Table of Contents

2016-17 Governor's Budget - District Courts

Agency Profile – District Courts....1
Expenditures Overview....3
Financing by Fund....4
Change Item: Maintain Core Justice Operations....6
Change Item: Jury Compensation....8

www.mncourts.gov

AT A GLANCE

- Each year about 1.6 million cases are filed in district court.
- District court proceedings are held in 101 locations throughout all 87 Minnesota counties.
- District courts are organized into ten judicial districts for administrative purposes.
- There are 289 judges at the District Court level.
- District courts serve all Minnesota citizens.

PURPOSE

District courts are the backbone of the state's court system, processing roughly 1.6 million case filings every year.

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.

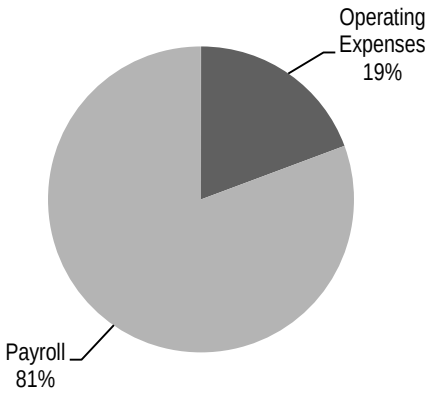
District Court judges hear everything from traffic tickets, to civil and family conflicts, to first degree murder trials. Some district courts may have separate divisions, such as criminal, civil, probate, family, and juvenile courts.

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.

The work of the district courts promotes strong and stable families and communities, helps to insure people in Minnesota are safe and provides efficient and accountable government services.

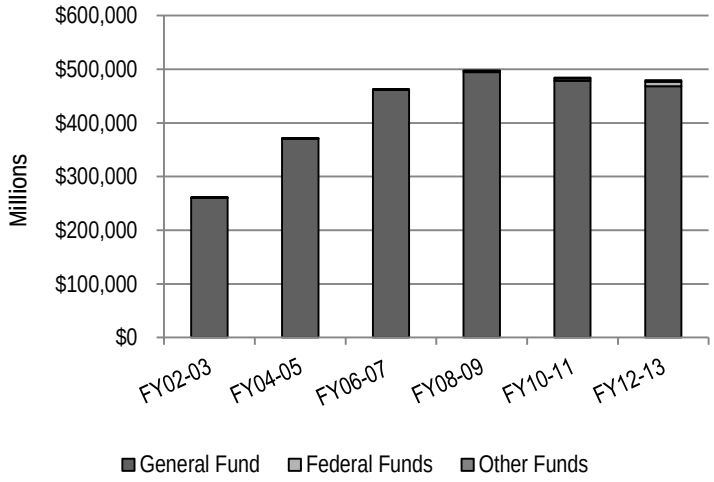
BUDGET

Spending by Category
FY 13 Actual



Source: SWIFT

Historical Spending



Source: Consolidated Fund Statement

The District Courts spent $256 million in FY 2013. Of this amount, $246 million (96%) was from state general fund appropriations, with the remaining $10 million (4%) funded from various sources such as federal and local government grants, and foundations

STRATEGIES

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."* The District Court conducts its functions in support of three strategic goals to deliver its mission and to support the statewide outcomes of promoting strong families and communities, insuring people in Minnesota are safe and providing efficient and accountable government services:

1. Access to Justice – Ensuring the justice system is open, affordable, effective and accountable to the people it serves.
2. Administration of Justice for Effective Results – Working across branches of government and with other justice system stakeholders to improve outcomes for and the delivery of services for children, families, and alcohol and other addicted offenders who come to its courts.
3. Public Trust, Accountability, and Impartiality – Through education, outreach to diverse communities and a commitment to effective and efficient customer service and accountability, improving citizens' understanding of and confidence in the Third Branch of government.

To further the Judicial Branch's mission, many District Courts operate or partner in drug court programs, such as Adult Substance Abuse Courts, DWI Court and Veterans Courts.

RESULTS

District courts conduct frequent assessments to ensure efficient court operations. 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.	95%	99%	2008 and 2012
Results	Statewide Time to Disposition - Time to Disposition measure assesses the length of time it takes a court to process cases.	98% disposed of within Judicial Branch time limits.	97.7% disposed of within Judicial Branch time limits.	2011 and 2012

Data are from the *Judicial Branch 2012 Performance Measures – Key Results and Measures Annual Report* and the *Judicial Branch 2013 Performance Measures – Key Results and Measures Annual Report.* Both reports can be found at www.mncourts.gov.

The Minnesota Constitution, Article VI, provides the legal authority for the District Court.

