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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

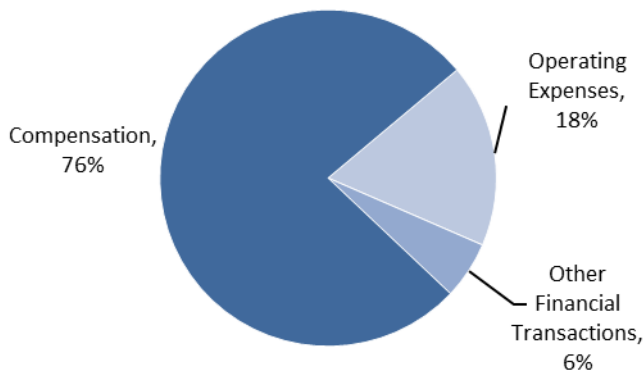
The mission of the Judicial Branch is to provide justice through a system that assures equal access for the fair and timely resolution of cases and controversies.

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.

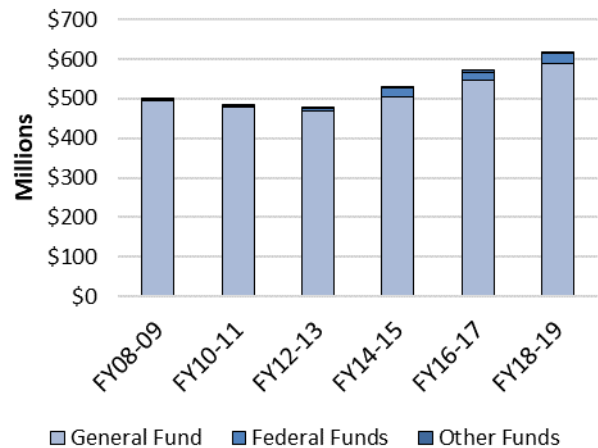
BUDGET

**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		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	278,531	310,539	294,249	331,956	317,202	317,202	319,627	329,855
2000 - Restrict Misc Special Revenue	2,194	2,029	1,911	3,395	1,800	1,800	1,800	1,800
2001 - Other Misc Special Revenue				6	1	1	1	1
2403 - Gift	56	124	121	339	164	164	164	164
3000 - Federal	9,659	15,238	15,056	19,774	14,320	14,320	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	3,310	3,310
Total	292,709	334,307	313,937	366,154	336,797	336,797	339,222	349,450
Biennial Change				53,075		(6,497)		8,581
Biennial % Change				8		(1)		1
Governor's Change from Base								15,078
Governor's % Change from Base								2

Expenditures by Program

District Courts	292,709	334,307	313,937	366,154	336,797	336,797	339,222	349,450
Total	292,709	334,307	313,937	366,154	336,797	336,797	339,222	349,450

Expenditures by Category

Compensation	247,834	255,179	265,900	273,838	271,720	271,720	274,145	284,373
Operating Expenses	39,629	58,537	41,144	74,050	52,808	52,808	52,808	52,808
Grants, Aids and Subsidies	694	984	1,038	1,159	1,159	1,159	1,159	1,159
Capital Outlay-Real Property	89	1,208	296	5,580	4,348	4,348	4,348	4,348
Other Financial Transaction	4,462	18,399	5,559	11,527	6,762	6,762	6,762	6,762
Total	292,709	334,307	313,937	366,154	336,797	336,797	339,222	349,450

Full-Time Equivalent

	2,588.52	2,581.04	2,619.49	2,619.44	2,560.06	2,491.74	2,619.04	2,619.04
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District Courts

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	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	319,627	329,855
Transfers In	4,496	5,762	4,116	1,376	1,799	1,799	1,799	1,799
Transfers Out	4,496	7,562	4,116	1,376	1,799	1,799	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	319,627	329,855
Biennial Change in Expenditures				37,135		8,199		23,277
Biennial % Change in Expenditures				6		1		4
Governor's Change from Base								15,078
Governor's % Change from Base								2
Full-Time Equivalents	2,553.27	2,538.87	2,571.93	2,571.93	2,512.95	2,444.63	2,571.93	2,571.93

