

Budget and Accounting Office

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Jim Reinholdz, Controller



Minnesota House of Representatives

Kurt Daudt, Speaker

To: Representative Joyce Peppin, Chair, Committee on Rules and Legislative Administration

From: Jim Reinholdz, House Controller

A handwritten signature in dark ink, appearing to read "Jim Reinholdz", is written over the "From:" line.

Date: March 27, 2017

Re: House Budget Proposal for FY 2018-19

The attached recommended budget for the House of Representatives for FY 2018-19 is transmitted for consideration and approval by the Committee on Rules and Legislative Administration. This budget has been prepared and is submitted to the Rules Committee in accordance with the Ninetieth Session, Permanent Rules of the House, Article 8.01.

For the FY 2018-19 biennium, the House budget is recommended to be established at a total expenditure level of \$65,395,203. The funding proposal recommends a general fund appropriation of \$64,766,000. This amount is equal to the February forecasted general fund base amount for the House.

The proposed FY 2018-19 budget also recommends expending approximately \$500 thousand dollars from the House carry-forward account for technology equipment renewal.

This funding level will allow the House to continue operations at the current level of staffing and effort.

I will be available to answer questions that you or the members of the committee may have on this proposed budget.

Minnesota House of Representatives

FY 2018-19 Budget Proposal

This proposed budget is recommending total spending of \$65,395,203 for the FY 2018-19 biennium. The funding source of the recommended spending is proposed to be an appropriation of \$64,766,000 from the General Fund. Additional funding of approximately \$500 thousand dollars is from the House carry-forward account. The General Fund appropriation amount is equal to the House of Representatives FY 2018-19 forecasted base budget amount.

Summary of budget items and impacts.

- **Session Length.** The 2018 session is funded for an anticipated length of 10 weeks. Session for 2019 is funded for an anticipated length of 20 weeks.
- **Member salaries/Per Diem.** No member salary changes are reflected in the budget. Per Diem is budgeted to remain at the current rate of \$66 per day for the budget period.
- **Member Reimbursements.** Member reimbursements for housing, travel, and communications are funded at the levels currently approved under Rules Committee resolutions. Included is the costs of increasing the maximum monthly housing reimbursement amount to \$1,800.
- **Permanent staffing.** This budget contains adequate funding to maintain the current permanent staffing level.
- **Temporary Staff.** Funding for temporary session staffing is budgeted at a level to maintain the current session staffing levels.
- **Health Insurance.** The proposed budget includes increased cost estimates of health insurance for members and permanent employees of 8.9% in 2018 and an additional 4.19% in 2019. These amounts are the estimates provided by MN Management and Budget.
- **Tuition Reimbursement.** The current suspension of the tuition reimbursement program for staff is extended through the biennium.
- **Equipment Expenditures.** IT, office equipment and furniture expenditures are budgeted at approximately the same level as current levels. Expenditure of carry-forward account funds is recommended for renewal of computers.
- **Legislative Rent.** The budget assumes that the legislative rent charges will be directly appropriated to the Department of Administration as it is in the current biennium.

MINNESOTA HOUSE OF REPRESENTATIVES

Proposed Budget for Fiscal Years 2018-19

24-Mar-17

EXPENDITURE	Projected FY18	Projected FY19
Members Salaries(inc. session PD)	4,778,523	5,346,783
Perm Staff Salaries	15,958,310	16,202,634
Temporary Staff Salaries	455,876	867,904
Member's Insurance	1,998,267	2,127,049
Member's Retirement	256,756	287,290
Perm. Staff Insurance	2,836,311	3,019,102
Perm Staff Retirement	955,919	967,356
Deferred Compensation	170,000	170,000
HCSP	90,000	90,000
0883-Social Security	1,207,984	1,277,787
0884-Medicare	307,294	325,051
Unemployment	60,000	60,000
Worker's Comp	25,000	25,000
Administrative Fees	14,000	14,000
Total Salaries/Benefits	29,114,241	30,779,956
Member's Per Diem(non session)	100,000	80,000
Housing Allowance	689,472	590,976
Members' District Travel	120,000	90,000
Members' Session Mileage	90,000	160,500
Registration fees & tuition	40,000	40,000
Travel	130,000	130,000
Total Travel/Subsistence	1,169,472	1,091,476
Telephones	204,000	204,000
Other Communications	135,000	170,000
Session Printing	20,000	20,000
Other Printing	2,000	50,000
Invoiced Staff	19,000	20,000
Professional Services	42,000	32,000
Purchased Services	50,000	70,000
Office Equipment	445,023	739,848
Leases/Rentals	20,000	20,000
Maintenance/Repairs	264,993	282,194
Office Supplies	115,000	165,000
Other Supplies	50,000	70,000
Miscellaneous	15,000	15,000
Total C/P/E/O	1,382,016	1,858,042
Totals	31,665,729	33,729,474
Biennial total		65,395,203
FUNDING SOURCE	Budget FY18	Budget FY19
Net General Fund Approp	32,383,000	32,383,000
Biennial total		64,766,000
Expenditures by Funding Source		
General fund appropriation	31,601,894	33,164,106
HCA spending	63,835	63,835
Carry forward spending	-	501,533
Total all sources	31,665,729	33,729,474