

Agency Summary And Certification

FY 2024 Request

Agency: State Liquor Division

185

In accordance with 67-3502 Idaho Code, I certify the included budget properly states the receipts and expenditures of the department (agency, office, or institution) for the fiscal years indicated.

Signature of Department
Director:



Date: 8/26/2022

		FY 2022 Total Appropriation	FY 2022 Total Expenditures	FY 2023 Original Appropriation	FY 2023 Estimated Expenditures	FY 2024 Total Request
Appropriation Unit						
	Liquor Division Operations	24,044,800	23,670,500	27,640,500	27,640,500	29,223,961
	Total	24,044,800	23,670,500	27,640,500	27,640,500	29,223,961
By Fund Source						
D	41800 Dedicated	24,044,800	23,670,500	27,640,500	27,640,500	29,223,961
	Total	24,044,800	23,670,500	27,640,500	27,640,500	29,223,961
By Account Category						
	Personnel Cost	15,556,400	15,243,100	18,551,900	18,551,900	19,367,061
	Operating Expense	3,744,000	3,419,900	3,961,300	3,961,300	4,830,200
	Capital Outlay	4,744,400	5,007,500	5,127,300	5,127,300	5,026,700
	Total	24,044,800	23,670,500	27,640,500	27,640,500	29,223,961
FTP Positions						
		242.00	242.00	263.00	263.00	267.00
	Total	242.00	242.00	263.00	263.00	267.00

Division Description

Request for Fiscal Year: 2024

Agency: State Liquor Division	185
Division: State Liquor Division	LQ1
Statutory Authority: IC §23-201	

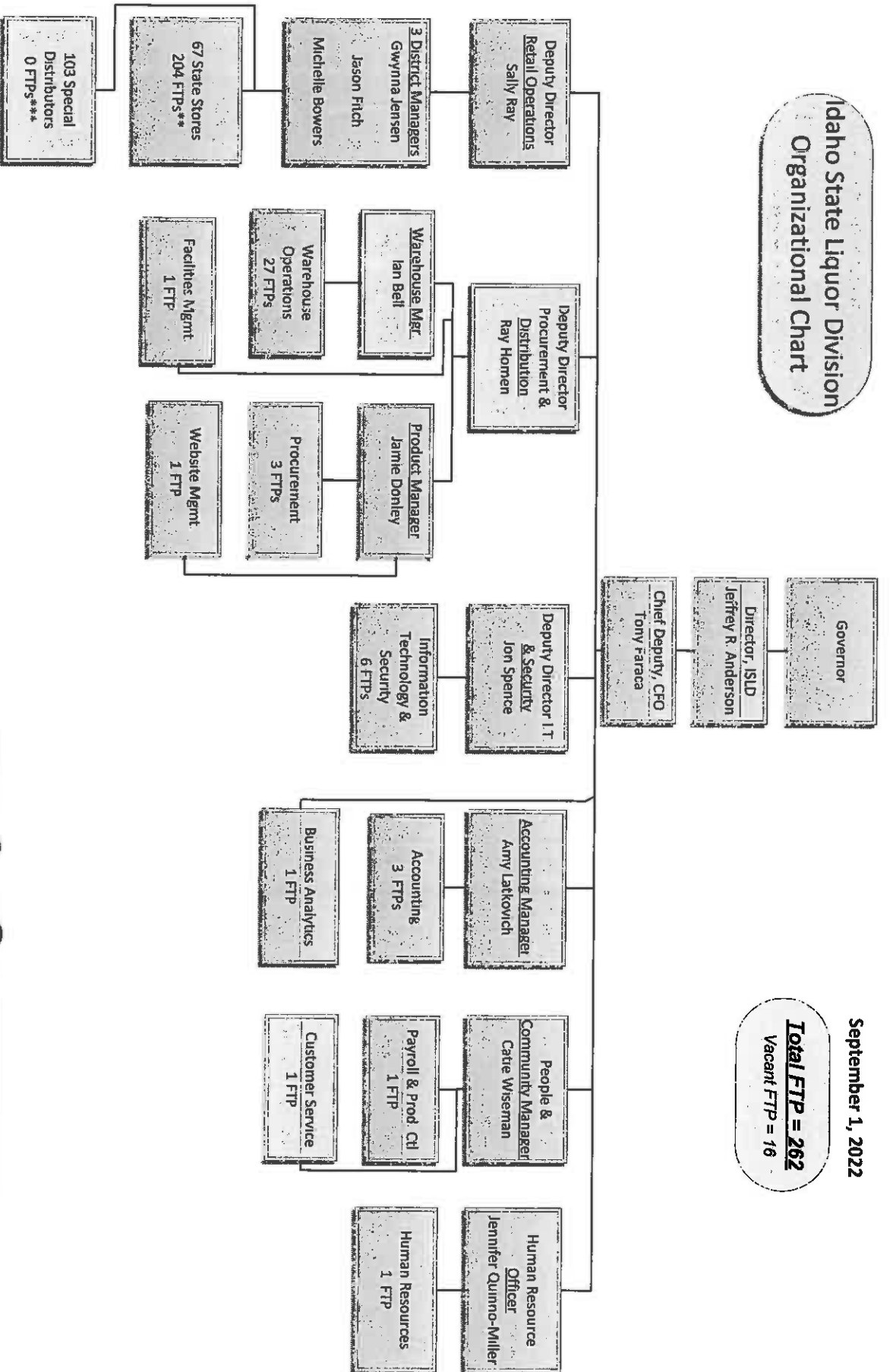
The Idaho State Liquor Division (ISLD) was established by Article III, Section 26 of the Idaho Constitution in 1935 following the repeal of the 18th Amendment to the Constitution of the United States (known as "Prohibition") as a means of directing the importation, distribution, sale, and consumption of beverage alcohol. Idaho is one of 17 states along with jurisdictions in Alaska, Maryland, Minnesota, and South Dakota that actively manage the sale of distilled spirits. These jurisdictions account for over 25% of the U.S. population and regulate their own retail and/or wholesale distribution of beverage alcohol in their various forms.

Organizationally, the ISLD has been an agency in the Office of the Governor since 1974.

Idaho State Liquor Division Organizational Chart

September 1, 2022

Total FTP = 262
Vacant FTP = 16



** The Liquor Division employs 150 Part-time temporary stock clerks (non-classified)

*** District Managers oversee 103 Contract Liquor Stores

Jeffrey R. Anderson, Director

8-23-22

Date

Agency Revenues

Request for Fiscal Year: 2024

Agency: State Liquor Division

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		FY 20 Actuals	FY 21 Actuals	FY 22 Actuals	FY 23 Estimated Revenue	FY 24 Estimated Revenue	Significant Assumptions
Fund 34000 Drug/Mental Health/Family Court Svcs Fund							
441	Sales of Goods	4,831,000	5,621,500	5,808,700	6,041,000	6,282,600	
Drug/Mental Health/Family Court Svcs Fund Total		4,831,000	5,621,500	5,808,700	6,041,000	6,282,600	
Fund 41800 Liquor Account (Liquor Control)							
410	License, Permits & Fees	700	300	10,200	1,000	1,000	Idaho will continue to maintain a retail price advantage compared to Washington state. Idaho's lower prices result in an estimated 7.5% sales lift from Washington consumer coming into Idaho to shop for spirits. Estimated annual revenue impact = \$23.0MM
441	Sales of Goods		290,862,400		312,322,000	324,814,900	
		254,493,700		300,309,600			
460	Interest		167,500	99,700	103,700	107,800	
470	Other Revenue		517,800	436,900	454,400	472,600	
Liquor Account (Liquor Control) Total		255,261,500	291,548,000	300,856,400	312,881,100	325,396,300	
Agency Name Total		260,092,500	297,169,500	306,665,100	318,922,100	331,678,900	

Analysis of Fund Balances

Request for Fiscal Year: 2024

Agency: State Liquor Division

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Fund: Liquor Account (Liquor Control)

41800

Sources and Uses:

Included in the Liquor Fund are all revenues derived from the sale of alcoholic beverages, excise taxes, licenses, permits, fees, profits on sales, sales of equipment, supplies and other merchandise. In addition, all moneys from the purchase of property. The moneys from this fund are appropriated for the purpose of purchasing alcoholic liquor and paying the expenses of administration and operation of the State Liquor Division (\$23-402).

A 2% surcharge on the sale of all liquor through the division is remitted to the Drug and Family Court Services (DFCS).

	FY 20 Actuals	FY 21 Actuals	FY 22 Actuals	FY 23 Estimate	FY 24 Estimate
01. Beginning Free Fund Balance	21,574,900	36,997,400	38,115,700	21,790,600	19,539,100
02. Encumbrances as of July 1	528,000	135,300	191,100	576,100	200,000
02a. Reappropriation (Legislative Carryover)	0	0	0	0	0
03. Beginning Cash Balance	22,102,900	37,132,700	38,306,800	22,366,700	19,739,100
04. Revenues (from Form B-11)	260,092,500	297,169,500	306,665,100	318,922,100	331,678,900
05. Non-Revenue Receipts and Other Adjustments	1,400	42,200	33,700	30,000	32,000
06. Statutory Transfers In	0	0	0	0	0
07. Operating Transfers In	0	0	0	0	0
08. Total Available for Year	282,196,800	334,344,400	345,005,600	341,318,800	351,450,000
09. Statutory Transfers Out	43,250,000	48,453,000	61,470,000	53,500,000	55,640,000
10. Operating Transfers Out	4,831,000	5,621,500	5,808,700	6,041,000	6,282,600
11. Non-Expenditure Distributions and Other Adjustments	34,200	76,100	45,000	46,800	48,700
12. Cash Expenditures for Prior Year Encumbrances	437,700	93,100	187,800	576,100	200,000
13. Original Appropriation	22,377,400	22,732,900	24,044,800	27,640,500	29,224,000
14. Prior Year Reappropriations, Supplementals, Recessions	(25,700)	0	0	0	0
15. Non-cogs, Receipts to Appropriations, etc.	0	0	0	0	0
16. Reversions and Continuous Appropriations	174,252,600	219,252,100	231,658,700	233,975,300	239,824,700
17. Current Year Reappropriation	0	0	0	0	0
18. Reserve for Current Year Encumbrances	(93,100)	(191,100)	(576,100)	(200,000)	(150,000)
19. Current Year Cash Expenditures	196,511,200	241,793,900	255,127,400	261,415,800	268,898,700
19a. Budgetary Basis Expenditures (CY Cash Exp + CY Enc)	196,604,300	241,985,000	255,703,500	261,615,800	269,048,700
20. Ending Cash Balance	37,132,700	38,306,800	22,366,700	19,739,100	20,380,000
21. Prior Year Encumbrances as of June 30	42,200	0	0	0	0
22. Current Year Encumbrances as of June 30	93,100	191,100	576,100	200,000	150,000
22a. Current Year Reappropriation	0	0	0	0	0
23. Borrowing Limit	0	0	0	0	0
24. Ending Free Fund Balance	36,997,400	38,115,700	21,790,600	19,539,100	20,230,000
24a. Investments Direct by Agency (GL 1203)	0	0	0	0	0
24b. Ending Free Fund Balance Including Direct Investments	36,997,400	38,115,700	21,790,600	19,539,100	20,230,000
26. Outstanding Loans (if this fund is part of a loan program)	0	0	0	0	0

Note:

