

Representative Jim Fannin
Chairman



Representative Simone Champagne
Vice Chairman

FY 13-14 Executive Budget Review
LOUISIANA WORKFORCE COMMISSION

House Committee on Appropriations

by House Fiscal Division

March 14, 2013



Agenda

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Department Structure

Workforce Support and Training

- Office of the Executive Director Program
- Office of Management and Finance Program
- Office of information Systems Program
- Office of Workforce Development Program
- Office of Unemployment Insurance Administration Program
- Office of Workers Compensation Administration Program
- Office of the 2nd Injury Board Program



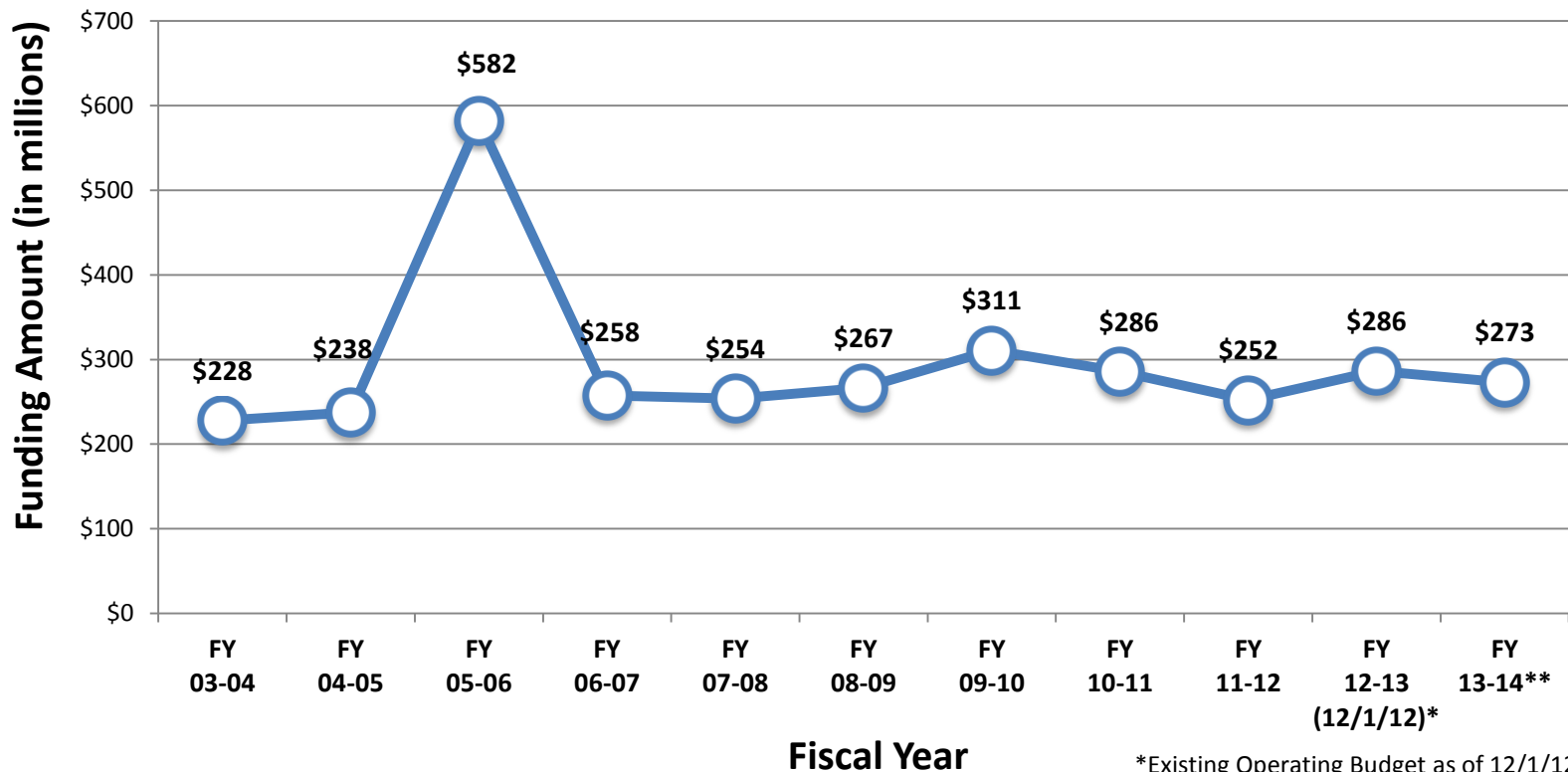
Means of Finance

Means of Finance	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State General Fund	\$7,859,768	\$8,239,768	\$8,239,768	\$0	0.0%
Interagency Transfers	\$3,466,229	\$4,295,877	\$2,222,766	(\$2,073,111)	-48.3%
Fees and Self-Gen Rev	\$27,000	\$69,202	\$69,202	\$0	0.0%
Statutory Dedications	\$90,798,348	\$100,926,430	\$97,225,256	(\$3,701,174)	-3.7%
Federal Funds	\$150,051,665	\$172,868,097	\$165,174,992	(\$7,693,105)	-4.5%
TOTAL	\$252,203,010	\$286,399,374	\$272,931,984	(\$13,467,390)	-4.7%
Authorized Positions	1,191	1,155	1,033	(122)	-10.6%



