

Representative Jerome Zeringue
Chairman



Representative Gary Carter
Vice Chairman

Fiscal Year 21-22 HB1 Budget Review

State Treasury

House Committee on Appropriations
House Fiscal Division

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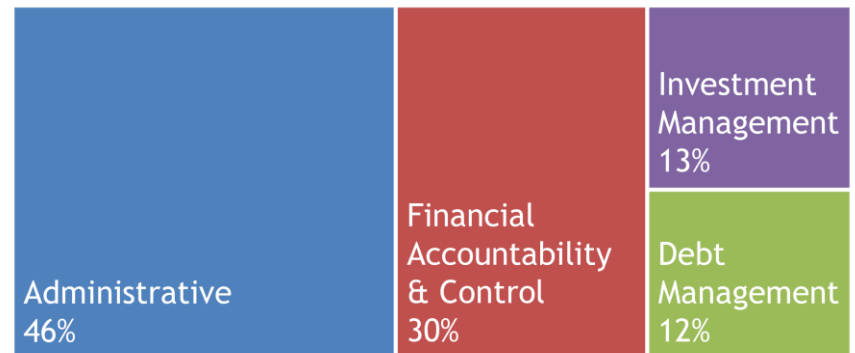
FY22 BUDGET RECOMMENDATION

Total Budget = \$12,640,491

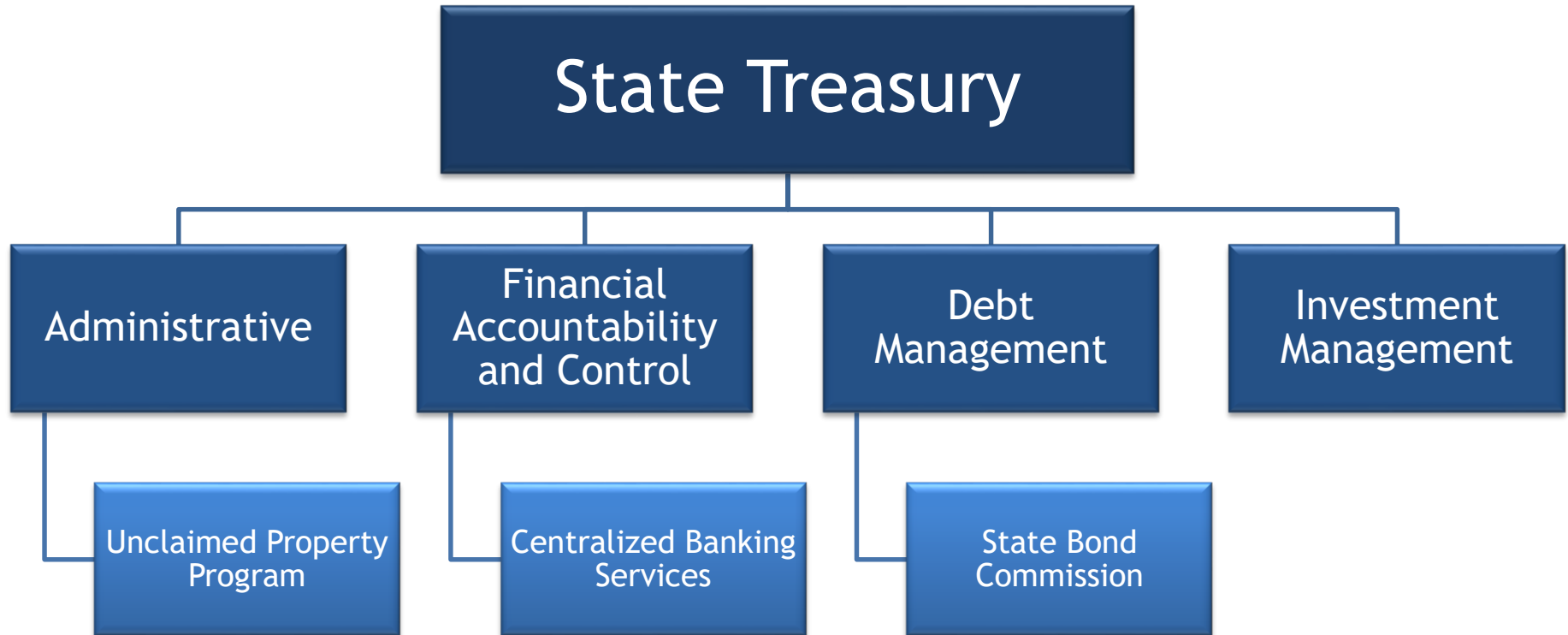
Means of Finance	
State General Fund	\$0
Interagency Transfers	\$1,686,944
Fees & Self-generated	\$10,142,092
Statutory Dedications	\$811,455
Federal	\$0
Total	\$12,640,491



