

OFFICE OF STATE

TREASURER

NORTH DAKOTA

Thomas Beadle
State Treasurer

House Appropriations Committee – Government Ops- March 14, 2023

OST Overview



- **Statutory Responsibilities**

- Article V, Section 2, of the North Dakota Constitution created the Office of State Treasurer and provides that the powers and duties of the state treasurer shall be prescribed by law. Chapter 54-11 of the North Dakota Century Code prescribes the powers, duties, and responsibilities of the state treasurer. The mission of the Office of State Treasurer is *“to fulfill our constitutional and statutory responsibilities, to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government.”*

- **Five Key management functions for the state**

1. Cash Management
2. Accounting
3. Investments
4. Revenue Collection
5. Revenue Distribution

OST Overview



- Daily Cash Flow Management

Office of State Treasurer
Cash Flow Projection
March 6th - March 10th, 2023

03/10/23

	03/06/23 Monday	03/07/23 Tuesday	03/08/23 Wednesday	03/09/23 Thursday	03/10/23 Friday	Weekly Total
Beginning Ledger Balance	115,635,745.03	431,289,952.88	413,124,760.99	470,007,753.28	383,250,284.70	
Savings Account 4200130 -Force (-)	(13,067,951.95)	(8,120,701.47)	(18,762,092.16)	(91,444,324.52)	(13,930,435.17)	(145,325,505.27)
Sub-Total	102,567,793.08	423,169,251.41	394,362,668.83	378,563,428.76	369,319,849.53	1,667,982,991.61
Deposits Today (+)	337,581,112.80	33,957,914.58	43,650,921.07	4,691,531.94	3,539,870.21	423,421,350.60
Sub-Total	440,148,905.88	457,127,165.99	438,013,589.90	383,254,960.70	372,859,719.74	2,091,404,342.21
ACH Clearing Today (-)						
Peoplesoft ACH	(980,101.13)	(2,991,759.57)	(2,320,738.43)	(1,720,086.86)	(1,318,663.24)	(9,331,349.23)
DHS (AFDC, Child Support, Foster Care, Medicaid) ACH	(555,928.04)	(1,082,165.85)	(74,595,562.70)	(2,854,291.56)	(336,462.77)	(79,424,410.92)
Payroll ACH	-	-	-	-	(3,877,947.79)	(3,877,947.79)
Tax ACH	(1,783,622.68)	(1,214,699.21)	(3,355,439.31)	(1,685,639.81)	(1,334,774.44)	(9,374,175.45)
CTE ACH	(1,370,947.88)	(6,545,642.88)	(9,435,139.48)	(5,476,851.71)	(753,660.61)	(23,582,242.36)
ND HHS ACH	(963,653.41)	(2,991,846.40)	(1,298,794.53)	-	(616,284.12)	(5,870,578.46)
Checks Clearing Today (-)						
Peoplesoft Accounting Checks	(2,436,000.00)	(2,099,000.00)	(2,089,000.00)	(2,167,000.00)	(2,768,000.00)	(11,559,000.00)
Vendor Payroll Checks	-	-	-	-	-	-
DHS Medicaid Checks	(184,000.00)	(146,000.00)	(60,000.00)	(155,000.00)	(151,000.00)	(696,000.00)
Transfers In (+)						
Tax Department	-	24,000,000.00	-	-	-	24,000,000.00
DHS Wires	-	-	-	-	-	-
Oil Tax Resources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Transfers Out (-)						
Land Department	-	-	-	-	-	-
Attorney General - Lottery	-	-	-	-	-	-
State Fair	-	-	-	-	-	-
Ag Commodities CD	-	-	-	-	-	-
Retirement and Investment	-	-	-	-	-	-
Tobacco Settlement	-	-	-	-	-	-
Other	(371,000,000.00)	(370,000,000.00)	(330,550,887.07)	(326,158,960.57)	(330,196,033.95)	(1,727,905,881.59)
General Fund CD's						
Cash CD (+)	-	-	34,000,000.00	-	7,000,000.00	41,000,000.00
Purchase CD (-)	(8,000,000.00)	(44,000,000.00)	-	-	-	(52,000,000.00)
Estimated Available Balance	52,874,652.94	50,056,052.08	48,308,028.38	43,037,130.19	38,506,892.82	232,782,756.41
Check & Ach Registers (Previous Day):						
Peoplesoft Accounting	7,159,697.65	18,291,122.41	21,133,849.28	16,157,608.47	8,641,230.46	71,383,508.27
Payroll	-	-	-	-	-	-
DHS - AFDC	-	-	-	-	-	-
DHS - SDU	705,624.92	579,491.36	1,105,118.82	1,271,681.79	380,466.60	4,042,383.49
DHS - Foster Care	959.56	-	-	-	2,532,730.75	2,533,690.31
DHS - Medicaid	-	-	74,063,045.45	-	-	74,063,045.45
Total	7,866,282.13	18,870,613.77	96,302,013.55	17,429,290.26	11,554,427.81	152,022,627.52


