

LEGISLATIVE COORDINATING COMMISSION
FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
24 MONTH PERIOD ENDED JUNE 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**LEGISLATIVE COORDINATING COMMISSION
TABLE OF CONTENTS
24 MONTH PERIOD ENDED JUNE 30, 2023**

ORGANIZATION	1
INDEPENDENT AUDITORS' REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
STATEMENT OF NET POSITION	11
STATEMENT OF ACTIVITIES	12
BALANCE SHEET – GENERAL FUND	13
RECONCILIATION OF THE BALANCE SHEET – GENERAL FUND TO THE STATEMENT OF NET POSITION	14
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – GENERAL FUND	15
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – GENERAL FUND TO STATEMENT OF ACTIVITIES	16
NOTES TO BASIC FINANCIAL STATEMENTS	17
REQUIRED SUPPLEMENTARY INFORMATION	
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	36
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY	37
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OPEB PLAN	38
SCHEDULE OF COMMISSION'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – STATE EMPLOYEES RETIREMENT FUND	40
SCHEDULE OF COMMISSION'S GENERAL PLAN CONTRIBUTIONS – STATE EMPLOYEES RETIREMENT FUND	41
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – STATE EMPLOYEES RETIREMENT FUND	42
OTHER INFORMATION (UNAUDITED)	
COMBINING BALANCE SHEET – BY DEPARTMENT	45
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BY DEPARTMENT	47
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENTAL FUND BALANCES – BUDGET ACTUAL	50

**LEGISLATIVE COORDINATING COMMISSION
ST. PAUL, MINNESOTA
ORGANIZATION
YEAR ENDED JUNE 30, 2023**

LEGISLATIVE COORDINATING COMMISSION

NAME	ORGANIZATION	BOARD POSITION
Bobby Joe Champion	Senate	Chairperson
Melissa Hortman	House of Representatives	Vice Chairperson
Gary Dahms	Senate	Member
Kari Dziedzic	Senate	Member
Nick Frentz	Senate	Member
Mark Johnson	Senate	Member
Erin Murphy	Senate	Member
Lisa Demuth	House of Representatives	Member
Pat Garofalo	House of Representatives	Member
Alisha Gomez	House of Representatives	Member
Jamie Long	House of Representatives	Member
Liz Olson	House of Representatives	Member

ADMINISTRATION

Michelle Yurich
Diane Henry-Wangenstein
Annë Shaw

Deb Skumautz

Director
Deputy Director
Fiscal Service Office
Manager
Fiscal Service Specialist



INDEPENDENT AUDITORS' REPORT

Commissioners and Administration
Legislative Coordinating Commission
St. Paul, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of the Legislative Coordinating Commission, as of and for the 24 month period ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Legislative Coordinating Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Legislative Coordinating Commission, as of June 30, 2023, and the respective changes in financial position the 24 month period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Legislative Coordinating Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Legislative Coordinating Commission are intended to present the financial position and the changes in financial position of only that portion of the governmental activities and the general fund of the State of Minnesota that is attributable to the transactions of the Legislative Coordinating Commission. They do not purport to, and do not, present fairly the financial position of the State of Minnesota as of June 30, 2023 and the changes in its financial position for the 24 month period then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Legislative Coordinating Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule for the general fund, schedule of changes in total OPEB liability, the schedule of the Commission's proportionate share of the net pension liability – state employees retirement fund, and the schedule of the Commission's contributions – state employees retirement fund, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the organization, combining financial statements and schedules and the related departmental budget and actual comparisons but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2024, on our consideration of the Legislative Coordinating Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Legislative Coordinating Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Legislative Coordinating Commission's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
May 5, 2024

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
24 MONTH PERIOD ENDED JUNE 30, 2023**

As management of the Legislative Coordinating Commission (the Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal 24 month period ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Commission exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$8,918,319.
- The Commission's total net position increased by \$3,944,646 during the fiscal 24 month period ended June 30, 2023.
- As of the close of the 2023 fiscal year-end, the Commission's general fund reported ending fund balance of \$11,583,199.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Legislative Coordinating Commission's basic financial statements. The Legislative Coordinating Commission's basic financial statements are composed of the statements of net position, the statement of activities, the general fund balance sheet, the reconciliation of the general fund balance sheet to the statement of net position, the statement of revenues, expenditures, and change in fund balance and the reconciliation of the revenues, expenditures, the change in fund balance of the general fund to the statement of activities, and the budget and actual report for the general fund. This report also contains supplementary information in addition to the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. These statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statement notes explain some of the information in the financial statements and provide more detailed data. Also, this discussion and analysis contains other supplemental information in addition to the basic financial statements themselves.

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
24 MONTH PERIOD JUNE 30, 2023**

Figure 1 summarizes the major features of the commission's financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure 1
Major Features of the Government-wide and Fund Financial Statements**

	Government-Wide Statements	Fund Financial Statements - General Fund
Scope	Entire Government	The Total Activities of the Commission
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due within the year or soon thereafter, no long-term assets or liabilities included.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon after.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Government-wide financial statements provide a general overview of the Commission's operations in a manner similar to a private sector business. These statements consist of the statement of net position and the statement of activities and are prepared using an accrual basis of accounting. These statements begin on page 11 of this report.

The *statement of net position* presents the Commission's assets and deferred outflows of resources and liabilities and deferred inflows of resources; the difference between the two is net position. Over time, the increase or decrease in net position can serve as an indicator as to whether the Commission's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the Commission's net position has changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to fully understand the financial statements. The notes to the financial statements start on page 17 of this report.

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
24 MONTH PERIOD JUNE 30, 2023**

FINANCIAL ANALYSIS

Fiscal year 2022 is the first year of the State's two-year budget cycle ending June 30, 2023. During this even-year session, the legislature meets for approximately four months and may consider bonding for statewide capital improvement projects and policy issues that were not addressed in the previous year.

During the second fiscal year of every two-year biennium, the legislature meets for approximately five months. During this odd-year session, which begins in January following the general election, the legislature works to set the State budget for the next two fiscal years.

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. As of June 30, 2023, the Commission's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$8,918,319.

Legislative Coordinating Commission's Summary of Net Position

	Governmental Activities		
	2023	2021	Increase (Decrease)
ASSETS			
Current Assets	\$ 12,111,114	\$ 8,689,898	\$ 3,421,216
Capital Assets	420,128	-	420,128
Total Assets	12,531,242	8,689,898	3,841,344
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources	376,000	145,000	231,000
LIABILITIES			
Current Liabilities	1,529,517	1,398,555	130,962
Long-Term Liabilities	2,240,406	2,068,670	171,736
Total Liabilities	3,769,923	3,467,225	302,698
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources	219,000	394,000	(175,000)
NET POSITION			
Investment in Capital Assets	420,128	-	420,128
Restricted	8,498,191	4,973,673	3,524,518
Total Net Position	\$ 8,918,319	\$ 4,973,673	\$ 3,944,646

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
24 MONTH PERIOD JUNE 30, 2023**

Key elements of the \$3,944,646 increase in net position are as follows:

	Governmental Activities		
	2023	2021	Increase (Decrease)
REVENUES			
Intergovernmental			
State Appropriation	\$ 34,458,537	\$ 14,981,866	\$ 19,476,671
Miscellaneous	-	9	(9)
Total Revenues	34,458,537	14,981,875	19,476,662
EXPENSES			
Salaries and Benefits Including Per Diem	23,165,016	11,457,002	11,708,014
Travel, Subsistence and Registration	128,935	117,033	11,902
Communications	569,718	329,250	240,468
Office Equipment	1,357,095	387,670	969,425
Purchased Services	2,825,684	1,567,423	1,258,261
Supplies and Materials	247,629	112,640	134,989
Miscellaneous	2,219,814	639,368	1,580,446
Total Expenses	30,513,891	14,610,386	15,903,505
CHANGE IN NET POSITION	3,944,646	371,489	3,573,157
Net Position - Beginning of Year	4,973,673	4,602,184	371,489
NET POSITION - END OF YEAR	<u>\$ 8,918,319</u>	<u>\$ 4,973,673</u>	<u>\$ 3,944,646</u>

- The Commission's revenues and expenditures increased very significantly from the fiscal year ended 2021 as we are comparing the 24 month period ending June 30, 2023 to the 12 month period ended June 30, 2021. The report for the 24 month period ended June 30, 2023 is the first time the Legislative Coordinating Commission is presenting the entire biennium worth of activity in their financial statements. It is clear the appropriations are not just double that of fiscal year 2021. The reason for the increase overall is the appropriations increased for the 24 month period ending June 30, 2023 as it included a one-time appropriation for investment in technology to help expand the legislature's accessibility efforts of its webcasts, additional funds for the staffing of a newly created task force, and additional staff for the Legislative Budget Office to perform new additional required duties, and for increases in operation for the joint legislative offices and commissions.

Starting on page 51 there are comparisons of budget to actual expenditures.

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
24 MONTH PERIOD JUNE 30, 2023**

BUDGETARY HIGHLIGHTS

The Commission's budget for the 2022-2023 biennium is determined during the latter part of the previous biennium. See Note 2 for narrative of the budget process.

The Commission's budgeted appropriation was increased from the 24 month period ended June 30, 2021 to the 24 month period ended June 30, 2023 by \$5,817,957. Final

The Commission's general carry-forward balance (fund balance) increased from fiscal year 2021 to 2023 by \$3,944,646.

Overall, actual expenditures were under budgeted by 29.30% percent. All categories had expenditures below budgeted levels. The largest variances included the following:

- Miscellaneous expenditures were under budget by \$5,914,339 primarily due to the Commission utilizing other operating costs line items (included in Miscellaneous expenditures line item) as a contingency placeholder for appropriated funds to be utilized beyond what is budgeted for in other areas, should anything unexpected that would require spending occur.
- Salaries and benefits including per diem were under budget by \$3,805,627 primarily due to the Commission having budgeted to have more filled positions than occurred during the year.

