



## Agency Budget Overview

presented to the  
Interim Finance Committee  
September 9, 2008

### Agency Overview

- 3<sup>rd</sup> largest state General Fund revenue generator - **\$105.5** million in FY 2008
- 2<sup>nd</sup> largest filing state per capita next to Delaware – 320,000 entities on file
- 5 divisions: Elections, Commercial Recordings, Securities, Notaries, Operations
- FY 2009 Budget - \$19.9 million (includes \$6.2 million Federal Help America Vote Act funding)
- Special services funding source was significant but declining due to economic factors (less entities filing articles of incorporation thus paying expedite fee)
- No position increases since FY 2006 – none requested in FY 2010 budget
- \$761,000 in revenue generated per FTE
- Approximately 70% of budget personnel (cat 01)
- 127.5 positions (not including 2 Federally funded, 8 vacancies)
- Personnel reductions

### FY 2008 Budget

- -4.7% allocation (\$617,055)
- Executive budget shifted agency staff/resources to Special Services funding (71 of 143 staff)
- Already lean budget suffered 63% cut in enhancements then closed early resulting in no reduction of cuts
- Compliance with October, 2007 hiring freeze
  - 8 positions continue to be held vacant
- Compliance with 4.5% budget reductions (\$311,068)
  - 5.4% cut (total of
- Agency wide savings/audit continue including, but not limited to:
  - In house mail out process improvement resulted in approximately \$65,000 annual savings
  - Lease re-negotiation nets nearly \$20,000 annually
  - Subscriptions, state mailroom and DoIT/telephone services billing review

(over)

- Supply consolidation results in \$37,000 savings
- Copier usage analysis savings
- Travel reductions

#### **Current (2009) FY Budget**

- 4.5% budget reductions - \$323,607 (targeted to meet – pending IFC action)
- Additional 3.4% budget reductions - \$244,503 (targeted to meet – pending IFC action)
- \$1.3 million shortfall due to combined Special Services funding shift and decrease in revenue

#### **FY 2010 - 2011 Budget**

- 14% budget reductions on compromised FY 2008 base year budget
- Necessary enhancements to electronic Secretary of State (Esos) system – no funding requested
  - system will need to be rewritten/upgraded to maintain industry standard and processing levels
  - will request one shot appropriation to fund