2000 - Restrict Misc Special Revenue

Balance Forward In	1,467	1,546	1,906	2,014	335	251	335	251
Receipts	2,151	2,209	1,948	1,609	1,609	1,609	1,609	1,609
Transfers In	119	122	71	107	107	107	107	107
Transfers Out		24						
Balance Forward Out	1,544	1,822	2,014	335	251	167	251	167
Expenditures	2,194	2,029	1,911	3,395	1,800	1,800	1,800	1,800
Biennial Change in Expenditures				1,083		(1,706)		(1,706)
Biennial % Change in Expenditures				26		(32)		(32)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	7.21	6.87	6.99	6.94	6.54	6.54	6.54	6.54

2001 - Other Misc Special Revenue

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

District Courts

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

2403 - Gift

Balance Forward In	199	217	233	240	65	65	65	65
Receipts	73	127	130	164	164	164	164	164
Transfers In		1						
Transfers Out		1						
Balance Forward Out	217	219	241	65	65	65	65	65
Expenditures	56	124	121	339	164	164	164	164
Biennial Change in Expenditures				280		(132)		(132)
Biennial % Change in Expenditures				155		(29)		(29)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.70	0.32	0.46	0.46	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	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	14,320	14,320
Biennial Change in Expenditures				9,933		(6,190)		(6,190)
Biennial % Change in Expenditures				40		(18)		(18)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	27.34	34.98	40.11	40.11	40.11	40.11	40.11	40.11

3010 - Coronavirus Relief

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

District Courts

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's Change from Base								0
Governor's % Change from Base								

6000 - Miscellaneous Agency

Balance Forward In	15,831	32,558	22,734	24,002	3,140	2,355	3,140	2,355
Receipts	18,837	(3,508)	3,357	(17,552)	2,525	2,525	2,525	2,525
Transfers Out			5					
Balance Forward Out	32,399	22,674	24,004	3,140	2,355	1,570	2,355	1,570
Expenditures	2,269	6,377	2,082	3,310	3,310	3,310	3,310	3,310
Biennial Change in Expenditures				(3,254)		1,228		1,228
Biennial % Change in Expenditures				(38)		23		23
Governor's Change from Base								0
Governor's % Change from Base								0

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
Change Items				
Maintain Core Justice Operations		2,425	12,653	15,078
Total Governor's Recommendations	317,202	319,627	329,855	649,482
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
Total Governor's Recommendations	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
Total Governor's Recommendations	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
Total Governor's Recommendations	6	1	1	2
Fund: 2403 - Gift				
Planned Spending	339	164	164	328
Forecast Base	339	164	164	328
Total Governor's Recommendations	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
Total Governor's Recommendations	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

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Total Governor's Recommendations	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
Total Governor's Recommendations	1,609	1,609	1,609	3,218
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	1	1	1	2
Total Governor's Recommendations	1	1	1	2
Fund: 2403 - Gift				
Forecast Revenues	164	164	164	328
Total Governor's Recommendations	164	164	164	328
Fund: 3000 - Federal				
Forecast Revenues	14,320	14,320	14,320	28,640
Total Governor's Recommendations	14,320	14,320	14,320	28,640
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	(17,552)	2,525	2,525	5,050
Total Governor's Recommendations	(17,552)	2,525	2,525	5,050
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	15,517	16,500	20,220	36,720
Total Governor's Recommendations	15,517	16,500	20,220	36,720

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

Recommendation:

The Governor recommends funding for this request from the District Courts.

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.

Impact on Children and Families:

- The change level request does not directly impact children and families.
- There are no potential positive or negative impacts on children and families.
- The change level request will enable the Judicial Branch to continue efforts to attract and retain skilled and knowledgeable employees and judges who can maintain and operate a modern, efficient, and technology-based court system. In FY17, the Branch implemented a formal pay-for-performance structure for unrepresented staff and prioritized pay-for-performance in collective bargaining, ensuring that all employee increases are based on performance. These pay-for-performance structures recognize exemplary performance and serve as performance accountability mechanisms.