10 Year Budget History

LOUISIANA WORKFORCE COMMISSION (Total Means of Finance)



*Existing Operating Budget as of 12/1/12
**Governor's Executive Budget Recommendation

Source: Executive Budget Supporting Documents



Major Sources of Revenues FY 13-14

Federal Funds- \$165 million

- U.S. Department of Labor
- Department of Education
- Community Service Block Grants
- Reed Act

Statutory Dedications - \$97 million

- Incumbent Worker Training Program
- Employment Security Administration
- Penalty and Interest Account
- Workers Compensation Administration
- Second Injury Board Fund
- Blind Vendors Trust Fund



Expenditure Breakdown

Expenditures	FY 11-12 Actual Expenditures	FY 12-13 Existing Operating Budget (12/1/12)	FY 13-14 Executive Budget Recommendation	Change from FY 12-13 to FY 13-14	Percent Change from FY12-13 to FY13-14
Salaries	\$51,132,047	\$50,962,122	\$48,421,097	(\$2,541,025)	-5.0%
Other Compensation	\$4,084,935	\$2,325,243	\$2,325,243	\$0	0.0%
Related Benefits	\$26,733,280	\$30,579,970	\$30,333,952	(\$246,018)	-0.8%
Travel	\$710,953	\$1,259,791	\$1,259,791	\$0	0.0%
Operating Services	\$11,456,159	\$13,380,384	\$14,380,384	\$1,000,000	7.5%
Supplies	\$863,966	\$1,424,079	\$1,424,079	\$0	0.0%
Prof Srvcs	\$4,579,853	\$15,839,810	\$10,739,810	(\$5,100,000)	-32.2%
Other Charges	\$150,890,632	\$168,330,075	\$161,762,221	(\$6,567,854)	-3.9%
Acq/Major Repairs	\$1,751,185	\$2,297,900	\$2,285,407	(\$12,493)	-0.5%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$252,203,010	\$286,399,374	\$272,931,984	(\$13,467,390)	-4.7%

Salaries

- Reduction in funding attributable to the elimination of 122 vacant positions and attrition

Operating Services

- Additional funding to provide for licensing and maintenance of information technology hardware and software

Professional Services

- Reduction is due to the non-recurring of the unemployment insurance automation contract

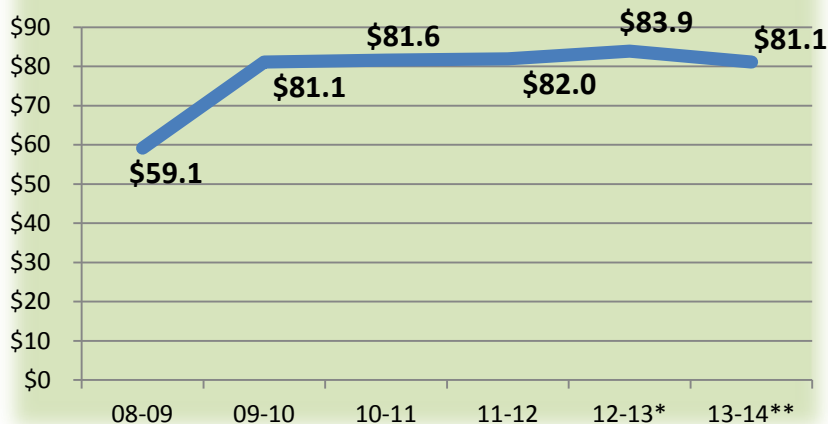
Other Charges

- Reduction in funding due the non-recurring of National Emergency Grants and non-recurring carryforwards

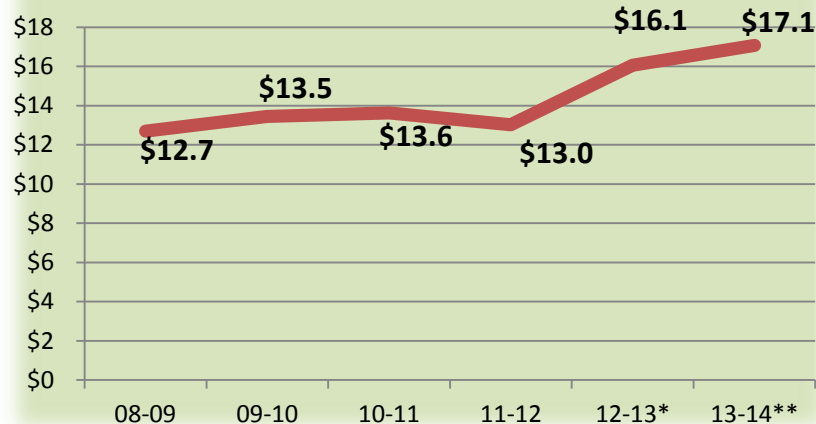


6-Year Expenditure History (in millions)