Program Breakdown		
	Budget	Positions
Administrative	\$5,775,829	32
Financial Account. & Control	\$3,785,993	16
Debt Management	\$1,476,924	10
Investment Management	\$1,601,745	4
Total	\$12,640,491	62



DEPARTMENT ORGANIZATION



DEPARTMENT OVERVIEW

Administrative Program

- Leadership and administrative functions whose goal is to fulfill the duties and responsibilities of the State Treasurer and state Constitution
- Policy development and legal services
- Communications and community outreach

Unclaimed Property Program

- Manages the state's database of unclaimed cash, stocks, bonds, securities, insurance benefits, or other assets
- Operates an online system for users to search for property in their name and claim it
- Advertises and promotes the program through outreach events held around the state

Fiscal Accountability and Control Program

- Provides and manages centralized bank account for the deposit of public monies
- Administers constitutional and statutory funds created within the Treasury
- Distributes state funds to various local governments
- Oversees the cash management function to provide the opportunity for the greatest investment earnings
- Administers the Social Security and Medicare coverage program for all public state and local governmental employers throughout the state

DEPARTMENT OVERVIEW

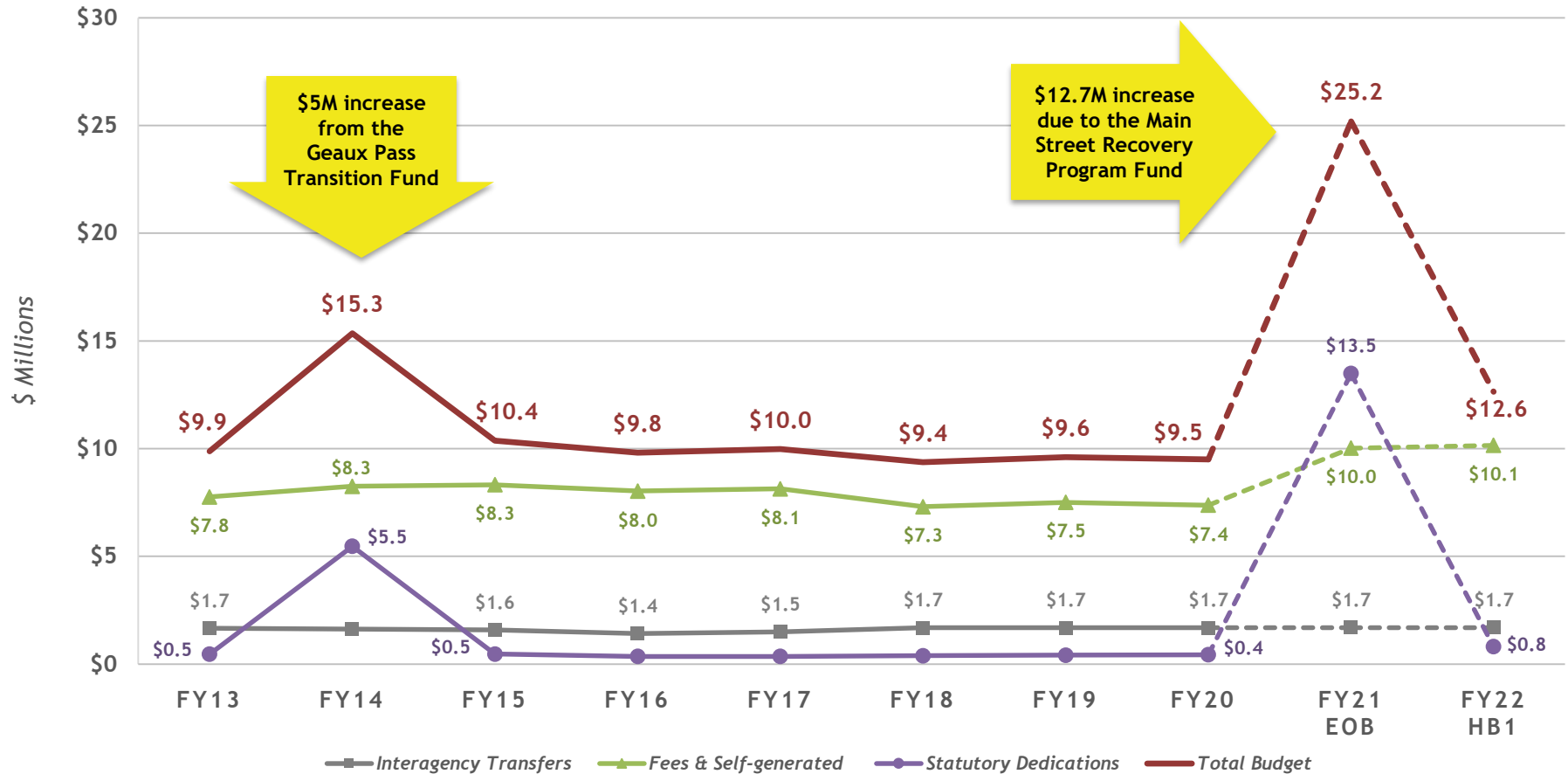
Debt Management Program

- Provides staff to assist the State Bond Commission
- Administers the incurrence of public debt
- Reviews applications from state entities seeking to incur debt or levy taxes
- Manages and services outstanding bond issues with debt service payments

Investment Management Program

- Invests the monies deposited in the State Treasury to earn a reasonable rate of return while maintaining safety of principal and liquidity to meet the state's cash flow needs