Starting on page 51 there are comparisons of budgeted expenditures to actual expenditures.

DEBT ADMINISTRATION

Additional information on the Commission's long-term liabilities can be found in Notes 3, 4 and 5 of this report.

Legislative Coordinating Commission's Long-term Liabilities

	Governmental Activities		
	2023	2021	Increase (Decrease)
Compensated Absences	\$ 2,237,008	\$ 1,845,106	\$ 391,902
Other Postemployment Benefits Payable	748,000	672,000	76,000
Net Pension Liability	257,000	126,000	131,000
Total	<u>\$ 3,242,008</u>	<u>\$ 2,643,106</u>	<u>\$ 598,902</u>

The Commission's total long-term liabilities increased \$598,902 from June 30, 2021 to June 30, 2023. The increase is mostly due to individuals having the ability to carry over more vacation days into the next fiscal year than they previously were able to do. This was the result of exceptions made for the state contract groups so that individuals would not lose unutilized vacation during the pandemic.

**LEGISLATIVE COORDINATING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
24 MONTH PERIOD JUNE 30, 2023**

NEXT YEAR'S FUNDING AND BUDGET

The Legislative Coordinating commission appropriations from all funds for the joint legislative offices and commissions for the fiscal years beginning July 1, 2023, and ending June 30, 2025 (fiscal years 2024-2025) is \$100,466,000. This amount includes appropriation transfers to the Office of the Legislative Auditor of \$21,985,000 and appropriations of \$37,333,000 in one-time special project and fiscal agent projects on behalf of the legislature for fiscal years 2024-2025.

REQUESTS FOR INFORMATION

This financial report is designed to provide an overview of the Commission finances and to demonstrate the Commission's accountability for the money it receives.

Questions about information in this report or requests for additional financial information should be addressed to Diane Henry-Wangenstein, Deputy Director, Legislative Coordinating Commission, Centennial Office Building, 658 Cedar St., St. Paul, MN 55155.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**LEGISLATIVE COORDINATING COMMISSION
STATEMENT OF NET POSITION
24 MONTH PERIOD ENDED JUNE 30, 2023**

ASSETS

CURRENT ASSETS

Share of State's Pooled Cash and Investments	\$ 12,111,114
--	---------------

NONCURRENT ASSETS

Capital Assets, Net of Depreciation	420,128
-------------------------------------	---------

Total Assets	12,531,242
--------------	------------

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows - Pensions	234,000
Deferred Outflows - Other Postemployment Benefits	142,000
Total Deferred Outflows of Resources	376,000

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	170,115
Wages and Salaries Payable	357,800
Compensated Absences Payable - Due Within One Year	1,001,602
Total Current Liabilities	1,529,517

LONG-TERM LIABILITIES

Compensated Absences Payable - Due in More Than One Year	1,235,406
Total Other Postemployment Benefits Liability	748,000
Net Pension Liability	257,000
Total Long-Term Liabilities	2,240,406

Total Liabilities	3,769,923
-------------------	-----------

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows - Pensions	96,000
Deferred Inflows - Other Postemployment Benefits	123,000
Total Deferred Inflows of Resources	219,000

NET POSITION

Investment in Capital Assets	420,128
Restricted - Legislative Budget Office	1,828,423
Restricted - General Carry Forward	701,636
Restricted - Revisor's Carry Forward	2,963,457
Restricted - Minnesota Resources	1,678,170
Restricted - Lessard-Sams Outdoor Heritage Council	968,960
Restricted - Energy Commission	217,753
Restricted - Captioning Program	109,494
Restricted - Legacy Website	30,298
Restricted - State Appropriations	8,498,191
Total Net Position	\$ 8,918,319

**LEGISLATIVE COORDINATING COMMISSION
STATEMENT OF NET POSITION
24 MONTH PERIOD ENDED JUNE 30, 2023**

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position Primary Government
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities Total
Primary Government:					
Governmental Activities:					
General Government	\$ 30,513,891	\$ -	\$ -	\$ -	\$ (30,513,891)
		General Revenues:			
		State Appropriation			34,458,537
		Change in Net Position			3,944,646
		Net Position - Beginning of Year			4,973,673
		Net Position - End of Year			\$ 8,918,319

FUND FINANCIAL STATEMENTS

**LEGISLATIVE COORDINATING COMMISSION
BALANCE SHEET – GENERAL FUND
JUNE 30, 2023**

	General Fund
ASSETS	
Share of State's Pooled Cash and Investments	<u>\$ 12,111,114</u>
LIABILITIES	
Accounts Payable	\$ 170,115
Wages and Salaries Payable	<u>357,800</u>
Total Liabilities	527,915
FUND BALANCES	
Restricted	<u>11,583,199</u>
Total Liabilities and Fund Balances	<u>\$ 12,111,114</u>

See accompanying Notes to Basic Financial Statements.

**LEGISLATIVE COORDINATING COMMISSION
RECONILIATION OF THE BALANCE SHEET – GENERAL FUND
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances for General Fund		\$ 11,583,199
--------------------------------------	--	---------------

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the fund. Those assets consist of:

Equipment, Net of Accumulated Depreciation		420,128
--	--	---------

The Commission's net pension liability and related deferred inflows and deferred outflows are recorded only on the statement of net position. Balances at year-end are:

Net Pension Liability	(257,000)		
Deferred Inflows of Resources - Pensions	(96,000)		
Deferred Outflows of Resources - Pensions	<u>234,000</u>		(119,000)

The Commission's other postemployment benefits liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:

Total Other Postemployment Benefits Liability	(748,000)		
Deferred Inflows - OPEB	(123,000)		
Deferred Outflows - OPEB	<u>142,000</u>		(729,000)

Long-term liabilities that pertain to governmental funds, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long term - are reported in the statement of net position.

Compensated Absences Payable	<u>(2,237,008)</u>		<u>(2,237,008)</u>
------------------------------	--------------------	--	--------------------

Total Net Position of Governmental Activities		<u><u>\$ 8,918,319</u></u>
---	--	----------------------------

**LEGISLATIVE COORDINATING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GENERAL FUND
24 MONTH PERIOD ENDED JUNE 30, 2023**

	<u>General Fund</u>
REVENUES	
Intergovernmental	
State Appropriation	\$ 34,458,537
EXPENDITURES	
General Government	
Salaries and Benefits including Per Diem	22,972,114
Travel, Subsistence, and Registration	83,315
Office Rent and Utilities	45,620
Communications	569,718
Office Equipment	1,777,223
Purchased Services	2,825,684
Supplies and Materials	247,629
Dues and Memberships	1,000,866
Payments to Other State Departments	1,095,000
Miscellaneous	<u>123,948</u>
Total Expenditures	<u>30,741,117</u>
NET CHANGE IN FUND BALANCE	3,717,420
FUND BALANCES	
Beginning of Year	<u>7,865,779</u>
End of Year	<u><u>\$ 11,583,199</u></u>

See accompanying Notes to Basic Financial Statements.

**LEGISLATIVE COORDINATING COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE – GENERAL FUND TO STATEMENT OF ACTIVITIES
24 MONTH PERIOD ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total General Fund	\$ 3,717,420
--	--------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is:

Capital Outlays	560,171
Depreciation Expense	(140,043)

In the statement of activities, compensated absences and other postemployment benefits related items are measured by the amounts earned during the year. In the general fund, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).

Change in Accrued Compensated Absences	(391,902)
Change in OPEB Liability and Deferred Outflows/Inflows	(62,000)

Pension expenditures in the general funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension liability and the related deferred inflows and outflows of resources.

	261,000
--	---------

Change in Net Position of Governmental Activities	\$ 3,944,646
---	--------------

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The financial statements include the activities of the Legislative Coordinating Commission and joint agencies for which the Legislative Coordinating Commission (the Commission) has authority to act in matters concerning employment, compensation and budgets except for the Legislative Audit Commission. The activities of the Commission are a part of the State of Minnesota's (the State) General fund and appropriations for the Commission are made each biennium. The Legislative Coordinating Commission and joint agencies serve the purposes described below:

General Support – The Legislative Coordinating Commission was established in 1973. The Commission coordinates certain activities of the Senate and House of Representatives and serves as the umbrella organization providing administrative and fiscal oversight for joint legislative agencies and commissions. It determines the employee benefits for all legislative staff and health benefits for legislators. The Commission reviews budget requests and establishes staffing levels for all legislative commissions and joint agencies under its jurisdiction. The Commission also sets the compensation for all employees under its jurisdiction.

The President of the Senate and the Speaker of the House alternately serve as chair on an annual basis. The Commission provides staff support and/or fiscal service support for the Compensation Council, the University of Minnesota Regent Candidate Advisory Council, the Minnesota State Colleges and Universities Board of Trustees Candidate Advisory Council, the Legislative Commission on Planning and Fiscal Policy, the Subcommittee on Employee Relations, the Great Lakes Commission, the Legislative Permanent School Fund Commission, the Legislative Salary Council, and the Joint House-Senate Subcommittee on Claims. The Commission serves as the fiscal agent for the Legislature and pays the annual dues for two national associations that provide policy and administrative support: the Council of State Governments and the National Conference of State Legislatures. The Commission coordinates the provision of sign language interpreters and other accessibility needs for the legislature and serves as the first point of contact for itinerary arrangements for visiting international and state delegations seeking to discuss policy issues and learn more about Minnesota's legislative process.

