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Vice Chairman

Fiscal Year 2023 Executive Budget Review

State Treasury

House Committee on Appropriations
House Fiscal Division

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TABLE OF CONTENTS



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All data and figures were obtained from the governor's Fiscal Year 2022-2023 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2022 Regular Session, unless otherwise noted.

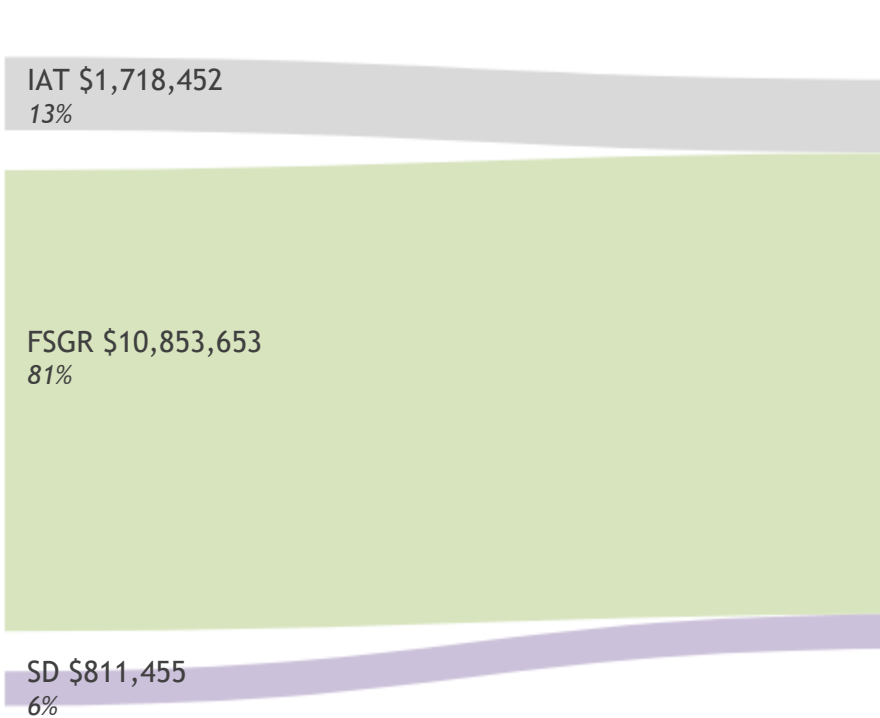
<https://www.doa.la.gov/doa/opb/budget-documents/>

Topic	Page
Budget Recommendation FY 23	3
Department Organization	4
Historical Spending & Budget	5
Prior Year Actual Spending FY 21	7
Existing Operating Budget FY 22	9
Funding Recommendation	11
Sources of Funding	12
Funding Comparison	13
Expenditure Recommendation	14
Expenditure History	15
Expenditure Comparison	16
Discretionary Expenses	19
Personnel Information	20
Main Street Recovery Programs	21
Department Contacts	22
General Department Information	23

