

AGENDA ITEM IIIB

January 16 2017

DATE: January 16, 2017

TO: Members, Executive Committee

FROM: Leah Wilson, Chief Operating Officer

SUBJECT: Adoption of the 2017 Budget

EXECUTIVE SUMMARY

This agenda item presents the proposed budget for 2017; staff recommends that, whereas in prior years the State Bar has presented three year budgets which are updated annually, due to the significant uncertainty regarding the Bar's budget outlook for 2018 and beyond, as well as the need to revisit the utility of multi-year budgeting overall, the Executive Committee consider and approve a one-year budget only at this time.

The overall proposed 2017 budget of \$165.1 million represents a 13 percent increase from the \$146.1 million 2016 budget, and is reliant on the use of reserves due to the reduced level of the authorized 2017 licensing fee, and one-time costs associated with the advancement of key initiatives and Board directives. The budget is built using the cost allocation methodology approved by the Board in 2016, but does not allocate capital improvement costs. Increased overall expenses specifically relate to significant staffing augmentations in the Office of the Chief Trial Counsel, increased grant distribution due to bank settlement funding, the implementation of the discipline system case management system (CMS) project, and a significant increase in Legal Specialization (LS) program funding in accordance with a Board directed spend down of program reserves. Approval of the proposed budget will result in \$17.2 million in spending from the Bar's reserves across all Funds. Much of this reserve spending was planned and does not impact the Bar's Consolidated General Fund. Further, this reduction to the reserves will not impact the mandated fund balance levels as authorized by the Board, or otherwise adversely impact any contractual obligations other commitments that are tied to the Bar's reserves. Importantly, the proposed budget also allows the Bar to weather the funding reductions resulting from the lack of a statutory fee authorization without having to issue layoff notices to staff.

The somewhat unusual 2017 proposed budget which relies on deficit spending at a macro level belies the significant budget reductions and operating efficiencies that are also reflected therein. These efforts build upon similar work done in 2016 budget development and implementation. This agenda item provides a brief summary of 2016 budget to actuals, as an important point of reference for the Board.

BACKGROUND

The State Bar's proposed budget represents a complex mix of 23 General and non-General Fund funding sources supporting over 40 distinct functions within the organization. Pursuant to Board action in 2015, all of these sources can be categorized as one of three Fund types:

- Consolidated General Fund: accounts for spendable financial resources that can be used generally to support most aspects of the Bar's operations. The Consolidated General Fund consists of nine sub-funds:
 - Unconsolidated General Fund
 - Howard Building Fund
 - Legal and Education Development Fund
 - Los Angeles Facility Fund
 - Public Protection Fund
 - Support and Administration Fund
 - Technology Improvement Fund
 - Fixed Assets Fund
 - Benefits Reserve Fund
- Restricted Funds: Funds: accounts for activities and financial resources that can only be used for specific purposes or when constraints are placed on the use of resources imposed externally through legislation or similar external restrictions. The State Bar has ten funds in this group:
 - Legislative Activities Fund
 - EOB/Bar Relations Fund
 - Lawyer Assistance Program Fund
 - Legal Specialization Fund
 - Client Security Fund
 - IT Special Assessment Fund
 - Legal Service Trust Fund
 - Equal Access Fund
 - Justice GAP Fund
 - Bank Settlement Fund
- Special Revenue Funds: accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. The State Bar has four funds in this group:
 - Admissions Fund
 - Annual Meeting Fund
 - Grant Fund
 - Sections Fund

The primary source of funding for the Consolidated General Fund is the licensing fee paid by members of the State Bar, as (typically) authorized annually by Business and Professions Code section 6041. Accordingly, the Bar's discipline system, and the majority of the administrative functions supporting that system, are funded by the Consolidated General Fund.

Restricted Funds are primarily generated outside of the fee bill process, through either separate statutory authority (for example, the Client Security (CSF) and Lawyer Assistance Program (LAP) Funds), or grant or settlement sources. However two Restricted Funds may be dependent on fee bill authorization: Legislative Activities and Elimination of Bias/Bar Relations. Special Revenue Funds, including the Admissions and Sections Funds, are self-sustained by applicant fees or dues paid by members. While Restricted and Special Revenue Funds differ in their underlying revenue sources, neither is used to support Consolidated General Fund activity, other than as charged for administrative support services through the cost allocation process.

