

Office of the General Treasurer

FY 2016 Revised and FY 2017
Budgets

Staff Presentation
March 29, 2016

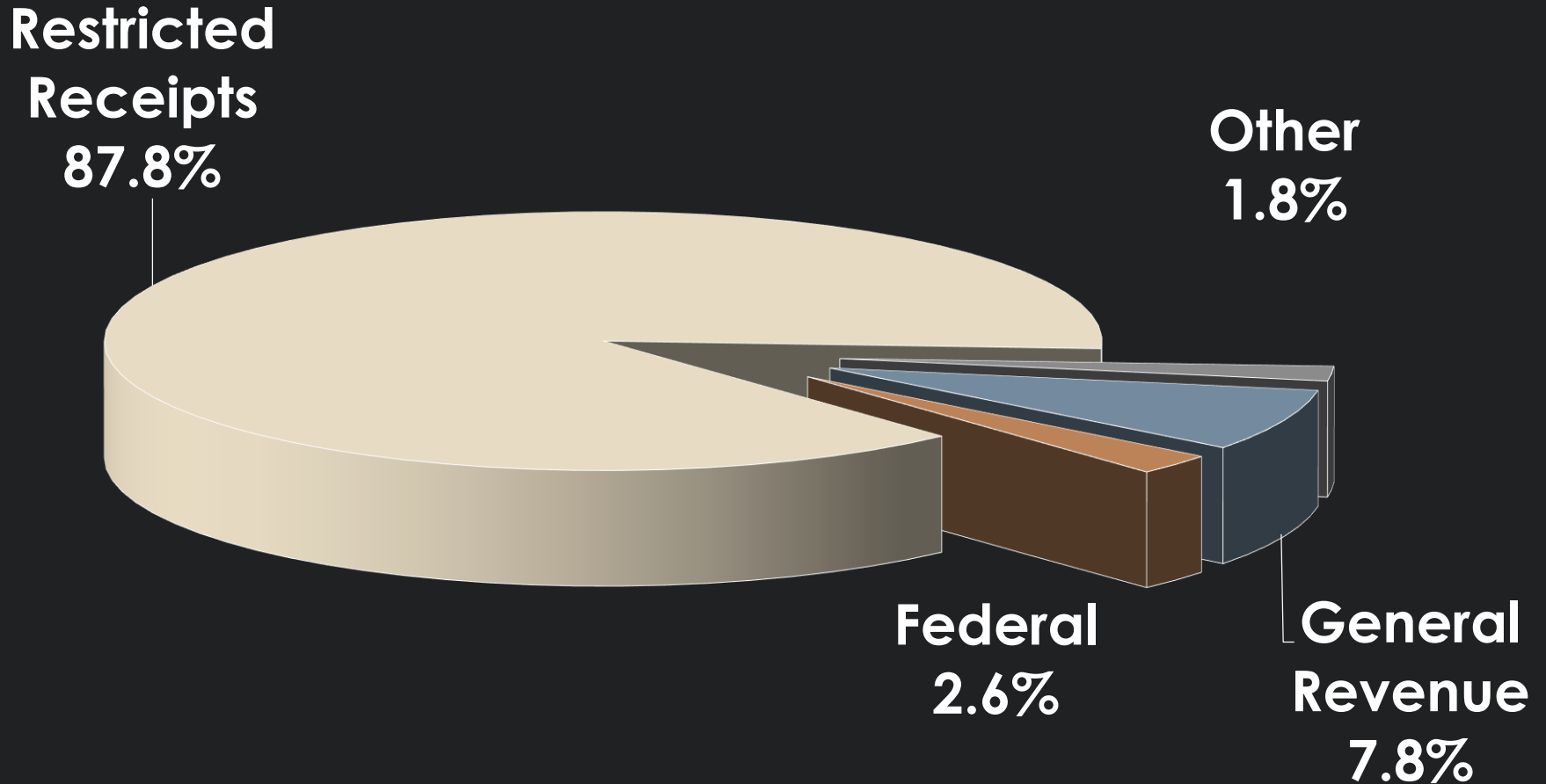
Summary by Program

(in millions)	FY 2016 Enacted	FY 2016 Gov. Rev.	FY 2017 Governor
General Treasury	\$3.0	\$3.1	\$3.5
Unclaimed Property	22.4	22.0	21.1
Retirement System	11.8	12.7	10.0
Crime Victim Comp.	2.0	2.1	2.1
Total	\$39.1	\$39.9	\$36.8

Summary by Program

Change to Enacted	FY 2016 Gov. Rev.	FY 2017 Governor
General Treasury	\$100,415	\$531,755
Unclaimed Property	(338,791)	(1,234,277)
Retirement System	951,060	(1,742,222)
Crime Victim Comp.	85,067	121,206
Total	\$797,751	(\$2,323,538)

FY 2017 Summary by Source



Target Budget

- Budget Office provided a general revenue target of \$2.3 million
 - Current service adjustments of \$21,521
 - 7.5% reduction of \$183,133
- Request \$152,638 above target
 - No constrained budget submitted

