

Agency Expenditure Summary

| | <u>FY 2019</u> | | <u>FY 2020</u> | | <u>FY 2021</u> | |
|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | <u>Approp</u> | <u>Actual</u> | <u>Approp</u> | <u>Estimate</u> | <u>Request</u> | <u>Gov Rec</u> |
| By Function | | | | | | |
| Administration | 7,218,300 | 6,823,500 | 7,738,600 | 7,728,400 | 8,393,200 | 8,105,800 |
| Portfolio Investment | 893,400 | 791,200 | 1,058,300 | 1,056,200 | 1,200,000 | 1,069,400 |
| Total | 8,111,700 | 7,614,700 | 8,796,900 | 8,784,600 | 9,593,200 | 9,175,200 |
| By Fund Source | | | | | | |
| Dedicated | 8,111,700 | 7,614,700 | 8,796,900 | 8,784,600 | 9,593,200 | 9,175,200 |
| Total | 8,111,700 | 7,614,700 | 8,796,900 | 8,784,600 | 9,593,200 | 9,175,200 |
| By Object | | | | | | |
| Personnel Costs | 5,135,500 | 4,863,300 | 5,417,100 | 5,404,800 | 6,131,800 | 5,877,800 |
| Operating Expenditures | 2,805,700 | 2,597,000 | 2,842,300 | 2,842,300 | 3,009,700 | 2,845,700 |
| Capital Outlay | 170,500 | 154,400 | 537,500 | 537,500 | 451,700 | 451,700 |
| Trustee/Benefit Payments | 0 | 0 | 0 | 0 | 0 | 0 |
| Lump Sum | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 8,111,700 | 7,614,700 | 8,796,900 | 8,784,600 | 9,593,200 | 9,175,200 |
| FTP Positions | 68.00 | 68.00 | 69.00 | 69.00 | 73.00 | 73.00 |

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> |
|---------------------|---|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|
| 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 2020 Original Appropriation

3.00 FY 2020 Original Appropriation: HB 263

| | | | | | | | |
|--------------|--------------|------------------|------------------|----------------|----------|----------|------------------|
| Dedicated | 65.00 | 4,601,600 | 2,617,500 | 519,500 | 0 | 0 | 7,738,600 |
| Total | 65.00 | 4,601,600 | 2,617,500 | 519,500 | 0 | 0 | 7,738,600 |

Expenditure Adjustments

4.52 FY 2020 Unused Sick Leave Fund Holiday: This decision unit reflects the first six months of an 18-month rate holiday for employers who contribute to the PERSI-managed sick leave plan. The sick leave fund has built up a substantial reserve and the rate holiday will draw down the reserve. The PERSI Retirement Board will review the funding of the plan upon completion of the rate holiday and will adjust contribution rates to actuarially-determined new levels.

| | | | | | | | |
|--------------|-------------|-----------------|----------|----------|----------|----------|-----------------|
| Dedicated | 0.00 | (10,200) | 0 | 0 | 0 | 0 | (10,200) |
| Total | 0.00 | (10,200) | 0 | 0 | 0 | 0 | (10,200) |

FY 2020 Total Appropriation

| | | | | | | | |
|--------------|--------------|------------------|------------------|----------------|----------|----------|------------------|
| Dedicated | 65.00 | 4,591,400 | 2,617,500 | 519,500 | 0 | 0 | 7,728,400 |
| Total | 65.00 | 4,591,400 | 2,617,500 | 519,500 | 0 | 0 | 7,728,400 |

FY 2020 Estimated Expenditures

| | | | | | | | |
|--------------|--------------|------------------|------------------|----------------|----------|----------|------------------|
| Dedicated | 65.00 | 4,591,400 | 2,617,500 | 519,500 | 0 | 0 | 7,728,400 |
| Total | 65.00 | 4,591,400 | 2,617,500 | 519,500 | 0 | 0 | 7,728,400 |

Base Adjustments

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2020.

| | | | | | | | |
|--------------|-------------|----------|----------------|------------------|----------|----------|------------------|
| Dedicated | 0.00 | 0 | (6,100) | (519,500) | 0 | 0 | (525,600) |
| Total | 0.00 | 0 | (6,100) | (519,500) | 0 | 0 | (525,600) |

8.49 Removal of One-Time Expenditures: This decision unit removes the one-time sick leave rate holiday adjustment for FY 2020 reflected in DU 4.52.

| | | | | | | | |
|--------------|-------------|---------------|----------|----------|----------|----------|---------------|
| Dedicated | 0.00 | 10,200 | 0 | 0 | 0 | 0 | 10,200 |
| Total | 0.00 | 10,200 | 0 | 0 | 0 | 0 | 10,200 |

