

## The Vermont State Treasurer's Office Strives to:

Give Vermont taxpayers an excellent value. Offer the best customer service possible. Deliver the highest quality operational services. Create a productive employee work environment.

# Fiscal Year 2013 Budget Request

Office of the State Treasurer  
*State of Vermont*

What follows is documentation for the fiscal year 2013 budget request for the Office of the State Treasurer.

- (1) Page excerpts from FY2013 Executive Budget Recommendation
- (2) Governor's Retirement Systems Financial Integrity Report
- (3) Budget request from State Treasurer's Office:
  - **Summary**
  - **Administration**
  - **Unclaimed Property**
  - **Vermont Municipal Employees' Retirement System**
  - **Vermont State Employees' Retirement System**
  - **Vermont State Teachers' Retirement System**
  - **Debt Service**



**Elizabeth Pearce**  
State Treasurer

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Treasurer**

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**Department Mission Statement**

The office of the State Treasurer is a service and administrative department performing duties prescribed by statute. It is responsible for the management and accounting of the State's cash balances; processing of checks and EFT payments, and reconciliations of cash and associated accounts; administration and operation of three defined benefit pension plans, a deferred compensation plan and two defined contribution plans, for State employees, teachers, and Municipal employees; management of temporary investments of State funds; selling and servicing bonds authorized by the General Assembly; administration of the Unclaimed Property Act; and short-term borrowing when necessary. The mission is to carry out the mandates of the law as efficiently and cost-effectively as possible while providing related services to the public, State employees, and members of the retirement systems; and to manage the cash balances and trust funds under custody of the State Treasurer in keeping with the highest fiduciary standards in order to maximize income without undue risk.

The Auditor of Accounts audits the office annually. The performance of the office is a factor considered by the credit rating services when rating the State for the purpose of borrowing.

Funds requested are required to maintain the current range of services in a cost-effective manner. The service mix has been characterized by increases in the number of transactions and customers, particularly in the Unclaimed Property and Retirement Services divisions. Increased efficiencies have reduced the need for substantial budget increases.

The Vermont State Retirement System (VSRS) is the public pension plan provided by the State of Vermont for its various groups of State employees. It was created in 1944 and has undergone several major changes over the years, including a merger of the State Police and Motor Vehicles Inspectors' Retirement System and contribution and benefit reforms including the creation of a non-contributory retirement plan for rank-and-file state employees in 1981. In 1990 the Legislature mandated a return to a contributory system effective January 1, 1991 with full implementation by January 1, 1995. Staff in the State Treasurer's Office are responsible for the administration of six different benefit provisions which include state police, judges and regular employees, plus an optional defined contribution plan available to exempt state employees only. The system is governed by Title 3, V.S.A., Chapter 16.

As of June 30, 2011, the system had 7,768 active members, 849 inactive members, 774 terminated vested members, and approximately 5,375 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was \$1,349 million as of June 30, 2011, compared with \$1,265 million as of June 30, 2010. The system paid \$86.7 million in retirement benefits during fiscal year 2011.

Health care cash payments for premiums totaled approximately \$22.8 million in FY2011, rise to \$28.0 million in the FY2012 budget, and are budgeted at \$29.2 million in FY2013 in this request. Beginning in

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Treasurer**

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2010, health care expenses have been funded in a separate Other Post-employment Benefits (OPEB) trust fund, enacted by the Legislature. While the cash payments or “pay-as-you-go” amounts are budgeted the State has not prefunded these per the actuarial recommendation, with the exception of a small portion of Medicare D reimbursements from the Vermont State Retirement System. The Agency Proposed budget request includes the prefunding amount. Full funding of the Actuarially Required Contribution (ARC) for OPEB on a prefunded basis is \$49,533,317. Budgeted cash payments in the pension are \$29,200,000 leaving the ARC to be funded of \$20,333,317. If prefunding does not occur, the remaining ARC cost rises significantly (\$76,027,162 total, less \$29,200,000 budgeted, leaving the ARC to be funded at \$46,827,162). Of the \$37,273,381 proposed budget, \$8,073,381 will be paid from VSRS Pension trust funds, and \$29,200,000 will be paid from Vermont State Retirement System OPEB trust funds.

The Vermont State Retirement System Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, Commissioner of Human Resources, Commissioner of Finance and Management, one designated representative of the Governor, three members elected by the Vermont State Employees Association and one member elected by the Vermont Retired State Employees Association. Staff is provided by the Retirement Division of the State Treasurer's Office, which also administers the State Teachers' Retirement System and the Vermont Municipal Employees' Retirement System.

The Vermont Municipal Employees' Retirement System is a uniform, state-administered pension plan provided for municipal employees of the State of Vermont. It was established effective July 1, 1975 and is governed by Title 24, V.S.A., Chapter 125.

As of June 30, 2011, the system had 428 contributing employers; 6,475 active members, 1,821 inactive members, 645 terminated vested members, and 1,779 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was \$402.6 million as of June 30, 2011, compared with \$376.2 million as of June 30, 2010. The system paid \$12.4 million in retirement benefits during FY2011.

The Vermont Municipal Employees' Retirement System Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, one representative designated by the Governor, and two municipal employees and one municipal official all three of whom are elected by the membership of the system. Staff is provided by the Retirement Division of the State Treasurer's Office which also administers the Vermont State Retirement System and the State Teachers' Retirement System.

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Treasurer**

**DEPARTMENT SUMMARY BY APPROPRIATION**

	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012		FY 2013
	Pos. #	Pos. #	Pos. #	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
<b>Department</b>							
Office of the Treasurer	29	29	29	5,084,641	2,926,668	2,926,668	2,952,234
Unclaimed Property	4	4	4	652,517	913,995	913,995	1,031,721
Vt State Retirement System	0	0	0	6,535,339	35,081,536	35,081,536	37,310,714
State Retirement DBP - OPEB	0	0	0	22,915,904	0	0	0
Municipal Employees' Retirement	0	0	0	2,062,225	2,478,979	2,478,979	2,798,240
<hr/>							
TOTAL	33	33	33	37,250,626	41,401,178	41,401,178	44,092,909
<b>FUND TYPE</b>							
General Fund				1,265,533	1,065,828	1,065,828	988,481
Special Fund				2,039,014	1,744,843	1,744,843	1,874,673
Permanent Trust Fund				1,238,659	0	0	0
Pension Trust Fund				31,951,310	37,560,515	37,560,515	40,108,954
Private Purpose Trust Fund				652,517	913,995	913,995	1,031,721
Interdepartmental Transfer				103,593	115,997	115,997	89,080
<hr/>							
TOTAL				37,250,626	41,401,178	41,401,178	44,092,909

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**Office of the Treasurer**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

Major Object	FY 2011	FY 2012		FY 2013
	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services	3,093,278	2,561,936	2,561,936	2,588,617
Operating Expenses	257,500	348,248	348,248	347,133
Grants	1,717,379	16,484	16,484	16,484
Other Financing Uses Budget	16,484	0	0	0
<hr/> TOTAL	<hr/> 5,084,641	<hr/> 2,926,668	<hr/> 2,926,668	<hr/> 2,952,234
FUND TYPE				
General Fund	1,265,533	1,065,828	1,065,828	988,481
Special Fund	2,039,014	1,744,843	1,744,843	1,874,673
Permanent Trust Fund	1,238,659	0	0	0
Pension Trust Fund	437,842	0	0	0
Interdepartmental Transfer	103,593	115,997	115,997	89,080
<hr/> TOTAL	<hr/> 5,084,641	<hr/> 2,926,668	<hr/> 2,926,668	<hr/> 2,952,234

**STATE OF VERMONT  
FISCAL YEAR 2013 BUDGET RECOMMENDATIONS  
Unclaimed Property**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

<b>Major Object</b>	<b>FY 2011</b>	<b>FY 2012</b>		<b>FY 2013</b>
	<b>FY11 Actual</b>	<b>FY12 Budget As Passed</b>	<b>FY12 Estimated</b>	<b>FY13 Governor Proposed</b>
Personal Services	427,742	660,757	660,757	793,619
Operating Expenses	224,775	253,238	253,238	238,102
<hr/> TOTAL	<hr/> 652,517	<hr/> 913,995	<hr/> 913,995	<hr/> 1,031,721
<b>FUND TYPE</b>				
Private Purpose Trust Fund	652,517	913,995	913,995	1,031,721
<hr/> TOTAL	<hr/> 652,517	<hr/> 913,995	<hr/> 913,995	<hr/> 1,031,721

**STATE OF VERMONT  
FISCAL YEAR 2013 BUDGET RECOMMENDATIONS  
Vt State Retirement System**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

<b>Major Object</b>	<b>FY 2011</b>	<b>FY 2012</b>		<b>FY 2013</b>
	<b>FY11 Actual</b>	<b>FY12 Budget As Passed</b>	<b>FY12 Estimated</b>	<b>FY13 Governor Proposed</b>
Personal Services	5,739,811	6,065,656	6,065,656	7,053,372
Operating Expenses	795,528	29,015,880	29,015,880	30,257,342
<hr/> TOTAL	<hr/> 6,535,339	<hr/> 35,081,536	<hr/> 35,081,536	<hr/> 37,310,714
<b>FUND TYPE</b>				
Pension Trust Fund	6,535,339	35,081,536	35,081,536	37,310,714
<hr/> TOTAL	<hr/> 6,535,339	<hr/> 35,081,536	<hr/> 35,081,536	<hr/> 37,310,714

**STATE OF VERMONT  
FISCAL YEAR 2013 BUDGET RECOMMENDATIONS  
Municipal Employees' Retirement**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

	FY 2011	FY 2012		FY 2013
	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
<b>Major Object</b>				
Personal Services	1,653,240	1,992,423	1,992,423	2,271,444
Operating Expenses	408,985	486,556	486,556	526,796
<hr/> TOTAL	<hr/> 2,062,225	<hr/> 2,478,979	<hr/> 2,478,979	<hr/> 2,798,240
<b>FUND TYPE</b>				
Pension Trust Fund	2,062,225	2,478,979	2,478,979	2,798,240
<hr/> TOTAL	<hr/> 2,062,225	<hr/> 2,478,979	<hr/> 2,478,979	<hr/> 2,798,240

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Teachers' Retirement System**

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**Department Mission Statement**

The State Teachers' Retirement System is the uniform public pension plan covering all public school teachers and administrators in the state. It was created in 1947 and is now governed by Title 16, V.S.A., Chapter 55. It has undergone significant changes over the years, with the most recent being the implementation of a non-contributory group with major benefit reforms as provided by Act No 41 of 1981, and a significant change in a return to a mandatory contributory system as of July 1, 1990.

As of June 30, 2011, the system consisted of approximately 10,123 active members, 2,675 inactive members, 647 terminated vested members and approximately 7,005 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was approximately \$1,487 million as of June 30, 2011, compared with about \$1,410 million as of June 30, 2010. The system paid \$117.0 million in retirement benefits during fiscal year 2011.

The State Teachers' Retirement System Board of Trustees is responsible for the administration of the system. The Board consists of the State Treasurer, Commissioner of Education, Commissioner of Banking, Insurance, Securities and Health Care Administration, two active members elected by the membership, and one retired teacher appointed by the Vermont Retired Teachers Association. Staff is provided by the Retirement Division of the State Treasurer's Office which also administers the Vermont State Retirement System and the Vermont Municipal Employees' Retirement System.

In addition to pension payments, the fund also makes health care payments for retirees, totaling \$18.9 million in FY2011. These are not added to the pension calculation and are treated as coming from the assets of the fund, therefore creating an actuarial loss. In addition, the actuary annually calculates an annual required contribution (ARC), similar to the pension contribution, necessary to recognize full accrual of retiree health care costs, including prefunding of benefits earned but not yet paid. Currently the State does not prefund these amounts. One recommendation of the Treasurer and the Commission on the Design and Funding of Retirement and Retiree Health Benefit Plans for State Employees and Teachers is that the Legislature develop and implement a structural plan to fund health care obligations and set money aside in a material way through a separate, independent funding mechanism. Full funding of the ARC for OPEB on a prefunded basis is \$30,906,315. Budgeted cash payments in the pension are \$24,000,000 leaving the ARC to be funded of \$6,906,315. If prefunding does not occur, the remaining ARC cost rises significantly (\$45,312,092 total, less \$24,000,000 budgeted, leaving the ARC to be funded at \$21,312,092).

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Teachers' Retirement System**

**DEPARTMENT SUMMARY BY APPROPRIATION**

	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012		FY 2013
	Pos. #	Pos. #	Pos. #	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
<b>Department</b>							
Teachers' Retirement System - Grant	0	0	0	46,913,381	51,672,307	51,672,307	63,613,130
State Teachers' Retirement System	0	0	0	26,321,434	28,884,517	28,884,517	33,112,629
<hr/>							
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73,234,815</b>	<b>80,556,824</b>	<b>80,556,824</b>	<b>96,725,759</b>
<b>FUND TYPE</b>							
General Fund				46,913,381	51,672,307	51,672,307	63,613,130
Pension Trust Fund				26,321,434	28,884,517	28,884,517	33,112,629
<hr/>							
<b>TOTAL</b>				<b>73,234,815</b>	<b>80,556,824</b>	<b>80,556,824</b>	<b>96,725,759</b>

**STATE OF VERMONT  
FISCAL YEAR 2013 BUDGET RECOMMENDATIONS  
Teachers' Retirement System - Grant**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

<b>Major Object</b>	<b>FY 2011</b>	<b>FY 2012</b>		<b>FY 2013</b>
	<b>FY11 Actual</b>	<b>FY12 Budget As Passed</b>	<b>FY12 Estimated</b>	<b>FY13 Governor Proposed</b>
Grants	46,913,381	51,672,307	51,672,307	63,613,130
<hr/> TOTAL	<hr/> 46,913,381	<hr/> 51,672,307	<hr/> 51,672,307	<hr/> 63,613,130
FUND TYPE				
General Fund	46,913,381	51,672,307	51,672,307	63,613,130
<hr/> TOTAL	<hr/> 46,913,381	<hr/> 51,672,307	<hr/> 51,672,307	<hr/> 63,613,130

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**State Teachers' Retirement System**

**APPROPRIATION SUMMARY BY MAJOR OBJECT**

	FY 2011	FY 2012		FY 2013
	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
<b>Major Object</b>				
Personal Services	6,414,590	6,830,976	6,830,976	7,974,488
Operating Expenses	19,906,844	22,053,541	22,053,541	25,138,141
<hr/> TOTAL	<hr/> 26,321,434	<hr/> 28,884,517	<hr/> 28,884,517	<hr/> 33,112,629
<b>FUND TYPE</b>				
Pension Trust Fund	26,321,434	28,884,517	28,884,517	33,112,629
<hr/> TOTAL	<hr/> 26,321,434	<hr/> 28,884,517	<hr/> 28,884,517	<hr/> 33,112,629

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**Debt Service**

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**Department Mission Statement**

The State borrows money for capital purposes through the issuance of general obligation bonds, the payment of which is backed by the full faith and credit of the State. General Obligation bonds are used for numerous purposes including construction and renovation of state office buildings and state recreational, cultural, health, correctional and educational facilities; making grants to municipalities for the purposes of funding wastewater and drinking water facilities upgrades; transportation projects funding, and other capital projects

The State Treasurer may borrow temporary funds, through various methods, revenue anticipation notes, lines of credit and a tax-exempt commercial paper program, for the purpose of defraying the expenses and budget deficits of government incurred by the appropriations authorized in the General Appropriations Act. The proceeds of temporary borrowing, together with certain other available monies in the General Fund are used to make such payments, as set forth in the General Appropriations Act, in advance of receipt of taxes, revenues and other funds.

In addition to General Obligation debt, the State may also sell revenue-backed Transportation Infrastructure Bonds (TIBs). These bonds are secured only from motor fuel transportation infrastructure assessments of 2% of the sales price of gasoline and 3 cents per gallon of diesel fuel. TIBs are used to finance the rehabilitation, reconstruction or replacement of state and municipal bridges and culverts, and state roads, railroads, airports and necessary buildings which, after such work, have a remaining useful life of at least 30 years.

The amount necessary each year to pay the maturing principal and interest are included in and made part of the annual appropriations bill for the expense of State Government.

The Capital Debt Affordability Advisory Committee (CDAAC) completes an annual review of the size and affordability of the State tax-supported general obligation debt, including the projected debt service required to pay these obligations.

Economic trends, the bond market and legislative actions will determine the interest rates on borrowing. Estimates are based on the latest information available.

**STATE OF VERMONT**  
**FISCAL YEAR 2013 BUDGET RECOMMENDATIONS**  
**Debt Service**

**DEPARTMENT SUMMARY BY APPROPRIATION**

	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012		FY 2013
	Pos. #	Pos. #	Pos. #	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
<b>Department</b>							
Debt Service - Principal	0	0	0	71,912,125	72,390,394	72,390,394	72,656,785
<hr/>							
TOTAL	0	0	0	71,912,125	72,390,394	72,390,394	72,656,785
<b>FUND TYPE</b>							
General Fund				65,804,621	64,575,793	64,575,793	59,941,850
Transportation Fund				3,477,901	3,371,825	3,371,825	2,482,442
Special Fund				1,962,039	625,950	625,950	628,150
American Recovery & Reinvestment Act				667,564	1,437,142	1,437,142	1,253,280
Debt Service				0	2,379,684	2,379,684	8,351,063
<hr/>							
TOTAL				71,912,125	72,390,394	72,390,394	72,656,785

## RETIREMENT SYSTEMS FINANCIAL INTEGRITY REPORT

As specified in 32 V.S.A. §311, the following is a report on the financial integrity of the State Employees' and State Teachers' Retirement Systems.

### Contribution Levels

#### VSERS

As a result of the June 30, 2011 actuarial valuation, the actuary for the Vermont State Employees' Retirement System (VSERS) recommended a contribution during FY 2013 of \$37,081,933 to the pension plan (VSERS pension) and \$73,355,822 to the Vermont State Employees' Other Post-Employment Benefits (VSERS OPEB) plan, based on current funding policy.

The actuary's recommended contribution to the VSERS pension incorporates the recommended normal contribution of \$16,628,726 (3.99% of estimated payroll) plus \$20,453,207 for the annual contribution towards the unfunded actuarial accrued liability (UAAL). To calculate the State's contribution, the actuarial recommendation has been reduced by \$653,628 for the Treasurer's estimate of FY 2013 contributions by town participants in VSERS, making the State's net contribution for the actuarial recommendation \$36,428,305. The State also contributes an amount to prepay the Treasurer's estimate of non-healthcare administrative expenses which for FY 2013 is \$8,073,426. This amount has been reduced for estimated FY 2013 investment manager fees of \$5,542,054, which is commonly not prepaid in other retirement plans. This adjustment results in a State contribution of \$2,531,372 in FY 2013 to cover anticipated non-healthcare administrative expenses. Added to the net contribution for the actuarial recommendation, the State's planned total contribution to the VSERS pension for FY 2013 will be \$38,959,677.

The actuary's recommended contribution to the VSERS OPEB of \$73,355,822 incorporates a recommended normal contribution of \$41,935,072 plus amortization of the unfunded actuarial liability of \$31,420,750.