Equity and Inclusion:

- The change level request does not directly impact any Racial and Ethnic groups.
- The change level request is not aimed at reducing or eliminating any disparities for Racial and Ethnic groups.
- There are no potential positive or negative impacts on the identified groups.
- The change level request will enable the Judicial Branch to continue efforts to attract and retain skilled and knowledgeable employees and judges who can maintain and operate a modern, efficient, and technology-based court system. In FY17, the Branch implemented a formal pay-for-performance structure for unrepresented staff and prioritized pay-for-performance in collective bargaining, ensuring that all employee increases are based on performance. These pay-for-performance structures recognize exemplary performance and serve as performance accountability mechanisms.

Results:

This proposal is intended to allow the District Courts to continue to provide current levels of service and information to the public.

District Courts

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Budget	FY 2022 Base	FY 2023 Base	Required State Match or MOE?	FTEs
Dept. of Justice 20.608, 20.616 (Funds pass through the Dept. of Public Safety)	National Highway Traffic Safety Administration (NHTSA) Judicial Ignition Interlock/Substance Abuse Court Federal funds to support Treatment Courts (DWI, Drug & Family Dependency Treatment Courts)	No	\$ 1,946	\$ 3,248	\$ 3,000	\$ 3,000	Yes	7.21
Dept. of Health & Human Services 93.563 (Funds pass through the Department of Human Services)	Expedited Child Support Program Reimbursement for the federal share (66%) of Expedited Child Support.	No	\$ 11,685	\$ 12,707	\$ 7,594	\$ 7,594	Yes	27.55
Dept. of Health & Human Services 93.243	Second Judicial District Treatment Court Unit Expansion and Enhancement Federal funds to expand substance abuse treatment capacity in adult treatment drug courts and adult tribal healing wellness courts.	No	\$ 283	\$ 552	\$ 525	\$ 525	No	0.00
Dept. of Justice 16.021	Justice Systems Response to Families Federal Funds to improve the response of all aspects of the civil and criminal justice system to families with a history of domestic violence, dating violence, sexual assault, and stalking, or in cases involving allegations of child sexual abuse.	No	\$ 197	\$ 286	\$ 72	\$ -	No	0.00
Dept. of Justice 16.585	Office of Justice Program – Drug Court Discretionary Grant Program Federal Funds to equip courts and community supervision systems with the necessary tools and resources, utilizing the most current evidence-based practices and principles, to intervene with participants who abuse substances while preparing them for success in the community.	No	\$ 755	\$ 2,926	\$ 3,128	\$ 3,200	Yes	5.35
Dept. of Justice 16.029	Office on Violence Against Women Special Projects Federal funds to promote promising or innovative practices to respond to violence against women, including domestic violence, dating violence, sexual assault, and stalking	No	\$ 28	\$ 55	\$ -	\$ -	No	0.00
State Justice Institute N/A	State Justice Institute – Self Represented E-Filing and Online Conservator Reporting Expenditures for SJI grants which are awarded to improve the quality of State Courts. These are either project grants or technical assistance grants. Project grants are intended to support innovative education and training projects that will improve the administration of justice in the courts. Technical assistance grants provide State and local courts with funding to diagnose problems and implement needed change.	No	\$ 162	\$ 1	\$ 1	\$ 1	Yes	0.00
Federal Fund – Agency Total			\$ 15,056	\$ 19,774	\$ 14,320	\$ 14,320		40.11

Narrative

In FY2022 and FY2023 the Trial Courts will receive federal funding for Child Support, NHTSA Judicial Ignition Interlock/Substance Abuse Court, the State Justice Institute (SJI), and the Office of Justice Program (OJP) Department of Justice. In addition, the Second Judicial District Treatment Court Unit Expansion and Enhancement grant expands substance abuse treatment capacity in adult treatment drug courts and adult tribal healing wellness courts. The NHTSA Judicial Ignition Interlock/Substance Abuse Court and OJP grants fund the treatment courts which include DWI, Drug, Family Dependency Treatment and Mental Health. The OJP grant also funds mentoring the Domestic Violence Courts. The Expedited Child Support Program receives federal reimbursement at a rate of 66% for eligible expenditures, so less spending with state appropriated dollars would result in a proportionate decrease in federal reimbursement. In FY2023 the Second Judicial District Treatment Court Unit Expansion and Enhancement grant does not require a match. The remaining grants require a state spending match of approximately 25%. Estimates were based on past funding. Grants that will be ending did not include revenue projected past the end date.