

Representative Jim Fannin  
Chairman



Representative Simone Champagne  
Vice Chairman

FY 13-14 Executive Budget Review  
DEPARTMENT OF TREASURY

House Committee on Appropriations

by House Fiscal Division

March 13, 2013



# Agenda

## Budget Overview

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# Department Structure

## State Treasurer

- Administrative Program
- Financial Accountability and Control Program
- Debt Management Program
- Investment Management Program



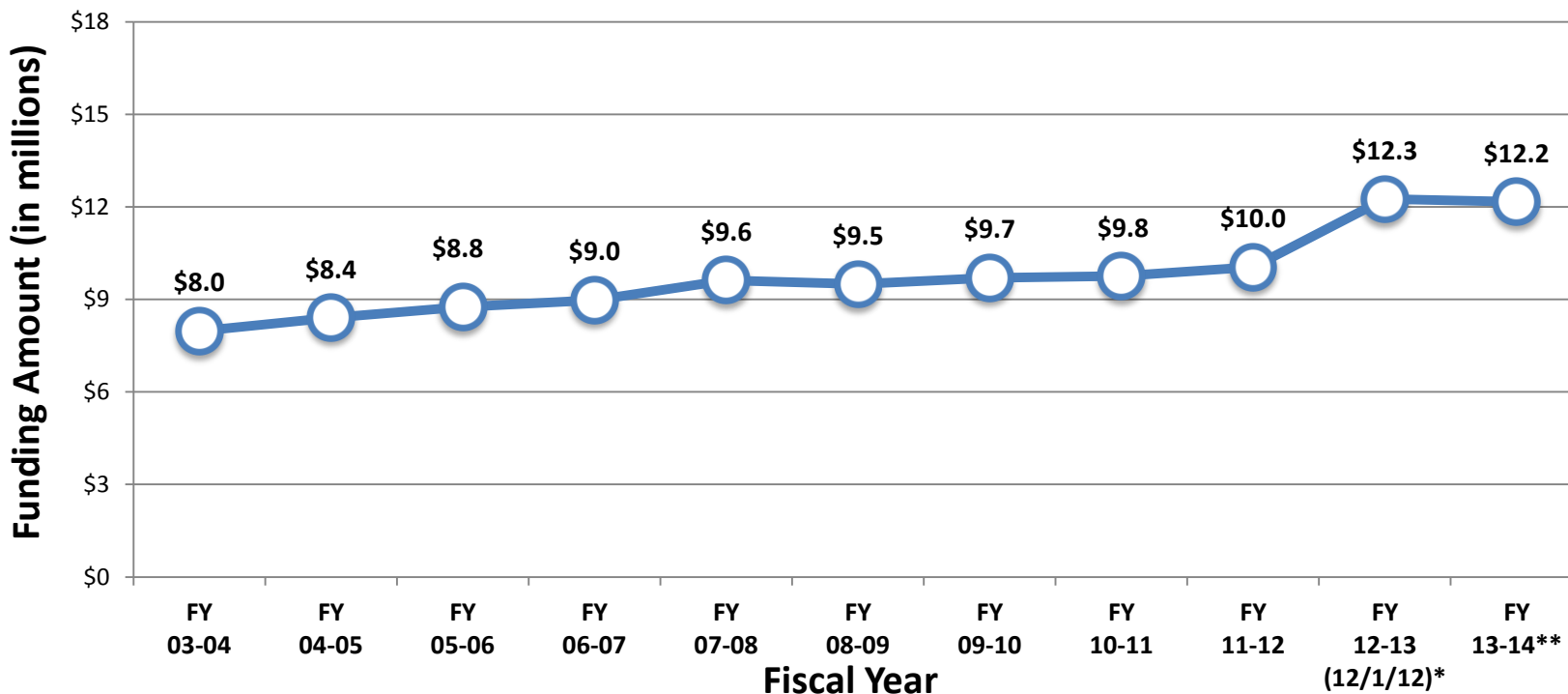
# Means of Finance

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	\$0	\$0	\$0	\$0	0.0%
Interagency Transfers	\$1,438,853	\$1,628,452	\$1,628,452	\$0	0.0%
Fees and Self-Gen Rev	\$8,195,085	\$8,354,510	\$8,262,855	(\$91,655)	-1.1%
Statutory Dedications	\$412,875	\$2,271,417	\$2,271,417	\$0	0.0%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
<b>TOTAL</b>	<b>\$10,046,813</b>	<b>\$12,254,379</b>	<b>\$12,162,724</b>	<b>(\$91,655)</b>	<b>-0.7%</b>
Authorized Positions	59	58	57	(1)	-1.7%