\$200 M-CARES
\$20M - DOT
\$75M - TDOC (03/21)
\$25M - Medical
\$1.5M - Payroll
\$6M - PC
\$1,550,887.07 - 54772409
\$1,145,146.88 - 54775321

OST Overview



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Daily Fund Balances



DAILY OPERATING BALANCE

March 10, 2023

\$4,546,635,043.92

* Balance reflects previous business day

[Operating Balance Data](#)

Fund	Fund Description	Beginning Balance	Receipts	Disbursements	Ending Balance
001	General Fund	1,362,577,493.44	33,838,120.04	(55,221,321.20)	1,341,194,292.28
002	FEDERAL	583,466,736.30	23,544,426.69	(13,010,165.84)	594,000,997.15
200	Highway Fund	319,008,751.33	3,514,815.98	(3,039,549.75)	319,484,017.56
201	Motor Vehicle Fund	5,191,592.98	3,050.62	(46,845.76)	5,147,797.84
202	Abandoned Vehicle Fund	220,355.84	0.00	0.00	220,355.84
204	Atty Gen Asset Forfeiture Fund	696,933.91	0.00	0.00	696,933.91
205	Motorcyle Safety Fund	359,489.12	0.00	0.00	359,489.12
206	State Lands Maintenance Fund	278,177.00	7,403.79	(12,470.01)	273,110.78
207	State Investment Board	159,241.01	0.00	(82,758.26)	76,482.75
208	Soybean Council Fund	5,551,259.11	80,188.53	(40,438.98)	5,591,008.66
209	Unsatisfied Judgement Fund	944,811.92	0.00	0.00	944,811.92
210	State Bonding Fund	103,882.35	692.31	0.00	104,574.66
211	State Fire & Tornado Fund	353,850.07	92,200.60	(3,562.02)	442,488.65
212	Statewide Conference Fund	(121,345.31)	0.00	(1,935.00)	(123,280.31)
213	Workforce Safety and Insurance	96,567.59	14,525.33	(60,101.86)	50,991.06
215	Children's Serv Coord Committe	1,964.94	0.00	0.00	1,964.94
216	Non-Game Wildlife Fund	144,434.07	0.00	0.00	144,434.07
217	Dealer Enforcement Fund	264,577.77	0.00	(16,821.54)	247,756.23
219	Milk Marketing Fund	148,258.77	0.00	(1,086.82)	147,171.95
220	Potato Council Fund	158,451.67	0.00	0.00	158,451.67
221	Turkey Fund	18,242.98	0.00	0.00	18,242.98
222	Game & Fish Department Fund	1,658,725.84	0.00	(41,352.88)	1,617,372.96
223	Honey Promotion Fund	398,493.33	120.00	0.00	398,613.33
224	Ag Products Utilization Fund	3,272,148.95	0.00	0.00	3,272,148.95
225	State Infrastructure Bank	3,225,697.26	0.00	0.00	3,225,697.26
226	Agronomy Seed Farm Fund	1,236,117.65	0.00	0.00	1,236,117.65
227	Dry Pea & Lentil Council Fund	826,987.61	0.00	0.00	826,987.61
228	Wheat Commission Fund	2,706,073.74	0.00	(9,473.54)	2,696,600.20
229	Beef Commission Fund	445,726.74	54,784.03	0.00	500,510.77
230	Special Road Fund	1,576,694.33	0.00	0.00	1,576,694.33
231	Barley Growers Checkoff Fund	632,694.81	0.00	(5,958.24)	626,736.57
232	Public Transportation Fund	4,126,716.57	0.00	0.00	4,126,716.57
233	Petroleum Rel. Comp. Fund	470,528.93	8,379.36	(12,032.89)	466,875.40
234	Fossil Excavation & Restoratio	16,340.48	3,857.80	(4,412.57)	15,785.71
235	Displaced Homemakers Fund	214,477.95	1,650.00	(1,440.87)	214,687.08
236	State Waterbank Fund	15,028.47	0.00	0.00	15,028.47
237	Indigent Civil Legal Svcs Fund	66,435.03	7,125.00	0.00	73,560.03
238	Energy Development Impact Fund	374,716.52	0.00	(43.58)	374,672.94
239	Insurance Regulatory Trust	1,328,069.06	286,885.00	0.00	1,614,954.06
240	Insurance Tax Distribution	196,819.80	0.00	0.00	196,819.80
241	Edible Bean Fund	636,249.12	0.00	(99,000.00)	537,249.12
242	Financial Instit. Regulatory	6,732,398.70	8,600.00	(5,586.99)	6,735,411.71
243	Renewable Energy Develop. Fund	6,079,228.20	0.00	0.00	6,079,228.20
244	Investor Ed & Technology Fund	1,356,976.94	0.00	0.00	1,356,976.94