Within the Commission, the Geographic Information/Technical Services Office develops and maintains spatial databases and produces legislative district maps, reports, and web applications. The Commission maintains the office of the subcommittee on Minnesota Water Policy which reviews water policy reports and makes recommendations to the legislature. Within the Commission, the Office on the Economic Status of Women studies and reports on all matters relating to the economic status of women in Minnesota and supports legislators' efforts to enact legislation that furthers the extent to which women can contribute to the State's economy.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Other Departments within the Commission Include:

Public Info TV and Internet – The Legislative Coordinating Commission serves as the fiscal agent and assists with coordination for public information television, internet, intranet, and other transmission of legislative activities.

Mississippi River Parkway Commission – The Mississippi River Parkway Commission of Minnesota was established in 1963. It is part of the 10-state National Mississippi River Parkway Commission which works collectively to preserve, promote, and enhance the scenic, historic, and recreational resources of the Mississippi River and to develop the national, scenic, and historic parkway known as the Great River Road. In Minnesota, the Great River Road runs 575 miles through the heart of the state, adjacent to the Mississippi River, beginning at the river's headwaters at Lake Itasca through Minnesota's north woods, lake country, Twin Cities, and into bluff country along the Minnesota-Wisconsin border before entering Iowa.

Pensions and Retirement – The Legislative Commission on Pensions and Retirement was established in 1955 to study and investigate on an ongoing basis, the various public retirement systems applicable to nonfederal government employees in the state and to make recommendations to establish and maintain sound public employee pension legislation.

Legislative Budget Office – The Legislative Budget Office (LBO) is a nonpartisan office within the Legislative Branch of Minnesota state government. The LBO is responsible for working with state agencies to provide the House and Senate with information on the fiscal impact of proposed legislation. The product of this work is known as a fiscal note. The role of the LBO is similar to that of the Congressional Budget Office, who performs similar analysis for the United States Congress.

Legislative Reference Library – The Legislative Reference Library collects, indexes, publishes, and makes available public policy information both online and in the Library. The Library works closely with legislators and legislative staff to provide information services that support the legislative process. Executive agencies and the public are also served. Library staff track and acquire all reports mandated by the Legislature. In addition, state law requires that copies of the publications of Minnesota state government agencies, boards, and commissions, and a copy of all state-funded consultants' reports must be deposited with the Library. Rules of the House and Senate assign the director a custodial role of the floor and committee hearing recordings and the accompanying minutes and logs for public access. Library staff is nonpartisan, and all information requests are confidential.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

General and Revisor's Carry Forward – Carry forward amounts in these funds result from under spending in the previous biennium. This may result from salary savings due to vacancies in funded positions or lower than expected program expenses. M.S. 16A.281 limits the use of these funds to three purposes: 1) for nonrecurring expenditures in investments that enhance efficiency or improve effectiveness, 2) to pay expenses associated with sessions, interim activities, public hearings or other public outreach efforts and related activities or 3) to pay severance costs for involuntary terminations.

Revisor of Statutes – The Office of the Revisor of Statutes is a nonpartisan, professional joint legislative office providing drafting, editing, publication, and computer services to the Legislature, executive departments, and to the Governor and other constitutional officers. Drafting services are provided on a confidential basis and consist primarily of bills and administrative rules. The Office also prepares amendments, including House floor amendments, committee reports, engrossments, side-by-side bill comparisons, and conference committee reports. Under the direction of the House and Senate, the Office enrolls bills and presents them to the Governor. Publications produced by the Office include the following: Laws of Minnesota, Minnesota Statutes, Minnesota Rules, and other miscellaneous publications of legislative and public interest. The computer system designed and maintained by the Office is used by legislative staff to draft, edit, and publish legislative materials, including electronic publication on the Legislature's website.

Minnesota Resources – The Legislative-Citizen Commission on Minnesota Resources advises the legislature on the allocations for certain dedicated funding sources (primarily the Environment and Natural Resources Trust Fund) for projects "for the public purpose of protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources" - Minnesota Constitution, Article 11, Section 14 as amended November 3, 1998. The governing statute is M.S. 116P.

Lessard-Sams Outdoor Heritage Council – The Lessard-Sams Outdoor Heritage Council advises the Legislature on appropriations from the Outdoor Heritage Fund, a fund constitutionally dedicated to be spent "only to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife" - Minnesota Constitution, Article 11, Section 15. The governing statute is M.S. 97A.056.

Energy Commission – The Legislative Energy Commission was established under M.S. 3.8851 to evaluate the energy policies of this state and the degree to which they promote an environmentally and economically sustainable energy future.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Captioning Program – Legislative Coordinating Commission was appropriated funds to facilitate the captioning of the live streaming of legislative sessions on the Legislature’s website.

Legacy Website – The Legislative Coordinating Commission created and maintains Minnesota’s Legacy website to help citizens monitor how dollars from the Legacy Amendment and the Environment and Natural Resources Trust Fund are being invested in the state (<http://www.legacy.leg.mn>).

B. Basis of Presentation

The financial statements of Legislative Coordinating Commission (the Commission) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

C. Basic Financial Statement Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the Commission as a whole. These statements include all the financial activities of the Commission.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not included among program revenues are reported instead as general revenues. The Commission has no program revenues.

The Commission applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position are available.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

General fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Commission funds are disbursed by Minnesota Management and Budget.

The Commission is funded by an appropriation from the General Fund of the State of Minnesota. The unspent portion of the appropriation is carried forward indefinitely in accordance with the laws of Minnesota. The cumulative amount of the unspent portion of the appropriations is included in the balance sheet. A portion of the unspent appropriations are reserved for encumbrances.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America.

The State of Minnesota operates on a biennial budget. Every other year the Legislative Coordinating Commission and joint agencies prepare their budget requests and submit them to the Legislative Coordinating Commission. Budgets are approved by the Commission and included in the omnibus state government finance bill. The bill must be approved by the House and Senate and signed into law by the Governor. Budgets for each appropriation awarded to the Commission are prepared by the Commission and submitted to the Minnesota Management and Budget Agency and set up in the State's accounting system.

Budgetary controls are at the appropriation level. Unexpended appropriations from the first year (year ended June 30, 2022) of the biennium are carried over and are available for operations in the second year (year ended June 30, 2023) of the biennium.

The Commission's expenditures are classified according to the state administrative guidelines. Commission funds are disbursed by the Minnesota Management and Budget Agency.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Share of State's Pooled Cash and Investments

Represents the amount of appropriations allocated to the Commission that they can collectively utilize for approved expenditures in line with the Commissions purpose and expect to have the State pay the expenditures as the expenditures are approved and submitted.

G. Capital Assets

Capital assets are tangible assets which include property, plant, and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets, except for internally generated computer software and right-to-use leases for property, are defined by the Commission as assets with an initial, individual cost of more than \$30,000 and an estimated useful life in excess of one year. For internally generated computer software, the same estimated useful life is used, but only those assets that cost more than \$2,000,000 are reported as capital assets. For right-to-use leases for property, the same estimated useful life is used, but only those assets that cost more than \$300,000 are reported as capital assets.

Capital assets are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add the value of the asset or materially extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other tangible property, plant, and equipment of the Commission are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 to 40 Years
Improvements	20 Years
Equipment	3 to 15 Years

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Compensated Absences

Permanent employees accrue vacation, sick and compensatory leave according to state administrative guidelines set forth in the Legislative Plan for Employees Benefits and Policies. Temporary full-time employees accrue sick leave after six months of service. Other temporary employees do not accrue vacation, sick leave, or compensation time. Upon termination of employment, employees are compensated for their earned but unused vacation (generally, up to 275 hours) and a percentage of their sick leave depending upon length of state service and the nature of their termination (voluntary or involuntary). In the fund financial statements, the cost of these benefits is recognized when payments are made to the employees.

Payments for vacation, sick and compensatory leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2023 are determined on the basis of current salary rates and include salary related payments.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to pension and other postemployment benefits.

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements. The Commission's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Note 5 and 6.

J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Minnesota State Retirement System (MSRS) and additions to/deductions from MSRS' fiduciary net position have been determined on the same basis as they are reported by MSRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Other Postemployment Benefits

The State of Minnesota provides postretirement medical coverage to retired participants and their spouses as allowed by Minnesota Statute §43A.27 subdivision 3 and §471.61 subdivision 2a and as required under the terms of selected employment contracts. The Commission is allocated a portion of the State's overall liability and related deferred inflows/outflows as it relates to this postretirement medical coverage plan.

L. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions can affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and the reported revenues and expenses.

M. Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Commission is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable – Consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted – Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by Minnesota statutory provisions.

Committed – Amounts constrained for specific purposes that are internally imposed by the government through formal, of the highest level of decision making, authority.

Assigned – Includes spendable fund balance amounts that are intended to be used for specific purpose that are not considered restricted or committed.

Unassigned – The residual classification for the General fund.

The Commission considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Commission would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Net Position

Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position – Consist of net position balances restricted when there are limitations imposed on their use through external restriction imposed by creditors, grantors, laws, or regulation of other governments.

Unrestricted Net Position – All other net position balances that do not meet the definition of “restricted”.