The State's planned contribution to the VSERS OPEB during FY 2013 is \$29,200,000 which is the Treasurer's estimate of VSERS retiree health care costs. It is anticipated that VSERS coverage of retiree prescriptions will produce Medicare Part D reimbursements to the system of approximately \$1.4 million, which will be deposited into the VSERS OPEB during FY 2013.

#### VSTRS

As a result of the June 30, 2011 actuarial valuation, the actuary for the Vermont State Teachers' Retirement System (VSTRS) recommended a contribution during FY 2013 of \$60,182,755 to the pension plan (VSTRS pension) and \$45,312,092 to the Vermont State Teachers' Other Post-Employment Benefits (VSTRS OPEB) plan, estimated on a non-prefunding basis. The actuary's recommended contribution to the VSTRS pension incorporates the recommended normal contribution of \$10,303,147 plus \$49,879,608 for

the annual contribution towards the UAAL. The actuary's recommended contribution to the VSTRS OPEB incorporates the recommended normal contribution of \$21,898,611 plus amortization of the unfunded actuarial liability of \$23,413,481.

The State plans to fund the VSTRS pension for FY 2013 at \$64,932,755, \$4,750,000 above the actuarially recommended contribution, through a combination of \$63,613,130 in General Funds and an estimated \$1,319,625 of Medicare Part D reimbursement funds. The State does not plan to make a contribution to the VSTRS OPEB during FY 2013. The VSTRS OPEB has no pre-funding and no assets. Payments for retired teachers' health care costs, estimated to be \$24,000,000 in FY 2013, will continue to be paid by the VSTRS pension.

### **Funding Levels**

Based on Governmental Accounting Standards Board Reporting Requirement Number 25 (GASB 25), the funded ratios for the State Employees' and State Teachers' Retirement funds for the period ending June 30, 2011 are 79.6% and 63.8% respectively. The funded ratios for the State Employees' and Teachers' OPEB Funds for the period ending June 30, 2011 are 1.1% and 0.0% respectively. The Administration, Treasurer's Office, Legislature and other affected parties will need to work together to develop a multi-year plan to address funding pension plan and OPEB liabilities. A very productive bi-partisan retirement commission worked during the summer and fall of 2009 to develop some very significant recommendations for consideration and adoption during the 2010 legislative session.

# Summary

**Office of the State Treasurer**  
**Key Elements in the FY 2013 Budget by Funding Source**

	Source of Funds					Totals
	General Fund	Special Fund Retirement	Intra-Unit transfer fund Unclaimed Property	Private Purpose Trust Fund	Pension Trust Fund	
<b>Administration</b>						
FY 2012 Appropriation	<b>\$1,065,828</b>	<b>\$1,744,843</b>	<b>\$115,997</b>			<b>\$2,926,668</b>
Salaries & benefits:						
FY 2013 Salaries & Benefit rates/Allocation changes	-\$100,731	\$129,830	-\$26,917			
Fee for Space	-\$6,506					
Vision Assessment	-\$5,797					
Information Technology & Communication Costs	\$5,750					
Office Equipment	\$6,000					
Third-party Support	\$20,000					
Other Operating Expenses and Support, net	\$3,937					
FY 2013 Budget Request	<b>\$988,481</b>	<b>\$1,874,673</b>	<b>\$89,080</b>			<b>\$2,952,234</b>
<b>Unclaimed Property</b>						
FY 2012 Appropriation				<b>\$913,995</b>		
Administrative Support				-\$26,917		
Vision Assessment				-\$1,840		
Salaries & Benefits						
FY 2013 Salaries & Benefit rates/Allocation changes				\$5,762		
Fee for Space				\$15,280		
Third-party Support				\$125,000		
Other Operating Expenses and Support, net				\$441		
FY 2013 Budget Request				<b>\$1,031,721</b>		
<b>State Employees Retirement System</b>						
FY 2012 Appropriation					<b>\$35,081,536</b>	
Agency Support					\$3,609	
Investment Services, Actuarial/Other					\$5,925	
Administrative Support					\$34,390	
Investment Management Services					\$1,113,241	
Other Post Employment Benefits - Health Insurance					\$1,200,000	
Other operating expenses					-\$127,987	
FY 2013 Budget Request					<b>\$37,310,714</b>	
<b>Municipal Employees Retirement System</b>						
FY 2012 Appropriation					<b>\$2,478,979</b>	
Investment Services, Actuarial/Other					\$1,630	
Agency Support					\$3,111	
Administrative Support					\$29,786	
Investment Management Services					\$306,141	
Other Operating Expenses and Support, net					-\$21,407	
FY 2013 Budget Request					<b>\$2,798,240</b>	
<b>FY 2012 Appropriation - Adjusted</b>	<b>\$1,065,828</b>	<b>\$1,744,843</b>	<b>\$115,997</b>	<b>\$913,995</b>	<b>\$37,560,515</b>	<b>\$41,401,178</b>
<b>Total Increases/Decreases</b>	<b>-\$77,347</b>	<b>\$129,830</b>	<b>-\$26,917</b>	<b>\$117,726</b>	<b>\$2,548,439</b>	<b>\$2,691,731</b>
<b>FY 2013 Appropriation Request</b>	<b>\$988,481</b>	<b>\$1,874,673</b>	<b>\$89,080</b>	<b>\$1,031,721</b>	<b>\$40,108,954</b>	<b>\$44,092,909</b>
<b>State Teachers' Retirement System</b>						
FY 2012 Appropriation					<b>\$28,884,517</b>	
Investment Services, Actuarial/Other					\$6,666	
Agency Support					\$6,685	
Administrative Support					\$80,674	
Investment Management Services					\$1,252,396	
Other Post Employment Benefits - Health Insurance					\$3,000,000	
Other Operating Expenses and Support, net					-\$118,309	
FY 2013 Budget Request					<b>\$33,112,629</b>	
<b>FY 2012 Appropriation</b>					<b>\$28,884,517</b>	<b>\$28,884,517</b>
<b>Total Increases/Decreases</b>					<b>\$4,228,112</b>	<b>\$4,228,112</b>
<b>FY 2013 Appropriation Request</b>					<b>\$33,112,629</b>	<b>\$33,112,629</b>

**Fiscal Year 2013 Budget Development Form - Office of the State Treasurer**

	General \$\$	Transp \$\$	Special \$\$ Retirement Funds	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	Private Purpose Unclaimed Prop	Total \$\$
<b>Approp #1 Office of the Treasurer/Administration:</b>	1,065,828	0	0	0	0	1,860,840	0	2,926,668
<b>FY 2012 Approp</b>								
FY2013 Salary & Benefit rates/Admin Support True-up	(100,731)					102,913		2,182
Fee for Space	(6,506)							(6,506)
Vision Assessment	(5,797)							(5,797)
Information Technology & Communication Costs	5,750							5,750
Office Equipment	6,000							6,000
Third-party Support	20,000							20,000
Other Operating Expenses and Support, net	3,937							3,937
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>(77,347)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>102,913</b>	<b>0</b>	<b>25,566</b>
<b>FY 2013 Governor Recommend</b>	<b>988,481</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,963,753</b>	<b>0</b>	<b>2,952,234</b>
<b>Approp #2 Unclaimed Property: FY 2012 Approp</b>							913,995	913,995
<b>FY2013 Salary &amp; Benefit rates/Admin Support True-up</b>							(21,155)	(21,155)
Vision Assessment							(1,840)	(1,840)
Fee for Space							15,280	15,280
Third-party Support							125,000	125,000
Other Operating Expenses and Support, net							441	441
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>117,726</b>	<b>117,726</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,031,721</b>	<b>1,031,721</b>
<b>Approp #3 State Employees Retirement System:</b>			35,081,536					35,081,536
<b>FY 2012 Approp</b>								
Agency Support			3,609					3,609
Investment Services, Actuarial/Other			5,925					5,925
Administrative Support			34,390					34,390
Investment Management Services			1,113,241					1,113,241
Other Post Employment Benefits - Health Insurance			1,200,000					1,200,000
Other Operating Expenses and Support, net			(127,987)					(127,987)
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>2,229,178</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,229,178</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>37,310,714</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,310,714</b>
<b>Approp #4 Municipal Employees Retirement System:</b>			2,478,979					2,478,979
<b>FY 2012 Approp</b>								
Investment Services, Actuarial/Other			1,630					1,630
Agency Support			3,111					3,111
Administrative Support			29,786					29,786
Investment Management Services			306,141					306,141
Other Operating Expenses and Support, net			(21,407)					(21,407)
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>319,261</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>319,261</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>2,798,240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,798,240</b>
<b>Treasurer FY 2012 Appropriation</b>	<b>1,065,828</b>	<b>0</b>	<b>37,560,515</b>	<b>0</b>	<b>0</b>	<b>1,860,840</b>	<b>913,995</b>	<b>41,401,178</b>
<b>TOTAL INCREASES/DECREASES</b>	<b>(77,347)</b>	<b>0</b>	<b>2,548,439</b>	<b>0</b>	<b>0</b>	<b>102,913</b>	<b>117,726</b>	<b>2,691,731</b>
<b>Treasurer FY 2013 Governor Recommend</b>	<b>988,481</b>	<b>0</b>	<b>40,108,954</b>	<b>0</b>	<b>0</b>	<b>1,963,753</b>	<b>1,031,721</b>	<b>44,092,909</b>

**Fiscal Year 2013 Budget Development Form - Office of the State Treasurer**

	General \$\$	Transp \$\$	Special \$\$	Education \$\$	Federal \$\$	Interdept'l Transfer \$\$	Private Purpose Unclaimed Prop	Total \$\$
<b>Approp #5 Teachers' Retirement System: FY 2012 Approp</b>			<b>28,884,517</b>				<b>0</b>	<b>28,884,517</b>
Investment Services, Actuarial/Other			6,666					6,666
Agency Support			6,685					6,685
Administrative Support			80,674					80,674
Investment Management Services			1,252,396					1,252,396
Other Post Employment Benefits - Health Insurance			3,000,000					3,000,000
Other Operating Expenses and Support, net			(118,309)					(118,309)
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>4,228,112</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,228,112</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>33,112,629</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,112,629</b>
<b>Approp #6 Teachers' Retirement System Grant: FY 2012 Approp</b>	<b>51,672,307</b>						<b>0</b>	<b>51,672,307</b>
GF Increase	11,940,823							11,940,823
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>11,940,823</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,940,823</b>
<b>FY 2013 Governor Recommend</b>	<b>63,613,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,613,130</b>
<b>Approp #</b>								<b>0</b>
								0
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Approp #</b>								<b>0</b>
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2013 Governor Recommend</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Teachers' Retirement FY 2012 Appropriation</b>	<b>51,672,307</b>	<b>0</b>	<b>28,884,517</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,556,824</b>
<b>TOTAL INCREASES/DECREASES</b>	<b>11,940,823</b>	<b>0</b>	<b>4,228,112</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,168,935</b>
<b>Teachers' Retirement FY 2013 Governor Recommend</b>	<b>63,613,130</b>	<b>0</b>	<b>33,112,629</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96,725,759</b>

1

	General \$\$	Transp \$\$	Special Funds	Education \$\$	Federal \$\$	Interdept'l Transfer \$\$	Debt Service Funds \$\$	Total \$\$
Approp #7 Debt Service: FY 2012 Approp	64,575,794	3,371,824	625,950	0	1,437,142	0	2,379,684	72,390,394
Debt Service	(4,633,944)	(889,383)	2,200		(183,862)		5,971,379	266,390
								0
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>(4,633,944)</b>	<b>(889,383)</b>	<b>2,200</b>	<b>0</b>	<b>(183,862)</b>	<b>0</b>	<b>5,971,379</b>	<b>266,390</b>
FY 2013 Governor Recommend	59,941,850	2,482,441	628,150	0	1,253,280	0	8,351,063	72,656,784
Approp #	0						0	0
								0
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FY 2013 Governor Recommend	0	0	0	0	0	0	0	0
Approp #								0
								0
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FY 2013 Governor Recommend	0	0	0	0	0	0	0	0
Approp #								0
								0
								0
								0
								0
								0
								0
								0
<b>Subtotal of increases/decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FY 2013 Governor Recommend	0	0	0	0	0	0	0	0
Debt Service FY 2012 Appropriation	64,575,794	3,371,824	625,950	0	1,437,142	0	2,379,684	72,390,394
<b>TOTAL INCREASES/DECREASES</b>	<b>(4,633,944)</b>	<b>(889,383)</b>	<b>2,200</b>	<b>0</b>	<b>(183,862)</b>	<b>0</b>	<b>5,971,379</b>	<b>266,390</b>
Debt Service FY 2013 Governor Recommend	59,941,850	2,482,441	628,150	0	1,253,280	0	8,351,063	72,656,784

**Department:** 01260 State Treasurer  
**Version:** 2013-B-01-01260

Reporting Level 1260010000 Office of the Treasurer

Year	Pos No	Class Code	Title	Pos Type	Salary	FTE
2013	180002	089060		C	\$50,378	1.00
2013	180004	089040		C	\$44,928	1.00
2013	180006	064600		C	\$58,219	1.00
2013	180008	036700		C	\$64,230	1.00
2013	180009	089040		C	\$47,944	1.00
2013	180011	004800		C	\$45,406	1.00
2013	180015	870500		C	\$64,230	1.00
2013	180016	035500		C	\$44,928	1.00
2013	180016	035500		C	\$55,224	1.00
2013	180017	035500		C	\$46,446	1.00
2013	180018	004800		C	\$41,226	1.00
2013	180019	036200		C	\$72,966	1.00
2013	180020	089220		C	\$40,789	1.00
2013	180021	004700		C	\$37,066	1.00
2013	180022	057600		C	\$56,909	1.00
2013	180024	129100		C	\$36,462	1.00
2013	180025	058100		C	\$58,406	1.00
2013	180026	870400		C	\$85,904	1.00
2013	180027	035500		C	\$43,534	1.00
2013	180030	089030		C	\$44,200	1.00

**Department:** 01260 State Treasurer  
**Version:** 2013-B-01-01260

Reporting Level 1260010000 Office of the Treasurer

Year	Pos No	Class Code	Title	Pos Type	Salary	FTE
2013	180031	058400		C	\$81,827	1.00
2013	180032	089030		C	\$40,331	1.00
2013	180033	089030		C	\$41,621	1.00
2013	180035	089150		C	\$75,254	1.00
2013	180037	004700		C	\$34,736	1.00
2013	180038	004700		C	\$45,469	1.00
2013	187001	90050P		E	\$90,376	1.00
2013	187002	93620D		E	\$87,984	1.00
2013	187003	95360E		E	\$80,018	1.00
2013	187006	91590E		E	\$0	1.00
<b>Reporting Level 1260010000 Total</b>					<b>\$1,617,011</b>	<b>30.00</b>
<b>State Treasurer Total</b>					<b>\$1,807,477</b>	<b>34.00</b>

**Department:** 01260 State Treasurer  
**Version:** 2013-B-01-01260

Reporting Level 1260160000 Unclaimed Property

Year	Pos No	Class Code	Title	Pos Type	Salary	FTE
2013	180003	004700		C	\$37,066	1.00
2013	180014	059600		C	\$56,909	1.00
2013	180023	036301		C	\$58,219	1.00
2013	180034	004700		C	\$38,272	1.00
<b>Reporting Level 1260160000 Total</b>					<b>\$190,466</b>	<b>4.00</b>
<b>State Treasurer Total</b>					<b>\$1,807,477</b>	<b>34.00</b>

**Vermont Office of the State Treasurer**  
**Budget FY2013**  
**Budget Narrative**

The office of the State Treasurer is a service and administrative department performing duties prescribed by statute. It is responsible for the management and accounting of the State's cash balances; processing of checks and EFT payments, and reconciliations of cash and associated accounts; administration and operation of three defined benefit pension plans, a deferred compensation plan and two defined contribution plans, for State employees, teachers, and Municipal employees; management of temporary investments of State funds; selling and servicing bonds authorized by the General Assembly; administration of the Unclaimed Property Act; and short-term borrowing when necessary. The mission is to carry out the mandates of the law as efficiently and cost-effectively as possible while providing related services to the public, State employees, and members of the retirement systems; and to manage the cash balances and trust funds under custody of the State Treasurer in keeping with the highest fiduciary standards in order to maximize income without undue risk.

The Auditor of Accounts audits the office annually. The performance of the office is a factor considered by the credit rating services when rating the State for the purpose of borrowing.

Funds requested are required to maintain the current range of services in a cost-effective manner. The service mix has been characterized by increases in the number of transactions and customers, particularly in the Unclaimed Property and Retirement Services divisions. Increased efficiencies have reduced the need for substantial budget increases.

