

Proposed 2016 Budget Adjustments

Item	Cost Center	Object Code	Account Description	2016 Adopted Budget	Proposed Adjustment	2016 Amended Budget	Explanation
1	29002	36030	AB 145 Filing Fee - EAF	(3,700,000)	645,000	(3,055,000)	The variance is due to: Budgeted revenues were allocated evenly over a 12-month period vs. the grant distribution schedule. In addition, the AB 145 filing fee revenues were estimated based on the number of cases filed with the court. Expected revenues for 2016 will be lower than 2015. Staff recommends reducing the budget by \$645K.
	29002	36050	Ptnr Grant - AB145	(450,000)	70,000	(380,000)	The variance is due to: Budgeted revenues were allocated evenly over a 12-month period vs. the grant distribution schedule. In addition, the revenues were estimated based on the contract. Expected revenues for 2016 will be lower than 2015. Staff recommended reducing the budget by \$70K.
	29002	47110	Grants Expenses	15,000,000	(800,000)	14,200,000	The variance is due to: Budgeted expenses were allocated evenly over a 12-month period vs. the grant distribution schedule. In addition, the AB 145 filing fee revenues were estimated based on the number of cases filed with the court. The reduced revenues for 2016 compared to 2015 will be mirrored in grant expenses. Staff recommends reducing the budget by \$800K.
2	29002	36060	Judicial Council of CA - Grant Revenues	-	(1,250,000)	(1,250,000)	To recognize 25% of the \$5M additional EAF grants from the Judicial Council of CA.
	29002	47110	Judicial Council of CA - Grant Expenses	-	1,250,000	1,250,000	To recognize 25% of the \$5M additional EAF grants from the Judicial Council of CA.
3	37	38600	BoA Settlement	-	(44,728,000)	(44,728,000)	In February 2016, as a result of a settlement between the U.S. Department of Justice and Bank of America, Bank of America awarded the Legal Services Trust Fund Program (LSTFP) approximately \$44.73 million for administration of grants to legal services organizations to provide foreclosure prevention legal assistance and community redevelopment legal assistance. The LSTFP Commission funded seven community redevelopment and six foreclosure prevention projects, totaling nearly \$3 million. The Commission allocated another \$4 million for 2017 grants, and for supporting grantee participation in thoughtful planning to ensure the most effective use of the remainder of the funds over the next several years. Budget amendment is required.
	37	47110	Grants Expenses	-	1,000,000	1,000,000	
4	28006	38600	BoA Settlement	-	(2,485,200)	(2,485,200)	In February 2016, as a result of a settlement between the U.S. Department of Justice and Bank of America, Bank of America awarded the Legal Services Trust Fund Program (LSTFP) approximately \$44.73 million for administration of grants to legal services organizations to provide foreclosure prevention legal assistance and community redevelopment legal assistance. The LSTFP Commission funded seven community redevelopment and six foreclosure prevention projects, totaling nearly \$3 million. The Commission allocated another \$4 million for 2017 grants, and for supporting grantee participation in thoughtful planning to ensure the most effective use of the remainder of the funds over the next several years. Budget amendment is required.
	28007	38700	Citi Settlement	-	(3,600,000)	(3,600,000)	
	28006	47110	Grants Expenses	-	2,500,000	2,500,000	
	28007	47110	Grants Expenses	-	2,000,000	2,000,000	
5	27001	46010	CSF Applications Paid	6,000,000	3,000,000	9,000,000	Escalated payments on CSF applications. This is the result of General Counsel clearing 10 years of backlogged judgments and the transfer of \$2.02 million to devote additional resources to support the CSF payouts in 2016. Budget amendment is required.
	27	39600.16	Transfer In from Leg. Spec. Fund	-	(402,000)	(402,000)	Follow-up from Board Resolution MAR_702: Board approved interfund transfer of \$1.6M from LAP Fund and \$402K from Legal Spec Fund to CSF.
	27	39600.21	Transfer In from LAP	-	(1,600,000)	(1,600,000)	
6	16	49600.27	Transfer Out to CSF	-	402,000	402,000	
7	21	49600.27	Transfer Out to CSF	-	1,600,000	1,600,000	
8	18001	38400	Life (Group Insurance Commission)	(160,000)	(650,000)	(810,000)	Underestimated revenues during budget process.

Item	Cost Center	Object Code	Account Description	2016 Adopted Budget	Proposed Adjustment	2016 Amended Budget	Explanation
9	26	47210	Howard Bldg Fund-Indirect Cost Allocation	(23,739,200)	(2,668,000)	(26,407,200)	Follow-up from Board Resolution to cost allocate out \$2.67M SF Howard building improvement costs in 2016.
	28	47210	LSTF - Indirect Cost Allocation	211,200	96,048	307,248	
	24	47210	Leg Spec - Indirect Cost Allocation	376,900	90,445	467,345	
	21	47210	LAP - Indirect Cost Allocation	417,000	11,739	428,739	
	20	47210	Admissions - Indirect Cost Allocation	4,029,000	524,262	4,553,262	
	18	47210	Affinity Insurance - Indirect Cost Allocation	106,900	18,943	125,843	
	17	47210	EOB & Bar Relations - Indirect Cost Alloc	283,400	46,156	329,556	
	16	47210	Legal Activities-Indirect Cost Allocation	155,000	22,945	177,945	
	10	47210	General Fund - Indirect Cost Allocation	15,969,500	1,648,290	17,617,790	
	70	47210	Sections - indirect cost allocation	729,300	209,171	938,471	