		FTP	Personnel Costs	Operating Expense	Capital Outlay	Trustee Benefit	Total
Agency	State Liquor Division						185
Division	State Liquor Division						LQ1
Appropriation Unit	Liquor Division Operations						GVGA
FY 2022 Total Appropriation							
1.00	FY 2022 Total Appropriation						GVGA
	S1366						
	41800 Dedicated	242.00	15,556,400	3,744,000	3,500,000	0	22,800,400
	OT 41800 Dedicated	0.00	0	0	1,244,400	0	1,244,400
		242.00	15,556,400	3,744,000	4,744,400	0	24,044,800
1.21	Account Transfers						GVGA
	Reclassing appropriation for Rent Expense from OE to CO per GASB 87.						
	41800 Dedicated	0.00	0	(330,000)	330,000	0	0
		0.00	0	(330,000)	330,000	0	0
	The ISLD Director also serves as Director of the Idaho Lottery. 100% of his payroll expenses are processed via the Lottery Division. ISLD reimburses Lottery for its 50% share of the Director's compensation. Due to SCO limitations, the reimbursement must be sourced from OE not PC. Therefore, the Director's actual compensation must be transferred from PC to OE.						
	41800 Dedicated	0.00	(108,800)	108,800	0	0	0
		0.00	(108,800)	108,800	0	0	0
1.61	Reverted Appropriation Balances						GVGA
	OT 41800 Dedicated	0.00	(204,500)	(102,900)	(66,900)	0	(374,300)
		0.00	(204,500)	(102,900)	(66,900)	0	(374,300)
FY 2022 Actual Expenditures							
2.00	FY 2022 Actual Expenditures						GVGA
	41800 Dedicated	242.00	15,447,600	3,522,800	3,830,000	0	22,800,400
	OT 41800 Dedicated	0.00	(204,500)	(102,900)	1,177,500	0	870,100
		242.00	15,243,100	3,419,900	5,007,500	0	23,670,500
FY 2023 Original Appropriation							
3.00	FY 2023 Original Appropriation						GVGA
	41800 Dedicated	263.00	18,551,900	3,856,900	3,926,800	0	26,335,600
	OT 41800 Dedicated	0.00	0	104,400	1,200,500	0	1,304,900
		263.00	18,551,900	3,961,300	5,127,300	0	27,640,500
FY 2023 Total Appropriation							
5.00	FY 2023 Total Appropriation						GVGA
	41800 Dedicated	263.00	18,551,900	3,856,900	3,926,800	0	26,335,600
	OT 41800 Dedicated	0.00	0	104,400	1,200,500	0	1,304,900
		263.00	18,551,900	3,961,300	5,127,300	0	27,640,500
FY 2023 Estimated Expenditures							
7.00	FY 2023 Estimated Expenditures						GVGA
	41800 Dedicated	263.00	18,551,900	3,856,900	3,926,800	0	26,335,600
	OT 41800 Dedicated	0.00	0	104,400	1,200,500	0	1,304,900
Run Date: 8/25/22 8:39 AM							

		FTP	Personnel Costs	Operating Expense	Capital Outlay	Trustee Benefit	Total
		263.00	18,551,900	3,961,300	5,127,300	0	27,640,500
Base Adjustments							
Removal of One-Time Expenditures							GVGA
This decision unit removes one-time appropriation for FY 2022.							
OT 41800	Dedicated	0.00	0	(104,400)	(1,200,500)	0	(1,304,900)
		0.00	0	(104,400)	(1,200,500)	0	(1,304,900)
FY 2024 Base							
9.00	FY 2024 Base						GVGA
	41800 Dedicated	263.00	18,551,900	3,856,900	3,926,800	0	26,335,600
	OT 41800 Dedicated	0.00	0	0	0	0	0
		263.00	18,551,900	3,856,900	3,926,800	0	26,335,600
Program Maintenance							
10.11	Change in Health Benefit Costs						GVGA
Change in Health Benefit Costs							
	41800 Dedicated	0.00	336,500	0	0	0	336,500
		0.00	336,500	0	0	0	336,500
10.12	Change in Variable Benefit Costs						GVGA
Change in Variable Benefit Costs							
	41800 Dedicated	0.00	(64,900)	0	0	0	(64,900)
		0.00	(64,900)	0	0	0	(64,900)
10.21	General Inflation Adjustments						GVGA
5% Inflation assumption on general operating expenditures.							
	41800 Dedicated	0.00	0	150,400	0	0	150,400
		0.00	0	150,400	0	0	150,400
10.23	Contract Inflation Adjustments						GVGA
Anticipated increases on base rent at 67 state-operated stores. Additionally, inflation on store rent related to common area maintenance (e.g., property tax, insurance, maintenance); these are pass-thru expenses from landlords to tenants. The ISLD has 41 NNN leases. Assumption = average increase will be \$3,000/year per NNN lease. Contractual Increase in age verification software per use fee. Anticipated contractual increase in security and fire monitoring at 68 locations.							
	41800 Dedicated	0.00	0	172,500	125,500	0	298,000
		0.00	0	172,500	125,500	0	298,000
10.31	Repair, Replacement Items/Alteration Req #1						GVGA
	OT 41800 Dedicated	0.00	0	412,800	54,000	0	466,800
		0.00	0	412,800	54,000	0	466,800
10.32	Repair, Replacement Items/Alteration Req #2						GVGA
	OT 41800 Dedicated	0.00	0	0	525,800	0	525,800
		0.00	0	0	525,800	0	525,800
10.33	Repair, Replacement Items/Alteration Req #3						GVGA
	OT 41800 Dedicated	0.00	0	0	180,000	0	180,000
		0.00	0	0	180,000	0	180,000

		FTP	Personnel Costs	Operating Expense	Capital Outlay	Trustee Benefit	Total	
10.34	Repair, Replacement Items/Alteration Req #4							GVGA
	OT 41800 Dedicated	0.00	0	127,000	0	0	127,000	
		0.00	0	127,000	0	0	127,000	
10.61	Salary Multiplier - Regular Employees							GVGA
	CEC for Permanent Positions							
	41800 Dedicated	0.00	129,800	0	0	0	129,800	
		0.00	129,800	0	0	0	129,800	
10.62	Salary Multiplier - Group and Temporary							GVGA
	Salary Adjustments - Group and Temporary							
	41800 Dedicated	0.00	19,500	0	0	0	19,500	
		0.00	19,500	0	0	0	19,500	
FY 2024 Total Maintenance								
11.00	FY 2024 Total Maintenance							GVGA
	41800 Dedicated	263.00	18,972,800	4,179,800	4,052,300	0	27,204,900	
	OT 41800 Dedicated	0.00	0	539,800	759,800	0	1,299,600	
		263.00	18,972,800	4,719,600	4,812,100	0	28,504,500	
Line Items								
12.01	Assistant District Manager Positions							GVGA
	The ISLD seeks to create three new Assistant District Manager positions to support our retail operation. The Division has grown from \$150MM to \$300MM in Sales in the last 10 years. Three District Managers oversee the entire retail operation across the state. The increase in Sales has been accompanied by an increase in complexity making the job of our District Managers to do an effective job extremely difficult. The Division seeks to create these positions to aid the District Managers in the day-to-day management of the retail stores and contract stores.							
	41800 Dedicated	3.00	267,684	0	0	0	267,684	
		3.00	267,684	0	0	0	267,684	
12.02	Relocate or Remodel Two Existing Liquor Stores							GVGA
	With 67 state-run stores, the ISLD must typically address expiring leases and updates to 8-12 stores/year in order to maintain a modern retail environment that meets customer expectations. In FY24, we have 12 leases expiring, however we anticipate renewing the leases in most of these locations. However, the ISLD is requesting funding for the costs associated with relocating and/or remodeling two state run stores where leases are expiring. The enhancements proposed for these stores will improve customer service and convenience. It also is a part of the greater ISLD strategy to coordinate the location of state-run stores in more optimal retail locations. Based on historical trends, it is anticipated that these enhancements will generate incremental Sales and payback project costs in 1-2 years.							
	41800 Dedicated	0.00	0	9,600	60,600	0	70,200	
	OT 41800 Dedicated	0.00	0	6,000	154,000	0	160,000	
		0.00	0	15,600	214,600	0	230,200	
12.03	Human Resource Specialist							GVGA
	The ISLD seeks to add one additional Human Resource Specialist to our team. The payroll process and frontline HR tasks for the entire agency (400+ total employees) is currently handled by just two employees. Industry standards advocate 1 HR associate for every 100 employees. The Division added HR staff in FY2022 but new tasks (e.g., recruiting) have been allocated to the agencies and the HR transaction volume continues to increase. An additional employee is needed to address the ever increasing workload and complexities.							
	41800 Dedicated	1.00	77,177	0	0	0	77,177	
		1.00	77,177	0	0	0	77,177	
12.04	Retail Technology Consultant							GVGA
	Requesting funds to engage a subject matter expert advisor to help identify opportunities to improve the retail technology ecosystem of the Division. This consultant will provide detailed recommendations for meeting customer expectations in the following areas:							
	<ul style="list-style-type: none"> Optimizing the Division licensee ordering portal Optimizing the Division contract store ordering portal Upgrading point-of-sale and retail inventory systems to provide for real-time retail inventory control Developing a cohesive omnichannel shopping experience that meets customer expectations Defining scalable digital solutions to best serve the citizens of Idaho 							

		FTP	Personnel Costs	Operating Expense	Capital Outlay	Trustee Benefit	Total
OT 41800	Dedicated	0.00	0	95,000	0	0	95,000
		0.00	0	95,000	0	0	95,000
12.05	Incentive Program for Warehouse Employees						GVGA
The ISLD is requesting funding for the costs associated with implementing an incentive program for our Warehouse workers in an attempt to improve recruitment and retention as well as attendance and productivity while reducing the incidence of errors and ultimately saving money through a reduction of re-work and cost avoidance via the need for less labor to correct errors.							
41800	Dedicated	0.00	49,400	0	0	0	49,400
		0.00	49,400	0	0	0	49,400
FY 2024 Total							
13.00	FY 2024 Total						GVGA
41800	Dedicated	267.00	19,367,061	4,189,400	4,112,900	0	27,669,361
OT 41800	Dedicated	0.00	0	640,800	913,800	0	1,554,600
		267.00	19,367,061	4,830,200	5,026,700	0	29,223,961

Agency: State Liquor Division

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Appropriation Unit: Liquor Division Operations

GVGA

Decision Unit Number	12.01	Descriptive Title	Assistant District Manager Positions				
				General	Dedicated	Federal	Total
Personnel Cost							
	500	Employees		0	185,640	0	185,640
	512	Employee Benefits		0	40,794	0	40,794
	513	Health Benefits		0	41,250	0	41,250
		Personnel Cost Total		0	267,684	0	267,684
Full Time Positions							
		FTP - Permanent		0.00	3.00	0.00	3.00
		Full Time Positions Total		0	3	0	3
				0	267,684	0	267,684

Explain the request and provide justification for the need.

The ISLD seeks to create three new Assistant District Manager positions to support our retail operation. The Division has grown from \$150MM to \$300MM in Sales in the last 10 years. Three District Managers oversee the entire retail operation across the state. The increase in Sales has been accompanied by an increase in complexity making the job of our District Managers to do an effective job extremely difficult. The Division seeks to create these positions in order to aid the District Managers in the day-to-day management of the retail stores and contract stores.

If a supplemental, what emergency is being addressed?

N/A

Specify the authority in statute or rule that supports this request.

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

Indicate existing base of PC, OE, and/or CO by source for this request.**What resources are necessary to implement this request?****List positions, pay grades, full/part-time status, benefits, terms of service.**

The classification for this request is at a paygrade of 'L', which is the level between our store managers and the District Managers. The wage projection for this request is market-based and is at 80% of policy.

Will staff be re-directed? If so, describe impact and show changes on org chart.**Detail any current one-time or ongoing OE or CO and any other future costs.****Describe method of calculation (RFI, market cost, etc.) and contingencies.****Provide detail about the revenue assumptions supporting this request.**

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY'24 are expected to exceed \$120MM providing full funding for this request.

Who is being served by this request and what is the impact if not funded?

This request primarily supports the agency and its existing retail workforce but will also improve customer service at the store level. If request is approved, it will result in the development of better store managers, improved service levels to our contractor partners, improved onboarding and training of new hires, and better oversight of store operations in general.

