

FISCAL NOTE

This bill contains appropriations of \$3,483,000 from the GENERAL FUND and \$6,825,000 from the SCHOOL FOUNDATION FUND to the State Auditor's Office.

DETAIL OF APPROPRIATION

Agency #: 003 Agency Name: State Auditor's Office

Unit: N/A

EXPENDITURE BY SERIES AND YEAR	FY 2024	FY 2025	FY 2026
0100 Personnel/Benefit Costs	\$0	\$704,333	\$1,408,666
0600 Grant & Aid Payments	\$0	\$2,731,667	\$5,463,334
Total Expenditure Per Year:	\$0	\$3,436,000	\$6,872,000
Grand Total Expenditure:	\$10,308,000		
Total Appropriated to Agency:	\$10,308,000		
Total Appropriated by Fund:			
GENERAL FUND	\$3,483,000		
SCHOOL FOUNDATION FUND	\$6,825,000		

Description of appropriations:

The appropriations, up to the amounts provided, are to be used by state agencies in the Judicial, Executive and Legislative branches (through 0100 Personnel/Benefit Costs), the University of Wyoming, community colleges and school districts (through 0600 Grant & Aid Payments) to pay for an increase of employer retirement contributions of 0.25 percent in FY 2025 and an additional 0.25 percent increase in FY 2026 for the Public Employee Pension Plan (PE Plan). The appropriations for the increased contribution rates would be included in the biennial standard personnel budget requests of the impacted employers in future years.

The bill appropriates funds necessary for contributions paid from non-general fund sources.

Assumptions:

The appropriations will be used to pay for a 0.25 percent increase in the employer share of retirement contribution increase starting in FY 2025 and for an additional 0.25 percent increase in the employer share of retirement contribution starting in FY 2026. There is also required an equal share employee contribution increase to be paid by a reduction in cash salary from the PE Plan's employee members' paychecks. The bill also authorizes agencies funded with other funds (e.g. federal funds, etc.) to use those funds to pay proportionate shares of the contribution increase commensurate with the appropriate funding ratios for program served by these employees.

	FY 2025	FY 2026	FY 2027
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
RETIREMENT FUND	\$10,304,600	\$20,609,200	\$20,609,200

Source of revenue increase:

The PE Plan will receive additional employer and employee contributions as phased in; 0.50% increase (0.25% from employees and 0.25% from employers) in FY 2025 and FY 2026. The total increase results in an increase of 1.00% (paid 0.50% from employees and 0.50% from employers) by FY 2026, from the current total contribution rate of 18.62% to 19.62%.

Assumptions:

The Wyoming Retirement System (WRS) estimates the amounts shown above represent the estimated additional revenue generated by a 0.50% contribution increase per fiscal year from all applicable employers, and from all funding sources, to the PE Plan. The amounts assume flat payroll growth during the phase-in period.

	FY 2025	FY 2026	FY 2027
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
GENERAL FUND			\$2,322,000
SCHOOL FOUNDATION FUND			\$4,550,000

Source of expenditure increase:

There will be expenditure increases among all government employers, as specified under this bill. The anticipated expenditure increase estimated above is the result of continued increased employer share of retirement contributions that are the responsibility of state agencies, University of Wyoming, community colleges, and school districts in FY 2027 and beyond. Increased expenditures from federal and other funds, as necessary to pay for some employees' personnel costs, are indeterminable.

Assumptions:

The estimated FY 2027 expenditure increase assumes the same cost to the General Fund and Public School Foundation Program Account as estimated in the FY 2026 expenditures.

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