

**Department 120 - State Treasurer**  
**House Bill Nos. 1005 and 1065**

**Executive Budget Comparison to Prior Biennium Appropriations**

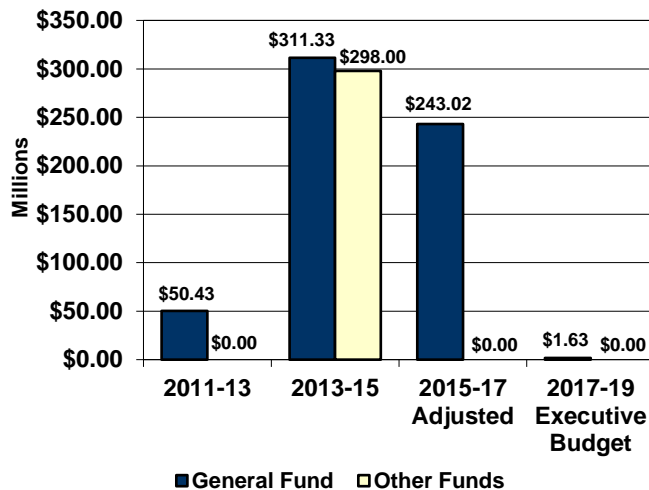
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	8.00	\$1,634,231	\$0	\$1,634,231
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	8.00	243,023,598	0	243,023,598
Increase (Decrease)	0.00	(\$241,389,367)	\$0	(\$241,389,367)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$1,634,231	\$0	\$1,634,231
2015-17 Adjusted Legislative Appropriations	1,856,899	241,166,699	243,023,598
Increase (Decrease)	(\$222,668)	(\$241,166,699)	(\$241,389,367)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$1,634,231	\$0	\$1,634,231
2017-19 Base Level	1,856,899	0	1,856,899
Increase (Decrease)	(\$222,668)	\$0	(\$222,668)

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides a salary equity increase for the State Treasurer related to Section 6 of 2013 House Bill No. 1005	\$14,123		\$14,123
2. Provides funding for state employee salary and benefit increases of which \$7,745 is for salary increases and \$22,898 is for health insurance increases	\$30,643		\$30,643
3. Reduces funding for temporary staff and for an FTE position that had duties reassigned	(\$89,391)		(\$89,391)
4. Adds funding for operating expenses primarily related to information technology costs	\$50,646		\$50,646
5. Removes funding for coal severance shortfall payments	(\$228,952)		(\$228,952)

**Other Sections Recommended to be Added in the Executive Budget  
(As Detailed in House Bill No. 1065)**

**Salary of State Treasurer** - Section 3 provides the statutory changes to increase the State Treasurer's annual salary by \$5,889 in the first year of the 2017-19 biennium related to Section 6 of 2013 House Bill No. 1005 and by 1 percent in the second year as follows:

	<b>Current Level</b>	<b>July 1, 2017</b>	<b>July 1, 2018</b>
State Treasurer's annual salary	\$99,881	\$105,770	\$106,828

**Coal severance shortfall payments** - Section 4 amends North Dakota Century Code Section 57-62-02 to remove the provision for the State Treasurer to reimburse coal-producing counties for coal severance tax revenue paid to non-coal-producing counties.

**Significant Audit Findings**

The operational audit for the State Treasurer's office conducted by the State Auditor's office during the 2015-16 interim identified no significant audit findings.

**Major Related Legislation**

**House Bill No. 1075** - Sections 13 and 14 change the allocation of oil and gas tax revenue allocations to reduce the allocations to the North Dakota outdoor heritage fund and the abandoned well fund; to remove the allocations to the oil and gas impact grant fund; and to change the state's share allocations to increase the general fund allocation to \$1 billion, to remove the allocation to the tax relief fund, and to provide up to \$3 million to the lignite research fund.

**State Treasurer - Budget No. 120**  
**House Bill Nos. 1005 and 1065**  
**Base Level Funding Changes**

	<b>Executive Budget Recommendation</b>			
	<b>FTE</b>			
	<b>Position</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2017-19 Biennium Base Level</b>	8.00	\$1,856,899	\$0	\$1,856,899
<b>2017-19 Ongoing Funding Changes</b>				
Base payroll changes		\$263		\$263
State Treasurer salary equity increase		14,123		14,123
Salary increase - Performance		7,745		7,745
Health insurance increase		22,898		22,898
Reduces funding for temporary staff		(89,391)		(89,391)
Adds funding for information technology costs		50,646		50,646
Adjusts coal severance payments		(228,952)		(228,952)
<b>Total ongoing funding changes</b>	<b>0.00</b>	<b>(\$222,668)</b>	<b>\$0</b>	<b>(\$222,668)</b>
<b>One-time funding items</b>				
No one-time funding items				\$0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>0.00</b>	<b>(\$222,668)</b>	<b>\$0</b>	<b>(\$222,668)</b>
<b>2017-19 Total Funding</b>	<b>8.00</b>	<b>\$1,634,231</b>	<b>\$0</b>	<b>\$1,634,231</b>

**Other Sections in State Treasurer - Budget No. 120**

	<b>Executive Budget Recommendation</b>
Salary of state treasurer	Section 3 provides the statutory changes to increase the State Treasurer's annual salary by \$5,889 in the first year of the 2017-19 biennium related to Section 6 of 2013 House Bill No. 1005 and by 1 percent in the second year.
Coal severance shortfall payments	Section 4 amends Section 57-62-02 to remove the provision for the State Treasurer to reimburse coal-producing counties for coal severance tax revenue paid to non-coal-producing counties.

