

Compensation & Benefits

Considerations

- The agency is in a leadership transition.
- Bonus opportunities - FTE pool limiting ability to utilize agency savings from general and administrative budget to assist with bonus.
- ▲ • Total compensation doesn't appear within a reasonable range of the private sector, defined as 80-90% of private compensation.
- • Private retirement packages are competing if not surpassing especially when compared to higher salaries in private market.
- • Cost of health care lower at state than private but when compared to higher salaries in private sector the clear choice would be more competitive compensation.
- Metric based compensation unavailable at state - Equity, bonus, profit sharing.
- Equity study during 68th biennium only considered classified positions and did not consider DMR's 80% unclassified positions.
- Historically bonuses have been approximately equivalent to one-month salary of the employee. Turnback last biennium was over \$1 million in salaries even with bonuses given. The DMR utilized their dollars to retain employees in a responsible/accountable manner.

Compensation & Benefit Comparison (January 2025 Example)

Salaries (not including benefits)	Entry Level		Mid Level		Senior Level	
	DMR	Private	DMR	Private	DMR	Private
▲ Combined Salary and Bonus	\$54,500	\$132,000	\$108,300	\$222,000	\$140,800	\$261,600
% Difference: DMR to Private	-142%		-104%		-85%	
Retirement						
● Employer Retirement Contribution (State 13%, Private 8%)	\$7,085	\$10,560	\$14,079	\$17,760	\$18,304	\$20,928
● Employee Retirement Contribution (State 3%, Private 10%)	\$1,635	\$10,560	\$3,249	\$17,760	\$4,224	\$20,928
● Total Retirement Benefit Annually	\$8,720	\$21,120	\$17,328	\$35,520	\$22,528	\$41,856
Medical						
■ Maximum Out of Pocket Medical Expenses Estimate (annually) Assumes a family unit	\$4,700	\$14,500	\$4,700	\$14,500	\$4,700	\$14,500
■ Total Employee Paid Retirement & Medical Expenses	\$6,335	\$25,060	\$7,949	\$32,260	\$8,924	\$35,428
Percentage of Employee Salary	12%	19%	7%	15%	6%	14%
Employee Take Home Pay After Benefits and Medical Expenses	\$48,165	\$106,940	\$100,351	\$189,740	\$131,876	\$226,172
Estimate does not include taxes						

How do strong companies and good leaders hire, retain and motivate top tier employees?

DMR Budget Comparison

	2023-25 Appropriated Budget	2025-27 Burgum Recommended	2025-27 Armstrong Recommended	2025-27 Essential DMR Budget
47410 Salaries & Benefits	\$23,123,267	\$26,839,639	\$27,008,760	\$28,605,639
47410 Compensation Increases	\$0	\$1,851,173	\$1,639,364	\$1,639,364
47430 Operating Expense	\$11,541,104	\$11,175,591	\$11,182,751	\$12,617,545
47450 Capital Assets	<u>\$98,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$295,000</u>
Total Expenditures	\$34,762,371	\$39,866,403	\$39,830,875	\$43,157,548
Less Federal Income	\$2,568,000	\$1,728,377	\$1,728,377	\$1,728,377
Less Special Income	<u>\$0</u>	<u>\$342,000</u>	<u>\$3,642,000</u>	<u>\$3,642,000</u>
Total General Fund	\$32,194,371	\$37,796,026	\$34,460,498	\$37,787,171
FTE	108	110	111	116

Note: Compensation increases include recommended salary, benefits, and health insurance increases.