NOTE 2 CAPITAL ASSETS

Capital assets activity for the 24 month period ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital Assets, Being Depreciated: Equipment	\$ -	\$ 560,171	\$ -	\$ 560,171
Less Accumulated Depreciation for: Equipment	-	140,043	-	140,043
Total Capital Assets, Being Depreciated, Net	-	420,128	-	420,128
Total Capital Assets, Net	<u>\$ -</u>	<u>\$ 420,128</u>	<u>\$ -</u>	<u>\$ 420,128</u>

LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 LONG-TERM LIABILITIES

During the 24 month period ended June 30, 2023, the following changes occurred in long-term liabilities:

	Beginning Balance	Increase	Decrease	Ending Balance	Current Portion
Liabilities for:					
Compensated Absences	\$ 1,845,106	\$ 2,047,529	\$ 1,655,627	\$ 2,237,008	\$ 1,001,602

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS

The Commission provides health insurance benefits for certain retired employees under a single employer defined benefit healthcare plan, as required by Minnesota Statute, 471.61, subdivision 2a. Active employees who retire when eligible to receive a retirement benefit from a Minnesota public pension plan and do not participate in any other health benefits program providing coverage similar to that herein described, will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the health benefits program. Retirees are required to pay 100% of the total premium cost. Since the premium is a blended rate determined on the entire active and retiree population, the retirees are receiving an implicit rate subsidy.

As of June 30, 2023, the following current and former employees were covered by benefit terms under the plan:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	7
Active Plan Members	<u>86</u>
Total	<u>93</u>

The total Other Postemployment Benefit (OPEB) liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.54 %
Payroll Growth	3.00 %
Inflation	2.25 %
Initial Medical Trend Rate	8.40 %
Ultimate Medical Trend Rate	3.70 %
Ultimate Trend Rate Reached Year	2073

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

In the July 1, 2022 actuarial valuation, the entry age normal as a level percentage of pay actuarial cost method was used. The actuarial assumptions included a 3.54% discount rate, which is based on the 20-year Bond Buy GO Index. The plan is not funded by assets in a separate trust. The municipal bond rate was applied to all periods of the projected benefit payments to determine the total OPEB liability. The payroll growth rate was assumed to be 3.00%. The base mortality table is consistent with the assumptions used in the July 1, 2022 Actuarial Valuation Reports for the MSRS General, MSRS Correctional, MSRS State Patrol, MSRS Judges, PERA, and TRA plans, with the exception of using a headcount-weighted instead of an amount-weighted table, as applicable. The inflation rate is consistent with the assumptions used in the July 1, 2022 Actuarial Valuation Reports for the MSRS General, MSRS Correctional, MSRS State Patrol, MSRS Judges, and PERA plans. Because a vast majority of participants participates in these five plans, a 2.25% assumption is used for all plans.

The following changes in actuarial assumptions occurred between the July 1, 2020 valuation and the July 1, 2022 measurement date:

- The projected mortality improvement scale assumption was updated to Scale MP-2021;
- The annual medical and dental claims costs and premiums were updated based on recent experience;
- The discount rate increased from 2.21% to 3.54%;
- The annual medical and dental trends were updated based on recent trend surveys, short-term expectations specific to State of Minnesota plans, an adjustment to short-term trend rates to estimate the impact of the current general inflation environment, and the current version of the SOA-Getzen trend model.

Changes in the total OPEB Liability were as follows:

Balance at July 1, 2021	\$ 704,000
Changes for the Year:	
Service Cost	50,000
Interest Cost	17,000
Changes in Assumptions	(68,000)
Differences Between Expected and Actual Experience	52,000
Benefit Payments	(40,000)
Change in Proportionate Share	33,000
Net Changes	<u>44,000</u>
Balance at July 1, 2023	<u><u>\$ 748,000</u></u>

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 805,000	\$ 748,000	\$ 694,000

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (7.40% decreasing to 2.70% by 2073) or 1% point higher (9.40% decreasing to 4.70% over by 2073) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (7.40% Decreasing to 2.70% by 2073)	Current Trend Rates (8.40% Decreasing to 3.70% by 2073)	1% Increase (9.40% Decreasing to 4.70% by 2073)
Total OPEB Liability	\$ 829,000	\$ 748,000	\$ 678,000

For the 24 month period ended June 30, 2023, the Commission recognized OPEB expense of \$62,000. At June 30, 2023, the Commission reported deferred inflows of resources of \$123,000 and total deferred outflows of resources of \$142,000.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Plan Experience	\$ 44,000	\$ 57,000
Change of Assumptions	56,000	66,000
Contributions Between Measurement Date and Reporting Date	42,000	-
Total	<u>\$ 142,000</u>	<u>\$ 123,000</u>

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The Commission's OPEB payments subsequent to the measurement date of \$42,000 reported as a deferred outflow of resources will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ (11,000)
2025	(8,000)
2026	(1,000)
2027	1,000
2028	(2,000)
Thereafter	(2,000)

NOTE 5 EMPLOYEE PENSION PLANS

The State Employees Retirement Fund (SERF) is administered by MSRS and is established and administered in accordance with Minnesota Statutes, Chapters 352 and 356. SERF includes the General Employees Retirement Plan (General Plan), a multiple-employer, cost-sharing defined benefit plan, and three single-employer defined benefit plans: the Military Affairs Plan, the Transportation Pilots Plan, and the Fire Marshals Plan. Only certain employees of the Department of Military Affairs, the Department of Transportation, and the State Fire Marshal's Division are eligible to be members of those plans, but all State employees who are not members of another plan are covered by the General Plan.

Substantially all employees of the Commission are covered by pension plans administered by MSRS. The MSRS administers the General Employee Plan (the General Plan) and the Unclassified Employees Retirement Plan (the Unclassified Plan), which are cost sharing, multiple-employer, public employee retirement plans. The General Plan is a defined benefit plan, and the Unclassified Plan is a defined contribution plan. All full-time and certain part-time employees are required to participate in the plans. Both plans provide for death and disability benefits.

There is a separate financial report of the pension plan in the Comprehensive Annual Financial Report for the MSRS. That report may be obtained at www.msrs.state.mn.us/financial-information; by writing to MSRS at 60 Empire Drive, #300, St. Paul, Minnesota, 55103; or by calling 651-296-2761 or 1-800-657-5757.

Employees covered by the Unclassified Plan are entitled to receive the cash value of their account upon termination of public service as a lump sum or by purchasing an annuity or a combination thereof.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 EMPLOYEE PENSION PLANS (CONTINUED)

Benefits Provided

MSRS provides retirement, disability, and death benefits through SERF. Benefit provisions are established by State statute and can only be modified by the State legislature. Benefits are based on a member's age, years of credit, and the highest average salary for any 60 successive months of allowable service at termination of service. Benefit increases are provided to benefit recipients each January and are related to the funded ratio of the plan. Annuitants receive benefit increases of 2% each year. When the fund reaches a 90% funded status for two consecutive years, annuitants will receive a 2.5% increase.

Retirement benefits can be computed using one of two methods: the Step formula and the Level formula. Members hired before July 1, 1989, may use the Step or Level formula, whichever is greater. Members hired on or after July 1, 1989, must use the Level formula. Each formula converts years and months of service to a certain percentage. Under the Step formula, members receive 1.2% of the high-five average salary for each of the first 10 years of covered service, plus 1.7% for each year thereafter.

It also includes full benefits under the Rule of 90 (age plus years of allowable service equals 90). In contrast, the Level formula does not include the Rule of 90. Under the Level formula, members receive 1.7% of the high-five average salary for all years of covered service, and full benefits are available at normal retirement age.

Contributions

Minnesota Statutes Chapter 352 sets the rates for employer and employee contributions. Required contribution rates, amounts contributed and covered payroll for the 24 month period ended June 30, 2023 for the plans are as follows:

	Covered Payroll	Commission Contribution		Participant Contribution	
		Amount	Percent	Amount	Percent
2023:					
Unclassified Plan	\$ 7,682,336	\$ 480,146	6.25 %	\$ 460,940	6.0 %
General Plan	808,848	50,553	6.25 %	48,530	6.0 %
2022:					
Unclassified Plan	\$ 7,428,370	\$ 464,273	6.25 %	\$ 445,703	6.0 %
General Plan	621,976	38,874	6.25 %	37,319	6.0 %

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 EMPLOYEE PENSION PLANS (CONTINUED)

Actuarial Assumptions

The Commission's net pension liability was measured as of June 30, 2022, which was the most recent actuarial report, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% per year
Investment Rate	6.75%, Net of Pension Plan Investment Expense, Including Inflation
Payroll Growth	3.00%

Salary increases were based on a service related rates. Mortality rates were based on Pub-2010 mortality tables using projection scale MP-2018, adjusted by a multiplier to match fund experience. Actuarial assumptions are based on experience studies conducted every four years. Retirement age is based off the experience-based table of rates that are specific to the type of eligibility condition. The healthy postretirement mortality is based off the Pub-2010 general retiree mortality table adjusted for mortality improvements using projection scale MP-2018. Rates are multiplied by a factor of 1.04 for males and 1.10 for females. The benefit increases after retirement assumption is that the postretirement increase is 1.00% from January 1, 2021 through December 31, 2023, and 1.50% from January 1, 2024 and onward.

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of are based on the last experience studies dated June 27, 2019.

The Minnesota State Board of Investment (SBI) invests all State funds and manages the investments of MSRS. To match the long-term nature of pension obligations, SBI maintains a strategic asset allocation that includes allocations to public equity, fixed income, and private markets. The long-term expected rate of return is based on an asset allocation completed by SBI in 2016. The SBI's long-term expected rate of return was determined using a building-block method. Best estimates of future real rates of return (expected returns, net of inflation) were developed for each asset class using both long-term historical returns and long-term capital market expectations from a number of investment management and consulting organizations. The asset class estimates and target allocations were combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 EMPLOYEE PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

The asset class estimates and target allocations were then combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio. Expected long-term rate of return is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Totals	100 %	

The following changes in actuarial assumptions for MSRS occurred in 2022:

- The long-term investment rate of return and single discount rates increased from 6.50% to 6.75%

Discount Rate

The single discount rate used to measure the total pension liability as of June 30, 2022 was 6.75%.