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	222,002	246,302	237,615	266,466	256,622	256,622	270,001	282,666
2000 - Restricted Misc Special Rev	1,309	1,462	1,366	2,236	1,654	1,655	1,654	1,655
2403 - Gift	46	53	125	509	281	281	281	281
3000 - Federal	4,730	3,860	8,539	24,268	17,394	17,394	17,394	17,394
6000 - Miscellaneous Agency	1,796	4,053	1,709	13,466	5,572	5,572	5,572	5,572
Total	**229,883**	**255,730**	**249,354**	**306,944**	**281,523**	**281,523**	**294,902**	**307,567**
Biennial Change				70,685		6,748		46,171
Biennial % Change				15		1		8
Governor's Change from Base								39,423
Governor's % Change from Base								7

Expenditures by Program

Program: Trial Courts	229,883	255,730	249,354	306,944	281,523	281,523	294,902	307,567
Total	**229,883**	**255,730**	**249,354**	**306,944**	**281,523**	**281,523**	**294,902**	**307,567**

Expenditures by Category

Compensation	198,471	206,393	211,746	226,601	226,526	226,526	238,314	250,979
Operating Expenses	28,589	40,099	33,859	65,009	48,164	48,164	49,755	49,755
Other Financial Transactions	2,570	8,901	3,313	14,657	6,767	6,767	6,767	6,767
Grants, Aids and Subsidies	89	89	66	66	66	66	66	66
Capital Outlay-Real Property	164	247	369	611				
Total	**229,883**	**255,730**	**249,354**	**306,944**	**281,523**	**281,523**	**294,902**	**307,567**
Full-Time Equivalents	**2,088.4**	**2,154.4**	**2,213.6**	**2,213.5**	**2,183.3**	**2,144.9**	**2,213.5**	**2,213.7**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
Balance Forward In		11,807		9,843				
Direct Appropriation	233,511	236,828	247,459	256,622	256,622	256,622	270,001	282,666
Receipts		0						
Net Transfers	0	(1,978)	0	0	0	0	0	0
Cancellations		355						
Expenditures	**222,002**	**246,302**	**237,615**	**266,466**	**256,622**	**256,622**	**270,001**	**282,666**
Balance Forward Out	11,509		9,843					
Biennial Change in Expenditures				35,778		9,163		48,586
Biennial % Change in Expenditures				8		2		10
Gov's Exp Change from Base								39,423
Gov's Exp % Change from Base								8
FTEs	2,061.9	2,125.1	2,168.7	2,168.4	2,138.2	2,099.8	2,168.4	2,168.6

2000 - Restricted Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
Balance Forward In	328	446	897	998	312	209	312	209
Receipts	1,216	1,753	1,297	1,401	1,401	1,401	1,401	1,401
Net Transfers	169	160	169	150	150	150	150	150
Expenditures	**1,309**	**1,462**	**1,366**	**2,236**	**1,654**	**1,655**	**1,654**	**1,655**
Balance Forward Out	403	897	998	312	209	106	209	106
Biennial Change in Expenditures				831		(293)		(293)
Biennial % Change in Expenditures				30		(8)		(8)
Gov's Exp Change from Base								0
Gov's Exp % Change from Base								0
FTEs	3.8	4.9	4.1	4.6	4.6	4.6	4.6	4.6

2403 - Gift

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
Balance Forward In	96	127	192	229				
Receipts	78	117	161	281	281	281	281	281
Expenditures	**46**	**53**	**125**	**509**	**281**	**281**	**281**	**281**
Balance Forward Out	127	192	229					
Biennial Change in Expenditures				534		(72)		(72)

2403 - Gift

Biennial % Change in Expenditures				537		(11)		(11)
Gov's Exp Change from Base								0
Gov's Exp % Change from Base								0
FTEs	0.0	0.3	0.7	0.7	0.7	0.7	0.7	0.7

3000 - Federal

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY 13	FY 14	FY15	FY16	FY17	FY16	FY17
Balance Forward In	0	4,285	9,064	6,874				
Receipts	8,981	8,551	6,349	17,394	17,394	17,394	17,394	17,394
Expenditures	**4,730**	**3,860**	**8,539**	**24,268**	**17,394**	**17,394**	**17,394**	**17,394**
Balance Forward Out	4,250	8,976	6,874					
Biennial Change in Expenditures				24,217		1,981		1,981
Biennial % Change in Expenditures				282		6		6
Gov's Exp Change from Base								0
Gov's Exp % Change from Base								0
FTEs	22.7	24.0	40.1	39.8	39.8	39.8	39.8	39.8