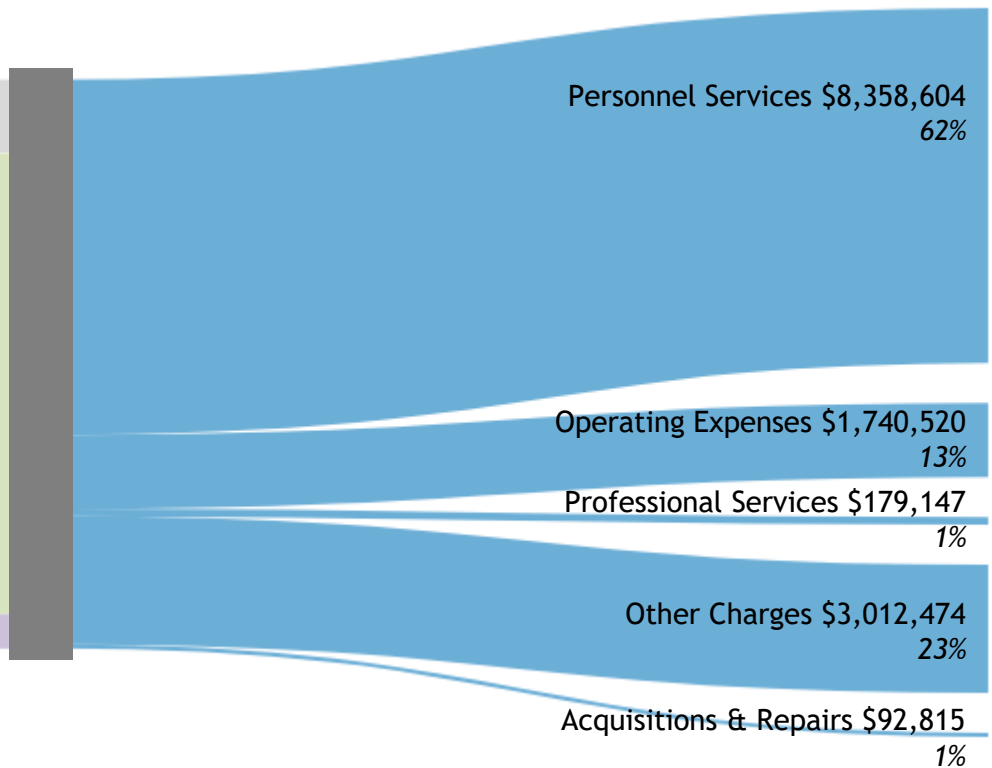
BUDGET RECOMMENDATION FY 23

Total Recommended = \$13,383,560

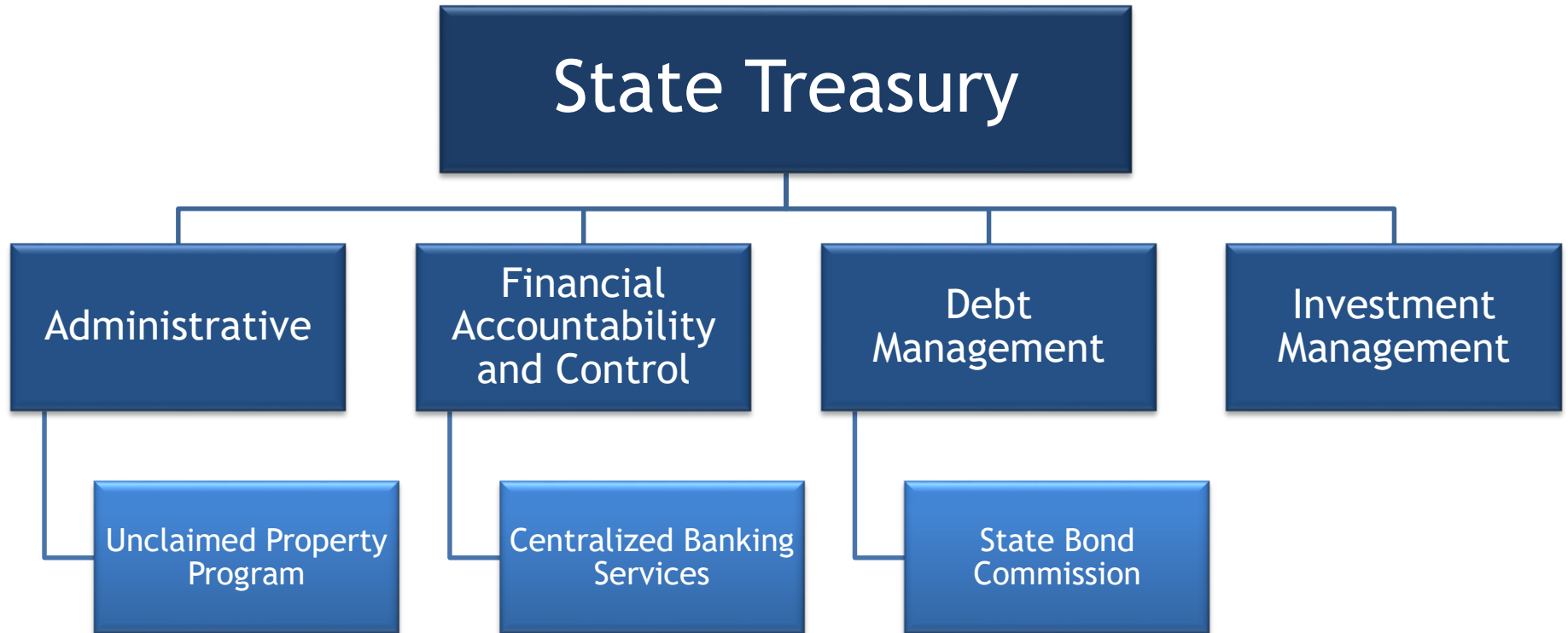
Means of Financing



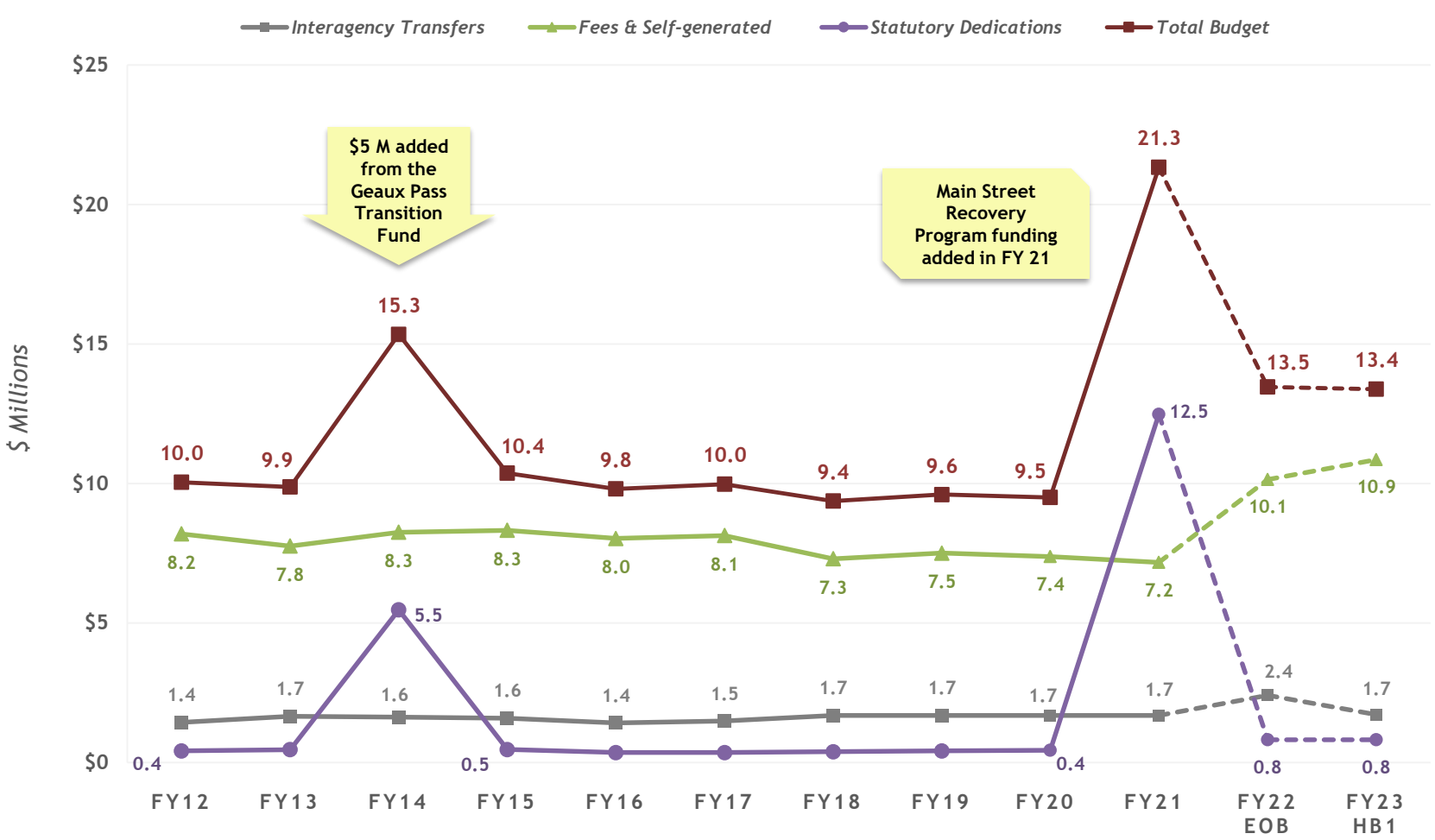
Expenditure Categories



DEPARTMENT ORGANIZATION



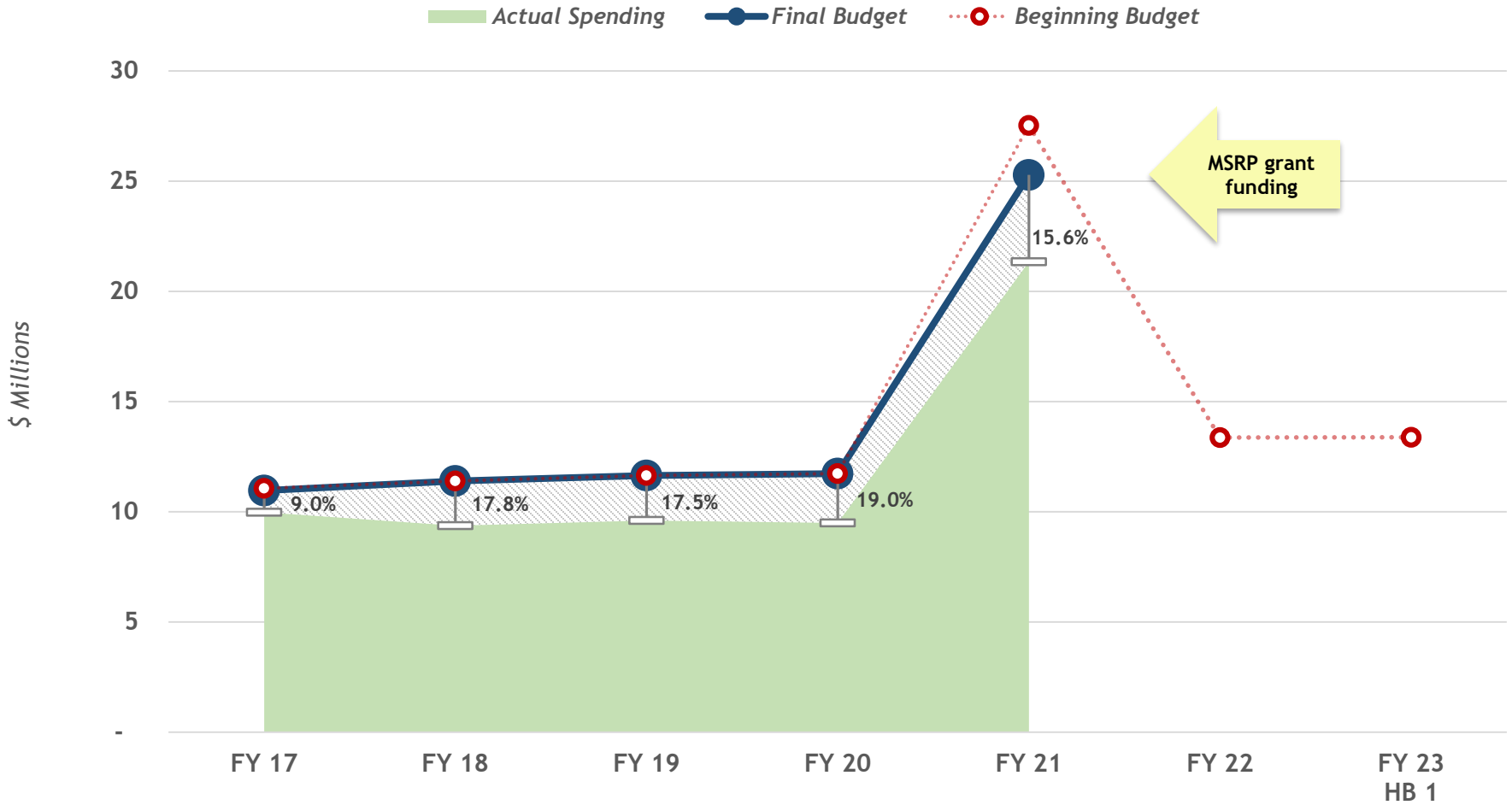
HISTORICAL SPENDING



10 Year Spending Change

- Total 8.7%
- FSGR (1.5%)
- IAT 1.8%
- SD 46.0%

HISTORICAL BUDGET



PRIOR YEAR ACTUALS FY 21

Means of Finance	Final Budget <i>(w/o FY22 carryfwr)</i>	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 0	\$ 0	\$ 0	0.0%	0.0%
Interagency Transfers	1,686,944	1,686,945	(1)	(0.0%)	(0.0%)
Self-generated	10,021,540	7,169,470	2,852,070	28.5%	73.9%
Statutory Dedications	13,484,877	12,477,948	1,006,929	7.5%	26.1%
Federal	0	0	0	0.0%	0.0%
FY21 Total	\$ 25,193,361	\$ 21,334,363	\$ 3,858,998	15.3%	100.0%

<i>Historical Total Unspent Budget Authority</i>	Final Budget	Amount Spent	Unspent Authority	Unspent %	
