

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1022 - Funding Summary

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Retirement and Investment Office			
Salaries and wages	\$3,611,563	\$3,772,504	\$160,941
Operating expenses	955,167	973,324	18,157
Contingencies	82,000	82,000	
Accrued leave payments		71,541	71,541
Total all funds	\$4,648,730	\$4,899,369	\$250,639
Less estimated income	4,648,730	4,899,369	250,639
General fund	\$0	\$0	\$0
FTE	18.00	19.00	1.00
Public Employees Retirement System			
Salaries and wages	\$5,206,609	\$5,016,339	(\$190,270)
Operating expenses	2,258,894	2,258,894	
Contingencies	250,000	250,000	
Accrued leave payments		103,217	103,217
Total all funds	\$7,715,503	\$7,628,450	(\$87,053)
Less estimated income	7,715,503	7,628,450	(87,053)
General fund	\$0	\$0	\$0
FTE	33.00	33.00	0.00
Bill Total			
Total all funds	\$12,364,233	\$12,527,819	\$163,586
Less estimated income	12,364,233	12,527,819	163,586
General fund	\$0	\$0	\$0
FTE	51.00	52.00	1.00

House Bill No. 1022 - Retirement and Investment Office - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$3,611,563	\$94,591	\$3,706,154
Operating expenses	955,167	18,157	973,324
Contingencies	82,000		82,000
Accrued leave payments		71,541	71,541
Total all funds	\$4,648,730	\$184,289	\$4,833,019
Less estimated income	4,648,730	184,289	4,833,019
General fund	\$0	\$0	\$0
FTE	18.00	1.00	19.00

Department 190 - Retirement and Investment Office - Detail of House Changes

	Adds Investment Analyst Position¹	Corrects Executive Compensation Package²	Adjusts State Employee Compensation and Benefits Package³	Provides Separate Line Item for Accrued Leave Payments⁴	Total House Changes
Salaries and wages	265,396	14,998	(114,262)	(71,541)	94,591
Operating expenses	18,157				18,157
Contingencies					
Accrued leave payments				71,541	71,541
Total all funds	\$283,553	\$14,998	(\$114,262)	\$0	\$184,289
Less estimated income	283,553	14,998	(114,262)	0	184,289
General fund	\$0	\$0	\$0	\$0	\$0
FTE	1.00	0.00	0.00	0.00	1.00

¹ This amendment adds 1.0 FTE investment analyst position and provides funding for salary, benefits, and applicable operating expenses.

² Funding is added due to a calculation error in the executive compensation package.

³ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

⁴ A portion of funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

House Bill No. 1022 - Retirement and Investment Office - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$3,611,563	\$3,706,154	\$185,803	\$3,891,957
Operating expenses	955,167	973,324		973,324
Contingencies	82,000	82,000		82,000
Accrued leave payments		71,541	(71,541)	
Total all funds	\$4,648,730	\$4,833,019	\$114,262	\$4,947,281
Less estimated income	4,648,730	4,833,019	114,262	4,947,281
General fund	\$0	\$0	\$0	\$0
FTE	18.00	19.00	0.00	19.00

Department 190 - Retirement and Investment Office - Detail of Senate Changes

	Restores Executive Compensation Package¹	Removes Separate Line Item for Accrued Leave Payments²	Total Senate Changes
Salaries and wages	114,262	71,541	185,803
Operating expenses			
Contingencies			
Accrued leave payments		(71,541)	(71,541)
Total all funds	\$114,262	\$0	\$114,262
Less estimated income	114,262	0	114,262
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

House Bill No. 1022 - Retirement and Investment Office - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$3,611,563	\$3,706,154	\$66,350	\$3,772,504	\$3,891,957	(\$119,453)
Operating expenses	955,167	973,324		973,324	973,324	
Contingencies	82,000	82,000		82,000	82,000	
Accrued leave payments		71,541		71,541		71,541
Total all funds	\$4,648,730	\$4,833,019	\$66,350	\$4,899,369	\$4,947,281	(\$47,912)
Less estimated income	4,648,730	4,833,019	66,350	4,899,369	4,947,281	(47,912)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	18.00	19.00	0.00	19.00	19.00	0.00

Department 190 - Retirement and Investment Office - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Total Conference Committee Changes
Salaries and wages	114,262	(47,912)	66,350
Operating expenses			
Contingencies			
Accrued leave payments			
Total all funds	\$114,262	(\$47,912)	\$66,350
Less estimated income	114,262	(47,912)	66,350
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Changes made by the House to the executive compensation package are removed.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.

- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

House Bill No. 1022 - Public Employees Retirement System - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$5,206,609	(\$291,587)	\$4,915,022
Operating expenses	2,258,894		2,258,894
Contingencies	250,000		250,000
Accrued leave payments		103,217	103,217
Total all funds	<u>\$7,715,503</u>	<u>(\$188,370)</u>	<u>\$7,527,133</u>
Less estimated income	<u>7,715,503</u>	<u>(188,370)</u>	<u>7,527,133</u>
General fund	\$0	\$0	\$0
FTE	33.00	0.00	33.00

Department 192 - Public Employees Retirement System - Detail of House Changes

	Corrects Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Provides Separate Line Item for Accrued Leave Payments³	Total House Changes
Salaries and wages	11,484	(199,854)	(103,217)	(291,587)
Operating expenses				
Contingencies				
Accrued leave payments			103,217	103,217
Total all funds	<u>\$11,484</u>	<u>(\$199,854)</u>	<u>\$0</u>	<u>(\$188,370)</u>
Less estimated income	<u>11,484</u>	<u>(199,854)</u>	<u>0</u>	<u>(188,370)</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding is added due to a calculation error in the executive compensation package.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

³ A portion of funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

House Bill No. 1022 - Public Employees Retirement System - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,206,609	\$4,915,022	\$303,071	\$5,218,093
Operating expenses	2,258,894	2,258,894		2,258,894
Contingencies	250,000	250,000		250,000
Accrued leave payments		103,217	(103,217)	
Total all funds	\$7,715,503	\$7,527,133	\$199,854	\$7,726,987
Less estimated income	7,715,503	7,527,133	199,854	7,726,987
General fund	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00

Department 192 - Public Employees Retirement System - Detail of Senate Changes

	Restores Executive Compensation Package¹	Removes Separate Line Item for Accrued Leave Payments²	Total Senate Changes
Salaries and wages	199,854	103,217	303,071
Operating expenses			
Contingencies			
Accrued leave payments		(103,217)	(103,217)
Total all funds	\$199,854	\$0	\$199,854
Less estimated income	199,854	0	199,854
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

House Bill No. 1022 - Public Employees Retirement System - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$5,206,609	\$4,915,022	\$101,317	\$5,016,339	\$5,218,093	(\$201,754)
Operating expenses	2,258,894	2,258,894		2,258,894	2,258,894	
Contingencies	250,000	250,000		250,000	250,000	
Accrued leave payments		103,217		103,217		103,217
Total all funds	\$7,715,503	\$7,527,133	\$101,317	\$7,628,450	\$7,726,987	(\$98,537)
Less estimated income	7,715,503	7,527,133	101,317	7,628,450	7,726,987	(98,537)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00	33.00	0.00

Department 192 - Public Employees Retirement System - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Total Conference Committee Changes
Salaries and wages	199,854	(98,537)	101,317
Operating expenses			
Contingencies			
Accrued leave payments			
Total all funds	\$199,854	(\$98,537)	\$101,317
Less estimated income	199,854	(98,537)	101,317
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Changes made by the House to the executive compensation package are removed.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.