Salaries and Benefits

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	84.0	-
FY 2017 Request	87.0	3.0
FY 2017 Governor	88.0	4.0
FY 2015 Average Filled	73.8	(10.2)
Filled as of March 5	74.5	(9.5)

CollegeBoundfund

- 2015 Assembly transferred administrative responsibility for state's tuition savings program to the Office from HEAA
- FY 2016 enacted budget
 - 1.0 FTE – customer service/Fund promotion
 - \$300,000 for costs of administering Fund
- Investments managed by Fund manager
 - New manager as of June 2016
- State Investment Commission responsible for oversight and plan selection

CollegeBoundfund

- Request and Governor's recommendation for FY 2016 and FY 2017 includes: 1.0 new FTE and \$0.1 million
 - Program director to assist w/ monitoring investments and developing strategy to grow program
 - Position hired in January

Office of Debt Management

- Based on subsequent request from Office, Governor recommends \$0.3 million and 1.0 new FTE for new office of debt management
 - Responsible for monitoring and managing process by which public debt is issued
 - Technology upgrades
 - Public web portal
 - Enhancements to internal debt management software

Article 2 – Public Finance Management Board

- Governor recommends Article 2 heard on March 2 related to Public Finance Management Board
 - Article 2 requires Board to advise and assist
 - Municipalities
 - Authorities, Board, Commissions
 - Public and Quasi-public corporations
 - Currently, advice to municipalities is given upon request

Article 2 – Public Finance Management Board

- Notice of Debt Issue
 - Article 2 adds requirement for a report of final sale within 30 days after a sale
 - Notice of proposed sale is still required
 - Institutes a daily fine of \$250 for any issuer failing to submit either report by the deadline
 - Currently no penalty for failure to submit notice or missed deadline
 - Notices are currently submitted but sometimes there are issues with timing

Article 2 – Public Finance Management Board

- As recommended by the Governor, Article 2 does not include elements Treasurer testified he would like to see included
 - PFMB approval of any borrowing greater than \$1.0 million
 - For that not approved by either General Assembly or voters
 - Staff authority to approve/deny debt deemed “low risk” or “time sensitive”