The single discount rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating. For the purpose of this valuation, the expected rate of return on pension plan investments is 6.75%; the municipal bond rate is 3.69% (based on the weekly rate closest to but not later than the measurement date of the "20-Year Municipal GO Index" as published by Fidelity).

The projection of cash flows used to determine a single discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 EMPLOYEE PENSION PLANS (CONTINUED)

Net Pension Liability

At June 30, 2023, the Commission reported a liability of \$257,000 for its proportionate share of MSRS' net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on the Commission's contributions received by MSRS during the measurement period July 1, 2021, through June 30, 2022, relative to the total employer contributions received from all of MSRS' participating employers. The Commission's proportion was 0.02027% at the end of the measurement period and 0.01532% at the beginning of the measurement period.

Pension Liability Sensitivity

At June 30, 2023, the following presents the Commission's proportionate share of the net pension liability, calculated using the discount rate disclosed in the related section on page 33, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

Description	1% Decrease Discount Rate	Current Discount Rate	1% Increase in Discount Rate
<u>MSRS Discount Rate</u>	5.75 %	6.75 %	7.75 %
LCC's Proportionate Share of the MSRS Net Pension Liability (Asset)	\$ 781,699	\$ 257,000	\$ (38,002)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the MSRS Annual Comprehensive Financial Report, available on the MSRS website (www.msrs.state.mn.us/financial-information).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the 24 month period ended June 30, 2023, the Commission recognized pension revenue of \$171,573. At June 30, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 2,000	\$ 2,000
Changes in Actuarial Assumptions	176,000	94,000
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	12,000	-
Changes in Proportion and Differences Between LCC Contributions and Proportionate Share of Contributions	9,000	-
LCC Contributions Subsequent to the Measurement Date	35,000	-
Total	<u>\$ 234,000</u>	<u>\$ 96,000</u>

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 EMPLOYEE PENSION PLANS (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$35,000 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Pension Expenses Amount</u>
2024	\$ 18,000
2025	16,000
2026	17,000
2027	52,000

NOTE 6 TRANSACTIONS WITH STATE

Services received from various State agencies include legal services from the Attorney General's Office and the Department of Natural Resources; audit services from the Office of the Legislative Auditor; background check services from the Department of Public Safety; technology services from Minnesota IT Services; accounting, banking, human resource, and health insurance services from Minnesota Management and Budget; and purchasing, contract management, workers compensation, and liability insurance services from the Department of Administration. These services are either charged to the Commission through an administration fee or provided at no charge.

NOTE 7 RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; to theft of, damage to, or destruction of assets; to errors or omissions; and to the employer obligations. The State manages these risks through the Risk Management Fund (internal service fund), a self-insurance fund, and other self-insurance mechanisms. All health plans are self-insured. The Commission is not required to contribute to the Risk Management Fund.

Statutory provisions prohibit the State from insuring property against loss. The Commissioner of the Department of Administration may authorize the purchase of insurance on State properties should it be deemed necessary and appropriate to protect buildings and contents. All losses of State property are self-insured, covered by programs of the Risk Management Fund or covered by insurance policies purchased by the Risk Management Fund on behalf of State agencies.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 RISK MANAGEMENT

Tort Claims

Tort claims against the Commission are limited by statute to \$300,000 per person for property damage or bodily injury and \$1,000,000 per occurrence. These risks are not covered through insurance. The Commission is responsible to pay for the cost of claims from its operating budget of various funds. The legislature also makes an annual Tort Claim Appropriation to cover claims that would unduly impair agency operations. Agencies not able to cover claims through these two avenues must seek additional appropriations from the legislature.

Workers' Compensation

The State, as a self-insured employer, assumes all risks for workers' compensation related claims and is required by State law to be a member of the Workers' Compensation Reinsurance Association (WCRA). The Commission remits premiums to the State. Settled claims have not exceeded coverage in any of the past three years.

State Employment Group Insurance Program

The Minnesota State Legislature created an employee insurance trust fund administered by the State Employee Group Insurance Program (SEGIP) to provide eligible employees and other eligible persons with life insurance and hospital, medical and dental benefits coverage through provider organizations. The insurance trust fund is not associated with any other public risk pools. The fund type used to account for SEGIP fiscal activities is an internal service fund dedicated solely for the purpose of this program. A contingency reserve is maintained within the trust fund to increase the controls over medical plan provisions and other insurance costs for the purpose of moderating premium and claim fluctuations, and to assume all inherent risk associated with the self-funded insurance programs, which would also include losses to the fund.

SEGIP provides benefits coverage to employees by contracting with carriers through a network of providers throughout the State. This includes employees of the Legislative Coordinating Commission. SEGIP had settlements of \$473,443 greater than coverage during the 24 month period ended June 30, 2023. SEGIP has had settlements of \$1,007,027 greater than coverage during the 24 month period ended June 30, 2021.

In January 2000, the fund became fully self-insured for medical coverage and assumes all liability for medical claims. The self-funded programs within the fund establish claim liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not paid, and of claims that have been incurred but not reported. These estimates are agreed to by the insurance carriers and the State and are reviewed for accuracy and reasonableness. The estimates are based on claim experience and claim lag timetables provided by the carriers and do not include additional estimates for subrogation, salvage or unallocated claim adjustments.

REQUIRED SUPPLEMENTARY INFORMATION

**LEGISLATIVE COORDINATING COMMISSION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
24 MONTH PERIOD ENDING JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental				
State Appropriation	\$ 34,458,537	\$ 34,458,537	\$ 34,458,537	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including per diem	26,476,341	26,771,741	22,972,114	3,799,627
Travel, Subsistence, and Registration	314,130	295,630	83,315	212,315
Office Rent and Utilities	53,700	67,200	45,620	21,580
Communications	590,690	613,190	569,718	43,472
Office Equipment	2,348,525	2,260,274	1,777,223	483,051
Purchased Services	4,900,250	4,795,951	2,825,684	1,970,267
Supplies and Materials	537,055	531,855	247,629	284,226
Dues and Memberships	1,000,866	1,000,866	1,000,866	-
Payments to Other State Departments	1,095,000	1,095,000	1,095,000	-
Miscellaneous	5,007,759	4,892,609	123,948	4,768,661
Total Expenditures	42,324,316	42,324,316	30,741,117	11,583,199
NET CHANGE IN FUND BALANCE	(7,865,779)	(7,865,779)	3,717,420	11,583,199
FUND BALANCES				
Beginning of Year	7,865,779	7,865,779	7,865,779	-
End of Year	\$ -	\$ -	\$ 11,583,199	\$ 11,583,199

See accompanying Notes to Required Supplementary Information.

**LEGISLATIVE COORDINATING COMMISSION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
LAST SIX MEASUREMENT DATES**

	Measurement Date July 1, 2022	Measurement Date July 1, 2021	Measurement Date July 1, 2020	Measurement Date July 1, 2019	Measurement Date July 1, 2018	Measurement Date July 1, 2017
Service Cost	\$ 50,000	\$ 46,000	\$ 45,000	\$ 41,000	\$ 44,000	\$ 48,000
Interest	17,000	15,000	22,000	22,000	22,000	17,000
Changes in Assumptions	(68,000)	3,000	96,000	(1,000)	(6,000)	(31,000)
Differences Between Expected and Actual Experience	52,000	-	(65,000)	(13,000)	(41,000)	-
Benefit Payments	(40,000)	(32,000)	(36,000)	(30,000)	(33,000)	(29,000)
Changes in Proportionate Share	33,000	-	56,000	(32,000)	-	-
Net Changes	44,000	32,000	118,000	(13,000)	(14,000)	5,000
Total OPEB Liability - Beginning	704,000	672,000	554,000	567,000	581,000	576,000
Total OPEB Liability - Ending	<u>\$ 748,000</u>	<u>\$ 704,000</u>	<u>\$ 672,000</u>	<u>\$ 554,000</u>	<u>\$ 567,000</u>	<u>\$ 581,000</u>
Covered Employee Payroll	\$ 8,335,000	\$ 8,435,000	\$ 8,154,000	\$ 7,346,000	\$ 6,207,000	\$ 6,323,000
Total OPEB Liability as a Percentage of Covered Employee Payroll	8.97 %	8.35 %	8.24 %	7.54 %	9.13 %	9.19 %

*Ten Years of Data Will be Presented as it Becomes Available

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
OPEB PLAN
JUNE 30, 2023**

CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Minnesota Other Postemployment Benefit Plan.

The following changes in actuarial assumptions occurred between the July 1, 2020 valuation and the July 1, 2022 measurement date:

- The projected mortality improvement scale assumption was updated to Scale MP-2021.
- The annual medical and dental claims costs and premiums were updated based on recent experience.
- The discount increased from 2.21% to 3.54%.
- The annual medical and dental trends were updated based on recent trend surveys, short-term trend rates to estimate the impact of the current general inflation environment, and the current version of the SOA-Getzen trend model.

There have been no changes in plan provisions from the July 1, 2018 valuation to the July 1, 2020 valuation.

The change in actuarial assumptions from July 1, 2018 valuation to July 1, 2020.

