

Representative Cameron Henry
Chairman



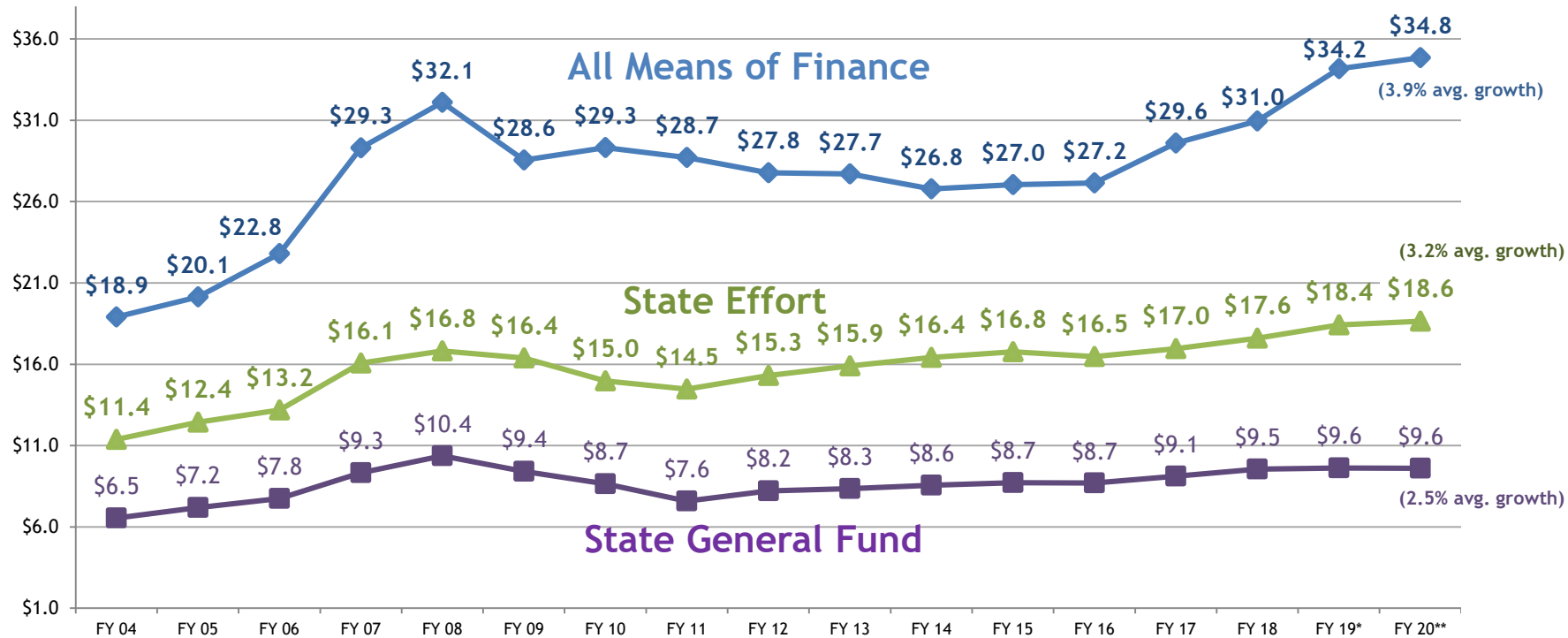
Representative Franklin Foil
Vice Chairman

FY19-20 HB 105 Review **OVERVIEW**

House Committee on Appropriations
by the House Fiscal Division

April 1, 2019

BUDGET HISTORY (IN BILLIONS)



