

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

Executive Budget Comparison to Prior Biennium Appropriations

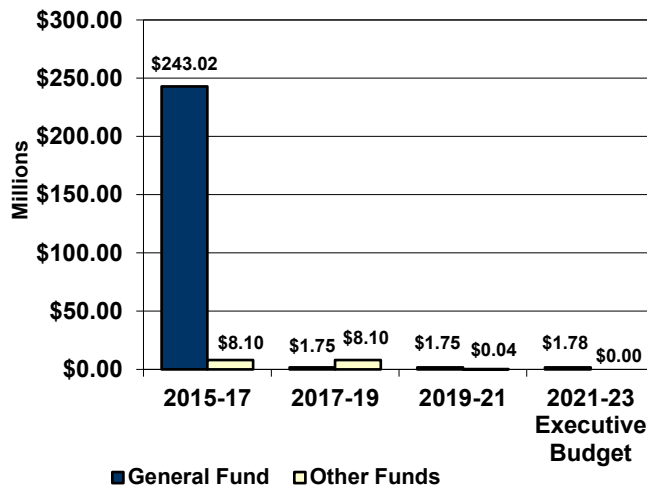
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	7.00	\$1,779,467	\$0	\$1,779,467
2019-21 Legislative Appropriations ¹	7.00	1,746,370	35,000	1,781,370
Increase (Decrease)	0.00	\$33,097	(\$35,000)	(\$1,903)

¹The 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.

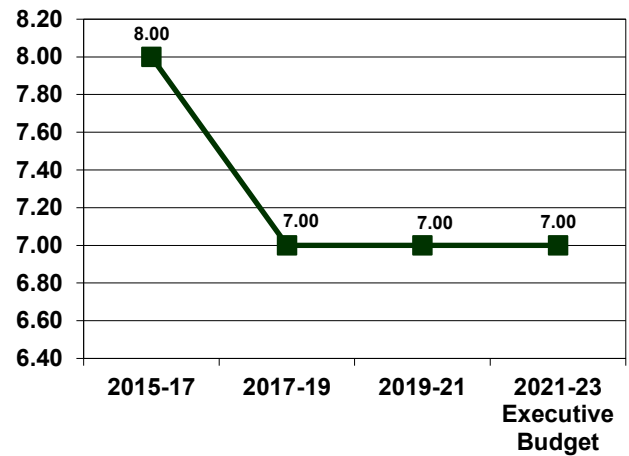
Ongoing and One-Time General Fund Appropriations

	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

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
(With First House Changes in Bold)**

	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. The House added funding for salary adjustments of 1.5 percent per year with a \$100 minimum and \$250 maximum monthly increase and increases in health insurance premiums from \$1,427 to \$1,429 per month. The House did not add funding for retirement contribution 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. The House did not add funding for the rent proposal.	\$77,019	\$0	\$77,019

Other Sections in House Bill No. 1014

Salary of State Treasurer - Section 3 provides the statutory changes necessary to increase the State Treasurer's salary from the current salary of \$110,582 to \$112,241 (1.5 percent) effective July 1, 2021, and to \$113,925 (1.5 percent) 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. 1211 - Authorizes the State Treasurer to invest the veteran's aid fund and veterans' postwar trust fund in the same manner as the funds invested by the State Investment Board.

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

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	7.00	\$1,746,370	\$0	\$1,746,370	7.00	\$1,746,370	\$0	\$1,746,370
2021-23 Ongoing Funding Changes								
Base payroll changes		\$13,259		\$13,259		\$13,259		\$13,259
Salary increase		35,066		35,066		33,048		33,048
Retirement contribution increase		7,217		7,217				0
Health insurance increase		342		342		342		342
Decreases funding for operating expenses		(47,577)		(47,577)		(47,577)		(47,577)
Increases funding for Microsoft Office 365 licensing expenses		771		771		771		771
Adds funding for the Capitol complex rent proposal		77,019		77,019				0
Decreases funding for coal severance payments		(53,000)		(53,000)		(53,000)		(53,000)
Total ongoing funding changes	0.00	\$33,097	\$0	\$33,097	0.00	(\$53,157)	\$0	(\$53,157)
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$33,097	\$0	\$33,097	0.00	(\$53,157)	\$0	(\$53,157)
2021-23 Total Funding	7.00	\$1,779,467	\$0	\$1,779,467	7.00	\$1,693,213	\$0	\$1,693,213
<i>Total ongoing changes as a percentage of base level</i>	0.0%	1.9%		1.9%	0.0%	(3.0%)		(3.0%)
<i>Total changes as a percentage of base level</i>	0.0%	1.9%		1.9%	0.0%	(3.0%)		(3.0%)

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.

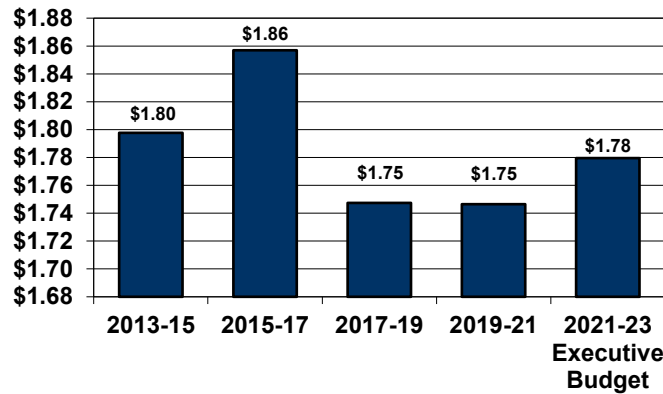
House Version
Section 2 provides the statutory changes necessary to increase the State Treasurer's salary from the current salary of \$110,582 to \$112,241 (1.5 percent) in fiscal year 2022 and to \$113,925 (1.5 percent) in fiscal year 2023.

Department 120 - State Treasurer

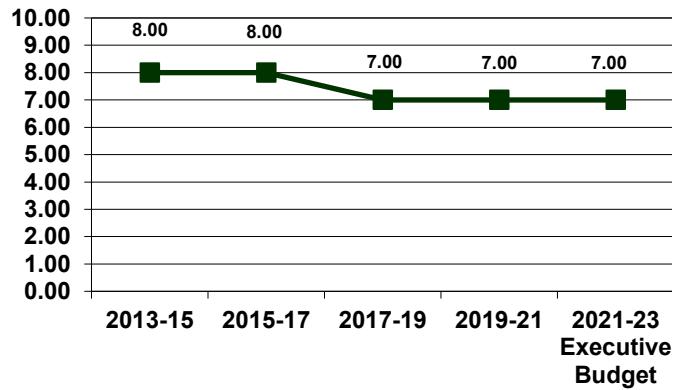
Historical Appropriations Information

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

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

2017-19 Biennium

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

2019-21 Biennium

- Decreased funding for operating expenses primarily related to information technology costs (\$59,031)
- 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)

- Decreases funding for operating expenses primarily related to information technology costs (\$47,577)
- 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)
- Adds funding for the Capitol complex rent proposal. **The House did not add funding for the 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>	Adjustments or <u>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.