



HOUSE COMMITTEE ON APPROPRIATIONS

FY 12-13

Executive Budget

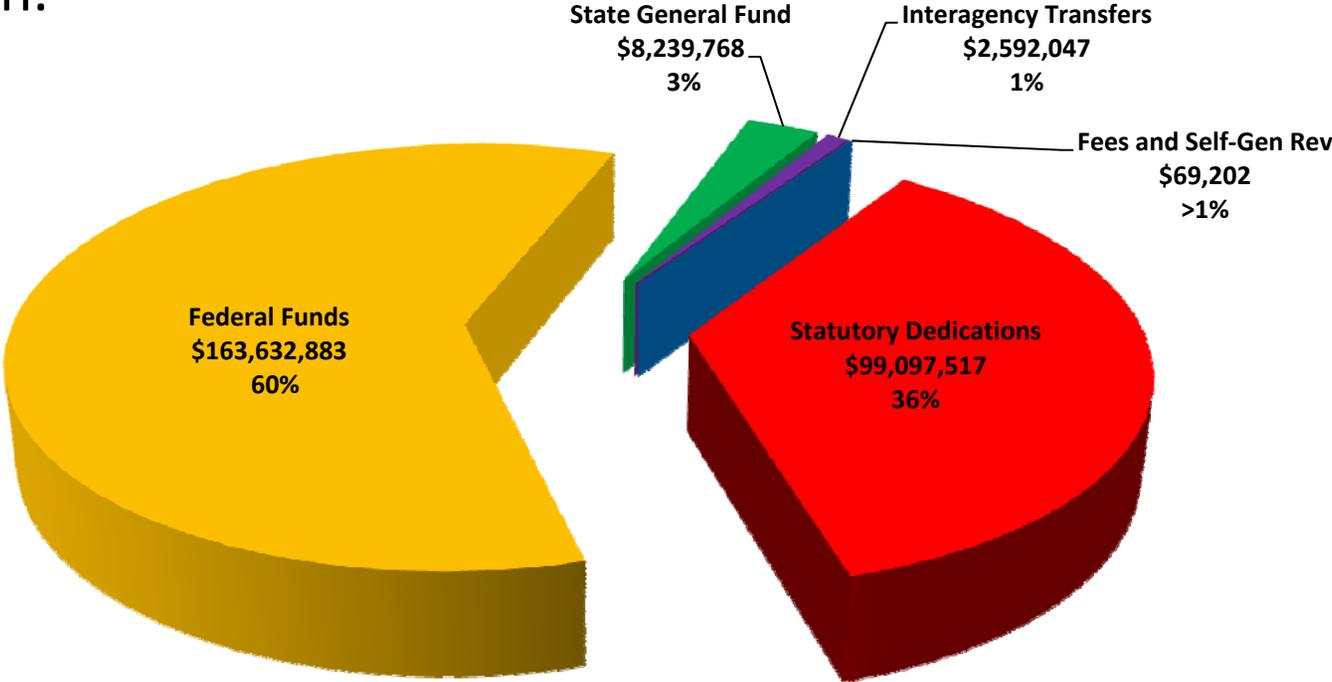
Louisiana Workforce Commission

March 8, 2012



Executive Budget Recommendation

- FY 12-13 Executive Budget Recommendation is \$273.6 million.





Executive Budget Recommendation

Louisiana Workforce Commission					
Means of Finance	FY 10-11 Actual	FY 11-12 Existing Operating Budget 12/1/11	FY 12-13 Executive Budget Recommended	Change from FY11-12 to FY12-13	Percent Change
State General Fund	\$8,283,722	\$8,239,768	\$8,239,768	\$0	0.0%
Interagency Transfers	\$7,999,372	\$4,830,990	\$2,592,047	(\$2,238,943)	-46.3%
Fees and Self-Gen Rev	\$0	\$69,202	\$69,202	\$0	0.0%
Statutory Dedications	\$88,981,649	\$98,052,802	\$99,097,517	\$1,044,715	1.1%
Federal Funds	\$180,430,540	\$172,019,687	\$163,632,883	(\$8,386,804)	-4.9%
TOTAL	\$285,695,283	\$283,212,449	\$273,631,417	(\$9,581,032)	-3.4%
Authorized Positions	1,219	1,191	1,155	(36)	-3.0%



Significant Budget Adjustments Statewide

- | | |
|---------------|--|
| \$2,342,699 | Net funding for the salary base and attrition adjustments (-\$17,778 SD, and \$2,360,477 FED). |
| (\$391,226) | Reduces funding due to personnel reductions. There is a T.O. decrease of 36 associated with this funding (-\$135,484 SD and -\$255,742 FED). |
| (\$5,077,060) | Reduces funding for state employee retirement (-\$880,067 SD, and -\$4,196,993 FED). |



Significant Budget Adjustments Non Recur Funding

(\$2,238,943) SD Non-recur funding for the Louisiana
Employment Assistance Program (LEAP).