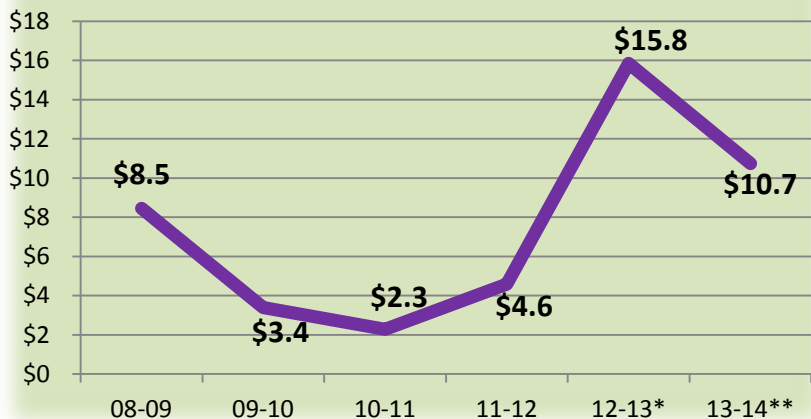
Personal Services



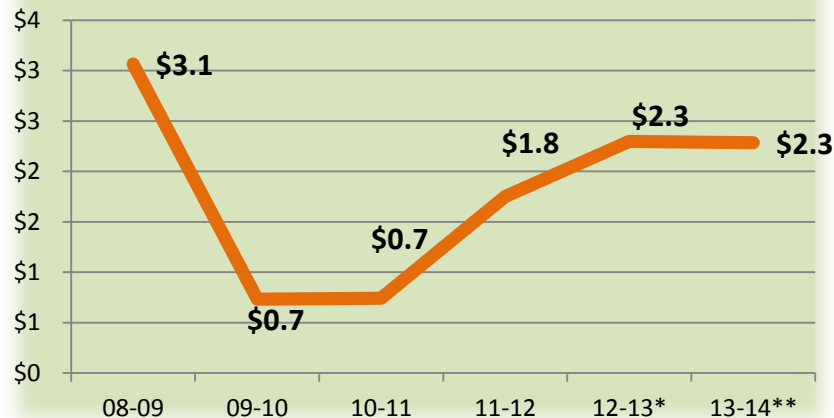
Operating Expenses



Professional Services

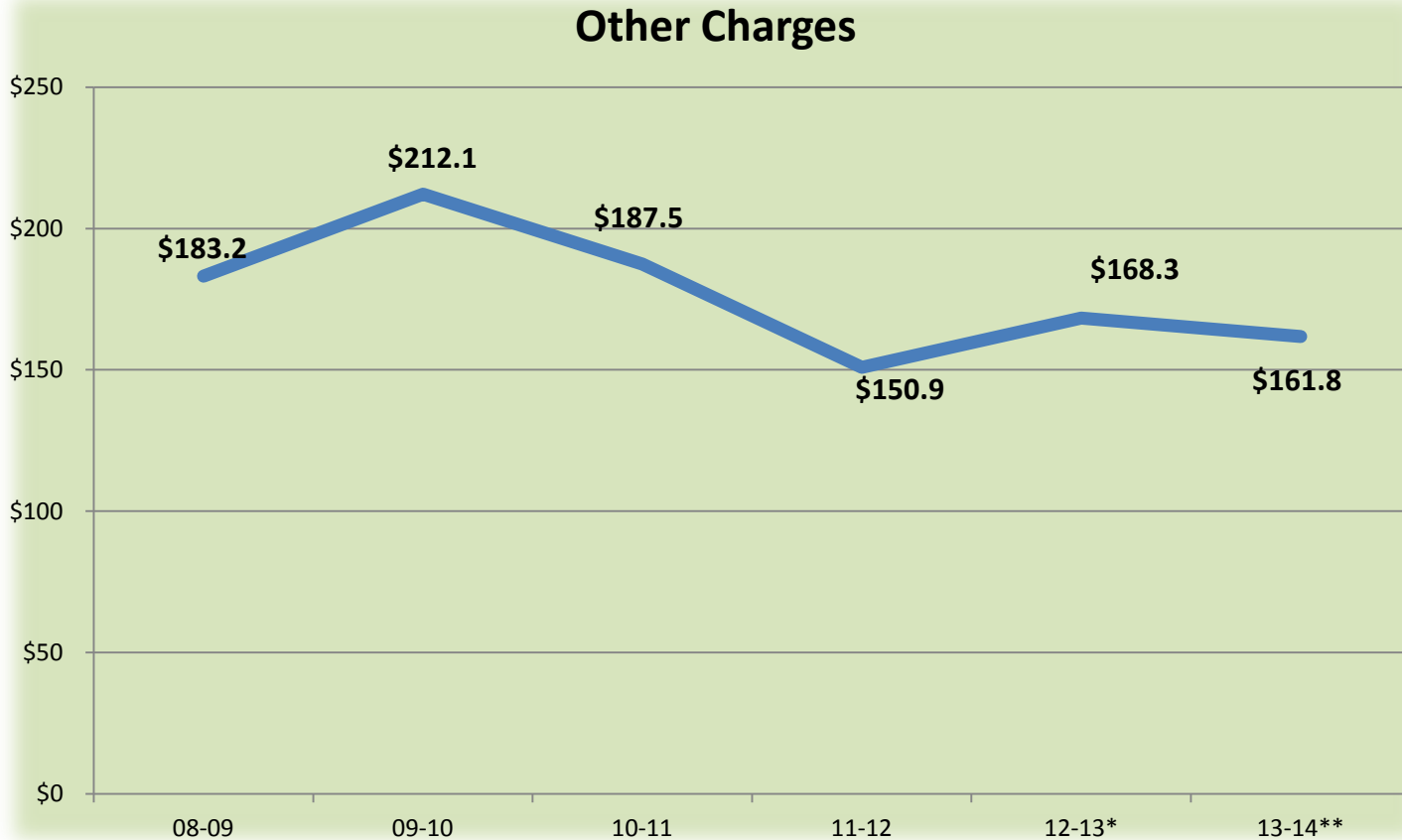


Acquisitions & Major Repairs





6-Year Expenditure History (in millions)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/12

**Governor's Executive Budget Recommendation



Significant Adjustments

Non-recurring funds associated with the mass Feeding Program as a result of Hurricane Isaac.

\$0	SGF		(\$1,703,830)	IAT		\$0	SGR		\$0	SD		\$0	FED		TOTAL	(\$1,703,830)
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Reduces funding from the Employment Security Administration Account to reflect the anticipated shortfall in revenue due to funds being allocated from the balance to be used in the Funds Bill.

\$0	SGF		\$0	IAT		\$0	SGR		(\$3,890,282)	SD		\$0	FED		TOTAL	(\$3,890,282)