Source: Budget Supporting Documents and HB 105 of 2019 RS

* Existing Operating Budget as of 12/1/18

** HB 105 of the 2019 RS

BUDGET BY MEANS OF FINANCE

Means of Financing	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change FY18 Actuals
State General Fund	\$9,547,703,987	\$9,623,749,924	\$9,605,500,000	(\$18,249,924)	(0.2%)	\$57,796,013	0.6%
Interagency Transfers	\$1,271,468,799	\$1,603,129,778	\$1,540,957,735	(\$62,172,043)	(3.9%)	\$269,488,936	21.2%
Fees and Self-Gen Rev	\$4,074,175,874	\$4,434,758,832	\$4,648,819,295	\$214,060,463	4.8%	\$574,643,421	14.1%
Statutory Dedications	\$3,981,981,915	\$4,365,493,497	\$4,383,565,484	\$18,071,987	0.4%	\$401,583,569	10.1%
Federal Funds	\$12,084,922,232	\$14,150,033,600	\$14,666,028,974	\$515,995,374	3.6%	\$2,581,106,742	21.4%
Total Means of Finance	\$30,960,252,807	\$34,177,165,631	\$34,844,871,488	\$667,705,857	2.0%	\$3,884,618,681	12.5%
Total State Effort	\$17,603,861,776	\$18,424,002,253	\$18,637,884,779	\$213,882,526	1.2%	\$1,034,023,003	5.9%

Note: SGF Includes a \$180,000 technical correction that will be added to Department of Corrections

Source: Budget Supporting Documents and HB 105 of 2019 RS

STATE GENERAL FUND IN HB 105

State General Fund budgeted in HB 105 for FY20 balances to the most recently adopted Revenue Estimating Conference forecast on 6/26/18 - \$9.6 Billion

- \$108.4 million revenue increase from FY 18-19 Official Forecast.
- \$101.8 million budgeted for teacher pay increase.
- Remainder for non-appropriated general obligation debt service.

NON-RECURRING ITEMS IN EXISTING BUDGET

SGF Change from EOB	(\$ 18.3M)
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Non-Recurring Items

Remove Carryforwards	\$ 63.7M
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Remove FY17 Surplus	<u>\$ 63.0M</u>
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SGF Without Non-Recurring	\$108.4M
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DEPARTMENTS' STATE GENERAL FUND

DEPARTMENT	Existing FY 18-19	HB 105 FY 19-20	Difference
Dept of Ed	\$3,586,184,156	\$3,687,922,686	\$101,738,530
Non-Approp	\$513,973,375	\$539,966,015	\$25,992,640
Higher Ed	\$1,014,826,798	\$1,014,826,798	\$0
Corrections	\$504,803,318	\$504,803,318	\$0
DCFS	\$193,377,419	\$193,377,419	\$0
Judicial	\$153,530,944	\$153,530,944	\$0
Youth Services	\$111,686,001	\$111,686,001	\$0
Spec Schools	\$45,820,886	\$45,820,886	\$0
Econ Dev	\$20,063,613	\$20,063,613	\$0
Ag and Forestry	\$18,300,151	\$18,300,151	\$0
Veterans	\$5,592,418	\$5,592,418	\$0
Civil Service	\$5,343,846	\$5,343,846	\$0
Lt Governor	\$1,041,842	\$1,041,842	\$0

DEPARTMENT	Existing FY 18-19	HB 105 FY 19-20	Difference
Pub Safety	\$51,504	\$0	(\$51,504)
Att General	\$17,520,088	\$17,354,514	(\$165,574)
LWC	\$8,252,219	\$8,029,040	(\$223,179)
HCSD	\$24,427,906	\$23,981,083	(\$446,823)
CRT	\$32,960,531	\$32,497,266	(\$463,265)
Sec State	\$56,003,629	\$55,401,476	(\$602,153)
DNR	\$8,743,801	\$7,995,955	(\$747,846)
Executive	\$135,165,035	\$134,119,109	(\$1,045,926)
Legislative	\$62,472,956	\$57,472,956	(\$5,000,000)
LDH	\$2,482,536,143	\$2,471,234,563	(\$11,301,580)
Other Req	\$557,721,585	\$495,138,101	(\$62,583,484)
Capital Outlay	\$63,349,760	\$0	(\$63,349,760)
TOTAL	\$9,623,749,924	\$9,605,500,000	(\$18,249,924)

