

## 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 black ink, appearing to read "Jim Reinholdz".

Date: April 13, 2015

Re: House Budget Proposal for FY 2016-17

The attached recommended budget for the House of Representatives for FY 2016-17 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 Eighty-Ninth Session, Permanent Rules of the House, Article 8.01.

For the FY 2016-17 biennium, the House budget is recommended to be established at a total expenditure level of \$57,995,600. The funding source proposed is a general fund appropriation equal to the proposed budget.

This request is a decrease of \$3,052,400 below the FY 2014-15 biennium general fund appropriation for the House. This funding request represents a reduction of 5% from the FY 2016-17 general fund base budget of the House of Representatives.

To manage this budget reduction from the current level of effort operation of the House, reductions will be made to permanent and temporary employee compensation expenditures. Travel, registration, equipment expenditures and committee budgets will be reduced from the base level. The cost of health insurance for members and staff is increased from the base amount by a total of \$446 thousand over the two years of the biennium.

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

# Minnesota House of Representatives

## FY 2016-17 Budget Proposal

This proposed budget is recommending total spending of \$57,995,600 for the FY 2016-17 biennium. The funding source of the recommended spending is proposed to be an appropriation of the same amount from the General Fund. This amount is a decrease of \$3,052,400 from the House of Representatives FY 2016-17 base budget amount.

### Summary of budget items and impacts.

- **Session Length.** The 2016 session is funded for an anticipated length of 15 weeks. Session for 2017 is funded for an anticipated length of 20 weeks.
- **Member salaries/Per Diem.** No member salary changes are reflected for 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.
- **Permanent staffing.** This budget contains a reduction of \$1.96 million dollars in expenditures from the projected same level compensation costs.
- **Temporary Staff.** Funding for temporary session staffing is budgeted at a decrease of \$684 thousand dollars from the base level of current session temporary staffing adjusted for anticipated session length.
- **Health Insurance.** The proposed budget includes increased cost estimates of health insurance for members and permanent employees of 5% in the first year and an additional 5% in the second year.
- **Travel/Registration.** These expense items are proposed for decreases from the current levels. This will require increased restrictions on training and education activity for members and staff.
- **Tuition Reimbursement.** The current suspension of the tuition reimbursement for staff is extended through the biennium.
- **Equipment Expenditures.** IT, office equipment and furniture expenditures are budgeted at a decreased level from the base.
- **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 2016-17

13-Apr-15

<b>EXPENDITURE</b>	<b>Proposed Budget FY16</b>	<b>Proposed Budget FY17</b>
Members Salaries(inc. session PD)	5,062,653	5,346,783
Perm Staff Salaries	13,982,309	13,832,309
Temporary Staff Salaries	234,555	312,740
Member's Insurance	1,742,295	1,829,410
Member's Retirement	272,023	287,290
Perm. Staff Insurance	2,370,317	2,480,793
Perm Staff Retirement	838,939	829,939
Deferred Compensation	190,000	190,000
HCSP	90,000	90,000
0883-Social Security	1,098,932	1,111,034
0884-Medicare	279,553	282,632
Unemployment	90,000	60,000
Worker's Comp	32,000	32,000
Administrative Fees	12,000	12,000
<b>Total Salaries/Benefits</b>	<b>26,295,576</b>	<b>26,696,930</b>
Member's Per Diem(non session)	100,000	100,000
Housing Allowance	636,120	513,000
Members' District Travel	120,000	90,000
Members' Session Mileage	125,000	160,500
Registration fees & tuition	35,000	55,000
Travel	100,000	130,000
<b>Total Travel/Subsistence</b>	<b>1,116,120</b>	<b>1,048,500</b>
Telephones	201,500	201,500
Other Communications	170,000	170,000
Session Printing	20,000	30,000
Other Printing	1,000	58,000
Invoiced Staff	20,000	20,000
Professional Services	50,000	50,000
Purchased Services	25,000	75,500
Office Equipment	436,000	436,474
Leases/Rentals	20,000	8,500
Maintenance/Repairs	200,000	200,000
Office Supplies	135,000	165,000
Other Supplies	45,000	70,000
Miscellaneous	15,000	15,000
<b>Total C/P/E/O</b>	<b>1,338,500</b>	<b>1,499,974</b>
<b>Totals</b>	<b>28,750,196</b>	<b>29,245,404</b>
<b>Bienial total</b>		<b>57,995,600</b>
<b>FUNDING SOURCE</b>	<b>Budget FY16</b>	<b>Budget FY17</b>
<b>Net General Fund Approp</b>	<b>28,750,196</b>	<b>29,245,404</b>
<b>Bienial total</b>		<b>57,995,600</b>
<b>Expenditures by Funding Source</b>		
General fund appropriation	28,750,196	29,245,404
Carry forward spending		-
<b>Total all sources</b>	<b>28,750,196</b>	<b>29,245,404</b>