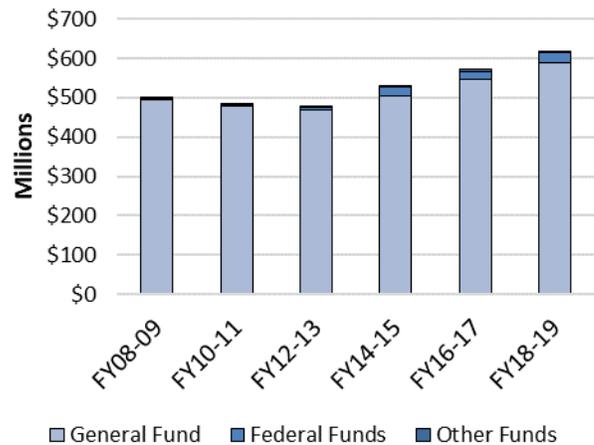
BUDGET

**Spending by Category
FY 2019 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The District Courts spent \$334 million in FY 2019. Of this amount, \$311 million (93%) was from state general fund appropriations, with the remaining \$23 million (7%) funded from various sources such as federal and local government grants, and foundations.

STRATEGIES

The District Court conducts its functions in support of three strategic goals to deliver its mission:

1. *Access to Justice – A justice system that is open, affordable, understandable, and provides appropriate levels of service to all users.*
Ensuring access to justice for all is an enduring commitment for Minnesota’s court system. It is also an increasingly challenging concern given changing court customer expectations, shifting demographics and increased competition for scarce resources. Ensuring access to justice also requires keeping our courthouses safe. Ensuring the justice system is open, affordable, effective and accountable to the people it serves.
2. *Effective Administration of Justice - A justice system that adopts approaches and processes for the fair and just resolution of all cases.*
Over the last two decades, Minnesota courts have worked diligently to become increasingly efficient and effective. The Judicial Branch is focused on being a well-managed court system that seeks innovative ways to promote justice for individual litigants in individual cases.
3. *Public Trust and Accountability - A justice system that engenders public trust and confidence through impartial decision-making and accountability for the use of public resources.*
The Judicial Branch is accountable to the public. An overwhelming majority of Minnesotans have confidence in the state’s judicial branch as an institution. It is critical that the Judicial Branch maintain and continuously improve public trust and accountability. The Judicial Branch must meet this challenge by collaborating with court customers to eliminate disparities in the court system.

In recent years, the Judicial Branch has begun implementing an ambitious reform agenda involving the use of technology and the re-engineering of business practices in a system-wide effort to expand services and ensure equal access to justice. The centerpiece of this effort – the eCourtMN Initiative – transformed Minnesota’s courts from a paper-based environment to an electronic information environment that will ensure convenient, timely, and appropriate access to case information for all stakeholders, and result in more timely and efficient processing of cases. Electronic filing of cases, at both the trial and appellate levels, became mandatory on July 1, 2016. Current efforts focus on leveraging technology to provide high-quality, consistent, and convenient court administration services anywhere in the state.

RESULTS

It is the policy of the Minnesota Judicial Branch to establish core performance goals and to monitor key results that measure progress toward meeting these goals in order to ensure accountability of the Branch, improve overall operations of the court and enhance the public’s trust and confidence in the Judiciary. Throughout the year the district courts are directed to review performance measure results. This review is shared with the Judicial Council (the Branch’s governing body) twice a year. An important goal is whether courts handle cases in a timely manner.

Type of Measure	Name of Measure	Previous	Current	Dates
Results	Statewide Clearance Rate – The Clearance Rate measures whether courts are disposing of as many cases as are filed in the same year.	104%	99%	FY2018 and FY2019
Results	Statewide Time to Disposition - Time to Disposition assesses the length of time it takes a court to process cases.	95% disposed of within Judicial Branch time objectives.	96% disposed of within Judicial Branch time objectives.	FY2018 and FY2019
Results	Statewide Pending Rate for Juvenile Delinquency Cases – Assesses the number of cases that have not been disposed of during the timing objective standard of 99% disposition within 6 months.	6.7% of cases are pending after 6 months.	7.6% of cases are pending after 6 months.	FY2018 and FY2019

Data are from the Judicial Branch 2018 and 2019 Performance Measures – Key Results and Measures Annual Reports. The reports can be found at www.mncourts.gov.