Public Employee Retirement System

Executive Budget Detail

Administration

| FY 2021 Base | FTP | Personnel Cost | Operating Expense | Capital Outlay | Trustee/ Benefit | Lump Sum | Total Gov Rec |
|--------------|--------------|-------------------|----------------------|-------------------|---------------------|-------------|------------------|
| Dedicated | 65.00 | 4,601,600 | 2,611,400 | 0 | 0 | 0 | 7,213,000 |
| Total | 65.00 | 4,601,600 | 2,611,400 | 0 | 0 | 0 | 7,213,000 |

Program Maintenance

10.12 Change in Variable Benefit Costs: This decision unit reflects a change in variable benefit costs, notably, the remaining 12 months of an 18-month rate holiday for employers who contribute to the PERSI-managed sick leave plan. The sick leave fund has built up a substantial reserve and the rate holiday will draw down the reserve. The PERSI Retirement Board will review the funding of the plan upon completion of the rate holiday and will adjust contribution rates to actuarially-determined new levels.

| | | | | | | | |
|--------------|-------------|-----------------|----------|----------|----------|----------|-----------------|
| Dedicated | 0.00 | (17,000) | 0 | 0 | 0 | 0 | (17,000) |
| Total | 0.00 | (17,000) | 0 | 0 | 0 | 0 | (17,000) |

10.31 Repair, Replacement Items/Alterations: The Governor Recommends \$413,700 in one-time dedicated fund spending authority for repair and replacement items.

| | | | | | | | |
|--------------|-------------|----------|----------|----------------|----------|----------|----------------|
| Dedicated | 0.00 | 0 | 0 | 413,700 | 0 | 0 | 413,700 |
| Total | 0.00 | 0 | 0 | 413,700 | 0 | 0 | 413,700 |

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 | (2,900) | 0 | 0 | 0 | (2,900) |
| Total | 0.00 | 0 | (2,900) | 0 | 0 | 0 | (2,900) |

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.

| | | | | | | | |
|--------------|-------------|----------|------------|----------|----------|----------|------------|
| Dedicated | 0.00 | 0 | 800 | 0 | 0 | 0 | 800 |
| Total | 0.00 | 0 | 800 | 0 | 0 | 0 | 800 |

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 | 4,800 | 0 | 0 | 0 | 4,800 |
| Total | 0.00 | 0 | 4,800 | 0 | 0 | 0 | 4,800 |

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 | (700) | 0 | 0 | 0 | (700) |
| Total | 0.00 | 0 | (700) | 0 | 0 | 0 | (700) |

10.61 Salary Multiplier - Regular Employees: The Governor recommends a 2% Change in Employee Compensation to be distributed by merit.

| | | | | | | | |
|--------------|-------------|---------------|----------|----------|----------|----------|---------------|
| Dedicated | 0.00 | 76,300 | 0 | 0 | 0 | 0 | 76,300 |
| Total | 0.00 | 76,300 | 0 | 0 | 0 | 0 | 76,300 |

10.62 Salary Multiplier - Group and Temporary: The Governor does not recommend a Change in Employee Compensation for group and temporary employees.

| | | | | | | | |
|--------------|-------------|----------|----------|----------|----------|----------|----------|
| Dedicated | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |

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> |
|---|-------------|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|
| 10.67 Compensation Schedule Changes: The Governor recommends the pay structure for state employees be moved by 3%. 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 | 2,900 | 0 | 0 | 0 | 0 | 2,900 |
| Total | 0.00 | 2,900 | 0 | 0 | 0 | 0 | 2,900 |

FY 2021 Total Maintenance

| | | | | | | | |
|--------------|--------------|------------------|------------------|----------------|----------|----------|------------------|
| Dedicated | 65.00 | 4,663,800 | 2,613,400 | 413,700 | 0 | 0 | 7,690,900 |
| Total | 65.00 | 4,663,800 | 2,613,400 | 413,700 | 0 | 0 | 7,690,900 |