Agency: State Liquor Division

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Appropriation Unit: Liquor Division Operations

GVGA

Decision Unit Number	12.02	Descriptive Title	Relocate or Remodel Two Existing Liquor Stores	General	Dedicated	Federal	Total
Operating Expense							
660		Utilities		0	3,600	0	3,600
664		Rental Costs		0	6,000	0	6,000
676		Miscellaneous Expense		0	6,000	0	6,000
		Operating Expense Total		0	15,600	0	15,600
Capital Outlay							
700		Property & Improvement		0	154,000	0	154,000
768		Specific Use Equipment		0	60,600	0	60,600
		Capital Outlay Total		0	214,600	0	214,600
				0	230,200	0	230,200

Explain the request and provide justification for the need.

With 67 state-run stores, the ISLD must typically address expiring leases and updates to 8-12 stores/year in order to maintain a modern retail environment that meets customer expectations. In FY24, we have 12 leases expiring; however, we anticipate renewing the leases in most of these locations. The ISLD is requesting funding for the costs associated with relocating and/or remodeling two state-run stores where leases are expiring. The enhancements proposed for these stores will improve customer service and convenience. It also is a part of the greater ISLD strategy to coordinate the location of state-run stores in more optimal retail locations. Based on historical trends, it is anticipated that these enhancements will generate incremental sales and pay back project costs in 1-2 years.

If a supplemental, what emergency is being addressed?**Specify the authority in statute or rule that supports this request.**

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

Indicate existing base of PC, OE, and/or CO by source for this request.**What resources are necessary to implement this request?**

There may be increased costs for rent and possibly utilities. Additionally, there will be one-time capital costs related to furnishings, fixtures, and leasehold improvements

List positions, pay grades, full/part-time status, benefits, terms of service.**Will staff be re-directed? If so, describe impact and show changes on org chart.****Detail any current one-time or ongoing OE or CO and any other future costs.****Describe method of calculation (RFI, market cost, etc.) and contingencies.**

Cost estimate is based on actual costs incurred on similar projects in prior fiscal years.

Provide detail about the revenue assumptions supporting this request.

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY'24 are expected to exceed \$120MM providing ample funding for this request.

Who is being served by this request and what is the impact if not funded?

This request primarily serves constituents as it will provide superior location, shopping experience, convenience and service. It is also expected that the incremental Sales and Profits generated by this request will payback the investment and be accretive within 1-2 years.

Agency: State Liquor Division

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Appropriation Unit: Liquor Division Operations

GVGA

Decision Unit Number	12.03	Descriptive Title	Human Resource Specialist	General	Dedicated	Federal	Total
Personnel Cost							
500	Employees			0	52,000	0	52,000
512	Employee Benefits			0	11,427	0	11,427
513	Health Benefits			0	13,750	0	13,750
Personnel Cost Total				0	77,177	0	77,177
Full Time Positions							
	FTP - Permanent			0.00	1.00	0.00	1.00
Full Time Positions Total				0	1	0	1
				0	77,177	0	77,177

Explain the request and provide justification for the need.

The ISLD seeks to add one additional Human Resource associate to our team. The payroll process and frontline HR tasks for the entire agency (400+ total employees) is currently handled by just two associates. Industry standards advocate 1 HR associate for every 100 employees. The Division added HR staff in FY2022 but new tasks (e.g., recruiting) have been allocated to the agencies and the HR transaction volume continues to increase. An additional associate is needed to address the ever increasing workload and complexities.

If a supplemental, what emergency is being addressed?**Specify the authority in statute or rule that supports this request.**

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

Indicate existing base of PC, OE, and/or CO by source for this request.**What resources are necessary to implement this request?****List positions, pay grades, full/part-time status, benefits, terms of service.**

One Human Resource Specialist, pay grade K full-time status, fully benefited, hire date July 1, 2023.

Will staff be re-directed? If so, describe impact and show changes on org chart.**Detail any current one-time or ongoing OE or CO and any other future costs.****Describe method of calculation (RFI, market cost, etc.) and contingencies.**

The ISLD currently employs one HRO and one HRS. The wage projection for this request is reflective of current market pay.

Provide detail about the revenue assumptions supporting this request.

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY'24 are expected to exceed \$120MM providing full funding for this request.

Who is being served by this request and what is the impact if not funded?

This request primarily supports the agency and its existing workforce. If request is approved, it will result in improved services levels to the organization, improved onboarding with new hires leading to better job performance, increased job satisfaction, and reduced turnover.

Agency: State Liquor Division

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Appropriation Unit: Liquor Division Operations

GVGA

Decision Unit Number	12.04	Descriptive Title	Retail Technology Consultant	General	Dedicated	Federal	Total
Operating Expense							
	570	Professional Services		0	95,000	0	95,000
		Operating Expense Total		0	95,000	0	95,000
				0	95,000	0	95,000

Explain the request and provide justification for the need.

Requesting funds to hire an advisor that will help us identify our needs to modernize the digital ecosystem of the Division and to discern a path of the business problems we need to solve. This consultant will provide a detailed recommendation and roadmap to execute the agreed upon actions. Areas of focus include:

- + Optimizing the licensee portal & contract store ordering system
- + Upgrading inventory/POS System to real time to serve customer expectations and inventory control
- + Develop a cohesive digital presence to meet the needs and expectations of customer omnichannel shopping behaviors
- + Define the overall needs of a modern enterprise for a feature-rich, scalable digital solution to best serve the citizens of Idaho

If a supplemental, what emergency is being addressed?**Specify the authority in statute or rule that supports this request.**

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

Indicate existing base of PC, OE, and/or CO by source for this request.**What resources are necessary to implement this request?****List positions, pay grades, full/part-time status, benefits, terms of service.****Will staff be re-directed? If so, describe impact and show changes on org chart.****Detail any current one-time or ongoing OE or CO and any other future costs.****Describe method of calculation (RFI, market cost, etc.) and contingencies.**

Cost estimate is based on actual costs incurred on similar projects in prior fiscal years.

Provide detail about the revenue assumptions supporting this request.

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY '24 are expected to exceed \$120MM providing ample funding for this request.

Who is being served by this request and what is the impact if not funded?

This request primarily serves constituents as it will provide superior location, shopping experience, convenience and service. If request is not funded, we are at risk of failing to serve businesses in Idaho including over 900+ Licensees and 107 Contract Stores. Additionally, we will fall short of meeting customer and citizen expectations due to the inefficiencies that are currently impacting our digital ecosystem. Lack of a modernized digital ecosystem will also contribute to inefficiencies in inventory management and higher risk of product losses.

Agency: State Liquor Division

185

Appropriation Unit: Liquor Division Operations

GVGA

Decision Unit Number	12.05	Descriptive Title	Incentive Program for Warehouse Employees	General	Dedicated	Federal	Total
Personnel Cost							
500	Employees			0	40,500	0	40,500
512	Employee Benefits			0	8,900	0	8,900
Personnel Cost Total				0	49,400	0	49,400
				0	49,400	0	49,400

Explain the request and provide justification for the need.

The ISLD is requesting funding for the costs associated with implementing an incentive program for our Warehouse workers in an attempt to improve recruitment and retention as well as attendance and productivity while reducing the incidence of errors and ultimately saving money through a reduction of re-work and cost avoidance via the need for less labor to correct errors.

If a supplemental, what emergency is being addressed?**Specify the authority in statute or rule that supports this request.**

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

Indicate existing base of PC, OE, and/or CO by source for this request.**What resources are necessary to implement this request?****List positions, pay grades, full/part-time status, benefits, terms of service.****Will staff be re-directed? If so, describe impact and show changes on org chart.****Detail any current one-time or ongoing OE or CO and any other future costs.****Describe method of calculation (RFI, market cost, etc.) and contingencies.**

The cost projection of this request is based on 27 employees with the potential to earn \$2,000 per year. Estimated payout is based on 75% of the max payout being earned.

Provide detail about the revenue assumptions supporting this request.

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY'24 are expected to exceed \$120MM providing full funding for this request.

Who is being served by this request and what is the impact if not funded?

This request primarily serves constituents as it will provide superior customer service. It also supports the existing workforce by ensuring that stores are adequately staffed to address increasing workloads associated with a growing business, while reducing the likelihood of injury and missed time.

FORM B6: WAGE & SALARY RECONCILIATION

Agency/Department		Office of the Governor		Agency Number		185	
Budgeted Division		State Liquor Division		Luna Fund Number		41800	
Budgeted Program		Liquor Division Operations		Appropriation (Budget) Unit		GVGA	
Original Request Date		9/1/2022		Fiscal Year		2024	
Revision Date				Historical Fund #		0418-00	
Revision #				Budget Submission Page #			
Fund Name				Liquor Control			

PCN	CLASS CODE	DESCRIPTION	Indicator Code	FTP	FY 2023 SALARY	FY 2023 HEALTH BENEFITS	FY 2023 VAR BENEFITS	FY 2023 TOTAL	FY 2024 CHG HEALTH BENEFITS	FY 2024 CHG VAR BENEFITS	TOTAL BENEFIT CHANGES
Totals from Wage and Salary Report (WSR):			1	222.18	9,447,147	2,865,000	2,131,103	14,443,251	286,500	(57,628)	228,872
Permanent Positions			2		1,428,267	0	181,201	1,609,468	0	0	0
Board & Group Positions			3	0.00	0	0	0	0	0	0	0
Elected Officials & Full Time Commissioners					10,875,415	2,865,000	2,312,304	16,052,718	286,500	(57,628)	228,872
TOTAL FROM WSR				222.18							
FY 2023 ORIGINAL APPROPRIATION					18,551,900	3,311,040	2,672,297	18,551,900			
Unadjusted Over or (Under) Funded:				263.00	12,568,563	448,048	389,993	2,499,182	Calculated overfunding is 13.5% of Original Appropriation		
Est Difference				40.83	1,593,148						
Adjustments to Wage & Salary:											
Add Funded / Subtract Unfunded - Vacant or Authorized Positions:											
Rebate C'd											
Adjustment Description / Position Title											
ISLD Director Position			1	1.00	175,000	12,500	39,523	227,000	1,250	(1,068)	182
5 Shipping & Receiving Material Handlers			1	5.00	192,500	62,500	43,475	298,500	6,250	(1,174)	5,076
1 Warehouse Supervisor			1	1.00	50,000	12,500	11,292	73,800	1,250	(305)	945
2 Liquor Store Managers			1	2.00	92,000	25,000	20,778	137,800	2,500	(561)	1,939
15 Store Clerks			1	15.00	468,000	187,500	105,895	761,200	18,750	(2,855)	15,895
2 IT Ops & Support II			1	2.00	100,000	25,000	22,585	147,600	2,500	(610)	1,890
1 Financial Technician			1	1.00	50,000	12,500	11,292	73,800	1,250	(305)	945
Convert Part-time Positions to Full-Time			1	8.00	42,000	0	9,465	51,500	10,000	(256)	9,744
Convert Group Positions to Classified			1	5.00	23,000	62,500	5,194	90,700	6,250	(140)	6,110
0.00				0.00	0	0	0	0	0	0	0
0.00				0.00	0	0	0	0	0	0	0
Other Adjustments:											
Increased utilization of stock clerks vs FY22			2	0.00	355,000	0	33,264	388,300	0	0	0
0.00				0.00	0	0	0	0	0	0	0
0.00				0.00	0	0	0	0	0	0	0
0.00				0.00	0	0	0	0	0	0	0
Estimated Salary Needs:											
Permanent Positions			1	262.18	10,639,647	3,285,000	2,400,423	18,305,071	336,500	(64,902)	271,598
Board & Group Positions			2	0.00	1,783,287	0	214,464	1,997,731	0	0	0
Elected Officials & Full Time Commissioners			3	0.00	0	0	0	0	0	0	0
Estimated Salary and Benefits				262.18	12,422,915	3,285,000	2,614,887	18,302,802	336,500	(64,902)	271,598
Adjusted Over or (Under) Funding:											
Orig. Approp.				0.83	169,074	44,438	35,588	249,098	Calculated overfunding is 1.3% of Original Appropriation		
Est. Expend				0.83	169,085	44,400	35,613	249,098	Calculated overfunding is 1.3% of Est. Expenditures		
Base				0.83	169,085	44,400	35,613	249,098	Calculated overfunding is 1.3% of the Base		

