

**Department 120 - State Treasurer**  
**House Bill No. 1005**

**Executive Budget Comparison to Prior Biennium Appropriations**

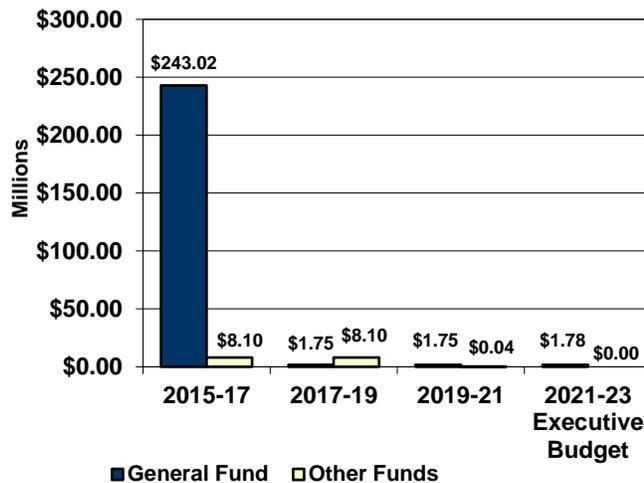
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	7.00	\$1,779,467	\$0	\$1,779,467
2019-21 Legislative Appropriations <sup>1</sup>	7.00	1,746,370	35,000	1,781,370
Increase (Decrease)	0.00	\$33,097	(\$35,000)	(\$1,903)

<sup>1</sup>The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of \$122,757,062 for distributions to political subdivisions resulting from Emergency Commission action during the 2019-21 biennium.

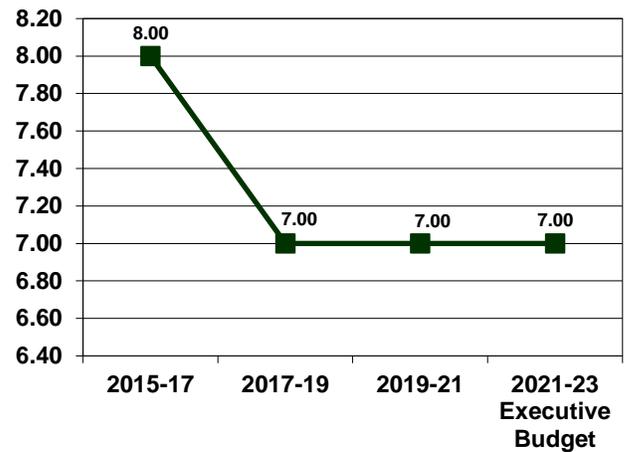
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$1,779,467	\$0	\$1,779,467
2019-21 Legislative Appropriations	1,746,370	0	1,746,370
Increase (Decrease)	\$33,097	\$0	\$33,097

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$1,779,467	\$0	\$1,779,467
2021-23 Base Level	1,746,370	0	1,746,370
Increase (Decrease)	\$33,097	\$0	\$33,097

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases of which \$35,066 is for salary increases, \$342 is for health insurance increases, and \$7,217 is for retirement increases	\$42,625	\$0	\$42,625
2. Decreases funding for operating expenses primarily related to information technology costs	(\$47,577)	\$0	(\$47,577)
3. Decreases funding for the estimated coal severance payments related to the allocation formula change in Section 4 of House Bill No. 1005 (2017)	(\$53,000)	\$0	(\$53,000)
4. Increases funding for Microsoft Office 365 licensing expenses	\$771	\$0	\$771
5. Adds funding for the Capitol complex rent proposal	\$77,019	\$0	\$77,019

January 11, 2021

**Other Sections Recommended to be Added in the Executive Budget  
(As Detailed in the Attached Appendix)**

**Salary of State Treasurer** - Section 2 would provide the statutory changes necessary to increase the State Treasurer's salary. The executive budget recommends a 2 percent increase effective July 1, 2021, and a 2 percent increase effective July 1, 2022. The State Treasurer's annual salary would increase from the current salary of \$110,582 to \$112,794 effective July 1, 2021, and to \$115,050 effective July 1, 2022.

**Significant Audit Findings**

The operational audit for the State Treasurer's office conducted by the State Auditor's office during the 2019-20 interim identified no significant audit findings.

**Major Related Legislation**

**House Bill No. 1037** - Establishes a percent of market value method for determining the amount of legacy fund earnings available to be spent each biennium, creates a legacy earnings fund, and requires the State Treasurer to transfer legacy fund earnings to the legacy earnings fund.

**Senate Bill No. 2040** - Authorizes up to \$2 billion of bonds for infrastructure projects and programs, including \$770 million for county road and bridge infrastructure grants as distributed by the State Treasurer based on a study of road and bridge needs prepared by the Upper Great Plains Transportation Institute.