# Administration

**FISCAL YEAR 2013 BUDGET  
ADMINISTRATION**

01/25/2012

<b>Service/Category</b>	<b>FY2011 Actual Expenses</b>	<b>FY 2012 Budget As Passed</b>	<b>FY2013 Request</b>
<b><u>Salaries/Benefits</u></b>			
Salaries	\$1,626,673	\$1,665,593	\$1,680,257
Benefits	\$715,042	\$846,343	\$833,860
Other Benefits	\$4,887	\$10,000	\$10,000
Subtotal	\$2,346,602	\$2,521,936	\$2,524,117
<b><u>Agency Support</u></b>			
Attorney General/Legal	\$17,348	\$20,000	\$24,500
Auditor of Accounts	\$499	\$3,500	\$3,500
Human Resources	\$0	\$7,174	\$2,123
Subtotal	\$17,847	\$30,674	\$30,123
<b><u>Third Party Support</u></b>			
Other Third Party Support	\$1,890	\$20,000	\$40,000
BGS CIT Customer Support	\$0	\$0	\$0
Subtotal	\$1,890	\$20,000	\$40,000
<b><u>Office and Administrative Support</u></b>			
Per Diem and Other Service	\$0	\$0	\$0
Repairs & Maintenance	\$0	\$2,500	\$2,500
Insurance (not employee related)	\$12,731	\$12,030	\$13,000
IT Hardware/Software/Supplies	\$17,270	\$67,000	\$70,000
Communications	\$31,383	\$47,500	\$50,250
Advertising & Other Media Costs	\$2,040	\$2,000	\$2,500
Printing/Binding	\$1,994	\$2,000	\$2,000
Postage/BGS	\$58,069	\$67,000	\$67,000
Fee for Space	\$59,078	\$62,506	\$56,000
Other Rentals	\$1,548	\$2,500	\$2,500
Supplies	\$13,428	\$15,000	\$17,500
FMS/HRMS/VISION Assessment	\$31,096	\$38,297	\$32,500
Dues/Subscriptions	\$3,013	\$3,000	\$3,250
Office Equipment	\$1,359	\$1,500	\$7,500
Meetings and Conferences	-\$591	\$2,500	\$2,500
Travel	\$9,390	\$6,750	\$6,750
Miscellaneous	\$1,877	\$5,491	\$5,760
Subtotal	\$243,685	\$337,574	\$341,510
<b>Sub Total</b>	<b>\$2,610,024</b>	<b>\$2,910,184</b>	<b>\$2,935,750</b>
Less Target reduction		\$0	\$0
Grants Emergency Personnel Survivors' Fund	\$0	\$0	\$0
Grants Armed Services Scholarship Fund	\$16,484	\$16,484	\$16,484
<b>Total</b>	<b>\$2,626,508</b>	<b>\$2,926,668</b>	<b>\$2,952,234</b>
<b><u>Source of Funds:</u></b>			
General Fund	\$886,816	\$1,065,828	\$988,481
Special Funds-Retirement Funds	\$1,636,099	\$1,744,843	\$1,874,673
Private Purpose-Unclaimed Property	\$103,593	\$115,997	\$89,080
	<b>\$2,626,508</b>	<b>\$2,926,668</b>	<b>\$2,952,234</b>

Department: State Treasurer

Appropriation: Office of the Treasurer

Deptid: 1260010000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services		2,522,619	3,093,278	2,561,936	2,561,936	2,588,617
Operating Expenses		331,089	257,500	348,248	348,248	347,133
Grants		16,484	1,717,379	16,484	16,484	16,484
Other Financing Uses Budget		0	16,484	0	0	0
<b>Total</b>		<b>2,870,192</b>	<b>5,084,641</b>	<b>2,926,668</b>	<b>2,926,668</b>	<b>2,952,234</b>
<b>FUND TYPE</b>						
General Fund		1,130,500	1,265,533	1,065,828	1,065,828	988,481
Special Fund		1,636,099	2,039,014	1,744,843	1,744,843	1,874,673
Emergency Pers Survivor Benefit		0	100,000	0	0	0
Financial Literacy Trust Fund		0	11,014	0	0	0
Indemnification Fund		0	1,963	0	0	0
Treas Retirement Admin Cost		1,636,099	1,926,037	1,744,843	1,744,843	1,874,673
Permanent Trust Fund		0	1,238,659	0	0	0
Pension Trust Fund		0	437,842	0	0	0
Interdepartmental Transfer		103,593	103,593	115,997	115,997	89,080
<b>Total</b>		<b>2,870,192</b>	<b>5,084,641</b>	<b>2,926,668</b>	<b>2,926,668</b>	<b>2,952,234</b>

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Classified Employees	500000	0	1,374,402	1,375,862	1,350,867	1,350,867	1,369,879
Exempt	500010	0	317,242	298,523	314,726	314,726	310,378
Temporary Employees	500040	0	0	121,359	0	0	0
OVERTIME	500060	0	0	79,038	0	0	0
FICA - Classified Employees	501000	0	0	104,934	0	0	0
FICA - Exempt	501010	0	0	23,222	0	0	0
FICA - Temporaries	501040	0	0	9,285	0	0	0
FICA	501099	0	100,708	0	103,556	103,556	95,140
MEDICARE	501299	0	23,552	0	24,291	24,291	22,252
Health Ins - Classified Empl	501500	0	0	291,745	0	0	0
Health Ins - Exempt	501510	0	0	47,956	0	0	0
HEALTH INSURANCE	501599	0	362,560	0	399,777	399,777	405,213
Retirement - Classified Empl	502000	0	0	219,030	0	0	0
Retirement - Exempt	502010	0	0	35,398	0	0	0
RETIREMENT	502099	0	267,953	0	289,784	289,784	279,521
Dental - Classified Employees	502500	0	0	14,632	0	0	0
Dental - Exempt	502510	0	0	2,257	0	0	0
DENTAL	502599	0	22,028	0	20,845	20,845	22,549
Life Ins - Classified Empl	503000	0	0	5,446	0	0	0
Life Ins - Exempt	503010	0	0	1,203	0	0	0
LIFE INSURANCE	503099	0	6,426	0	5,915	5,915	6,798
LTD - Classified Employees	503500	0	0	544	0	0	0
LTD - Exempt	503510	0	0	416	0	0	0
LONG TERM DISABILITY	503599	0	1,880	0	1,327	1,327	1,473
EAP - Classified Empl	504000	0	0	698	0	0	0
EAP - Exempt	504010	0	0	104	0	0	0
EMPLOYEE ASSISTANCE PROGRAM	504099	0	868	0	848	848	914
Workers Comp - Ins Premium	505200	0	5,000	3,363	5,000	5,000	5,000
Unemployment Compensation	505500	0	5,000	1,524	5,000	5,000	5,000

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
CATAMOUNT HEALTH ASSESSMENT	505700	0	0	0	0	0	0
Salaries & Wages Budget	000120	0	1,691,644	1,874,782	1,665,593	1,665,593	1,680,257
Fringe Benefits Budget	000150	0	795,975	761,757	856,343	856,343	843,860
Other Pers Serv	506200	0	0	0	0	0	0
Transcripts	506220	0	0	23	0	0	0
Per Diem & Othr Persnl Sv Bdgt	000280	0	0	23	0	0	0
Cont&3rd Party-Investment Mgmt	507110	0	0	436,433	0	0	0
Contr & 3rd Party - Legal	507200	0	20,000	17,347	20,000	20,000	24,500
Contr&3rd Pty-Educ & Training	507350	0	0	0	0	0	0
Contr&3rd Pty - Info Tech	507550	0	0	0	0	0	0
CONTR-INFO TECH-WEB HOSTING	507552	0	0	47	0	0	0
CONTR-COMPSOFTWARE-SYSDEVELOP	507553	0	0	0	0	0	0
CONTR-COMPSOFTWR-SYSMAINT&UPGR	507554	0	0	1,533	0	0	0
ADVERTISING/MARKETING-OTHER	507563	0	0	0	0	0	0
Other Contr and 3rd Pty Serv	507600	0	15,000	0	20,000	20,000	40,000
INTERPRETERS	507615	0	0	0	0	0	0
TEMPORARY EMPLOYMENT AGENCIES	507630	0	0	1,356	0	0	0
Contractd & 3rd Party Serv Bdgt	000320	0	35,000	456,716	40,000	40,000	64,500
REP&MAINT-INFO TECH HARDWARE	513000	0	2,340	0	2,500	2,500	2,611
REPAIR&MAINTENANCE-COMPSYS HW	513005	0	0	0	0	0	0
REPAIR & MAINT - OFFICE TECH	513010	0	0	2,547	0	0	0
Rep&Maint-Data Processg Equip	513020	0	0	0	0	0	0
Other Repair & Maint Serv	513200	0	2,500	0	2,500	2,500	2,500
REPAIR&MAINT-PROPERTY/GROUNDS	513210	0	0	0	0	0	0
Repair & Maintenance Svcs Bdgt	000775	0	4,840	2,547	5,000	5,000	5,111

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Rental - Auto	514550	0	0	0	0	0	0
Rental - Office Equipment	514650	0	0	1,549	0	0	0
Rental - Other	515000	0	2,500	0	2,500	2,500	2,500
FEE-FOR-SPACE CHARGE	515010	0	59,289	59,078	62,506	62,506	56,000
Rentals Budget	001000	0	61,789	60,627	65,006	65,006	58,500
Insurance other than Empl Bene	516000	0	3,000	141	12,030	12,030	13,000
Insurance - General Liability	516010	0	0	12,590	0	0	0
Dues	516500	0	3,000	1,512	3,000	3,000	3,250
Communications	516600	0	24,225	(356)	47,500	47,500	50,250
Toll-Free Telephone	516611	0	0	45	0	0	0
TELECOM-FIXED WIRELESS DATA	516622	0	0	46	0	0	0
TELECOM-MOBILE WIRELESS DATA	516623	0	0	225	0	0	0
TELECOM-OTHER TELECOM SERVICES	516650	0	0	485	0	0	0
TELECOM-TELEPHONE SERVICES	516652	0	10,625	3,759	0	0	0
TELECOM-LONG DISTANCE SERVICE	516655	0	0	0	0	0	0
TELECOM-PAGING SERVICE	516656	0	0	59	0	0	0
TELECOM-TOLL FREE PHONE SERV	516657	0	0	121	0	0	0
TELECOM-CONF CALLING SERVICES	516658	0	0	844	0	0	0
TELECOM-WIRELESS PHONE SERVICE	516659	0	0	288	0	0	0
IT INTERSVCCOST- DII OTHER	516670	0	0	3,525	0	0	0
IT INTSVCCOST-VISION/ISDASSESS	516671	0	0	31,096	0	0	0
IT INTER SVC COST DATA PROCESS	516677	0	7,650	3,360	0	0	0
IT INT SVC DII ALLOCATED FEE	516685	0	19,638	18,983	0	0	0
ADVERTISING-TV	516811	0	0	0	0	0	0
ADVERTISING-PRINT	516813	0	0	2,040	0	0	0
ADVERTISING-OTHER	516815	0	2,000	0	2,000	2,000	2,500
Advertising - Job Vacancies	516820	0	0	0	0	0	0

Agency Name: State Treasurer

Program: 1260010000 Office of the Treasurer

Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Printing and Binding	517000	0	1,500	0	0	0	0
PRINTING & BINDING-BGS COPY CT	517005	0	0	6,141	2,000	2,000	2,000
Printing-Promotional	517010	0	0	2,423	0	0	0
Registration for Meetings&Conf	517100	0	0	100	0	0	0
TRAINING - INFO TECH	517110	0	1,560	0	1,500	1,500	1,568
Postage	517200	0	0	3,285	0	0	0
POSTAGE - BGS POSTAL SVCS ONLY	517205	0	70,000	54,438	67,000	67,000	67,000
Freight & Express Mail	517300	0	0	400	0	0	0
INSTATE CONF, MEETINGS, ETC	517400	0	0	0	0	0	0
CATERING-MEALS-COST	517410	0	0	998	0	0	0
OUTSIDE CONF, MEETINGS, ETC	517500	0	2,500	0	2,500	2,500	2,500
Travel-Inst-Auto Mileage-Emp	518000	0	7,500	5,540	6,750	6,750	6,750
Travel-Inst-Other Transp-Emp	518010	0	0	651	0	0	0
Travel-Inst-Meals-Emp	518020	0	0	0	0	0	0
Travel-Inst-Lodging-Emp	518030	0	0	0	0	0	0
Travel-Inst-Incidentals-Emp	518040	0	0	77	0	0	0
Travl-Inst-Auto Mileage-Nonemp	518300	0	0	37	0	0	0
Travel-Outst-Auto Mileage-Emp	518500	0	0	948	0	0	0
Travel-Outst-Other Trans-Emp	518510	0	0	(1,037)	0	0	0
Travel-Outst-Meals-Emp	518520	0	0	98	0	0	0
Travel-Outst-Lodging-Emp	518530	0	0	3,890	0	0	0
Travel-Outst-Incidentals-Emp	518540	0	0	134	0	0	0
CONFERENCE OUTSTATE - EMP	518550	0	0	(691)	0	0	0
Trav-Outst-AutoMileage-Nonemp	518700	0	0	382	0	0	0
Travel-Outst-Meals-Nonemp	518720	0	0	297	0	0	0
Other Purchased Services	519000	0	4,112	296	5,491	5,491	5,760
HUMAN RESOURCES SERVICES	519006	0	0	0	7,174	7,174	2,123
Administrative Service Charge	519010	0	0	0	0	0	0
Moving State Agencies	519040	0	0	201	0	0	0

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Purchased Services Budget	001200	0	157,310	157,371	156,945	156,945	156,701
Office Supplies	520000	0	20,000	3,413	15,000	15,000	17,500
FORMS	520005	0	0	4,149	0	0	0
STATIONARY & ENVELOPES	520015	0	0	4,498	0	0	0
Vehicle & Equip Supplies&Fuel	520100	0	0	0	0	0	0
Other General Supplies	520500	0	0	1,785	0	0	0
IT & DATA PROCESSING SUPPLIES	520510	0	12,422	6,766	12,500	12,500	13,062
Educational Supplies	520540	0	0	1,277	0	0	0
Recognition/Awards	520600	0	0	160	0	0	0
Food	520700	0	0	725	0	0	0
Books&Periodicals-Library/Educ	521500	0	0	0	0	0	0
Subscriptions	521510	0	0	1,500	0	0	0
Other Books & Periodicals	521520	0	0	595	0	0	0
Paper Products	521820	0	0	0	0	0	0
Supplies Budget	001800	0	32,422	24,868	27,500	27,500	30,562
HW - OTHER INFO TECH	522200	0	1,560	1,066	2,000	2,000	2,093
Info Tech Purchases-Hardware	522210	0	0	0	0	0	0
HARDWARE - UPS	522212	0	0	0	0	0	0
HW-SERVER,MAINFRME,DATASTOREQU	522214	0	21,450	0	33,000	33,000	34,475
HW-SWITCHES,ROUTER,OTHER	522215	0	0	97	0	0	0
HARDWARE - DESKTOP & LAPTOP PC	522216	0	3,900	4,577	5,500	5,500	5,747
HW - PRINTERS,COPIERS,SCANNERS	522217	0	1,170	171	1,200	1,200	1,253
SOFTWARE - OTHER	522220	0	6,560	310	8,800	8,800	9,191
SOFTWARE - OFFICE TECHNOLOGY	522221	0	0	997	0	0	0
SW-DATABASE&MANAGEMENT SYS	522222	0	0	989	0	0	0
SW-WEBSITE DEV MAINT HOSTING	522224	0	0	0	0	0	0
SW-SERVER&LOCAL AREA NETWORK	522225	0	0	60	0	0	0

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
SW-FIREWALL FILTER & SECURITY	522227	0	0	0	0	0	0
Other Equipment	522400	0	0	0	0	0	0
Office Equipment	522410	0	1,500	0	1,500	1,500	7,500
Furniture & Fixtures	522700	0	0	1,358	0	0	0
Equipment Budget	002600	0	36,140	9,625	52,000	52,000	60,259
Single Audit Allocation	523620	0	3,500	499	3,500	3,500	3,500
Cost of Telephone Service	525230	0	0	0	0	0	0
Cost of Outside Printing & Dup	525360	0	0	0	0	0	0
Other Claims	526030	0	0	1,963	0	0	0
Admin Miscellaneous	526110	0	0	0	0	0	0
Other Operating Expenses Bdgt	003200	0	3,500	2,462	3,500	3,500	3,500
VISION / ISD ASSESSMENT	523800	0	35,088	0	38,297	38,297	32,500
Vision / ISD Assessment	003710	0	35,088	0	38,297	38,297	32,500
Grants	550220	0	0	378,720	0	0	0
Other Grants	550500	0	16,484	1,338,659	16,484	16,484	16,484
Grants Other Than AHS Budget	005005	0	16,484	1,717,379	16,484	16,484	16,484
TRANSFER OUT	720000	0	0	16,484	0	0	0
Transfer Out Budget	007050	0	0	16,484	0	0	0
PAYMENTS TO BOND ESCROW AGENT	720030	0	0	0	0	0	0
Paymnts Bond Escrow Agent Bdgt	007200	0	0	0	0	0	0
EXPENDITURE TOTALS		0	2,870,192	5,084,641	2,926,668	2,926,668	2,952,234

Agency Name: State Treasurer  
 Program: 1260010000 Office of the Treasurer  
 Reporting Level: 1260-1260-0003-0000-0000-0000

1 Object/Revenue Description		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Code							
MEANS OF FUNDING							
General Fund	10000	0	1,130,500	1,265,533	1,065,828	1,065,828	988,481
General Fund	102590	0	1,130,500	1,265,533	1,065,828	1,065,828	988,481
Deferred Compensation	63109	0	0	437,842	0	0	0
Vt Higher Educ Endow Trust	40100	0	0	1,238,659	0	0	0
Financial Literacy Trust Fund	21001	0	0	11,014	0	0	0
Treas Retirement Admin Cost	21520	0	1,636,099	1,926,037	1,744,843	1,744,843	1,874,673
Emergency Pers Survivor Benefit	21884	0	0	100,000	0	0	0
Indemnification Fund	21980	0	0	1,963	0	0	0
Incorrect Funding Source	99999	0	0	0	0	0	0
Pension Trust Fund	102610	0	0	437,842	0	0	0
Permanent Trust Fund	102620	0	0	1,238,659	0	0	0
Special Fund	102640	0	1,636,099	2,039,014	1,744,843	1,744,843	1,874,673
Inter-Unit Transfers Fund	21500	0	103,593	103,593	115,997	115,997	89,080
Interdepartmental Transfer	102760	0	103,593	103,593	115,997	115,997	89,080
<b>TOTAL FUNDING</b>		<b>0</b>	<b>2,870,192</b>	<b>5,084,641</b>	<b>2,926,668</b>	<b>2,926,668</b>	<b>2,952,234</b>
AUTHORIZED EMPLOYEES							
FTE - EXEMPT		0.00	4.00	0.00	4.00	4.00	4.00
# OF POSITIONS		0.00	29.00	0.00	29.00	29.00	29.00
FTE - CLS		0.00	25.00	0.00	25.00	25.00	25.00

# FISCAL YEAR 2013 BUDGET

## Mission Statement

### FORM 4

**Department: Treasurer**

The Office of the State Treasurer is a service and administrative department with most duties prescribed by statute. Its responsibilities include management and accounting of the State's cash balances; processing of payments and reconciliations of payroll and vendor payments; administration and operation of three major pension plans, the deferred compensation plan and defined contribution plan for State employees; management of temporary investment of State funds; selling and servicing bonds authorized by the General Assembly; administration of the Unclaimed Property Act; and short-term borrowing when necessary. The mission is to carry out the mandates of the law as efficiently and cost-effectively as possible while providing related services to the public, State employees and members of the retirement systems; and to manage the cash balances and trust funds under the custody of the State Treasurer in keeping with the highest fiduciary standards in order to maximize investment income without undue risk.

Our office is audited annually by the Auditor of Accounts. The performance of the office is a factor considered by the credit rating services when rating the State for the purpose of borrowing.

Funds requested are required to maintain the current range of services in a cost-effective manner. The service mix has been characterized by increases in the number of transactions and customers particularly in the Unclaimed Property and Retirement Services Divisions. Increased efficiencies have reduced the need for substantial budget increases.

**Office of the State Treasurer**

**Agency Level Performance Measures:**

	FY 2009 <u>Actual</u>	FY 2010 <u>Actual</u>	FY 2011 <u>Actual</u>	FY 2012 <u>Projected</u>	FY 2013 <u>Projected</u>
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**Accounting Services**

Purpose: Perform accounting services and support banking operations. Process warrants for payment, stop payments and replacements, revenue processing and account reconciliation.

Objectives: To provide effective and efficient management of the cash concentration and cash disbursement process.

Measures:

Output	Number of Checks Processed	666,229	634,933	571,986	550,000	525,000
Output	EFT Transactions Processed	881,668	930,117	1,004,302	1,000,000	1,075,000
Outcome	Number of Deposits	80,190	104,737	122,241	100,000	125,000
Outcome	NSF Checks Processed	2,910	2,598	2,719	2,800	2,650
Output	Payments Stopped and Replaced	1,502	1,535	1,288	1,450	1,200
Output	Core Accounts Reconciled	31	31	31	31	31

**FY 2009**  
**Actual**

**FY 2010**  
**Actual**

**FY 2011**  
**Actual**

**FY 2012**  
**Projected**

**FY 2013**  
**Projected**

**Unclaimed Property**

Purpose: Administration of State's Unclaimed Property Act and to maximize: 1) receipts of unclaimed property held in trust for the true owners; 2) the refund of property to true owners.

Objectives: To provide effective and efficient management of State's Unclaimed Property Act.