	FY20 Total	\$ 11,730,895	\$ 9,498,914	\$ 2,231,981	19.0%
	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%

PRIOR YEAR ACTUALS FY 21

Were projected revenues collected?

	Final Budget <i>(w/o FY22 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 0	\$ 0	\$ 0
IAT	1,686,944	1,686,944	0
FSGR	10,021,540	12,977,361	2,955,821
SD	13,484,877	12,477,948	(1,006,929)
FED	0	0	0
Total	\$ 25,193,361	\$ 27,142,253	\$ 1,948,892

Treasury collected \$1.9 million more than the FY 21 budget.

- Collections from self-generated revenues were in excess of budget projections due to a net change from slightly declining securities lending collections coupled with better than expected Bond Commission collections and the 7% unclaimed property administration allocation which is typically not utilized in full
- Funding not utilized from statutory dedications for the investment of constitutional trust funds and the Louisiana Main Street Recovery Fund were retained in their respective funds

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 0	\$ 0	\$ 0
IAT	1,686,944	1,686,945	1
FSGR	12,977,361	7,169,470	(5,807,891)
SD	12,477,948	12,477,948	0
FED	0	0	0
Total	\$ 27,142,253	\$ 21,334,363	\$ (5,807,890)

Treasury spent \$5.8 million less than was collected in fees and self-generated revenue. This revenue is authorized in the General Appropriations Bill to be carried over from one fiscal year to the next

EXISTING OPERATING BUDGET FY 22

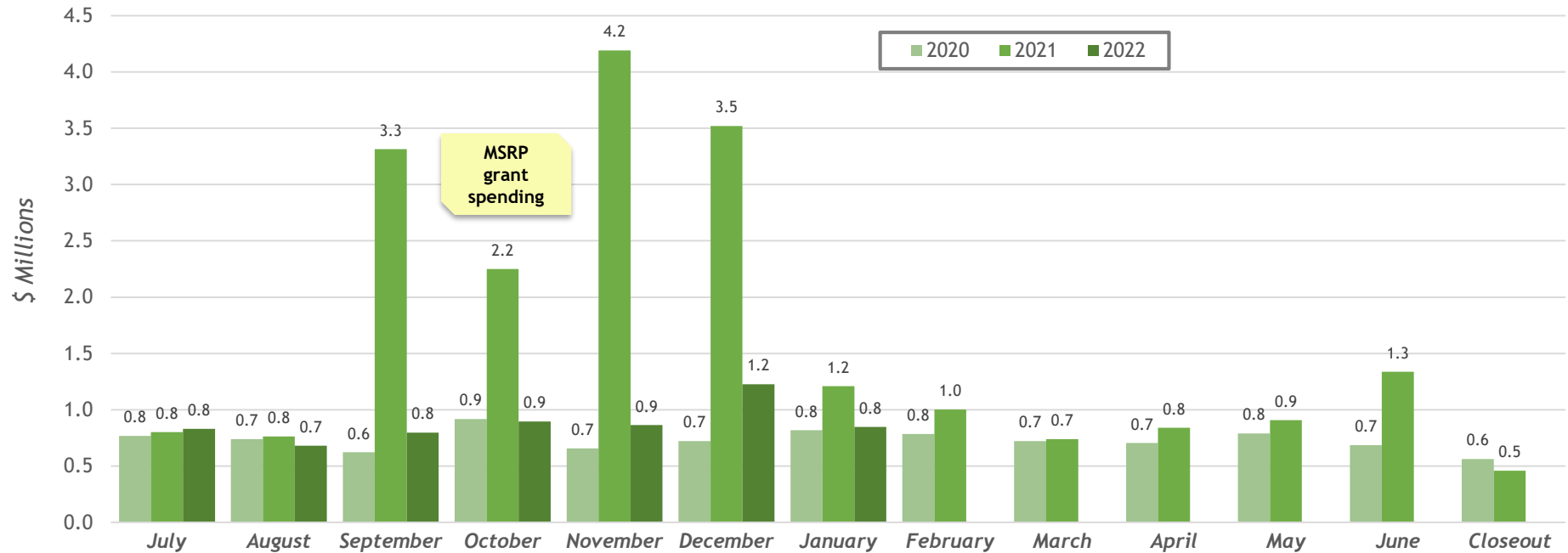
The FY 2021-22 Existing Operating Budget (EOB) was frozen on December 1, 2021. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 0	\$ 90,000	\$ 90,000
Interagency Transfers	2,411,944	0	2,411,944
Self-generated Revenue	10,142,092	0	10,142,092
Statutory Dedications	811,455	0	811,455
Federal	0	0	0
Total	\$ 13,365,491	\$ 90,000	\$ 13,455,491

Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No change	\$90,000 Increase from a carry forward of state general fund appropriated in HB516 of the 2021 RS	No change	No change	No change

MONTHLY SPENDING TREND



FYTD 2020	767,736	1,507,037	2,129,574	3,047,755	3,704,858	4,428,376	5,246,218	6,030,653	6,753,500	7,458,761	8,249,189	8,935,526	9,498,914
FYTD 2021	801,026	1,563,558	4,877,216	7,126,695	11,316,842	14,836,169	16,045,357	17,048,204	17,788,243	18,627,943	19,536,435	20,874,846	21,334,364
\$ Change PY	33,291	56,521	2,747,642	4,078,940	7,611,984	10,407,793	10,799,139	11,017,551	11,034,744	11,169,182	11,287,246	11,939,319	11,835,450
% Change PY	4.3%	3.8%	129.0%	133.8%	205.5%	235.0%	205.8%	182.7%	163.4%	149.7%	136.8%	133.6%	124.6%
FYTD 2022	831,483	1,513,257	2,310,101	3,206,026	4,069,709	5,296,734	6,143,552						
\$ Change PY	30,457	(50,301)	(2,567,115)	(3,920,668)	(7,247,133)	(9,539,436)	(9,901,805)						
% Change PY	3.8%	(3.2%)	(52.6%)	(55.0%)	(64.0%)	(64.3%)	(61.7%)						

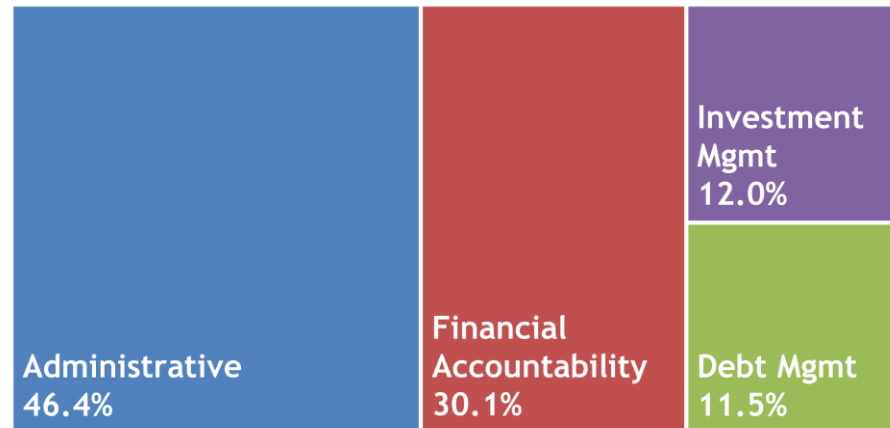
FUNDING RECOMMENDATION FY 23

Total Funding = \$13,383,560

Means of Finance		
State General Fund	\$	0
Interagency Transfers		1,718,452
Fees & Self-generated		10,853,653
Statutory Dedications		811,455
Federal Funds		0
Total	\$	13,383,560



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Administrative	\$	6,211,415	32
Financial Accountability		4,028,520	16
Debt Management		1,543,300	10
Investment Management		1,600,325	4
Total	\$	13,383,560	62



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

\$10.9 M

- **\$1.8 Million**
State Bond Commission fees collected for review of the issuance of debt by private and public entities
- **\$5.6 Million**
Securities Lending Program fees received from investment income on certain debt obligations of the Federal Government
- **\$2.8 Million**
Unclaimed Property funds utilized according to statute pursuant to that function
- Treasury is authorized in HB1 to carry-over and utilize certain self-generated funds from prior fiscal years in its operating budget

Statutory Dedications

\$811,455

- **\$449,093 - 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 investing and accounting for the trust funds managed by the State Treasury.