OST Overview



- Investments



STATE TREASURER
Thomas Beadle

North Dakota State Treasurer * Certificates of Deposit
Report Period: 03/01/2023 thru 03/31/2023

Investment Group Label: Corn Utilization Council

Maturity Date	Purchase Date	Financial Institution	CD Number	Rate	Purchase Amount	Term in Days
03/28/2023	03/28/2022	Dakota Community-Mandan, Mandan	1000330369	0.450%	\$ 100,000.00	365
04/27/2023	04/27/2022	Dakota Heritage Bank of North Dakota, Harvey	22839	0.300%	\$ 249,000.00	365
04/27/2023	04/27/2022	Union State Bank- Hazen, Hazen	39242	0.600%	\$ 249,000.00	365
04/27/2023	04/27/2022	Hometown Community Bank, Page	1102270	0.400%	\$ 249,000.00	365
05/18/2023	05/18/2022	Dakota Community-Mandan, Mandan	1000330735	0.500%	\$ 99,000.00	365
07/26/2023	07/26/2022	Starion Bank, Bismarck	80032926	1.600%	\$ 200,000.00	365
08/22/2023	08/22/2022	First State Bank, Grand Forks	453803	1.500%	\$ 200,000.00	365
08/23/2023	08/23/2022	Plains Commerce Bank, Bismarck	1200011377	2.000%	\$ 249,000.00	365
09/28/2023	09/28/2022	Stock Growers Bank, Napoleon	17892	2.500%	\$ 200,000.00	365
10/27/2023	10/27/2022	Bravera Bank, Bismarck	130009056	2.500%	\$ 249,000.00	365
12/28/2023	12/28/2022	North Star Community Credit , Maddock	11672	3.850%	\$ 100,000.00	365
01/27/2024	01/27/2023	Aspire Financial, Fargo	7-30503	4.050%	\$ 249,000.00	365
01/27/2024	01/27/2023	State Bank & Trust- Kenmare, Kenmare	38679	3.800%	\$ 247,000.00	365
01/28/2024	01/28/2023	First Community Credit Union, Jamestown	91235-24	3.750%	\$ 249,000.00	365
Investment Group Total:					\$ 2,889,000.00	

