

Agency Expenditure Summary

	<u>FY 2017</u>		<u>FY 2018</u>		<u>FY 2019</u>	
	<u>Approp</u>	<u>Actual</u>	<u>Approp</u>	<u>Estimate</u>	<u>Request</u>	<u>Gov Rec</u>
By Function						
Commerce	36,332,700	24,149,800	38,829,600	38,883,300	42,247,200	42,314,000
Total	36,332,700	24,149,800	38,829,600	38,883,300	42,247,200	42,314,000
By Fund Source						
General	5,813,800	5,660,900	5,780,500	5,834,200	5,756,300	5,800,900
Dedicated	13,718,100	10,819,300	16,205,900	16,205,900	19,650,100	19,665,200
Federal	16,264,900	7,484,200	16,264,300	16,264,300	16,261,900	16,269,000
Other	535,900	185,400	578,900	578,900	578,900	578,900
Total	36,332,700	24,149,800	38,829,600	38,883,300	42,247,200	42,314,000
By Object						
Personnel Costs	3,693,400	3,239,500	3,750,900	3,750,900	3,717,900	3,784,700
Operating Expenditures	7,027,900	6,570,300	8,296,800	8,350,500	10,203,600	10,203,600
Capital Outlay	0	24,800	20,200	20,200	9,100	9,100
Trustee/Benefit Payments	25,611,400	14,315,200	26,761,700	26,761,700	28,316,600	28,316,600
Lump Sum	0	0	0	0	0	0
Total	36,332,700	24,149,800	38,829,600	38,883,300	42,247,200	42,314,000
FTP Positions	43.00	43.00	43.00	43.00	43.00	43.00

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
--	------------	-----------------------	--------------------------	-----------------------	------------------------	-----------------	----------------------

Description: The Idaho Department of Commerce (Idaho Commerce) is comprised of two divisions: Business Development & Operations and Marketing & Innovation. As the lead economic development agency for the State of Idaho, the mission of Idaho Commerce is to foster a business friendly environment to aid in job creation, support existing companies, strengthen communities, and market Idaho. This is accomplished through building the economy by assisting the growth of existing Idaho businesses, cultivating the development of new businesses and job opportunities, expanding Idaho’s tourism and recreation industries, assisting Idaho businesses in the exportation of goods and services and encouraging foreign investment in Idaho, and creating partnerships between the private sector and universities to foster innovation. Idaho Commerce manages a variety of grant and incentive programs to support the achievement of these objectives.

FY 2018 Original Appropriation

3.00 FY 2018 Original Appropriation: SB 1177

General	27.65	2,491,800	1,023,600	15,100	2,250,000	0	5,780,500
Dedicated	10.75	821,300	6,488,600	5,100	8,890,900	0	16,205,900
Federal	4.60	394,800	248,700	0	15,620,800	0	16,264,300
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,750,900	8,296,800	20,200	26,761,700	0	38,829,600

Expenditure Adjustments

4.11 Reappropriation: This decision unit reflects reappropriation authority granted by HB 124.

General	0.00	0	56,800	0	0	0	56,800
Total	0.00	0	56,800	0	0	0	56,800

4.12 Reappropriation: This decision unit is a correction to reappropriation that occurred after the close of FY 2017.

General	0.00	0	(3,100)	0	0	0	(3,100)
Total	0.00	0	(3,100)	0	0	0	(3,100)

FY 2018 Total Appropriation

General	27.65	2,491,800	1,077,300	15,100	2,250,000	0	5,834,200
Dedicated	10.75	821,300	6,488,600	5,100	8,890,900	0	16,205,900
Federal	4.60	394,800	248,700	0	15,620,800	0	16,264,300
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,750,900	8,350,500	20,200	26,761,700	0	38,883,300

Expenditure Adjustments

6.31 FTP or Fund Adjustments: This decision unit makes an FTP adjustment.

General	0.45	0	0	0	0	0	0
Federal	(0.45)	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
FY 2018 Estimated Expenditures							
General	28.10	2,491,800	1,077,300	15,100	2,250,000	0	5,834,200
Dedicated	10.75	821,300	6,488,600	5,100	8,890,900	0	16,205,900
Federal	4.15	394,800	248,700	0	15,620,800	0	16,264,300
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,750,900	8,350,500	20,200	26,761,700	0	38,883,300

Base Adjustments

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2018.

General	0.00	0	(53,700)	(15,100)	0	0	(68,800)
Dedicated	0.00	0	0	(5,100)	0	0	(5,100)
Total	0.00	0	(53,700)	(20,200)	0	0	(73,900)

FY 2019 Base

General	28.10	2,491,800	1,023,600	0	2,250,000	0	5,765,400
Dedicated	10.75	821,300	6,488,600	0	8,890,900	0	16,200,800
Federal	4.15	394,800	248,700	0	15,620,800	0	16,264,300
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,750,900	8,296,800	0	26,761,700	0	38,809,400

Program Maintenance

10.11 Change in Health Benefit Costs: This decision unit reflects a one-time reduction in the employer health benefit cost based on the November Milliman projection, which showed a decrease from the June estimate. Employer costs are projected to return to the current level in FY 2020.