# 10 Year Budget History

## STATE TREASURER (Total Means of Finance)



Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/12

\*\*Governor's Executive Budget Recommendation



# Major Sources of Revenues FY 13-14

## Self-generated Revenues - \$8.3 million

- Fees are funded from State Bond Commission, Securities Lending Program, and Unclaimed Property fees.

## Interagency Transfers - \$1.6 million

- IAT are fees collected from agencies that receive central depository banking services provided by the Treasurer.

## Statutory Dedications - \$2.3 million

- Incentive Fund transfers from the State General Fund.
- Millennium Trust Fund is from Tobacco Settlement proceeds.
- LA Quality Education Support Fund and the Medicaid Trust Fund for the Elderly are from investment income.



# 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	\$4,211,885	\$4,073,284	\$3,932,668	(\$140,616)	-3.5%
Other Compensation	\$769,803	\$669,570	\$669,570	\$0	0.0%
Related Benefits	\$1,531,181	\$1,176,241	\$1,243,760	\$67,519	5.7%
Travel	\$77,831	\$112,013	\$112,013	\$0	0.0%
Operating Services	\$934,153	\$1,005,311	\$1,005,311	\$0	0.0%
Supplies	\$66,430	\$56,610	\$56,610	\$0	0.0%
Professional Services	\$246,247	\$663,947	\$663,947	\$0	0.0%
Other Charges	\$2,144,985	\$4,410,203	\$4,391,145	(\$19,058)	-0.4%
Acq/Major Repairs	\$64,298	\$87,200	\$87,700	\$500	0.6%
Unallotted	\$0	\$0	\$0	\$0	0.0%
<b>TOTAL EXP</b>	<b>\$10,046,813</b>	<b>\$12,254,379</b>	<b>\$12,162,724</b>	<b>(\$91,655)</b>	<b>-0.7%</b>

## Salaries

- One personnel reduction in the Financial Accountability and Control Program.

## Related Benefits

- LASERS retirement rate adjustment.

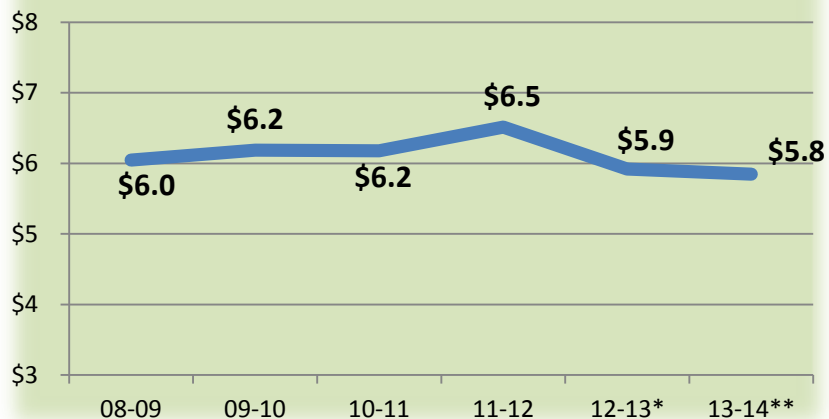
## Other Charges

- Reduction in rent in state-owned buildings.