Personnel Cost Reconciliation - Relation to Zero Variance -->

DU	FY 2023 ORIGINAL APPROPRIATION	Original Appropriation	FTP	FY 23 Salary	FY 23 Health Ben	FY 23 Var Ben	FY 2023 Total	FY 24 Chg Health Bens	FY 24 Chg Var Bens	Total Benefit Change
3.00		18,551,900	263.00	12,591,988	3,309,438	2,650,476	18,551,900			

FORM B6: WAGE & SALARY RECONCILIATION

		Rounded Appropriation																	
		Appropriation Adjustments: Reappropriation Supplemental		263.00	12,592,000	3,309,400	2,650,500	18,551,900											
4.11				0.00	0	0	0	0											
4.31				0.00	0	0	0	0											
5.00		FY 2023 TOTAL APPROPRIATION		263.00	12,592,000	3,309,400	2,650,500	18,551,900											
6.31		Expenditure Adjustments: Transfer between programs FTP or Fund Adjustment		0.00	0	0	0	0											
6.41				0.00	0	0	0	0											
7.00		FY 2023 ESTIMATED EXPENDITURES		263.00	12,592,000	3,309,400	2,650,500	18,551,900											
8.31		Base Adjustments: Transfer Between Programs Removal of One-Time Expenditures Base Reduction		0.00	0	0	0	0											
8.41				0.00	0	0	0	0											
8.51				0.00	0	0	0	0											
9.00				FTP	FY 24 Salary	FY24 Health Ben	FY 24 Var Ben	FY 2024 Total											
10.11		FY 2024 BASE		263.00	12,592,000	3,309,400	2,650,500	18,551,900											
10.12		Change in Health Benefit Costs Change in Variable Benefits Costs				336,500	(64,900)	336,500											
10.51		Annualization	Indicator Code		0	0	0	0											
10.61		CEC for Permanent Positions	1.00%		106,400		23,400	129,800											
10.62		CEC for Temp/Group Positions	1.00%		17,800		1,700	19,500											
10.63		CEC for Elected Officials & Commissioners			0		0	0											
11.00		FY 2024 PROGRAM MAINTENANCE		263.00	12,716,200	3,645,900	2,610,700	18,972,800											
12.01		Line Items: Create 3 Assistant District Manager Positions		3.00	185,600	41,300	40,800	267,700											
12.03		One Additional Human Resource Specialist		1.00	52,000	13,800	11,400	77,200											
12.05		Incentive Program for Warehouse Employees		0.00	40,500	0	8,900	49,400											
13.00		FY 2024 TOTAL REQUEST		267.00	12,994,300	3,701,000	2,671,800	19,367,100											



State of Idaho

DIVISION OF HUMAN RESOURCES

Executive Office of the Governor

BRAD LITTLE
Governor
LORI A. WOLFF
Administrator

Idaho Personnel Commission
Mike Brassey, Chair
Mark Holubar
Sarah E. Griffin
Amy Manning
Nancy Merrill

August 25, 2022

Jeff Anderson
Idaho State Liquor Division
1349 E. Beechcraft Ct.
Boise, ID 83716

Dear Director Anderson:

This letter is in response to your FY 2024 Budget request. Your revised request was received August 23, 2022, and listed the following requested item(s) for your FY 2024 budget:

1. 1 new full-time Human Resource Specialist (pay grade K)
2. 3 new full-time Business Operation Specialists (working title: assistant district managers) (pay grade M)
3. Warehouse Incentive Bonus Program

After review of your request, DHR supports the classifications and salary ranges proposed, and attests that the Warehouse Incentive Program is allowable under current state statutes, rules, and policies.

Please include this letter with your final budget submission to the Division of Financial Management (DFM).

If you have any questions or concerns about your requests, please do not hesitate to contact me at (208) 854-3079 or Janelle.white@dhr.idaho.gov.

Sincerely,

Janelle White
Bureau Chief

PCF Detail Report

Request for Fiscal Year: 2024

Agency: State Liquor Division

185

Appropriation Unit: Liquor Division Operations

GVGA

Fund: Liquor Account (Liquor Control)

41800

PCN	Class	Description	FTP	Salary	Health	Variable Benefits	Total
Totals from Personnel Cost Forecast (PCF)							
		Permanent Positions	222.18	9,447,144	2,865,000	2,131,107	14,443,251
		Total from PCF	222.18	9,447,144	2,865,000	2,131,107	14,443,251
		FY 2023 ORIGINAL APPROPRIATION	263.00	12,452,145	3,287,500	2,812,255	18,551,900
		Unadjusted Over or (Under) Funded:	40.82	3,005,001	422,500	681,148	4,108,649
Adjustments to Wage and Salary							
1850078	01707 R90	IT OPS & SUPPORT TECHNICIAN	1.00	50,000	12,500	11,292	73,792
1850401	04248 R90	FINANCIAL TECHNICIAN	1.00	47,840	12,500	10,804	71,144
1850409	01550 R90	SHIPPING/RCVG MATLS,L.D.	1.00	38,500	12,500	8,695	59,695
1850423	01550 R90	SHIPPING/RCVG MATLS,L.D.	1.00	38,500	12,500	8,695	59,695
1850427	01551 R90	LIQUOR DIV WAREHOUSE SUPERVSOR	1.00	50,000	12,500	11,292	73,792
1851604	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1851621	01586 R90	LIQUOR STORE CLK	.75	23,400	0	5,285	28,685
1851623	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1852602	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1852609	01586 R90	LIQUOR STORE CLK	.90	28,080	12,500	6,342	46,922
1853113	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1853129	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1853135	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1853137	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1853502	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
1853608	01586 R90	LIQUOR STORE CLK	.88	27,300	12,500	6,166	45,966
1853701	01586 R90	LIQUOR STORE CLK	.90	28,080	12,500	6,342	46,922
1854105	01586 R90	LIQUOR STORE CLK	1.00	31,200	12,500	7,046	50,746
Other Adjustments							
	500	Employees	22.57	577,700	0	0	577,700
	501	Employees - Temp	.00	1,783,300	0	0	1,783,300
	512	Employee Benefits	.00	0	0	345,100	345,100
	513	Health Benefits	.00	0	187,500	0	187,500
Estimated Salary Needs							
		Board, Group, & Missing Positions	.00	1,783,300	0	214,500	1,997,800
		Permanent Positions	262.17	10,637,344	3,265,000	2,400,034	16,302,378

PCF Detail Report

Request for Fiscal Year: 202
4

Estimated Salary and Benefits	262.17	12,420,644	3,265,000	2,614,534	18,300,178
Adjusted Over or (Under) Funding					
Original Appropriation	.83	31,501	22,500	197,721	251,722
Estimated Expenditures	.83	31,501	22,500	197,721	251,722
Base	.83	31,501	22,500	197,721	251,722

PCF Summary ReportRequest for Fiscal Year: 202
4

Agency: State Liquor Division

185

Appropriation Unit: Liquor Division Operations

GVGA

Fund: Liquor Account (Liquor Control)

41800

DU		FTP	Salary	Health	Variable Benefits	Total
3.00	FY 2023 ORIGINAL APPROPRIATION	263.00	12,452,145	3,287,500	2,812,255	18,551,900
5.00	FY 2023 TOTAL APPROPRIATION	263.00	12,452,145	3,287,500	2,812,255	18,551,900
7.00	FY 2023 ESTIMATED EXPENDITURES	263.00	12,452,145	3,287,500	2,812,255	18,551,900
9.00	FY 2024 BASE	263.00	12,452,145	3,287,500	2,812,255	18,551,900
10.11	Change in Health Benefit Costs	0.00	0	336,500	0	336,500
10.12	Change in Variable Benefit Costs	0.00	0	0	(64,900)	(64,900)
10.61	Salary Multiplier - Regular Employees	0.00	110,300	0	19,500	129,800
10.62	Salary Multiplier - Group and Temporary	0.00	19,500	0	0	19,500
11.00	FY 2024 PROGRAM MAINTENANCE	263.00	12,581,945	3,624,000	2,766,855	18,972,800
12.01	Assistant District Manager Positions	3.00	185,640	41,250	40,794	267,684
12.03	Human Resource Specialist	1.00	52,000	13,750	11,427	77,177
12.05	Incentive Program for Warehouse Employees	0.00	40,500	0	8,900	49,400
13.00	FY 2024 TOTAL REQUEST	267.00	12,860,085	3,679,000	2,827,976	19,367,061

Inflationary Adjustments

Agency: State Liquor Division

Appropriation Unit: Liquor Division Operations

Request for Fiscal Year: 2024

185

GVGA

Summary Account	FY 2019	FY 2020	FY 2021	FY 2022	Change	% Change	FY 2023	CY 2023	FY 2023	Remove One	FY 2024	Base	General	% Change	Medical	% Change	FY 2024
	Actual	Actual	Actual	Actual			Appropriation	Expenditure	Estimated	Time Funding	Adjustments	Inflation DU	10,21		10,22		Totals
Communication Costs	0	0	0	0	0	0	400,000	0	400,000	0	400,000	20,000	0	0	0	0	420,000
General Services	0	0	0	0	0	0	325,000	0	325,000	0	325,000	16,300	0	0	0	0	341,300
Professional Services	0	0	0	0	0	0	150,000	0	150,000	0	150,000	7,500	0	0	0	0	157,500
Repair & Maintenance	0	0	0	0	0	0	375,000	0	375,000	(61,800)	313,200	18,800	0	0	0	0	332,000
Computer Services	0	0	0	0	0	0	150,000	0	150,000	0	150,000	7,500	0	0	0	0	157,500
Misc. Travel And Moving Costs	0	0	0	0	0	0	70,000	0	70,000	0	70,000	3,500	0	0	0	0	73,500
Administrative Supplies	0	0	0	0	0	0	250,000	0	250,000	0	250,000	12,500	0	0	0	0	262,500
Repair & Maintenance Supplies	0	0	0	0	0	0	255,000	0	255,000	0	255,000	12,800	0	0	0	0	267,800
Specific Use Supplies	0	0	0	0	0	0	90,000	0	90,000	0	90,000	4,500	0	0	0	0	94,500
Utilities	0	0	0	0	0	0	595,000	0	595,000	0	595,000	29,800	0	0	0	0	624,800
Rental Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expense	0	0	0	0	0	0	344,300	0	344,300	0	344,300	17,200	0	0	0	0	361,500
Total	0	0	0	0	0	0	3,004,300	0	3,004,300	(61,800)	2,942,500	150,400	0	0	0	0	3,092,900
Fund Source																	
Dedicated	0	0	0	0	0	0	3,004,300	0	3,004,300	(61,800)	2,942,500	150,400	0	0	0	0	3,092,900
Total	0	0	0	0	0	0	3,004,300	0	3,004,300	(61,800)	2,942,500	150,400	0	0	0	0	3,092,900

FORM B8.1: PROGRAM REQUEST BY DECISION UNIT

Agency/Department: Office of the Governor

Function/Division: State Liquor Division

Activity/Program: Liquor Division Operations

Request for Fiscal Year : 2024

Agency Number: 185

Function/Activity Number: 01/00

Budget Unit: GVGA

Original Request Date: September 1, 2022 Revision Request Date:

Page 19 of 34

Decision Unit Number: 10.21

Descriptive Title: General Inflation

Description	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
4. One-Time PC Costs					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. COMMUNICATION COST		20,000			\$20,000
2. GENERAL SERVICES		16,300			\$16,300
3. PROFESSIONAL SERVICES		7,500			\$7,500
4. REPAIR & MAINTENANCE		18,800			\$18,800
5. COMPUTER SERVICES		7,500			\$7,500
6. MISC TRAVEL AND MOVING		3,500			\$3,500
7. ADMINISTRATIVE SUPPLIES		12,500			\$12,500
8. REPAIR & MAINTENANCE SUPPLIES		12,800			\$12,800
9. SPECIFIC USE SUPPLIES		4,500			\$4,500
10. UTILITIES		29,800			\$29,800
11. MISC EXPENSE		17,200			\$17,200
TOTAL OPERATING EXPENDITURES:		\$150,400			\$150,400
CAPITAL OUTLAY by summary object:					
1. Furniture & Fixtures					
2.					
3.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL		\$150,400			\$150,400

Attach as many pages as necessary to respond to the following questions:

- What is being requested and why? Specifically, what problem is this request trying to solve and how does this request address that problem?
 - If a supplemental request, explain how this request arises to the level of being an emergency for the agency.
- Indicate the specific source of authority, whether in statute or rule, that supports this request.