Measures:

Outcome	Unclaimed Property Receipts	\$8,260,830	\$8,907,053	\$8,421,362	\$9,150,000	\$9,250,000
Output	Number of Claims Processed	8,798	14,142	11,776	12,750	13,000
Output	Dollar value of claims Processed	\$5,597,231	\$4,994,738	\$4,259,847	\$4,400,000	\$5,000,000
Output	Average Claim Paid	\$636	\$353	\$362	\$345	\$385

**Cash and Investment Management**

Purpose: Cash and Investment management safeguards the financial assets of the state and creates revenues through the investment of cash balances and the assets of the pension funds.

Objectives: To provide effective and efficient management of the state's cash management program by contributing excess returns above the three month Treasury Bill auction rate. Provide effective and efficient management of the pension assets by contributing excess returns above the actuarial expectations of performance.

Measures:

Outcome	Net yield of Cash Management program over average bond yield for the auction of three month Treasury Bills.	1.020%	0.290%	0.150%	0.200%	0.300%
Outcome	Net yield of Trust Fund Investment Program over average actuarial rate assumption.	3.59%	-2.21%	-0.89%	0.00%	0.00%
Outcome	Investment earnings-Pension funds total return	-19.16%	17.90%	20.90%	0.00%	6.75%
Outcome	Net assets held in trust for employees' pension and other postemployment benefits	2,574.8	\$2,957.0	\$3,470.3	\$3,385.3	\$3,613.8

	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Projected</u></b>	<b><u>Projected</u></b>

**Retirement Services**

Purpose: Retirement Services administers the major statewide retirement systems for public employees and certain employee benefit programs which are assigned to the department.

Objectives: To provide effective and efficient recordkeeping of active member accounts, credible service, compensation and contribution balances. Conduct pre-retirement counseling and benefit estimate communication as well as on going communication with active members.

Measures:

Outcome	Active Members	25,427	24,896	24,366	24,500	25,000
Outcome	Retirees and Beneficiaries	12,245	12,991	14,159	14,500	15,000
Output	Defined Benefit Retirement Benefits Paid	\$175 Million	\$186 Million	\$216 Million	\$220 Million	\$228 Million

Performance Indicators: \*

Output	Retirement Estimates	7,999	7,231	7,019	7,450	7,200
Output	Individual Counseling Sessions	1,196	1,077	1,054	1,300	1,060
Outcome	Retirements	907	1,023	1,008	1,200	1,100
Outcome	Withdrawals	937	1,386	1,312	1,600	1,400
Output	Seminars Conducted	90	64	40	80	49
Outcome	Seminar Attendance	1,623	1,496	1,000	1,700	1,200

\* Performance Indicators are shown on a calendar year basis.

**Staff**

Classified Positions	34	29	29	29	29
Classified Part Time	0	0	0	0	0
Exempt Positions	4	4	4	4	4
Total	38	33	33	33	33

**FISCAL YEAR 2013 BUDGET  
DEPARTMENT PROGRAM PROFILE**

<b>DEPARTMENT:</b>	<b>Office of the State Treasurer *</b>								
	Name and brief narrative description of program (not to exceed 2 sentences for each)	GF \$\$	TF \$\$	Spec Funds (including tobacco) \$\$	Fed Fund \$\$	All Other Funds \$\$	Total Funds \$\$	Authorized Positions *	Amounts Granted Out
<b>Financial Services</b>	Banking services, disbursement processing, bank account & cash reconciliation, accounting services for Retirement Funds, writs and levies, audit compliance, IT support & admin services.								
FY 2011 expenditures		727,189		163,610			890,799		
FY 2012 estimated expenditures		873,979		174,484			1,048,463		
FY 2013 budget request		810,554		187,467			998,022		
<b>Cash &amp; Investment Services</b>	Cash Management and review, preparation and issuance of debt pay-back. Managing state's investments and Pension Trusts, SDIA, Deferred Compensation and Defined								
FY 2011 expenditures		159,627		409,025			568,652		
FY 2012 estimated expenditures		191,849		436,211			628,060		
FY 2013 budget request		177,927		468,668			646,595		
<b>Retirement Services</b>	Counseling, education, enrollment, communication, contribution processing, benefit payment, annual actuarial data, administrative and retirement board support.								
FY 2011 expenditures				1,063,464			1,063,464		
FY 2012 estimated expenditures				1,134,148			1,134,148		
FY 2013 budget request				1,218,537			1,218,537		
<b>Unclaimed Property Services</b>	All correspondence, reports, claims and accounting for Unclaimed Property. Administrative Support								
FY 2011 expenditures						103,593	103,593	4	
FY 2012 estimated expenditures						115,997	115,997	4	
FY 2013 budget request						89,080	89,080	4	
	<b>Total Department</b>								
	FY 2011 expenditures	886,816		1,636,099		103,593	2,626,508	33	16,484
	FY 2012 estimated expenditures	1,065,828		1,744,843		115,997	2,926,668	33	16,484
	FY 2013 budget request	988,481		1,874,673		89,080	2,952,234	33	16,484
<p><b>* Note:</b> Positions in the State Treasurer's Office with the exception of four (Unclaimed Property), including exempt positions, perform several of the functions listed. Each function listed is multifaceted and performed by several staff members for internal control purposes. It is not feasible to assign individual staff positions to tasks (with the exception of Unclaimed Property, as noted).</p>									

# Unclaimed Property

01/25/2012

**FISCAL YEAR 2013 BUDGET  
UNCLAIMED PROPERTY**

	<b>FY 2011 Actual Expenses</b>	<b>FY 2012 Budget</b>	<b>FY2013 Request</b>
<b>Service/Category</b>			
<b><u>Salaries/Benefits</u></b>			
Salaries	\$197,855	\$188,947	\$193,856
Benefits	\$105,281	\$114,960	\$115,493
Other Benefits	\$292	\$400	\$720
Subtotal	\$303,428	\$304,307	\$310,069
<b><u>Agency Support</u></b>			
Attorney General/Legal	\$14,312	\$17,200	\$19,300
Audit	\$71	\$500	\$500
Human Resources	\$0	\$3,934	\$2,712
Subtotal	\$14,383	\$21,634	\$22,512
<b><u>Third Party Support</u></b>			
ACS/Unclaimed Property Clearinghouse	\$96,412	\$273,000	\$398,000
UPMS system	\$25,166	\$31,250	\$31,250
Other Administrative Support	\$13,334	\$35,000	\$35,000
Subtotal	\$134,912	\$339,250	\$464,250
<b><u>Office and Administrative Support</u></b>			
Administrative Support	\$103,593	\$115,997	\$89,080
Repairs & Maintenance	\$0	\$300	\$300
Insurance (not employee related)	\$1,107	\$1,337	\$900
Computer Hardware/Software	\$609	\$15,315	\$15,315
Communications	\$5,065	\$7,500	\$7,500
Advertising & Other Media Costs	\$64,335	\$60,000	\$60,000
Printing/Binding	\$430	\$1,250	\$1,250
Postage/BGS	\$4,832	\$15,000	\$15,000
Fee for Space	\$10,426	\$11,031	\$26,311
Supplies	\$1,446	\$3,000	\$3,000
FMS/HRMS/VISION Assessment	\$2,704	\$4,255	\$2,415
Dues/Subscriptions	\$2,302	\$2,500	\$2,500
Office Equipment	\$550	\$2,500	\$2,500
Meetings and Conferences	\$0	\$2,000	\$2,000
Travel	\$934	\$2,000	\$2,000
Miscellaneous	\$1,460	\$4,819	\$4,819
Subtotal	\$199,793	\$248,804	\$234,890
<b>Total</b>	<b>\$652,516</b>	<b>\$913,995</b>	<b>\$1,031,721</b>
Source of Funds:			
Private Purpose Trust-(Unclaimed Prop)	\$652,516	\$913,995	\$1,031,721

Department: State Treasurer

Appropriation: Unclaimed Property

Deptid: 1260160000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services		670,521	427,742	660,757	660,757	793,619
Operating Expenses		243,474	224,775	253,238	253,238	238,102
<b>Total</b>		<b>913,995</b>	<b>652,517</b>	<b>913,995</b>	<b>913,995</b>	<b>1,031,721</b>
<b>FUND TYPE</b>						
Private Purpose Trust Fund		913,995	652,517	913,995	913,995	1,031,721
<b>Total</b>		<b>913,995</b>	<b>652,517</b>	<b>913,995</b>	<b>913,995</b>	<b>1,031,721</b>

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Classified Employees	500000	0	196,374	197,349	188,947	188,947	193,856
Temporary Employees	500040	0	0	0	0	0	0
OVERTIME	500060	0	0	506	0	0	0
FICA - Classified Employees	501000	0	0	14,557	0	0	0
FICA - Temporaries	501040	0	0	0	0	0	0
FICA	501099	0	11,272	0	11,715	11,715	10,973
MEDICARE	501299	0	2,636	0	2,739	2,739	2,566
Health Ins - Classified Empl	501500	0	0	56,912	0	0	0
HEALTH INSURANCE	501599	0	58,320	0	63,658	63,658	64,515
Retirement - Classified Empl	502000	0	0	30,180	0	0	0
RETIREMENT	502099	0	31,105	0	32,763	32,763	33,043
Dental - Classified Employees	502500	0	0	2,785	0	0	0
DENTAL	502599	0	3,622	0	3,318	3,318	3,464
Life Ins - Classified Empl	503000	0	0	653	0	0	0
LIFE INSURANCE	503099	0	674	0	649	649	664
LTD - Classified Employees	503500	0	0	80	0	0	0
LONG TERM DISABILITY	503599	0	156	0	0	0	142
EAP - Classified Empl	504000	0	0	115	0	0	0
EMPLOYEE ASSISTANCE PROGRAM	504099	0	112	0	118	118	126
Workers Comp - Ins Premium	505200	0	0	292	0	0	0
Unemployment Compensation	505500	0	0	0	400	400	720
CATAMOUNT HEALTH ASSESSMENT	505700	0	0	0	0	0	0
Salaries & Wages Budget	000120	0	196,374	197,855	188,947	188,947	193,856
Fringe Benefits Budget	000150	0	107,897	105,574	115,360	115,360	116,213
Other Pers Serv	506200	0	0	13,334	0	0	0
Per Diem & Othr Persnl Sv Bdgt	000280	0	0	13,334	0	0	0

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Contr & 3rd Party - Financial	507100	0	275,000	96,412	273,000	273,000	398,000
Contr & 3rd Party - Legal	507200	0	15,000	14,311	17,200	17,200	19,300
Contr&3rd Pty - Info Tech	507550	0	31,250	0	31,250	31,250	31,250
CONTR-INFO TECH-WEB HOSTING	507552	0	0	4	0	0	0
CONTR-COMPSOFTWARE-SYSDEVELOP	507553	0	0	0	0	0	0
CONTR-COMPSOFTWR-SYSMAINT&UPGR	507554	0	0	134	0	0	0
CONTR-OFFICETECH,SRV&NTWRKSUP	507555	0	0	0	0	0	0
Other Contr and 3rd Pty Serv	507600	0	45,000	0	35,000	35,000	35,000
TEMPORARY EMPLOYMENT AGENCIES	507630	0	0	118	0	0	0
Contrctd & 3rd Party Serv Bdgt	000320	0	366,250	110,979	356,450	356,450	483,550
REP&MAINT-INFO TECH HARDWARE	513000	0	180	0	180	180	180
REPAIR&MAINTENANCE-COMPSYS HW	513005	0	0	0	0	0	0
REPAIR & MAINT - OFFICE TECH	513010	0	300	195	300	300	300
Rep&Maint-Data Processg Equip	513020	0	0	0	0	0	0
Other Repair & Maint Serv	513200	0	0	0	0	0	0
REPAIR&MAINT-PROPERTY/GROUNDS	513210	0	0	0	0	0	0
Repair & Maintenance Svcs Bdgt	000775	0	480	195	480	480	480
Rent Land&Bldgs-Non-Office	514010	0	0	0	0	0	0
Rental - Auto	514550	0	0	0	0	0	0
Rental - Office Equipment	514650	0	0	110	0	0	0
Rental - Other	515000	0	0	0	0	0	0
FEE-FOR-SPACE CHARGE	515010	0	10,831	10,426	11,031	11,031	26,311
Rentals Budget	001000	0	10,831	10,536	11,031	11,031	26,311
Insurance other than Empl Bene	516000	0	0	12	0	0	0
Insurance - General Liability	516010	0	300	1,095	1,337	1,337	900
Dues	516500	0	650	2,288	2,500	2,500	2,500

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Licenses	516550	0	0	90	0	0	0
Communications	516600	0	11,905	0	7,500	7,500	7,500
Toll-Free Telephone	516611	0	0	4	0	0	0
TELECOM-FIXED WIRELESS DATA	516622	0	0	4	0	0	0
TELECOM-MOBILE WIRELESS DATA	516623	0	0	19	0	0	0
TELECOM-OTHER TELECOM SERVICES	516650	0	0	342	0	0	0
TELECOM-TELEPHONE SERVICES	516652	0	0	2,352	0	0	0
TELECOM-LONG DISTANCE SERVICE	516655	0	0	0	0	0	0
TELECOM-PAGING SERVICE	516656	0	0	5	0	0	0
TELECOM-TOLL FREE PHONE SERV	516657	0	0	11	0	0	0
TELECOM-CONF CALLING SERVICES	516658	0	0	54	0	0	0
TELECOM-WIRELESS PHONE SERVICE	516659	0	0	25	0	0	0
IT INTERSVCCOST- DII OTHER	516670	0	0	307	0	0	0
IT INTSVCCOST-VISION/ISDASSESS	516671	0	0	2,704	0	0	0
IT INTSVCCOS-DII DATA TELECOMM	516673	0	11,900	0	11,900	11,900	11,900
IT INTER SVC COST DATA PROCESS	516677	0	0	292	0	0	0
IT INT SVC DII ALLOCATED FEE	516685	0	0	1,651	0	0	0
ADVERTISING-TV	516811	0	17,500	29,651	17,500	17,500	17,500
ADVERTISING-RADIO	516812	0	10,000	0	10,000	10,000	10,000
ADVERTISING-PRINT	516813	0	30,000	23,074	30,000	30,000	30,000
ADVERTISING-OTHER	516815	0	2,500	9,574	2,500	2,500	2,500
Advertising - Job Vacancies	516820	0	0	0	0	0	0
TRADE SHOWS & EVENTS	516870	0	0	2,035	0	0	0
Printing and Binding	517000	0	1,500	0	1,250	1,250	1,250
PRINTING & BINDING-BGS COPY CT	517005	0	0	431	0	0	0
Registration for Meetings&Conf	517100	0	0	28	0	0	0
TRAINING - INFO TECH	517110	0	0	0	0	0	0
Postage	517200	0	0	0	0	0	0
POSTAGE - BGS POSTAL SVCS ONLY	517205	0	20,000	4,734	15,000	15,000	15,000

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Freight & Express Mail	517300	0	0	98	0	0	0
CATERING-MEALS-COST	517410	0	0	0	0	0	0
OUTSIDE CONF, MEETINGS, ETC	517500	0	0	0	0	0	0
Travel-Inst-Auto Mileage-Emp	518000	0	500	914	500	500	500
Travel-Inst-Incidentals-Emp	518040	0	50	20	50	50	50
Travel-Inst-Auto Mileage-Nonemp	518300	0	500	0	500	500	500
Travel-Outst-Auto Mileage-Emp	518500	0	100	0	100	100	100
Travel-Outst-Other Trans-Emp	518510	0	650	0	650	650	650
Travel-Outst-Meals-Emp	518520	0	200	0	200	200	200
Travel-Outst-Lodging-Emp	518530	0	2,000	0	2,000	2,000	2,000
Other Purchased Services	519000	0	5,000	1,113	4,819	4,819	4,819
HUMAN RESOURCES SERVICES	519006	0	0	0	3,934	3,934	2,712
Administrative Service Charge	519010	0	103,593	103,593	115,997	115,997	89,080
Moving State Agencies	519040	0	0	0	0	0	0
Purchased Services Budget	001200	0	218,848	186,520	228,237	228,237	199,661
Office Supplies	520000	0	3,000	213	3,000	3,000	3,000
FORMS	520005	0	0	102	0	0	0
STATIONARY & ENVELOPES	520015	0	0	601	0	0	0
Electrical Supplies	520230	0	0	8	0	0	0
Other General Supplies	520500	0	0	0	0	0	0
IT & DATA PROCESSING SUPPLIES	520510	0	955	299	955	955	955
Educational Supplies	520540	0	0	3	0	0	0
Recognition/Awards	520600	0	0	7	0	0	0
Food	520700	0	0	112	0	0	0
Books&Periodicals-Library/Educ	521500	0	0	400	0	0	0
Subscriptions	521510	0	0	13	0	0	0
Paper Products	521820	0	0	0	0	0	0
Supplies Budget	001800	0	3,955	1,758	3,955	3,955	3,955

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
HW - OTHER INFO TECH	522200	0	2,160	84	2,160	2,160	2,160
Info Tech Purchases-Hardware	522210	0	0	0	0	0	0
HARDWARE - UPS	522212	0	0	0	0	0	0
HW-SERVER,MAINFRME,DATASTOREQU	522214	0	0	0	0	0	0
HW-SWITCHES,ROUTER,OTHER	522215	0	0	8	0	0	0
HARDWARE - DESKTOP & LAPTOP PC	522216	0	0	(169)	0	0	0
HW - PRINTERS,COPIERS,SCANNERS	522217	0	0	15	0	0	0
SOFTWARE - OTHER	522220	0	120	25,029	120	120	120
SOFTWARE - OFFICE TECHNOLOGY	522221	0	0	87	0	0	0
SW-DATABASE&MANAGEMENT SYS	522222	0	0	86	0	0	0
SW-SERVER&LOCAL AREA NETWORK	522225	0	0	5	0	0	0
SW-FIREWALL FILTER & SECURITY	522227	0	0	0	0	0	0
Other Equipment	522400	0	2,500	0	2,500	2,500	2,500
Office Equipment	522410	0	0	0	0	0	0
Furniture & Fixtures	522700	0	0	550	0	0	0
Equipment Budget	002600	0	4,780	25,695	4,780	4,780	4,780
Single Audit Allocation	523620	0	500	71	500	500	500
Other Operating Expenses Bdgt	003200	0	500	71	500	500	500
VISION / ISD ASSESSMENT	523800	0	4,080	0	4,255	4,255	2,415
Vision / ISD Assessment	003710	0	4,080	0	4,255	4,255	2,415
<b>EXPENDITURE TOTALS</b>		<b>0</b>	<b>913,995</b>	<b>652,517</b>	<b>913,995</b>	<b>913,995</b>	<b>1,031,721</b>
MEANS OF FUNDING							
Unclaimed Property Fund	62100	0	913,995	652,517	913,995	913,995	1,031,721
Private Purpose Trust Fund	102630	0	913,995	652,517	913,995	913,995	1,031,721

Agency Name: State Treasurer  
 Program: 1260160000 Unclaimed Property  
 Reporting Level: 1260-1260-0002-0000-0000-0000