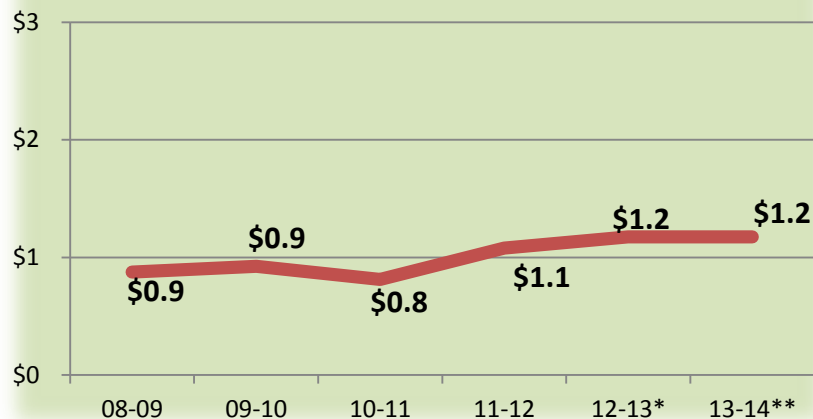


# 6-Year Expenditure History (in millions)

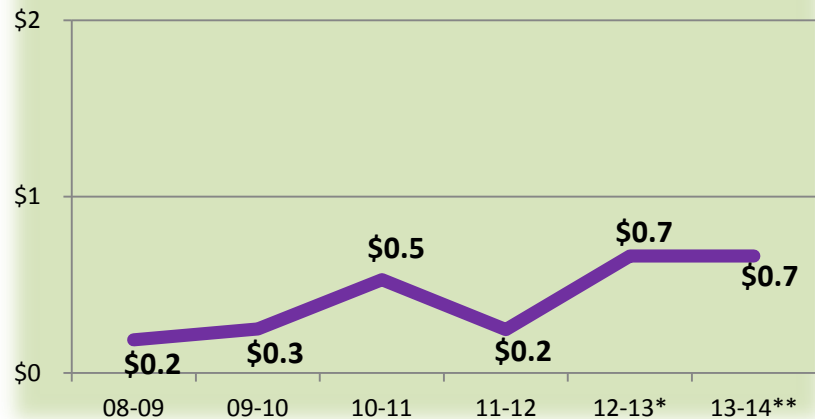
## Personal Services



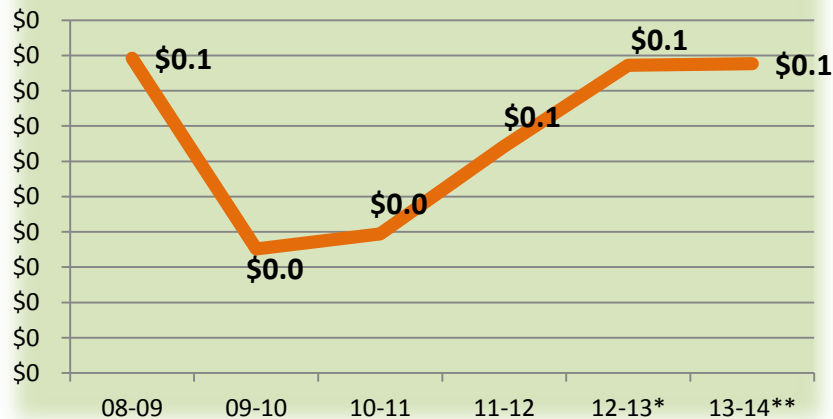
## Operating Expenses



## Professional Services



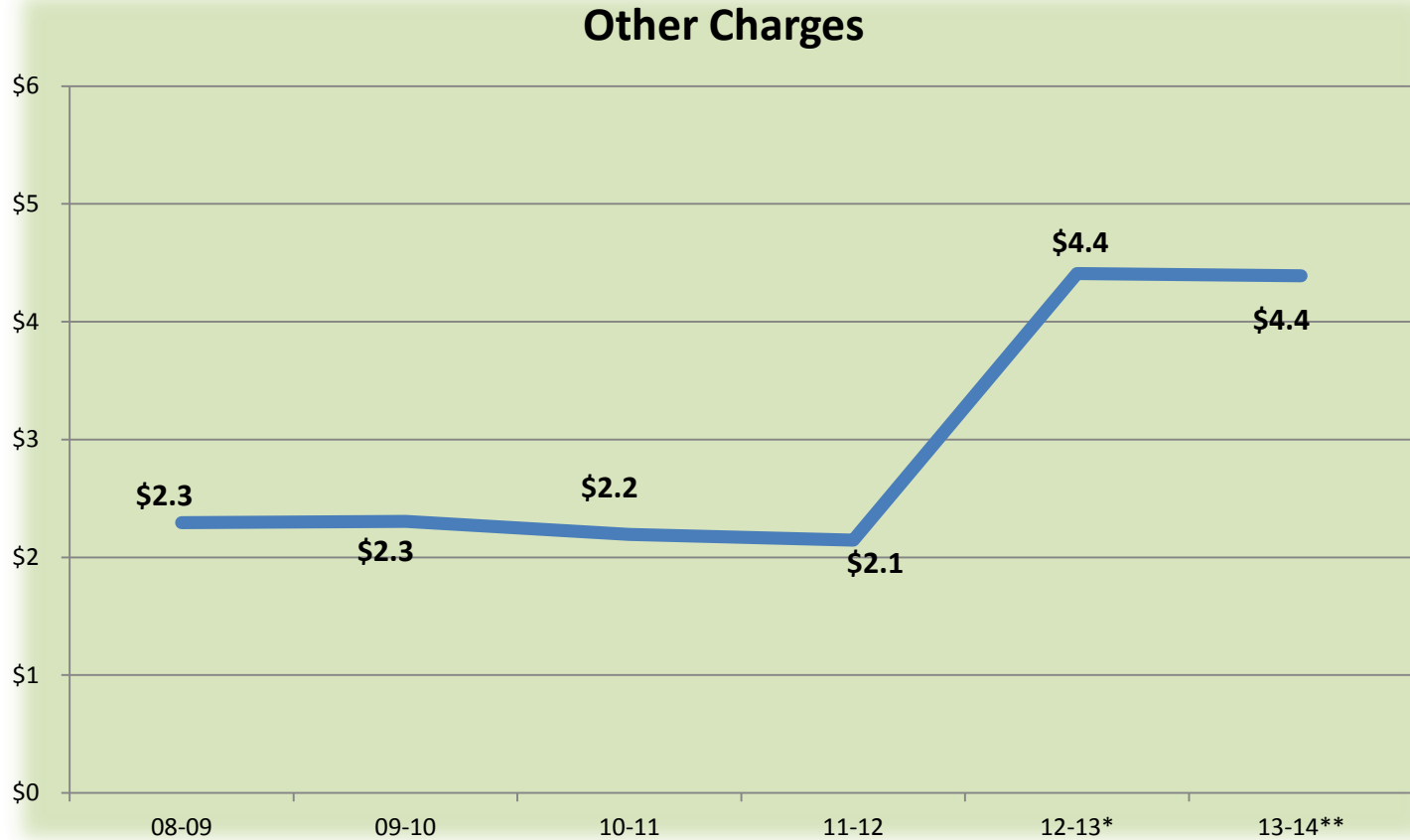