REQUEST BY DECISION UNIT

AGENCY: State Liquor Division

FUNCTION: Liquor Division

ACTIVITY: Liquor Division Operations

Agency No.: 185

Function No.: 01

Activity No.: 00

FY 2024 Request

Page of Pages

Original Submission X or Revision No. _____

Decision Unit No: 10.21

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond to the following questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

The ISLD seeks additional dedicated fund spending authority to address general inflation. This amount is based off of a 5% inflationary estimate on an array of OPEX that are subject to general economic trends. The 12-month Consumer Price Index has exceeded 8% for the past several months. All components that make-up the CPI index have exceeded 5% over the past year. Some areas such as gas and utilities exceed 30%. As our Operating Expense reversion has grown increasingly smaller over recent years, it is critical that we plan for significant market-driven increases across the spectrum of Operating Expenses. This is a defensive request to ensure that our appropriation will cover our anticipated necessary expenditures, and any unused funds will be returned to beneficiaries.

2. Indicate the specific source of authority, whether in statute or rule, that supports this request.

Idaho Code (§23-206) provides the Director of the ISLD the power and duty to exercise general supervision of the conduct of the business of the Division. Further, §23-203 provides the Division the power and duty to traffic in liquor, operate liquor stores, and to acquire the necessary property to conduct its business.

3. What is the agency staffing level, OE, and/or CO for this activity currently and how much funding, by source, is in the Base?

4. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed in this year or in a future year and note onetime versus ongoing costs. Does this request require ongoing maintenance costs, when do they start, and for how long, for example?

d. What is the basis for the requested resources (examples: RFI, Market cost, other estimate)? How were PC, OE, or CO needs projected? Attach a copy of the basis for your cost estimates, including documentation for any contingencies built into this request.

This request is based on the significant market increases on a wide variety of products and services that are necessary for the Division to service its operation. The national CPI index has been running over 8.5% over the last year.

5. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, anticipated grant awards, or anticipated partnerships with other state agencies or other entities.

Dedicated Funds profits generated by the ISLD will fund this request. Profits for FY'24 are expected to exceed \$120MM providing full funding for this request.

6. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request supports the agency and helps to ensure continuity of operations in the face of increasing inflationary costs.



Economic News Release



Consumer Price Index Summary

Transmission of material in this release is embargoed until
8:30 a.m. (ET) August 10, 2022 USDL-22-1625

Technical information: (202) 691-7000 * cpi_info@bls.gov * www.bls.gov/cpi
Media Contact: (202) 691-5902 * PressOffice@bls.gov

CONSUMER PRICE INDEX - JULY 2022

The Consumer Price Index for All Urban Consumers (CPI-U) was unchanged in July on a seasonally adjusted basis after rising 1.3 percent in June, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 8.5 percent before seasonal adjustment.

The gasoline index fell 7.7 percent in July and offset increases in the food and shelter indexes, resulting in the all items index being unchanged over the month. The energy index fell 4.6 percent over the month as the indexes for gasoline and natural gas declined, but the index for electricity increased. The food index continued to rise, increasing 1.1 percent over the month as the food at home index rose 1.3 percent.

The index for all items less food and energy rose 0.3 percent in July, a smaller increase than in April, May, or June. The indexes for shelter, medical care, motor vehicle insurance, household furnishings and operations, new vehicles, and recreation were among those that increased over the month. There were some indexes that declined in July, including those for airline fares, used cars and trucks, communication, and apparel.

The all items index increased 8.5 percent for the 12 months ending July, a smaller figure than the 9.1-percent increase for the period ending June. The all items less food and energy index rose 5.9 percent over the last 12 months. The energy index increased 32.9 percent for the 12 months ending July, a smaller increase than the 41.6-percent increase for the period ending June. The food index increased 10.9 percent over the last year, the largest 12-month increase since the period ending May 1979.

Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un-adjusted 12-mos. ended Jul. 2022
	Jan. 2022	Feb. 2022	Mar. 2022	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	
All items	0.6	0.8	1.2	0.3	1.0	1.3	0.0	8.5
Food	0.9	1.0	1.0	0.9	1.2	1.0	1.1	10.9
Food at home	1.0	1.4	1.5	1.0	1.4	1.0	1.3	13.1
Food away from home ⁽¹⁾	0.7	0.4	0.3	0.6	0.7	0.9	0.7	7.6
Energy	0.9	3.5	11.0	-2.7	3.9	7.5	-4.6	32.9
Energy commodities	-0.6	6.7	18.1	-5.4	4.5	10.4	-7.6	44.9
Gasoline (all types)	-0.8	6.6	18.3	-6.1	4.1	11.2	-7.7	44.0
Fuel oil ⁽¹⁾	9.5	7.7	22.3	2.7	16.9	-1.2	-11.0	75.6
Energy services	2.9	-0.4	1.8	1.3	3.0	3.5	0.1	18.8
Electricity	4.2	-1.1	2.2	0.7	1.3	1.7	1.6	15.2
Utility (piped) gas service	-0.5	1.5	0.6	3.1	8.0	8.2	-3.6	30.5
All items less food and energy	0.6	0.5	0.3	0.6	0.6	0.7	0.3	5.9
Commodities less food and energy commodities	1.0	0.4	-0.4	0.2	0.7	0.8	0.2	7.0
New vehicles	0.0	0.3	0.2	1.1	1.0	0.7	0.6	10.4
Used cars and trucks	1.5	-0.2	-3.8	-0.4	1.8	1.6	-0.4	6.6
Apparel	1.1	0.7	0.6	-0.8	0.7	0.8	-0.1	5.1
Medical care commodities ⁽¹⁾	0.9	0.3	0.2	0.1	0.3	0.4	0.6	3.7
Services less energy services	0.4	0.5	0.6	0.7	0.6	0.7	0.4	5.5
Shelter	0.3	0.5	0.5	0.5	0.6	0.6	0.5	5.7
Transportation services	1.0	1.4	2.0	3.1	1.3	2.1	-0.5	9.2
Medical care services	0.6	0.1	0.6	0.5	0.4	0.7	0.4	5.1
Footnotes								
⁽¹⁾ Not seasonally adjusted.								

Form B4: Inflationary Adjustments

Agency: Liquor Dispensary

Function: Liquor Division Operations

Activity: _____

Agency Number: 185

Function/Activity Number: _____

Original Submission _____ or Revision No. _____

FY 2024 Request

Page _____ of _____

(1)					(2)		(3)		(4)		(5)		FY 2021 to FY 2022		(8)		(9)		(10)	
Operating Expenditures Summary Object	FY 2019		FY 2020		FY 2021		FY 2022		Change	% Change	FY 2023 Approp	FY 2023 Exp. Adj.	FY 2023 Est. Exp.							
	Actual		Actual		Actual		Actual													
Communication Costs	384,560		392,801		364,042		377,168		13,126	3.61%	400,000	-	400,000							
Employee Development Costs	61,938		17,996		28,938		18,536		(10,402)	-35.94%	30,000	-	30,000							
General Services	272,921		224,915		250,334		276,038		25,704	10.27%	325,000	-	325,000							
Professional Services	128,598		136,165		149,427		133,552		(15,876)	-10.62%	150,000	-	150,000							
Repair & Maintenance Services	251,241		265,834		284,420		296,449		12,029	4.23%	375,000	-	375,000							
Administrative Services	4,363		2,112		3,204		2,527		(677)	-21.12%	5,000	-	5,000							
Computer Services	58,515		33,108		100,840		128,077		27,237	27.01%	150,000	-	150,000							
Employee Travel Costs	98,322		78,752		38,667		61,644		22,978	59.43%	70,000	-	70,000							
Administrative Supplies	189,812		199,451		293,796		230,835		(62,961)	-21.43%	250,000	-	250,000							
Fuel & Lubricant Costs	12,144		10,399		8,867		17,051		8,184	92.30%	25,000	-	25,000							
Manufacturing & Merchandising Costs	(26,883)		678		136		-		(136)	-100.00%	10,000	-	10,000							
Computer Supplies	88,067		61,168		76,431		143,288		66,857	87.47%	155,000	-	155,000							
Repair & Maintenance Supplies	104,052		91,381		145,188		240,485		95,297	65.64%	255,000	-	255,000							
Institutional & Residential Supplies	(386)		(412)		-		40		40	#DIV/0!	2,000	-	2,000							
Specific Use Supplies	15,628		29,856		24,576		36,423		11,847	48.21%	90,000	-	90,000							
Insurance	35,470		47,891		53,620		63,847		10,227	19.07%	75,000	-	75,000							
Utility Charges	491,642		473,695		509,964		539,606		29,642	5.81%	595,000	-	595,000							
Rentals & Operating Leases	3,535,925		3,791,657		4,000,199		600,647		(3,399,553)	-84.98%	655,000	-	655,000							
Miscellaneous Expenditures	359,207		459,795		605,207		253,656		(351,552)	-58.09%	344,300	-	344,300							
Total	6,065,135		6,317,241		6,937,855		3,419,869		(3,517,986)	-50.71%	3,961,300	-	3,961,300							
FundSource																				
General	-		-		-		-		-	#DIV/0!	-	-	-							
Dedicated	6,065,135		6,317,241		6,937,855		3,419,869		(3,517,986)	-50.71%	-	-	-							
Federal	-		-		-		-		-	#DIV/0!	-	-	-							
Total	6,065,135		6,317,241		6,937,855		3,419,869		(3,517,986)	-50.71%	-	-	-							

(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Part B: Operating Expenditures Summary Object	FY 2023 Est. Exp	Remove One Time Funding	SWCAP, Nondisc., Rent	FY 2024 Base	General Inflation (DU 10.21)	% Change	Medical Inflation (DU 10.22)	% Change	FY2024 Total
Communication Costs	400,000	-	-	400,000	20,000	5.00%	-	0.00%	420,000
Employee Development Costs	30,000	-	-	30,000	-	0.00%	-	0.00%	30,000
General Services	325,000	-	-	325,000	16,300	5.02%	-	0.00%	341,300
Professional Services	150,000	-	-	150,000	7,500	5.00%	-	0.00%	157,500
Repair & Maintenance Services	375,000	-	-	375,000	18,800	5.01%	-	0.00%	393,800
Administrative Services	5,000	-	-	5,000	-	0.00%	-	0.00%	5,000
Computer Services	150,000	-	-	150,000	7,500	5.00%	-	0.00%	157,500
Employee Travel Costs	70,000	-	-	70,000	3,500	5.00%	-	0.00%	73,500
Administrative Supplies	250,000	-	-	250,000	12,500	5.00%	-	0.00%	262,500
Fuel & Lubricant Costs	25,000	-	-	25,000	-	0.00%	-	0.00%	25,000
Manufacturing & Merchandising Costs	10,000	-	-	10,000	-	0.00%	-	0.00%	10,000
Computer Supplies	155,000	-	-	155,000	-	0.00%	-	0.00%	155,000
Repair & Maintenance Supplies	255,000	(61,800)	-	193,200	12,800	6.63%	-	0.00%	206,000
Institutional & Residential Supplies	2,000	-	-	2,000	-	0.00%	-	0.00%	2,000
Specific Use Supplies	90,000	-	-	90,000	4,500	5.00%	-	0.00%	94,500
Insurance	75,000	-	-	75,000	-	0.00%	-	0.00%	75,000
Utility Charges	595,000	-	-	595,000	29,800	5.01%	-	0.00%	624,800
Rentals & Operating Leases	655,000	-	-	655,000	-	0.00%	-	0.00%	655,000
Miscellaneous Expenditures	344,300	-	-	344,300	17,200	5.00%	-	0.00%	361,500
Total	3,961,300	(61,800)	-	3,899,500	150,400	3.86%	-	-	4,049,900
FundSource									
General	-	-	-	-	-	#DIV/0!	-	0.00%	-
Dedicated	-	-	-	-	-	#DIV/0!	-	0.00%	-
Federal	-	-	-	-	-	#DIV/0!	-	0.00%	-
Total	-	-	-	-	-	#DIV/0!	-	-	-