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Reduces funding for statewide activities such as group insurance, employee retirement rates, rent in state owned buildings and risk management. Reduces 122 vacant T.O.

\$0	SGF		\$0	IAT		\$0	SGR		\$121,208	SD		(\$2,612,712)	FED		TOTAL	(\$2,491,504)
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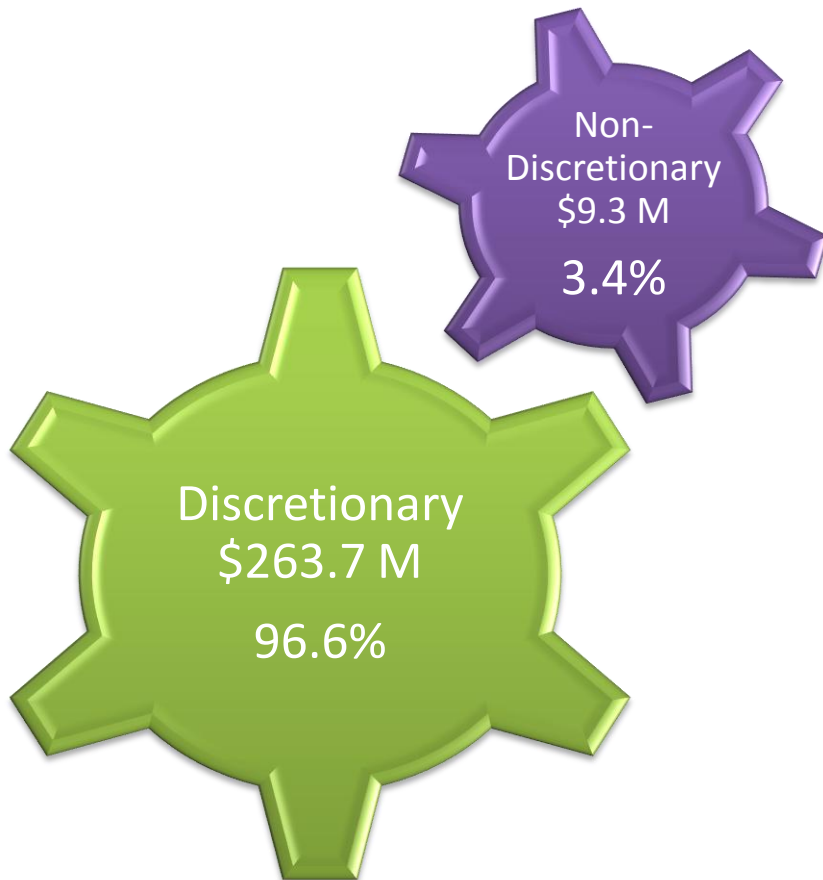
Non-recurring carryforwards. These are community service block grants carry forwards that will be non-recurred for FY 13-14 .

\$0	SGF		\$0	IAT		\$0	SGR		\$0	SD		(\$5,000,000)	FED		TOTAL	(\$5,000,000)
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Discretionary/Nondiscretionary Funding in FY 13-14 Executive Budget

**LWC Total Budget
\$273 Million**



Category	Nondiscretionary Amount
Constitutionally Required	\$0
Court Orders	\$0
Debt Service	\$0
Federal Mandate	\$0
Statutory Obligation	\$0
Legislative Discretion	\$0
Unavoidable Obligations	\$9,262,366
TOTAL	\$9,262,366

Unavoidable Obligations: includes group insurance, and Legislative Auditor fees.



