

OFFICE OF STATE

# TREASURER

NORTH DAKOTA

Thomas Beadle  
*State Treasurer*

# Agenda



- Summary of primary budget requests
- Additional session requests
- Agency Overview
- Comparison to House action

# Budget Request Summary

# Decision Package Requests



- **Salary Compensation Analysis Recommendation**
  - Add \$250,000 to our Salary line to fairly compensate employees
- **ITD Projects 25-27 Biennium**
  - Adds \$110,000 to support ITD projects for the 25-27 biennium
  - Adds \$7,000 as per OMB's adjustments for the ITD programming cost changes
- **CO2 Payment in Lieu of Taxes appropriation**
  - Add \$2 million in General Fund Dollars for disbursement to impacted counties
- **Coal Severance Payment Increase**
  - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted counties

# Additional Requests



- **ITD Implementation Costs for new distributions**
  - Add an additional \$185,000 in one-time funds to implement changes as passed by this assembly.
  - Carryover authority
- **Cost to Continue**
  - Add \$14,372 to Operating Expenses line that was removed and transferred to Salaries line in order to allow us to continue salaries appropriated in the 23-25 biennium
- **Delayed Implementation of Unclaimed Property Transfer**
  - Delay transfer from DTL until the end of the 25-27 biennium
- **FTE Request**
  - Need additional staff hours for proposed transfer of UP and for Cash Management and Transparency goals

# Agency Overview

# Agency Overview



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 Office of State Treasurer (OST) serves as custodian of all state funds, managing cash flow, investments, and timely tax distributions to over 500 political subdivisions.

Our mission 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.”*

# Agency Duties



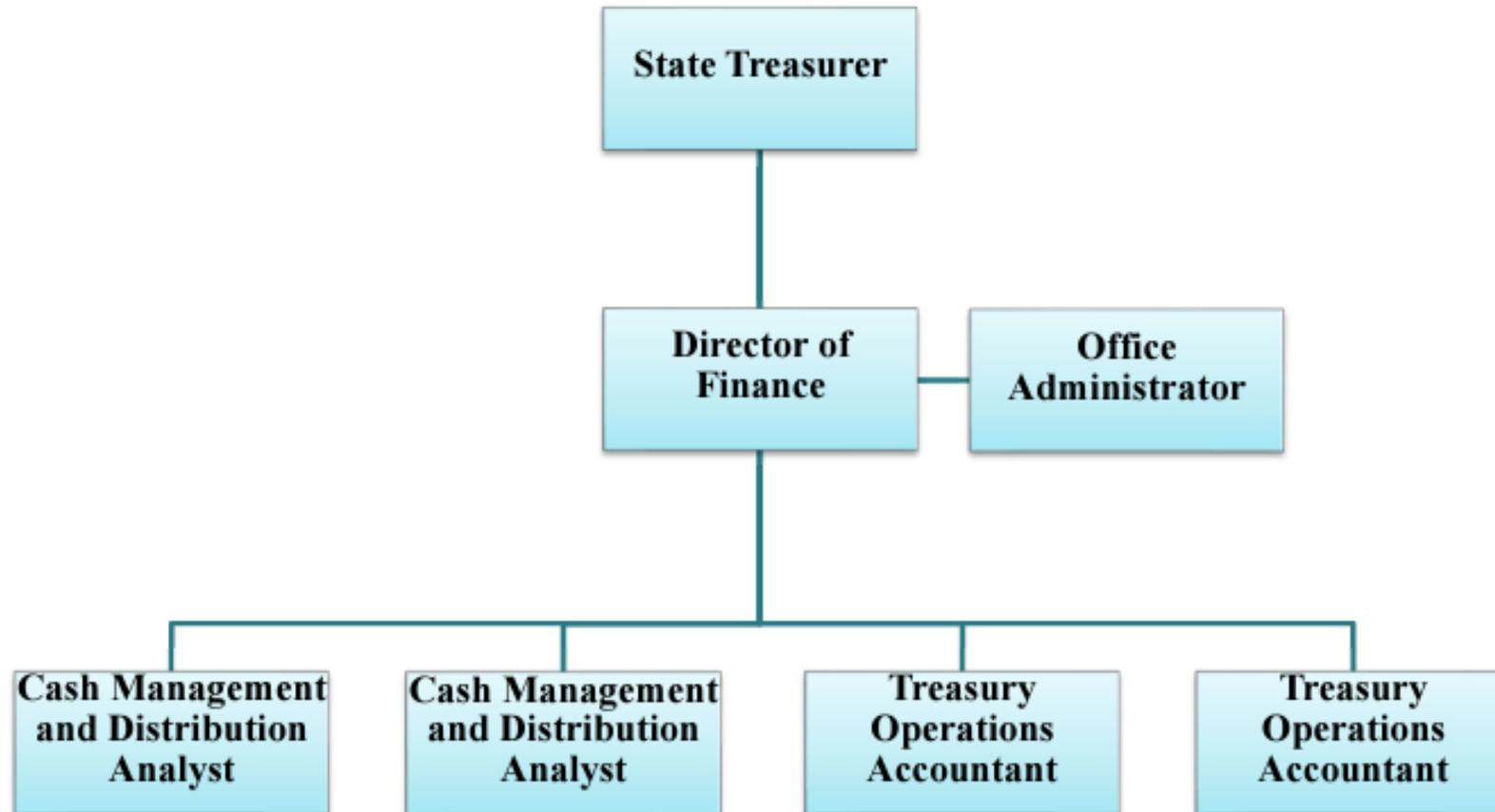
- Cash Management
  - Work with agencies to gather information regarding collection, disbursement and balances
  - Heavy involvement in statewide Cash Management study that looks to improve this process
- Accounting
  - Paying all warrants or checks drawn against the state
  - Manage deposits and reconcile bank balances daily
- Investments
  - Responsible for the investment of the State's general and special funds
  - Invested through CD's with the Bank of North Dakota, as well as various banks and credit unions across the state