With respect to the Bar's 2017 Consolidated General Fund budget, after full negotiation involving stakeholders and multiple legislative hearings, the California Legislature adjourned its 2015-2016 Regular Session without having enacted a fee bill authorizing the State Bar to collect from active members the basic annual membership fee of \$315.

As a result, and pursuant to the State Bar's request, the Supreme Court issued an order authorizing an interim 2017 special regulatory assessment in the amount of \$297. This assessment level reflected full support for most programs funded by the Consolidated General Fund, as well as corresponding administrative support costs, with limited or no funding provided for a small number as follows:

Funded	Partially Funded	Unfunded
Office of the Chief Trial Counsel	Office of Communications (70 percent funded)	Access Commission
State Bar Court	California Young Lawyers Association (13.5 percent funded)	Center on Access to Justice
Office of Probation		Commission on Judicial Nominees Evaluation
Office of Professional Competence		
Mandatory Fee Arbitration		
Office of Member Records and Compliance		
Cost Allocated Administrative Programs ¹		

In addition, the \$297 assessment, though a reduction from the 2016 authorized level overall,

¹ Including the Office of the General Counsel, which was identified as a direct discipline program by the Supreme Court, Member Billing, similarly identified as a direct discipline function by the Supreme Court, and all other cost allocated functions including Human Resources, Finance, General Services, and Information Technology.

includes a \$9 per member, or \$1.67 million, *increase* in funding for the Office of the Chief Trial Counsel (OCTC). Lastly, the Court did not approve two “opt out” provisions, one \$5 opt out for Elimination of Bias/Bar Relations, and another \$5 for Legislative Activities.

DISCUSSION

I. 2016 Budget Performance and Implications for 2017

Preliminary actuals suggest that the Bar will close the 2016 books with a \$7.4 million budget surplus in the Consolidated General Fund. The adopted 2016 budget reflected a 6.2 percent overall reduction from the prior year; reductions were focused particularly on travel and catering costs, temporary help, and professional services. Current projections suggest that the Bar exceeded budgeted reductions in these particular areas. While travel, catering, and temporary help expenses align with budgeted amounts, savings of nearly \$2 million, or 50 percent, were realized in professional services expenses. A significant portion of these savings can be attributed to the Office of General Counsel, which has drastically reduced outside counsel expenses. Additional 2016 savings resulted from reduced capital improvement spending and personnel vacancies. 2016 budget surpluses have increased the Bar’s reserves, providing an important tool for mitigating 2017 budget challenges.

II. Consolidated General Fund²

Proposed 2017 Consolidated General Fund expenditures total \$81.3 million. Of this amount, \$8 million represents one-time costs³. Projected Consolidated General Fund revenues total \$72.7 million. These figures compare to 2016 estimated actual expenditures of \$66.4 million and revenue of 73.8 million. The 2017 Consolidated General Fund budget is not balanced; staff recommends that \$8.6 million of the Consolidated General Fund balance be used to address this budget variance. The impact of staff’s recommendation on the Consolidated General Fund balance is reflected in Attachment A.

The proposed 2017 Consolidated General Fund budget reflects the following principles:

- Reductions to travel, catering, professional services and temporary help initiated in 2016 should continue;
- Eligible employees will receive step increases in 2017;
- A minimum investment of \$1.67 million should be made in OCTC, and, to the extent possible, additional funding should be identified to support workforce planning and

² Due to the fact that the Consolidated General Fund has been significantly impacted by the lack of a fee bill and the resulting authorized assessment level, the present overview of the proposed 2017 budget disaggregates the Consolidated General Fund (Section II) and non-General Funds (Section III) so that the Board can readily identify the impact of staff’s recommendations on the most dependent and vulnerable area of the Bar’s budget (the Consolidated General Fund). As a result, some cost drivers, such as the Reduction in Force Program, are listed in both Sections.

³ LAP transfer (\$1.6 million); recommended capital improvement budget (\$1.7 million); Reduction in Force (\$2.2 million); CMS procurement (\$2.5 million), all discussed below.

backlog reduction efforts;

- The new CMS will be procured in 2017 and the project will begin;
- Funding should be identified to support Unfunded Programs, particularly JNE, the Access Commission, and the Center on Access to Justice; and
- Salary savings associated with staff's recommendation regarding Reduction in Force Program participation should not be reflected in the 2017 proposed budget.

