

Agency Expenditure Summary

	<u>FY 2018</u>		<u>FY 2019</u>		<u>FY 2020</u>	
	<u>Approp</u>	<u>Actual</u>	<u>Approp</u>	<u>Estimate</u>	<u>Request</u>	<u>Gov Rec</u>
<b>By Function</b>						
Administration	6,926,900	6,758,800	7,218,300	7,218,300	7,891,800	7,696,100
Portfolio Investment	1,021,000	906,700	893,400	893,400	1,045,600	1,055,700
<b>Total</b>	<b>7,947,900</b>	<b>7,665,500</b>	<b>8,111,700</b>	<b>8,111,700</b>	<b>8,937,400</b>	<b>8,751,800</b>
<b>By Fund Source</b>						
Dedicated	7,947,900	7,665,500	8,111,700	8,111,700	8,937,400	8,751,800
<b>Total</b>	<b>7,947,900</b>	<b>7,665,500</b>	<b>8,111,700</b>	<b>8,111,700</b>	<b>8,937,400</b>	<b>8,751,800</b>
<b>By Object</b>						
Personnel Costs	5,027,600	4,827,700	5,135,500	5,135,500	5,508,700	5,372,000
Operating Expenditures	2,733,800	2,658,600	2,805,700	2,805,700	2,886,200	2,842,300
Capital Outlay	186,500	179,200	170,500	170,500	542,500	537,500
Trustee/Benefit Payments	0	0	0	0	0	0
Lump Sum	0	0	0	0	0	0
<b>Total</b>	<b>7,947,900</b>	<b>7,665,500</b>	<b>8,111,700</b>	<b>8,111,700</b>	<b>8,937,400</b>	<b>8,751,800</b>
<b>FTP Positions</b>	<b>67.00</b>	<b>67.00</b>	<b>68.00</b>	<b>68.00</b>	<b>70.00</b>	<b>69.00</b>

# Public Employee Retirement System

## Administration

## Executive Budget Detail

	<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 Administration Program administers the Public Employee Retirement System of Idaho (PERSI) Base Plan, a defined benefit retirement plan that also provides separation, disability, death, and survivor benefits for all eligible state and school district employees. PERSI also administers the Sick Leave Reserve Fund for state and school district retirees, the Firefighters' Retirement Fund, the Judges' Retirement Fund, and the Idaho Falls and Boise City Police Retirement Funds. In addition to a defined benefit plan, the PERSI Administration Program oversees the PERSI Choice Plan, a defined contribution retirement plan that provides a 401(k) plan option to all eligible active PERSI members, but separate from the defined benefit plan.

### FY 2019 Original Appropriation

3.00 FY 2019 Original Appropriation: SB 1364

Dedicated	65.00	4,475,600	2,590,200	152,500	0	0	7,218,300
<b>Total</b>	<b>65.00</b>	<b>4,475,600</b>	<b>2,590,200</b>	<b>152,500</b>	<b>0</b>	<b>0</b>	<b>7,218,300</b>

### FY 2019 Total Appropriation

Dedicated	65.00	4,475,600	2,590,200	152,500	0	0	7,218,300
<b>Total</b>	<b>65.00</b>	<b>4,475,600</b>	<b>2,590,200</b>	<b>152,500</b>	<b>0</b>	<b>0</b>	<b>7,218,300</b>

### FY 2019 Estimated Expenditures

Dedicated	65.00	4,475,600	2,590,200	152,500	0	0	7,218,300
<b>Total</b>	<b>65.00</b>	<b>4,475,600</b>	<b>2,590,200</b>	<b>152,500</b>	<b>0</b>	<b>0</b>	<b>7,218,300</b>

### Base Adjustments

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.

Dedicated	0.00	0	(150,000)	(152,500)	0	0	(302,500)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(150,000)</b>	<b>(152,500)</b>	<b>0</b>	<b>0</b>	<b>(302,500)</b>

### FY 2020 Base

Dedicated	65.00	4,475,600	2,440,200	0	0	0	6,915,800
<b>Total</b>	<b>65.00</b>	<b>4,475,600</b>	<b>2,440,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,915,800</b>

### 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. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.

Dedicated	0.00	(40,900)	0	0	0	0	(40,900)
<b>Total</b>	<b>0.00</b>	<b>(40,900)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(40,900)</b>