FY13- 14 Salaries and Positions

- \$50.7 million for Salaries and Other Compensation
- \$30.3 million for Related Benefits
- Total Personnel Services = \$81 million, 73% of the Louisiana Workforce Commission total Executive Budget Recommendation (excluding Other Charges)

- 1,033 Authorized Positions (1,015 classified and 18 unclassified)
- 143 full-time non-T.O. positions

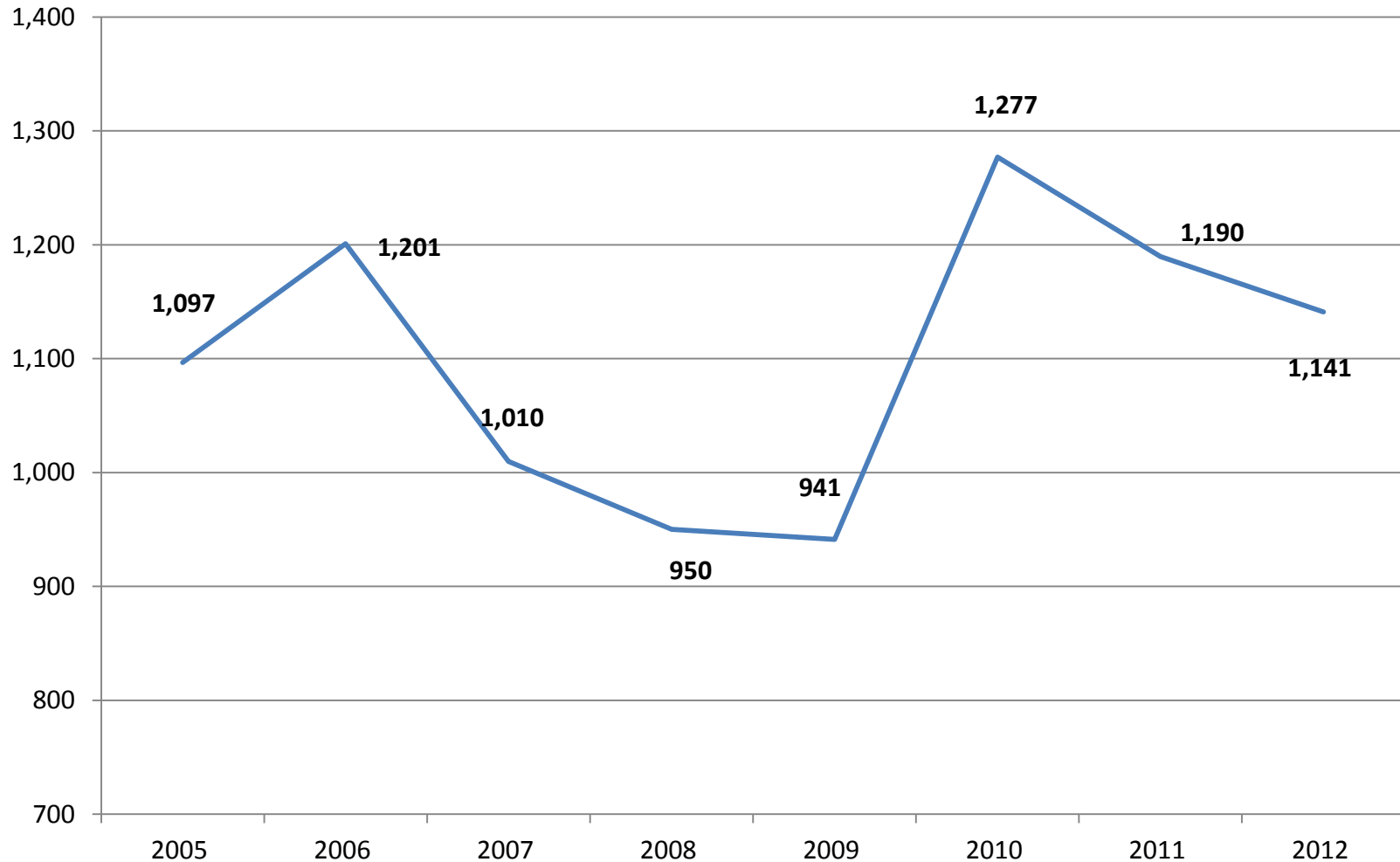
- As of 1/30/2013, Louisiana Workforce Commission had 170 vacancies

Source: the Integrated Statewide Information System (ISIS) and the Executive Budget Summary



