

Budget Brief – Utah State Treasurer

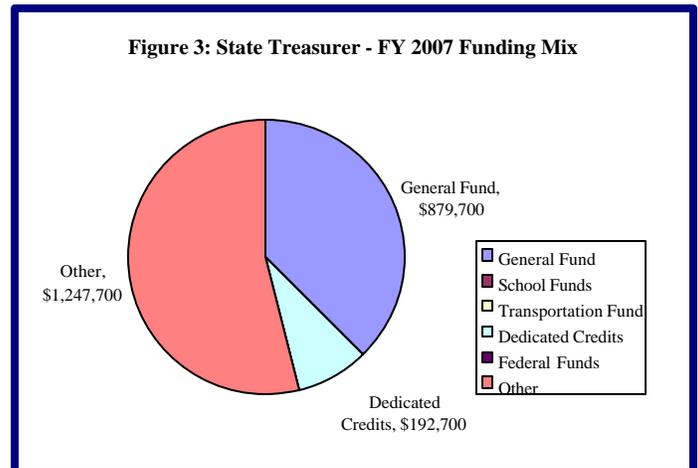
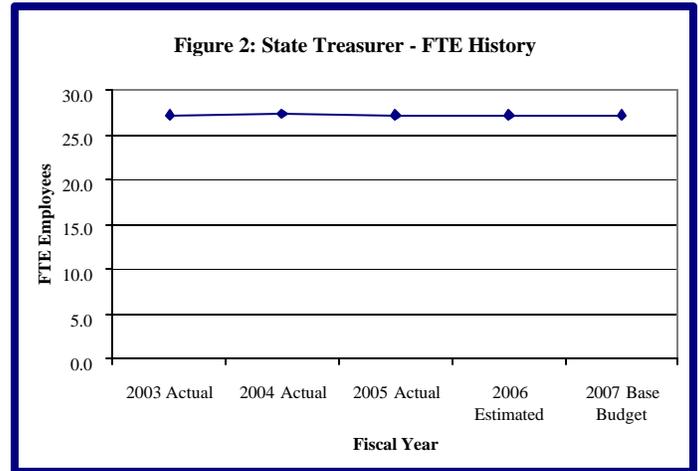
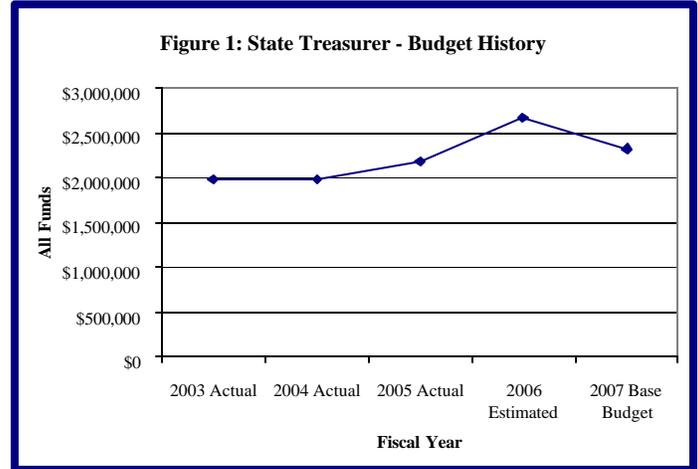
SUMMARY

The Treasurer is responsible for all state funds. The office controls the receipt and deposit of state monies, manages the banking relationships for all bank accounts, invests all funds at the highest market rates and provides liquidity for all state disbursements.

The Treasurer coordinates the sale of all debt authorized by the Legislature, operates a local government investment pool for the benefit of all public entities, reconciles bank accounts and manages the Division of Unclaimed Property. The office provides staff support for the Money Management Council which oversees the deposit and investment of all public monies.

RECOMMENDATION

Base Budget: The Analyst recommends that the Legislature appropriate the Treasurer’s Base Budget in FY 2007.



ACCOUNTABILITY DETAIL

The office measures the earned interest rate above the comparable money market fund rates in basis points and the annual amount of investment income allocated from the Permanent State School & Institutional Trust Land Fund to Public Education in millions of dollars. The measures are highlighted below.

Earned Interest Rate Above the Comparable Money Market Fund Rates



Special Note: Data unavailable for FY 2002 and FY 2003.