# Public Employee Retirement System

## Executive Budget Detail

## Administration

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
10.12 Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.							
Dedicated	0.00	9,300	0	0	0	0	9,300
<b>Total</b>	<b>0.00</b>	<b>9,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,300</b>
10.31 Repair, Replacement Items/Alterations: The Governor recommends \$144,500 in one-time dedicated fund spending authority for repair and replacement items.							
Dedicated	0.00	0	0	144,500	0	0	144,500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>144,500</b>	<b>0</b>	<b>0</b>	<b>144,500</b>
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	(6,700)	0	0	0	(6,700)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(6,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,700)</b>
10.45 Risk Management Cost Increases: Adjustments to costs of insurance coverage as projected by a third-party actuary and billed by the Office of Insurance Management are reflected here. The state is experiencing an increase in claims, which has resulted in the need for a substantial increase in reserves to cover potential costs.							
Dedicated	0.00	0	2,600	0	0	0	2,600
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,600</b>
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	2,800	0	0	0	2,800
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,800</b>
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	2,500	0	0	0	2,500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.							
Dedicated	0.00	111,900	0	0	0	0	111,900
<b>Total</b>	<b>0.00</b>	<b>111,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,900</b>
10.67 Compensation Schedule Changes: The Governor recommends the pay structure for state employees be moved by 2%. As this will result in employees being below the minimum of their pay grade, he recommends additional funding to adjust that pay to the minimum.							
Dedicated	0.00	3,200	0	0	0	0	3,200
<b>Total</b>	<b>0.00</b>	<b>3,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,200</b>
<b>FY 2020 Total Maintenance</b>							
Dedicated	65.00	4,559,100	2,441,400	144,500	0	0	7,145,000
<b>Total</b>	<b>65.00</b>	<b>4,559,100</b>	<b>2,441,400</b>	<b>144,500</b>	<b>0</b>	<b>0</b>	<b>7,145,000</b>

# Public Employee Retirement System

## Administration

## Executive Budget Detail

Line Items	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
12.01 Upgrade Oracle Database : The Governor recommends one-time dedicated fund spending authority for an Oracle database upgrade from the standard to the enterprise version of the software. This will allow for encryption of data at rest, a requirement for complying with critical security controls in accordance with the policies and guidelines of the Idaho Technology Authority and Office of Information Technology Services.							
Dedicated	0.00	0	0	325,000	0	0	325,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>325,000</b>	<b>0</b>	<b>0</b>	<b>325,000</b>
12.02 Internal Actuary: The Governor does not recommend dedicated fund spending authority for an internal actuary position. Because this position is classified, the salary would not be sufficient to recruit and fill the position.							
Dedicated	0.00	0	0	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.03 Comprehensive Annual Financial Report Software: The Governor recommends dedicated fund spending authority for the payment of the annual license fee for software to automate the Comprehensive Annual Financial Report process. This will reduce inefficiencies associated with the current manual process.							
Dedicated	0.00	0	35,000	0	0	0	35,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,000</b>
12.04 Benefit Fair: The Governor does not recommend dedicated fund spending authority for a benefit fair.							
Dedicated	0.00	0	0	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.05 First Floor Training Room Furniture and Equipment: The Governor recommends one-time dedicated fund spending authority to furnish an onsite training center on the first floor of the Public Employee Retirement System of Idaho (PERSI) facility. This onsite training center would allow PERSI to expand its outreach program for its membership and avoid renting space for training purposes.							
Dedicated	0.00	0	0	50,000	0	0	50,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
12.06 Software Licensing Agreements: The Governor recommends dedicated fund spending authority for software license agreements. License agreement costs have been funded on a one-time basis for several years. Since these are ongoing costs, ongoing dedicated fund spending authority is recommended.							
Dedicated	0.00	0	135,000	0	0	0	135,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>135,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>135,000</b>
12.61 State Network Core Equipment Replacement: The Governor recommends replacement of the state's core network equipment. The Idaho State Network supports all state agencies, and the current core network equipment is reaching the end of its production life cycle. To ensure reliable network operations and avoid significant service interruptions, replacement is necessary. This decision unit represents the agency share of the one-time replacement costs.							
Dedicated	0.00	0	6,100	0	0	0	6,100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>6,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,100</b>
<b>FY 2020 Gov's Recommendation</b>							
Dedicated	65.00	4,559,100	2,617,500	519,500	0	0	7,696,100
<b>Total</b>	<b>65.00</b>	<b>4,559,100</b>	<b>2,617,500</b>	<b>519,500</b>	<b>0</b>	<b>0</b>	<b>7,696,100</b>

# Public Employee Retirement System

## Executive Budget Detail

## Portfolio Investment

FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Lump Sum	Total Gov Rec
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**Description:** The Portfolio Investment Program is responsible for managing the investments and beneficiary distributions of the Public Employee Retirement System of Idaho (PERSI).