(\$2,466,896) Non-recur funding for the 27th pay period
(-\$483,835 SD, -\$1,983,061 FED)



Significant Budget Adjustments Means of Financing Substitutions

\$2,843,102 SD Increase Statutory Dedications and decrease Federal funds. Employment Security Administration Account funds will be used to support career solution centers that provide workforce development assistance to businesses and job seekers.



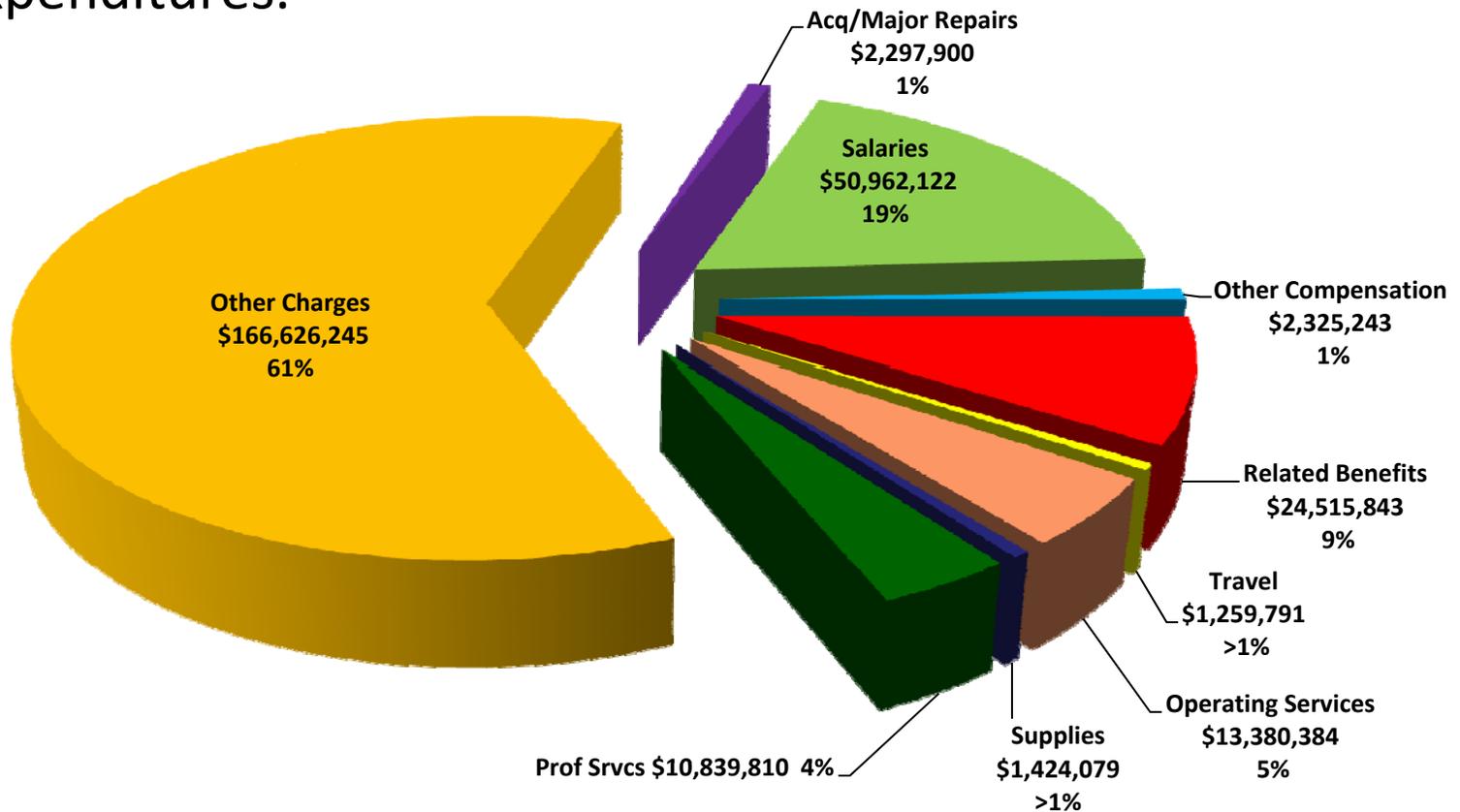
Significant Budget Changes Increases

There are no significant increases in the Executive Budget for the Louisiana Workforce Commission.



Executive Budget Recommendation

- FY 12-13 Executive Budget Recommendation by expenditures.





