

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						
Secretary of State	5,608,100	3,872,900	3,171,200	4,897,700	5,505,900	5,101,400
Total	5,608,100	3,872,900	3,171,200	4,897,700	5,505,900	5,101,400
By Fund Source						
General	5,608,100	3,872,900	3,171,200	4,897,700	5,505,900	5,101,400
Total	5,608,100	3,872,900	3,171,200	4,897,700	5,505,900	5,101,400
By Object						
Personnel Costs	1,999,600	1,911,100	2,167,800	2,167,800	2,308,900	2,274,400
Operating Expenditures	3,608,500	1,933,000	1,003,400	2,729,900	3,197,000	2,827,000
Capital Outlay	0	28,800	0	0	0	0
Trustee/Benefit Payments	0	0	0	0	0	0
Lump Sum	0	0	0	0	0	0
Total	5,608,100	3,872,900	3,171,200	4,897,700	5,505,900	5,101,400
FTP Positions	28.00	28.00	29.00	29.00	31.00	30.00

	<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>
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Description: The Secretary of State's Office performs constitutional and statutory functions related to the State Land Board and State Board of Examiners. The Secretary of State also acts as the filing officer for elections, lobbyist registrations, campaign finance disclosures, and related activities. The Office is required by various provisions in the Idaho Code to maintain record systems for legal entities, interests in personal property, trademarks, and notaries public.

FY 2018 Original Appropriation

3.00 FY 2018 Original Appropriation:

General	29.00	2,167,800	1,003,400	0	0	0	3,171,200
Total	29.00	2,167,800	1,003,400	0	0	0	3,171,200

Expenditure Adjustments

4.11 Reappropriation: This decision unit reflects reappropriation authority granted by SB 1137.

General	0.00	0	1,726,500	0	0	0	1,726,500
Total	0.00	0	1,726,500	0	0	0	1,726,500

4.31 Supplemental - Ongoing Funds for Operating Expenditures: The Governor does not recommend General Fund to cover an estimated Operating Expenditures shortfall, but instead encourages the Secretary of State to manage resources within the existing FY 2018 budget to prevent a shortfall. The Secretary of State continues to have vacancies; also, this recommendation is consistent with past recommendations for agencies choosing to fill positions that are not supported by current appropriation.

General	0.00	0	0	0	0	0	0
Total	0.00	0	0	0	0	0	0

FY 2018 Total Appropriation

General	29.00	2,167,800	2,729,900	0	0	0	4,897,700
Total	29.00	2,167,800	2,729,900	0	0	0	4,897,700

FY 2018 Estimated Expenditures

General	29.00	2,167,800	2,729,900	0	0	0	4,897,700
Total	29.00	2,167,800	2,729,900	0	0	0	4,897,700

Base Adjustments

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

General	0.00	0	(40,000)	0	0	0	(40,000)
Total	0.00	0	(40,000)	0	0	0	(40,000)

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

General	0.00	0	(1,726,500)	0	0	0	(1,726,500)
Total	0.00	0	(1,726,500)	0	0	0	(1,726,500)

	<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 2019 Base							
General	29.00	2,167,800	963,400	0	0	0	3,131,200
Total	29.00	2,167,800	963,400	0	0	0	3,131,200

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	(41,400)	0	0	0	0	(41,400)
Total	0.00	(41,400)	0	0	0	0	(41,400)

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	700	0	0	0	0	700
Total	0.00	700	0	0	0	0	700

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	5,200	0	0	0	5,200
Total	0.00	0	5,200	0	0	0	5,200

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	500	0	0	0	500
Total	0.00	0	500	0	0	0	500

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.

General	0.00	0	(100)	0	0	0	(100)
Total	0.00	0	(100)	0	0	0	(100)

10.51 Annualizations: This decision unit provides an annualization for the elected officials salary increase for July 1, 2018, through December 31, 2018, per SB 1395a, which passed during the 2014 legislative session.

General	0.00	1,000	0	0	0	0	1,000
Total	0.00	1,000	0	0	0	0	1,000

	<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>
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	50,100	0	0	0	0	50,100
Total	0.00	50,100	0	0	0	0	50,100

FY 2019 Total Maintenance

General	29.00	2,178,200	969,000	0	0	0	3,147,200
Total	29.00	2,178,200	969,000	0	0	0	3,147,200

Line Items

12.01 Corporate Information Technology Solution: The Governor recommends General Fund for increased contract costs associated with the upgrade of the information technology system that operates the business entities office and manages filings for corporate entities, notaries, trademarks, and apostilles.

General	0.00	0	208,000	0	0	0	208,000
Total	0.00	0	208,000	0	0	0	208,000

12.02 Elections Software Upgrade: The Governor recommends General Fund (\$1,200,000 one-time, \$90,000 ongoing) for an upgrade to the existing state voter registration system and the replacement of three key components of the current in-house elections software system. The replacements will be module-based solutions that can be implemented along with online voter registration as part of a singular, integrated, and comprehensive elections suite. The Governor recommends reappropriation authority for the elections software upgrade project.

General	0.00	0	1,290,000	0	0	0	1,290,000
Total	0.00	0	1,290,000	0	0	0	1,290,000

12.03 Operating Expenditures: The Governor recommends General Fund for increased credit card fees incurred due to increased volume of credit card processing from the launch of the online corporate division services. The Governor does not recommend increased General Fund for other Operating Expenditures.

General	0.00	0	60,000	0	0	0	60,000
Total	0.00	0	60,000	0	0	0	60,000

12.04 Cybersecurity and Communications Staffing: The Governor recommends 1.0 FTP and General Fund for a senior cybersecurity analyst to take proactive action to prevent high-level attacks against the Secretary of State's information technology systems. The Governor does not recommend the communications coordinator analyst position.

General	1.00	96,200	0	0	0	0	96,200
Total	1.00	96,200	0	0	0	0	96,200

12.05 Election Costs: The Governor recommends one-time General Fund for costs associated with the printing and mailing of initiatives, referendums, and constitutional amendments for the FY 2019 election cycle, pursuant to Idaho Code 34-1812C.

General	0.00	0	300,000	0	0	0	300,000
Total	0.00	0	300,000	0	0	0	300,000

FY 2019 Gov's Recommendation

General	30.00	2,274,400	2,827,000	0	0	0	5,101,400
Total	30.00	2,274,400	2,827,000	0	0	0	5,101,400