- The mortality assumption was updated to use the specific pension assumptions for MSRS, PERA, or TRA, with the exception of using the Pub-2010 General Headcount-Weighted Mortality Table instead of the Pub-2010 General Amount-Weighted Mortality Table, as applicable.
- The projected mortality improvement was updated to the MP-2020 mortality improvement scale.
- The withdrawal and retirement assumptions were updated to use the specific pension assumptions for MSRS, PERA, or TRA, after adjustment from benefit-weighting to headcount-weighting, as applicable.
- The salary increase and spouse age difference assumptions were updated to use the specific pension assumptions for MSRS, PERA, or TRA, as applicable.
- The annual medical and dental claims costs and premiums were updated based on recent experience.
- The discount rate decreased from 4.87% to 2.21%.
- The inflation rate decreased from 2.5% to 2.25%, consistent with MSRS and PERA.
- The payroll growth rate decreased from 3.25% to 3.00%, consistent with MSRS and PERA.
- The coverage at retirement assumption was updated from 75% single/25% family to 85% single/15% family for MSRS General.
- The annual medical trend was updated based on recent trend surveys, short-term expectations specific to State of Minnesota plans, and the current version of the SOA-Getzen trend model.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
OPEB PLAN
JUNE 30, 2023**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

The changes in actuarial assumptions from July 1, 2016 valuation to July 1, 2018.

- The mortality assumption was updated to use the specific pension assumptions with the exception of the projected mortality improvement scale.
- The mortality, withdrawal, retirement, salary increase, and spouse age difference assumptions were updated to use the specific pension assumption for MSRS, PERA, and TRA, as applicable.
- Annual medical and dental claims costs and premiums were updated based on recent experience.
- Discount rate was increased from 2.85% to 3.87%
- Inflation rate decreased from 3.5% to 3.25%.

**LEGISLATIVE COORDINATING COMMISSION
SCHEDULE OF COMMISSION'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
STATE EMPLOYEES RETIREMENT FUNDS
LAST SIX MEASUREMENT DATES**

**MSRS Schedule of the LCC's Proportionate Share of the Net Pension Liability
Last Six Measurement Dates***

	Measurement Date					
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
LCC's Proportion of the Net Pension Liability	0.02027%	0.01532%	0.00949%	0.00711%	0.00822%	0.01050%
LCC's Proportionate Share of the Net Pension Liability	\$ 257,000	\$ 10,000	\$ 126,000	\$ 100,000	\$ 114,000	\$ 779,000
LCC's Covered Payroll	\$ 808,848	\$ 621,976	\$ 382,431	\$ 290,296	\$ 229,807	\$ 321,122
LCC's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	31.77 %	1.61 %	32.95 %	34.45 %	49.61 %	242.59 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.06 %	99.53 %	91.25 %	90.73 %	90.56 %	62.73 %

*Ten Years of Data Will be Presented as it Becomes Available

**LEGISLATIVE COORDINATING COMMISSION
SCHEDULE OF COMMISSION'S CONTRIBUTIONS
STATE EMPLOYEES RETIREMENT FUND
LAST SIX FISCAL YEARS**

**MSRS Schedule of Commission Contributions
Last Six Fiscal Years***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily Required Contribution	\$ 50,553	\$ 38,874	\$ 23,902	\$ 18,144	\$ 13,501	\$ 17,662
Contributions in Relation to the Statutorily Required Contribution	<u>(50,553)</u>	<u>(38,874)</u>	<u>(23,902)</u>	<u>(18,144)</u>	<u>(13,501)</u>	<u>(17,662)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LCC's Covered Payroll	\$ 808,848	\$ 621,976	\$ 382,431	\$ 290,296	\$ 229,807	\$ 321,122
Contributions as a Percentage of Covered Payroll	6.25%	6.25%	6.25%	6.25%	5.88%	5.50%

*Ten Years of Data Will be Presented as it Becomes Available

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
STATE EMPLOYEES RETIREMENT FUND
JUNE 30, 2023**

CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Minnesota State Retirement System – State Employees Retirement Fund.

The changes in actuarial assumptions from July 1, 2021 valuation to July 1, 2022:

- The long-term investment rate of return and single discount rates increased from 6.50% to 6.75%.

The changes in actuarial assumptions from July 1, 2020 valuation to July 1, 2021:

- The long-term investment rate of return and single discount rates were decreased from 7.50% to 6.50%.

The changes in actuarial assumptions from July 1, 2019 valuation to July 1, 2020:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is proposed rates that average 0.25% less than the previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements, fewer Rule of 90 retirements and fewer early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 1 – 5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
STATE EMPLOYEES RETIREMENT FUND
JUNE 30, 2023**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

The changes in actuarial assumptions from July 1, 2019 valuation to July 1, 2020 (Continued):

- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2015 to Scale MP-2018. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table (with future mortality improvement according to Scale MP-2015) to the Pub-2010 General/Teacher disabled annuitant mortality table (with future mortality improvement according to Scale MP-2018), with adjustments.
- The percent married assumption for female members was changed from 65% to 60%.
- The assumed age difference was changed from three years younger for males to 2 years younger.
- The assumed number of married male new retirees electing the 50% and 100% Joint & Survivor options changed from 15% to 10% and from 30% to 65%, respectively. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 30% to 40%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

The changes in actuarial assumptions from July 1, 2018 valuation to July 1, 2019:

There were no changes made to the actuarial assumptions.

The changes in actuarial assumptions from July 1, 2017 valuation to July 1, 2018:

- The Combined Service Annuity (CAS) loads were 1.2% for active member liability and 40% for vested and nonvested deferred member liability. The revised CSA loads are now 0.00% for active member liability, 4.00% for vested deferred member liability, and 5.00% for nonvested deferred member liability.
- The Single Discount Rate was changed from 4.17% per annum to 5.42% per annum.

**LEGISLATIVE COORDINATING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
STATE EMPLOYEES RETIREMENT FUND
JUNE 30, 2023**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

The changes in actuarial assumptions from July 1, 2016 valuation to July 1, 2017.

- Assumed salary increase rates were changed as recommended in the June 30, 2015 experience study. The net effect is proposed rates that average 0.2% greater than the previous rates. These rates were decreased by 0.25% at all years for this valuation.
- Assumed rates of retirement were changed as recommended in the June 30, 2015 experience study. The changes result in fewer unreduced (Normal) retirements and fewer Rule of 90 retirements. In addition, distinct rates for reduced (Early) retirements were adopted for members hired prior to July 1, 1989, and members hired after June 30, 1989.
- Assumed rates of termination were changed as recommended in the June 30, 2015 experience study. The new rates are based on service and are generally greater than the previous rates for years 3 – 9 and less than the previous rates after 15 years.
- Assumed rates of disability were changed as recommended in the June 30, 2015 experience study. The new rates are 75% of previous rates for females and rates for male members were lowered by utilizing the same disability rates as for females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2014), white-collar adjustments, with age adjustments. The mortality improvement scale was changed from Scale AA to Scale MP-2015. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table (no projection for future mortality improvement) to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to Scale MP-2015), with age adjustments.
- The percent married assumption was changed from 85% of active male members and 70% of female members to 80% of active members and 65% of active female members.
- The assumed number of married male new retirees electing the 75% Joint & Survivor option changed from 10% to 15%. The assumed number of married female new retirees electing the 75% and 100% Joint & Survivor options changed from 0% to 10% and from 25% to 30%, respectively. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.
- The assumed postretirement benefit increase rate was changed from 2.00% per year through 2043 and 2.50% per year thereafter to 2.00% per year for all future years.
- The long-term expected rate of return on pension plan investments has been reduced from 7.90% to 7.50% as of July 1, 2016.
- The single discount rate changed from 7.90% as of July 1, 2015 to 4.17% as of July 1, 2016.
- The inflation assumption has been reduced from 2.75% to 2.50%, and the payroll growth assumption was reduced from 3.50% to 3.25%.

**COMBINING AND INDIVIDUAL DEPARTMENT
FINANCIAL STATEMENTS AND SCHEDULES**

**LEGISLATIVE COORDINATING COMMISSION
GENERAL FUND
COMBINING BALANCE SHEET – BY DEPARTMENT
JUNE 30, 2023**

	General Support	Public Info TV and Internet	Mississippi River Parkway Commission	Pensions And Retirement	Legislative Budget Office
ASSETS					
Share of State's Pooled Cash and Investments	\$ 66,054	\$ 750	\$ 12,012	\$ 10,234	\$ 1,886,621
LIABILITIES					
Accounts Payable	\$ 26,745	\$ -	\$ 12,012	\$ 66	\$ 4,327
Wages and Salaries Payable	39,309	750	-	10,168	53,871
Total Liabilities	66,054	750	12,012	10,234	58,198
FUND BALANCES					
Restricted	-	-	-	-	1,828,423
Total Liabilities and Fund Balances	\$ 66,054	\$ 750	\$ 12,012	\$ 10,234	\$ 1,886,621

	Legislative Reference Library	General Carry Forward	Revisor of Statutes	Revisor's Carry Rorward	Minnesota Resources
ASSETS					
Share of State's Pooled Cash and Investments	\$ 110,535	\$ 2,254,026	\$ 188,475	\$ 4,505,961	\$ 1,724,475
LIABILITIES					
Accounts Payable	\$ 61,547	\$ 8,423	\$ 23,969	\$ -	\$ 23,412
Wages and Salaries Payable	48,988	1,463	164,506	-	22,893
Total Liabilities	110,535	9,886	188,475	-	46,305
FUND BALANCES					
Restricted	-	2,244,140	-	4,505,961	1,678,170
Total Liabilities and Fund Balances	\$ 110,535	\$ 2,254,026	\$ 188,475	\$ 4,505,961	\$ 1,724,475