- As part of the cash management program, maintains several investment portfolios each with differing characteristics
- Manages over \$9 billion in investment securities including the state trust funds

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB1 of the 2021 Regular Session

FY20 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Authority %	Unspent % by MOF
SGF	\$0	\$0	\$0	0.0%	0.0%
IAT	\$1,686,944	\$1,686,944	\$0	0.0%	0.0%
FSGR	\$9,232,496	\$7,377,515	\$1,854,981	20.1%	83.1%
Stat Ded	\$811,455	\$434,455	\$377,000	46.5%	16.9%
Federal	\$0	\$0	\$0	0.0%	0.0%
FY20 Total	\$11,730,895	\$9,498,914	\$2,231,981	19.0%	100.0%

Historical Total Unspent Authority for Comparison

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent %
FY19 Total	\$11,639,368	\$9,604,063	\$2,035,305	17.5%
FY18 Total	\$11,399,347	\$9,372,897	\$2,026,450	17.8%
3 Year Avg.	\$11,589,870	\$9,491,958	\$2,097,912	18.1%

FY20 UNSPENT AUTHORITY

Did department collect all revenue budgeted?

	Final Budget <i>(w/o FY21 carryfwd)</i>	Actual Revenue Collections	Uncollected Revenue
SGF	\$0	\$0	\$0
IAT	\$1,686,944	\$1,686,944	\$0
FSGR	\$9,232,496	\$7,544,245	(\$1,688,251)
SD	\$811,455	\$434,455	(\$377,000)
FED	\$0	\$0	\$0
FY20 Total	\$11,730,895	\$9,665,644	(\$2,065,251)
FY19 Total	\$11,639,368	\$9,604,064	(\$2,035,304)
FY18 Total	\$11,399,347	\$9,372,897	(\$2,026,450)
3 Year Avg.	\$11,589,870	\$9,547,535	(\$2,042,335)

The department collected \$2.1 million less than the FY20 budget. The majority of this excess authority was in fees and self-generated revenue partially due to declining collections. Unspent statutory dedications result from limitations on the use of the funds solely for the management of trust fund investments.

Did department spend all collections?