Source: Budget Supporting Documents and HB 105 of 2019 RS

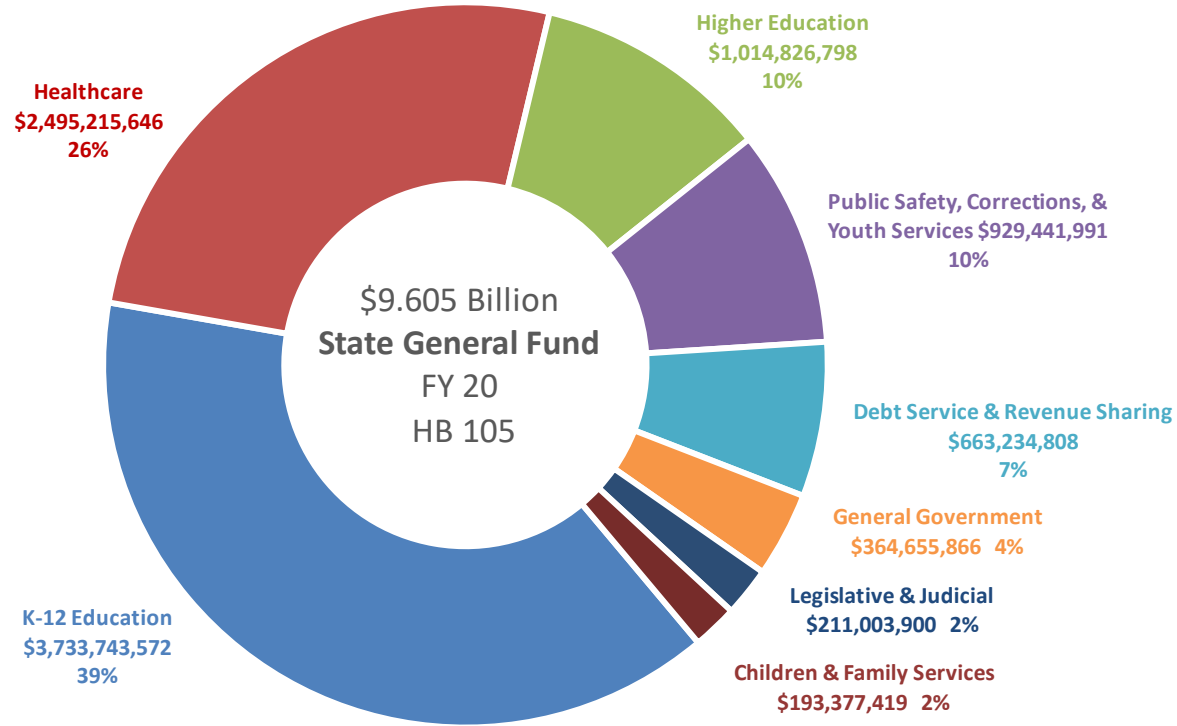
DEPARTMENTS' TOTAL FUNDING

DEPARTMENT	Existing FY 18-19	HB 105 FY 19-20	Difference
LDH	\$14,070,752,723	\$15,027,047,422	\$956,294,699
Non-Approp	\$568,731,317	\$611,019,017	\$42,287,700
Ancillary	\$2,343,582,618	\$2,378,269,821	\$34,687,203
Dept of Ed	\$5,376,183,272	\$5,399,024,395	\$22,841,123
Pub Safety	\$478,056,078	\$489,584,389	\$11,528,311
CRT	\$89,299,693	\$98,630,387	\$9,330,694
DNR	\$56,063,158	\$60,245,103	\$4,181,945
DCFS	\$779,223,704	\$782,754,807	\$3,531,103
DOR	\$105,569,842	\$107,896,014	\$2,326,172
Sec State	\$90,358,748	\$92,436,864	\$2,078,116
Veterans	\$71,192,039	\$72,359,144	\$1,167,105
Insurance	\$31,878,205	\$32,829,836	\$951,631
Att General	\$71,957,217	\$72,827,411	\$870,194
Ag and Forestry	\$73,306,663	\$73,935,977	\$629,314
Corrections	\$571,465,367	\$571,949,212	\$483,845
PSC	\$9,722,536	\$10,124,533	\$401,997
Civil Service	\$21,022,685	\$21,386,864	\$364,179