**LEGISLATIVE COORDINATING COMMISSION
GENERAL FUND
COMBINING BALANCE SHEET – BY DEPARTMENT (CONTINUED)
JUNE 30, 2023**

	Lessard-Sams Outdoor Heritage Council	Energy Commission	Captioning Program	Legacy Website	Total
ASSETS					
Share of State's Pooled Cash and Investments	<u>\$ 993,585</u>	<u>\$ 217,753</u>	<u>\$ 110,142</u>	<u>\$ 30,491</u>	<u>\$ 12,111,114</u>
LIABILITIES					
Accounts Payable	\$ 9,273	\$ -	\$ 148	\$ 193	\$ 170,115
Wages and Salaries Payable	<u>15,352</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>357,800</u>
Total Liabilities	<u>24,625</u>	<u>-</u>	<u>648</u>	<u>193</u>	<u>527,915</u>
FUND BALANCES					
Restricted	<u>968,960</u>	<u>217,753</u>	<u>109,494</u>	<u>30,298</u>	<u>11,583,199</u>
Total Liabilities and Fund Balances	<u>\$ 993,585</u>	<u>\$ 217,753</u>	<u>\$ 110,142</u>	<u>\$ 30,491</u>	<u>\$ 12,111,114</u>

**LEGISLATIVE COORDINATING COMMISSION
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GENERAL FUND – BY DEPARTMENT
24 MONTH PERIOD ENDED JUNE 30, 2023**

	General Support	Public Info TV and Internet	Mississippi River Parkway Commission	Pensions And Retirement	Legislative Budget Office
REVENUES					
Intergovernmental:					
State Appropriation	\$ 4,253,000	\$ 998,000	\$ 156,000	\$ 1,196,000	\$ 4,184,000
EXPENDITURES					
General Government:					
Salaries and Benefits including Per Diem	2,592,687	46,040	1,547	888,815	2,730,895
Travel, Subsistence, and Registration	8,998	-	5,406	5,171	5,590
Office Rent and Utilities	281	-	-	-	90
Communications	9,958	5,330	7,212	3,497	11,189
Office Equipment	38,401	63,330	-	2,839	58,992
Purchased Services	127,035	778,804	87,847	245,759	130,897
Supplies and Materials	20,090	-	158	3,270	10,553
Dues and Memberships	1,000,866	-	-	-	-
Payments to Other State Departments	-	-	-	-	-
Miscellaneous	18,226	-	30,900	5,180	29,190
Total Expenditures	<u>3,816,542</u>	<u>893,504</u>	<u>133,070</u>	<u>1,154,531</u>	<u>2,977,396</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	436,458	104,496	22,930	41,469	1,206,604
OTHER FINANCING SOURCES (USES)					
Transfer In	-	-	-	-	-
Transfer Out	(436,458)	(104,496)	(22,930)	(41,469)	-
Total Other Financing Sources (Uses)	<u>(436,458)</u>	<u>(104,496)</u>	<u>(22,930)</u>	<u>(41,469)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-	-	1,206,604
FUND BALANCES					
Beginning of Year	-	-	-	-	621,819
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,828,423</u>

**LEGISLATIVE COORDINATING COMMISSION
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GENERAL FUND – BY DEPARTMENT (CONTINUED)
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Legislative Reference Library	General Carry Forward	Revisor of Statutes	Revisor's Carry Forward	Minnesota Resources
REVENUES					
Intergovernmental:					
State Appropriation	\$ 3,615,000	\$ -	\$ 14,717,000	\$ -	\$ 3,672,537
EXPENDITURES					
General Government:					
Salaries and Benefits including Per Diem	3,135,142	129,285	11,031,323	-	1,368,855
Travel, Subsistence, and Registration	5,054	1,965	12,031	-	12,622
Office Rent and Utilities	-	4,184	31,225	3,948	-
Communications	7,272	5,216	495,847	-	7,067
Office Equipment	39,876	190,150	179,633	874,606	6,112
Purchased Services	218,154	127,423	733,719	16,457	130,533
Supplies and Materials	136,527	1,612	65,556	-	4,871
Dues and Memberships	-	-	-	-	-
Payments to Other State Departments	-	-	-	-	1,095,000
Miscellaneous	2,090	20,202	12,731	-	5,090
Total Expenditures	<u>3,544,115</u>	<u>480,037</u>	<u>12,562,065</u>	<u>895,011</u>	<u>2,630,150</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	70,885	(480,037)	2,154,935	(895,011)	1,042,387
OTHER FINANCING SOURCES (USES)					
Transfer In	-	696,238	-	2,154,935	-
Transfer Out	<u>(70,885)</u>	<u>(20,000)</u>	<u>(2,154,935)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(70,885)</u>	<u>676,238</u>	<u>(2,154,935)</u>	<u>2,154,935</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	196,201	-	1,259,924	1,042,387
FUND BALANCES					
Beginning of Year	-	2,047,939	-	3,246,037	635,783
End of Year	<u>\$ -</u>	<u>\$ 2,244,140</u>	<u>\$ -</u>	<u>\$ 4,505,961</u>	<u>\$ 1,678,170</u>

**LEGISLATIVE COORDINATING COMMISSION
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GENERAL FUND – BY DEPARTMENT (CONTINUED)
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Lessard-Sams Outdoor Heritage Council	Energy Commission	Captioning Program	Legacy Website	Total
REVENUES					
Intergovernmental					
State Appropriation	\$ 1,099,000	\$ -	\$ 543,000	\$ 25,000	\$ 34,458,537
EXPENDITURES					
General Government					
Salaries and Benefits including Per Diem	1,008,129	1,388	38,008	-	22,972,114
Travel, Subsistence, and Registration	19,237	7,241	-	-	83,315
Office Rent and Utilities	5,892	-	-	-	45,620
Communications	11,645	-	5,485	-	569,718
Office Equipment	4,697	-	318,587	-	1,777,223
Purchased Services	53,370	-	143,590	32,096	2,825,684
Supplies and Materials	4,992	-	-	-	247,629
Dues and Memberships	-	-	-	-	1,000,866
Payments to Other State Departments	-	-	-	-	1,095,000
Miscellaneous	339	-	-	-	123,948
Total Expenditures	1,108,301	8,629	505,670	32,096	30,741,117
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	(9,301)	(8,629)	37,330	(7,096)	3,717,420
OTHER FINANCING SOURCES (USES)					
Transfer In	-	-	-	-	2,851,173
Transfer Out	-	-	-	-	(2,851,173)
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(9,301)	(8,629)	37,330	(7,096)	3,717,420
FUND BALANCES					
Beginning of Year	978,261	226,382	72,164	37,394	7,865,779
End of Year	\$ 968,960	\$ 217,753	\$ 109,494	\$ 30,298	\$ 11,583,199

**LEGISLATIVE COORDINATING COMMISSION
GENERAL SUPPORT DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 4,253,000	\$ 4,253,000	4,253,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including per diem	2,609,220	2,824,920	2,592,687	232,233
Travel, Subsistence, and Registration	88,380	71,880	8,998	62,882
Office Rent and Utilities	200	200	281	(81)
Communications	12,550	13,050	9,958	3,092
Office Equipment	105,500	40,600	38,401	2,199
Purchased Services	239,500	184,500	127,035	57,465
Supplies and Materials	46,750	29,750	20,090	9,660
Dues and Memberships	1,000,866	1,000,866	1,000,866	-
Miscellaneous	150,034	87,234	18,226	69,008
Total Expenditures	<u>4,253,000</u>	<u>4,253,000</u>	<u>3,816,542</u>	<u>436,458</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	436,458	436,458
OTHER FINANCING SOURCES (USES)				
Transfer Out	-	-	(436,458)	(436,458)
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LEGISLATIVE COORDINATING COMMISSION
PUBLIC INFO TV & INTERNET DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental				
State Appropriation	\$ 998,000	\$ 998,000	\$ 998,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including per diem	55,000	55,000	46,040	8,960
Communications	5,500	5,500	5,330	170
Office Equipment	38,000	38,000	63,330	(25,330)
Purchased Services	896,500	896,500	778,804	117,696
Supplies and Materials	3,000	3,000	-	3,000
Miscellaneous	-	-	-	-
Total Expenditures	998,000	998,000	893,504	104,496
DEFICIT OF REVENUES UNDER EXPENDITURES	-	-	104,496	104,496
OTHER FINANCING USES				
Transfer Out	-	-	(104,496)	(104,496)
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ -	\$ -

**LEGISLATIVE COORDINATING COMMISSION
MISSISSIPPI RIVER PARKWAY COMMISSION DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental				
State Appropriation	\$ 156,000	\$ 156,000	\$ 156,000	\$ -
EXPENDITURES				
General Government				
Salaries and Benefits including Per Diem	6,000	6,000	1,547	4,453
Travel, Subsistence, and Registration	21,500	21,500	5,406	16,094
Communications	4,500	4,500	7,212	(2,712)
Purchased Services	91,500	91,500	87,847	3,653
Supplies and Materials	1,000	1,000	158	842
Miscellaneous	31,500	31,500	30,900	600
Total Expenditures	<u>156,000</u>	<u>156,000</u>	<u>133,070</u>	<u>22,930</u>
DEFICIT OF REVENUES UNDER EXPENDITURES	-	-	22,930	22,930
OTHER FINANCING USES				
Transfer Out	<u>-</u>	<u>-</u>	<u>(22,930)</u>	<u>(22,930)</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**LEGISLATIVE COORDINATING COMMISSION
PENSIONS AND RETIREMENT DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental				
State Appropriation	\$ 1,196,000	\$ 1,196,000	\$ 1,196,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	903,740	921,740	888,815	32,925
Travel, Subsistence, and Registration	10,000	10,000	5,171	4,829
Communications	2,000	2,000	3,497	(1,497)
Office Equipment	16,000	6,249	2,839	3,410
Purchased Services	257,260	249,011	245,759	3,252
Supplies and Materials	3,000	3,000	3,270	(270)
Miscellaneous	4,000	4,000	5,180	(1,180)
Total Expenditures	<u>1,196,000</u>	<u>1,196,000</u>	<u>1,154,531</u>	<u>41,469</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	41,469	41,469
OTHER FINANCING USES				
Transfer Out	<u>-</u>	<u>-</u>	<u>(41,469)</u>	<u>(41,469)</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LEGISLATIVE COORDINATING COMMISSION
LEGISLATIVE BUDGET OFFICE DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental				
State Appropriation	\$ 4,184,000	\$ 4,184,000	\$ 4,184,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	3,184,931	3,198,931	2,730,895	468,036
Travel, Subsistence, and Registration	23,250	23,250	5,590	17,660
Office Rent and Utilities	-	3,000	90	
Communications	12,540	13,040	11,189	1,851
Office Equipment	70,500	56,500	58,992	(2,492)
Purchased Services	251,400	269,900	130,897	139,003
Supplies and Materials	3,750	14,250	10,553	3,697
Miscellaneous	1,259,448	1,226,948	29,190	1,197,758
Total Expenditures	4,805,819	4,805,819	2,977,396	1,825,513
NET CHANGE IN DEPARTMENT FUND BALANCE	(621,819)	(621,819)	1,206,604	1,828,423
DEPARTMENT FUND BALANCES				
Beginning of Year	621,819	621,819	621,819	-
End of Year	\$ -	\$ -	\$ 1,828,423	\$ 1,828,423