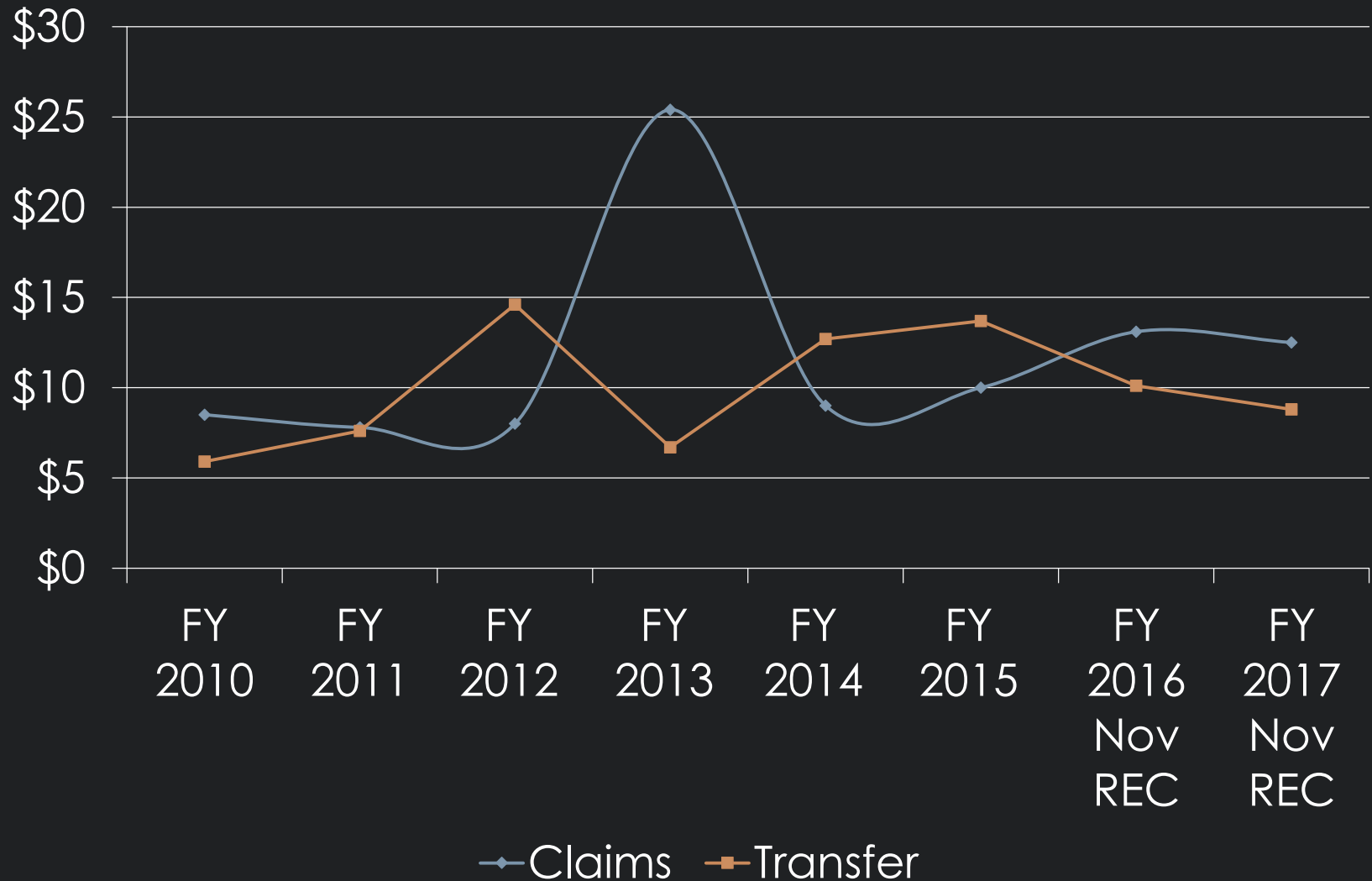
Unclaimed Property

- Holders of unclaimed property file it with the Treasurer, who attempts to find owners
- Amount remaining after expenses and returns to owners are transferred to state general revenues
 - A portion is set aside in case people claim money before the new revenues come in

Unclaimed Property

- Transfer to the General Fund
 - \$10.0 million for FY 2016
 - \$0.1 million less than November estimate
 - \$8.8 million for FY 2017
 - Same as November estimate
- Claims Payments
 - \$11.5 million for FY 2016
 - \$1.0 million less than November estimate
 - \$11.1 million for FY 2017
 - \$1.4 million less than November estimate

Unclaimed Property



Crime Victim Compensation

- Criminal Injuries Compensation Act of 1996 enables state to compensate innocent victims of violent crimes for certain expenses
 - Medical, dental and hospital expenses
 - Mental health counseling expenses
 - Funeral and burial expenses
 - Loss of earnings (victim only)
 - Loss of support (dependents of homicide victim)

Crime Victim Funding

- Restricted Receipts
 - Court fees
- Federal Funds
 - 60% match of claims paid by state
- General Revenues
 - \$2.2 million in FY 2000 through FY 2002
 - \$0.5 million in FY 2003; None for regular claims since
 - \$0.5 million for Station Fire in FY 2005

Crime Victims Claims

(in millions)	Gen. Rev.	Court Fines	Federal	Total
FY 2010	-	\$0.4	\$0.8	\$1.2
FY 2011	-	\$0.6	\$0.8	\$1.4
FY 2012	-	\$0.8	\$0.8	\$1.7
FY 2013	-	\$0.8	\$0.8	\$1.5
FY 2014	-	\$1.0	\$0.6	\$1.6
FY 2015	-	\$0.9	\$0.3	\$1.2
FY 2016 Gov.	-	\$0.9	\$0.6	\$1.5
FY 2017 Gov.	\$0.1	\$0.9	\$0.6	\$1.6

Crime Victim Compensation

- \$120,000 in new general revenue support for relocation benefits and transportation
 - Currently no waitlist or backlog for benefits
- Article 23 would expand eligibility to any minor in state care identified as a victim of sex trafficking or sexual exploitation
 - Individuals currently eligible for benefits and have been recipients

Retirement System

- Administrative costs are funded from 0.175% of average total investments
- Governor recommends \$10.0 million for FY 2017
 - \$1.7 million less than enacted
 - New positions - \$0.2 million
 - Legal – (\$0.8 million)
 - Computer upgrades – (\$1.4 million)

Retirement System Positions

- \$0.2 million and 2.0 new FTEs
 - Junior Accountant
 - Financial reporting as required by new GASB requirements
 - Customer Experience Manager
 - Assist in implementation of new computer system
 - Develop strategies to improve member interactions with System

Retirement System Legal Expenses

- \$0.2 million for FY 2016 and FY 2017
 - \$0.8 million less than enacted based on resolution of challenge to the changes made by the 2009 and 2011 Assemblies
 - 2015 Assembly enacted legislation to codify pension settlement agreement signed by all parties in April 2015
 - Except municipal police and Cranston fire
- \$2.4 million spent in total

Retirement – Computer System

- Major overhaul of membership database
 - Additional \$1.7 million for FY 2016 to make revisions to original contract based on pension settlement changes
 - Delay in full implementation
- \$1.9 million for FY 2017
 - \$1.4 million less than enacted
 - Completion of upgrades and not having to run a parallel system
 - New system will go live at the end of May

Annual Reporting requirements

- 2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly
 - Report to be presented to Assembly as part of budget submission annually
- Office is required to submit 15 reports
- Currently submitting 14
 - 1 appears to be obsolete
 - No data to file since 1987

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