In addition, assumptions were made regarding one-time costs impacting the Consolidated General Fund:

- The cost of the reversal of the \$1.6 million transfer from LAP to the CSF should be borne by the Consolidated General Fund (rather than CSF);
- Limited capital improvement investments are needed to maintain capital infrastructure integrity; and
- Separation payments associated with staff's recommendation regarding Reduction in Force Program participation should be reflected in the 2017 proposed budget.

Travel, Catering, Professional Services and Temporary Help

Continuing the priorities established in 2016, budgets in these areas have been scrutinized, with significant cuts realized. Although 2016 budgeted amounts in these areas reflected reductions ranging from 15-25 percent, preliminary 2016 actuals indicate that total spending in these areas was nearly \$2 million less than those reduced budgeted amounts. The 2017 budgeted expenses in these areas continue this trend, at \$3 million less than 2016 budgeted amounts, with temporary help and professional services each reduced in half as compared to the 2016 budget.

Employee Salaries

Consolidated General Fund employee salaries and benefits, totaling approximately \$50.1 million in 2017, up from \$44.8 million in 2016, are the largest single driver of the State Bar's costs. As described below, much of this increase is associated with increased staffing in OCTC. Additional cost drivers include annual "step" increases for bargaining unit employees who have not reached the top of the salary range.

Investments in OCTC

While the authorized 2017 assessment level mandates a \$1.67 million increase specifically for increased staffing in OCTC, the 2017 proposed budget reflects a \$3.4 million increase for the Office, more than double the Court-directed amount. Staff believes additional investment in OCTC is warranted to ensure the success of the workforce planning restructure, and to address case processing backlog; the Board will receive an update regarding workforce planning implementation efforts at its January 26, 2017, meeting.

CMS

The proposed budget includes \$4.8 million in Consolidated General Fund expenditures related to the CMS project. \$2.5 million of this amount is for system purchase; the remaining budgeted amounts are for other technology infrastructure needed to support deployment, as well as subject matter expert and project manager staffing. The official project kick-off will occur in late January or early February.

Unfunded Programs

The proposed budget includes funding for Unfunded Programs. The originally estimated and 2017 proposed budget Consolidated General Fund impact of the Unfunded Programs is outlined below:

Unfunded Programs	2016 FTE	2016 Budget	2017 FTE	2017 Budget
Office of Communications (30%)	1.7	\$365,300	1.4	\$254,000
CYLA (86.5%)	.8	\$149,700	0	\$0
Access Commission	0	\$21,800	0	\$16,800
Center on Access to Justice	9	\$1,233,100	8.5	\$1,136,000
Commission on Judicial Nominees Evaluation	4	\$678,700	3	\$468,000
Total Negative Impact	15.5	-\$2,981,800	12.9	-\$1,874,800

As reflected above, this budget proposes that no additional funding, beyond the 13.5 percent of the program authorized by the Court's assessment, be provided for CYLA⁴. In other areas, operating budget reductions and staff departures and transfers resulted in savings in Unfunded Program costs (when comparing 2016 vs. 2017), thus reducing the amount of funding needed to address the funding shortfall.

LAP Transfer

In recognition of the significant funding need in the CSF, staff recommends that the \$1.6 million reversal of the transfer of LAP reserves to the CSF directed by the Board of Trustees at its March 10, 2016, meeting be addressed by the Consolidated General Fund as opposed to the CSF. Supporting the transfer in this manner will effectuate the Board objective of returning funds to LAP, while also sustaining the benefits realized by the initial \$1.6 million transfer from LAP. Should the Board choose to repay LAP from the CSF instead of the Consolidated General Fund, 2017 CSF payouts would need to be reduced accordingly.

Capital Improvements

The Bar has a multi-year capital improvement program in place to ensure that its 180 Howard Street headquarters building operates safely and efficiently and complies with updated building codes. The inter-related, multi-stage projects involve the upgrade, replacement or new installation of components of Heating, Ventilation & Air Conditioning (HVAC) systems; Electrical and Plumbing systems; Fire/Life Safety systems; and roof, façade and structural elements.