	Actual Revenue Collections	Actual Expenditures	Unspent Revenue
SGF	\$0	\$0	\$0
IAT	\$1,686,944	\$1,686,944	\$0
FSGR	\$7,544,245	\$7,377,515	(\$166,730)
SD	\$434,455	\$434,455	\$0
FED	\$0	\$0	\$0
FY20 Total	\$9,665,644	\$9,498,914	(\$166,730)
FY19 Total	\$9,604,064	\$9,604,063	(\$1)
FY18 Total	\$9,372,897	\$9,372,897	\$0
3 Year Avg.	\$9,547,535	\$9,491,958	(\$55,577)

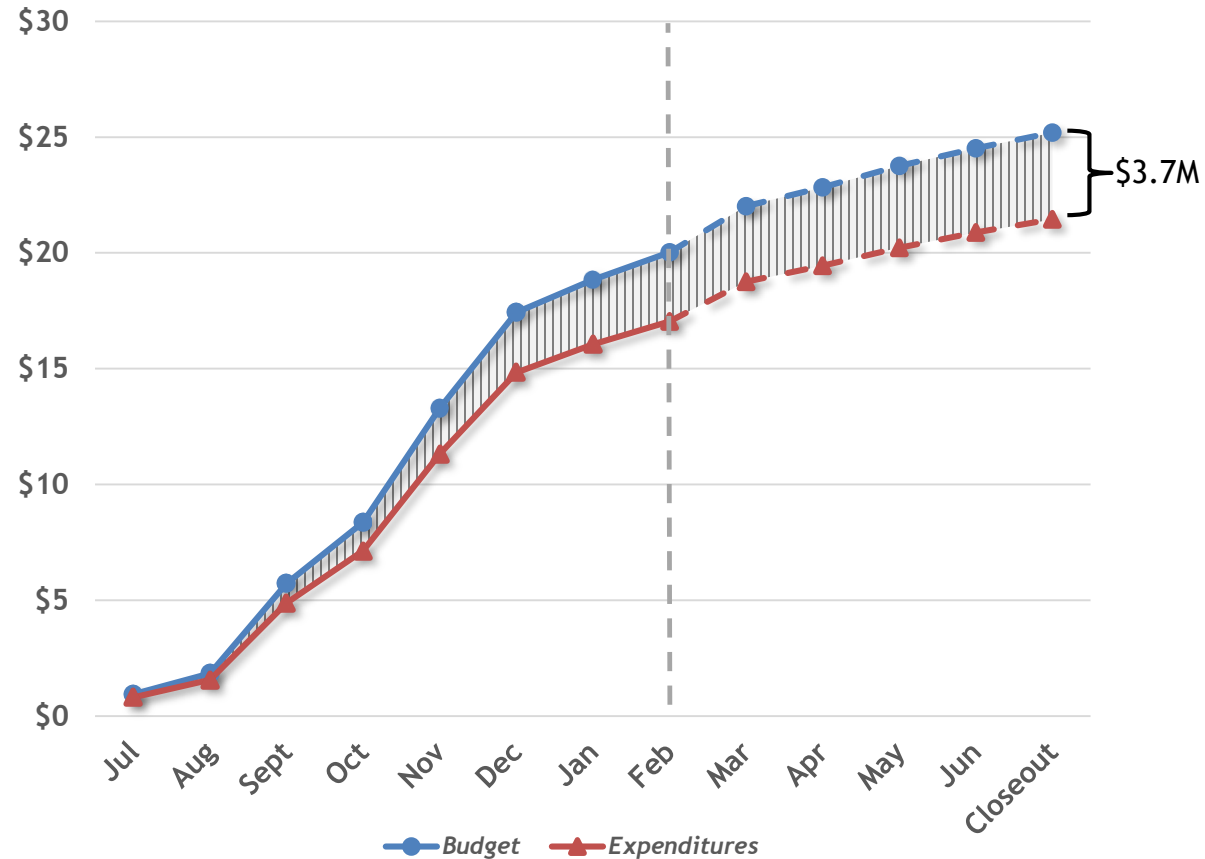
The department collected \$166,730 more in self-generated revenue which was reverted to the state general fund.

FY21 CURRENT EXPENDITURE TREND

Approximately \$21.5 million (85.1%) from all means of finance could be spent based on actual spending patterns through February and projections through the remainder of the fiscal year. This would leave \$3.7M or 14.9% of the department's total budget authority unspent.

The FY21 budget includes a one-time addition of \$12.7M from the Main Street Recovery Program Fund. Incorporating this factor into the algorithm, projections show unspent authority coming from \$1.4M in Other Charges along with \$855K in Personnel.

In FY20, the department spent 81% of its total budget comparing its end of year budget and actual expenditures while considering funding carried over into FY21.