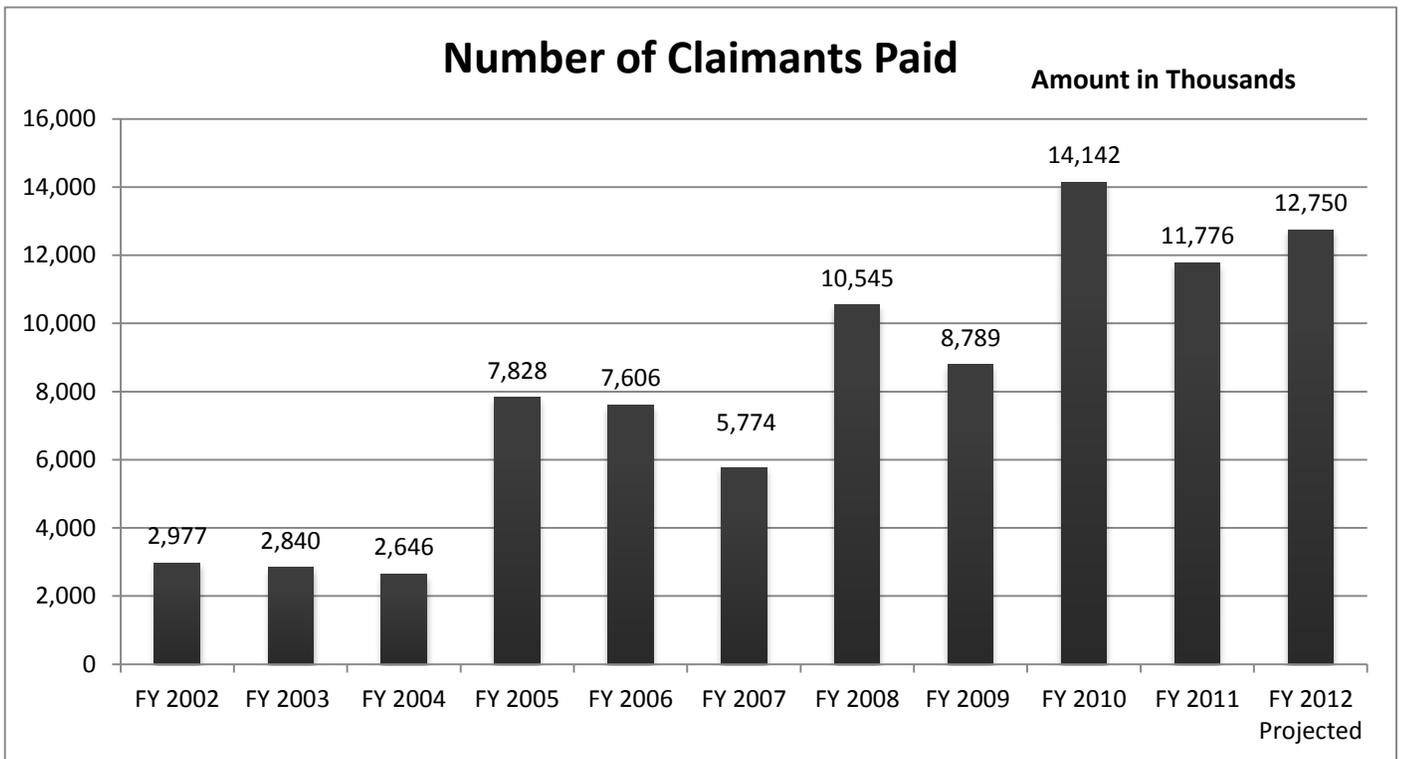
1 Object/Revenue Code Description	2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
MEANS OF FUNDING						
Inter-Unit Transfers Fund 21500	0	0	0	0	0	0
Interdepartmental Transfer 102760	0	0	0	0	0	0
TOTAL FUNDING	0	913,995	652,517	913,995	913,995	1,031,721
AUTHORIZED EMPLOYEES						
# OF POSITIONS	0.00	4.00	0.00	4.00	4.00	4.00
FTE - CLS	0.00	4.00	0.00	4.00	4.00	4.00

**Results:**

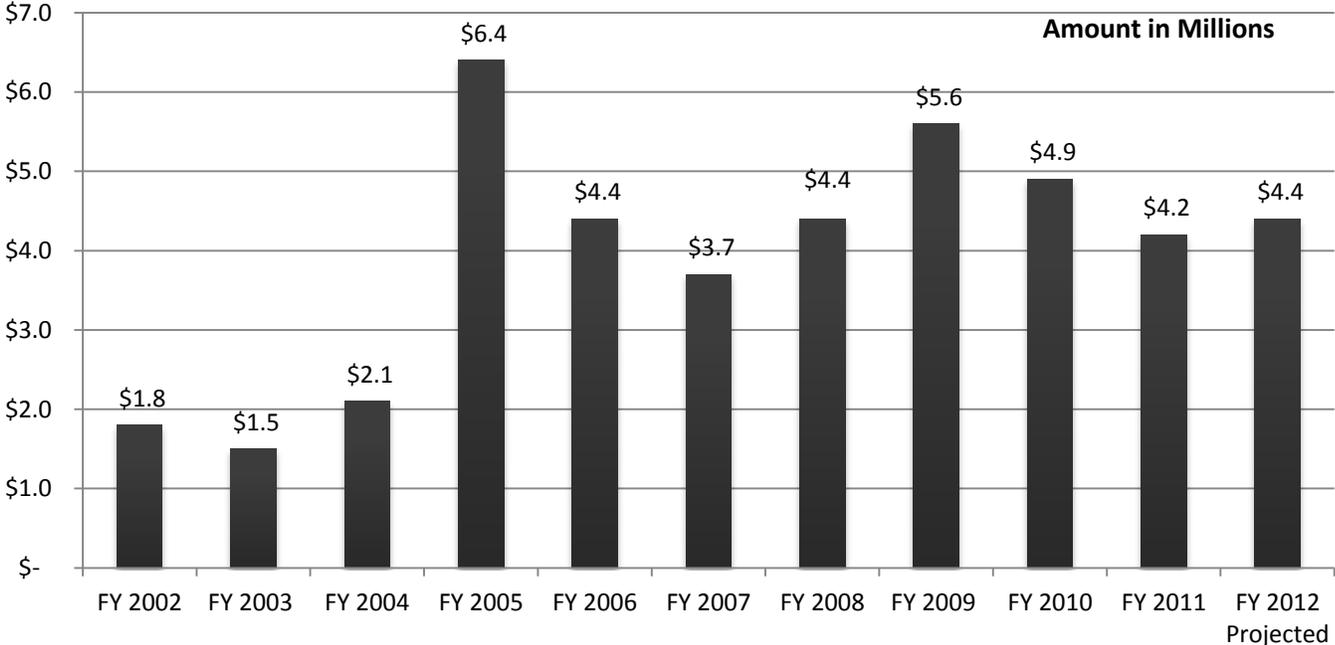
The primary function of the Unclaimed Property Division is to locate and return various forms of unclaimed financial property to the rightful owners or their heirs. Unclaimed property refers to accounts in financial institutions and companies that have had no activity generated or contact with the owner for a certain period of time. Common forms of unclaimed property include savings or checking accounts, stocks, uncashed dividends or payroll checks, refunds, traveler's checks, trust distributions, unredeemed money orders, insurance payments or refunds and life insurance policies, annuities, certificates of deposit, customer overpayments, utility security deposits, mineral royalty payments, and contents of safe deposit boxes. The Vermont State Treasurer's Office acts as custodian to safeguard the assets until they can be claimed by the rightful owners or heirs.

The office is also charged with keeping reliable records of payment and maintenance of all property remitted to the State. The State of Vermont, State Treasurer's Office acts as custodian to safeguard the assets until they can be claimed by the rightful owners or heirs.

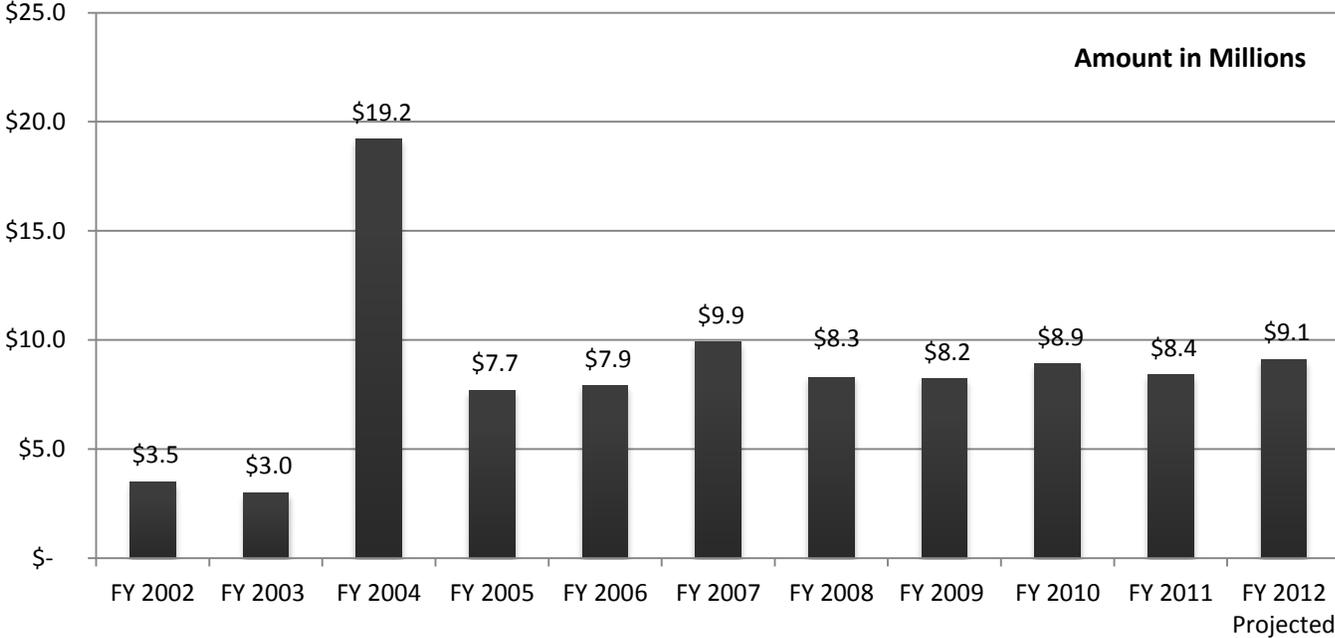
**Key Indicators:**



### Unclaimed Property Amount Returned to Vermonters



### Unclaimed Property Turned Over to State Treasurer



## **Story Behind Baseline Performance:**

### VT UPD SNAPSHOT:

The State of Vermont is currently in possession of more than \$56 million in unclaimed property belonging to approximately 300,000 individuals and organizations. In fiscal year 2011, holders of unclaimed property turned over \$8.4 million to the Vermont Unclaimed Property Program. Unclaimed Property receipts have averaged over \$8.7 million for the past five years.

The Unclaimed Property Division paid 11,776 claims worth more than \$4.2 million. The average claim paid was \$361.

The Unclaimed Property Division acts as custodian to safeguard financial assets until they can be claimed by the rightful owner or heirs. We continue to use our time tested procedures, such as a publication of our annual list of names in daily newspapers; a spring and fall advertising campaign; staffing a booth at the Champlain Valley Exposition; distribution of local listings to town clerks and legislators; cross-matching our database with the Department of Taxes; and our annual postcard mailing.

Supporting our outreach efforts, the Unclaimed Property division uses the Unclaimed Property Management System 2000. This is the most advanced, secure and reliable unclaimed property management systems available to the State. Currently, 36 other states use this product. This system has permitted owners of unclaimed property to receive their funds more promptly.

During fiscal year 2011, the State of Vermont received \$8.4 million from holders of unclaimed property. Education remains an important tool of the division's compliance efforts. The Division educates holders in several ways regarding their obligation to file their annual report.

In addition we also use three contract audit companies to enforce the statute and have started using unclaimed property staff to conduct in-state examinations and to assist holders in their responsibility to report under the unclaimed property statute.

## **Performance Measures:**

### ***How Well We Do It***

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1. # of Claims Paid	5774	10545	8789	14142	11776
2. Avg Claim Paid	\$640.00	\$417.00	\$638.00	\$352.00	\$361.00

### ***Is Anyone Better Off?***

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1. \$ Volume of Remittances (mm)	\$8.20	\$8.40	\$8.90	\$8.90	\$8.40
2. \$ Volume of Claims Paid (mm)	\$3.70	\$4.40	\$5.60	\$4.90	\$4.20

### **What Do We Propose To Do To Improve Performance?**

1. Continue to generate greater public awareness through new and different community outreach efforts, as well as using proven methods
2. Continue to improve our claim processing
3. Continue to solicit the assistance of elected officials throughout Vermont help locate owners residing in their towns.
4. By using the process of desk audits and third party audits to ensure compliance with Vermont's unclaimed property Statute.

### **FY13 Key Budget Issues:**

The fiscal year 2013 budget reflects a continuation of increased programmatic efforts in both claims processing and holder compliance. Funds requested are required to maintain the current range of services in a cost-effective manner. Increased efficiencies have reduced the need for substantial budget increases while achieving our goals. The program is, however, self-sustaining.

# **Municipal Retirement**

**FISCAL YEAR 2013 BUDGET**

01/25/2012

**MUNICIPAL RETIREMENT SYSTEM**

Service/Category	FY 2011 Actual Expenses	FY 2012 Budget	FY 2013 Request
<b><u>Investments</u></b>			
Investment Management Services	\$1,497,146	\$1,217,924	\$1,524,065
Investment Services-Actuarial/Other		\$127,599	\$129,229
Subtotal	\$1,497,146	\$1,345,523	\$1,653,294
<b><u>Agency Support</u></b>			
Attorney General/Legal	\$22,663	\$22,600	\$25,400
Auditor of Accounts	\$13,967	\$20,000	\$20,000
Human Resources	\$0	\$3,130	\$3,441
Subtotal	\$36,630	\$45,730	\$48,841
<b><u>Third Party Support</u></b>			
Health Consultant	\$0	\$3,000	\$3,000
Technical	\$2,322	\$550	\$550
Retirement System Project, V-PAS	\$131,087	\$600,000	\$567,000
Subtotal	\$133,409	\$603,550	\$570,550
<b><u>Benefits</u></b>			
Insurance/Health	\$0	\$0	\$0
Insurance/Life	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
<b><u>Office and Administrative Support</u></b>			
Administrative Support	\$294,132	\$348,969	\$378,755
Per Diem and Other Personal Service	\$0	\$0	\$0
Repairs & Maintenance	\$0	\$250	\$250
Insurance (not employee related)	\$3,669	\$4,344	\$3,900
IT Hardware/Software/Supplies	\$5,288	\$14,302	\$14,500
Communications/DII	\$13,027	\$23,000	\$23,000
Advertising	\$434	\$850	\$850
Printing/Binding	\$11,508	\$12,000	\$12,000
Postage/BGS	\$30,401	\$30,000	\$32,000
Fee for Space	\$19,858	\$21,011	\$28,415
Supplies	\$3,927	\$6,000	\$6,000
FMS/HRMS/VISION Assessment	\$9,335	\$13,830	\$10,465
Dues/Subscriptions	\$1,515	\$1,870	\$1,870
Staff Education & Training	\$34	\$750	\$2,200
Office Equipment	\$780	\$500	\$500
Meetings and Conferences	\$11	\$2,000	\$3,450
Travel	\$443	\$3,000	\$5,900
Miscellaneous	\$679	\$1,500	\$1,500
Subtotal	\$395,041	\$484,176	\$525,555
<b>Total</b>	<b>\$2,062,226</b>	<b>\$2,478,979</b>	<b>\$2,798,240</b>
<b><u>Source of Funds:</u></b>			
Special Funds-Municipal Retirement System	\$2,062,226	\$2,478,979	\$2,798,240

Department: State Treasurer

Appropriation: Municipal Employees' Retirement

Deptid: 1265030000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services		2,002,388	1,653,240	1,992,423	1,992,423	2,271,444
Operating Expenses		451,355	408,985	486,556	486,556	526,796
<b>Total</b>		<b>2,453,743</b>	<b>2,062,225</b>	<b>2,478,979</b>	<b>2,478,979</b>	<b>2,798,240</b>
<b>FUND TYPE</b>						
Pension Trust Fund		2,453,743	2,062,225	2,478,979	2,478,979	2,798,240
<b>Total</b>		<b>2,453,743</b>	<b>2,062,225</b>	<b>2,478,979</b>	<b>2,478,979</b>	<b>2,798,240</b>

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Classified Employees	500000	0	0	0	0	0	0
Exempt	500010	0	0	0	0	0	0
Temporary Employees	500040	0	0	0	0	0	0
FICA - Classified Employees	501000	0	0	0	0	0	0
FICA - Exempt	501010	0	0	0	0	0	0
FICA - Temporaries	501040	0	0	0	0	0	0
Health Ins - Classified Empl	501500	0	0	0	0	0	0
Health Ins - Exempt	501510	0	0	0	0	0	0
Retirement - Classified Empl	502000	0	0	0	0	0	0
Retirement - Exempt	502010	0	0	0	0	0	0
Dental - Classified Employees	502500	0	0	0	0	0	0
Dental - Exempt	502510	0	0	0	0	0	0
Life Ins - Classified Empl	503000	0	0	0	0	0	0
Life Ins - Exempt	503010	0	0	0	0	0	0
LTD - Classified Employees	503500	0	0	0	0	0	0
LTD - Exempt	503510	0	0	0	0	0	0
EAP - Classified Empl	504000	0	0	0	0	0	0
EAP - Exempt	504010	0	0	0	0	0	0
Workers Comp - Ins Premium	505200	0	0	969	0	0	0
Unemployment Compensation	505500	0	0	0	0	0	0
CATAMOUNT HEALTH ASSESSMENT	505700	0	0	0	0	0	0
Salaries & Wages Budget	000120	0	0	0	0	0	0
Fringe Benefits Budget	000150	0	0	969	0	0	0
Per Diem	506000	0	0	0	0	0	0
Other Pers Serv	506200	0	0	0	0	0	0
Transcripts	506220	0	0	70	0	0	0
Per Diem & Othr Persnl Sv Bdg	000280	0	0	70	0	0	0