# Agency Duties



- Revenue Collections
  - Receive and reconcile revenue received from political subdivisions
- Tax Distribution
  - Manage over 30 regularly occurring distributions to political subdivisions on monthly, quarterly and annual basis
- Financial Literacy
  - Collaborates with agencies on statewide Financial Literacy initiatives
  - Provides analysis, data and education of various tax distributions and state laws to legislators, agencies and stakeholders.

# Office Organization



# Treasurer Boards



In addition to the responsibilities of the office, as required by statute or Constitution, the State Treasurer serves on six Boards: State Investment Board, Teachers Fund for Retirement, Board of University and School Lands, State Board of Tax Equalization, State Historical Board, and the State Canvassing Board.

Following an executive order by Governor Burgum, Treasurer Beadle also serves as Co-Chair of the statewide Financial Literacy Commission.

Treasurer Beadle also currently serves as President for the National Association of State Treasurers for 2025.

# Audit Findings



- The biennial audit for the period ending June 30, 2023, found no errors, internal control weaknesses, or potential violations of law.
- That report can be found at [nd.gov/auditor/2023-treasurer-office-state](https://nd.gov/auditor/2023-treasurer-office-state)

# Accomplishments and Goals



## Accomplishments:

- Distributed over \$1.5 billion to political subdivisions in 2024.
- Implemented changes that saved 424 hours through internal process adjustments

## Challenges:

- **Turnover and Compensation** – small agency that is hit hard by vacancies.
- **IT Costs** – always a challenge, difficult to keep up with needs

# Accomplishments and Goals



## Goals for 2025-27:

- Enhance the TDOC (Tax Distribution Outstanding Check) system for smoother operations and reduce manual data processes
- Cash Management Improvements
- Website upgrades
- Expand financial education initiatives

