

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1022 - Retirement and Investment Office - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$8,552,467	\$3,539,528	\$12,091,995
New and vacant FTE pool		470,466	470,466
Operating expenses	2,731,037	1,029,096	3,760,133
Contingencies	200,000		200,000
Total all funds	\$11,483,504	\$5,039,090	\$16,522,594
Less estimated income	11,483,504	5,039,090	16,522,594
General fund	\$0	\$0	\$0
FTE	34.00	1.00	35.00

Department 190 - Retirement and Investment Office - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Adds Funding for Salaries and Wages ⁴	Adds Internal Auditor FTE Position ⁵	Transfers Funding Between Line Items ⁶
Salaries and wages	\$676,016	\$1,786,076	(\$605,458)	\$1,379,216	\$233,228	\$70,450
New and vacant FTE pool			470,466			
Operating expenses					16,650	(70,450)
Contingencies						
Total all funds	\$676,016	\$1,786,076	(\$134,992)	\$1,379,216	\$249,878	\$0
Less estimated income	676,016	1,786,076	(134,992)	1,379,216	249,878	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	1.00	0.00

	Adds Funding for Operating Expenses ⁷	Adds One-Time Funding Item ⁸	Total House Changes
Salaries and wages			\$3,539,528
New and vacant FTE pool			470,466
Operating expenses	\$832,896	\$250,000	1,029,096
Contingencies			
Total all funds	\$832,896	\$250,000	\$5,039,090
Less estimated income	832,896	250,000	5,039,090
General fund	\$0	\$0	\$0
FTE	0.00	0.00	1.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$0	\$471,836	\$471,836
Health insurance increase	0	204,180	204,180
Total	\$0	\$676,016	\$676,016

² Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	\$0	\$238,129	\$238,129
New FTE positions	0	1,547,947	1,547,947
Total	\$0	\$1,786,076	\$1,786,076

³ Funding of \$605,458 for new FTE positions and estimated savings from vacant FTE positions is removed and funding of \$470,466 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	\$0	(\$372,230)	(\$372,230)
New FTE positions	<u>0</u>	<u>(233,228)</u>	<u>(233,228)</u>
Total	\$0	(\$605,458)	(\$605,458)
Funding pool line item	<u>0</u>	<u>470,466</u>	<u>470,466</u>
Net savings	\$0	(\$134,992)	(\$134,992)

⁴ Funding is added for salaries and wages as follows:

	General Fund	Other Funds	Total
FTE positions partially funded in 2023-25	\$0	\$1,236,914	\$1,236,914
Salary funding - Cost to continue	0	118,302	118,302
Internship program	<u>0</u>	<u>24,000</u>	<u>24,000</u>
Total	\$0	\$1,379,216	\$1,379,216

⁵ Funding of \$249,878 from special funds is added for 1 FTE internal auditor position, including \$233,228 for salaries and wages and \$16,650 for operating expenses.

⁶ Funding of \$70,450 is transferred from the operating expenses line item to the salaries and wages line item for cost to continue 2023-25 salary increases.

⁷ Operating funding is added as follows:

	General Fund	Other Funds	Total
IT rate increases	\$0	\$61,562	\$61,562
IT software hosting fees	0	751,334	751,334
Investment conference hosting expenses	<u>0</u>	<u>20,000</u>	<u>20,000</u>
Total	\$0	\$832,896	\$832,896

⁸ One-time funding of \$250,000 is added from special funds for information technology consulting expenses to replace accounting software.

The House version also adds a section regarding the use of funding in the new and vacant FTE pool line item.