



Judicial Council of California

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meeting.

Subject Text

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File #: 24-027, **Version:** 1

Title

Trial Court Budget | Minimum Operating and Emergency Fund Balance Policy (Action Required)

Summary

The Judicial Council's suspension of the minimum operating and emergency fund balance policy expires on June 30, 2024. The policy, which requires trial courts to set aside a percentage of funds for use in emergency situations or due to budgetary shortfalls, has been suspended by the council since fiscal year 2012-13 due to changes in statute and to consider further statutory amendments. The Trial Court Budget Advisory Committee recommends that the Judicial Council approve a two-year extension of the suspension of the policy until June 30, 2026, and requests consideration to repeal the policy at a future time.

Recommendation

The Trial Court Budget Advisory Committee recommends that, effective July 1, 2024, the Judicial Council:

1. Extend the suspension of the minimum operating and emergency fund balance policy for two fiscal years until June 30, 2026. This will provide additional time to determine the impact of the proposals included in the 2024-25 Governor's Budget on trial court operations and emergency funding levels;
2. Request the committee's Funding Methodology Subcommittee to consider whether the minimum operating and emergency fund balance policy, which has been suspended since fiscal year 2012-13, should be repealed at a future time based on enactment of the proposed changes to the state-level emergency reserve and fund balance cap included in the 2024-25 Governor's Budget.