# **25-27 Biennium Budget Requests and Comparison**

# Budget Comparison

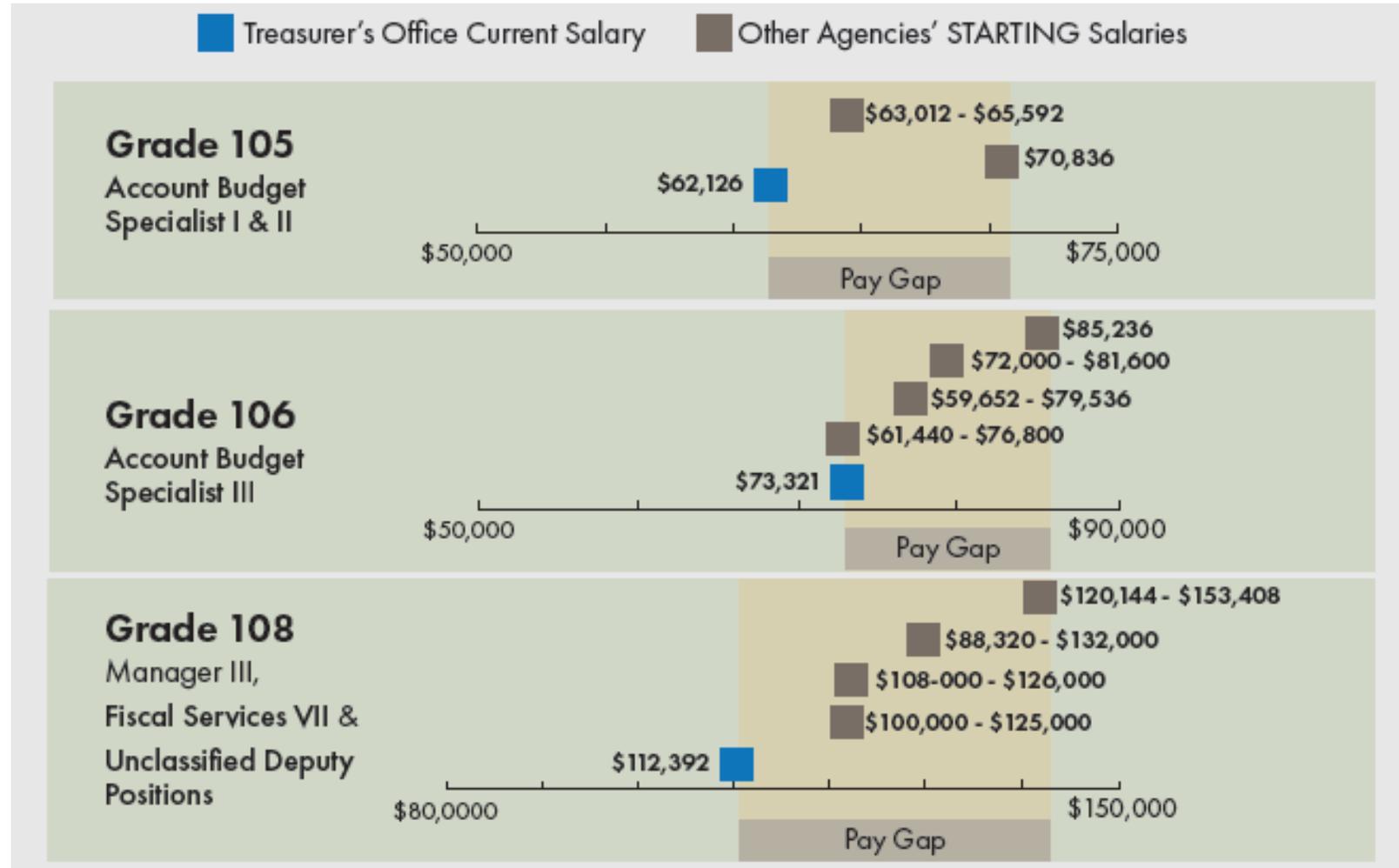


## Changes from 23-25 Budget

- **Salary Compensation Analysis Recommendation**
  - Add \$250,000 to our salary and benefit line for base pay increases

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$250,000	\$100,000	\$100,000	-

