

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
Description: The Administration Function is responsible for the administration of a retirement plan mandatory for all eligible state and school district employees and for employees of political subdivisions which have elected to participate. It also provides separation, disability, death, and survivor benefits as well as administers the retiree medical insurance reserve of state and school district retirees from which group insurance monthly premium payments are made. Finally, it administers the former Firemen's Retirement Fund Program for paid firemen.							
FY 2011 Original Appropriation							
3.00	FY 2011 Original Appropriation: HB 604, HB 659						
Dedicated	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
Total	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
FY 2011 Total Appropriation							
Dedicated	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
Total	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
FY 2011 Estimated Expenditures							
Dedicated	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
Total	58.00	3,240,600	2,470,700	1,000	0	0	5,712,300
Base Adjustments							
8.41	Removal of One-Time Expenditures: This decision unit removes from the FY 2012 base one-time replacement spending authority for a printer and accounting software upgrades.						
Dedicated	0.00	0	(2,100)	(1,000)	0	0	(3,100)
Total	0.00	0	(2,100)	(1,000)	0	0	(3,100)
8.71	Restoration of Health Insurance Holiday: The Governor recommends that the health insurance reserves be used to offset the increased cost of restoring the FY 2011 health insurance holiday.						
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
FY 2012 Base							
Dedicated	58.00	3,240,600	2,468,600	0	0	0	5,709,200
Total	58.00	3,240,600	2,468,600	0	0	0	5,709,200
Program Maintenance							
10.11	Change in Benefit Costs: The Governor recommends that the increase in the cost of benefits be offset by available health insurance reserves for FY 2012.						
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
10.31	Replacement Items: This decision unit provides spending authority for the replacement of three servers (\$21,000), 20 computers (\$16,000), 20 monitors (\$6,000), one switch (\$14,000), one storage area network (\$25,000), one battery pack (\$1,300), one scanner (\$5,000), one facsimile machine (\$1,500), one printer (\$1,000), and software (\$35,400).						
Dedicated	0.00	0	35,400	90,800	0	0	126,200
Total	0.00	0	35,400	90,800	0	0	126,200
10.41	Attorney General Fees: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.						
Dedicated	0.00	0	36,900	0	0	0	36,900
Total	0.00	0	36,900	0	0	0	36,900

Public Employee Retirement System
Administration

	<u>FTP</u>	<u>Personnel Costs</u>	<u>Operating Expenditures</u>	<u>Capital Outlay</u>	<u>Trustee/ Ben Payments</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
10.45 Risk Management Cost Increase: The Office of Insurance Management reports adjustments to various cost categories based on agency claims patterns.							
Dedicated	0.00	0	2,700	0	0	0	2,700
Total	0.00	0	2,700	0	0	0	2,700
10.46 Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.							
Dedicated	0.00	0	(5,100)	0	0	0	(5,100)
Total	0.00	0	(5,100)	0	0	0	(5,100)
10.47 Treasurer's Fee Charge: Adjustments to the costs of cash management and warrant processing by the Office of the State Treasurer are reflected here.							
Dedicated	0.00	0	(5,400)	0	0	0	(5,400)
Total	0.00	0	(5,400)	0	0	0	(5,400)
10.61 Salary Multiplier: While increasing salaries for state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2012. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.							
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
FY 2012 Total Maintenance							
Dedicated	58.00	3,240,600	2,533,100	90,800	0	0	5,864,500
Total	58.00	3,240,600	2,533,100	90,800	0	0	5,864,500
Line Items							
12.01 Pension Administration System: The Governor recommends funding for the upgrade of the Public Employee Retirement System's core membership, employer, and benefit payment technology. Replacement of the current system, Galena, is necessary due to the system being at the end of its lifecycle, limited availability of resources able to support the aged technology that created Galena, extensive modifications to Galena resulting in risks to the system's integrity, and limited ability to improve functionality because of the associated risk to system stability. The project has been reviewed and approved by the state's chief information officer at the Department of Administration. Because this is a multi-year project, the Governor is recommending carry over spending authority.							
Dedicated	0.00	0	13,000,000	0	0	0	13,000,000
Total	0.00	0	13,000,000	0	0	0	13,000,000
FY 2012 Gov's Recommendation							
Dedicated	58.00	3,240,600	15,533,100	90,800	0	0	18,864,500
Total	58.00	3,240,600	15,533,100	90,800	0	0	18,864,500