While the total cost of the plan continues to grow, prices and utilization are growing at a slower rate than projected for FY 2018. This has led to growth in reserves. To address this one-time overfunding of reserves, the Governor proposes a transfer of \$13,140,000 from the Group Insurance Account to the General Fund. These funds were transferred from the General Fund in FY 2016 to maintain the contractually required minimum and can now be repaid. In addition, the Governor proposes using reserve funds for a two-month premium holiday for both the employer and the employee. This will reduce overfunding of reserves and reward employees for their prudent use of plan benefits.

General	0.00	(40,700)	0	0	0	0	(40,700)
Dedicated	0.00	(15,600)	0	0	0	0	(15,600)
Federal	0.00	(6,000)	0	0	0	0	(6,000)
Total	0.00	(62,300)	0	0	0	0	(62,300)

10.12 Change in Variable Benefit Costs: This decision unit reflects the scheduled changes in the employer variable benefits cost, including the October 2017 vote of the Public Employee Retirement System of Idaho Retirement Board to delay the scheduled employer contribution increase.

General	0.00	1,800	0	0	0	0	1,800
Dedicated	0.00	500	0	0	0	0	500
Federal	0.00	200	0	0	0	0	200
Total	0.00	2,500	0	0	0	0	2,500

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/Benefit	Lump Sum	Total Gov Rec
10.31 Repair, Replacement Items/Alterations: The Governor recommends \$6,800 in General Fund and \$2,300 in dedicated fund spending authority for repair and replacement items.							
General	0.00	0	0	6,800	0	0	6,800
Dedicated	0.00	0	0	2,300	0	0	2,300
Total	0.00	0	0	9,100	0	0	9,100

10.41 Attorney General Fees: Adjustments to the costs of legal services provided by the Office of the Attorney General are reflected here.							
General	0.00	0	4,300	0	0	0	4,300
Dedicated	0.00	0	1,600	0	0	0	1,600
Federal	0.00	0	400	0	0	0	400
Total	0.00	0	6,300	0	0	0	6,300

10.45 Risk Management Cost Increases: Adjustments to the costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here.							
General	0.00	0	(100)	0	0	0	(100)
Dedicated	0.00	0	(100)	0	0	0	(100)
Total	0.00	0	(200)	0	0	0	(200)

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.							
General	0.00	0	100	0	0	0	100
Dedicated	0.00	0	100	0	0	0	100
Total	0.00	0	200	0	0	0	200

10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% increase in employee compensation, to be distributed on a merit basis.							
General	0.00	63,300	0	0	0	0	63,300
Dedicated	0.00	20,200	0	0	0	0	20,200
Federal	0.00	10,100	0	0	0	0	10,100
Total	0.00	93,600	0	0	0	0	93,600

FY 2019 Total Maintenance

General	28.10	2,516,200	1,027,900	6,800	2,250,000	0	5,800,900
Dedicated	10.75	826,400	6,490,200	2,300	8,890,900	0	16,209,800
Federal	4.15	399,100	249,100	0	15,620,800	0	16,269,000
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,784,700	8,303,100	9,100	26,761,700	0	38,858,600

	<u>FTP</u>	<u>Personnel Cost</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>Trustee/Benefit</u>	<u>Lump Sum</u>	<u>Total Gov Rec</u>
Line Items							
12.01 Idaho Travel and Convention Fund Enhancement: The Governor recommends aligning dedicated fund spending authority with revenue projections for the Idaho Travel and Convention Fund through FY 2021. Revenue from the 2% "bed tax" has grown dramatically in recent years and is expected to continue growing by 10.4% per year from FY 2019 through FY 2021. Per Idaho Code 67-4717, these funds will be used for statewide tourism marketing (45%), tourism grants to local entities (45%), and administration (10%). Without this appropriation, the department will be unable to fully expend available funds as required by statute.							
Dedicated	0.00	0	1,900,500	0	1,554,900	0	3,455,400
Total	0.00	0	1,900,500	0	1,554,900	0	3,455,400
12.02 Idaho Opportunity Fund Enhancement: The Governor does not recommend a General Fund transfer to the Idaho Opportunity Fund for additional grants. As of November 2017, the Opportunity Fund has an unobligated cash balance of \$3,157,900, which is sufficient to address business recruitment needs through FY 2019.							
General	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0
12.81 Revenue Adjustments: This decision unit is not recommended.							
General	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0

FY 2019 Gov's Recommendation

General	28.10	2,516,200	1,027,900	6,800	2,250,000	0	5,800,900
Dedicated	10.75	826,400	8,390,700	2,300	10,445,800	0	19,665,200
Federal	4.15	399,100	249,100	0	15,620,800	0	16,269,000
Other	0.00	43,000	535,900	0	0	0	578,900
Total	43.00	3,784,700	10,203,600	9,100	28,316,600	0	42,314,000