DEPARTMENT	Existing FY 18-19	HB 105 FY 19-20	Difference
Spec Schools	\$102,169,978	\$102,402,594	\$232,616
Treasurer	\$11,639,368	\$11,730,895	\$91,527
Youth Services	\$125,462,265	\$125,522,430	\$60,165
Lt Governor	\$7,212,197	\$7,212,197	\$0
Judicial	\$173,164,719	\$173,164,719	\$0
LWC	\$288,273,138	\$288,198,824	(\$74,314)
HCSO	\$62,243,427	\$62,118,880	(\$124,547)
Higher Ed	\$2,741,586,490	\$2,740,233,104	(\$1,353,386)
DOTD	\$637,481,619	\$635,863,473	(\$1,618,146)
DEQ	\$137,257,945	\$133,008,686	(\$4,249,259)
DWF	\$176,572,698	\$172,259,073	(\$4,313,625)
Legislative	\$96,851,515	\$91,851,515	(\$5,000,000)
Econ Dev	\$49,129,804	\$42,734,910	(\$6,394,894)
Capital Outlay	\$1,341,478,643	\$1,285,329,138	(\$56,149,505)
Other Req	\$876,987,614	\$770,417,328	(\$106,570,286)
Executive	\$2,541,288,346	\$2,300,502,526	(\$240,785,820)
TOTAL	\$34,177,165,631	\$34,844,871,488	\$667,705,857

