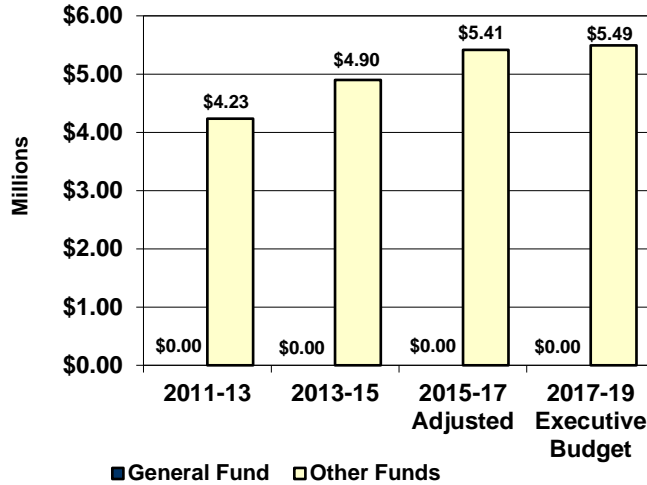


**Department 190 - Retirement and Investment Office
House Bill No. 1022**

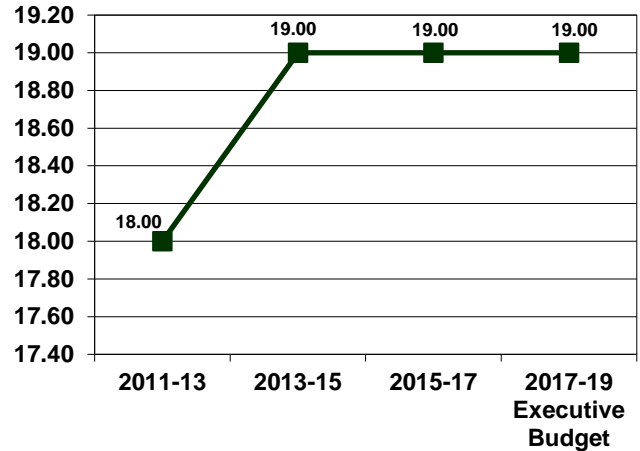
Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	19.00	\$0	\$5,494,506	\$5,494,506
2015-17 Adjusted Legislative Appropriations	19.00	0	5,413,425	5,413,425
Increase (Decrease)	0.00	\$0	\$81,081	\$81,081

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$0	\$5,494,506	\$5,494,506
2017-19 Base Level	0	5,413,425	5,413,425
Increase (Decrease)	\$0	\$81,081	\$81,081

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$19,091 is for salary increases and \$54,376 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) The House removed funding for the salary increases.	\$0	\$73,467	\$73,467
2. Reduces funding for various operating expenses. The House reduced funding by an additional \$110,052 to provide a total reduction of \$200,847.		(\$90,795)	(\$90,795)
3. Adds funding for a copier replacement. The House did not include funding for copier replacement.		\$9,000	\$9,000
4. The Burgum budget reduced the agency appropriation by 2 percent. The House did not make this reduction.		(\$109,890)	(\$109,890)

Other Sections in House Bill No. 1022

Health insurance increase - Section 2 identifies the amount included in the agency appropriations relating to increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

Contingencies line item - Section 3 provides, upon approval of the board, the Retirement and Investment Office may transfer from the contingencies line item in section 1 of the bill to all other line items.

Continuing Appropriations

Investment expenses - North Dakota Century Code Section 21-10-06.2 - Investment management, custody, consulting, income offset, and due diligence/education costs.

Benefits and refunds - Section 15-39.1-05.2 - Benefits and refunds from the Teachers' Fund for Retirement.

Administrative charges - Section 15-39.1-05.2 - Income offset and Teachers' Fund for Retirement consulting costs.

Significant Audit Findings

The audit for the Retirement and Investment Office conducted by CliftonLarsonAllen LLP, for the period ending June 30, 2015, identified one significant accounting policy change related to GASB Statement Nos. 68 and 71.

The schedule of employer allocations and pension amounts by employer prepared for the Retirement and Investment Office and audited by CliftonLarsonAllen LLP for the period ending June 30, 2015, did not identify any significant audit findings.

Major Related Legislation

House Bill No. 1175 - Adds two legislators to the State Investment Board.

