

Prima Newsletter February 2015



I thought this month's newsletter should focus on information about the State Budget Cuts as outlined in the Governors Mid-Year Deficit Elimination Plan published last Friday. This will affect almost all state agencies and thus affect us all.

Mid-Year Deficit Elimination Plan February 6, 2015

This mid-year deficit elimination plan proposes \$103.5 million in potential solutions through targeted reductions in contracts, travel and operating services as well as strategic program reductions and continued eliminations at state agencies. Overall, this plan includes: » \$60.66 million in agency reductions » \$42.84 million in revenue opportunities.

Summary of Reductions Agency Reduction Summary Agriculture (\$2,006,308) Savings from reduced fuel expenses, delaying IT projects and not filling some vacant positions. Corrections (\$1,073,911) Contract reductions and unnecessary unemployment funding Public Safety (\$329,746) Reduction in financial service and legal services contracts, equipment purchases and other administrative costs CPRA (\$1,240,775) Reduces excess budget authority to IT consolidation and LaGov project cost DCFS (\$146,932) Reduction in child support enforcement contract for medical support orders and admin services DEQ (\$2,531,890) Contract reductions, cuts in administrative expenses, reductions in the Motor Fuels Underground Tank Fund and Waste Tire Management Fund DHH (\$13,045,970) Contract reductions and funds not projected to be spent DNR (\$375,059) Contract reductions for legal service and lease management, freezing student employment and reduction in Fisherman's Gear Compensation Fund Page 2 of 8DOA (\$2,528,000) Savings from debt service, attrition, utilities reduction, contracts and legal services DOE (\$899,286) Savings from reductions in administrative contracts DOJ (\$1,535,655) Savings in tobacco arbitration DOTD (\$16,651,498) GEMS eliminations and other savings in supplies Executive of (\$10,000) Reduction in travel expenses Insurance (\$1,383,935) Contract reductions and elimination of 7 vacant positions LCLE (\$3,239,293) Reduction in projected number of eligible participants in supplemental pay program in addition to a reduction in expenses in drug abuse program and reduction in victim reparations training for local law enforcement LDR (\$2,258,568) Savings from hiring freeze, travel reduction, and contract reductions LED (\$221,080) Additional fees and revenue Lt. Gov (\$74,143) Reduces the number of Education Program Grants associated with various events and presentations throughout the state. LWC (\$329,467) The midyear cut will be mitigated through administrative savings and the cancelation of an IT contract. LWF (\$1,821,150) Reduction postpones

land acquisition OIG (\$32,393) Savings from attrition OJJ (\$4,000,000) Reduction from contract authority not utilized this year PSC (\$12,750) Savings from selling seven underutilized vehicles SOS (\$931,593) Reduction in services, postponing BESE Election to Fall elections, hiring freeze for Registrars of Voters offices including part-time staff Tourism (\$3,488,871) Reductions in contracts, supplies, operating services and repairs at state parks. Reductions in supplies and operating hours at libraries. Treasurer (\$491,102) Contract reductions and decrease in Louisiana Quality Education Support Fund Revenue Opportunities \$42.84 million in revenue was identified in the following areas.

Revenue Opportunities \$42.84 million in revenue was identified in the following areas. » \$11.1 million from Department of Revenue excess collections » \$8 million excess in the DEQ Motor Fuels Underground Tank Fund » \$8.2 million in Riverboat Fund revenues - \$2.2 million is a FY14 Fund Balance from the Riverboat Gaming Enforcement Fund; the remaining \$6 million is available TTF from DOTD which can be appropriated to Public Safety for patrol » \$4.2 million in excess funds from the Telephone Company Property Assessment Relief Fund » \$1.4 million in federal reimbursement at the Department of Military Affairs » \$9 million from the Medicaid Trust Fund for the Elderly.

Breakdown by agencies or department

Agriculture and Forestry - \$2.01 million, Corrections - \$1.07 million, Public Safety - \$329,746, Coastal Protection - \$1.24 million, Children and Family Services - \$146,932, Environmental Quality - \$2.53 million, Healthcare - \$13.05 million, Natural Resources - \$375,059, Division of Administration - \$2.54 million, K-12 Education - \$899,286, Department of Justice - \$1.54 million, Transportation - \$16.65 million, Executive Office - \$10,000, Department of Insurance - \$1.38 million, Commission on Law Enforcement - \$3,239,293, Revenue - \$2.258 million, Economic Development - \$221,080, Lt. Governor - \$74,143, Workforce Commission - \$329,467, Wildlife and Fisheries - \$1.82 million, Inspector General - \$32,393, Juvenile Justice - \$4 million, Public Service Commission - \$12,750, Secretary of State - \$931,593, Culture, Recreation and Tourism - \$3.49 million, Treasury - \$491,102.

For a detailed breakdown and full copy of this Plan, go to:

http://media.nola.com/politics/other/MidYearDeficitReductionPlan_2015_Feb.pdf

We have all had to deal with resource limitations, and if there is a method you would like to share with our association, please feel free to let me know.