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Contr & 3rd Party - Financial	507100	0	12,167	0	20,000	20,000	20,000
Cont&3rd Party-Investment Mgmt	507110	0	1,387,174	1,497,146	1,217,924	1,217,924	1,524,065
Contr & 3rd Party - Legal	507200	0	21,986	22,664	22,600	22,600	25,400
Contr&3rd Pty-Educ & Training	507350	0	500	0	750	750	2,200
Contr&3rd Pty-Physical Health	507500	0	3,000	0	3,000	3,000	3,000
Contr&3rd Pty - Info Tech	507550	0	0	430	550	550	550
CONTRACT-WEB DEV. & MAINT.	507551	0	0	0	0	0	0
CONTR-INFO TECH-WEB HOSTING	507552	0	0	13	0	0	0
CONTR-COMPSOFTWARE-SYSDEVELOP	507553	0	0	0	0	0	0
CONTR-COMPSOFTWR-SYSMAINT&UPGR	507554	0	0	442	0	0	0
ADVERTISING/MARKETING-OTHER	507563	0	0	0	0	0	0
CONTR & 3RD PARTY-PARTICIPANT	507575	0	0	0	0	0	0
Other Contr and 3rd Pty Serv	507600	0	577,561	131,087	727,599	727,599	696,229
RECORDING & OTHER FEES	507620	0	0	0	0	0	0
TEMPORARY EMPLOYMENT AGENCIES	507630	0	0	419	0	0	0
Contrctd & 3rd Party Serv Bdgt	000320	0	2,002,388	1,652,201	1,992,423	1,992,423	2,271,444
REP&MAINT-INFO TECH HARDWARE	513000	0	720	0	720	720	729
REPAIR&MAINTENANCE-COMPSYS HW	513005	0	0	0	0	0	0
REPAIR & MAINT - OFFICE TECH	513010	0	0	550	0	0	0
Rep&Maint-Data Processg Equip	513020	0	0	0	250	250	250
Other Repair & Maint Serv	513200	0	0	0	0	0	0
REPAIR&MAINT-PROPERTY/GROUNDS	513210	0	0	0	0	0	0
Repair & Maintenance Svcs Bdgt	000775	0	720	550	970	970	979
Rent Land&Bldgs-Non-Office	514010	0	0	0	0	0	0
Rental - Auto	514550	0	0	0	0	0	0
Rental - Office Equipment	514650	0	0	420	0	0	0

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Rental - Other	515000	0	0	0	0	0	0
FEE-FOR-SPACE CHARGE	515010	0	19,929	19,859	21,011	21,011	28,415
Rentals Budget	001000	0	19,929	20,279	21,011	21,011	28,415
Insurance other than Empl Bene	516000	0	0	40	4,344	4,344	3,900
Insurance - General Liability	516010	0	0	3,628	0	0	0
Dues	516500	0	1,870	1,455	1,870	1,870	1,870
Licenses	516550	0	0	54	0	0	0
Communications	516600	0	23,000	0	23,000	23,000	23,000
Toll-Free Telephone	516611	0	0	10	0	0	0
TELECOM-FIXED WIRELESS DATA	516622	0	0	14	0	0	0
TELECOM-MOBILE WIRELESS DATA	516623	0	0	60	0	0	0
TELECOM-OTHER TELECOM SERVICES	516650	0	0	156	0	0	0
TELECOM-TELEPHONE SERVICES	516652	0	0	2,723	0	0	0
TELECOM-LONG DISTANCE SERVICE	516655	0	0	327	0	0	0
TELECOM-PAGING SERVICE	516656	0	0	17	0	0	0
TELECOM-TOLL FREE PHONE SERV	516657	0	0	35	0	0	0
TELECOM-CONF CALLING SERVICES	516658	0	0	257	0	0	0
TELECOM-WIRELESS PHONE SERVICE	516659	0	0	80	0	0	0
IT INTERSVCCOST- DII OTHER	516670	0	0	960	0	0	0
IT INTSVCCOST-VISION/ISDASSESS	516671	0	0	9,335	0	0	0
IT INTSVCCOST- DII - TELEPHONE	516672	0	0	158	0	0	0
IT INTER SVC COST DATA PROCESS	516677	0	0	2,532	0	0	0
IT INT SVC DII ALLOCATED FEE	516685	0	0	5,699	0	0	0
ADVERTISING-PRINT	516813	0	850	0	850	850	850
ADVERTISING-OTHER	516815	0	0	0	0	0	0
Advertising - Job Vacancies	516820	0	0	46	0	0	0
TRADE SHOWS & EVENTS	516870	0	0	387	0	0	0
Printing and Binding	517000	0	1,000	1,113	1,000	1,000	1,000

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
PRINTING & BINDING-BGS COPY CT	517005	0	7,000	9,427	7,000	7,000	7,000
Printing-Promotional	517010	0	1,000	963	1,000	1,000	1,000
Photocopying	517020	0	3,000	0	3,000	3,000	3,000
Process&Printg Films, Microfilm	517050	0	0	6	0	0	0
Registration for Meetings&Conf	517100	0	0	11	0	0	0
TRAINING - INFO TECH	517110	0	480	0	480	480	487
Postage	517200	0	0	5,156	0	0	0
POSTAGE - BGS POSTAL SVCS ONLY	517205	0	26,000	25,219	30,000	30,000	32,000
Freight & Express Mail	517300	0	0	26	0	0	0
INSTATE CONF, MEETINGS, ETC	517400	0	0	0	0	0	0
CATERING-MEALS-COST	517410	0	0	557	0	0	0
Travel-Inst-Auto Mileage-Emp	518000	0	0	0	0	0	0
Travel-Inst-Meals-Emp	518020	0	0	0	0	0	0
Travel-Inst-Lodging-Emp	518030	0	0	0	0	0	0
Travel-Inst-Incidentals-Emp	518040	0	0	0	0	0	0
CONFERENCE - INSTATE - EMP	518050	0	2,000	0	2,000	2,000	3,450
Travl-Inst-Auto Mileage-Nonemp	518300	0	500	262	1,000	1,000	1,900
Travel-Inst-Other Trans-Nonemp	518310	0	0	3	0	0	0
Travel-Inst-Meals-Nonemp	518320	0	0	0	0	0	0
Travel-Inst-Incidentals-Nonemp	518340	0	0	0	0	0	0
Travel-Outst-Auto Mileage-Emp	518500	0	0	0	0	0	0
Travel-Outst-Other Trans-Emp	518510	0	0	0	0	0	0
Travel-Outst-Meals-Emp	518520	0	0	0	0	0	0
Travel-Outst-Lodging-Emp	518530	0	0	0	0	0	0
Travel-Outst-Incidentals-Emp	518540	0	0	0	0	0	0
CONFERENCE OUTSTATE - EMP	518550	0	0	0	0	0	0
TRAVEL OUT-STATE NON-EMPLOYEE	518699	0	2,000	0	2,000	2,000	4,000
Trav-Outst-AutoMileage-Nonemp	518700	0	0	30	0	0	0
Trvl-Outst-Other Trans-Nonemp	518710	0	0	142	0	0	0

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Travel-Outst-Lodging-Nonemp	518730	0	0	0	0	0	0
Trvl-Outst-Incidentals-Nonemp	518740	0	0	6	0	0	0
ALL INCLUSIVE CONF-OUTST-NONEM	518750	0	0	0	0	0	0
Other Purchased Services	519000	0	0	84	0	0	0
HUMAN RESOURCES SERVICES	519006	0	0	0	3,130	3,130	3,441
Administrative Service Charge	519010	0	327,220	335,825	348,969	348,969	378,755
Moving State Agencies	519040	0	0	50	0	0	0
OTHER PURCHASED SERVICES	519099	0	1,496	0	1,500	1,500	1,500
Purchased Services Budget	001200	0	397,416	406,853	431,143	431,143	467,153
Office Supplies	520000	0	5,000	1,394	6,000	6,000	6,000
FORMS	520005	0	0	342	0	0	0
STATIONARY & ENVELOPES	520015	0	0	386	0	0	0
Electrical Supplies	520230	0	0	0	0	0	0
Other General Supplies	520500	0	0	3	0	0	0
IT & DATA PROCESSING SUPPLIES	520510	0	3,982	2,515	3,982	3,982	4,037
Educational Supplies	520540	0	0	1,049	0	0	0
Recognition/Awards	520600	0	0	23	0	0	0
Food	520700	0	0	163	0	0	0
Electricity	521100	0	0	0	0	0	0
Books&Periodicals-Library/Educ	521500	0	0	33	0	0	0
Subscriptions	521510	0	0	44	0	0	0
SUBSCRIPTIONS OTHER INFO SERV	521515	0	0	17	0	0	0
Other Books & Periodicals	521520	0	0	0	0	0	0
Paper Products	521820	0	0	10	0	0	0
Supplies Budget	001800	0	8,982	5,979	9,982	9,982	10,037
HW - OTHER INFO TECH	522200	0	480	276	480	480	487
Info Tech Purchases-Hardware	522210	0	0	0	0	0	0

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
HARDWARE - UPS	522212	0	0	0	0	0	0
HW-SERVER,MAINFRME,DATASTOREQU	522214	0	8,160	0	8,160	8,160	8,273
HW-SWITCHES,ROUTER,OTHER	522215	0	0	28	0	0	0
HARDWARE - DESKTOP & LAPTOP PC	522216	0	0	1,168	0	0	0
HW - PRINTERS,COPIERS,SCANNERS	522217	0	0	187	0	0	0
SOFTWARE - OTHER	522220	0	480	1,437	480	480	487
SOFTWARE - OFFICE TECHNOLOGY	522221	0	0	151	0	0	0
SW-DATABASE&MANAGEMENT SYS	522222	0	0	285	0	0	0
SOFTWARE-GIS	522223	0	0	0	0	0	0
SW-SERVER&LOCAL AREA NETWORK	522225	0	0	17	0	0	0
SW-FIREWALL FILTER & SECURITY	522227	0	0	0	0	0	0
HW-OTHER COMMUNICATIONS	522261	0	0	112	0	0	0
Office Equipment	522410	0	500	0	500	500	500
Furniture & Fixtures	522700	0	0	358	0	0	0
Equipment Budget	002600	0	9,620	4,019	9,620	9,620	9,747
Single Audit Allocation	523620	0	0	13,967	0	0	0
Taxes	523660	0	0	0	0	0	0
RETIREMENT MEDICAL BENEFIT PMT	523705	0	0	0	0	0	0
ADMIN EXPENSE-FIDUCIARY	523740	0	0	(42,662)	0	0	0
Bank Service Charges	524000	0	0	0	0	0	0
Cost of Outside Printing & Dup	525360	0	0	0	0	0	0
Admin Miscellaneous	526110	0	0	0	0	0	0
Other Operating Expenses Bdgt	003200	0	0	(28,695)	0	0	0
VISION / ISD ASSESSMENT	523800	0	14,688	0	13,830	13,830	10,465
Vision / ISD Assessment	003710	0	14,688	0	13,830	13,830	10,465

Agency Name: State Treasurer

Program: 1265030000 Municipal Employees' Retirement

Reporting Level: 1260-1260-0001-0000-0000-0000

<p style="text-align: center;">1 Object/Revenue</p> <p>Description <span style="float: right;">Code</span></p>	<p style="text-align: center;">2</p>	<p style="text-align: center;">3 FY11 Budget As Passed</p>	<p style="text-align: center;">4 FY11 Actual</p>	<p style="text-align: center;">5 FY12 Budget As Passed</p>	<p style="text-align: center;">6 FY12 Estimated</p>	<p style="text-align: center;">7 FY13 Governor Proposed</p>
EXPENDITURES						
EXPENDITURE TOTALS	0	2,453,743	2,062,225	2,478,979	2,478,979	2,798,240
MEANS OF FUNDING						
Vt Muni Employees' Retirement <span style="float: right;">60400</span>	0	2,453,743	2,062,225	2,478,979	2,478,979	2,798,240
VMERS Retiree Health Savings <span style="float: right;">60450</span>	0	0	0	0	0	0
Pension Trust Fund <span style="float: right;">102610</span>	0	2,453,743	2,062,225	2,478,979	2,478,979	2,798,240
TOTAL FUNDING	0	2,453,743	2,062,225	2,478,979	2,478,979	2,798,240

**Vermont Municipal Employees' Retirement System**  
**Budget FY2013**  
**Budget Narrative**

The Vermont Municipal Employees' Retirement System is a uniform, state-administered pension plan provided for municipal employees of the State of Vermont. It was established effective July 1, 1975 and is governed by Title 24, V.S.A., Chapter 125.

As of June 30, 2011, the system had 428 contributing employers; 6,475 active members, 1,821 inactive members, 645 terminated vested members, and 1,779 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was \$402.6 million as of June 30, 2011, compared with \$376.2 million as of June 30, 2010. The system paid \$12.4 million in retirement benefits during FY2011.

The Vermont Municipal Employees' Retirement System Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, one representative designated by the Governor, and two municipal employees and one municipal official all three of whom are elected by the membership of the system. Staff is provided by the Retirement Division of the State Treasurer's Office which also administers the Vermont State Retirement System and the State Teachers' Retirement System.

# State Retirement

**FISCAL YEAR 2013 BUDGET**

01/25/2012

**STATE RETIREMENT SYSTEM**

<b>Service/Category</b>	<b>FY 2011 Actual Expenses</b>	<b>FY 2012 Budget</b>	<b>FY 2013 Request</b>
<b><u>Investments</u></b>			
Investment Management Services	\$5,435,703	\$4,428,813	\$5,542,054
Investment Services-Actuarial/Other		\$428,543	\$434,468
Subtotal	\$5,435,703	\$4,857,356	\$5,976,522
<b><u>Agency Support</u></b>			
Attorney General/Legal	\$42,009	\$41,800	\$46,900
Auditor of Accounts	\$29,075	\$37,000	\$36,000
Human Resources	\$0	\$5,797	\$5,306
Subtotal	\$71,084	\$84,597	\$88,206
<b><u>Third Party Support</u></b>			
Health Consultant	\$8,800	\$15,000	\$15,000
Technical	\$4,332	\$3,500	\$3,500
Retirement System Project, V-PAS	\$248,938	\$1,110,000	\$972,000
Subtotal	\$262,070	\$1,128,500	\$990,500
<b><u>Benefits</u></b>			
Insurance/Health	\$22,834,112	\$28,000,000	\$29,200,000
Insurance/Life	\$81,792	\$100,000	\$100,000
Subtotal	\$22,915,904	\$28,100,000	\$29,300,000
<b><u>Office and Administrative Support</u></b>			
Administrative Support	\$582,323	\$645,592	\$679,982
Per Diem and Other Personal Service	\$0	\$0	\$0
Repairs & Maintenance	\$0	\$250	\$250
Insurance (not employee related)	\$6,787	\$7,018	\$6,900
IT Hardware/Software/Supplies	\$9,793	\$25,045	\$25,000
Communications/DII	\$24,109	\$43,000	\$43,000
Advertising	\$122	\$1,500	\$1,500
Printing/Binding	\$16,629	\$30,000	\$30,000
Postage/BGS	\$54,411	\$70,000	\$70,000
Fee for Space	\$34,752	\$36,768	\$40,869
Supplies	\$8,709	\$12,500	\$12,500
FMS/HRMS/VISION Assessment	\$17,270	\$22,340	\$18,515
Dues/Subscriptions	\$3,704	\$4,070	\$4,070
Staff Education & Training	\$62	\$1,000	\$3,450
Office Equipment	\$1,528	\$500	\$500
Meetings and Conferences	\$1,021	\$3,000	\$5,450
Travel	\$3,964	\$5,500	\$10,500
Miscellaneous	\$1,298	\$3,000	\$3,000
Subtotal	\$766,482	\$911,083	\$955,486
<b>Total</b>	<b>\$29,451,243</b>	<b>\$35,081,536</b>	<b>\$37,310,714</b>
<b><u>Source of Funds:</u></b>			
Special Funds-State Retirement System	\$29,451,243	\$35,081,536	\$37,310,714

Department: State Treasurer

Appropriation: Vt State Retirement System

Deptid: 1265020000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services		6,370,747	5,739,811	6,065,656	6,065,656	7,053,372
Operating Expenses		27,934,748	795,528	29,015,880	29,015,880	30,257,342
<b>Total</b>		<b>34,305,495</b>	<b>6,535,339</b>	<b>35,081,536</b>	<b>35,081,536</b>	<b>37,310,714</b>
<b>FUND TYPE</b>						
Pension Trust Fund		34,305,495	6,535,339	35,081,536	35,081,536	37,310,714
<b>Total</b>		<b>34,305,495</b>	<b>6,535,339</b>	<b>35,081,536</b>	<b>35,081,536</b>	<b>37,310,714</b>

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Classified Employees	500000	0	0	0	0	0	0
Exempt	500010	0	0	0	0	0	0
Temporary Employees	500040	0	0	0	0	0	0
FICA - Classified Employees	501000	0	0	0	0	0	0
FICA - Exempt	501010	0	0	0	0	0	0
FICA - Temporaries	501040	0	0	0	0	0	0
Health Ins - Classified Empl	501500	0	0	0	0	0	0
Health Ins - Exempt	501510	0	0	0	0	0	0
Retirement - Classified Empl	502000	0	0	0	0	0	0
Retirement - Exempt	502010	0	0	0	0	0	0
Dental - Classified Employees	502500	0	0	0	0	0	0
Dental - Exempt	502510	0	0	0	0	0	0
Life Ins - Classified Empl	503000	0	0	0	0	0	0
Life Ins - Exempt	503010	0	0	0	0	0	0
LTD - Classified Employees	503500	0	0	0	0	0	0
LTD - Exempt	503510	0	0	0	0	0	0
EAP - Classified Empl	504000	0	0	0	0	0	0
EAP - Exempt	504010	0	0	0	0	0	0
Workers Comp - Ins Premium	505200	0	0	1,792	0	0	0
Unemployment Compensation	505500	0	0	0	0	0	0
CATAMOUNT HEALTH ASSESSMENT	505700	0	0	0	0	0	0
Salaries & Wages Budget	000120	0	0	0	0	0	0
Fringe Benefits Budget	000150	0	0	1,792	0	0	0
Per Diem	506000	0	0	0	0	0	0
Other Pers Serv	506200	0	0	0	0	0	0
Transcripts	506220	0	0	157	0	0	0
Per Diem & Othr Persnl Sv Bdgt	000280	0	0	157	0	0	0

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Contr & 3rd Party - Financial	507100	0	45,225	0	37,000	37,000	36,000
Contr&3rd Party-Investment Mgmt	507110	0	5,012,095	5,435,703	4,857,356	4,857,356	5,542,054
Contr & 3rd Party - Legal	507200	0	40,632	42,009	41,800	41,800	46,900
Contr&3rd Pty-Educ & Training	507350	0	750	0	1,000	1,000	3,450
Contr&3rd Pty-Physical Health	507500	0	15,000	8,800	15,000	15,000	15,000
Contr&3rd Pty - Info Tech	507550	0	0	796	3,500	3,500	3,500
CONTRACT-WEB DEV. & MAINT.	507551	0	0	0	0	0	0
CONTR-INFO TECH-WEB HOSTING	507552	0	0	25	0	0	0
CONTR-COMPSOFTWARE-SYSDEVELOP	507553	0	0	0	0	0	0
CONTR-COMPSOFTWR-SYSMAINT&UPGR	507554	0	0	817	0	0	0
ADVERTISING/MARKETING-OTHER	507563	0	0	0	0	0	0
CONTR & 3RD PARTY-PARTICIPANT	507575	0	0	0	0	0	0
Other Contr and 3rd Pty Serv	507600	0	1,257,045	248,938	1,110,000	1,110,000	1,406,468
PSYCHIATRIC & OTHER EVALUATION	507605	0	0	0	0	0	0
RECORDING & OTHER FEES	507620	0	0	0	0	0	0
TEMPORARY EMPLOYMENT AGENCIES	507630	0	0	774	0	0	0
Contractd & 3rd Party Serv Bdgt	000320	0	6,370,747	5,737,862	6,065,656	6,065,656	7,053,372
REP&MAINT-INFO TECH HARDWARE	513000	0	0	0	250	250	1,258
REPAIR&MAINTENANCE-COMPSYS HW	513005	0	0	0	0	0	0
REPAIR & MAINT - OFFICE TECH	513010	0	1,260	1,024	1,260	1,260	250
Rep&Maint-Data Processg Equip	513020	0	0	0	0	0	0
Other Repair & Maint Serv	513200	0	0	0	0	0	0
REPAIR&MAINT-PROPERTY/GROUNDS	513210	0	0	0	0	0	0
Repair & Maintenance Svcs Bdgt	000775	0	1,260	1,024	1,510	1,510	1,508
Rental - Auto	514550	0	0	0	0	0	0
Rental - Office Equipment	514650	0	0	778	0	0	0