**State Treasurer - Budget No. 120**  
**House Bill No. 1005**  
**Base Level Funding Changes**

	<b>Executive Budget Recommendation</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2021-23 Biennium Base Level</b>	7.00	\$1,746,370	\$0	\$1,746,370
<b>2021-23 Ongoing Funding Changes</b>				
Base payroll changes		\$13,259		\$13,259
Salary increase		35,066		35,066
Retirement contribution increase		7,217		7,217
Health insurance increase		342		342
Decreases funding for operating expenses		(47,577)		(47,577)
Decreases funding for coal severance payments		(53,000)		(53,000)
Increases funding for Microsoft Office 365 licensing expenses		771		771
Adds funding for the Capitol complex rent proposal		77,019		77,019
<b>Total ongoing funding changes</b>	<b>0.00</b>	<b>\$33,097</b>	<b>\$0</b>	<b>\$33,097</b>
<b>One-time funding items</b>				
No one-time funding items				\$0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>0.00</b>	<b>\$33,097</b>	<b>\$0</b>	<b>\$33,097</b>
<b>2021-23 Total Funding</b>	<b>7.00</b>	<b>\$1,779,467</b>	<b>\$0</b>	<b>\$1,779,467</b>
<i>Total ongoing changes as a percentage of base level</i>	<i>0.0%</i>	<i>1.9%</i>		<i>1.9%</i>
<i>Total changes as a percentage of base level</i>	<i>0.0%</i>	<i>1.9%</i>		<i>1.9%</i>

**Other Sections in State Treasurer - Budget No. 120**

Salary of State Treasurer

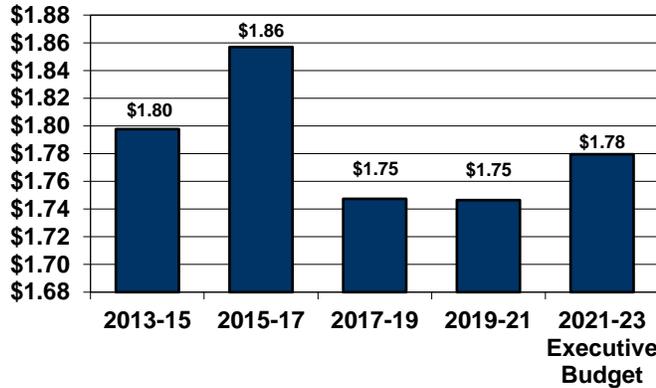
**Executive Budget Recommendation**  
Section 2 would provide the statutory changes necessary to increase the State Treasurer's salary from the current salary of \$110,582 to \$112,794 (2 percent) in fiscal year 2022 and to \$115,050 (2 percent) in fiscal year 2023.

Department 120 - State Treasurer

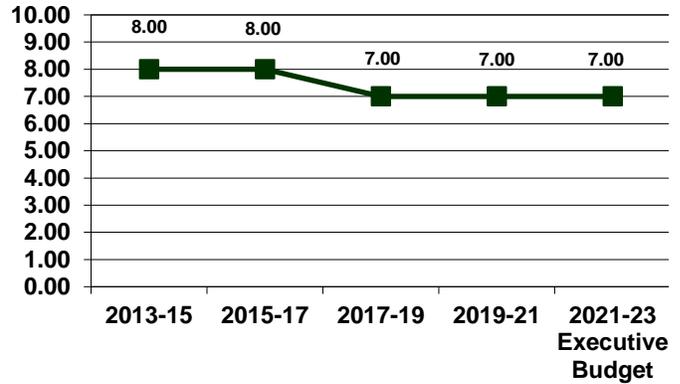
# Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2013-15

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$1,797,631	\$1,856,899	\$1,747,399	\$1,746,370	\$1,779,467
Increase (decrease) from previous biennium	N/A	\$59,268	(\$109,500)	(\$1,029)	\$33,097
Percentage increase (decrease) from previous biennium	N/A	3.3%	(5.9%)	(0.1%)	1.9%
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	3.3%	(2.8%)	(2.9%)	(1.0%)

### Major Increases (Decreases) in Ongoing General Fund Appropriations

**2015-17 Biennium**

- 1. Added funding for information technology costs, including desktop support services \$101,658
- 2. Decreased funding for salaries and wages related to the August 2016 budget reductions (\$74,309)

**2017-19 Biennium**

- 1. Removed 1 FTE deputy state treasurer position and reduced funding for temporary staff (\$132,696)
- 2. Added funding for operating expenses primarily related to information technology costs \$50,646
- 3. Decreased funding for coal severance shortfall payments (\$48,952)

**2019-21 Biennium**

- 1. Decreased funding for operating expenses primarily related to information technology costs (\$59,031)
- 2. Decreased funding for the estimated coal severance payments related to the phase-in of the allocation formula change in Section 4 of House Bill No. 1005 (2017) (\$9,000)

**2021-23 Biennium (Executive Budget Recommendation)**

- 1. Decreases funding for operating expenses primarily related to information technology costs (\$47,577)
- 2. Decreases funding for the estimated coal severance payments related to the completion of the allocation formula change in Section 4 of House Bill No. 1005 (2017) (\$53,000)
- 3. Adds funding for the Capitol complex rent proposal \$77,019

**GOVERNOR'S RECOMMENDATION FOR THE  
STATE TREASURER AS SUBMITTED  
BY THE OFFICE OF MANAGEMENT AND BUDGET**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury not otherwise appropriated, to the state treasurer for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$1,383,141	\$55,884	\$1,439,025
Operating Expenses	192,229	30,213	222,442
Coal Severance Payments	<u>171,000</u>	<u>(53,000)</u>	<u>118,000</u>
Total General Fund	\$1,746,370	\$33,097	\$1,779,467
Full-time Equivalent Positions	7.00	0.00	7.00

**SECTION 2. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

**54-11-13. Salary of state treasurer.** The annual salary of the state treasurer is ~~one hundred seven thousand eight hundred eighty five dollars through June 30, 2020, and one hundred ten thousand five hundred eighty two dollars~~ one hundred twelve thousand seven hundred ninety-four dollars through June 30, 2022 and one hundred fifteen thousand fifty dollars thereafter.