



Retirement and Investment Office
Department No. 190
2025 House Bill No. 1022

EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	35.00	\$0	\$16,612,954	\$16,612,954
Base level	34.00	0	11,483,504	11,483,504
Increase (decrease)	1.00	\$0	\$5,129,450	\$5,129,450
Percentage increase (decrease)	2.9%	N/A	44.7%	44.7%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds funding to replace the 2023-25 biennium vacant FTE pool (\$238,129) and the 2023-25 biennium new FTE pool (\$1,547,947)
- Adds \$1,236,914 for FTE positions partially funded during the 2023-25 biennium
- Adds \$226,771 for 1 FTE fiscal services position, including \$209,046 for salaries and wages and \$17,725 for operating expenses
- Adds \$751,334 for information technology hosting fees related to pension software
- Adds \$250,000 of **one-time funding** for information technology support related to pension software

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management pursuant to North Dakota Century Code Section 54-35-27, this agency did not have any fees.

Major Related Legislation

As of the date of this report, there is no major related legislation for this agency.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



Retirement and Investment Office - Budget No. 190
Agency Worksheet - House Bill No. 1022

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	34.00	\$0	\$11,483,504	\$11,483,504
2025-27 Ongoing Funding Changes				
Salary increase			\$586,608	\$586,608
Health insurance increase			210,185	210,185
Funding to replace the 2023-25 vacant FTE pool			238,129	238,129
Funding to replace the 2023-25 new FTE pool			1,547,947	1,547,947
Funding for FTE positions partially funded in 2023-25			1,236,914	1,236,914
Transfers \$70,450 from operating to salaries - Base				0
FTE fiscal services position	1.00		226,771	226,771
Information technology rate increases			61,562	61,562
Information technology software hosting fees			751,334	751,334
Investment conference hosting expenses			20,000	20,000
Total ongoing funding changes	1.00	\$0	\$4,879,450	\$4,879,450
One-Time Funding Items				
Information technology software support			\$250,000	\$250,000
Total one-time funding changes	0.00	\$0	\$250,000	\$250,000
Total Changes to Base Level Funding	1.00	\$0	\$5,129,450	\$5,129,450
2025-27 Total Funding	35.00	\$0	\$16,612,954	\$16,612,954

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

2.9%

N/A

42.5%

42.5%

Total changes - Percentage of base level

2.9%

N/A

44.7%

44.7%

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

Section Description	Executive Budget
FTE position adjustments	Section 3 would authorize the Retirement and Investment Office to increase or decrease authorized FTE positions subject to the availability of funds.

Sixty-ninth
Legislative Assembly
of North Dakota

**HOUSE BILL NO. 1022
(Governor’s Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the state retirement and investment office; to provide for an exemption; and to provide for a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from income for the purpose of defraying their expenses, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$8,988,467	\$3,663,279	\$12,651,746
Operating Expenses	2,295,037	1,466,171	3,761,208
Contingencies	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total All Funds	\$11,483,504	\$5,129,450	\$16,612,954
Less Estimated Income	<u>11,483,504</u>	<u>5,129,450</u>	<u>16,612,954</u>
Total General Fund	\$0	\$0	\$0
Full-time Equivalent Positions	34.00	1.00	35.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET – REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Temp Salaries	\$50,000	\$0
PASS project	<u>574,900</u>	<u>250,000</u>
Total Special Funds	\$624,900	\$250,000

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The retirement and investment office shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 3. EXEMPTION – FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state retirement and investment office may increase or decrease authorized full-time equivalent positions as needed, subject to the availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The state retirement and investment office shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.