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Rental - Other	515000	0	0	80	0	0	0
FEE-FOR-SPACE CHARGE	515010	0	34,876	34,752	36,768	36,768	40,869
Rentals Budget	001000	0	34,876	35,610	36,768	36,768	40,869
Insurance other than Empl Bene	516000	0	0	75	0	0	0
Insurance - General Liability	516010	0	0	6,712	7,018	7,018	6,900
Dues	516500	0	4,070	3,577	4,070	4,070	4,070
Licenses	516550	0	0	99	0	0	0
Communications	516600	0	43,000	0	43,000	43,000	43,000
Toll-Free Telephone	516611	0	0	23	0	0	0
TELECOM-FIXED WIRELESS DATA	516622	0	0	24	0	0	0
TELECOM-MOBILE WIRELESS DATA	516623	0	0	113	0	0	0
TELECOM-OTHER TELECOM SERVICES	516650	0	0	290	0	0	0
TELECOM-TELEPHONE SERVICES	516652	0	0	5,036	0	0	0
TELECOM-LONG DISTANCE SERVICE	516655	0	0	606	0	0	0
TELECOM-PAGING SERVICE	516656	0	0	31	0	0	0
TELECOM-TOLL FREE PHONE SERV	516657	0	0	65	0	0	0
TELECOM-CONF CALLING SERVICES	516658	0	0	476	0	0	0
TELECOM-WIRELESS PHONE SERVICE	516659	0	0	150	0	0	0
IT INTERSVCCOST- DII OTHER	516670	0	0	1,776	0	0	0
IT INTSVCCOST-VISION/ISDASSESS	516671	0	0	17,271	0	0	0
IT INTSVCCOST- DII - TELEPHONE	516672	0	0	291	0	0	0
IT INTER SVC COST DATA PROCESS	516677	0	0	4,685	0	0	0
IT INT SVC DII ALLOCATED FEE	516685	0	0	10,543	0	0	0
ADVERTISING-PRINT	516813	0	1,500	0	1,500	1,500	1,500
ADVERTISING-OTHER	516815	0	0	0	0	0	0
Advertising - Job Vacancies	516820	0	0	121	0	0	0
Printing and Binding	517000	0	0	1,483	0	0	0
PRINTING & BINDING-BGS COPY CT	517005	0	15,000	13,341	18,000	18,000	18,000

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Printing-Promotional	517010	0	2,000	1,781	2,400	2,400	2,400
Photocopying	517020	0	8,000	0	9,600	9,600	9,600
Process&Printg Films, Microfilm	517050	0	0	24	0	0	0
Registration for Meetings&Conf	517100	0	0	1,021	0	0	0
TRAINING - INFO TECH	517110	0	840	0	840	840	838
Postage	517200	0	0	7,300	0	0	0
POSTAGE - BGS POSTAL SVCS ONLY	517205	0	65,000	47,013	70,000	70,000	70,000
Freight & Express Mail	517300	0	0	98	0	0	0
INSTATE CONF, MEETINGS, ETC	517400	0	3,000	0	3,000	3,000	3,000
CATERING-MEALS-COST	517410	0	0	2,463	0	0	0
OUTSIDE CONF, MEETINGS, ETC	517500	0	0	0	0	0	0
Travel-Inst-Auto Mileage-Emp	518000	0	400	80	400	400	450
Travel-Inst-Lodging-Emp	518030	0	0	112	0	0	0
Travel-Inst-Incidentals-Emp	518040	0	0	0	0	0	0
Travl-Inst-Auto Mileage-Nonemp	518300	0	0	1,341	0	0	0
Travel-Inst-Other Trans-Nonemp	518310	0	0	2	0	0	0
Travel-Inst-Meals-Nonemp	518320	0	0	0	0	0	0
Travel-Inst-Incidentals-Nonemp	518340	0	0	4	0	0	0
Travel-Outst-Auto Mileage-Emp	518500	0	0	0	0	0	0
Travel-Outst-Other Trans-Emp	518510	0	500	0	500	500	500
Travel-Outst-Meals-Emp	518520	0	500	0	500	500	500
Travel-Outst-Lodging-Emp	518530	0	0	327	0	0	0
Travel-Outst-Incidentals-Emp	518540	0	0	84	0	0	0
CONFERENCE OUTSTATE - EMP	518550	0	0	0	0	0	2,000
Trav-Outst-AutoMileage-Nonemp	518700	0	0	826	0	0	0
Trvl-Outst-Other Trans-Nonemp	518710	0	3,600	704	4,100	4,100	6,000
Travel-Outst-Meals-Nonemp	518720	0	0	429	0	0	0
Travel-Outst-Lodging-Nonemp	518730	0	0	0	0	0	0
Trvl-Outst-Incidentals-Nonemp	518740	0	0	55	0	0	0

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
ALL INCLUSIVE CONF-OUTST-NONEM	518750	0	0	0	0	0	3,500
Other Purchased Services	519000	0	0	156	0	0	0
HUMAN RESOURCES SERVICES	519006	0	0	0	5,797	5,797	5,306
Administrative Service Charge	519010	0	605,357	626,852	645,592	645,592	679,982
Moving State Agencies	519040	0	0	93	0	0	0
OTHER PURCHASED SERVICES	519099	0	2,000	0	3,000	3,000	3,000
Purchased Services Budget	001200	0	754,767	757,553	819,317	819,317	860,546
Office Supplies	520000	0	10,000	2,584	12,500	12,500	12,500
FORMS	520005	0	0	633	0	0	0
STATIONARY & ENVELOPES	520015	0	0	713	0	0	0
Electrical Supplies	520230	0	0	0	0	0	0
Other General Supplies	520500	0	0	6	0	0	0
IT & DATA PROCESSING SUPPLIES	520510	0	6,985	4,656	6,985	6,985	6,973
Educational Supplies	520540	0	0	1,942	0	0	0
Recognition/Awards	520600	0	0	41	0	0	0
Food	520700	0	0	306	0	0	0
Books&Periodicals-Library/Educ	521500	0	0	62	0	0	0
Subscriptions	521510	0	0	81	0	0	0
SUBSCRIPTIONS OTHER INFO SERV	521515	0	0	47	0	0	0
Other Books & Periodicals	521520	0	0	0	0	0	0
Paper Products	521820	0	0	19	0	0	0
Supplies Budget	001800	0	16,985	11,090	19,485	19,485	19,473
HW - OTHER INFO TECH	522200	0	15,120	509	15,120	15,120	748
Info Tech Purchases-Hardware	522210	0	0	0	0	0	0
HARDWARE - UPS	522212	0	0	0	0	0	0
HW-SERVER,MAINFRME,DATASTOREQU	522214	0	0	0	0	0	14,345
HW-SWITCHES,ROUTER,OTHER	522215	0	0	52	0	0	0

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
HARDWARE - DESKTOP & LAPTOP PC	522216	0	0	2,162	0	0	0
HW - PRINTERS,COPIERS,SCANNERS	522217	0	0	346	0	0	0
SOFTWARE - OTHER	522220	0	840	2,694	840	840	838
SOFTWARE - OFFICE TECHNOLOGY	522221	0	0	279	0	0	0
SW-DATABASE&MANAGEMENT SYS	522222	0	0	527	0	0	0
SOFTWARE-GIS	522223	0	0	0	0	0	0
SW-SERVER&LOCAL AREA NETWORK	522225	0	0	32	0	0	0
SW-FIREWALL FILTER & SECURITY	522227	0	0	0	0	0	0
HW-OTHER COMMUNICATIONS	522261	0	0	207	0	0	0
Office Equipment	522410	0	500	0	500	500	500
Furniture & Fixtures	522700	0	0	670	0	0	0
Equipment Budget	002600	0	16,460	7,478	16,460	16,460	16,431
Single Audit Allocation	523620	0	0	29,075	0	0	0
Taxes	523660	0	0	0	0	0	0
ADMIN EXPENSE-FIDUCIARY	523740	0	0	(46,322)	0	0	0
Bank Service Charges	524000	0	0	20	0	0	0
Cost of Insurance	525180	0	0	0	0	0	0
Cost of Outside Printing & Dup	525360	0	0	0	0	0	0
OPEB INSURANCE PREMIUM	526260	0	27,090,000	0	28,100,000	28,100,000	29,300,000
Other Operating Expenses Bdgt	003200	0	27,090,000	(17,227)	28,100,000	28,100,000	29,300,000
VISION / ISD ASSESSMENT	523800	0	20,400	0	22,340	22,340	18,515
Vision / ISD Assessment	003710	0	20,400	0	22,340	22,340	18,515
Other Grants	550500	0	0	0	0	0	0
Grants Other Than AHS Budget	005005	0	0	0	0	0	0

Agency Name: State Treasurer

Program: 1265020000 Vt State Retirement System

Reporting Level: 1260-1260-0004-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
EXPENDITURE TOTALS		0	34,305,495	6,535,339	35,081,536	35,081,536	37,310,714
MEANS OF FUNDING							
General Fund	10000	0	0	0	0	0	0
General Fund	102590	0	0	0	0	0	0
Vermont State Retirement Fund	60100	0	7,305,495	6,535,339	8,081,536	8,081,536	8,110,714
State Emp Post-Employ Benefit Trust	60150	0	27,000,000	0	27,000,000	27,000,000	29,200,000
Pension Trust Fund	102610	0	34,305,495	6,535,339	35,081,536	35,081,536	37,310,714
TOTAL FUNDING		0	34,305,495	6,535,339	35,081,536	35,081,536	37,310,714

## **Vermont State Retirement System Budget FY2013 Budget Narrative**

The Vermont State Retirement System (VSRS) is the public pension plan provided by the State of Vermont for its various groups of State employees. It was created in 1944 and has undergone several major changes over the years, including a merger of the State Police and Motor Vehicles Inspectors' Retirement System and contribution and benefit reforms including the creation of a non-contributory retirement plan for rank-and-file state employees in 1981. In 1990 the Legislature mandated a return to a contributory system effective January 1, 1991 with full implementation by January 1, 1995. Staff in the State Treasurer's Office are responsible for the administration of six different benefit provisions which include state police, judges and regular employees, plus an optional defined contribution plan available to exempt state employees only. The system is governed by Title 3, V.S.A., Chapter 16.

As of June 30, 2011, the system had 7,768 active members, 849 inactive members, 774 terminated vested members, and approximately 5,375 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was \$1,349 million as of June 30, 2011, compared with \$1,265 million as of June 30, 2010. The system paid \$86.7 million in retirement benefits during fiscal year 2011.

Health care cash payments for premiums totaled approximately \$22.8 million in FY2011, rise to \$28.0 million in the FY2012 budget, and are budgeted at \$29.2 million in FY2013 in this request. Beginning in 2010, health care expenses have been funded in a separate Other Post-employment Benefits (OPEB) trust fund, enacted by the Legislature. While the cash payments or "pay-as-you-go" amounts are budgeted the State has not prefunded these per the actuarial recommendation, with the exception of a small portion of Medicare D reimbursements from the Vermont State Retirement System. The Agency Proposed budget request includes the prefunding amount. Full funding of the Actuarially Required Contribution (ARC) for OPEB on a prefunded basis is \$49,533,317. Budgeted cash payments in the pension are \$29,200,000 leaving the ARC to be funded of \$20,333,317. If prefunding does not occur, the remaining ARC cost rises significantly (\$76,027,162 total, less \$29,200,000 budgeted, leaving the ARC to be funded at \$46,827,162). Of the \$37,273,381 proposed budget, \$8,073,381 will be paid from VSRS Pension trust funds, and \$29,200,000 will be paid from Vermont State Retirement System OPEB trust funds.

The Vermont State Retirement System Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, Commissioner of Human Resources, Commissioner of Finance and Management, one designated representative of the Governor, three members elected by the Vermont State Employees Association and one member elected by the Vermont Retired State Employees Association. Staff is provided by the Retirement Division of the State Treasurer's Office, which also administers the State Teachers' Retirement System and the Vermont Municipal Employees' Retirement System.

# **Teachers Retirement**

**FISCAL YEAR 2013 BUDGET**

01/25/2012

**TEACHER RETIREMENT SYSTEM**

<b>Service/Category</b>	<b>FY 2011 Actual Expenses</b>	<b>FY 2012 Budget</b>	<b>FY 2013 Request</b>
<b><u>Investments</u></b>			
Investment Management Services	\$6,063,949	\$4,982,415	\$6,234,811
Investment Services-Actuarial/Other		\$460,361	\$467,027
Subtotal	\$6,063,949	\$5,442,776	\$6,701,838
<b><u>Agency Support</u></b>			
Attorney General/Legal	\$48,645	\$48,700	\$54,700
Auditor of Accounts	\$30,197	\$43,000	\$44,000
Human Resources	\$0	\$6,733	\$6,418
Subtotal	\$78,842	\$98,433	\$105,118
<b><u>Third Party Support</u></b>			
Health Consultant	\$4,175	\$4,000	\$4,000
Technical	\$5,054	\$1,500	\$5,000
Retirement System Project, V-PAS	\$292,666	\$1,290,000	\$1,161,000
Subtotal	\$301,895	\$1,295,500	\$1,170,000
<b><u>Benefits</u></b>			
Insurance/Health	\$18,928,473	\$21,000,000	\$24,000,000
Insurance/Life	\$0	\$0	\$0
Subtotal	\$18,928,473	\$21,000,000	\$24,000,000
<b><u>Office and Administrative Support</u></b>			
Administrative Support	\$726,735	\$750,282	\$830,956
Per Diem and Other Personal Service	\$0	\$0	\$0
Repairs & Maintenance	\$0	\$300	\$300
Insurance (not employee related)	\$7,888	\$8,688	\$8,400
IT Hardware/Software/Supplies	\$11,385	\$29,807	\$30,000
Communications/DII	\$28,000	\$49,500	\$49,500
Advertising	\$139	\$1,700	\$1,700
Printing/Binding	\$21,173	\$30,000	\$30,000
Postage/BGS	\$64,867	\$70,000	\$70,000
Fee for Space	\$41,371	\$43,772	\$44,377
Supplies	\$9,394	\$15,000	\$15,000
FMS/HRMS/VISION Assessment	\$20,071	\$27,659	\$22,540
Dues/Subscriptions	\$6,050	\$5,500	\$5,500
Staff Education & Training	\$72	\$1,000	\$3,950
Office Equipment	\$1,683	\$600	\$600
Meetings and Conferences	\$1,825	\$3,000	\$5,950
Travel	\$6,028	\$7,000	\$12,900
Miscellaneous	\$1,593	\$4,000	\$4,000
Subtotal	\$948,274	\$1,047,808	\$1,135,673
<b>Total</b>	<b>\$26,321,433</b>	<b>\$28,884,517</b>	<b>\$33,112,629</b>
<b><u>Source of Funds:</u></b>			
Special Funds-Teachers' Retirement System	\$26,321,433	\$28,884,517	\$33,112,629

Department: State Teachers' Retirement System

Appropriation: State Teachers' Retirement System

Deptid: 1265010000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Personal Services		7,269,278	6,414,590	6,830,976	6,830,976	7,974,488
Operating Expenses		20,964,109	19,906,844	22,053,541	22,053,541	25,138,141
<b>Total</b>		<b>28,233,387</b>	<b>26,321,434</b>	<b>28,884,517</b>	<b>28,884,517</b>	<b>33,112,629</b>
<b>FUND TYPE</b>						
Pension Trust Fund		28,233,387	26,321,434	28,884,517	28,884,517	33,112,629
<b>Total</b>		<b>28,233,387</b>	<b>26,321,434</b>	<b>28,884,517</b>	<b>28,884,517</b>	<b>33,112,629</b>

Department: State Teachers' Retirement System

Appropriation: Teachers' Retirement System - Grant

Deptid: 1260020000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Grants		46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
<b>Total</b>		<b>46,913,381</b>	<b>46,913,381</b>	<b>51,672,307</b>	<b>51,672,307</b>	<b>63,613,130</b>
<b>FUND TYPE</b>						
General Fund		46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
<b>Total</b>		<b>46,913,381</b>	<b>46,913,381</b>	<b>51,672,307</b>	<b>51,672,307</b>	<b>63,613,130</b>

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Classified Employees	500000	0	0	0	0	0	0
Exempt	500010	0	0	0	0	0	0
Temporary Employees	500040	0	0	0	0	0	0
FICA - Classified Employees	501000	0	0	0	0	0	0
FICA - Exempt	501010	0	0	0	0	0	0
FICA - Temporaries	501040	0	0	0	0	0	0
Health Ins - Classified Empl	501500	0	0	0	0	0	0
Health Ins - Exempt	501510	0	0	0	0	0	0
Retirement - Classified Empl	502000	0	0	0	0	0	0
Retirement - Exempt	502010	0	0	0	0	0	0
Dental - Classified Employees	502500	0	0	0	0	0	0
Dental - Exempt	502510	0	0	0	0	0	0
Life Ins - Classified Empl	503000	0	0	0	0	0	0
Life Ins - Exempt	503010	0	0	0	0	0	0
LTD - Classified Employees	503500	0	0	0	0	0	0
LTD - Exempt	503510	0	0	0	0	0	0
EAP - Classified Empl	504000	0	0	0	0	0	0
EAP - Exempt	504010	0	0	0	0	0	0
Workers Comp - Ins Premium	505200	0	0	2,084	0	0	0
Unemployment Compensation	505500	0	0	0	0	0	0
CATAMOUNT HEALTH ASSESSMENT	505700	0	0	0	0	0	0
Salaries & Wages Budget	000120	0	0	0	0	0	0
Fringe Benefits Budget	000150	0	0	2,084	0	0	0
Per Diem	506000	0	0	0	0	0	0
Other Pers Serv	506200	0	0	0	0	0	0
Transcripts	506220	0	0	159	0	0	0
Per Diem & Othr Persnl Sv Bdgt	000280	0	0	159	0	0	0

