

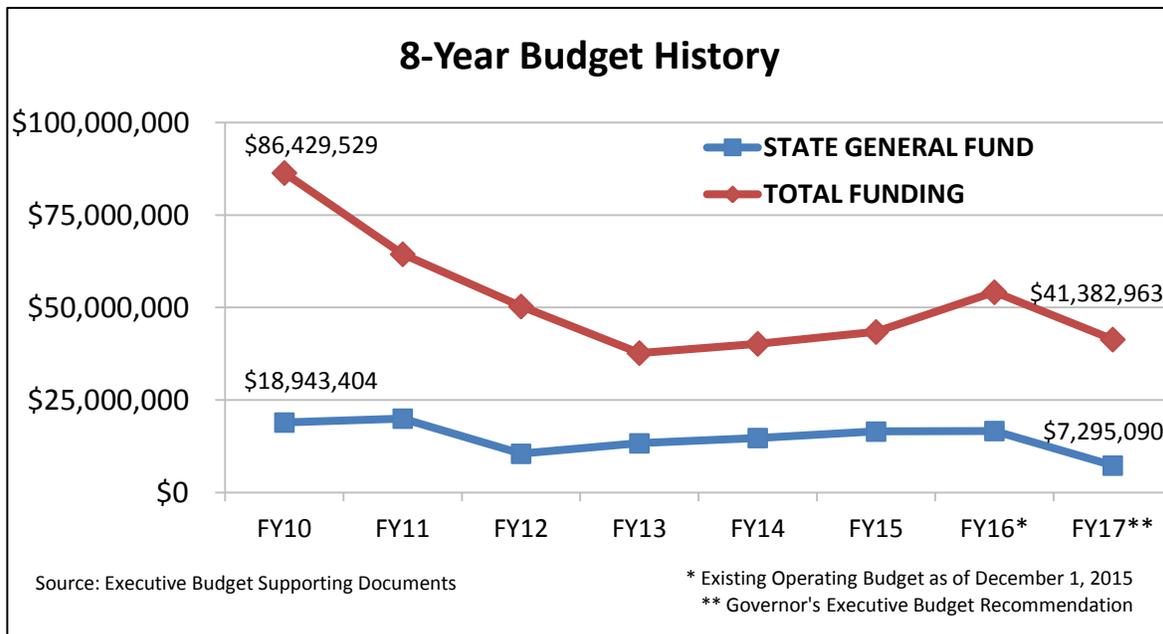
DEPARTMENT OF ECONOMIC DEVELOPMENT

FY 16 Governor's Deficit Plan

- The Governor's Deficit plan for the Department of Economic Development totals \$585,607 and includes \$347,985 in State General Fund, \$91,448 in Statutory Dedications, and \$146,174 in Fees and Self Generated Revenue.
- Statutory Dedications reduced include the Entertainment Promotion and Marketing Fund (\$16,182) and the Marketing Fund (\$75,266).
- The reduction will be distributed between the Office of the Secretary (\$219,726) and Office of Business Development (\$365,881).
- The Department took a \$118,392 reduction in the 1st mid-year deficit reduction plan for a total reduction of \$703,999 in Fiscal Year 2016.

FY 16 Deficit Reduction Plan	Remaining Total Budget	\$21,474,900
	Remaining State Effort	\$17,721,389
	Reduction of State Effort	(\$585,607)
	Reduction Percentage	(3.3%)
Governor's Executive Order	State General Fund	(\$347,985)
Governor & JLCB Approval	State General Fund	\$0
	Const. & Stat. Ded.	\$0
	Total	\$0
Legislative Approval	State General Fund	\$0
	Const. & Stat. Ded.	(\$91,448)
	Self-Gen. Revenues	(\$146,174)
	Total	(\$237,622)

FY 17 Executive Budget



DEPARTMENT OF ECONOMIC DEVELOPMENT

Means of Finance / Expenditures	Actual Expenditures FY 14-15	EOB FY 15-16 (12/1/15)	Exe Bud Rec FY 16-17	Dollar Change	Percent Change
State General Fund	\$16,491,399	\$16,649,775	\$7,295,090	(\$9,354,685)	(56.2%)
Interagency Transfers	\$1,535,955	\$2,856,159	\$0	(\$2,856,159)	(100.0%)
Fees and Self-Gen Rev	\$2,548,329	\$2,967,602	\$8,387,873	\$5,420,271	182.6%
Statutory Dedications	\$19,973,664	\$24,997,069	\$18,200,000	(\$6,797,069)	(27.2%)
Federal Funds	\$2,891,473	\$6,711,410	\$7,500,000	\$788,590	11.7%
TOTAL MOF	\$43,440,820	\$54,182,015	\$41,382,963	(\$12,799,052)	(23.6%)
Salaries	\$8,715,933	\$8,313,104	\$4,688,448	(\$3,624,656)	(43.6%)
Other Compensation	\$150,283	\$141,014	\$141,014	\$0	0.0%
Related Benefits	\$4,116,251	\$4,103,711	\$2,339,543	(\$1,764,168)	(43.0%)
Travel	\$546,861	\$511,112	\$674,603	\$163,491	32.0%
Operating Services	\$1,056,084	\$808,370	\$808,370	\$0	0.0%
Supplies	\$191,127	\$199,756	\$199,756	\$0	0.0%
Prof Svcs	\$5,415,811	\$7,143,389	\$9,466,949	\$2,323,560	32.5%
Other Charges	\$23,248,470	\$32,961,559	\$23,064,280	(\$9,897,279)	(30.0%)
Acq/Major Repairs	\$0	\$0	\$0	\$0	0.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$43,440,820	\$54,182,015	\$41,382,963	(\$12,799,052)	(23.6%)
Authorized Positions	113	110	110	0	0.0%