Contract Inflation

Request for Fiscal Year: 2024

Agency: State Liquor Division

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Liquor Division Operations

GV/GA

Appropriation Unit:

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated Expenditures	Contract Dates	FY 2024 Contractual % Change	FY 2024 Total
Contract								
Intellicheck - Age Verification Software	5,000	5,000	5,000	5,000	5,000	7/1/2023 12:00:00 AM	0	32,500
King Security - Security Monitoring	10,300	10,500	10,500	10,500	10,800	8/1/2023 12:00:00 AM	0	17,000
Store Rental Expense	3,535,900	3,791,700	4,000,200	4,487,000	4,838,500	Various	0	248,500
Total	3,551,200	3,807,200	4,015,700	4,502,500	4,854,300			298,000
Fund Source								
Dedicated	3,551,200	3,807,200	4,015,700	4,502,500	4,854,300			298,000
Total	3,551,200	3,807,200	4,015,700	4,502,500	4,854,300			298,000

[illegible]

Location	Lessor	Lease Start Date	Lease Expiration	# of Months	FY23		FY24		Contract Bump	FY24 Rent
					Current Monthly Rent	FY22 Rent Expense	# of Months	Total Rent	# of Months	Beg. Rent
101	DUDLEY DO RIGHT PROPERTIES	07/01/2021	07-31-24	37	4,414	52,969	12	52,969	12	52,969
102	CHARLES L AND DAWN F MATTHIENSEN	07/01/2021	07-31-25	49	8,488	101,116	12	101,858	12	101,858
103	FPA HILLCREST ASSOCIATES, LLC	07/01/2021	11-30-23	29	6,250	75,000	12	75,000	12	75,000
104	NORTHGATE STONE AVENUE BUILDING	07/01/2021	06-30-27	72	7,435	89,090	12	89,226	12	89,226
105	KINZEL CORP, LLC	07/01/2021	02-28-25	43	3,938	45,938	12	47,250	12	47,250
106	EDMARK DEVELOPMENT, LLC	07/01/2021	02-28-26	55	5,250	63,000	12	63,000	12	63,000
107	JAMES A. KESSLER, LLC	07/01/2021	12-31-25	54	5,775	67,491	12	69,296	12	69,296
108	COLE VILLAGE	07/01/2021	12-31-27	78	5,354	63,526	12	64,243	12	64,243
109	ELMS PARK ASSOCIATES	07/01/2021	11-30-27	77	8,419	67,889	12	101,025	12	101,025
110	VISTA VILLAGE	07/01/2021	10-31-23	28	6,019	72,233	12	72,233	12	72,233
111	PRESTIGE WORLDWIDE 55, LLC	07/01/2021	11-30-27	77	5,162	61,941	12	61,941	12	61,941
112	SOUTHSHORE PARTNERS, LLC	07/01/2021	12-31-27	78	7,618	90,544	12	91,410	12	91,410
113	HAZELWOOD MARKETPLACE, LLC	07/01/2021	06-30-24	36	7,167	86,000	12	86,000	12	86,000
114	FPWM, LLC	07/01/2021	12-31-27	78	4,457	52,492	12	53,483	12	53,483
115	NORTHWEST DEVELOPMENT COMPANIES, I	07/01/2021	08-31-32	134	3,889	46,477	12	46,667	12	46,667
116	KMC, LP/ELIOT ASSOCIATES	07/01/2021	10-31-27	76	4,403	52,452	12	52,836	12	52,836
117	JACKSON'S FOOD STORES, INC	07/01/2021	11-30-22	17	6,536	77,921	12	78,434	12	78,434
118	KIAMA INVESTMENT'S	07/01/2021	09-30-28	87	7,035	84,419	12	84,419	12	84,419
119	THOR BEAR EAGLE ENTERPRISES, LLC	07/01/2021	02-28-28	79	9,869	117,068	12	118,422	12	118,422
120	New Store	TBD			7,600	91,200	12	91,200	12	91,200
121	New Store	TBD			8,750	105,000	12	105,000	12	105,000
122	CIM LLP	07/01/2021	07-31-32	133	1,195	14,342	12	14,342	12	35,040
123	RCG, INC	07/01/2021	05-31-27	71	2,822	29,314	12	33,855	12	33,855
124	MARKETPLACE AT MCCALL	07/01/2021	06-30-26	60	6,400	76,987	12	76,797	12	76,797
125	BOISE MCMILLANS CORNER, LLC	07/01/2021	09-30-25	51	3,860	46,314	12	46,314	12	46,314
129	ALBERTSON'S, LLC	07/01/2021	05-31-26	59	5,265	65,047	12	63,177	12	63,177
132	KACI PROPERTY MANAGEMENT	07/01/2021	03-31-27	69	5,986	68,222	12	71,836	12	71,836
133	BUTTARS FAMILY, LP	07/01/2021	11-30-26	65	5,744	67,646	12	68,922	12	68,922
134	PT-USRIFF MERIDIAN, LLC	07/01/2021	03-31-28	81	7,214	85,437	12	86,569	12	86,569
135	ECKHARDT PROPERTIES, LLC	07/01/2021	08-31-27	74	7,135	63,289	12	85,616	12	85,616
136	WICK VEE FAMILY COMPANY	07/01/2021	05-31-29	95	5,634	65,973	12	67,614	12	67,614
137	LINDER CROSSING, LLC	07/01/2021	06-30-24	39	3,896	46,647	12	46,748	12	46,748
201	REX E LYTLE	07/01/2021	09-30-25	48	3,508	42,204	12	42,098	12	42,098
202	CITY OF POCATELLO	07/01/2021	06-30-28	55	3,892	46,704	12	46,704	12	46,704
203	WAGERS PROPERTIES LIMITED PARTNERSHI	07/01/2021	01-31-26	85	4,463	52,773	12	53,550	12	53,550
204	FRED MEYER STORES	07/01/2021	07-31-27	73	7,383	88,596	12	88,596	12	88,596
205	STEVE STEELE	07/01/2021	03-31-27	69	6,533	75,908	12	78,397	12	78,397
206	MOUNTAIN WEST MANAGEMENT GROUP, L	07/01/2021	09-30-28	87	3,935	47,223	12	47,223	12	47,223
207	BLUE LAKES MARKETPLACE 5 POINTS, LLC	07/01/2021	05-31-28	83	5,598	67,170	12	67,170	12	67,170
208	WESTFIELD PLAZA, LLC	07/01/2021	06-30-24	36	4,038	48,580	12	48,459	12	48,459
209	GORDON STEPHENSON	07/01/2021	05-31-32	131	5,175	62,106	12	62,106	12	62,106
210	FLOWING WELLS, LLC	07/01/2021	08-31-28	86	5,083	61,000	12	61,000	12	61,000
214	SR GORGE PROPERTIES, LLC	07/01/2021	07-31-26	61	1,600	19,200	12	19,200	12	19,200
216	PARTS, LLC	07/01/2021	03-31-29	93	1,639	19,287	12	19,669	12	19,669
220	DNKK, LLC	07/01/2021	08-14-27	73	3,419	41,025	12	41,025	12	41,025
221	WFB INVESTMENTS	07/01/2021	04-30-28	82	1,166	13,986	12	13,986	12	13,986
222	KBBM PROPERTIES, LLP	07/01/2021	03-31-27	69	2,340	13,929	12	28,083	12	28,083
223	ZIP PROPERTIES, LLC	07/01/2021	04-30-28	82	5,318	61,969	12	63,810	12	63,810
224	CJM LIMITED PARTNERSHIP	07/01/2021	11-30-25	53	4,505	53,539	12	54,064	12	54,064
301	EUREKA RIDGE DEVELOPMENTS	07/01/2021	06-30-25	48	8,294	99,695	12	99,530	12	99,530
302	JANET S OHNO	07/01/2021								
303	ANDERSON 904, LLC	07/01/2021								

One-Time Operating & One-Time Capital Outlay Summary

Request for Fiscal Year: 2024

Agency: State Liquor Division

185

Priority	Appropriation Unit	DU	Fund	Summary Account	Item Description	Current Mileage	Date Acquired	Quantity in Stock	Request Quantity Desired	Request Unit Cost	Request Total Cost
Detail											
13	GVGA	10.31	41800	578	Repair & Maintenance	0	1990s	67.00	14.00	4,500.00	63,000
14	GVGA	10.31	41800	700	Specific Use Supplies	0	2000s	67.00	12.00	4,500.00	54,000
30	GVGA	10.32	41800	740	Property & Improvement	0	2012	370.00	312.00	41,897.10	525,800
30	GVGA	10.31	41800	643	Specific Use Supplies	0	2012-2014	834.00	36.00	27,789.90	349,800
32	GVGA	10.34	41800	578	Specific Use Supplies	0	2014-15	134.00	10.00	22,333.30	127,000
34	GVGA	10.33	41800	755	Specific Use Supplies	0	2001	23.00	6.00	153,333.30	180,000
Grand Total by Appropriation Unit											
GVGA											
Subtotal											
1,299,600											
1,299,600											
Grand Total by Decision Unit											
10.31											
466,800											
10.32											
525,800											
10.33											
180,000											
10.34											
127,000											
Subtotal											
1,299,600											
Grand Total by Fund Source											
41800											
1,299,600											
1,299,600											
Grand Total by Summary Account											
578											
201.00											
24.00											
190,000											
643											
834.00											
36.00											
349,800											
700											
67.00											
12.00											
54,000											
740											
370.00											
312.00											
525,800											
755											
23.00											
6.00											
180,000											
Subtotal											
1,495.00											
390.00											
1,299,600											

FORM B7: ONE-TIME OPERATING EXPENDITURES & ONE-TIME CAPITAL OUTLAY SUMMARY

Agency/Department
Program (if applicable)

State Liquor Division

Original Request Date

Revision Request Date

Request for Fiscal Year
Agency Number
Function/Activity Number

2024
185
01/00

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Priority Order	Program	DV	Fund	Account	Item/Description	Mileage	Date Acquired	Quantity in Stock	Request Quantity Desired	Request Unit Cost	Request Total Cost
1	01	10 31	41800	643	Warehouse Racking		1998	100	6	5,000	30,000
2	01	10 31	41800	643	Shelving and racks at 17 Stores		1998	600	17	16,447	279,600
3	01	10 32	41800	740	Replace Store Cellular Wi-Fi devices		2015-16	70	70	2,729	191,000
4	01	10 32	41800	740	Freight Scanners and docking stations		2012	201	201	799	160,500
5	01	10 32	41800	740	UPS Backups for all warehouse and office PCs		2015-18	30	30	330	9,900
6	01	10 32	41800	740	Security Systems 10 Stores		2001-13	68	10	14,040	140,400
7	01	10 33	41800	755	3 Pallet Jacks		2012	15	3	13,333	40,000
8	01	10 33	41800	755	Forklift		2010	3	1	40,000	40,000
9	01	10 33	41800	755	Order Picker		2010	6	1	50,000	50,000
10	01	10 33	41800	755	Reach Truck		2010	5	1	50,000	50,000
11	01	10 31	41800	643	Replace Warehouse safety mats		2011	67	7	2,143	15,000
12	01	10 32	41800	740	Replace Central Office Phone System		2012	1	1	24,000	24,000
13	01	10 31	41800	576	Replace interior paint at 14 Stores		1998	67	14	4,500	63,000
14	01	10 31	41800	700	Replace lighting at 12 Stores		2000s	67	12	4,500	54,000
15	01	10 34	41800	576	Replace flooring at 6 Stores		2010-12	67	6	18,833	113,000
16	01	10 31	41800	643	Floor Scrubbers		2012-14	67	6	4,200	25,200
17	01	10 34	41800	576	Window Treatments at 4 Stores		2014-15	67	4	3,500	14,000
Grand Total by Program											\$1,299,600
01											\$1,299,600
Grand Total by Decision Unit											\$1,299,600
10 31											466,800
10 32											525,800
10 33											180,000
10 34											127,000
Grand Total by Fund Source											\$1,299,600
41800											1,299,600
Grand Total by Category											\$1,299,600
576											190,000
643											834
700											36
740											67
755											370
764											29
Office Equipment											0
Motorized & Non-Motorized Equipment											0
Computer Equipment											0
Property & Improvement											0
Specific Use Supplies											0
Repair & Maintenance											0