Agency Name: State Teachers' Retirement System  
 Program: 1265010000 State Teachers' Retirement System  
 Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue Description Code		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
EXPENDITURES							
Contr & 3rd Party - Financial	507100	0	27,335	0	43,000	43,000	44,000
Contr&3rd Party-Investment Mgmt	507110	0	5,627,108	6,063,949	5,442,776	5,442,776	6,234,811
Contr & 3rd Party - Legal	507200	0	47,311	48,644	48,700	48,700	54,700
Contr&3rd Pty-Educ & Training	507350	0	800	0	1,000	1,000	3,950
Contr&3rd Pty-Physical Health	507500	0	4,000	4,175	4,000	4,000	4,000
Contr&3rd Pty - Info Tech	507550	0	0	925	1,500	1,500	5,000
CONTRACT-WEB DEV. & MAINT.	507551	0	0	0	0	0	0
CONTR-INFO TECH-WEB HOSTING	507552	0	0	29	0	0	0
CONTR-COMPSOFTWARE-SYSDEVELOP	507553	0	0	0	0	0	0
CONTR-COMPSOFTWR-SYSMAINT&UPGR	507554	0	0	950	0	0	0
ADVERTISING/MARKETING-OTHER	507563	0	0	0	0	0	0
CONTR & 3RD PARTY-PARTICIPANT	507575	0	0	0	0	0	0
Other Contr and 3rd Pty Serv	507600	0	1,562,724	292,666	1,290,000	1,290,000	1,628,027
INTERPRETERS	507615	0	0	110	0	0	0
RECORDING & OTHER FEES	507620	0	0	0	0	0	0
TEMPORARY EMPLOYMENT AGENCIES	507630	0	0	899	0	0	0
Contrctd & 3rd Party Serv Bdgt	000320	0	7,269,278	6,412,347	6,830,976	6,830,976	7,974,488
REP&MAINT-INFO TECH HARDWARE	513000	0	1,500	0	1,500	1,500	1,515
REPAIR&MAINTENANCE-COMPSYS HW	513005	0	0	0	0	0	0
REPAIR & MAINT - OFFICE TECH	513010	0	0	1,192	300	300	300
Rep&Maint-Data Processg Equip	513020	0	0	0	0	0	0
Other Repair & Maint Serv	513200	0	0	0	0	0	0
REPAIR&MAINT-PROPERTY/GROUNDS	513210	0	0	0	0	0	0
Repair & Maintenance Svcs Bdgt	000775	0	1,500	1,192	1,800	1,800	1,815
Rental - Auto	514550	0	0	0	0	0	0
Rental - Office Equipment	514650	0	0	905	0	0	0

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
Rental - Other	515000	0	0	0	0	0	0
FEE-FOR-SPACE CHARGE	515010	0	41,519	41,371	43,772	43,772	44,377
Rentals Budget	001000	0	41,519	42,276	43,772	43,772	44,377
Insurance other than Empl Bene	516000	0	0	87	0	0	0
Insurance - General Liability	516010	0	0	7,801	8,688	8,688	8,400
Dues	516500	0	5,060	5,426	5,500	5,500	5,500
Licenses	516550	0	0	116	0	0	0
Communications	516600	0	49,500	0	49,500	49,500	49,500
Toll-Free Telephone	516611	0	0	28	0	0	0
TELECOM-FIXED WIRELESS DATA	516622	0	0	29	0	0	0
TELECOM-MOBILE WIRELESS DATA	516623	0	0	132	0	0	0
TELECOM-OTHER TELECOM SERVICES	516650	0	0	336	0	0	0
TELECOM-TELEPHONE SERVICES	516652	0	0	5,853	0	0	0
TELECOM-LONG DISTANCE SERVICE	516655	0	0	704	0	0	0
TELECOM-PAGING SERVICE	516656	0	0	37	0	0	0
TELECOM-TOLL FREE PHONE SERV	516657	0	0	75	0	0	0
TELECOM-CONF CALLING SERVICES	516658	0	0	531	0	0	0
TELECOM-WIRELESS PHONE SERVICE	516659	0	0	175	0	0	0
IT INTERSVCCOST- DII OTHER	516670	0	0	2,064	0	0	0
IT INTSVCCOST-VISION/ISDASSESS	516671	0	0	20,071	0	0	0
IT INTSVCCOST- DII - TELEPHONE	516672	0	0	339	0	0	0
IT INTER SVC COST DATA PROCESS	516677	0	0	5,444	0	0	0
IT INT SVC DII ALLOCATED FEE	516685	0	0	12,253	0	0	0
ADVERTISING-PRINT	516813	0	1,700	0	1,700	1,700	1,700
ADVERTISING-OTHER	516815	0	0	0	0	0	0
Advertising - Job Vacancies	516820	0	0	139	0	0	0
Printing and Binding	517000	0	0	2,039	0	0	0
PRINTING & BINDING-BGS COPY CT	517005	0	15,000	17,051	18,000	18,000	18,000

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Printing-Promotional	517010	0	2,000	2,070	2,500	2,500	2,500
Photocopying	517020	0	8,000	0	9,500	9,500	9,500
Process&Printg Films, Microfilm	517050	0	0	13	0	0	0
Registration for Meetings&Conf	517100	0	500	1,825	500	500	3,000
TRAINING - INFO TECH	517110	0	1,000	0	1,000	1,000	1,005
Postage	517200	0	65,000	9,948	70,000	70,000	0
POSTAGE - BGS POSTAL SVCS ONLY	517205	0	0	54,830	0	0	70,000
Freight & Express Mail	517300	0	0	89	0	0	0
INSTATE CONF, MEETINGS, ETC	517400	0	0	0	0	0	0
CATERING-MEALS-COST	517410	0	0	2,002	0	0	0
OUTSIDE CONF, MEETINGS, ETC	517500	0	3,000	0	3,000	3,000	5,950
Travel-Inst-Auto Mileage-Emp	518000	0	0	0	0	0	0
Travel-Inst-Meals-Emp	518020	0	0	0	0	0	0
Travel-Inst-Lodging-Emp	518030	0	0	0	0	0	0
Travel-Inst-Incidentals-Emp	518040	0	0	0	0	0	0
CONFERENCE - INSTATE - EMP	518050	0	0	0	0	0	0
Travel-Inst-Auto Mileage-Nonemp	518300	0	1,500	764	2,500	2,500	5,000
Travel-Inst-Other Trans-Nonemp	518310	0	0	0	0	0	0
Travel-Inst-Meals-Nonemp	518320	0	0	0	0	0	0
Travel-Outst-Auto Mileage-Emp	518500	0	0	0	0	0	0
Travel-Outst-Other Trans-Emp	518510	0	0	608	0	0	0
Travel-Outst-Lodging-Emp	518530	0	0	0	0	0	0
Travel-Outst-Incidentals-Emp	518540	0	0	0	0	0	0
CONFERENCE OUTSTATE - EMP	518550	0	0	0	0	0	0
Travel-Outst-Auto Mileage-Nonemp	518700	0	0	126	0	0	0
Travel-Outst-Other Trans-Nonemp	518710	0	3,000	747	4,000	4,000	4,900
Travel-Outst-Meals-Nonemp	518720	0	0	46	0	0	0
Travel-Outst-Lodging-Nonemp	518730	0	0	3,387	0	0	0
Travel-Outst-Incidentals-Nonemp	518740	0	0	350	0	0	0

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
ALL INCLUSIVE CONF-OUTST-NONEM	518750	0	0	0	0	0	0
Other Purchased Services	519000	0	0	181	0	0	0
HUMAN RESOURCES SERVICES	519006	0	0	0	6,733	6,733	6,418
Administrative Service Charge	519010	0	703,523	728,082	750,282	750,282	830,956
Moving State Agencies	519040	0	0	108	0	0	0
OTHER PURCHASED SERVICES	519099	0	2,000	0	4,000	4,000	4,000
Purchased Services Budget	001200	0	860,783	885,906	937,403	937,403	1,026,329
Office Supplies	520000	0	12,000	3,008	15,000	15,000	15,000
FORMS	520005	0	0	735	0	0	0
STATIONARY & ENVELOPES	520015	0	0	830	0	0	0
Electrical Supplies	520230	0	0	0	0	0	0
Other General Supplies	520500	0	0	7	0	0	0
IT & DATA PROCESSING SUPPLIES	520510	0	8,307	5,411	8,307	8,307	8,361
Educational Supplies	520540	0	0	2,257	0	0	0
Recognition/Awards	520600	0	0	48	0	0	0
Food	520700	0	0	485	0	0	0
Books&Periodicals-Library/Educ	521500	0	0	72	0	0	0
Subscriptions	521510	0	0	571	0	0	0
SUBSCRIPTIONS OTHER INFO SERV	521515	0	0	53	0	0	0
Other Books & Periodicals	521520	0	0	0	0	0	0
Paper Products	521820	0	0	22	0	0	0
Supplies Budget	001800	0	20,307	13,499	23,307	23,307	23,361
HW - OTHER INFO TECH	522200	0	1,000	593	1,000	1,000	1,005
Info Tech Purchases-Hardware	522210	0	0	0	0	0	0
HARDWARE - UPS	522212	0	0	0	0	0	0
HW-SERVER,MAINFRME,DATASTOREQU	522214	0	13,750	0	13,750	13,750	17,109
HW-SWITCHES,ROUTER,OTHER	522215	0	0	60	0	0	0

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
EXPENDITURES							
HARDWARE - DESKTOP & LAPTOP PC	522216	0	2,500	2,512	2,500	2,500	0
HW - PRINTERS,COPIERS,SCANNERS	522217	0	750	403	750	750	0
SOFTWARE - OTHER	522220	0	1,000	3,151	1,000	1,000	1,005
SOFTWARE - OFFICE TECHNOLOGY	522221	0	0	323	0	0	0
SW-DATABASE&MANAGEMENT SYS	522222	0	0	613	0	0	0
SOFTWARE-GIS	522223	0	0	0	0	0	0
SW-SERVER&LOCAL AREA NETWORK	522225	0	0	37	0	0	0
SW-FIREWALL FILTER & SECURITY	522227	0	0	0	0	0	0
HW-OTHER COMMUNICATIONS	522261	0	0	241	0	0	0
Office Equipment	522410	0	600	0	600	600	600
Furniture & Fixtures	522700	0	0	778	0	0	0
Equipment Budget	002600	0	19,600	8,711	19,600	19,600	19,719
Single Audit Allocation	523620	0	0	30,197	0	0	0
ADMIN EXPENSE-FIDUCIARY	523740	0	0	(3,430)	0	0	0
Bank Service Charges	524000	0	0	20	0	0	0
Cost of Insurance	525180	0	0	0	0	0	0
Cost of Outside Printing & Dup	525360	0	0	0	0	0	0
OPEB INSURANCE PREMIUM	526260	0	20,000,000	18,928,473	21,000,000	21,000,000	24,000,000
Other Operating Expenses Bdgt	003200	0	20,000,000	18,955,260	21,000,000	21,000,000	24,000,000
VISION / ISD ASSESSMENT	523800	0	20,400	0	27,659	27,659	22,540
Vision / ISD Assessment	003710	0	20,400	0	27,659	27,659	22,540
Other Grants	550500	0	0	0	0	0	0
Grants Other Than AHS Budget	005005	0	0	0	0	0	0
<b>EXPENDITURE TOTALS</b>		<b>0</b>	<b>28,233,387</b>	<b>26,321,434</b>	<b>28,884,517</b>	<b>28,884,517</b>	<b>33,112,629</b>

Agency Name: State Teachers' Retirement System

Program: 1265010000 State Teachers' Retirement System

Reporting Level: 9518-9518-0001-0000-0000-0000

1 Object/Revenue		2	3	4	5	6	7
Description	Code		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
MEANS OF FUNDING							
General Fund	10000	0	0	0	0	0	0
General Fund	102590	0	0	0	0	0	0
State Teachers' Retirement	60300	0	28,233,387	26,321,434	28,884,517	28,884,517	33,112,629
Pension Trust Fund	102610	0	28,233,387	26,321,434	28,884,517	28,884,517	33,112,629
TOTAL FUNDING		0	28,233,387	26,321,434	28,884,517	28,884,517	33,112,629

Agency Name: State Teachers' Retirement System

Program: 1260020000 Teachers' Retirement System - Grant

Reporting Level: 9518-9518-0002-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Other Grants	550500	0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
Grants Other Than AHS Budget	005005	0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
EXPENDITURE TOTALS		0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
MEANS OF FUNDING							
General Fund	10000	0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
General Fund	102590	0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130
TOTAL FUNDING		0	46,913,381	46,913,381	51,672,307	51,672,307	63,613,130

**Vermont State Teachers' Retirement System**  
**Budget FY2013**  
**Budget Narrative**

The State Teachers' Retirement System is the uniform public pension plan covering all public school teachers and administrators in the state. It was created in 1947 and is now governed by Title 16, V.S.A., Chapter 55. It has undergone significant changes over the years, with the most recent being the implementation of a non-contributory group with major benefit reforms as provided by Act No 41 of 1981, and a significant change in a return to a mandatory contributory system as of July 1, 1990.

As of June 30, 2011, the system consisted of approximately 10,123 active members, 2,675 inactive members, 647 terminated vested members and approximately 7,005 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The actuarial value of the fund was approximately \$1,487 million as of June 30, 2011, compared with about \$1,410 million as of June 30, 2010. The system paid \$117.0 million in retirement benefits during fiscal year 2011.

The State Teachers' Retirement System Board of Trustees is responsible for the administration of the system. The Board consists of the State Treasurer, Commissioner of Education, Commissioner of Banking, Insurance, Securities and Health Care Administration, two active members elected by the membership, and one retired teacher appointed by the Vermont Retired Teachers Association. Staff is provided by the Retirement Division of the State Treasurer's Office which also administers the Vermont State Retirement System and the Vermont Municipal Employees' Retirement System.

In addition to pension payments, the fund also makes health care payments for retirees, totaling \$18.9 million in FY2011. These are not added to the pension calculation and are treated as coming from the assets of the fund, therefore creating an actuarial loss. In addition, the actuary annually calculates an annual required contribution (ARC), similar to the pension contribution, necessary to recognize full accrual of retiree health care costs, including prefunding of benefits earned but not yet paid. Currently the State does not prefund these amounts. One recommendation of the Treasurer and the Commission on the Design and Funding of Retirement and Retiree Health Benefit Plans for State Employees and Teachers is that the Legislature develop and implement a structural plan to fund health care obligations and set money aside in a material way through a separate, independent funding mechanism. Full funding of the ARC for OPEB on a prefunded basis is \$30,906,315. Budgeted cash payments in the pension are \$24,000,000 leaving the ARC to be funded of \$6,906,315. If prefunding does not occur, the remaining ARC cost rises significantly (\$45,312,092 total, less \$24,000,000 budgeted, leaving the ARC to be funded at \$21,312,092).

# Debt Service

Department: Debt Service

Appropriation: Debt Service - Principal

Deptid: 1260980000

MAJOR OBJECT		FY11 Budget As Passed	FY11 Actual	FY12 Budget As Passed	FY12 Estimated	FY13 Governor Proposed
Operating Expenses		71,576,314	71,912,125	72,390,394	72,390,394	72,656,785
<b>Total</b>		<b>71,576,314</b>	<b>71,912,125</b>	<b>72,390,394</b>	<b>72,390,394</b>	<b>72,656,785</b>
<b>FUND TYPE</b>						
General Fund		65,804,622	65,804,621	64,575,793	64,575,793	59,941,850
Transportation Fund		3,477,902	3,477,901	3,371,825	3,371,825	2,482,442
Special Fund		1,626,225	1,962,039	625,950	625,950	628,150
Special Funds Debt Service		1,026,225	1,026,225	625,950	625,950	628,150
TR Infrastructure Bond Fund		600,000	935,814	0	0	0
American Recovery & Reinvestment A		667,565	667,564	1,437,142	1,437,142	1,253,280
Debt Service		0	0	2,379,684	2,379,684	8,351,063
<b>Total</b>		<b>71,576,314</b>	<b>71,912,125</b>	<b>72,390,394</b>	<b>72,390,394</b>	<b>72,656,785</b>

Agency Name: Debt Service  
 Program: 1260980000 Debt Service - Principal  
 Reporting Level: 9533-9533-0001-0000-0000-0000

1 Object/Revenue		2	3 FY11 Budget As Passed	4 FY11 Actual	5 FY12 Budget As Passed	6 FY12 Estimated	7 FY13 Governor Proposed
Description	Code						
EXPENDITURES							
Bond Principal	551200	0	46,009,221	48,158,052	50,097,718	50,097,718	50,320,018
Interest on Bonds	551300	0	25,567,093	23,754,073	22,292,676	22,292,676	22,336,767
Debt Service Budget	006000	0	71,576,314	71,912,125	72,390,394	72,390,394	72,656,785
<b>EXPENDITURE TOTALS</b>		0	71,576,314	71,912,125	72,390,394	72,390,394	72,656,785
MEANS OF FUNDING							
American Recovery & Reinvest. Act	22040	0	667,565	667,564	1,437,142	1,437,142	1,253,280
General Fund	10000	0	65,804,622	65,804,621	64,575,793	64,575,793	59,941,850
American Recovery & Reinvestment Act	102565	0	667,565	667,564	1,437,142	1,437,142	1,253,280
General Fund	102590	0	65,804,622	65,804,621	64,575,793	64,575,793	59,941,850
TR Infrastructure Bond Fund	20191	0	600,000	935,814	0	0	0
Special Funds Debt Service	21868	0	1,026,225	1,026,225	625,950	625,950	628,150
Transp Fund - Nondedicated	20105	0	3,477,902	3,477,901	3,371,825	3,371,825	2,482,442
Special Fund	102640	0	1,626,225	1,962,039	625,950	625,950	628,150
Transportation Fund	102660	0	3,477,902	3,477,901	3,371,825	3,371,825	2,482,442
General Obligation Bonds Debt Serv	35100	0	0	0	1,388,121	1,388,121	7,361,000
Transportation Rev Bonds Debt Serv	35200	0	0	0	991,563	991,563	990,063
Other Special Revenue Debt Service	35300	0	0	0	0	0	0
Debt Service	102700	0	0	0	2,379,684	2,379,684	8,351,063
<b>TOTAL FUNDING</b>		0	71,576,314	71,912,125	72,390,394	72,390,394	72,656,785

**State Of Vermont Debt Service  
Budget FY2013  
Budget Narrative**

The State borrows money for capital purposes through the issuance of general obligation bonds, the payment of which is backed by the full faith and credit of the State. General Obligation bonds are used for numerous purposes including construction and renovation of state office buildings and state recreational, cultural, health, correctional and educational facilities; making grants to municipalities for the purposes of funding wastewater and drinking water facilities upgrades; transportation projects funding, and other capital projects

The State Treasurer may borrow temporary funds, through various methods, revenue anticipation notes, lines of credit and a tax-exempt commercial paper program, for the purpose of defraying the expenses and budget deficits of government incurred by the appropriations authorized in the General Appropriations Act. The proceeds of temporary borrowing, together with certain other available monies in the General Fund are used to make such payments, as set forth in the General Appropriations Act, in advance of receipt of taxes, revenues and other funds.

In addition to General Obligation debt, the State may also sell revenue-backed Transportation Infrastructure Bonds (TIBs). These bonds are secured only from motor fuel transportation infrastructure assessments of 2% of the sales price of gasoline and 3 cents per gallon of diesel fuel. TIBs are used to finance the rehabilitation, reconstruction or replacement of state and municipal bridges and culverts, and state roads, railroads, airports and necessary buildings which, after such work, have a remaining useful life of at least 30 years.

The amount necessary each year to pay the maturing principal and interest are included in and made part of the annual appropriations bill for the expense of State Government.

The Capital Debt Affordability Advisory Committee (CDAAC) completes an annual review of the size and affordability of the State tax-supported general obligation debt, including the projected debt service required to pay these obligations.

Economic trends, the bond market and legislative actions will determine the interest rates on borrowing. Estimates are based on the latest information available.