- As part of the Governor's plan to solve for the \$2 billion projected deficit for FY 16-17, State General Funds are reduced by \$9.4 million, or 56%.
- Fees and Self Generated revenues increased due to the passage of Act 361 and Act 412 of the 2015 Regular Session which allowed the department to increase various fees charged to businesses applying for incentives and programs along with budget authority to obtain cost verification reports assessed to entertainment tax credit program applicants.
- Part of the overall reduction includes \$14.2 million in obligations from FY16 not needed in FY17.
- Other Charges include \$10,378,000 for the FastStart Program, \$7,500,000 for the Small Business Credit Initiative, \$1,686,768 for the State Economic Competitiveness initiative, \$1,360,000 for the Louisiana Economic Development Regional Awards and Matching Grant program (Tier 1), \$1,000,000 for Marketing Education Initiatives, along with other standard operating expenses.

Statutory Dedications That Would Otherwise Revert to SGF	
Statutory Dedication	FY17 Recommended
Louisiana Economic Development Fund	\$16,200,000
Marketing Fund	\$2,000,000

Department Contacts		
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DEPARTMENT OF ECONOMIC DEVELOPMENT

DEBT SERVICE AND STATE COMMITMENTS

- Current plan reduces Statutory Dedications from the Rapid Response Fund (\$1,888,213) and Louisiana Mega-Project Development Fund (\$1,206,626) along with Self Generated Revenue (\$38,368).
- 1st midyear deficit reduced \$8,310,149 from the program.
- Total FY16 reduction \$11,443,356

FY 16 Deficit Reduction Plan	Remaining Total Budget	\$42,533,817
	Remaining State Effort	\$42,533,817
	Reduction of State Effort	(\$3,133,207)
	Reduction Percentage	(7.4%)
Governor's Executive Order	State General Fund	\$0
	Governor & JLCB Approval	
Governor & JLCB Approval	State General Fund	\$0
	Const. & Stat. Ded.	\$0
	Total	\$0
Legislative Approval	State General Fund	\$0
	Const. & Stat. Ded.	(\$3,094,839)
	Self-Gen. Revenues	(\$38,368)
	Total	(\$3,133,207)

Means of Finance / Expenditures	Actual Expenditures FY 14-15	EOB FY 15-16 (12/1/15)	Exe Bud Rec FY 16-17	Dollar Change	Percent Change
State General Fund	\$976,814	\$31,006,650	\$32,867,863	\$1,861,213	6.0%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev	\$4,521,080	\$1,278,920	\$0	(\$1,278,920)	(100.0%)
Statutory Dedications	\$37,638,685	\$57,472,086	\$10,060,000	(\$47,412,086)	(82.5%)
Federal Funds	\$0	\$0	\$0	\$0	0.0%
TOTAL MOF	\$43,136,579	\$89,757,656	\$42,927,863	(\$46,829,793)	(52.2%)

- FY17 budget is reduced by 52% (\$46,829,793). This includes an 82.5% reduction in Statutory Dedications from the Louisiana Mega Project Development fund which depleted in FY16.

Funding is included for 28 projects:

\$3,269,175	Jefferson Facilities, Inc./Northrop Grumman	\$4,157,833	Benteler Steel
\$3,293,625	England Economic & Industrial Development District	\$1,352,167	Caddo-Bossier Parishes Port Commission
\$4,015,750	Nucor	\$3,340,270	IBM - Baton Rouge
\$1,200,000	St. Gobain Container	\$1,338,265	GE Capital
\$615,000	EA Sports	\$480,000	Smoothie King USA
\$1,280,000	SNF Holdings	\$1,000,000	(CSC) LSU
\$352,783	Global Star	\$3,598,958	Computer Sciences Corporation
\$150,000	Lighthouse for the Blind	\$375,000	CGI
\$1,875,000	KPAQ	\$231,827	Bell Helicopter
\$200,000	Gameloft	\$1,302,210	Chiquita Brands International
\$1,300,000	Ronpak	\$1,000,000	IBM - Monroe
\$300,000	CenturyLink	\$150,000	Brown & Root
\$50,000	Mortgage Contracting Services	\$2,075,000	Yuhuang Chemical
\$125,000	Ameritas	\$4,500,000	Viking Cruises