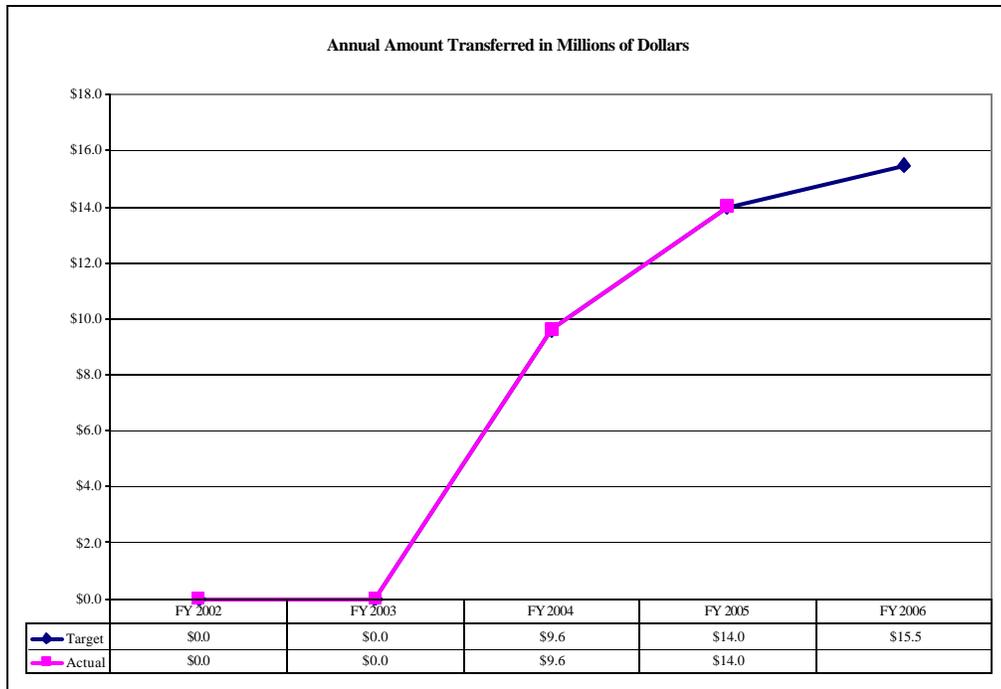
Measure: Earned interest rate above comparable money market fund rates.

Goal: Meet or exceed target basis points.

Methodology: The purpose is to optimize earnings to the state from the investment of state funds.

Measure Type: Outcome.

Comments: The targets will be determined by market conditions. Therefore the results will fluctuate over time. Returns must be evaluated in the context of highly fluid and potentially volatile fluctuations in the financial markets.



Special Note: Data unavailable for FY 2002 and FY 2003.

Measure: The annual amount of investment income allocated from the Permanent State School & Institutional Trust Land Fund to Public Education in millions of dollars.

Goal: Meet or exceed the target amount.

Methodology: The purpose is to optimize the amount transferred.

Measure Type: Outcome.

Comments: The targets will be determined by market conditions. Therefore the results will fluctuate over time. Returns must be evaluated in the context of highly fluid and potentially volatile fluctuations in the financial markets.

BUDGET DETAIL

Most of the funding in this budget pays for staff support for the office. Approximately 76 percent of the budget is for personnel services.

Budget Recommendation

The Analyst recommends a total FY 2007 appropriation of \$2,320,100 to the State Treasurer.

Intent Language

The Analyst recommends the Legislature continue using the following intent language which was approved in House Bill 1 (FY 2006 Appropriations Act), 2005 General Session:

The Legislature intends that funds provided for the State Treasurer shall not lapse.

LEGISLATIVE ACTION

This section is a summary of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. A base FY 2007 appropriation of \$2,320,100 to the State Treasurer.
2. Intent Language making the State Treasurer's appropriations funding nonlapsing as shown above.

BUDGET DETAIL TABLE

State Treasurer						
	FY 2005	FY 2006		FY 2006		FY 2007*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	849,600	879,700	0	879,700	0	879,700
General Fund, One-time	5,400	0	0	0	0	0
Dedicated Credits Revenue	149,200	192,700	0	192,700	0	192,700
Unclaimed Property Trust	1,211,800	1,247,700	0	1,247,700	0	1,247,700
Beginning Nonlapsing	395,000	0	350,900	350,900	(350,900)	0
Closing Nonlapsing	(350,900)	0	0	0	0	0
Lapsing Balance	(71,400)	0	0	0	0	0
Total	\$2,188,700	\$2,320,100	\$350,900	\$2,671,000	(\$350,900)	\$2,320,100
Line Items						
State Treasurer	2,188,700	2,320,100	350,900	2,671,000	(350,900)	2,320,100
Total	\$2,188,700	\$2,320,100	\$350,900	\$2,671,000	(\$350,900)	\$2,320,100
Categories of Expenditure						
Personal Services	1,458,600	1,766,800	700	1,767,500	(100)	1,767,400
In-State Travel	1,700	2,900	100	3,000	0	3,000
Out of State Travel	15,300	11,200	3,800	15,000	0	15,000
Current Expense	523,200	464,600	155,800	620,400	(195,300)	425,100
DP Current Expense	162,500	74,600	165,500	240,100	(130,500)	109,600
Capital Outlay	25,400	0	25,000	25,000	(25,000)	0
Other Charges/Pass Thru	2,000	0	0	0	0	0
Total	\$2,188,700	\$2,320,100	\$350,900	\$2,671,000	(\$350,900)	\$2,320,100
Other Data						
Budgeted FTE	27.3	27.3	0.0	27.3	0.0	27.3
Vehicles	1	1	0	1	0	1

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.