

DENNIS MILLIGAN
TREASURER



B.2

STATE CAPITOL BUILDING
500 WOODLANE STREET, SUITE 220
LITTLE ROCK, ARKANSAS 72201

TREASURER OF STATE

February 21, 2017

The Honorable Larry Teague
The Honorable Lane Jean
Joint Budget Committee

Co-Chairs:

I am respectfully requesting an amendment to House Bill 1235 fiscal year 2018 Office of the Treasurer of State appropriations.

Operating Expenses for the Office of the Treasurer of State:

We are not requesting any additional staff positions nor an increase in the total maximum regular salary level (item (01)) of \$2,239,462.00. We have no plans or intentions to decrease the set salary of any current employee of the Treasurer's office.

In our continued effort to properly align job duties, lines of supervision and segregation of functions within the Treasurer of State's office organizational structure, please amend Section 1. Regular Salaries as follows:

Item No	Class Code	Title	Maximum No. Of Employees	Maximum Annual Salary Rate Fiscal Year 2017-2018
(1)	Q232U	Treas Chief of Staff	1	\$108,581
(2)	Q246U	Treas Senior Investment Manager I	1	\$108,581
(3)	Q244U	Treas Chief Deputy Treasurer	2	\$105,000
(4)	Q098U	Treas Chief Investment Officer	1	\$97,400
(5)	Q154U	Treas Chief Financial Officer	1	\$97,400
(6)	Q234U	Treas Chief Operating Officer	1	\$97,400
(*)	NEW	Treas Chief Legal Counsel	1	\$97,400
(7)	Q236U	Treas Division Director	4-2	\$85,000
(*)	NEW	Treas Director of 529 and Financial Education	1	\$81,000
(*)	NEW	Treas Senior Investment Manager II	1	\$81,000
(*)	NEW	Treas Manager V	4	\$72,000
(8)	Q248U	Treas Manager IV	3	\$67,500
(9)	Q237U	Treas Manager III	3-2	\$63,850
(10)	Q238U	Treas Manager II	4-3	\$53,750
(11)	Q239U	Treas Manager I	3-2	\$50,250
(12)	Q170U	Treas Assistant IV	2	\$46,000
(13)	Q094U	Treas Assistant III	2-3	\$40,527
(14)	Q085U	Treas Assistant II	5-3	\$35,250
Max. No. of Employees			33	\$2,239,462.00

I am requesting the following adjustments within our operations line item to reflect the appropriate authorized amounts in Section 1. Regular Salaries- Operations and subsequent appropriate amount for Item No. (3) Personal Services Matching.

Please amend Section 3. Appropriations – Operations as follows:

Item No. (1) Regular Salaries	\$2,239,462
Item No. (3) Personal Services Matching	\$689,407

I am requesting the following adjustments within our operations line within Item No. (4) Maint. & Gen. Operations sections (a) Oper. Expense to create a new subsection titled Financial Programs and Education. These adjustments do not reflect an increase in appropriations nor are we requesting new funds for the office. These reflect adjustments for the management of the important programs and priorities of the Arkansas 529 program, Arkansas ABLE program and financial education.

Please amend Section 3. Appropriation – Operations. as follows:

There is hereby appropriated, to the Office of the Treasurer of State, to be payable from the State Central Services Fund, for personal services, operating expenses, data processing system/services, Financial/Educational Programs including the Arkansas 529 College Savings Program, Arkansas ABLE Program and financial education, and debt collection of the Office of the Treasurer of State for the fiscal year ending June 30, 2018, the following:

Please amend Section 3. Appropriation – Operations as follows:

Item No. (4) Maint. & Gen. Operation	
(A) Oper. Expense	\$1,120,000
(NEW) Financial/Educational Programs	\$60,000

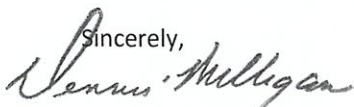
In conjunction with HB 1464 by Representative Collins and Senator Rapert, I am requesting a new item within our operations line item reflecting our authority to collect fees, charges and expenses for the administration of the Money Management Trust Fund. These funds will strictly be utilized for operating expenses related to the increased usage of our custodial services, increased banking fees, the increased need for computer software and hardware as well as the potential increases in other operational expenses related to fully administering this fund.

Please establish a new section for a cash appropriation as follows:

NEW SECTION. APPROPRIATION - CASH. There is hereby appropriated, to the Treasurer of State, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the operating expenses and data systems and services for the Investments operations of the Treasurer of State’s Office for the fiscal year ending June 30, 2018, the following:

ITEM	FISCAL YEAR
NO.	2017-2018
(1) MAINT. & GEN. OPERATION	
A. OPER. EXPENSE	
B. CONF. & TRAVEL	
C. PROF. FEES	\$15,000
D. CAP. OUTLAY	\$50,000
E. DATA PROC.	\$110,000

Thank you for your consideration into this matter.

Sincerely,


Dennis Milligan