## Acquisitions & Major Repairs







# 6-Year Expenditure History (in millions)



Source: Executive Budget Supporting Documents

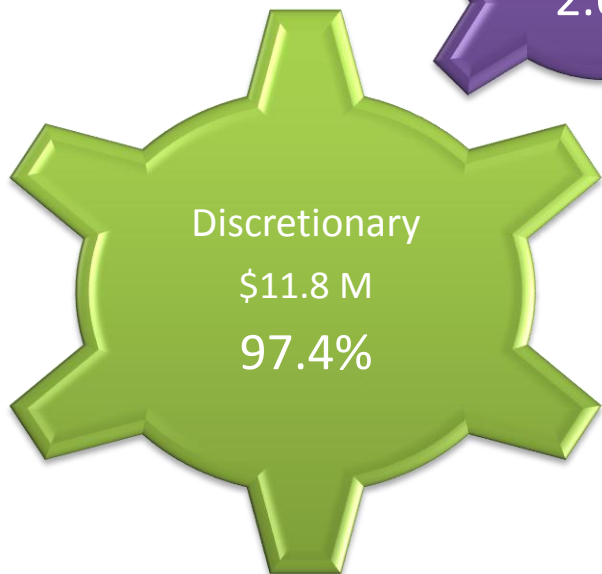
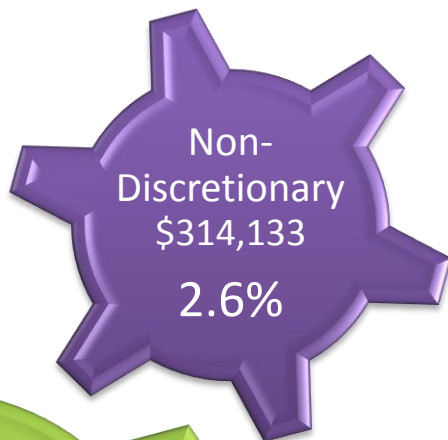
\*Existing Operating Budget as of 12/1/12