FY22 SOURCES OF FUNDING

Interagency Transfers \$1.7 M

- Fees collected from agencies that utilize central depository banking services provided by the Treasury.

Self-generated Revenue \$10.1 M

- **\$2.0 Million**
State Bond Commission fees collected for review of the issuance of debt by private and public entities.
- **\$4.8 Million**
Securities Lending Program fees received from investment income on certain debt obligations of the Federal Government.
- **\$3.3 Million**
Unclaimed Property funds utilized according to statute pursuant to that function.

Treasury is regularly authorized in the General Appropriations Bill to carry over self-generated funds from State Bond Commission activity. In FY21, this amount was an even \$1 million.

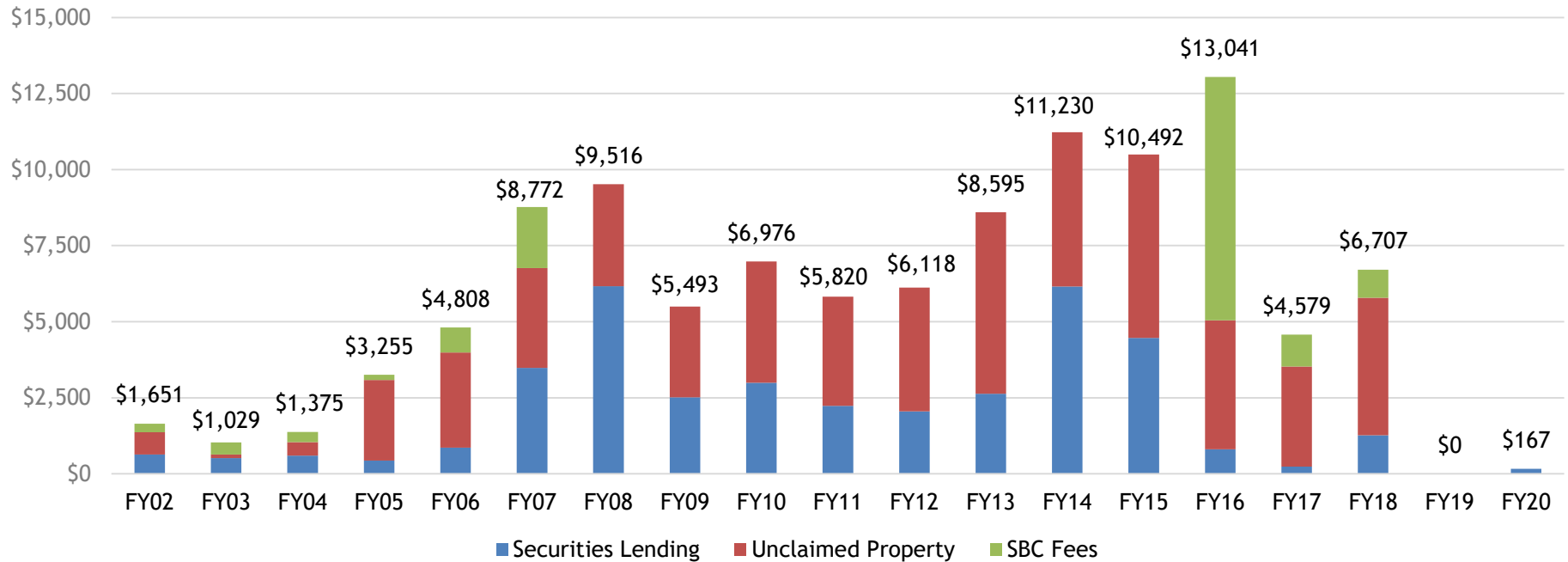
Statutory Dedications \$811,455

- **\$449,003 - Louisiana Quality Education Support Fund**
- **\$114,242 - Health Excellence Fund**
- **\$114,240 - Education Excellence Fund**
- **\$114,240 - TOPS Fund**
- **\$19,640 - Medicaid Trust Fund for the Elderly**

Statutory Dedications are used in accordance with statute and the constitution to administer the investment programs for the trust funds managed by the State Treasury.