SB 2014 Industrial Commission - DMR Budget

	Burgum's Recommended	Armstrong's Recommended	DMR Request
23-25 Base Level FTE	108.00	108.00	108.00
Salaries and Benefits			
23-25 Base Level Salaries & Benefits	\$23,261,532	\$23,261,532	\$23,261,532
Base payroll changes:			
Gov. Rec. Salary Increase	\$1,190,593	\$978,784	\$978,784
Health Insurance Increase	\$660,580	\$660,565	\$660,565
FTE Funding Pool - New	\$1,284,293	\$1,284,293	\$1,284,293
FTE Funding Pool - Vacant	\$1,389,856	\$1,389,856	\$1,389,856
3% Required Cuts	(\$284,587)	(\$284,587)	(\$284,587)
Optional Requests:			
Position Conversion to Geologist	\$101,785	\$101,785	\$101,785
Permitting Technician Position (1 FTE)	\$151,146	\$151,146	\$151,146
IIJA Formula Grant - Administration	\$500,727	\$500,727	\$500,727
Equity Adjustment	\$250,000	\$250,000	\$805,800
Reclamation Techs (3 FTE)	\$184,887	\$184,887	\$554,660
Executive Administrative Position (1 FTE)		\$169,136	\$172,772
Paleo Tech (1 FTE)			\$178,090
Class VI Programmer (1 FTE)			\$214,236
Professional Land/Legal Assistant (1 FTE)			\$230,329
Increase Temp Salaries			\$45,000
Total Salary and Benefits	\$28,690,812	\$28,648,124	\$30,244,988
Operating			
23-25 Base Level Operating	\$5,120,253	\$5,120,253	\$5,120,253
Base operating changes:			
ITD Data Processing	\$108,065	\$108,065	\$108,065
3% Required Cuts	(\$626,293)	(\$626,293)	(\$626,293)
Optional Requests:			
Position Conversion to Geologist	\$80,274	\$80,274	\$80,274
Permitting Position (1 FTE)	\$10,887	\$10,887	\$10,887
Mineral Analysis	\$100,000	\$100,000	\$100,000
Woolly Mammoth Excavation	\$300,000	\$300,000	\$300,000
NDIC Assessment	\$115,000	\$115,000	\$115,000
OHWM - for Witness Fees	\$342,000	\$342,000	\$342,000
IIJA Formula Grant - Administration	\$943,650	\$943,650	\$943,650
Litigation	\$3,000,000	\$3,000,000	\$3,000,000
Inflation & Restoration	\$1,500,000	\$1,500,000	\$2,235,401
Drilling Project Phase II	\$100,000	\$100,000	\$500,000
Reclamation Techs (3 FTE)	\$81,755	\$81,755	\$245,265
Executive Administrative Position (1 FTE)		\$7,160	\$10,887
Paleo Tech (1 FTE)			\$38,382
Class VI Programmer (1 FTE)			\$10,887
Professional Land/Legal Assistant (1 FTE)			\$10,887
Professional Development			\$57,000
Enhanced Oil Recovery Project			\$15,000
Total Operating	\$11,175,591	\$11,182,751	\$12,617,545
Capital Assets			
23-25 Base Level Capital Assets	\$0	\$0	\$0
Portable XRF			\$45,000
Paleontology Viewing Lab			\$250,000
Total Capital Assets	\$0	\$0	\$295,000
Total Expenditures	\$39,866,403	\$39,830,875	\$43,157,533
Less Estimated Income	\$2,070,377	\$2,070,377	\$2,070,377
Total General Fund	\$37,796,026	\$37,760,498	\$41,087,156
Total FTE	110.00	111.00	116.00

DMR FTE Optional Request Priority List

Priority	Position	Salaries	Operating	Total
1	Executive Administrative Position	\$172,772	\$10,887	\$183,659
2	Professional Legal/Land Position	\$230,329	\$10,887	\$241,216
3	Permitting Position	\$151,144	\$10,887	\$162,031
4	Reclamation Position	\$184,887	\$81,755	\$266,642
5	Reclamation Position	\$184,887	\$81,755	\$266,642
6	Reclamation Position	\$184,887	\$81,755	\$266,642
7	Class VI Programming Position	\$214,236	\$10,887	\$225,123
8	Paleontology Technician Position	\$178,090	\$38,382	\$216,472

DMR Non-FTE Optional Request Priority List

Priority	Description	Salaries	Operating	Capital Asset	Total
1	Inflation & Restoration	\$0	\$2,235,401	\$0	\$2,235,401
2	Position Conversion to Geologist	\$101,785	\$80,274	\$0	\$182,059
3	Equity Adjustment	\$805,800	\$0	\$0	\$805,800
4	Drilling Project Phase II	\$0	\$500,000	\$0	\$500,000
5	Woolly Mammoth Excavation	\$0	\$300,000	\$0	\$300,000
6	Paleontology Viewing Lab	\$0	\$0	\$250,000	\$250,000
7	Mineral Analysis	\$0	\$100,000	\$0	\$100,000
8	Increase Temp Salaries	\$45,000	\$0	\$0	\$45,000
9	Professional Development	\$57,000	\$0	\$0	\$57,000
10	Portable XRF	\$0	\$0	\$45,000	\$45,000
11	Enhanced Oil Recovery Project	\$0	\$15,000	\$0	\$15,000
12	NDIC Assessment	\$0	\$115,000	\$0	\$115,000
13	IJA Formula Grant - Administration	\$0	\$1,444,377	\$0	\$1,444,377
14	OHWM - for Witness Fees	\$0	\$342,000	\$0	\$342,000
15	Litigation	\$0	\$3,000,000	\$0	\$3,000,000

OTHER LEGISLATIVE BILLS IMPACTING DMR

SB 2313 (Introduced 01/20/2025 and referred to Senate Energy and Natural Resources)

This bill amends and reenacts section 38-08-04.12 of the North Dakota Century Code, relating to reclamation of land disturbed by oil and gas activity. This bill would require on-site meeting between the ND Industrial Commission-Dept. of Mineral Resources and operator. Because of the increased workload, the bill would require three new reclamation FTEs.