The Minnesota Constitution, Article VI; https://www.revisor.mn.gov/constitution/#article_6, provides the authority for the District Court. Minn. Stat Chapters 484, 485, 486, 491, 491A, 492, and 493; <https://www.revisor.mn.gov/statutes/part/JUDICIARY>, provide the legal authority for district court operations.

District Courts

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base	
					FY22	FY23
<u>Expenditures by Fund</u>						
1000 - General	278,531	310,539	294,249	331,956	317,202	317,202
2000 - Restrict Misc Special Revenue	2,194	2,029	1,911	3,395	1,800	1,800
2001 - Other Misc Special Revenue				6	1	1
2403 - Gift	56	124	121	339	164	164
3000 - Federal	9,659	15,238	15,056	19,774	14,320	14,320
3010 - Coronavirus Relief			518	7,374		
6000 - Miscellaneous Agency	2,269	6,377	2,082	3,310	3,310	3,310
Total	292,709	334,307	313,937	366,154	336,797	336,797
Biennial Change				53,075		(6,497)
Biennial % Change				8		(1)

Expenditures by Program

District Courts	292,709	334,307	313,937	366,154	336,797	336,797
Total	292,709	334,307	313,937	366,154	336,797	336,797

Expenditures by Category

Compensation	247,834	255,179	265,900	273,838	271,720	271,720
Operating Expenses	39,629	58,537	41,144	74,050	52,808	52,808
Grants, Aids and Subsidies	694	984	1,038	1,159	1,159	1,159
Capital Outlay-Real Property	89	1,208	296	5,580	4,348	4,348
Other Financial Transaction	4,462	18,399	5,559	11,527	6,762	6,762
Total	292,709	334,307	313,937	366,154	336,797	336,797

Full-Time Equivalent

	2,588.52	2,581.04	2,619.49	2,619.44	2,560.06	2,491.74
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District Courts

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base	
					FY22	FY23
1000 - General						
Balance Forward In		12,998		14,754		
Direct Appropriation	290,987	299,342	309,002	317,202	317,202	317,202
Transfers In	4,496	5,762	4,116	1,376	1,799	1,799
Transfers Out	4,496	7,562	4,116	1,376	1,799	1,799
Cancellations		1				
Balance Forward Out	12,456		14,753			
Expenditures	278,531	310,539	294,249	331,956	317,202	317,202
Biennial Change in Expenditures				37,135		8,199
Biennial % Change in Expenditures				6		1
Full-Time Equivalent	2,553.27	2,538.87	2,571.93	2,571.93	2,512.95	2,444.63

2000 - Restrict Misc Special Revenue

Balance Forward In	1,467	1,546	1,906	2,014	335	251
Receipts	2,151	2,209	1,948	1,609	1,609	1,609
Transfers In	119	122	71	107	107	107
Transfers Out		24				
Balance Forward Out	1,544	1,822	2,014	335	251	167
Expenditures	2,194	2,029	1,911	3,395	1,800	1,800
Biennial Change in Expenditures				1,083		(1,706)
Biennial % Change in Expenditures				26		(32)
Full-Time Equivalent	7.21	6.87	6.99	6.94	6.54	6.54

2001 - Other Misc Special Revenue

Balance Forward In				5		
Receipts				1	1	1
Transfers In			5			
Balance Forward Out			5			
Expenditures				6	1	1
Biennial Change in Expenditures				6		(4)
Biennial % Change in Expenditures						

2403 - Gift

Balance Forward In	199	217	233	240	65	65
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District Courts

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base	
					FY22	FY23
Receipts	73	127	130	164	164	164
Transfers In		1				
Transfers Out		1				
Balance Forward Out	217	219	241	65	65	65
Expenditures	56	124	121	339	164	164
Biennial Change in Expenditures				280		(132)
Biennial % Change in Expenditures				155		(29)
Full-Time Equivalents	0.70	0.32	0.46	0.46	0.46	0.46