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
Description: The Portfolio Investment Function is responsible for the analysis and control of the investment of the Public Employee Retirement System (PERSI) trust funding to assure the optimal rate of return within specific risk tolerances.							
FY 2011 Original Appropriation							
3.00 FY 2011 Original Appropriation: HB 604, HB 659							
Dedicated	5.00	568,500	277,200	11,600	0	0	857,300
Total	5.00	568,500	277,200	11,600	0	0	857,300
FY 2011 Total Appropriation							
Dedicated	5.00	568,500	277,200	11,600	0	0	857,300
Total	5.00	568,500	277,200	11,600	0	0	857,300
FY 2011 Estimated Expenditures							
Dedicated	5.00	568,500	277,200	11,600	0	0	857,300
Total	5.00	568,500	277,200	11,600	0	0	857,300
Base Adjustments							
8.41 Removal of One-Time Expenditures: This decision unit removes from the FY 2012 base one-time replacement spending authority for computers and one color printer.							
Dedicated	0.00	0	0	(11,600)	0	0	(11,600)
Total	0.00	0	0	(11,600)	0	0	(11,600)
8.71 Restoration of Health Insurance Holiday: The Governor recommends that the health insurance reserves be used to offset the increased cost of restoring the FY 2011 health insurance holiday.							
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
FY 2012 Base							
Dedicated	5.00	568,500	277,200	0	0	0	845,700
Total	5.00	568,500	277,200	0	0	0	845,700
Program Maintenance							
10.11 Change in Benefit Costs: The Governor recommends that the increase in the cost of benefits be offset by available health insurance reserves for FY 2012.							
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
10.31 Replacement Items: This decision unit provides spending authority for the replacement of four computers (\$3,200), four monitors (\$1,200), two laptops (\$5,600), one facsimile machine (\$1,500), and software (\$5,500).							
Dedicated	0.00	0	5,500	11,500	0	0	17,000
Total	0.00	0	5,500	11,500	0	0	17,000
10.41 Attorney General Fees: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.							
Dedicated	0.00	0	12,300	0	0	0	12,300
Total	0.00	0	12,300	0	0	0	12,300

Public Employee Retirement System
Portfolio Investment

	<u>FTP</u>	<u>Personnel Costs</u>	<u>Operating Expenditures</u>	<u>Capital Outlay</u>	<u>Trustee/ Ben Payments</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
10.61 Salary Multiplier: While increasing salaries for state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2012. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.							
Dedicated	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
FY 2012 Total Maintenance							
Dedicated	5.00	568,500	295,000	11,500	0	0	875,000
Total	5.00	568,500	295,000	11,500	0	0	875,000
Line Items							
12.01 CIO Compensation: The Governor recommends the transfer of spending authority from Operating Expenditures to Personnel Costs for the purpose of giving the PERSI board sufficient flexibility to provide the chief investment officer with competitive compensation. PERSI investments have performed extremely well compared to peer retirement systems through this recent period of market volatility and have regained all of the 2007 and 2008 losses plus some. Investment returns continue to improve this fiscal year and are over 12%.							
Dedicated	0.00	75,000	(75,000)	0	0	0	0
Total	0.00	75,000	(75,000)	0	0	0	0
FY 2012 Gov's Recommendation							
Dedicated	5.00	643,500	220,000	11,500	0	0	875,000
Total	5.00	643,500	220,000	11,500	0	0	875,000