Executive Budget Recommendation

Louisiana Workforce Commission Expenditure Comparison					
Expenditures	FY 10-11 Actual	FY 11-12 Existing Operating Budget 12/1/11	FY 12-13 Executive Budget Recommendation	Change from FY 11-12 to FY 12-13	Percent Change
Salaries	\$52,740,736	\$51,499,464	\$50,962,122	(\$537,342)	-1.0%
Other Compensation	\$4,342,492	\$2,325,243	\$2,325,243	\$0	0.0%
Related Benefits	\$24,485,459	\$29,290,708	\$24,515,843	(\$4,774,865)	-16.3%
Travel	\$723,388	\$1,259,791	\$1,259,791	\$0	0.0%
Operating Services	\$11,985,757	\$13,046,117	\$13,380,384	\$334,267	2.6%
Supplies	\$912,852	\$1,424,079	\$1,424,079	\$0	0.0%
Prof Svcs	\$2,288,480	\$11,182,810	\$10,839,810	(\$343,000)	-3.1%
Other Charges	\$187,472,713	\$170,879,887	\$166,626,245	(\$4,253,642)	-2.5%
Acq/Major Repairs	\$743,406	\$2,304,350	\$2,297,900	(\$6,450)	-0.3%
TOTAL EXP	\$285,695,283	\$283,212,449	\$273,631,417	(\$9,581,032)	-3.4%



Executive Budget Recommendation

- Discretionary vs Non-Discretionary

Expenditures	FY 12-13 Exe Bud Recommendation	Percent
Discretionary	\$263,974,268	96.5%
Non-Discretionary	\$9,657,149	3.5%
TOTAL	\$273,631,417	100.0%

- The non-discretionary funds consist of employers contributions for retiree's group insurance, maintenance in state owned building and legislative auditor fees.



Statutory Dedications

LOUISIANA WORKFORCE COMMISSION					
Statutory Dedication Comparison					
Statutory Dedications	FY 10-11 Actual Expenditures	FY 11-12 Existing Operating Budget 12/1/11	FY 12-13 Executive Budget	Change FY 11-12 to FY 12-13	Percent Change
Incumbent Worker Training Account	\$23,440,249	\$26,624,203	\$26,596,649	(\$27,554)	-0.1%
Employment Security Administration Account	\$304,894	\$5,044,157	\$5,030,973	(\$13,184)	-0.3%
Penalty and Interest Account	\$2,242,751	\$2,298,620	\$2,836,966	\$538,346	23.4%
Overcollections Fund	\$639,780	\$0	\$0	\$0	0.0%
Louisiana Workers' Compensation 2nd Injury Board	\$40,260,908	\$46,340,514	\$46,359,702	\$19,188	0.0%
Blind Vendors Trust Fund	\$900,556	\$1,314,626	\$650,123	(\$664,503)	-50.5%
Office of Workers' Comp Admin Fund	\$12,862,267	\$15,542,886	\$16,578,389	\$1,035,503	6.7%
TOTAL	\$80,651,405	\$97,165,006	\$98,052,802	\$887,796	0.9%



Major Statutory Dedications

- Incumbent Worker Training Account (R.S. 23:1514)
 - Amounts from this account shall be pledged and dedicated exclusively to fund training for businesses operating in Louisiana that incur a state unemployment insurance tax liability.
 - Funding from this account are dedicated exclusively to fund training for businesses operating in Louisiana that incur a state unemployment insurance tax liability.
 - Funding is used for specific types of training: customized training, small business employee training, and pre-employment training.



Major Statutory Dedications

- **Louisiana Workers' Compensation Second Injury Fund (R.S. 23:1371)**
 - The source of revenue is from an annual assessment against insurance carriers and self-insured. The board may suspend or lower this assessment rate annually.
 - The purpose is to encourage the employment, re-employment, or retention of employees who have a permanent, partial disability.
- And
- Protect employers, group self-insurance funds, and property and casualty insurers from excess liability for workers' compensation for disability when a subsequent injury to such an employee merges with his preexisting permanent physical disability to cause a greater disability than would have resulted from the subsequent injury alone.



Salaries and Positions

- \$53.3 million for Salaries and Other Compensation and \$24.5 million for Related Benefits. Total Personal Services = \$77.8 million, 28% of the total Executive Budget Recommendation.
- 1,155 Total Positions (1,136 classified and 19 unclassified)
- Average salaries for the department
 - Unclassified - \$98,528
 - Classified- \$46,279
- As of February 15th, the Louisiana Workforce Commission had 145 vacancies
- The department T.O. was reduced by 36 in the Executive Budget Recommendation



List of Louisiana Workforce Commission Contacts

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