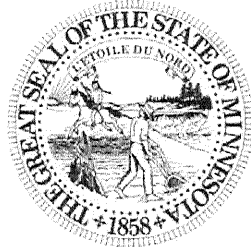


Budget and Accounting Office

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100 Rev Dr Martin Luther King Jr Blvd
St. Paul, Minnesota 55155
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Barbara Juelich, Controller



Minnesota House of Representatives

Melissa Hortman, Speaker

To: Representative Ryan Winkler, Chair, Committee on Rules and Legislative Administration

From: Barbara Juelich, House Controller 

Date: April 5, 2021

Re: House Budget Proposal for FY 2022-23

The attached *Minnesota House of Representatives – Recommended Budget for Fiscal Years 2022-23* 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 Permanent Rules of the House, Article 8.01.

FY 2022-23 Recommended Budget

For the FY 2022-23 biennium, the House budget is recommended to be established at an expenditure level of \$83,423,251. This proposed budget is \$3.442 million more or about a 4.3% increase. The proposal would include a 3.4% or \$2.649 million increase to the general fund appropriation base and the use of \$3.060 million in carry-forward.

The proposed budget for FY 2022-23 will allow for the following:

- Funding to maintain of current staffing levels plus redistricting staff.
- Funding for the implementation of the currently suspended 2% COLA and 3.5% merit increases¹
- Funding for a 1% and 1% compensation budget increase
- Funding for increased health insurance costs and other non-salary operating budget increases
- Funding for a \$1,750 (3.76%) increase in Member salary effective July 1, 2021 as recommended by the Legislative Salary Council
- Funding of pre-pandemic operating trends for Member expense payments (per diems, travel, lodging, mileage, etc.).
- Funding of pre-pandemic trends for House non-salary operations (Information Technology maintenance and license renewals, communications, professional and other purchased services).
- Use of \$3.06 million in carryforward funds.

¹ Implementation of the suspended salary increases should not be considered until the end of session, when House resources are known.

Minnesota House of Representatives **FY 2022-23 Budget Proposal Summary** **4/5/2021**

SPENDING

The proposed Minnesota House of Representative’s budget recommends a total spending of \$83,423,251 for the FY 2022-23 biennium. This represents a \$3,442,800 or 4.3.% increase over the FY 2020-21 budget. The budget proposal includes operational increases for known cost increases such as Members’ salary and insurance costs, as well as a 1% per year increase for staff compensation.

RESOURCES

The proposed budget is recommended to be funded from the following sources:

- 80,363,000 from the General Fund appropriation
- \$3,060,251 from the Carryforward account.

This budget request a General Fund appropriation increase of \$2,649,000 or 3.4% higher than the FY 2022-23 base budget for the House of Representatives.

House of Representatives Biennial Budget Recommendation Summary **(in 000s)**

Category	FY 20-21	FY 22-23	Difference	% Change
Budget Recommendation				
Operating Budget	\$76,405	\$80,363	\$3,959	5.18%
One-time Investments	\$3,576	\$3,060	(\$516)	(14.45%)
Total	\$79,981	\$83,423	\$3,442	4.30%
Resource Recommendation				
GF	\$76,277	\$80,363	\$4,087	5.36%
HCAF	\$128	\$0	(\$128)	NA
CF	\$3,576	\$3,060	(\$516)	(14.45%)
Total	\$79,981	\$83,423	\$3,442	4.30%
General Fund Appropriation Base Versus Request				
	Base	Request	Difference	% Change
GF Appropriation	\$77,714	\$80,363	\$2,649	3.41%

CARRYFORWARD ACCOUNT

This proposed budget would leave an estimated carryforward account balance of \$4.472 million.

Minnesota House of Representatives
FY 2022-23 Budget Proposal Summary
4/5/2021

Enhancements	Funds known high priority security and other system upgrades including: <ul style="list-style-type: none"> • E-mail security testing • EBI Network upgrade (allow House access to security card system) • Human Resources and Budget and Accounting high priority system upgrades 	\$36,500
Contingency Funds	Establishes a fund for high priority one-time needs as identified during the biennium. Potential uses include: <ul style="list-style-type: none"> • Security upgrades • Building assessments • Restart of office furniture replacement projects • Other high priority needs identified throughout the biennium 	\$2,187,000
Total		\$3,060,000

Minnesota House of Representatives

Recommended Budget for Fiscal Years 2022-23

Expenditure	FY 22	FY 23
	Budget	Budget
Member Salaries with Session Per Diem	\$7,222,076	\$7,602,368
Permanent Staff Salaries	\$19,018,616	\$18,707,810
Temporary Staff Salaries	\$581,560	\$816,560
Member Insurance	\$2,408,404	\$2,536,901
Member Retirement	\$441,274	\$464,510
Permanent Staff Insurance	\$3,810,037	\$3,944,849
Permanent Staff Retirement	\$1,211,163	\$1,183,613
Deferred Compensation	\$260,000	\$230,000
Deferred Compensation - CF	\$100,000	\$0
HCSP	\$140,000	\$90,000
Social Security	\$1,549,388	\$1,559,334
Medicare	\$394,143	\$396,673
Unemployment	\$40,000	\$75,000
Workers Comp	\$30,000	\$25,000
Admin Fees	\$17,500	\$17,500
Total Salaries and Benefits	\$37,224,161	\$37,650,119
Interim Per Diem	\$93,654	\$93,654
Housing	\$755,000	\$655,000
District Travel	\$120,000	\$80,000
Session Mileage	\$110,000	\$160,000
Registration, fees and tuition	\$24,500	\$18,500
Travel	\$146,500	\$90,500
Total Travel and Subsistence	\$1,249,654	\$1,097,654
Telephones	\$251,200	\$251,200
Other communications	\$160,000	\$205,000
Session Printing	\$24,000	\$24,000
Other Printing	\$3,000	\$75,000
Invoiced Staff	\$42,000	\$42,000
Professional Services	\$63,370	\$107,722
Professional Services CF	\$8,630	\$0
Purchased Services	\$53,500	\$107,000
Office Equipment/Software	\$118,317	\$127,035
Office Equipment/Software - CF	\$125,674	\$618,663
Leases/Rentals	\$34,200	\$12,200
Maintenance/Repairs/Licenses	\$499,605	\$530,864
Maintenance/Repairs/Licenses - CF	\$20,496	\$0
Office Supplies	\$135,000	\$175,000
Other Supplies	\$61,500	\$86,500
Miscellaneous	\$21,100	\$31,100
Contingency	\$2,186,787	
Total Comm, Purch Serv, Equip	\$3,808,379	\$2,393,284
TOTAL	\$42,282,194	\$41,141,057
Biennial TOTAL		\$83,423,251
Carryforward Funds	\$2,441,588	\$618,663
		\$3,060,251