FUNDING COMPARISON

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 0	\$ 90,000	\$ 0	\$ (90,000)	(100.0%)	\$ 0	0.0%
IAT	1,686,945	2,411,944	1,718,452	(693,492)	(28.8%)	31,507	1.9%
FSGR	7,169,470	10,142,092	10,853,653	711,561	7.0%	3,684,183	51.4%
Stat Ded	12,477,948	811,455	811,455	0	0.0%	(11,666,493)	(93.5%)
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 21,334,363	\$ 13,455,491	\$ 13,383,560	\$ (71,931)	(0.5%)	\$ (7,950,803)	(37.3%)

Significant funding changes compared to the FY 22 Existing Operating Budget

State General Fund

(\$90,000) decrease from the removal of funding carried over into FY 22 from a supplemental appropriation in the 2021 Regular Session for the purchase of an online reporting system for the deputy sheriff's supplemental pay program

Interagency Transfers

(\$693,492) decrease from net adjustments driven by removing (\$725,000) for the administration of the Save Our Screens and Louisiana Loggers Relief programs

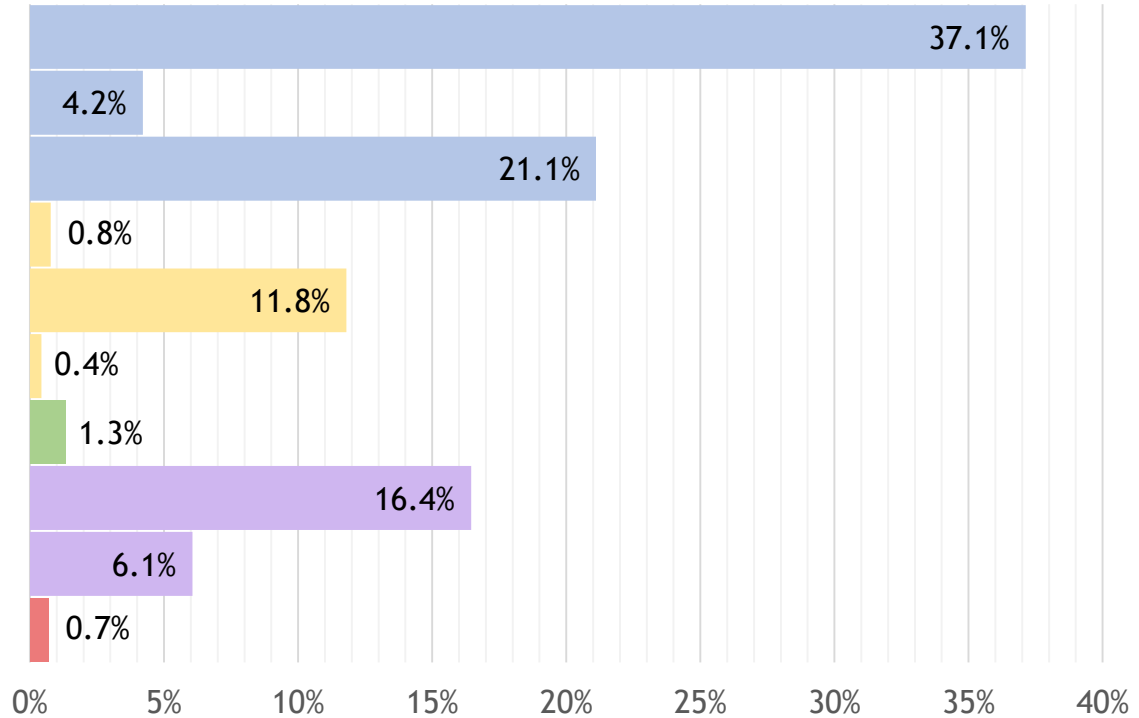
Fees & Self-generated

\$711,561 increase due to improving collections from Bond Commission activities and added utilization of Unclaimed Property administration fees

EXPENDITURE RECOMMENDATION FY 23

Total Budget = \$13,383,560

Expenditure Category		
Salaries	\$	4,969,951
Other Compensation		562,917
Related Benefits		2,825,736
Travel		103,389
Operating Services		1,579,759
Supplies		57,372
Professional Services		179,147
Other Charges		2,201,381
Interagency Transfers		811,093
Acquisitions/Repairs		92,815
Total	\$	13,383,560