OST Overview



- Distributions we make to Political Subdivisions

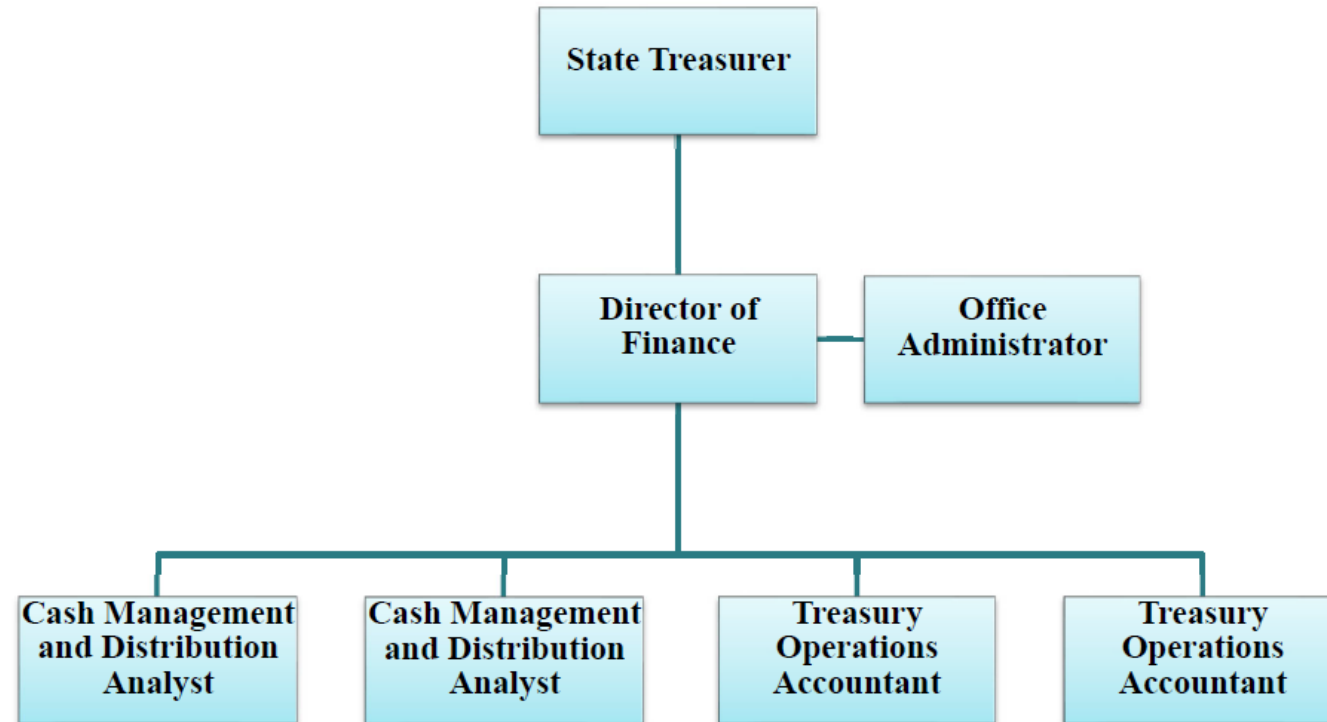
Airline	Disabled Veterans Homestead Tax Credit	Prepaid Wireless E-911 Fee
City Cigarette Tax	Electric Generation Transmission	Senior Mill Levy
City Motor Vehicle Rental Tax	Flood Control	Special Highway
City/County Occupancy Tax	Forest Service	Special Township Road
City/County Restaurant/Lodging Tax	Highway Tax Distribution Fund	State Aid
City & County Sales Tax	Homestead Tax Credit	Taylor Grazing
Coal Conversion Tax	Medical Center Levy	Telecommunication Carriers
Coal Conversion Shortfall	Mineral Management	Township Road & Bridge Fund
Coal Severance Tax	Motorboat	Tribal Cigarette Tax
Coal Severance Shortfall - Tipple Share Reimbursement	Municipal Infrastructure	Tribal Highway Fund
Coronavirus Relief Funds	New Jobs Program	Tribal Sales Tax
County & Township Infrastructure	Oil and Gas Gross Production Tax	
County Aid	Oil Extraction/Gross Production Tax-Tribal	

<https://www.treasurer.nd.gov/distribution-dashboard>

OST Overview



OFFICE OF STATE TREASURER ORGANIZATIONAL CHART



OST Overview



- Audit Results
 - Our most recent agency audit was completed in May of 2022 for the biennium ended June of 2021. We had no audit findings.

The screenshot shows a report titled "REPORT HIGHLIGHTS Office of the State Treasurer". The header includes the "ND" logo and "Office of the State Auditor" on the left, and "Office of the State Treasurer" and "Audit Report for the Biennium Ended June 30, 2021 | Client Code 120" on the right. The main content is divided into two sections: "WHAT WE LOOKED AT AND WHY" and "WHAT WE FOUND".

WHAT WE LOOKED AT AND WHY

North Dakota state law (N.D.C.C. 54-10-01) requires that our team perform an audit once every two years. This includes a review of financial transactions and determining that expenditures are correct. Our audits report any errors, internal control weaknesses or potential violations of law identified in significant or high-risk functions of the agency.

WHAT WE FOUND

This audit did not identify any areas of concern.