Capital improvements were originally budgeted at \$4.6 million for 2016. However, due in part to uncertainty about the Bar's 2017 funding, and in part to the need to focus professional resources on the warm shell renovations of tenant floors (funded separately), some capital improvement

⁴ The 2017 proposed budget has been discussed with CYLA leadership. The funding provided will allow CYLA to continue core discipline related programming, in particular assisting in the development of new attorney MCLE and LAP outreach. The majority of the reduction comes from reduced Bar staffing in support of CYLA; staff believes that CYLA will continue to be appropriately supported even with this reduction. An additional impact of the proposed budget is that CYLA will not be funded for the development of its own programming in 2017.

projects were deferred or slowed down to where they could be suspended at efficient stopping points in 2016, ready to be picked up in 2017. 2016 projects (totaling approximately \$1.2 million) included upgrades to the smoke exhaust system; installation of a new fuel delivery system for the emergency generator; new risers (penetrations and conduits) related to the Fire/Life Safety System and Energy Management System; and replacement of the chiller fan coils. Projects for 2017 (estimated at \$1.7 million) include replacement of fire/smoke dampers on seven floors; replacement of cooling coils and condensate drip pans; repair or replacement of the main condenser water riser; structural upgrades to core walls; and additional waterproofing of the building façade.

Pursuant to the approach taken last year, staff will recommend that a portion of the \$1.7 million be cost allocated to non-Consolidated General Fund programs per the adopted allocation methodology. Capital improvement cost allocation will reduce the impact of this expense on the Consolidated General Fund.

Reduction in Force

As outlined in a separate item also being considered by the Executive Committee on January 16, 2017, the estimated Consolidated General Fund impact of separation payments associated with staff recommended RIF participation and replacement numbers is \$2.2 million. The present budget includes the costs associated with these separation payments. Importantly, and reflecting a conservative fiscal approach, the proposed budget *does not* reflect anticipated associated salary savings associated with RIF participation. These Consolidated General Fund savings are estimated at \$1.4 million. Staff recommends that the Executive Committee direct staff to prepare a final report on the fiscal impact of the RIF once the program has been fully implemented and actual participant numbers are known.

III. Other Funds (Non- Consolidated General Fund)

Proposed 2017 Special and Restricted (non- Consolidated General) Fund expenditures total \$83.8 million. Projected non-Consolidated General Fund revenues total \$74.9 million. These figures compare to 2016 estimated actual expenditures of \$73.4 million and revenue of \$115.2 million. The 2017 non-Consolidated General Fund budget is not balanced; staff recommends that \$8.9 million of the non-Consolidated General Funds balances be used to address this budget variance. The impact of staff's recommendation on non-General Fund balances is reflected in Attachment A.

The proposed 2017 non-Consolidated General Fund budget reflects the following principles:

- Reductions to travel, catering, professional services and temporary help initiated in 2016 should continue;
- Eligible employees will receive step increases in 2017 (discussed in Section I., above);
- The transition to the 2-day bar exam effective July, 2017, will result in reduced costs;
- The trend towards declining numbers of candidates taking the bar exam will continue in 2017; and
- Limited funding should be identified to support non-General Fund Unfunded Programs.
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In addition, one-time costs impacting the non-Consolidated General Fund were identified:

- Bank grant settlement money received in 2016 will be allocated in part in 2017;
- Significant increases in LS spending as well as a program fee holiday in line with that program's reserve spend-down plan; and
- Separation payments associated with staff's recommendation regarding Reduction-in-Force Program participation should be reflected in the 2017 proposed budget.

Travel, Catering, Professional Services and Temporary Help

Proposed non-Consolidated General Fund spending in these target areas is equivalent to 2016 budgeted amounts after accounting for a significant increase in LS projected expenditures resulting from that program's planned spend-down of reserves. Thus, the 2017 proposed budget retains the reductions in these areas first implemented during the 2016 budget process.

Admissions Program Budget Assumptions

The bar exam will transition from a three to a two-day format effective with the July 2017 exam. Because of longstanding contracts for exam facilities, the change is not expected to immediately result in a 1/3 reduction in all exam administration related costs. Reductions of approximately \$350,000 are anticipated however, and have been incorporated in the proposed budget. Offsetting these savings are projected reductions in the numbers of applicants taking the exam, reflecting a recent trend stemming from declining law school enrollment. While difficult to predict, the proposed budget reflects a \$500,000 reduction in bar exam revenue to account for this trend.