**LEGISLATIVE COORDINATING COMMISSION
LEGISLATIVE REFERENCE LIBRARY DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 3,615,000	\$ 3,615,000	\$ 3,615,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	3,150,408	3,166,908	3,135,142	31,766
Travel, Subsistence, and Registration	5,000	3,000	5,054	(2,054)
Communications	11,000	32,500	7,272	25,228
Office Equipment	91,000	76,000	39,876	36,124
Purchased Services	189,619	168,619	218,154	(49,535)
Supplies and Materials	164,973	164,973	136,527	28,446
Miscellaneous	3,000	3,000	2,090	910
Total Expenditures	3,615,000	3,615,000	3,544,115	70,885
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	70,885	70,885
OTHER FINANCING USES				
Transfer Out	-	-	(70,885)	(70,885)
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ -	\$ -

**LEGISLATIVE COORDINATING COMMISSION
GENERAL CARRY FORWARD DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	502,000	502,000	129,285	372,715
Travel, Subsistence, and Registration	15,000	15,000	1,965	13,035
Office Rent and Utilities	-	-	4,184	
Communications	5,500	5,500	5,216	284
Office Equipment	175,000	175,000	190,150	(15,150)
Purchased Services	279,000	279,000	127,423	151,577
Supplies and Materials	170,500	170,500	1,612	168,888
Miscellaneous	900,939	900,939	20,202	880,737
Total Expenditures	2,047,939	2,047,939	480,037	1,572,086
DEFICIT OF REVENUES UNDER EXPENDITURES	(2,047,939)	(2,047,939)	(480,037)	1,567,902
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	696,238	696,238
Transfer Out	-	-	(20,000)	(20,000)
Total Other Financing Sources (Uses)	-	-	676,238	676,238
NET CHANGE IN DEPARTMENT FUND BALANCE	(2,047,939)	(2,047,939)	196,201	2,244,140
DEPARTMENT FUND BALANCES				
Beginning of Year	2,047,939	2,047,939	2,047,939	-
End of Year	\$ -	\$ -	\$ 2,244,140	\$ 2,244,140

**LEGISLATIVE COORDINATING COMMISSION
REVISOR OF STATUTES DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 14,717,000	\$ 14,717,000	\$ 14,717,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	12,697,000	12,697,000	11,031,323	1,665,677
Travel, Subsistence, and Registration	12,000	12,000	12,031	(31)
Office Rent and Utilities	50,000	50,000	31,225	18,775
Communications	503,000	503,000	495,847	7,153
Office Equipment	410,000	410,000	179,633	230,367
Purchased Services	885,000	885,000	733,719	151,281
Supplies and Materials	120,000	120,000	65,556	54,444
Miscellaneous	40,000	40,000	12,731	27,269
Total Expenditures	<u>14,717,000</u>	<u>14,717,000</u>	<u>12,562,065</u>	<u>2,154,935</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	2,154,935	2,154,935
OTHER FINANCING SOURCES (USES)				
Transfer Out	<u>-</u>	<u>-</u>	<u>(2,154,935)</u>	<u>(2,154,935)</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	-	-	-	-
DEPARTMENT FUND BALANCES				
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LEGISLATIVE COORDINATING COMMISSION
REVISOR'S CARRY FORWARD DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General Government:				
Office Rent and Utilities	-	5,000	3,948	1,052
Office Equipment	1,100,000	1,115,000	874,606	240,394
Purchased Services	800,000	800,000	16,457	783,543
Miscellaneous	1,346,037	1,326,037	-	1,326,037
Total Expenditures	3,246,037	3,246,037	895,011	2,351,026
DEFICIT OF REVENUES UNDER EXPENDITURES	(3,246,037)	(3,246,037)	(895,011)	2,351,026
OTHER FINANCING SOURCES				
Transfer In	-	-	2,154,935	2,154,935
NET CHANGE IN DEPARTMENT FUND BALANCE	(3,246,037)	(3,246,037)	1,259,924	4,505,961
DEPARTMENT FUND BALANCES				
Beginning of Year	3,246,037	3,246,037	3,246,037	-
End of Year	\$ -	\$ -	\$ 4,505,961	\$ 4,505,961

**LEGISLATIVE COORDINATING COMMISSION
MINNESOTA RESOURCES DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 3,672,537	\$ 3,672,537	\$ 3,672,537	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	1,693,041	1,693,241	1,368,855	324,386
Travel, Subsistence, and Registration	74,000	74,000	12,622	61,378
Office Rent and Utilities	-	-	-	-
Communications	6,000	6,000	7,067	(1,067)
Office Equipment	42,500	42,500	6,112	36,388
Purchased Services	522,339	522,339	130,533	391,806
Supplies and Materials	9,200	9,000	4,871	4,129
Payments to Other State Departments	1,095,000	1,095,000	1,095,000	-
Miscellaneous	866,240	866,240	5,090	861,150
Total Expenditures	<u>4,308,320</u>	<u>4,308,320</u>	<u>2,630,150</u>	<u>1,678,170</u>
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	(635,783)	(635,783)	1,042,387	1,678,170
DEPARTMENT FUND BALANCES				
Beginning of Year	<u>635,783</u>	<u>635,783</u>	<u>635,783</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,678,170</u>	<u>\$ 1,678,170</u>

**LEGISLATIVE COORDINATING COMMISSION
LESSARD-SAMS OUTDOOR HERITAGE COUNCIL DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 1,099,000	\$ 1,099,000	\$ 1,099,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	1,460,000	1,491,000	1,008,129	482,871
Travel, Subsistence, and Registration	29,000	29,000	19,237	9,763
Office Rent and Utilities	3,500	9,000	5,892	
Communications	18,000	18,000	11,645	6,355
Office Equipment	9,700	10,100	4,697	5,403
Purchased Services	150,000	111,450	53,370	58,080
Supplies and Materials	3,500	5,000	4,992	8
Miscellaneous	403,561	403,711	339	403,372
Total Expenditures	<u>2,077,261</u>	<u>2,077,261</u>	<u>1,108,301</u>	<u>965,852</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	(978,261)	(978,261)	(9,301)	968,960
DEPARTMENT FUND BALANCES				
Beginning of Year	978,261	978,261	978,261	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 968,960</u>	<u>\$ 968,960</u>

**LEGISLATIVE COORDINATING COMMISSION
ENERGY COMMISSION DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including Per Diem	165,000	165,000	1,388	163,612
Travel, Subsistence, and Registration	36,000	36,000	7,241	28,759
Communications	4,000	4,000	-	4,000
Office Equipment	6,000	6,000	-	6,000
Purchased Services	5,000	5,000	-	5,000
Supplies and Materials	7,382	7,382	-	7,382
Miscellaneous	3,000	3,000	-	3,000
Total Expenditures	<u>226,382</u>	<u>226,382</u>	<u>8,629</u>	<u>217,753</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	(226,382)	(226,382)	(8,629)	217,753
DEPARTMENT FUND BALANCES				
Beginning of Year	<u>226,382</u>	<u>226,382</u>	<u>226,382</u>	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217,753</u>	<u>\$ 217,753</u>

**LEGISLATIVE COORDINATING COMMISSION
CAPTIONING PROGRAM DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 543,000	\$ 543,000	\$ 543,000	\$ -
EXPENDITURES				
General Government:				
Salaries and Benefits including per diem	50,000	50,000	38,008	11,992
Communications	6,100	6,100	5,485	615
Office Equipment	284,325	284,325	318,587	(34,262)
Purchased Services	270,738	270,738	143,590	127,148
Supplies and Materials	4,000	4,000	-	4,000
Total Expenditures	<u>615,163</u>	<u>615,163</u>	<u>505,670</u>	<u>109,493</u>
NET CHANGE IN DEPARTMENT FUND BALANCE	(72,163)	(72,163)	37,330	109,493
DEPARTMENT FUND BALANCES				
Beginning of Year	72,164	72,164	72,164	-
End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 109,494</u>	<u>\$ 109,493</u>

**LEGISLATIVE COORDINATING COMMISSION
LEGACY WEBSITE DEPARTMENT
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN DEPARTMENT FUND
BALANCES
BUDGET AND ACTUAL
24 MONTH PERIOD ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
State Appropriation	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
EXPENDITURES				
General Government:				
Purchased Services	62,394	62,394	32,096	30,298
NET CHANGE IN DEPARTMENT FUND BALANCE	(37,394)	(37,394)	(7,096)	30,298
DEPARTMENT FUND BALANCES				
Beginning of Year	37,394	37,394	37,394	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,298</u>	<u>\$ 30,298</u>



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.