6000 - Miscellaneous Agency

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY 13	FY 14	FY15	FY16	FY17	FY16	FY17
Balance Forward In	14,635	18,513	14,176	17,151				
Receipts	5,668	(315)	4,684	(3,685)	5,572	5,572	5,572	5,572
Expenditures	**1,796**	**4,053**	**1,709**	**13,466**	**5,572**	**5,572**	**5,572**	**5,572**
Balance Forward Out	18,508	14,145	17,151					
Biennial Change in Expenditures				9,326		(4,031)		(4,031)
Biennial % Change in Expenditures				159		(27)		(27)
Gov's Exp Change from Base								0
Gov's Exp % Change from Base								0

Change Item: Maintain Core Justice Operations

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	11,788	24,453	24,453	24,453
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	11,788	24,453	24,453	24,453
FTEs	30.15	68.62	68.62	68.62

Recommendation:

The Governor recommends $11.788 million in FY 2016 and $24.453 million in FY 2017 to increase the compensation of Trial Court employees and judges, and to fund unavoidable health insurance premium increases. The request represents a 7.1% increase in the Trial Court biennial base budget.

Rationale/Background:

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 that can maintain and operate a modern, efficient, and technology-based court system. However, the Judicial Branch faces two significant challenges:

- During the height of the recent recession, the Minnesota Judicial Branch was forced to impose a multi-year salary freeze in order to preserve essential court functions while managing difficult budget cuts. Employees and judges did not receive ongoing, permanent compensation increases between FY2008 and FY2013. Today, the Judicial Branch salary structure has become uncompetitive and consistently below market compared to other public-sector employees. Further, Minnesota judges now rank near the bottom third nationally in judicial pay. Judges in many counties make significantly less than the county attorneys who appear before them, and, in some cases even less than the assistant county attorneys.
- The second workforce challenge is a significant retirement wave among both employees and judges. Nearly one-third of current Judicial Branch staff will be 65 years old or older in the next ten years. In the last 2 years, 58 new judges have been appointed to the Bench—18% of all judges in the state. By 2019, at least 42% of all judges that were on the Bench in 2012 will have either retired, or will have turned 65 years old.

This incredible loss of experience and talent is especially concerning when paired with a below-market salary structure that is making it difficult for the Judicial Branch to compete for workers with the necessary skills.

The Trial Courts also request funding for unavoidable health insurance increases. 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 these costs, and would need to divert funding from court functions to pay for these increases without additional funding.

Proposal:

This change level request is not a new initiative. The Judicial Branch's FY2016-17 biennial budget request seeks funding to increase employee and judge salaries, which will help ensure that the Judicial Branch will be ready to respond to this retirement wave, while maintaining the caliber of workforce needed to continue driving innovation within the court system.

In addition, the request for funding unavoidable health insurance increases will hold court services harmless from rising insurance costs for Judicial Branch judges and employees.

IT Related Proposals:

This request contains no information technology recommendation.

Results:

This request is sought to support the core mission and services of the Trial Courts and to allow the Courts to continue to undertake initiatives designed to increase efficiency, reduce costs and improve public services.

Minnesotans bring their most important and complex matters to the courts for resolution. Judges and staff work every day to help the people resolve these disputes. At the same time staff and judges are driving major innovation within the court system. Their innovations are improving service to the public and creating new efficiencies throughout the justice system. It is critically important that the Judicial Branch continue to retain and attract a workforce that builds on this innovation.

Statutory Change(s):

The request will not require statutory changes.

Change Item: Jury Compensation

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	1,591	1,591	1,591	1,591
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,591	1,591	1,591	1,591
FTEs	0	0	0	0

Recommendation:

The Governor recommends $1.591 million in FY 2016 and $1.591 million in FY 2017 to increase the juror per diem from $10 a day to $20 a day and increase the juror mileage reimbursement from 27 cents to 56 cents per mile.

Rationale/Background:

The jury system is part of the foundation of the justice system. The decisions jurors make affect people's civic and property rights and the right to freedom. Difficult budget situations have resulted in two reductions to juror per diem since 2003, and a long-standing freeze on juror mileage reimbursement. Our request seeks to ease the financial burden placed on Minnesota citizens who make a sacrifice by honoring their duty of citizenship to report for jury duty. This funding would allow us to restore the most recent cut to juror per diem, bringing the rate back to pre-2008 levels, and increase the juror mileage reimbursement to match the current federal mileage reimbursement rate.

Proposal:

This change level request is not a new initiative. The increased funding would allow the Judicial Branch to restore the most recent cut to juror per diem, bringing the rate back to pre-2008 levels, and increase the juror mileage reimbursement to match the current federal mileage reimbursement rate.

IT Related Proposals:

This recommendation contains no information technology recommendation.

Results:

This request is sought to support a juror's civic duty to report for jury service.

Statutory Change(s):

The request will not require statutory changes.