3000 - Federal

Balance Forward In	8,212	8,415	9,538	5,454		
Receipts	9,497	9,910	10,971	14,320	14,320	14,320
Balance Forward Out	8,050	3,087	5,454			
Expenditures	9,659	15,238	15,056	19,774	14,320	14,320
Biennial Change in Expenditures				9,933		(6,190)
Biennial % Change in Expenditures				40		(18)
Full-Time Equivalents	27.34	34.98	40.11	40.11	40.11	40.11

3010 - Coronavirus Relief

Direct Appropriation			518	7,374	0	0
Expenditures			518	7,374		
Biennial Change in Expenditures				7,892		(7,892)
Biennial % Change in Expenditures						(100)

6000 - Miscellaneous Agency

Balance Forward In	15,831	32,558	22,734	24,002	3,140	2,355
Receipts	18,837	(3,508)	3,357	(17,552)	2,525	2,525
Transfers Out			5			
Balance Forward Out	32,399	22,674	24,004	3,140	2,355	1,570
Expenditures	2,269	6,377	2,082	3,310	3,310	3,310
Biennial Change in Expenditures				(3,254)		1,228
Biennial % Change in Expenditures				(38)		23

District Courts

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	317,202	317,202	317,202	634,404
Forecast Base	317,202	317,202	317,202	634,404
Fund: 3010 - Coronavirus Relief				
FY2021 Appropriations	7,374	7,374	7,374	14,748
Base Adjustments				
All Other One-Time Appropriations		(7,374)	(7,374)	(14,748)
Forecast Base	7,374	0	0	0
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	3,395	1,800	1,800	3,600
Forecast Base	3,395	1,800	1,800	3,600
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	6	1	1	2
Forecast Base	6	1	1	2
Fund: 2403 - Gift				
Planned Spending	339	164	164	328
Forecast Base	339	164	164	328
Fund: 3000 - Federal				
Planned Spending	19,774	14,320	14,320	28,640
Forecast Base	19,774	14,320	14,320	28,640
Fund: 6000 - Miscellaneous Agency				
Planned Spending	3,310	3,310	3,310	6,620
Forecast Base	3,310	3,310	3,310	6,620
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	1,609	1,609	1,609	3,218
Fund: 2001 - Other Misc Special Revenue				

District Courts

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Forecast Revenues	1	1	1	2
Fund: 2403 - Gift				
Forecast Revenues	164	164	164	328
Fund: 3000 - Federal				
Forecast Revenues	14,320	14,320	14,320	28,640
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	(17,552)	2,525	2,525	5,050
<i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues	15,517	16,500	20,220	36,720



THE SUPREME COURT OF MINNESOTA
MINNESOTA JUDICIAL CENTER
25 REV. DR. MARTIN LUTHER KING JR. BLVD.
SAINT PAUL, MINNESOTA 55155

CHAMBERS OF
LORIE S. GILDEA
CHIEF JUSTICE

(651) 296-3380

October 13, 2020

Governor Tim Walz
Office of the Governor and Lieutenant Governor
321 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Commissioner Jim Schowalter
Minnesota Management & Budget
658 Cedar Street
Saint Paul, MN 55155

Dear Governor Walz and Commissioner Schowalter:

On behalf of the people of Minnesota and the members of the Minnesota Judicial Branch, I transmit the Judicial Branch's FY22-23 biennial budget request. The budget request is focused on:

- Ensuring access, fairness, and equity in the judicial system;
- Recognizing the vital role judges and employees have in ensuring access to justice; and
- Maintaining the quality and capacity of employees and judges necessary to effectively and efficiently address a growing caseload and long-term impacts from the pandemic.

The Judicial Branch requests \$17.726 million, a modest increase of 2.4 percent, over our biennial base budget. We recognize the severe fiscal challenges facing our state. To that end, we are presenting a two-part budget that reflects this difficult challenge, yet makes investments in core judicial operations that will help ensure the fair and timely resolution of cases and controversies.

- In FY22, the Judicial Branch requests \$2.802 million in new funding to cover the employer-share of unavoidable health care cost increases. Without additional funding, the Judicial Branch would need to divert funding from other court functions to pay for these cost increases.
- In FY23, the Judicial Branch requests \$8.876 million in new funding for a 3% compensation pool increase for employees and a 3% salary increase for judges. We also request \$6.048 million to offset employer health care cost increases.