Salaries and Positions

TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS

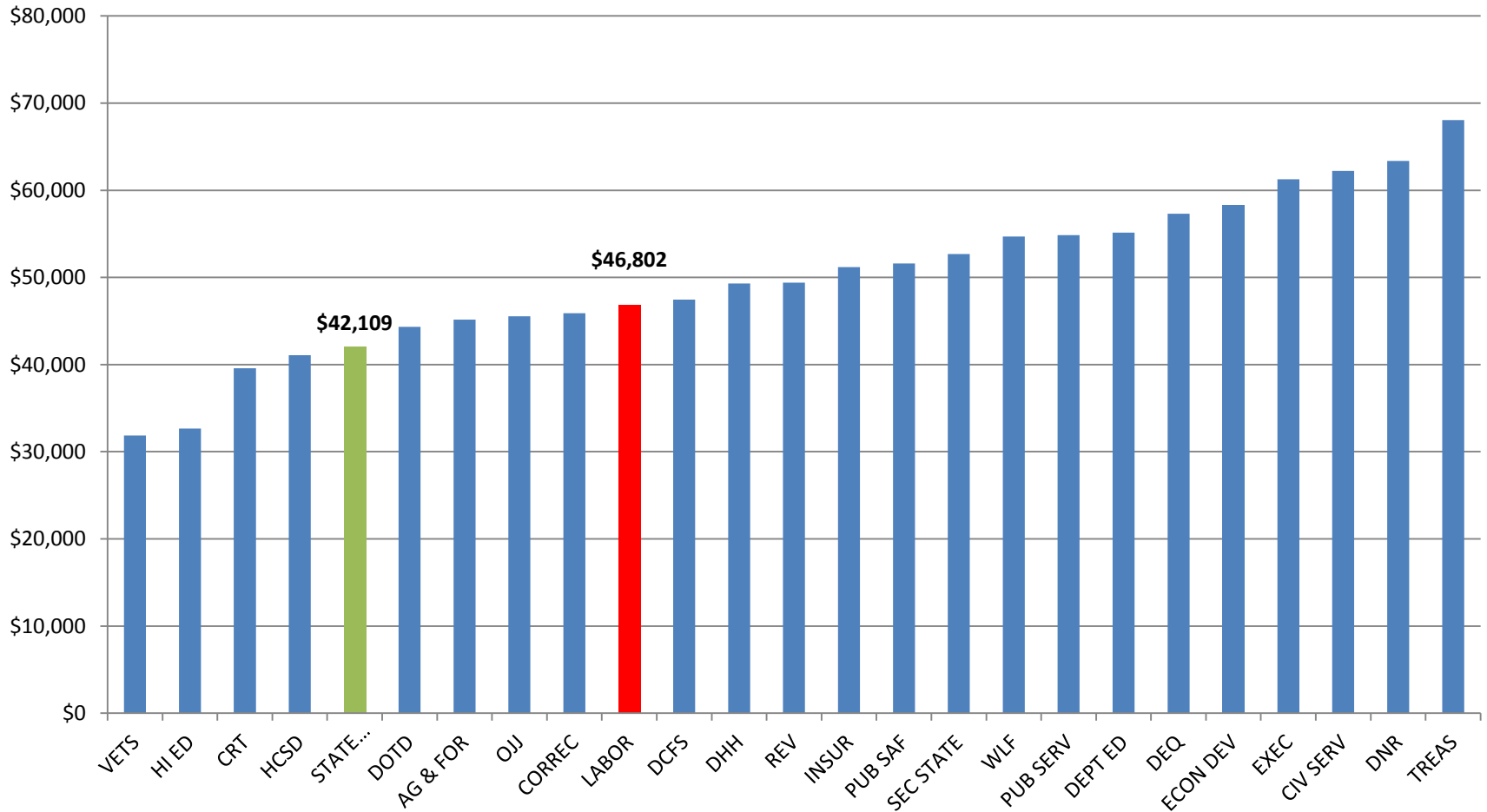


Source: ISIS-HR



Salaries

CLASSIFIED AVERAGE ANNUAL PAY PER FTE

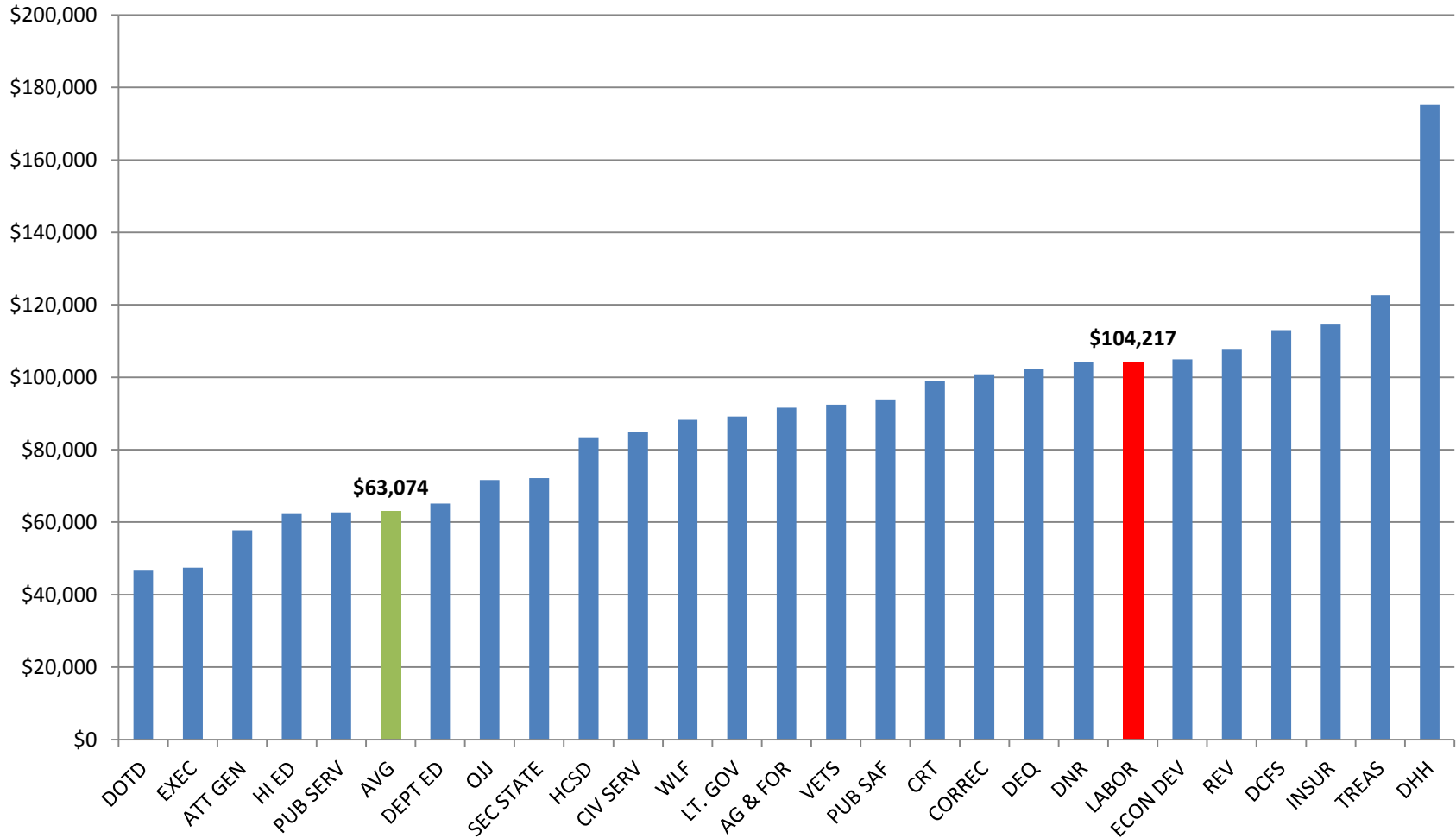


Source: State Civil Service Report on State Employment



Salaries

UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE

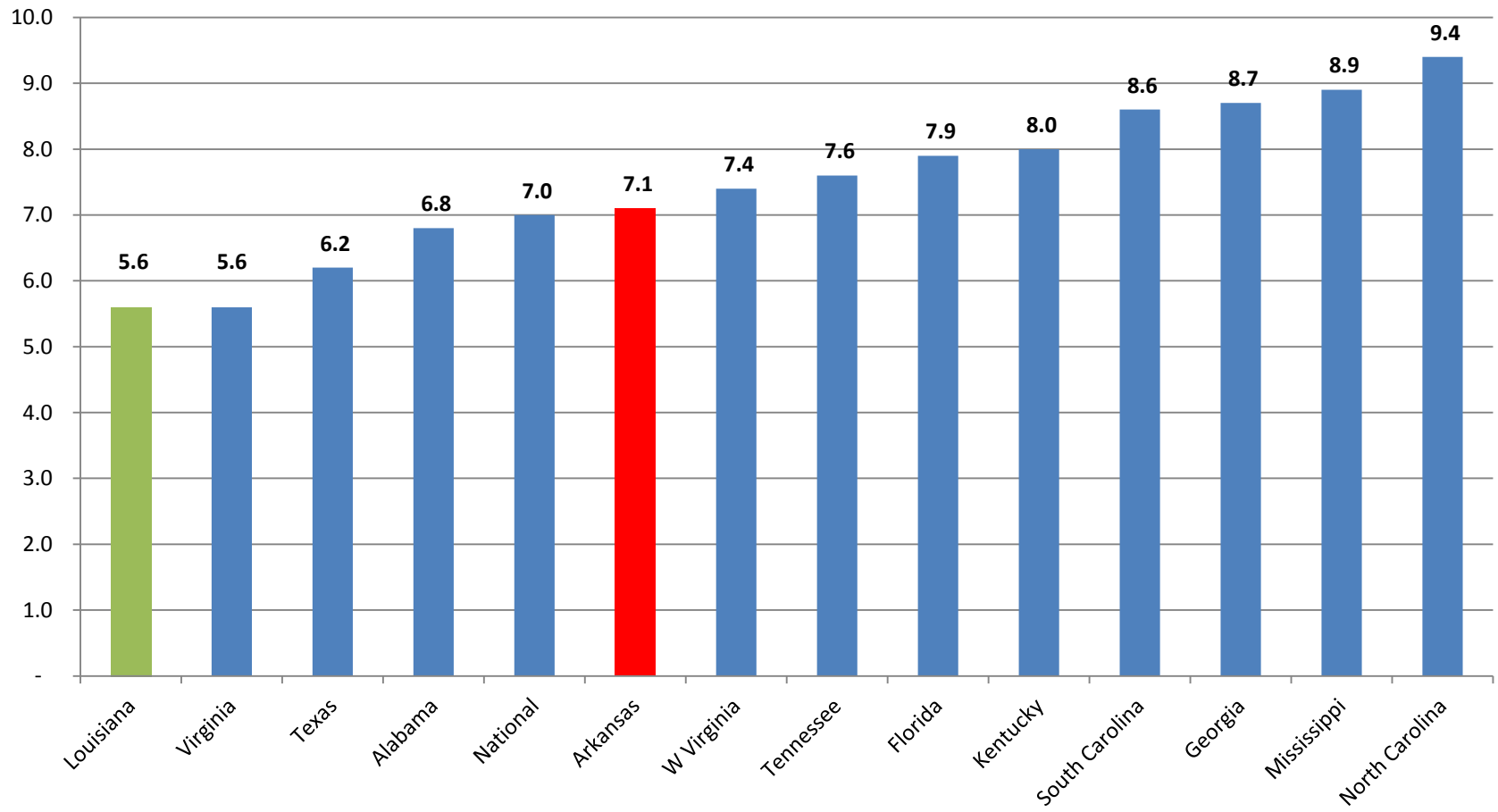


Source: State Civil Service Report on State Employment



State Comparisons

Unemployment rate

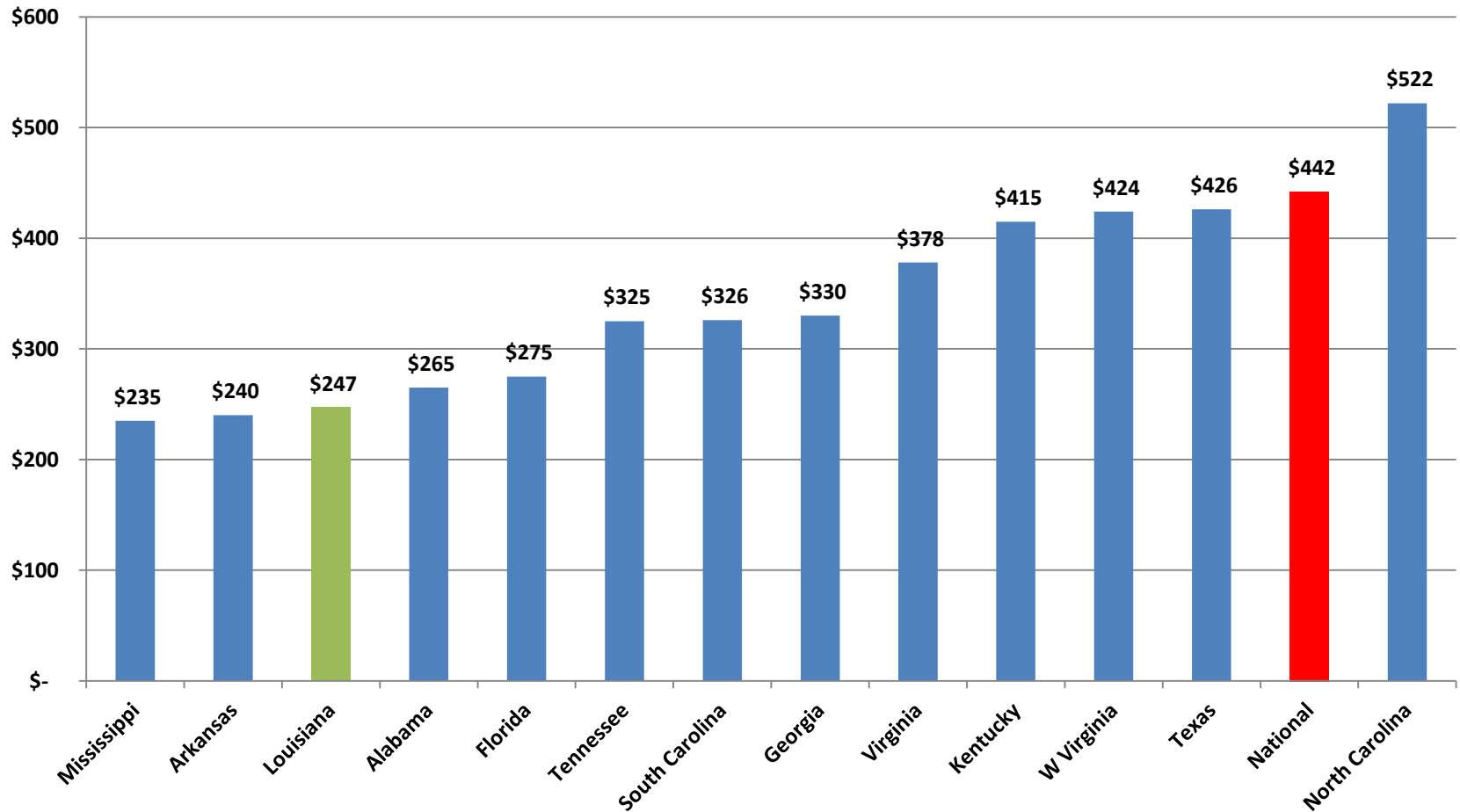


Source: Bureau of Labor Statistics. Updated March 1, 2013



State Comparisons

Total Weekly Benefit



Source: File Unemployment – A Complete Guide to Claim Unemployment, May 2012



Department Contacts

AGENCY	Agency Head	Phone
Office of the Executive Director	Kurt Eyesink	225-342-3110
Office of Management and Finance	Renee Roberie	225-342-3110
Office of Unemployment Insurance	Dayne Freeman	225-342-3110
Office of Worker Compensation	Wes Hataway	225-342-3110
Office of Workforce Development	Bryan Moore	225-342-3110