<https://www.nd.gov/auditor/2021-treasurer-office-state>

OST Overview



- Biennium Accomplishments
 - Tax Distributions – Updated TDOC system
 - “Prairie Dog” Funds
 - Website Upgrades
 - Process Updates
- Agency Challenges
 - IT Costs

Biennium: 2019 - 2021 City: Bismarck Compiled By: Tyson Lund Submitted By: Tyson Lund on 11/23/2022 Contact Email: tylund@bismarcknd.gov Contact Phone: 701-355-1603 Approved: 11/25/2022
Water treatment plants Type of Project: Replace Existing Infrastructure Filters 1-6 rehabilitation of cast iron piping to address deferred maintenance and increase capacity. This project is in the planning Description of stages and anticipated to be complete late fall 2023 or spring 2024. Replace and improve high lift 5 pump. Replacing old pump project: and switch gear with a new pump and variable-frequency drive to adjust flows. Pump has been received but not installed. Anticipated to be complete April 2023. TOTAL cost of project: \$4,016,730.00 Infrastructure Funds used for project: \$67,394.97 Other funding sources used: Water utility revenues will be used to cover the remaining project costs. \$67,394.97 in Municipal Infrastructure funds spent to date with an additional \$1,675,605.03 in Municipal Infrastructure funds anticipated to be spent on these projects in the future. Project dates: 03/01/2022 - 04/01/2024
Water storage systems, including dams, water tanks, and water towers Type of Project: Replace Existing Infrastructure Description of project: Inspect and rehabilitate the 43rd Ave water tower. This structure has been in service for 30 years and is the first time it has undergone a full rehabilitation. TOTAL cost of project: \$1,375,000.00 Infrastructure Funds used for project: \$635,025.00 Other funding sources used: Water utility revenues will be used to cover the remaining project costs. \$635,025 in Municipal Infrastructure funds spent to date with and additional \$121,975 in Municipal Infrastructure funds anticipated to be spent on the project for the final payment. Project dates: 07/01/2022 - 11/01/2022
Reserved for future infrastructure project Infrastructure Funds reserved for future infrastructure project: \$1,797,580.03

OST Overview



- Biennium Goals
 - **Improve Communication** - with agencies and the general public
 - **Streamline Processes** – create efficient portals to assist political subdivisions
 - **Promote Financial Literacy** – educate on state finances and use megaphone to partner with agencies like DPI and BND to share best practices with citizens

OST Overview



- Federal SFRF Funds and other Federal Funding
 - During the 21-23 regular and special sessions, we were appropriated \$73,174,975 in one-time funding.
 - \$53,174,975 was Federal Local Fiscal Recovery Funds
 - \$11,800,000 was for the tax relief fund
 - \$8,200,000 was state disaster relief fund
 - These funds have been allocated and are out the door, and since we were just a pass-through entity we will not have any turnback or carry over of these funds.

OST Overview



- Budget Comparison
 - Our budget consists of two major items – Salaries and IT
 - 7 FTEs has been consistent for a few biennium now
 - Increase from Base Budget comes from:
 - Cost to continue salaries & insurance
 - Adding back Travel that was removed during COVID
 - Capitol rent model
 - One-time IT charges

OST Overview



- Requested IT Costs
 - Addition to our operating line of \$2,160 for ongoing charges to cover vendor cost for utilizing fillable forms
 - 80 hours of ITD time to reprogram our online reporting and documentation system
 - 70 hours of ITD time to reprogram our TDOC system to more smoothly handle recurring distributions
 - 50 hours of ITD time to upgrade our online platform to incorporate the fillable forms software added above
 - 65 hours of ITD time to implement changes to formulas being passed this session*

**This was not requested when we presented to the Senate because there were dozens of bills that would have added to this cost that we didn't expect to survive. We informed them that we were monitoring numerous bills that would affect our office and that we would inform House committee after crossover with a more accurate number.*

OST Overview



- Tracked Legislation that has some budget impact for IT costs
 - HB 1085
 - HB 1125
 - HB 1379
 - SB 2059
 - SB 2329

OST Overview



- Agency Collections

- Our office is responsible for the collection of various revenues from political subdivisions throughout the state. Mainly court fines and fees collected by the County Clerks of Court and Assessed Communication fees and Medical Center Levy tax revenues collected by County Auditors. Of these, a significant number are deposited directly into the general fund while others are deposited into special funds. Due to the nature of these collections, we do not anticipate any significant changes in revenue amounts for the coming biennium.

Questions?



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