Unfunded Non-General Fund Programs

As noted above the authorized assessment indirectly impacts two non-General Fund Funds: Elimination of Bias/Bar Relations and Legislative Activities, for a total impact of -\$1.378 million. The originally estimated and 2017 proposed non-General Fund impact of the Unfunded Programs is outlined below:

Non GF Programs Impacted By Assessment	2016 FTE	2016 Budget	2017 FTE	2017 Budget
Legislative Activities	2	\$529,400	1.15	\$330,000
Elimination of Bias	2	\$475,670	1	\$250,000
Bar Relations	2	\$373,030	.7	\$67,100
Lost Indirect Costs		\$533,200		\$277,100
Total Negative Impact	6	-\$1,911,300	2.85	-\$924,200

Operating budget reductions and staff departures and transfers resulted in savings in non-General Fund Unfunded Program costs (2016 vs. 2017), thus reducing the amount of funding needed to be identified through the 2017 budget process. The recommended funding level allows for:

- Minimal levels of staff work to advance legislative relations;
- Funding for a contract lobbyist;
- 1 dedicated staff person to support continued Elimination of Bias efforts;
- A limited operating budget for the Council on Access and Fairness; and
- Transitional funding for Bar Relations, which staff recommends cease as a Bar program

effective April, 2017.

Given that each of these is supported by a Restricted Fund, staff recommends that all budgeted funding for these programs be drawn from the respective Fund's balance (e.g. Legislative Activities expenses will be borne by the Legislative Activities Fund balance).

Bank Settlement Grants

The Bar received \$44.7 million in bank settlement funds in 2016; that initially unbudgeted revenue is reflected in the significant increase between the estimated and actual non-General Fund December 31, 2016, reserve balance. In 2017, \$5.5 million is budgeted to be spent from these funds.

Legal Specialization Spend-Down

On July 21, 2016, the Board of Trustees approved a \$6 million spend-down plan for the Legal Specialization program, needed to bring that program in compliance with the Board adopted Reserve Policy. The 2017 budget reflects this plan, including a fee holiday (revenue reduction), and significant increases in technology and professional services expenditures related to key components of the plan. The July 21 agenda item is provided for reference as Attachment B⁵.

Reduction in Force

The estimated non-Consolidated General Fund impact of separation payments associated with staff recommended RIF participation and replacement numbers, is \$720,000.

IV. Overall Impact

The 2017 proposed budget is reliant on the use of reserves. The cumulative impact of staff's recommendations on reserve balances is detailed in Attachment A and outlined below. As outlined in the table on the following page, other than the EOB/Bar Relations Fund, proposed expenditures leave all Fund balances well above the Board's minimum reserve floor of 17 percent. Staff feels that it is appropriate for the EOB/Bar Relations Fund balance to dip below this floor given the recommendation to discontinue the Bar Relations program effective April 1, 2017.

⁵ Agenda item is provided absent its attachments; these can be found on Board Meetings Archive page of the State Bar website.

Fund	12/31/15 Balance	12/31/16 Balance	2017 Projected Revenue	2017 Projected Expenditures	12/31/17 Projected Balance	Reserve %
Consolidated GF	\$18,300,000	\$25,700,000 ⁶	\$72,700,000	\$81,300,000	\$17,370,000 ⁷	24.4%
Admissions	\$4,015,000	\$4,506,000	\$20,960,000	\$20,537,000	\$4,761,000	29.4%
Annual Meeting	(\$67,000)	(\$55,000)	-	-	(\$55,000)	n/a
Grant	\$375,000	\$415,000	\$6,000	\$6,000	\$415,000	6916%
Sections	\$8,612,000	\$7,558,000	\$9,010,000	\$8,609,000	\$7,699,000	108%
Legislative Activities	\$720,000	\$418,000	\$102,000	\$413,000	\$107,000	32.42%
EOB/Bar Relations	\$605,000	\$423,000	- ⁸	\$317,200	\$64,800	15.07%
Lawyer Assistance Program	\$2,240,000	\$1,177,000	\$3,685,000	\$1,580,000	\$3,167,000	259.38%
Legal Specialization	\$5,418,000	\$6,161,000	\$430,000	\$5,364,000	\$1,227,000	26.6%
Client Security	\$2,215,000	\$3,098,000	\$8,035,000	\$7,202,000	\$3,837,000	282.1%
IT Special Assessment	\$1,211,000	\$1,215,000	-	\$150,000	\$1,215,000	n/a
Legal Service Trust Fund	\$12,368,000	\$8,202,000	\$12,450,000	\$15,041,000	\$5,530,000	395%
Equal Access Fund	\$161,000	\$1,234,000	\$19,650,000	\$19,216,000	\$1,668,000	834%
Justice GAP	\$513,000	\$1,555,000	\$602,000	⁹		n/a
Bank Settlement	-	\$44,270,000	-	\$5,525,000	\$38,745,000	43050%

With respect to non-Consolidated General Fund reserve spending, the corresponding projects and initiatives were long-planned to be funded by fund balances; as such, this deficit spending was expected and should not cause concern.