Line Items

| | | | | | | | |
|--|-------------|----------------|----------|--------------|----------|----------|----------------|
| 12.01 Internal Actuary: The Governor recommends 1.0 FTP and ongoing dedicated fund spending authority for an internal actuary position. The agency is proposing legislation to amend Idaho Code to make the position non-classified. This funding is contingent upon passage of the legislation. | | | | | | | |
| Dedicated | 1.00 | 180,100 | 0 | 5,000 | 0 | 0 | 185,100 |
| Total | 1.00 | 180,100 | 0 | 5,000 | 0 | 0 | 185,100 |

| | | | | | | | |
|--|-------------|----------------|----------|---------------|----------|----------|----------------|
| 12.02 Retirement Specialist II: The Governor recommends 2.0 FTP and dedicated fund spending authority (\$139,600 ongoing, \$10,000 one-time) to eliminate contracted third-party field representatives and internalize the positions. The positions will perform counseling and training to both members and employers, and they will encompass all aspects of retirement to assist members with retirement consultation services. | | | | | | | |
| Dedicated | 2.00 | 142,100 | 0 | 10,000 | 0 | 0 | 152,100 |
| Total | 2.00 | 142,100 | 0 | 10,000 | 0 | 0 | 152,100 |

| | | | | | | | |
|--|-------------|---------------|----------|--------------|----------|----------|---------------|
| 12.03 Retirement Specialist: The Governor recommends 1.0 FTP and dedicated fund spending authority (\$63,600 ongoing, \$5,000 one-time) for a retirement specialist in Boise to help with the increased volume of retirees and active member inquiries on retirement planning. | | | | | | | |
| Dedicated | 1.00 | 64,700 | 0 | 5,000 | 0 | 0 | 69,700 |
| Total | 1.00 | 64,700 | 0 | 5,000 | 0 | 0 | 69,700 |

| | | | | | | | |
|--|-------------|----------|----------|----------|----------|----------|----------|
| 12.05 Directors and Officers Insurance Policy: The Governor does not recommend the purchase of additional insurance for board trustee directors and officers pursuant to conversations with PERSI and Risk Management. | | | | | | | |
| Dedicated | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | |
|--|-------------|----------|--------------|----------|----------|----------|--------------|
| 12.06 Increase in Software Licensing Costs: The Governor recommends dedicated fund spending authority to cover increases in annual licensing costs for software. | | | | | | | |
| Dedicated | 0.00 | 0 | 7,000 | 0 | 0 | 0 | 7,000 |
| Total | 0.00 | 0 | 7,000 | 0 | 0 | 0 | 7,000 |

| | | | | | | | |
|--|-------------|----------|--------------|----------|----------|----------|--------------|
| 12.62 Information Technology Services FY 2020 Ongoing Operating Expenditures : The Office of Information Technology Services (OITS) was appropriated funding for FY 2020 to pay for SecureWatch software and data center and office space located at the Idaho State Chinden Office Complex. The ongoing cost was not allocated or appropriated in FY 2020 to the agencies supported by OITS. This decision unit represents the agency share of these ongoing costs. | | | | | | | |
| Dedicated | 0.00 | 0 | 1,000 | 0 | 0 | 0 | 1,000 |
| Total | 0.00 | 0 | 1,000 | 0 | 0 | 0 | 1,000 |

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> |
|-------------------------------------|--------------|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|
| FY 2021 Gov's Recommendation | | | | | | | |
| Dedicated | 69.00 | 5,050,700 | 2,621,400 | 433,700 | 0 | 0 | 8,105,800 |
| Total | 69.00 | 5,050,700 | 2,621,400 | 433,700 | 0 | 0 | 8,105,800 |

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> |
|--|------------|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|
|--|------------|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|

Description: The Portfolio Investment Program is responsible for managing the investments and beneficiary distributions of the Public Employee Retirement System of Idaho (PERSI).

FY 2020 Original Appropriation

3.00 FY 2020 Original Appropriation: HB 263

| | | | | | | | |
|--------------|-------------|----------------|----------------|---------------|----------|----------|------------------|
| Dedicated | 4.00 | 815,500 | 224,800 | 18,000 | 0 | 0 | 1,058,300 |
| Total | 4.00 | 815,500 | 224,800 | 18,000 | 0 | 0 | 1,058,300 |

Expenditure Adjustments

4.52 FY2020 Unused Sick Leave Fund Holiday: This decision unit reflects the first six months of an 18-month rate holiday for employers who contribute to the PERSI-managed sick leave plan. The sick leave fund has built up a substantial reserve and the rate holiday will draw down the reserve. The PERSI Retirement Board will review the funding of the plan upon completion of the rate holiday and will adjust contribution rates to actuarially-determined new levels.

| | | | | | | | |
|--------------|-------------|----------------|----------|----------|----------|----------|----------------|
| Dedicated | 0.00 | (2,100) | 0 | 0 | 0 | 0 | (2,100) |
| Total | 0.00 | (2,100) | 0 | 0 | 0 | 0 | (2,100) |

FY 2020 Total Appropriation

| | | | | | | | |
|--------------|-------------|----------------|----------------|---------------|----------|----------|------------------|
| Dedicated | 4.00 | 813,400 | 224,800 | 18,000 | 0 | 0 | 1,056,200 |
| Total | 4.00 | 813,400 | 224,800 | 18,000 | 0 | 0 | 1,056,200 |