REVERSIONS TO THE GENERAL FUND

Historical Fees and Self Generated Revenue Reverted (in Thousands)



Source: State Treasury

FY22 FUNDING COMPARISON

Means of Finance	FY20 Actual Expenditures	FY21 Existing Operating Budget 12/1/20	FY22 HB1 Budget	Change from Existing Operating Budget to HB1		Change from Actual Expenditures to HB1	
SGF	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
IAT	\$1,686,944	\$1,686,944	\$1,686,944	\$0	0.0%	\$0	0.0%
FSGR	\$7,377,515	\$10,021,540	\$10,142,092	\$120,552	1.2%	\$2,764,577	37.5%
Stat Ded	\$434,455	\$13,484,877	\$811,455	(\$12,673,422)	(94.0%)	\$377,000	86.8%
Federal	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$9,498,914	\$25,193,361	\$12,640,491	(\$12,552,870)	(49.8%)	\$3,141,577	33.1%

Significant funding changes from FY21 EOB:



\$120,552 Fees & Self-generated

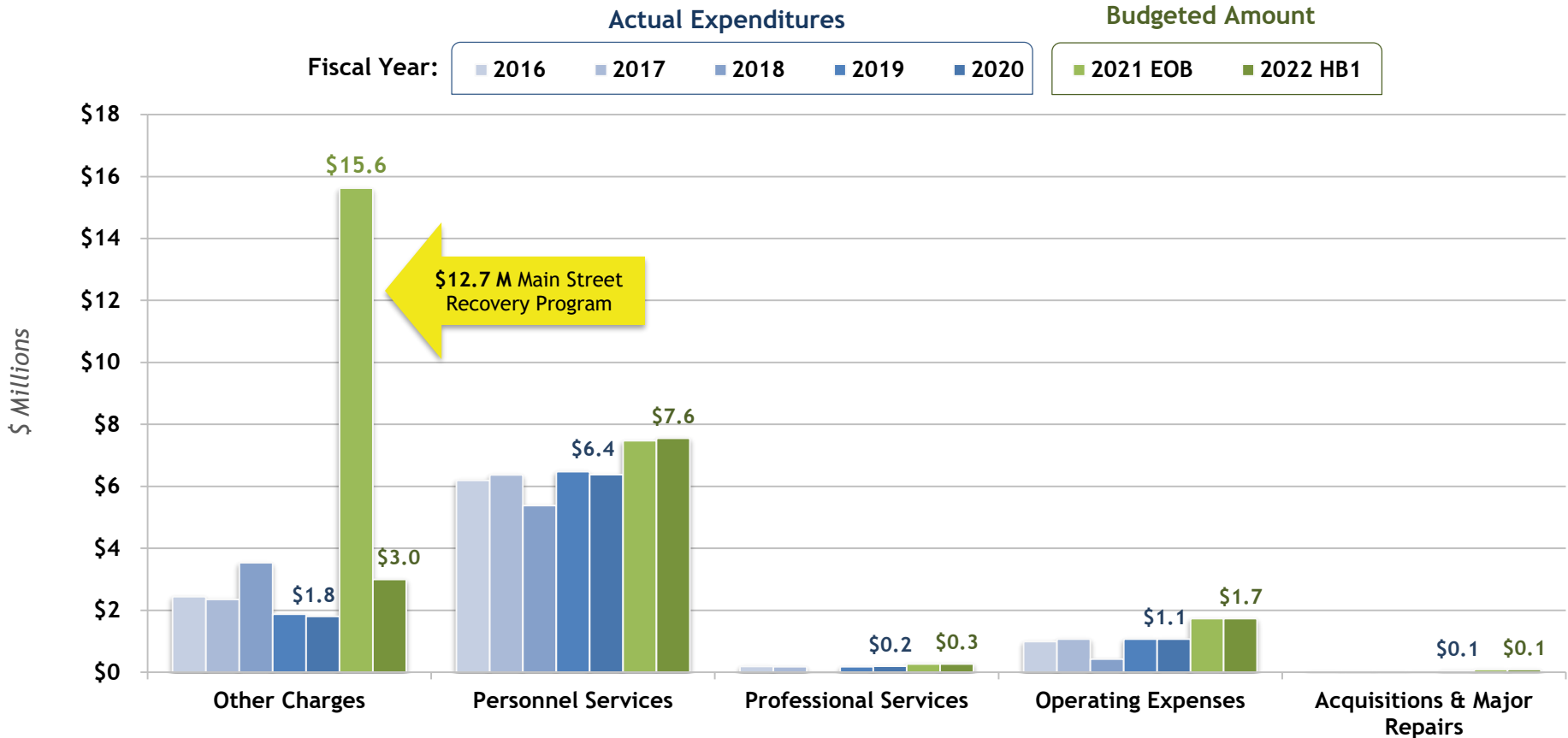
Net increase in the utilization of treasury self-generated revenues driven by state bond commission activity.