### FY 2019 Original Appropriation

3.00 FY 2019 Original Appropriation: HB 1364

Dedicated	3.00	659,900	215,500	18,000	0	0	893,400
<b>Total</b>	<b>3.00</b>	<b>659,900</b>	<b>215,500</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>893,400</b>

### FY 2019 Total Appropriation

Dedicated	3.00	659,900	215,500	18,000	0	0	893,400
<b>Total</b>	<b>3.00</b>	<b>659,900</b>	<b>215,500</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>893,400</b>

### FY 2019 Estimated Expenditures

Dedicated	3.00	659,900	215,500	18,000	0	0	893,400
<b>Total</b>	<b>3.00</b>	<b>659,900</b>	<b>215,500</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>893,400</b>

### Base Adjustments

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2019.

Dedicated	0.00	0	(2,200)	(18,000)	0	0	(20,200)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(2,200)</b>	<b>(18,000)</b>	<b>0</b>	<b>0</b>	<b>(20,200)</b>

### FY 2020 Base

Dedicated	3.00	659,900	213,300	0	0	0	873,200
<b>Total</b>	<b>3.00</b>	<b>659,900</b>	<b>213,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>873,200</b>

### 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. This reduction results from a significant buildup in medical reserve funding due to the state experiencing fewer claims than expected and also the 2019 moratorium on the Health Insurer Fee. To address this overfunding of reserves, the Governor proposes using reserve funds for a portion of the employer share of health costs.

Dedicated	0.00	(1,900)	0	0	0	0	(1,900)
<b>Total</b>	<b>0.00</b>	<b>(1,900)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,900)</b>

10.12 Change in Variable Benefit Costs: This decision unit reflects a six-month holiday for the fee agencies pay to the Division of Human Resources. Due to past vacancies within the division, a cash balance has accrued. To avoid paying a penalty to the federal government, the Governor proposes a six-month fee holiday to decrease the cash balance.

Dedicated	0.00	2,700	0	0	0	0	2,700
<b>Total</b>	<b>0.00</b>	<b>2,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,700</b>

# Public Employee Retirement System

## Portfolio Investment

## Executive Budget Detail

	<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>
10.31 Repair, Replacement Items/Alterations: The Governor recommends \$18,000 in one-time dedicated fund spending authority for repair and replacement items.							
Dedicated	0.00	0	0	18,000	0	0	18,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>18,000</b>
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	(2,200)	0	0	0	(2,200)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(2,200)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,200)</b>
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	300	0	0	0	300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>
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	200	0	0	0	200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>
10.61 Salary Multiplier - Regular Employees: The Governor recommends a 3% Change in Employee Compensation to be distributed by merit.							
Dedicated	0.00	19,300	0	0	0	0	19,300
<b>Total</b>	<b>0.00</b>	<b>19,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,300</b>

### FY 2020 Total Maintenance

Dedicated	3.00	680,000	211,600	18,000	0	0	909,600
<b>Total</b>	<b>3.00</b>	<b>680,000</b>	<b>211,600</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>909,600</b>

### Line Items

12.01 Investment Officer: The Governor recommends 1.0 FTP and dedicated fund spending authority for an investment officer position to help keep abreast of investment strategies and the changing investment regulatory landscape. The position will assist in analyzing, assessing, and addressing new and existing strategies, regulations, and operational requirements.							
Dedicated	1.00	132,900	11,000	0	0	0	143,900
<b>Total</b>	<b>1.00</b>	<b>132,900</b>	<b>11,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>143,900</b>
12.02 Software License Agreements: The Governor recommends dedicated funding spending authority for software license agreements. License agreement costs have been funded on a one-time basis for several years. Since these are ongoing costs, ongoing dedicated fund spending authority is recommended.							
Dedicated	0.00	0	2,200	0	0	0	2,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,200</b>

### FY 2020 Gov's Recommendation

Dedicated	4.00	812,900	224,800	18,000	0	0	1,055,700
<b>Total</b>	<b>4.00</b>	<b>812,900</b>	<b>224,800</b>	<b>18,000</b>	<b>0</b>	<b>0</b>	<b>1,055,700</b>