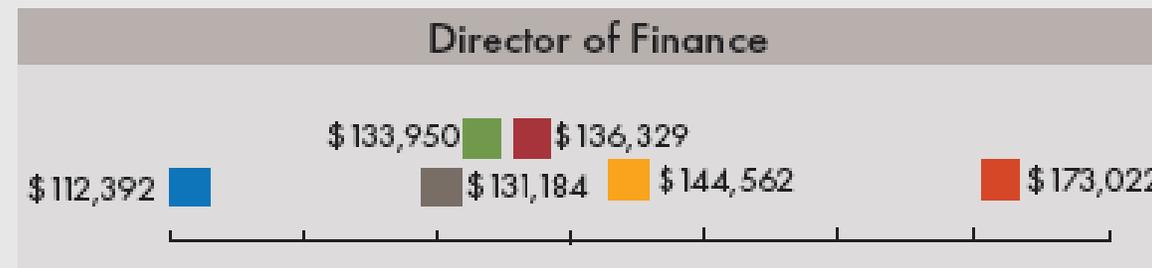
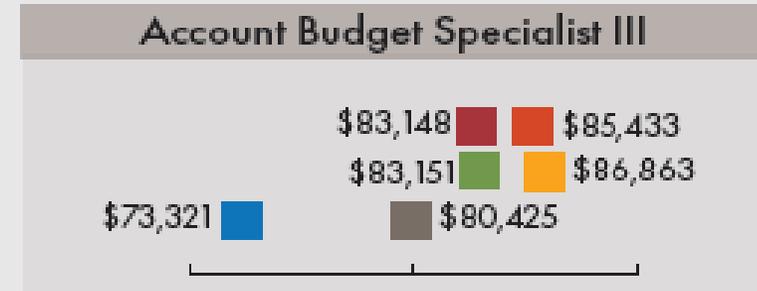
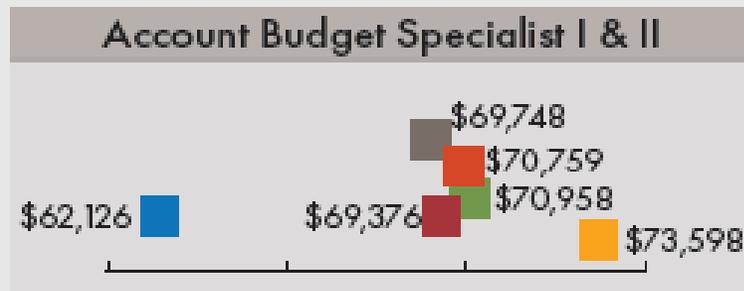
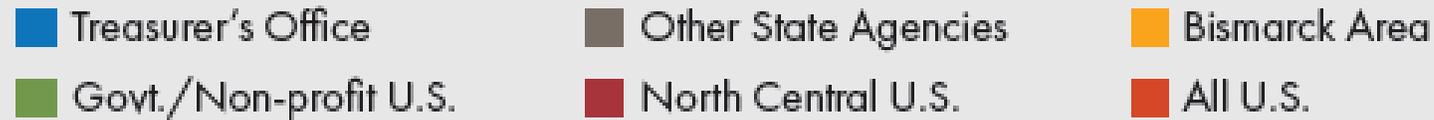
# Budget Comparison



# Budget Comparison

## NATIONAL & REGIONAL SALARY COMPARISON

The following charts show a comparison between various national and regional data using the mean salary for each.