\$12.7 M Statutory Dedications

Decrease in funds from the Main Street Recovery Program Fund resulting from the completion of the program in fiscal year 2021.

EXPENDITURE HISTORY



Source: Office of Planning and Budget - Executive and Proposed Budget Supporting Documents

FY22 EXPENDITURE COMPARISON

Expenditure Category	FY20 Actual Expenditures	FY21 Existing Operating Budget 12/1/20	FY22 HB1 Budget	Change from Existing Operating Budget to HB1		Change from Actual Expenditures to HB1	
Salaries	\$3,765,014	\$4,436,517	\$4,521,981	\$85,464	1.9%	\$756,967	20.1%
Other Compensation	\$434,570	\$562,917	\$562,917	\$0	0.0%	\$128,347	29.5%
Related Benefits	\$2,174,848	\$2,476,236	\$2,466,304	(\$9,932)	(0.4%)	\$291,456	13.4%
Travel	\$16,477	\$103,389	\$103,389	\$0	0.0%	\$86,912	527.5%
Operating Services	\$1,026,212	\$1,574,759	\$1,574,759	\$0	0.0%	\$548,547	53.5%
Supplies	\$28,773	\$57,372	\$57,372	\$0	0.0%	\$28,599	99.4%
Professional Services	\$194,787	\$263,147	\$263,147	\$0	0.0%	\$68,360	35.1%
Other Charges/IAT	\$1,802,034	\$15,626,209	\$2,997,807	(\$12,628,402)	(80.8%)	\$1,195,773	66.4%
Acq/Major Repairs	\$56,199	\$92,815	\$92,815	\$0	0.0%	\$36,616	65.2%
Total	\$9,498,914	\$25,193,361	\$12,640,491	(\$12,552,870)	(49.8%)	\$3,141,577	33.1%

Source: Office of Planning and Budget - Budget Supporting Documents and HB1 of the 2021 Regular Session

SIGNIFICANT EXPENDITURE CHANGES

Compared to the FY21 Existing Operating Budget

\$75,532 - Personnel Services

\$83,000 Addition of 1 authorized position for a State Debt Analyst

(\$7,468) Net change from statewide standard budget adjustments driven by classified pay increases, salary and related benefits base adjustments, and savings from projected attrition

(\$12.6 M) - Other Charges/Interagency Transfers Expenditures

(\$10,173,422) Decrease in Other Charges due to the removal of funding for the Main Street Recovery Program

(\$2,454,980) Net change from an overall increase in statewide services and the removal of expenses for the MSRP provided by state agencies (Legislative Auditor, Louisiana Workforce Commission, and Department of Revenue)

OTHER CHARGES DETAIL

Other Charges

Amount	Description
\$1,270,158	Central Banking Services
\$811,455	Trust Fund Investment Management (Millennium Trust, LEQTF, Medicaid Trust for the Elderly)
\$105,000	Population Estimates performed by LSU Ag Center
\$3,260	LaCap Federal Credit Union for Unclaimed Property
\$2,189,873	Total Other Charges

Interagency Transfers

Amount	Description
\$149,000	Rent
\$121,785	Office of Technology Services
\$101,607	Maintenance in State Owned Buildings
\$77,310	Mailing Services
\$73,149	Other Statewide Services
\$63,163	Security
\$55,237	Risk Management
\$54,322	State Procurement
\$47,455	Legislative Auditor Fees
\$30,406	Civil Service Fees
\$22,000	Printing
\$12,500	Data Processing
\$807,934	Total Interagency Transfers