Source: Budget Supporting Documents and HB 105 of 2019 RS

STATE GENERAL FUND BY CATEGORY



Source: Budget Supporting Documents and HB 105 of 2019 RS

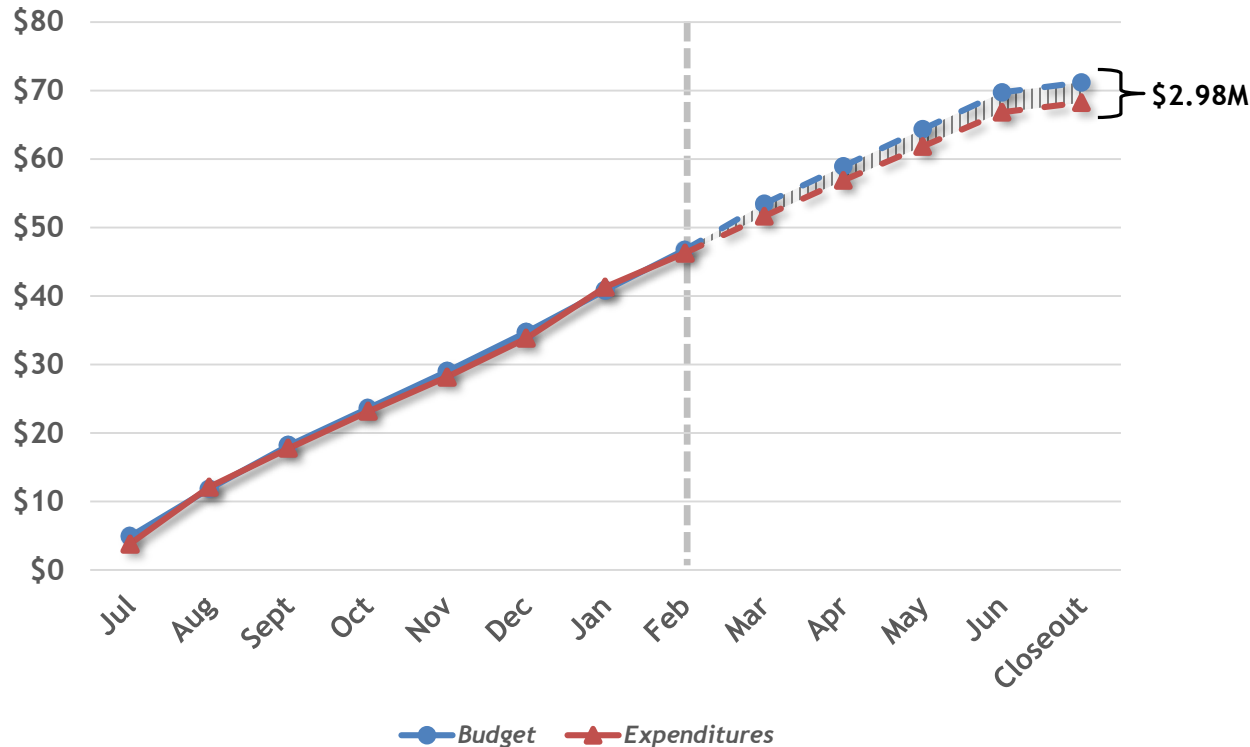
STATE GENERAL FUND BY CATEGORY

Category	FY 17-18 Actuals	FY 18-19 Existing Budget	FY19-20 HB 105	% Change FY18 to FY20
K-12 Education	\$3,619,195,569	\$3,632,005,042	\$3,733,743,572	3.2%
Healthcare	\$2,494,415,177	\$2,506,964,049	\$2,495,215,646	0.03%
Higher Education	\$1,012,208,943	\$1,014,826,798	\$1,014,826,798	0.3%
Public Safety, Corrections, & Youth Services	\$927,934,303	\$946,005,343	\$929,441,991	0.2%
Debt Service & Revenue Sharing	\$649,770,717	\$716,443,628	\$663,6234,808	2.1%
General Government	\$453,222,712	\$398,123,745	\$364,655,866	(19.5%)
Legislative & Judicial	\$214,003,900	\$216,003,900	\$211,003,900	(1.4%)
Children & Family Services	\$176,952,666	\$193,377,419	\$193,377,419	9.3%
TOTAL	\$9,547,703,987	\$9,623,749,924	\$9,605,500,000	0.6%

EXPENDITURE TREND ANALYSIS

- Each budget presentation will include an analysis that shows a current year projection of what budget authority could remain at year end (with exception of HIED and HCSD).