EXPENDITURE HISTORY

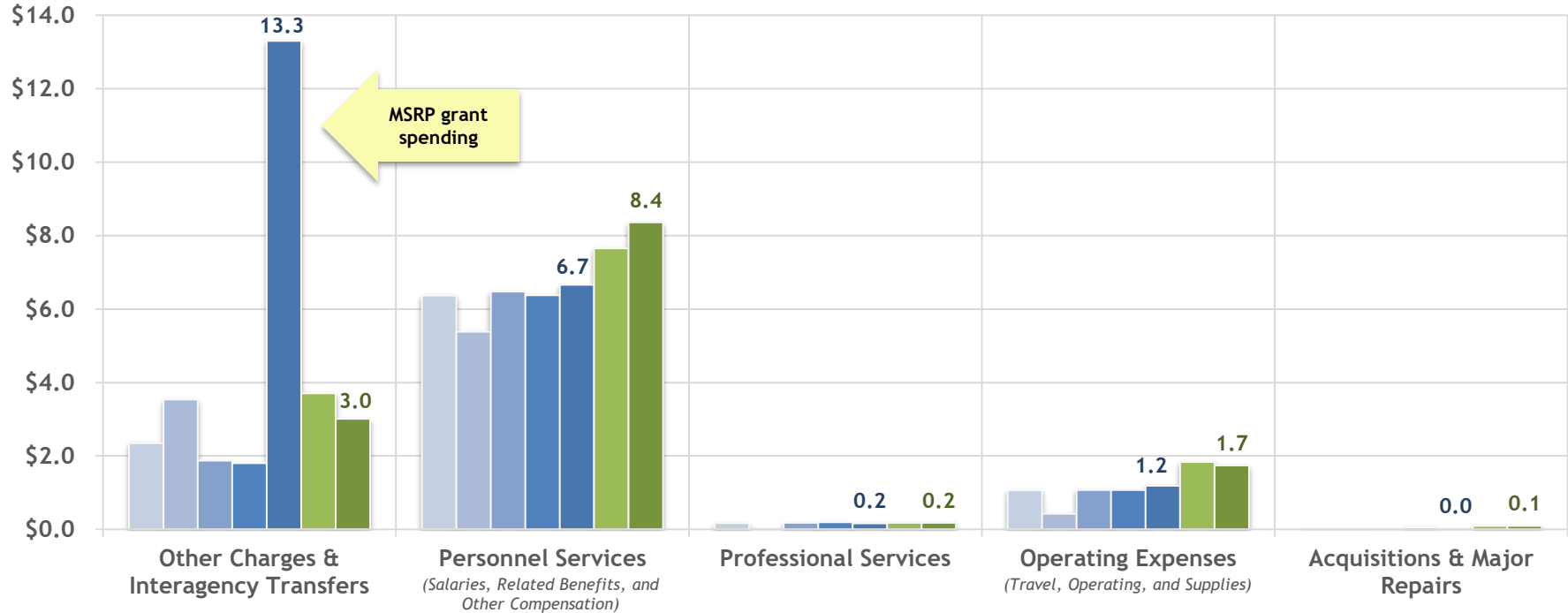
Actual Expenditures

Budgeted Amount

Fiscal Year:

2017 2018 2019 2020 2021

2022 EOB 2023 HB1



5 Year Average Spending per Expenditure Category

\$4.6 M : 38.2%	\$6.3 M : 52.3%	\$144,000 : 1.2%	\$1.0 M : 8.1%	\$25,000 : <1%
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EXPENDITURE COMPARISON

Expenditure Category	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 3,958,743	\$ 4,521,981	\$ 4,969,951	\$ 447,970	9.9%	\$ 1,011,208	25.5%
Other Compensation	449,254	562,917	562,917	0	0.0%	113,663	25.3%
Related Benefits	2,254,025	2,565,304	2,825,736	260,432	10.2%	571,711	25.4%
Travel	8,857	103,389	103,389	0	0.0%	94,532	1,067.3%
Operating Services	1,145,183	1,669,759	1,579,759	(90,000)	(5.4%)	434,576	37.9%
Supplies	35,598	57,372	57,372	0	0.0%	21,774	61.2%
Professional Services	161,850	179,147	179,147	0	0.0%	17,297	10.7%
Other Charges	11,141,938	2,894,873	2,201,381	(693,492)	(24.0%)	(8,940,557)	(80.2%)
Interagency Transfers	2,158,975	807,934	811,093	3,159	0.4%	(1,347,882)	(62.4%)
Acquisitions/Repairs	19,940	92,815	92,815	0	0.0%	72,875	365.5%
Total	\$ 21,334,363	\$ 13,455,491	\$ 13,383,560	\$ (71,931)	(0.5%)	\$ (7,950,803)	(37.3%)

SIGNIFICANT EXPENDITURE CHANGES FY 23

Compared to the FY 22 Existing Operating Budget

Personnel Services	Operating Services	Other Charges
<ul style="list-style-type: none">• \$447,970 net increase in salaries to account for the 27th pay period and adjust for routine changes for the salary base, classified staff pay, and potential attrition• \$260,432 net increase in related benefits due to realigning the base need, changes in retirement contribution and group insurance rates, and to account for the 27th pay period	<p>(\$90,000) decrease from the removal of a one-time appropriation for an online reporting system to streamline the deputy sheriff's supplemental pay program</p>	<p>(\$693,492) decrease driven by the removal of (\$725,000) for the administration costs of the La. Loggers Relief and the Save Our Screens Main Street Recovery Programs</p>

OTHER CHARGES/INTERAGENCY TRANSFERS

Other Charges

Amount	Description
\$ 1,281,666	Central Banking Services
811,455	Trust Fund Investment Management (<i>Millennium Trust Funds, La. Education Quality Trust Fund, Medicaid Trust for the Elderly</i>)
105,000	Population Estimates
3,260	LaCap Federal Credit Union for Unclaimed Property
\$ 2,201,381	Total Other Charges

Interagency Transfers

Amount	Description
\$ 349,722	Statewide Commodities & Services
141,565	Building Maintenance
62,000	Rentals
57,240	Risk Management
45,468	Office of Technology Services
40,510	Security
32,532	Legislative Auditor
31,253	State Procurement
23,677	Civil Service Fees
18,878	Data Processing
8,248	Printing and Mailing Services
\$ 811,093	Total Interagency Transfers

