

March 13, 2025

SENATE APPROPRIATIONS- GOVERNMENT OPERATIONS DIVISION

RED RIVER ROOM-69TH LEGISLATIVE SESSION

Chairman Wanzek and members of the committee,

My name is Nicole Krivoruchka. As Thomas has mentioned, I'm the current Director of Finance for the Office of State Treasurer. I stand before you today to provide additional support for the number one request of our office this 69th legislative session- equity salary dollars for our team. I hope you take some time to review the one pager that gives some great details to support what our phenomenal team accomplishes, and the data compiled in conjunction with HRMS to show where the Office of State Treasurer stands in relation to other state agencies' **starting** salaries. I would like to take a moment to thank HRMS and communications staff at OMB with their role in assisting Thomas and I with this very important budget request.

The Office of State Treasurer team finds value in the work we accomplish and have created an office culture that I believe is the corner stone that has led to the tenure of our team. As you heard, our engagement percentage from the 2024 Gallup engagement survey was 93.8% and is amongst the highest in all the state agencies. However, per the Total Rewards Survey completed by HRMS & Gallup in August 2024, the one aspect that our employees' felt our Office could improve upon was fair compensation.

If you listened to our past budget hearings on the House side, Treasurer Beadle used an adjective in which I think encompasses our office in the most perfect way: altruistic.

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Altruistic as defined by 'Al' is having or showing concern for the well-being of others, without expecting anything in return". This may seem contradictory, as I stand before you with a request for equity dollars, but once I'm done speaking, I hope you'll see differently.

Our team is built of hard-working employees that choose to support each other and the team of ND whole heartedly every day. Being an operations team currently compiled of six driven women (sorry Thomas) maintaining a life work balance, there are many unplanned sick days caring for family members and planned use of earned leave. Our experienced staff happily steps up to cover all tasks with whatever life throws at our office. The Office of State Treasurer serves every agency so if a team member utilizes earned leave, another employee needs to cover those duties **every single day**. Our office does not have the option to not perform our daily tasks as that would mean state agencies are unable to receive checks, deposit funds, and missed investment opportunities for the state's general fund.

As noted by Treasurer Beadle, turnover and extended leave have a huge impact on our operations. During FY23 and FY24, we noticed how lucky we were to have a team of 6 knowledgeable staff and a very hands-on Treasurer. I would like to acknowledge Treasurer Beadle who is always willing to assist and support his team from administrative tasks of sorting checks to testing manuals created for the Director of Finance position so that I could enjoy partial maternity leave. In fall of 2022 the Director of Finance, Ryan Skor, decided to pursue a new opportunity. We were cheering him on in his new pursuit, while trying to find a balance with now having a shift in duties and an FTE to fill. The Office of State Treasurer struggles to keep staff in the cash management and distribution analyst position that was vacated as I stepped into the role of Director of Finance. During the fall of 2023, as noted, I welcomed a new baby girl. The team at the Treasurer's Office during that time consisted of a new hire that had been with the agency for 10 months, a director of finance with less than a years' experience in that role, and 4 of the best team members in the State (we may be biased) and the Treasurer himself. During the fall of 2024, our longest tenured employee welcomed another baby. The staff at the Treasurer's Office during that time consisted of yet another new hire with roughly one month on the job, a director of finance brushing up on two years of experience, and 3 experienced team members excluding the individual on maternity leave, and the Treasurer.

During the maternity leaves and staff turnover from 2022 thru 2024, our agency fulfilled all daily duties, continued accurate and timely distributions monthly totaling millions of dollars, managed investments of over 20 funds on behalf of agencies and completed all monthly revenue collections and reports. We continued to perform annual the 40 ACFR closing packages for 40 different funds, provided audit support to all state agencies, and keep in line with federal renewals and applications. In addition to what we consider “routine”, we assisted an agency in divesting from the state, implemented 2023 legislative session changes including the creation of two new distributions reaching over 350 political subdivisions, collected municipal and county township infrastructure fund reports from over 300 political subdivisions, and reviewed and streamlined internal procedures. We worked hard to provide service that was timely, accurate and efficient. I’m sure we did more, but I feel this gets the point across. I can bet, no one we serve noticed a change in pace and received the same great service and commitment from our team. From what I heard walking the hallways and from comrades in other agencies-they have no idea how we did it with a new hire and individuals on maternity leave. I think that speaks volumes to how we truly lift each other up when we know we all need it the most. Each team member stepped up when asked and not once inquired how the Office was going compensate for additional duties. I know we could not have fulfilled our obligations in the manner that we did if it wasn’t for the altruistic team members of the Office of State Treasurer.

As you know, every two years our days change with the addition of welcoming back the hustle and bustle of legislative session. Our office needs to be mindful of a lot of varying activity within the state, in which we review every bill introduced and ultimately end up having to monitor several bills during legislative session. We started session keeping an eye on over 100 bills and are now down to over 50 bills that may have an impact on our office. During review of all bills introduced, a few things seemed to jump out at me that I would like to share.

- 1) It seems that a consistent theme is “to invest in North Dakota” whether that is by keeping legacy funds invested in ND based companies, reducing property taxes for the great residents of our state, or tax cuts to incentivize growth in North Dakota, etc. Don’t get me wrong, all are fantastic, but why not invest in our state employees? Where would Team ND be without our valuable team members?
- 2) For the years of experience in our office, there is no reason they don’t look elsewhere for a higher paying job. All our team members have over 10 years of experience in their

professional field. Eventually the office culture isn't going to be enough to keep our tenured employees. I am thankful every day when I walk into our office and get to work with these individuals, and I dread the day when they tell me they have found something to better suit their financial needs.

- 3) When we speak of our office and our workload, the suggestion is always to add an FTE. This doesn't seem to align with the goal of having other agencies streamline and reduce their FTEs or with the goals of the 68th legislative session and the creation of the FTE pool. Wouldn't it be a better use of state dollar to increase the salaries of the current team members? This would reduce the cost of additional benefits associated with a new FTE. And as we have shown, the salary we can currently offer the unfilled position does not allow us to compete and with a new FTE, I could never hire at a higher salary than what my current equal team members receive for a position of that equivalent.
- 4) In review of a bill that introduced a new program, there was a fiscal note attached in which I saw they requested dollars for a new FTE to implement such program. Why is that important? Well, the salaries and benefits requested for that **one FTE** are **higher** than what was included in Governor Burgum's Budget and Governor's Armstrong's Budget for our **whole team of six** for \$100,000 in equity dollars. This FTE was also requested by one of the largest agencies in the state. From what I gathered from the bill and testimony, the program was no more complicated than half of the distributions that are being created this legislative session to be paid from our office.

Our team is always grateful for the salary dollars we have received and any legislative approved raises. The Office of State Treasurer has kept a very lean budget for decades and feel this is a necessary time to request salary dollars to properly compensate our tenured employees. As leadership and the office has seen a lot of change in recent years, we are now focusing on empowering our current team members and working to ensure a continuation of the legacy within the Office of State Treasurer built on hard work, dedication, and supporting successful Team ND as a whole.

Thank you for your time and that will conclude my testimony, and I will stand for any questions.