Governor Tim Walz
Commissioner Jim Schowalter
October 13, 2020
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This request does not fully address every funding need facing Minnesota's courts, but it does prioritize the Judicial Branch's most important asset: our people. As the economy improves and the state returns to a more solid fiscal footing, we look forward to working collaboratively with you to address other needed investments in the Judicial Branch, such as additional judgeships and enhanced cyber and courthouse security.

In the meantime, and despite being challenged this year in our ability to fulfill our constitutional responsibilities, the state's courts never stopped working. We preserved an open door for justice by transforming services and operations.

For example, there are more than 4,000 remote and in-person hearings taking place each day in Minnesota's courts. District courts in all 87 counties have restarted criminal jury trials. As of September 30, 82 jury trials have been completed. Civil jury trials have also begun to take place and are anticipated to increase in December. There is at least one public service counter open in each courthouse in Minnesota. We also increased access to online services so people, particularly those who represent themselves in legal matters, could ask questions and receive support from our Court Payment Center and Self-Help Centers.

We are proud of the work we have accomplished and recognize the challenges that lie ahead, which include a growing case backlog. To protect the rights of our citizens, and to ensure prompt services and efficient dispute resolution, the Judicial Branch must maintain the ability to retain and recruit qualified and skilled staff and judges. Our budget request is designed with that goal in mind.

The courts are one of the first promises made in our Constitution. A fully-functioning court system is essential to safeguarding our democracy, securing the rule of law, and ensuring public safety. We appreciate your past support, and ask again for your support for the Judicial Branch's FY22-23 budget request so that we are able to continue to meet our constitutional obligation and preserve an open door for justice in Minnesota.

Sincerely,



Lorie S. Gildea
Chief Justice

District Courts

FY 2022-23 Biennial Budget Change Item

Change Item Title: Maintain Core Justice Operations

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	2,425	12,653	12,653	12,653
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,425	12,653	12,653	12,653
FTEs	59.0	127.3	127.3	127.3

Request:

Maintain Core Justice Operations.

The Judicial Branch seeks \$15,078,000 in the FY2022-23 biennium to increase the compensation of District Court judges by 0% in FY2022 and 3% in FY2023, provide a 0% compensation pool for employees in FY2022 and 3% compensation pool in FY2023, and to fund unavoidable health insurance premium increases in each year. The request represents a 2.38% increase in the District Courts biennial base budget. The request maintains the current complement of employees.

Rationale/Background:

The budget request is focused on:

- Ensuring access, fairness and equity in the judicial system;
- Recognizing the vital role judges and employees have in ensuring access to justice; and
- Helping to maintain the quality and capacity of employees and judges necessary to effectively and efficiently address a growing caseload and long-term impacts from the pandemic.

In order for the Judicial Branch to continue driving innovation in our court system and improve services to Minnesotans, the Judicial Branch needs to retain and attract skilled and knowledgeable employees and judges who can maintain and operate a modern, efficient, and technology-based court system.

In recognition of the severe fiscal challenges facing our state, the request provides for a two-part budget increase that reflects this difficult challenge yet makes investments in core judicial operations that will help ensure the fair and timely resolution of cases and controversies.

The District Courts also requests funding for unavoidable health insurance increases. Health insurance premiums are estimated to increase by 5.32% in 2022 and 5.35% in 2023. The Judicial Branch does not negotiate its own insurance agreements – it participates in the general plan negotiated by Minnesota Management and Budget. The Judicial Branch cannot absorb the increased employer insurance contribution costs and would need to divert funding from court functions to pay for the increases without additional funding.

Proposal:

The FY2022-23 biennial budget request maintains the current level of services provided by the Judicial Branch. Without new funding to the employer-share of unavoidable health care cost increases, the Judicial Branch would need to divert funding from other court functions to pay for these cost increases. The salary increases in the second

year of the biennium are meant to continue efforts to protect the rights of our citizens, ensure prompt services, and efficient dispute resolution, through the Branch's ability to retain and recruit qualified, skilled staff and judges.

IT Related Proposals:

This request contains no information technology recommendation.