Of the 2017 projected Consolidated General Fund expenditures, \$8 Million (RIF program, capital improvements (\$1.7 million), CMS purchase (\$2.5 million), and LAP transfer (\$1.6 million)), are one-time in nature. Thus, the *structural deficit* reflected in the proposed budget totals approximately \$600,000 (\$81.3 million in projected expenses minus \$8 million in one-time costs totals \$73.3 million in ongoing expenses, versus \$72.7 million in projected revenue). Staff believes that the Bar can reasonably absorb this deficit given a number of factors including:

- RIF Program salary savings have not been factored into the budget while one-time separation payments have, in an effort to present the most conservative fiscal picture

⁶ Includes \$8.3 million in restricted funding.

⁷ Includes \$4.6 million in restricted funding.

⁸ Although no revenue is projected, in reality some may be received through voluntary donations that are provided for on the 2017 fee statement.

⁹ Expenses recorded under Legal Services Trust Fund.

possible given the unpredictability of actual RIF participation numbers. These savings are estimated to well exceed the ongoing budget deficit.

- Staff is in the process of reviewing fees charged for a myriad of Bar services including MCLE Provider Certification, which may result in adjustments that increase revenue. Most importantly, after a multi-year hiatus, the Bar has recently launched a reinvigorated collections effort, with a kick-off meeting taking place last week with a newly contracted collections vendor.
- A portion of the \$1.7 million capital improvement budget will be recommended for cost allocation to non-Consolidated General Fund programs per the approach taken by the Board in 2016. This will reduce the budget deficit in the Consolidated General Fund.
- Separate and apart from these internal revenue enhancement initiatives is the Bar's ongoing work with the Legislature, in a concerted effort to reach timely agreement regarding the 2018 fee bill that includes adequate funding for the Bar.

It is with these factors in mind that staff feels that the proposed 2017 budget, though drawing upon the reserves to balance, is an appropriate one. The budget allows the Bar to make significant progress on much needed investments in OCTC, sustain critical programs jeopardized by the 2017 assessment level, and to address one-time issues, such as the LAP transfer, in a timely and transparent manner. While the deficit-spending overall nature of the proposed budget might superficially suggest otherwise, the budget contains a number of important reductions in operating costs. These cuts, both small and large, will, in the aggregate, allow the Bar to absorb the "double-whammy" of reduced license fee funding and a mandated redirection of a portion of the remaining funds specifically to OCTC budget augmentation. The staff is to be applauded for creativity in reaching a solution that not only maintains status quo operations, but also allows for progress on key organizational initiatives.

BOARD BOOK IMPACT

None

RECOMMENDATION

Staff recommends that the Executive Committee adopt the budget as provided in Attachment C. Staff also recommends that the Executive Committee delegate to staff the ability to make technical adjustments and corrections to the proposed budget prior to its statutorily required submission to the Legislature and the Supreme Court on February 15, 2017. Lastly, staff recommends that the Executive Committee direct staff to report back on final RIF Program implementation and resulting impact on the 2017 budget. At that time, staff will also bring recommendations forward to the Board regarding 2017 cost allocation.

PROPOSED EXECUTIVE COMMITTEE RESOLUTION:

Should the Executive Committee concur with staff's recommendation, the following resolution would be in order:

RESOLVED, that the Executive Committee hereby adopts the 2017 Budget in the form presented to the Board this day;

RESOLVED, that the Executive Committee hereby authorizes staff to make technical adjustments and corrections to the 2017 Budget prior to submitting it to the Legislature and Supreme Court on February 15, 2017; and

RESOLVED, that the Executive Committee directs staff to report back on final RIF Program implementation and the resulting impact of the 2017 budget as well as final proposed 2017 cost allocation figures.