## Department 120 - State Treasurer

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$1,983,656	\$258,073,699	\$260,057,355
General fund reductions	(126,757)	(16,907,000)	(17,033,757)
Adjusted 2015-17 appropriations	\$1,856,899	\$241,166,699	\$243,023,598
Executive Budget changes	(222,668)	(241,166,699)	(241,389,367)
2017-19 Executive Budget	\$1,634,231	\$0	\$1,634,231

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Vacant positions and reallocation of duties	(\$74,309)		(\$74,309)
Operating expense reductions related to travel, office equipment, and professional development	(36,400)	(\$8,000)	(44,400)
Coal severance shortfall payments	(16,048)		(16,048)
Property tax relief credit program		(16,575,000)	(16,575,000)
Township road funding distributions		(324,000)	(324,000)
Total reductions	(\$126,757)	(\$16,907,000)	(\$17,033,757)
Percentage reduction to ongoing and one-time general fund appropriations	6.39%	6.55%	6.55%

### 2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

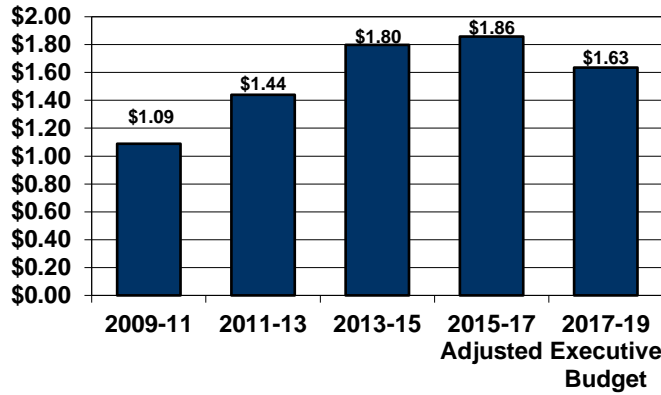
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Base payroll changes	\$263		\$14,386
Adds funding for State Treasurer salary equity increase	14,123		14,123
Adds funding for state employee salary and benefit increases	30,643		30,643
Adjusts funding for vacant FTE positions and FTE position duty reallocation	(163,700)	\$74,309	(89,391)
Adds funding for operating expenses primarily related to information technology costs	14,246	36,400	50,646
Adjusts funding for coal severance payments	(245,000)	16,048	(228,952)
Total	(\$349,425)	\$126,757	(\$222,668)

Department 120 - State Treasurer

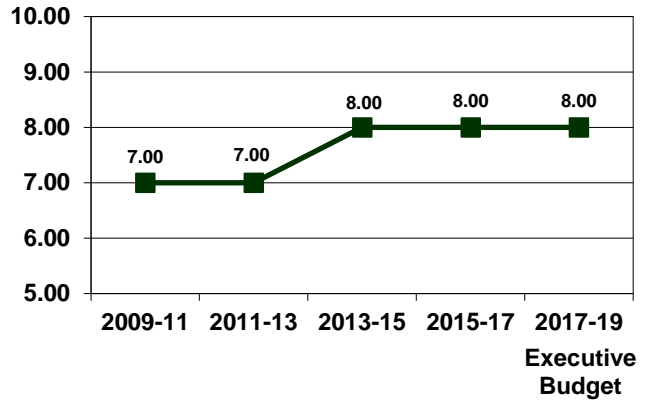
## Historical Appropriations Information

### Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$1,087,985 <sup>1</sup>	\$1,438,802	\$1,797,631	\$1,856,899	\$1,634,231
Increase (decrease) from previous biennium	N/A	\$350,817	\$358,829	\$59,268	(\$222,668)
Percentage increase (decrease) from previous biennium	N/A	32.24%	24.94%	3.30%	(11.99%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	32.24%	65.23%	70.67%	50.21%

<sup>1</sup>This amount excludes \$1,151,000 for payments to counties in lieu of property taxes on carbon dioxide pipeline property. The 2011 Legislative Assembly removed the payments.

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2011-13 Biennium

- Added funding to reimburse coal-producing counties for coal severance tax revenue paid to non-coal-producing counties pursuant to Section 57-62-02 \$252,800
- Added funding for position reclassifications for two accounting positions \$24,000

#### 2013-15 Biennium

- Added funding for 1 accounting manager FTE position \$195,223
- Added funding for temporary salaries \$60,000

#### 2015-17 Biennium

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

#### 2017-19 Biennium (Executive Budget Recommendation)

- Reduces funding for temporary positions and an FTE position that had duties reassigned (\$89,391)
- Adds funding for operating expenses primarily related to information technology costs \$50,646
- Removes funding for coal severance shortfall payments (\$228,952)