ITS Budget Request Approvals FY24

Close

Agency	Liquor Division, Idaho State
Request for the Purchase of	Replacement for CradlePoint/SD-WAN devices in Liquor Stores
Agency Purchasing Representative	Jon Spence
Agency Purchasing Representative Email Address	jon.spence@liquor.idaho.gov
Total Value of Request	\$191,000.00
Comments	A new SD-WAN type device is needed to replace the current CradlePoint devices in the liquor stores. The device is the store router/network, allowing connection via the T-1/Ethernet or failover to 4G for credit card machines. A replacement is needed to allow multiple WAN connection options, be 5G ready, adding an Access Point for better WiFi coverage, plus VPN capability to allow traffic to the Liquor Division. If the device does not include a managed switch, one per location will be installed for VLAN traffic.

ITS Comments

Analyst Comments

ITS Approval Status

Reviewed & Recommended

Version: 3.0

Created at 7/29/2022 3:17 PM by Jon Spence

Last modified at 8/22/2022 8:54 AM by Chris Carlisle

Close

Close

Agency Liquor Division, Idaho State

Request for the Purchase of Replacement Liquor Store Security Systems

Agency Purchasing Representative Jon Spence

Agency Purchasing Representative Email Address jon.spence@liquor.idaho.gov

Total Value of Request \$140,400.00

Comments The security systems in the liquor stores are very old and are being replaced (15 stores per year). A new system will be installed to replace the network video recorder and cameras. Monitoring activity in the stores is critical to catch theft, burglary and incidents as they occur.

ITS Comments

Analyst Comments

ITS Approval Status Reviewed & Recommended

Version: 3.0
Created at 7/29/2022 2:36 PM by Jon Spence
Last modified at 8/22/2022 8:55 AM by Chris Canisla

Close

Close

Agency Liquor Division, Idaho State

Request for the Purchase of Handheld Computers and Docking Station for Liquor Stores

Agency Purchasing Representative Jon Spence

Agency Purchasing Representative Email Address jon.spence@liquor.idaho.gov

Total Value of Request \$160,500.00

Comments The current handhelds will be 5-8 years old by the end of the current fiscal year and are two different types (Motorola and Datalogic) using the store WiFi. They are used for receiving freight, cycle counting, store audits and checking orders for licensee/bars at the liquor stores and are critical for operations. There will be two scanners per store, plus two per district manager, specialists and others who perform audits. A docking station is included per store for charging and data transfer if there are issues with WiFi.

ITS Comments

Analyst Comments

ITS Approval Status Reviewed & Recommended

Version: 3.0
Created at 7/29/2022 2:25 PM by Jon Spence
Last modified at 8/22/2022 8:52 AM by Chris Canisla

Close

Close

Agency Liquor Division, Idaho State
Request for the Purchase of Replacement Battery Backup/UPS for workstations/computers in Distribution Center
Agency Purchasing Representative Jon Spence
Agency Purchasing Representative Email Address jon.spence@liquor.idaho.gov
Total Value of Request \$9,900.00
Comments A battery backup/UPS is used on each workstation and warehouse computer to protect the equipment and maintain operations.

ITS Comments

Analyst Comments

ITS Approval Status Reviewed & Recommended

Version: 3.0

Created at 7/29/2022 2:11 PM by Jon Spence

Last modified at 8/22/2022 8:56 AM by Chris Carlisle

Close

Close

Agency Liquor Division, Idaho State
Request for the Purchase of Replace Phone System with State VoIP System
Agency Purchasing Representative Jon Spence
Agency Purchasing Representative Email Address jon.spence@liquor.idaho.gov
Total Value of Request \$24,000.00
Comments Purchase of VoIP phones to replace desk and conference phones for the Liquor Division Distribution Center. Additional costs will include a paging gateway, IP speakers and POE switches for the warehouse portion.

ITS Comments

Analyst Comments

ITS Approval Status Reviewed & Recommended

Version: 3.0

Created at 7/29/2022 2:05 PM by Jon Spence

Last modified at 8/22/2022 8:49 AM by Chris Carlisle

Close

FIVE-YEAR FACILITY NEEDS PLAN, pursuant to IC 67-5708B

AGENCY INFORMATION

AGENCY NAME:	Idaho State Liquor Division	Division/Bureau:	
Prepared By:	Tony Faraca	E-mail Address:	tony.faraca@liquor.idaho.gov
Telephone Number:	208.947.9414	Fax Number:	208.947.9401
DFM Analyst:	Lisa Herriot	LSO/BPA Analyst:	Alex Williamson
Date Prepared:	7/22/2022	For Fiscal Year:	2023

FACILITY INFORMATION (please list each facility separately by city and street address)

Facility Name:	Idaho State Liquor Division - Central Office and Distribution Center				
City:	Boise	County:	Ada		
Street Address:	1349 E. Beechcraft Court			Zip Code:	83716
Facility Ownership (could be private or state-owned)	Private Lease:	<input type="checkbox"/>	State Owned:	<input checked="" type="checkbox"/>	Lease Expires:

FUNCTION/USE OF FACILITY

Administrative and Managerial staff, warehousing of product, and centralized distribution to all retail outlets.

COMMENTS

Facility was purchased August 1, 2002.

WORK AREAS

FISCAL YR:	ACTUAL 2022	REQUEST 2023	REQUEST 2024	REQUEST 2025	REQUEST 2026	REQUEST 2027
Total Number of Work Areas:	56	57	60	60	60	60
Full-Time Equivalent Positions:	54	55	56	56	56	56
Temp. Employees, Contractors, Auditors, etc.:	2	2	4	4	4	4

SQUARE FEET

FISCAL YR:	ACTUAL 2022	REQUEST 2023	REQUEST 2024	REQUEST 2025	REQUEST 2026	REQUEST 2027
Square Feet:	104,200	104,200	104,200	104,200	104,200	104,200

FACILITY COST

(Do NOT use your old rate per sq ft; it may not be a realistic figure)

FISCAL YR:	ACTUAL 2022	REQUEST 2023	REQUEST 2024	REQUEST 2025	REQUEST 2026	REQUEST 2027
Total Facility Cost/Yr:	\$331,918.00	\$341,875.54	\$352,131.81	\$362,695.76	\$373,576.63	\$384,783.93

SURPLUS PROPERTY

FISCAL YR:	ACTUAL 2022	REQUEST 2023	REQUEST 2024	REQUEST 2025	REQUEST 2026	REQUEST 2027
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IMPORTANT NOTES:

1. Upon completion, please send to Leasing Manager at the State Leasing Program in the Division of Public Works via email to Caitlin.Cox@adm.idaho.gov. Please e-mail or call 208-332-1933 with any questions.
2. If you have five or more locations, please summarize the information on the Facility Information Summary Sheet and include this summary sheet with your submittal.
3. Attach a hardcopy of this submittal, as well as the Facility Information Summary Sheet, if applicable, with your budget request. DPW LEASING DOES NOT NEED A COPY OF YOUR BUDGET REQUEST. JUST THIS FORM.

AGENCY NOTES:

CAPITAL BUDGET REQUEST FY 2024 ALTERATION AND REPAIR PROJECTS

AGENCY: Idaho State Liquor Division

PROJECT DESCRIPTION/LOCATION	COST	PRIORITY
<p>Power Conditioner (480-volt service). (A) Install an Active Filter (\$85,000) and a Line Filter (\$15000) to the existing 480-volt service. (B) The original design of the Automated Storage and Retrieval System (ASRS) did not include any type of power conditioning or power filters. Over the years ISLD has experienced unusual power issues that have resulted in costly repairs and unavoidable down time. Idaho Power is currently monitoring our 480v service and recommends installing power conditioners to reduce the harmonics that are produced from multiple frequency drives required to operate this ASRS system. (C) This project is expected to save down time and costly replacement parts. (D) ISLD will continue to experience power issue and reduce life expectancy on all electrical components if this project is not completed.</p>	\$100,000	1
<p>Fire Alarm Systems Upgrades. (A) Upgrade the fire alarm monitoring and reporting system. (B) The current fire alarm and reporting system is mostly original equipment installed in 1998 including added equipment through the years as the facility expanded. The new system will allow ISLD to bring the facility up to the digital era plus NFPA and OSHA compliant. (C) No impact on the operating budget that ISLD is aware of. (D) This upgrade is not required but strongly advised by Risk Management and the State insurance provider. ISLD received a state insurance safety system consulting report from Risk Management that defines the facilities deficiencies. Included in this report are several deficiencies that cannot be corrected without an upgraded monitoring and reporting system.</p>	\$300,000	2
<p>Fire Sprinkler System Upgrades. (A) Upgrade the fire sprinkler systems (TYCO EAS-1 as possible recommended option) and realignment of sprinkler lines/pipes. (B) The current fire sprinkler system is mostly original equipment installed in 1998. The new system will allow ISLD to bring the facility up to code with a modern system. (C) No impact on the operating budget that ISLD is aware of. (D) This upgrade is not required but strongly advised by Risk Management and the State Insurance provider.</p>	\$750,000	3

<p>ISLD Site Expansion or Renovation (Study). (A) Complete a facility site study to determine expansion and renovation areas to accommodate future needs. Key areas of focus: feasibility of adding two additional dock doors; adding additional cranes (West side of property); filling/paving over retention pond area. (B) Increased volume growth and market demand has impacted the need for additional inbound/outbound capabilities, inventory capacity/holding power and ability for trucks with trailers to stage and maneuver. Adding additional dock doors improves our ability to accommodate both. (C) No impact on the operating budget that ISLD is aware of. Any operating budget impacts might come if any recommendations are approved and implemented. (D) ISLD will continue to experience volume and population growth impacts at our facility. ISLD will be limited on how it is able to navigate growth needs long term.</p>	\$200,000	4
<p>Lockout-Tagout (LOTO). (A) Lockout – Tagout (LOTO) or lock and tag is a safety procedure used in industry and research settings to ensure that dangerous machines are properly shut off and not able to be started up again prior to the completion of maintenance or repair work. This was originally requested with the Arc Flash project scope to have ensure both safety projects were implemented together based on industry recommendations. (B) ISLD has no LOTO procedures/processes in place. Added LOTO procedures will ensure proper safety measures are followed with the implementation of ARC Flash. (C) No impact on the operating budget that ISLD is aware of. (D) ISLD will continue to be susceptible to incidents due to lack of LOTO safety procedures after the ARC Flash implementation.</p>	\$30,000	5

PLEASE INCLUDE ANY ANTICIPATED ASBESTOS COSTS IN THE OVERALL BUDGET.