DISCRETIONARY EXPENSES FY 23

**Total Budget
\$13.4 Million**

Interagency
Transfers
\$1.7 Million

Self-generated
Revenue
\$10.9 Million

Statutory
Dedications
\$811,455

**Non-discretionary
\$2.4 Million**

**Discretionary
\$8.5 Million**

Unfunded Accrued Liability
\$1.7 Million

Retiree's Group Insurance
\$307,889

Treasurer's Salary
\$163,150

Maintenance in Bldgs
\$141,565

Legislative Auditor Fees
\$30,955

Administrative
\$4.9 Million

Financial Accountability &
Control
\$1.7 Million

Debt Management
\$1.2 Million

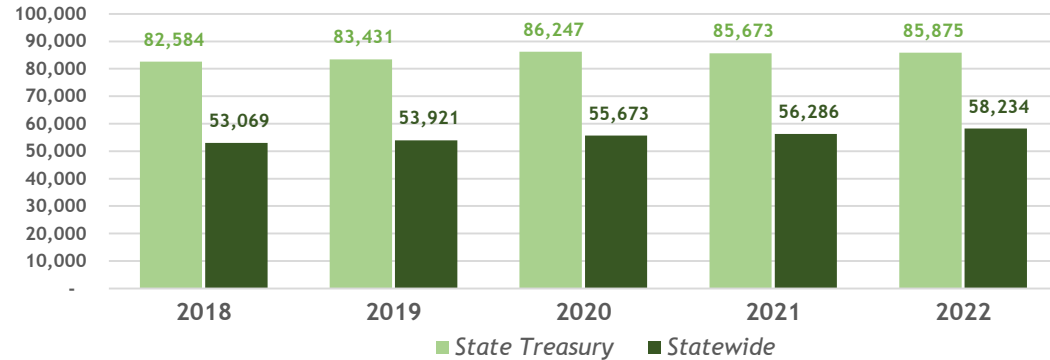
Investment Management
\$634,993

PERSONNEL INFORMATION

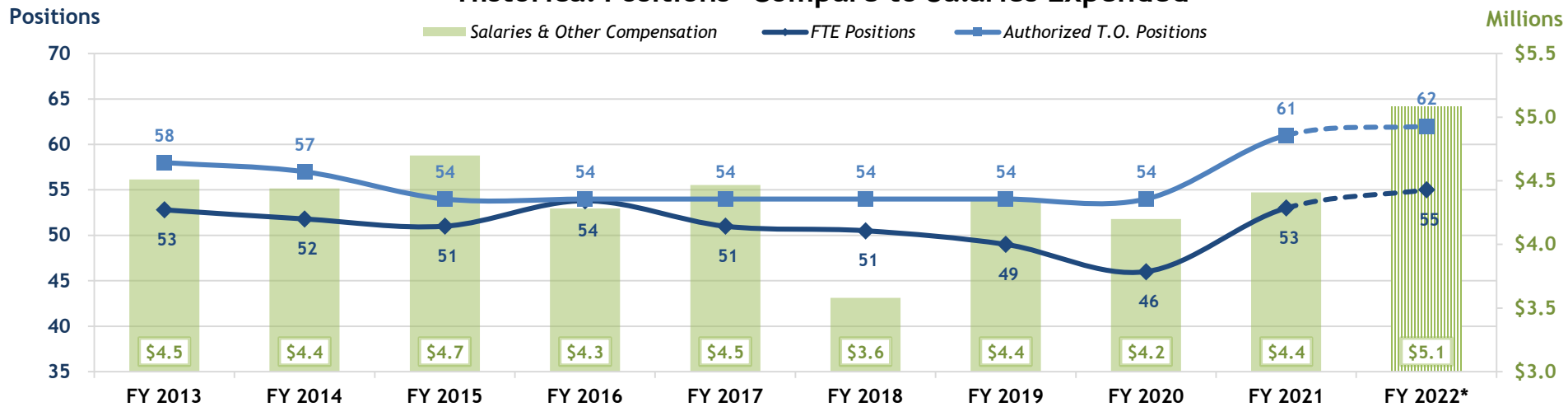
FY 2023 Recommended Positions

62	Total Authorized T.O. Positions (52 Classified, 10 Unclassified)
0	Authorized Other Charges Positions
5	Non-T.O. FTE Positions
5	Vacant Positions (January 3, 2022)

Historical Average Salary



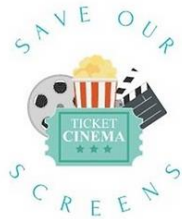
Historical Positions¹ Compare to Salaries Expended



¹ FTE Source: Dept. of Civil Service Weekly Report on State Employment

* Existing Operating Budget on 12/1/21

LOUISIANA MAIN STREET RECOVERY



Save Our Screens Program

Act 410 of the 2021 R.S. allocated \$4.5 M for the Save Our Screens Program

Allowed for a \$10,000 per screen grant to eligible movie theater businesses impacted by the COVID-19 pandemic

# Applicants	39
# Awardees	34
\$ Awarded	\$3,812,127
Admin Allocation	\$225,000
Admin Used	\$190,606
Remaining funds	\$497,267



Louisiana Loggers Relief Program

Act 410 of the 2021 R.S. allocated \$10 M for the LA Loggers Relief Program

Allowed for a \$25,000 grant to eligible timber businesses impacted by the COVID-19 pandemic

# Applicants	176
# Awardees	68
\$ Awarded	\$1,630,147
Admin Allocation	\$500,000
Admin Used	\$81,507
Remaining funds	\$8,288,346

DEPARTMENT CONTACTS



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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
- Manages the *State Aid to Locals* appropriations contained in Schedule 20 of the budget including the individual cooperative endeavor agreements with each entity which number 382 in the current FY 22 budget

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 \$13 billion in investment securities including the state trust funds