Retirement and Investment Office - Budget No. 190
House Bill No. 1022
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	19.00	\$0	\$5,413,425	\$5,413,425	19.00	\$0	\$5,413,425	\$5,413,425
2017-19 Ongoing Funding Changes								
Base payroll changes			\$91,409	\$91,409			\$34,583	\$34,583
Salary increase - Performance				0				0
Health insurance increase			54,376	54,376			54,376	54,376
Employee portion of health insurance			(28,485)	(28,485)				0
Adjusts funding for operating expenses			(90,795)	(90,795)			(200,847)	(200,847)
Reduce appropriations by 2 percent			(109,890)	(109,890)				0
Adds funding for capital assets - Copier replacement			9,000	9,000				0
Reduce contingency funding			(2,000)	(2,000)			(30,000)	(30,000)
Total ongoing funding changes	0.00	\$0	(\$76,385)	(\$76,385)	0.00	\$0	(\$141,888)	(\$141,888)
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	(\$76,385)	(\$76,385)	0.00	\$0	(\$141,888)	(\$141,888)
2017-19 Total Funding	19.00	\$0	\$5,337,040	\$5,337,040	19.00	\$0	\$5,271,537	\$5,271,537

Other Sections in Retirement and Investment Office - Budget No. 190

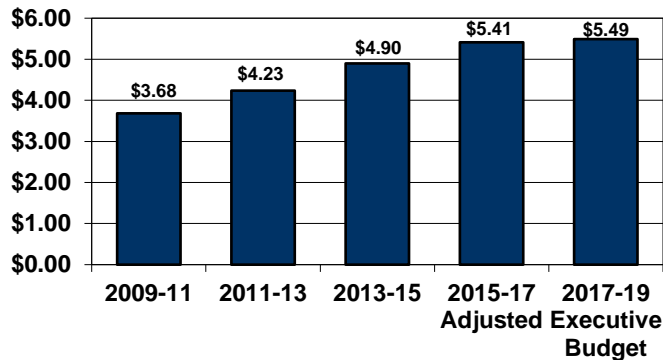
	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Health insurance increase		Section 2 identifies the amount included in the agency appropriation relating to increases in employee health insurance premiums from \$1,130 to \$1,249 per month.
Contingencies line item transfers	Section 2 provides, upon approval of the State Investment Board, the Retirement and Investment Office may transfer from the contingencies line item in Section 1 of the bill to all other line items.	Section 3 provides, upon approval of the State Investment Board, the Retirement and Investment Office may transfer from the contingencies line item in Section 1 of the bill to all other line items.

Department 190 - Retirement and Investment Office

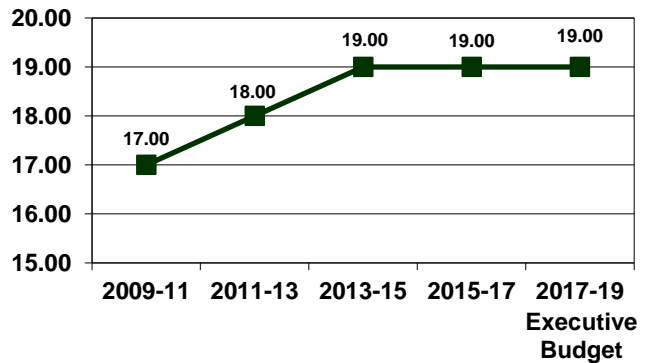
Historical Appropriations Information

Ongoing Other Funds Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing Other Funds Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Total fund appropriations	\$3,680,650	\$4,232,954	\$4,899,369	\$5,413,425	\$5,494,506
Increase (decrease) from previous biennium	N/A	\$552,304	\$666,415	\$514,056	\$81,081
Percentage increase (decrease) from previous biennium	N/A	15.0%	15.7%	10.5%	1.5%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	15.0%	33.1%	47.1%	49.3%

Major Increases (Decreases) in Total Fund Appropriations

2011-13 Biennium

- 1. Added 1 FTE deputy chief investment officer position \$316,824

2013-15 Biennium

- 1. Added funding for 1 FTE investment analyst position, and related operating costs \$283,553

2015-17 Biennium

- 1. No major changes

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

- 1. Reduce funding for various operating expenses. **The House reduced funding by an additional \$110,052 to provide a total reduction of \$200,847.** (\$90,795)
- 2. Adds funding for a copier replacement. **The House did not include funding for copier replacement.** \$9,000