- Prior year actuals vs year-end budgets are also shown.
 - A spreadsheet of 3 years of comparisons are also in your binders behind each presentation.
- Carryforward funds, means of finance, and aberrations were factored into the analysis.
- In FY 17-18, \$2.5 billion of budget authority (8.6%) went unspent in the general appropriations bill.

EXAMPLE SLIDE - VETERANS AFFAIRS



Analysis shows approximately \$2.98 million or 4.2% in total means of finance budget authority could be unspent at year-end based on actuals through February and projections through the end of the year.

The remaining budget authority is federal, with some self-generated revenue authority. No state general funds are expected to remain at the end of FY19.

In FY18, \$2.6 million, or 3.7%, of its budget authority was left unspent, primarily comprised of \$1.4 million in self-generated revenues, \$873,000 federal funds, and \$248,000 state general funds.

STATEWIDE UNSPENT BUDGET AUTHORITY

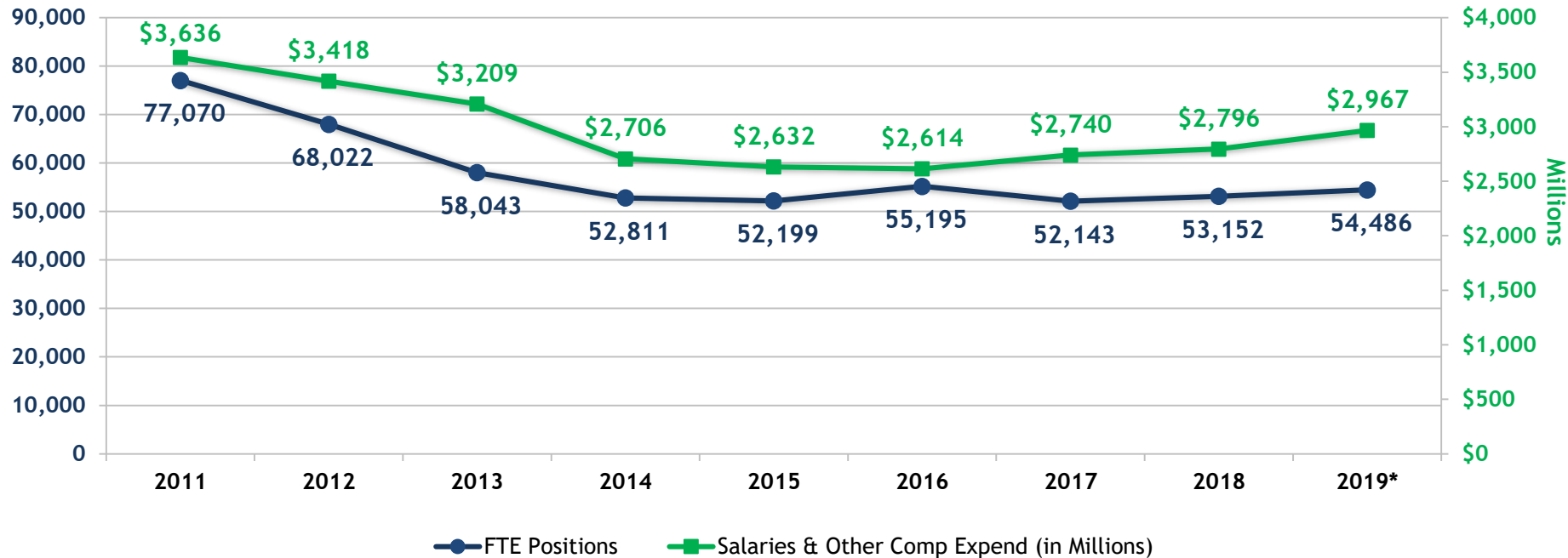
General Appropriation Bill - Schedules 1-20