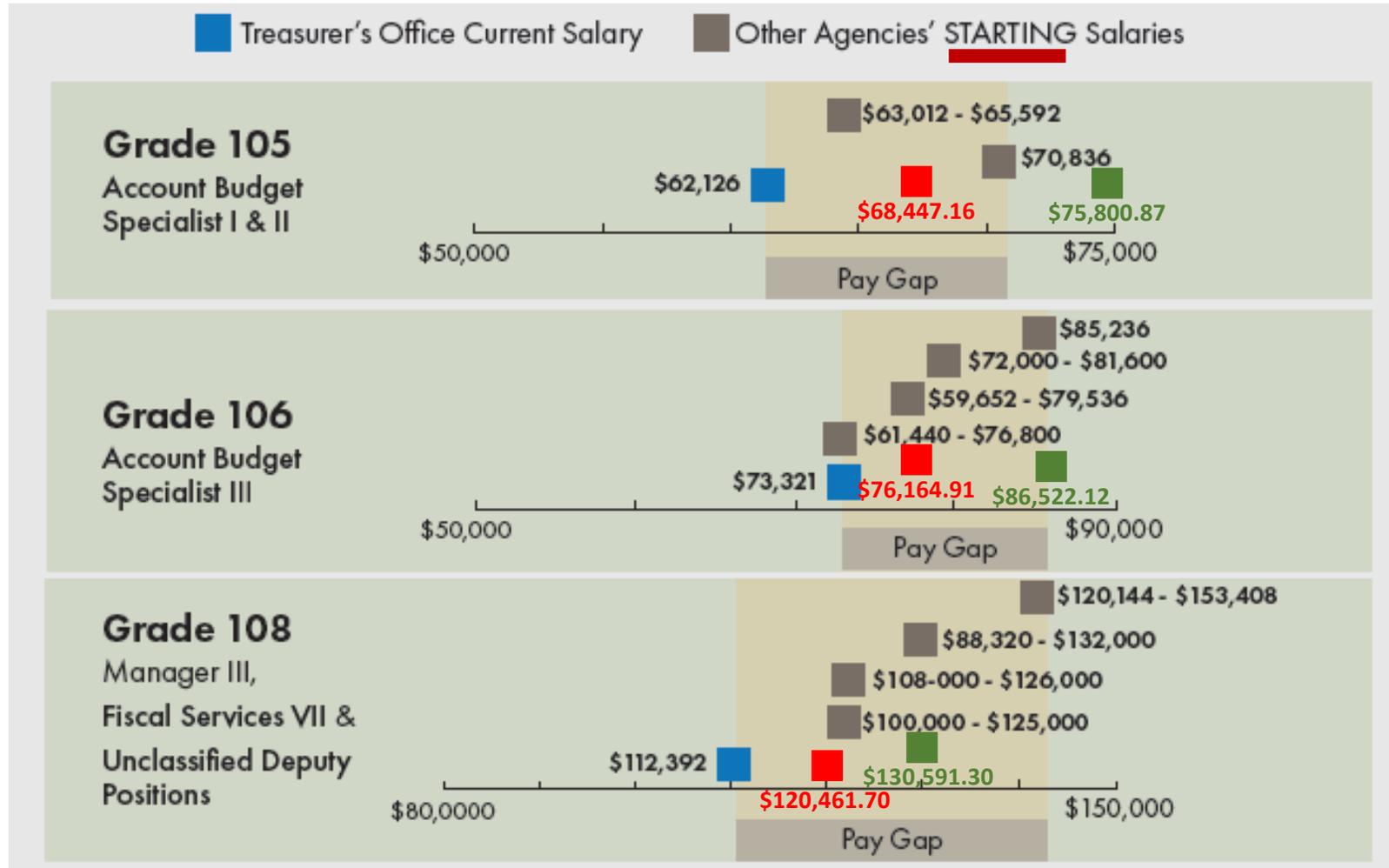


North Central U.S.: IA, ND, WY, IL, IN, MI, OH, WI, MN, MT, NE, MO, SD, KY, and KS. Sources: Gallagher, Economic Research Institute, Mercer

# Budget Comparison

■ With \$100k in Equity Funding

■ With \$250k in Equity Funding



# Budget Comparison



## Changes from 23-25 Budget

- **ITD Project Costs**
  - Add \$110,000 to support ITD projects for the 25-27 biennium
  - Adds \$13,630 to reflect adjustments in ITD's rate schedule

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$110,000	\$110,000	\$110,000	\$110,000
\$7,000	\$13,630	\$13,630	\$13,630

# Budget Comparison



## Changes from 23-25 Budget

- **Payment in Lieu of Taxes**
  - Add \$2,000,000 of General Fund dollars for the biennium

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

# Budget Comparison



## Changes from 23-25 Budget

- **Coal Severance Payment Increase**
  - Add \$4,000 of General Fund dollars for the biennium

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$4,000	\$4,000	\$4,000	\$4,000

# Additional Requests

# Budget Comparison



## Additional Requests

- **ITD Implementation Costs**
  - Add \$185,000 in one-time funding to cover ITD Costs to implement

# Budget Comparison



## Additional Requests

- **Restore Cost to Continue to Operating Expenses**
  - Add \$14,372 to ongoing Operating Expenses line for the 25-27 biennium

# Budget Comparison



## Additional Requests

- **Delayed Implementation of Unclaimed Property Transfer**
  - Request transfer not occur until the end of the 25-27 biennium

	OST Request	Burgum Budget	Armstrong Budget	House Appropriations
FTEs	0	4	0	4
Salaries/Benefits	0	\$858,397	0	\$858,397
Operating Expenses	0	\$687,000	0	\$687,000
Remodel	0	\$50,000	0	0

# Budget Comparison



## Additional Requests

- **FTE Request**
  - Add 1 FTE to handle additional workload
    - Deputy/Director Level
    - Cash Management, Unclaimed Property, Communication
  - Needs for 1 FTE
    - Add \$10,035 in one-time operating expenses
    - Add \$4,047 for 12 months of ongoing operating expenses (half of biennium)

# Questions?



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