\*\*Governor's Executive Budget Recommendation



# Discretionary/Nondiscretionary Funding in FY 13-14 Executive Budget

**Treasury Total Budget  
\$12.1 Million**



Category	Nondiscretionary Amount
Constitutionally Required	\$125,613
Unavoidable Obligations	\$188,520
<b>TOTAL</b>	<b>\$314,133</b>



## Discretionary/Nondiscretionary Funding in FY 13-14 Executive Budget

Program	Activity	Discretionary	Nondiscretionary
Administrative	Administrative	\$2,493,934	\$125,613
	Unclaimed Property	\$1,711,193	
Financial Accountability and Control	Fiscal Control	\$3,175,981	\$188,520
	Audit and Compliance Control	\$94,000	
Debt Management	Debt Management	\$1,517,008	\$0
Investment Management	Investment Management	\$2,856,475	\$0
<b>TOTAL</b>		<b>\$11,848,591</b>	<b>\$314,133</b>



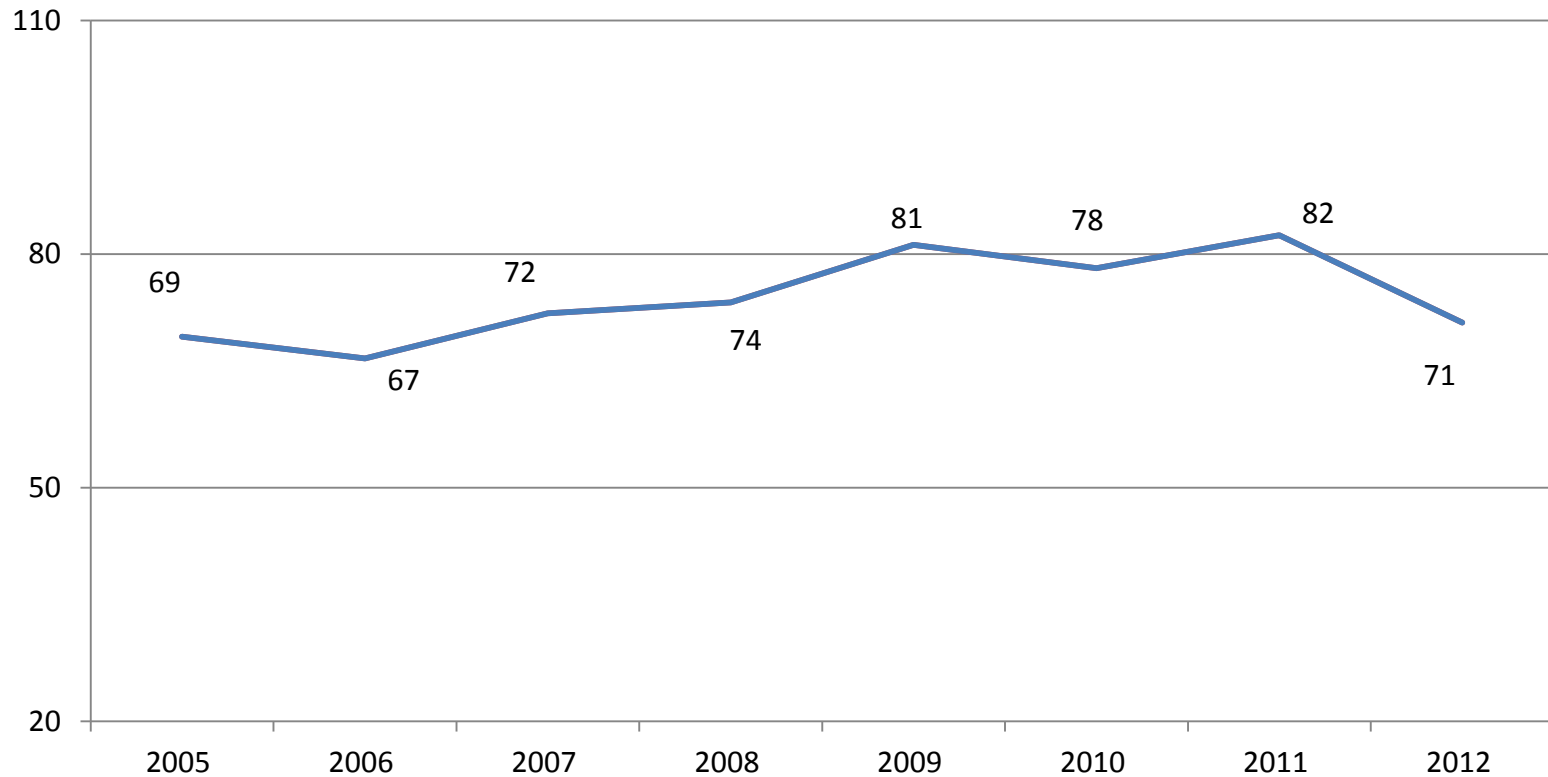
# FY13- 14 Salaries and Positions

- \$4.6 million for Salaries and Other Compensation
- \$1.2 million for Related Benefits
- Total Personnel Services = \$5.8 million, 75% of the Treasury total Executive Budget Recommendation (excluding Other Charges)
  
- 57 Authorized Positions (49 classified and 8 unclassified)
- 2 full-time non-T.O. positions
  
- As of 1/30/2013, the Treasury had 4 vacancies



# Salaries and Positions

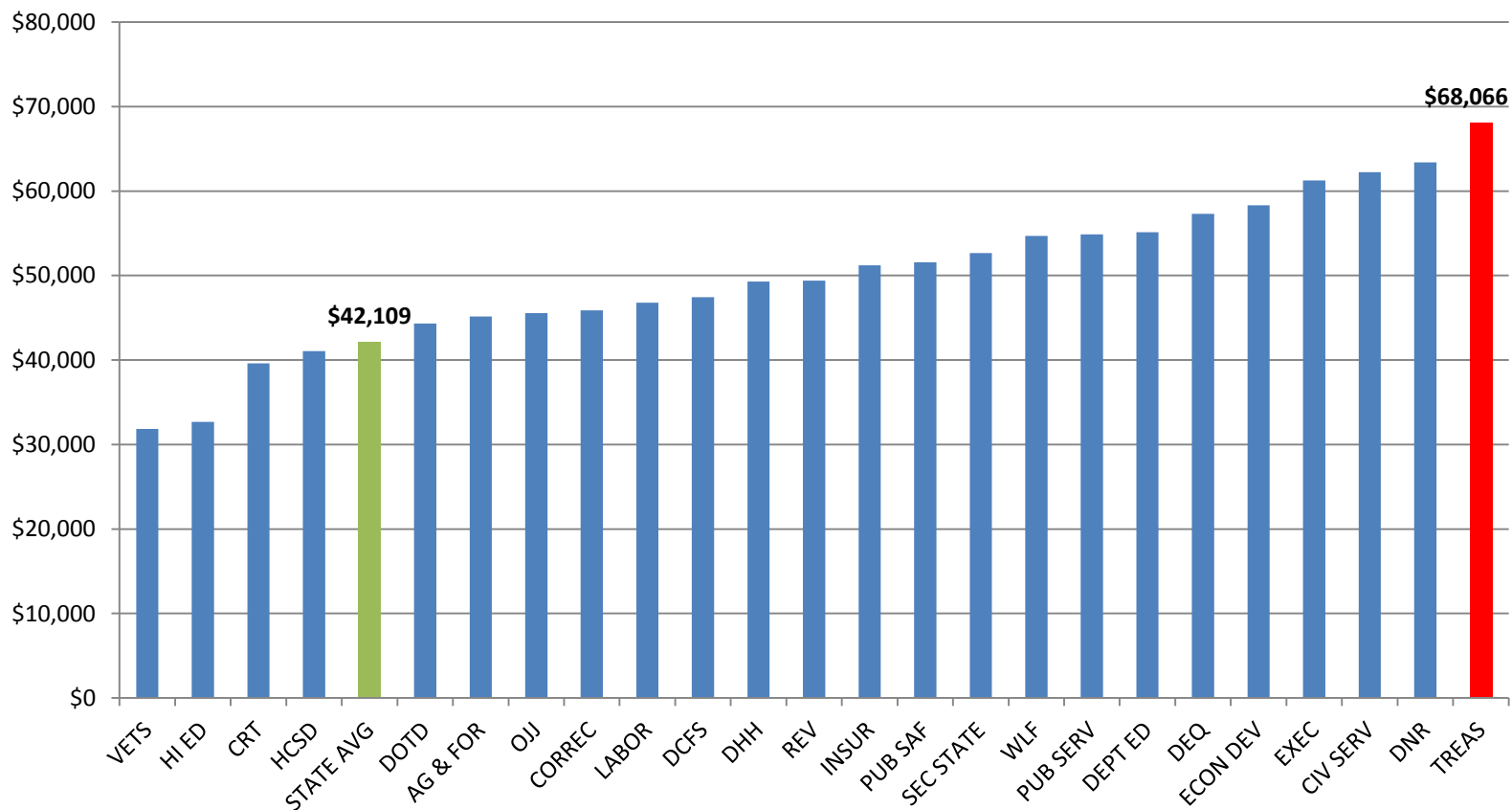
## TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS





# Salaries

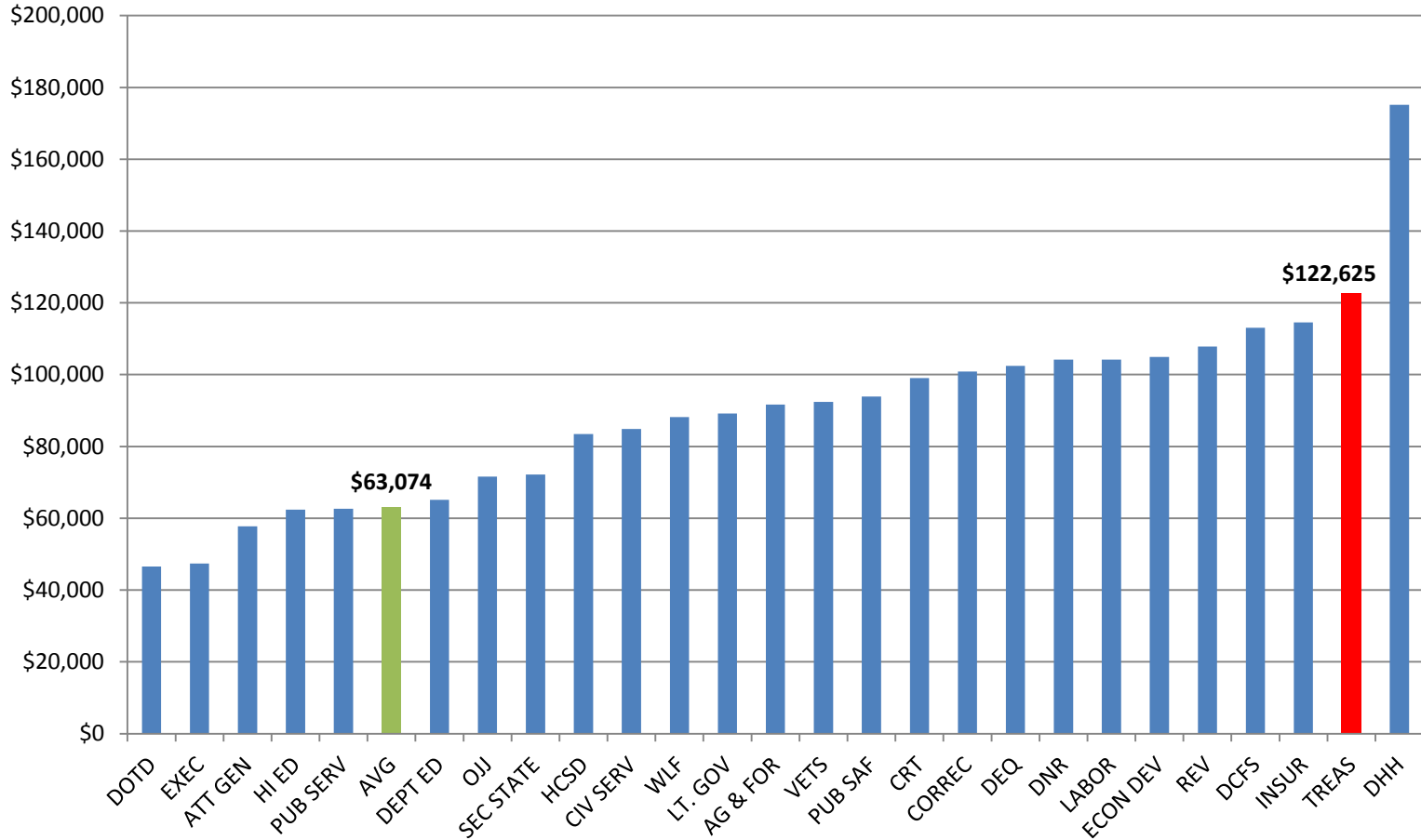
## CLASSIFIED AVERAGE ANNUAL PAY PER FTE