FY18	FY 17 - 18 Final Budget	FY18 Actuals	Unspent Budget Authority	% of Unspent Budget	Unspent % by MOF
SGF	\$ 8,829,641,194	\$ 8,806,232,397	\$ 23,408,797	0.3%	0.9%
IAT	\$ 983,169,116	\$ 690,157,011	\$ 293,012,105	29.8%	11.6%
FSGR	\$ 2,770,751,517	\$ 2,576,277,692	\$ 194,473,825	7.0%	7.7%
SD	\$ 2,919,738,261	\$ 2,697,350,043	\$ 222,388,218	7.6%	8.8%
FED	\$ 13,806,512,500	\$ 12,022,117,232	\$ 1,784,395,268	12.9%	70.9%
Total	\$ 29,309,812,588	\$ 26,792,134,375	\$ 2,517,678,213	8.6%	100.0%

FY17	\$ 27,198,713,346	\$ 25,382,350,331	\$ 1,816,363,015	6.7%
FY16	\$ 24,865,727,483	\$ 23,112,164,213	\$ 1,753,563,270	7.1%
3 Yr Avg.	\$ 27,124,751,139	\$ 25,095,549,640	\$ 2,029,201,499	7.5%

PERSONNEL INFORMATION

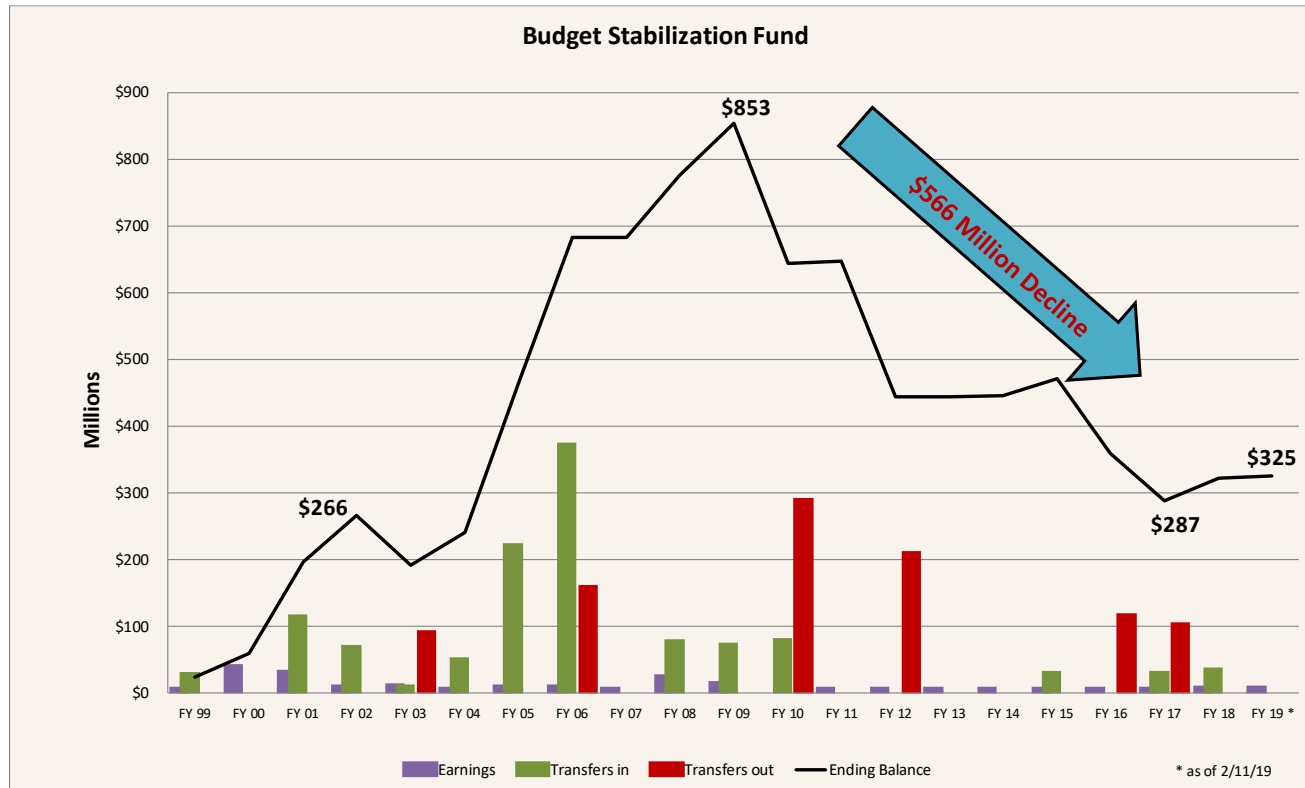
9 Year FTE Positions/Salaries Expended



* Existing Operating Budget as of 12/1/2018

Source: FTE Data from the Dept. of Civil Service and salary data from the Budget Supporting Documents

BUDGET STABILIZATION FUND (RAINY DAY)



SURPLUS VS EXCESS

Surplus

- Non-recurring money
- From prior year
- Amount of State General Fund remaining once a fiscal year is over and all closeout activities are finished.
- Can only be spent on 6 constitutional items.

Excess

- Recurring money
- In current year
- After session, REC raises forecast above what was appropriated during session.
- After session, State General Fund can only be spent in supplemental appropriation bill during next legislative session.
- Can be spent on any appropriation.

SURPLUS - USE OF NON-RECURRING FUNDS

Article VII, Section 10 appropriation of money in the official forecast designated as nonrecurring shall be made only for:

- Deposit into the Budget Stabilization Fund (25% shall be deposited into the fund)
- Payments against the retirement systems' unfunded accrued liability (10%)
- Retiring or the defeasance of bonds
- Funding for capital outlay projects
- Highway construction for which federal matching funds are available
- Deposit into the Coastal Protection and Restoration Fund

FY19 SURPLUS

\$308M Total Surplus

\$108M for 2 Requirements

- \$77.0M - Budget Stabilization (Rainy Day)
- \$30.8M - TRSL and LASERS UAL Payments

\$200M remaining that can be spent on any of the 6 options

- Typically spent in capital outlay bill, supplemental bill, or funds bill.

Source: Prepared by House Fiscal Division staff using information from Fiscal Status Statement presentation to JLCB on 3/19/19

FY19 EXCESS

FY 19 SGF Official Forecast Adopted 6/26/18
\$9.4971 Billion (includes \$53.3M of BP money)

LFO - February 2019: \$122.3M Proposed Increase

DOA - February 2019: \$148.7M Proposed Increase

FY19 EXCESS

\$82 million of items identified by Division of Administration for use of excess:

- **\$25 million** - Repay FEMA for multiple disasters including the August 2016 flood
- **\$19 million** - Higher Education and TOPS
- **\$16 million** - Corrections - personal services and acquisitions and major repairs
- **\$15 million** - Finalize implementation of LaGov financial system
- **\$ 4 million** - Office of Juvenile Justice - Raise the Age Initiative and Acadiana Center for Youth
- **\$ 3 million** - Partial repayment plan for Public Service Commission and Environmental Quality

Source: Prepared by House Fiscal Division staff using information from Fiscal Status Statement presentation to JLCB on 3/19/19

HFD RESOURCES

HFD website - includes:

- Budget Hearing Schedule
- Budget Presentations
- Budget Tracker - updated throughout session
- Historical Budget Information

<http://house.louisiana.gov/housefiscal/>