DISCRETIONARY EXPENSES

**Total Budget
\$12.6 Million**

State General Fund
\$0

Interagency
Transfers
\$1.7 Million

Self-generated
Revenue
\$10.1 Million

Statutory
Dedications
\$811,455

Federal Funds
\$0

**Non-discretionary
\$2.0 Million**

Retirement UAL
\$1.3 Million

Retirees Group Insurance
\$324,450

Salary and Compensation for
the State Treasurer
\$163,597

Building Maintenance
\$138,529

Legislative Auditor Fees
\$30,955

**Discretionary
\$8.2 Million**

Administrative Program
\$4.8 Million

Financial Control Program
\$1.6 Million

Debt Management Program
\$1.1 Million

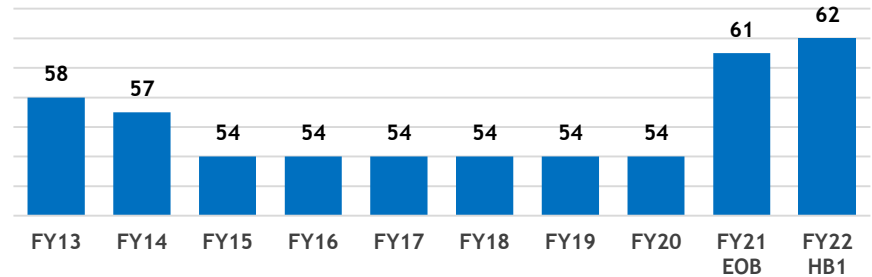
Investment Mgmt Program
\$631,990

PERSONNEL INFORMATION

FY 2022 Recommended Positions

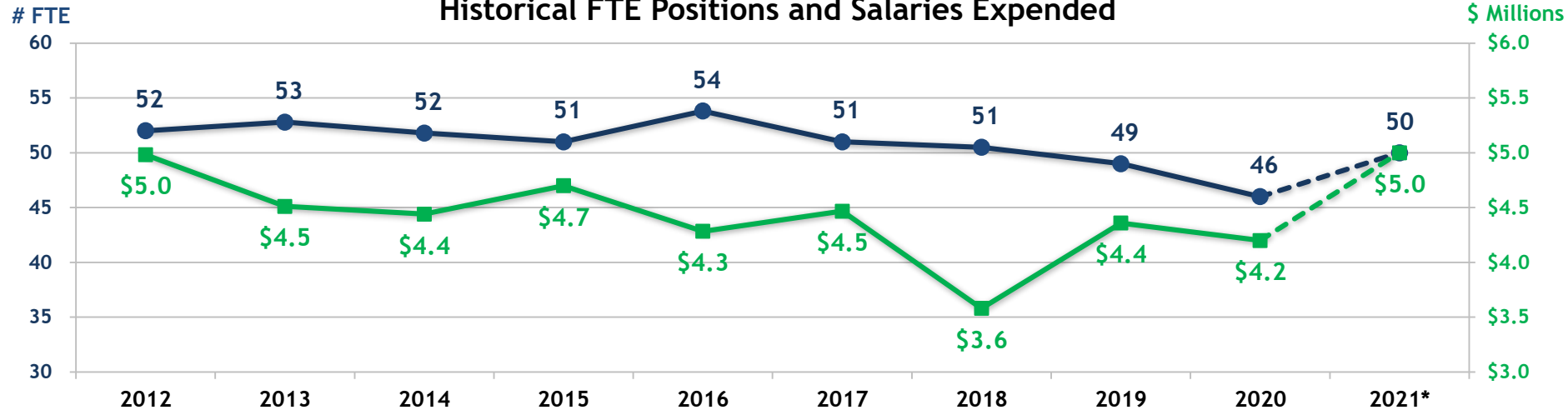
62	Total Authorized T.O. Positions (52 Classified, 10 Unclassified)
0	Authorized Other Charges Positions
5	Non-T.O. FTE Positions
11	Vacant Positions (February 1, 2021)

Historical Authorized T.O. Positions



Source: Office of Planning and Budget - Budget Supporting Documents

Historical FTE Positions and Salaries Expended



Source: Dept. of Civil Service and Budget Supporting Documents

*Existing Operating Budget 12/1/20

MAIN STREET RECOVERY PROGRAM

The Main Street Recovery Program (MSRP) was provided \$275 million from Coronavirus Relief Funds for small business grants up to \$15,000 administered by the State Treasury.

MSRP Statistics

Applications Processed	34,362
Grants Awarded	20,751
Grants Awarded to Women, Minority or Veteran Owned Businesses	13,288
Average Grant Award	\$12,648
Total Grant Dollars Paid (4/6/21)	\$259,096,106
Administrative Allocation	\$12,673,422



DEPARTMENT CONTACTS



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