# Salaries

## UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE





# Treasury Central Banking Services

SCH. #	AGENCY	FY	FY	DIFFERENCE
		12-13	13-14	
107	DIVISION OF ADMINISTRATION (includes UPS)	\$103,197	\$114,843	\$11,646
139	SECRETARY OF STATE	\$34,980	\$37,987	\$3,007
141	OFFICE OF ATTORNEY GENERAL	\$11,810	\$25,702	\$13,892
160	DEPARTMENT OF AGRICULTURE	\$21,183	\$44,269	\$23,086
165	COMMISSIONER OF INSURANCE	\$23,420	\$26,284	\$2,864
254	DED - LA STATE RACING COMMISSION	\$0	\$11,821	\$11,821
255	Office of Financial Institutions	\$0	\$12,797	\$12,797
276	DOTD ENGINEERING & OPERATIONS	\$7,086	\$12,788	\$5,702
305	DEPARTMENT OF HEALTH AND HOSPITAL	\$42,193	\$59,755	\$17,562
326	OFFICE OF PUBLIC HEALTH	\$16,006	\$30,322	\$14,316
360	CHILDREN AND FAMILY SERVICE	\$225,306	\$280,281	\$54,975
403	OJJ - YOUTH SERVICES	\$0	\$7,080	\$7,080
415	OFFICE OF PROBATION AND PAROLE	\$54,105	\$93,650	\$39,545
418	OFFICE OF PUBLIC SAFETY - MGMT & FINANCE	\$142,537	\$11,730	(\$130,807)
419	OFFICE OF STATE POLICE	\$42,153	\$44,334	\$2,181
420	OFFICE OF MOTOR VEHICLES	\$0	\$117,071	\$117,071
434	DNR-OFFICE OF MINERAL RESOURCES	\$15,750	\$18,502	\$2,752
440	DEPARTMENT OF REVENUE	\$779,427	\$468,294	(\$311,133)
474	OFFICE OF WORKFORCE COMMISSION	\$14,498	\$29,240	\$14,742
512	DEPT OF WILDLIFE & FISHERIES	\$65,440	\$109,863	\$44,423
661	OFFICE OF STUDENT FINANCIAL ASSISTANCE	\$29,360	\$51,226	\$21,866
800	STATE EMPLOYEES GROUP BENEFITS PROGRAM	\$53,228	\$74,409	\$21,181
804	OFFICE OF RISK MANAGEMENT	\$9,199	\$8,632	(\$567)
<b>TOTAL</b>		<b>\$1,690,880</b>	<b>\$1,690,880</b>	<b>\$0</b>





# Unclaimed Property

- Unclaimed property refers to property being held by an organization that has not had contact with the owner for an extended period of time.
- Unclaimed Property was created in 1972 and revised in 1986 under the Department of Revenue. Act 135 of the First Extraordinary Session of 2000 transferred Unclaimed Property to the Department of Treasury from the Department of Revenue.
- The Revenue Estimating Conference (REC) recognizes a portion of the unclaimed property collections as a revenue source for the State General Fund. REC recognized \$39.9 million to be appropriated in FY13-14.



# Unclaimed Property

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	TOTAL
Claims Processed	18,737	23,152	19,043	20,381	27,911	109,224
Collections (in millions)	\$53	\$52	\$62	\$61	\$74	\$302
Refunds (in millions)	\$22	\$22	\$22	\$23	\$27	\$116
REC projections*	\$32	\$32	\$36	\$38	\$43	\$181

As of December 31, 2012, the number of claims processed is 11,658; the total cash collections are \$70 million and the total amount refunded is \$13 million.

\* Balance at the end of each fiscal year that is recognized by the REC that is sent to the SGF.



# Department Contacts

<b>Agency Head</b>	<b>Title</b>	<b>Phone</b>
Honorable John N. Kennedy	State Treasurer	225-342-0010
Mr. Ron Henson	First Assistant State Treasurer	225-342-0055
Ms. Laura Lapeze	Director of Fiscal Control Division	225-342-0051