Agency Head Signature: 

Date: 7-29-22

CAPITAL BUDGET REQUEST **SIX-YEAR PLAN FY 2024 THROUGH FY 2029** **CAPITAL IMPROVEMENTS**

AGENCY: Idaho State Liquor Division

PROJECT DESCRIPTION/LOCATION	FY 2024 \$	FY 2025 \$	FY 2026 \$	FY 2027 \$	FY 2028 \$	FY 2029 \$
Power conditioner (480-volt service) - DM	\$100,000					
Fire systems upgrades - DM	\$300,000					
Fire Sprinkler Systems Upgrade -- DM	\$750,000					
Facility Expansion or Renovation (Study)	\$200,000					
LOTO	\$30,000					
Replace ASRS Roof Membrane -- DM		\$250,000				
Facility Renovation (bathrooms/breakroom/utility room) - DM			\$175,000			
Warehouse Lighting Upgrade (Phase 3)				\$200,000		
Warehouse Pressurized System					\$300,000	
HVAC Replacement (first level)						\$TBD
ADA (accessibility Compliance Assessment)						\$TBD
Security Entrance						\$TBD
Backup Power for ASRS (Study)						\$TBD
TOTAL	\$1,300,000	\$250,000	\$175,000	\$200,000	\$300,000	\$TBD

Agency Head Signature: _____

Date: 11-29-22

Part I – Agency Profile

Agency Overview

The Idaho State Liquor Division (ISLD) was established by Article III, Section 26 of the Idaho Constitution in 1935 following the repeal of the 18th Amendment to the Constitution of the United States (known as “Prohibition”) as a means of directing the importation, distribution, sale, and consumption of beverage alcohol. Idaho is one of 17 states along with jurisdictions in Alaska, Maryland, Minnesota, and South Dakota that actively manage the sale of distilled spirits. These jurisdictions account for over 25% of the U.S. population and regulate their own retail and/or wholesale distribution of beverage alcohol in their various forms.

Organizationally, the ISLD has been an agency in the Office of the Governor since 1974. Jeffrey R. Anderson, Director, is appointed by the Governor and has served since 2010.

The ISLD Central Office and Warehouse are located in Boise. All aspects of the business, including purchasing, finance, information technology, human resources, contract administration, and retail management are administered by a staff of 26, along with three district managers. Twenty-nine warehouse personnel - co-located within the central office - receive, store, and distribute over 1.4 million nine-liter cases annually over a geographic area of 83,000 square miles. The warehouse typically inventories about 240,000 cases valued at approximately \$18 million, the majority of which is owned by suppliers under a bailment system. An approximately equal amount of product is also inventoried in retail stores operated by the state and private sector distributing station retail stores.

As of September 1, 2022, the ISLD operated 171 retail outlets throughout the State. Of those, 67 are state-run liquor stores, leased from the private sector, and staffed and operated by Division employees; 104 are private sector retailers operating under contract. Each store is stocked and maintained to meet the needs of customers, including licensed liquor-by-the-drink establishments. Retail outlets feature a selection of products designed to appeal to the tastes and lifestyles of the local communities they serve. All products are uniformly and competitively priced throughout the state.

Idaho's conservative system of liquor distribution provides benefits to all the State's citizens. Moderation and temperance related to Idaho's model of spirits distribution generally reduces social costs associated with beverage alcohol consumption. Additionally, Idaho law provides for the distribution of liquor profits to substance abuse prevention and treatment programs, the General Fund, all 44 counties, and 200 cities. Over the previous decade, more than \$800 million has been distributed to state programs, counties, and cities, including a record \$115.6 million in FY 2022. The ISLD projects distributions to exceed \$1.4 billion over the coming decade.

General economic conditions and industry trends naturally impact the Division's results. The ISLD is cautious about growth prospects as the economy and consumer trends can be difficult to reliably predict. Consequently, the ISLD is projecting a 4% sales growth rate for FY 2023. As a result, distributions for FY 2023 are forecast to increase to approximately \$121 million.

Core Functions/Idaho Code

The Idaho State Liquor Division's statutory authority is stated in Title 23 of *Idaho Code*. The primary functions of the agency as stated in *Idaho Code 23-203 include but are not limited to*:

- **Regulation of liquor traffic:** to permit, license, inspect, and regulate the manufacture, importation, transportation, storage, sale, and delivery of alcoholic liquor;
- **Traffic in Liquor:** to buy, import, transport, store, sell, and deliver alcoholic liquor;
- **Operation of Liquor Stores:** to establish, maintain, and discontinue warehouses, state liquor stores, and distribution stations [contract liquor stores];
- **Acquisition of Real Estate:** to acquire, buy, and lease real estate, and to improve and equip the same for the conduct of its business;
- **Acquisition of Personal Property:** to acquire, buy, and lease personal property necessary and convenient for the conduct of business;
- **Making Reports:** to report annually to the Governor and at such other times as he may require, concerning the condition, management, and financial transactions of the Division.

Revenue and Expenditures

Revenue		FY 2019	FY 2020	FY 2021	FY 2022
Liquor Control Fund		\$230,562,200	\$260,092,500	\$297,169,600	\$306,665,100
Total		\$230,562,200	\$260,092,500	\$297,169,600	\$306,665,100
Expenditures		FY 2019	FY 2020	FY 2021	FY 2022
Personnel Costs		\$13,090,000	\$14,188,200	\$14,162,700	\$15,242,600
Operating Expenditures		\$6,090,000	\$6,305,100	\$6,937,900	\$3,419,900
Capital Outlay		\$855,000	\$531,300	\$824,400	\$5,007,500
Continuous Appropriation (COGS)		\$124,170,900	\$132,210,600	\$171,593,800	\$170,602,600
Distributions to Stakeholders		\$85,346,900	\$95,444,300	\$114,513,100	\$115,566,200
Total		\$229,552,800	\$248,679,500	\$308,031,900	\$309,838,800

Profile of Key Services Provided

Cases Managed and/or Key Services Provided	FY 2019	FY 2020	FY 2021	FY 2022
Nine-Liter Cases Sold	1,234,200	1,347,500	1,462,900	1,440,500
Total Dollar Sales	\$230,094,300	\$258,567,000	\$297,072,800	\$305,619,200
Net Income	\$86,275,900	\$98,241,700	\$114,069,600	\$114,246,000
Profit Distributions	\$85,346,900	\$95,444,300	\$114,513,100	\$115,566,200

FY 2022 Performance Highlights

- Consumption/Nine-Liter case sales declined by 32 thousand cases from 1.463 million to 1.441 million – down -1.5%
- Sales increased \$8.6 million, from \$297.1 million to \$305.7 – up +2.9%
- Net Profit increased \$200 thousand, from \$114.1 million to \$114.3 million – up +0.2%
- Distributions to State programs, General Fund, Cities and Counties increased \$1.6 million, from \$114.5 million to \$115.6 million – up +1.0%

FY2022 continued a recent trend of very successful years for the ISLD. The Division once again experienced record sales, profits, and distributions. The Division returned the highest level of Distributions in its history, even as sales quantities and per-capita consumption declined. Industry innovation and evolving consumer tastes continue to drive market share increases for distilled spirits vs. beer and wine. Additionally, inflationary factors and supply chain disruptions are serious challenges that we continue to address. All these factors will continue to play prominent roles in the ISLD's sales growth and profitability now and into the future.

The ISLD recognizes a strong need for resources throughout the state to aid in the implementation of education programs in our communities. Cultivating relationships with organizations that are working toward maintaining healthy communities is an important endeavor of the ISLD. In partnership with the National Alcohol Beverage Control Association (NABCA), the ISLD awards grants through a competitive program each year to help fund a myriad of agencies and coalitions striving to combat the abuse of alcohol and drugs. In FY2022, \$50,000 in grants was awarded throughout the state of Idaho amongst 15 different agencies, alcohol prevention organizations, and education coalitions. The FY22 recipients include the following organizations and their communities: Drug & Alcohol Trends Education (Cottonwood) Lapwai Community Coalition, Community Youth in Action (Idaho Falls), Salmon Substance Abuse Prevention Coalition, Meridian Anti-Drug Coalition, Glenns Ferry High School, Lewiston High School, Valley School District, Wendell High School, Idaho Drug Free Youth, Idaho Office of Drug Policy, Idaho State Bar Lawyers Assistance Program, and the Idaho State Police. The ISLD also believes strongly in the development of our associates via ongoing education and training. Mandatory statewide training on cyber security, respectful workplace, HR compliance, and TIPS safe-selling training are required for all retail associates.

Part II – Performance Measures

Agency Goal						
Idaho Statue 23-203 specifies the powers and duties of the Idaho State Liquor Division. Furthermore, the statute directs the Division to “exercise its powers as to curtail the intemperate use of alcoholic beverages. It shall not attempt to stimulate the normal demands of temperate consumers thereof, irrespective of the effect on the revenue...” To this end, the Division has established a benchmark philosophy that is the basis for its strategic and operational planning. The benchmarks aim to ensure the Division responsibly optimizes net revenues without implementing strategies that encourage consumption. Specifically, the Division strives for the following: <i>Distributions to stakeholders should grow faster than dollar sales, dollar sales should grow faster than 9-liter case sales; 9-liter case sales should grow faster than consumption per capita.</i>						
Performance Measure		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
1. Low Per Capita Consumption (9-Liter Cases per Adult) <i>Change vs. Prior Year</i>	actual	0.97 +3.2%	1.05 +8.2%	1.12 +6.7%	1.09 -2.7%	-----
	target	Below +4.3%	Below +9.2%	Below +8.5%	Below -1.4%	Below +2.5%
2. 9-Liter Cases Sold <i>Change vs. Prior Year</i>	actual	1,234,000 +4.3%	1,348,000 +9.2%	1,463,000 +8.5%	1,441,000 -1.5%	-----
	target	Above +3.2%	Above +8.2%	Above +6.7%	Above -2.7%	Above +0.9%
3. Sales (000s) <i>Change vs. Prior Year</i>	actual	\$230,100 +6.9%	\$258,500 +12.4%	\$297,072,800 +14.9%	305,619,200 +2.9%	-----
	target	Above +4.3%	Above +9.2%	Above +8.5%	Above -1.4%	Above +2.5%
4. Distributions (000s) <i>Change vs. Prior Year</i>	actual	\$85,300 +8.6%	\$95,400 +11.8%	\$114,513,100 +20.0%	\$115,566,200 +1.0%	-----
	target	Above +6.9%	Above +12.4%	Above +14.9%	Above +2.9%	Above +3.0%

Performance Measure Explanatory Notes

The ISLD has an excellent track record in meeting or exceeding its established benchmarks, and FY22 was an exemplary year by virtually every measure. It should be noted that during mid-year FY22, the Division lowered its distribution projections below initial targets in order to accommodate several economic- and industry-driven factors. Specifically, the Division elected to increase inventory levels at its Central Office Warehouse and at the retail level by approximately \$3,500,000 to better serve customer expectations, reduce incidence of out-of-stock items caused by supply chain disruptions, and to acquire greater quantities of product prior to supplier price increases being implemented. With more working capital devoted to higher inventory levels, this resulted in a one-time reduction in the amount of cash that would normally be available for distributions to our stakeholders. However, the increase in inventory purchases in FY22 will reduce FY23 acquisition expenditures and result in a greater distribution to stakeholders than otherwise would have occurred.

For More Information Contact

Jeffrey R. Anderson, Director
Idaho State Liquor Division
1349 E. Beechcraft Ct.
Boise, ID 83716
Phone: (208) 947-9402
E-mail: jeff.anderson@liquor.idaho.gov

Director Attestation for Performance Measurement Report

In accordance with *Idaho Code* 67-1904, I certify the data provided in the Performance Measurement Report has been internally assessed for accuracy, and, to the best of my knowledge, is deemed to be accurate.

Department: Idaho State Liquor Division



Director's Signature

8/26/2022

Date

Please return to:

Division of Financial Management
304 N. 8th Street, 3rd Floor
Boise, Idaho 83720-0032

FAX: 334-2438
E-mail: info@dfm.idaho.gov