FY 2020 Estimated Expenditures

| | | | | | | | |
|--------------|-------------|----------------|----------------|---------------|----------|----------|------------------|
| Dedicated | 4.00 | 813,400 | 224,800 | 18,000 | 0 | 0 | 1,056,200 |
| Total | 4.00 | 813,400 | 224,800 | 18,000 | 0 | 0 | 1,056,200 |

Base Adjustments

8.41 Removal of One-Time Expenditures: This decision unit removes one-time appropriation for FY 2020.

| | | | | | | | |
|--------------|-------------|----------|----------|-----------------|----------|----------|-----------------|
| Dedicated | 0.00 | 0 | 0 | (18,000) | 0 | 0 | (18,000) |
| Total | 0.00 | 0 | 0 | (18,000) | 0 | 0 | (18,000) |

8.49 Removal of One-Time Expenditures: This decision unit removes the one-time sick leave rate holiday adjustment for FY 2020 reflected in DU 4.52.

| | | | | | | | |
|--------------|-------------|--------------|----------|----------|----------|----------|--------------|
| Dedicated | 0.00 | 2,100 | 0 | 0 | 0 | 0 | 2,100 |
| Total | 0.00 | 2,100 | 0 | 0 | 0 | 0 | 2,100 |

FY 2021 Base

| | | | | | | | |
|--------------|-------------|----------------|----------------|----------|----------|----------|------------------|
| Dedicated | 4.00 | 815,500 | 224,800 | 0 | 0 | 0 | 1,040,300 |
| Total | 4.00 | 815,500 | 224,800 | 0 | 0 | 0 | 1,040,300 |

Public Employee Retirement System

Executive Budget Detail

Portfolio Investment

| | <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> |
|---|-------------|---------------------------|------------------------------|---------------------------|-----------------------------|---------------------|--------------------------|
| Program Maintenance | | | | | | | |
| 10.12 Change in Variable Benefit Costs: This decision unit reflects a change in variable benefit costs, notably, the remaining 12 months of an 18-month rate holiday for employers who contribute to the PERSI-managed sick leave plan. The sick leave fund has built up a substantial reserve and the rate holiday will draw down the reserve. The PERSI Retirement Board will review the funding of the plan upon completion of the rate holiday and will adjust contribution rates to actuarially-determined new levels. | | | | | | | |
| Dedicated | 0.00 | (4,000) | 0 | 0 | 0 | 0 | (4,000) |
| Total | 0.00 | (4,000) | 0 | 0 | 0 | 0 | (4,000) |
| 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 |
| Total | 0.00 | 0 | 0 | 18,000 | 0 | 0 | 18,000 |
| 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 | (900) | 0 | 0 | 0 | (900) |
| Total | 0.00 | 0 | (900) | 0 | 0 | 0 | (900) |
| 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 | 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. | | | | | | | |
| Dedicated | 0.00 | 0 | (100) | 0 | 0 | 0 | (100) |
| Total | 0.00 | 0 | (100) | 0 | 0 | 0 | (100) |
| 10.61 Salary Multiplier - Regular Employees: The Governor recommends a 2% Change in Employee Compensation to be distributed by merit. | | | | | | | |
| Dedicated | 0.00 | 15,600 | 0 | 0 | 0 | 0 | 15,600 |
| Total | 0.00 | 15,600 | 0 | 0 | 0 | 0 | 15,600 |
| FY 2021 Total Maintenance | | | | | | | |
| Dedicated | 4.00 | 827,100 | 224,300 | 18,000 | 0 | 0 | 1,069,400 |
| Total | 4.00 | 827,100 | 224,300 | 18,000 | 0 | 0 | 1,069,400 |
| Line Items | | | | | | | |
| 12.01 Investment Officer to Supervisor: The Governor does not recommend the reclassification of the current investment officer position to supervisor. | | | | | | | |
| Dedicated | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.02 Increase Investment Officer Salary: The Governor does not recommend increasing the starting wage of the investment officer position pursuant to direction from the Division of Human Resources. | | | | | | | |
| Dedicated | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 |

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> |
|-------------------------------------|-------------|-----------------------|--------------------------|-----------------------|-------------------------|-----------------|----------------------|
| FY 2021 Gov's Recommendation | | | | | | | |
| Dedicated | 4.00 | 827,100 | 224,300 | 18,000 | 0 | 0 | 1,069,400 |
| Total | 4.00 | 827,100 | 224,300 | 18,000 | 0 | 0 | 1,069,400 |