

Department 412 - Aeronautics Commission
House Bill No. 1006

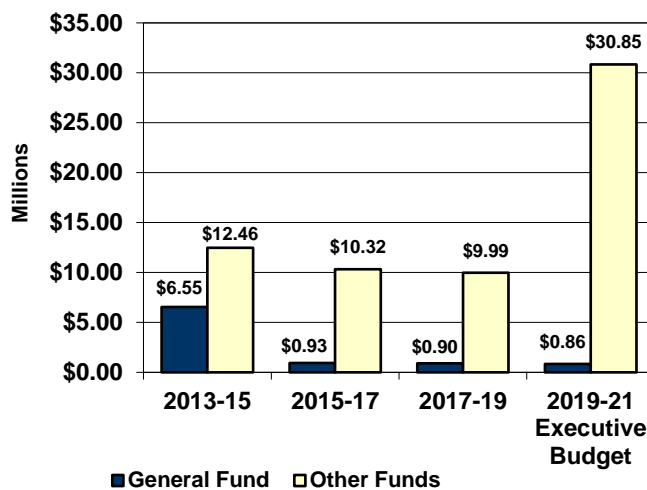
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	7.00	\$855,000	\$30,852,524	\$31,707,524
2017-19 Legislative Appropriations	7.00	900,000	9,985,412	10,885,412
Increase (Decrease)	0.00	(\$45,000)	\$20,867,112	\$20,822,112

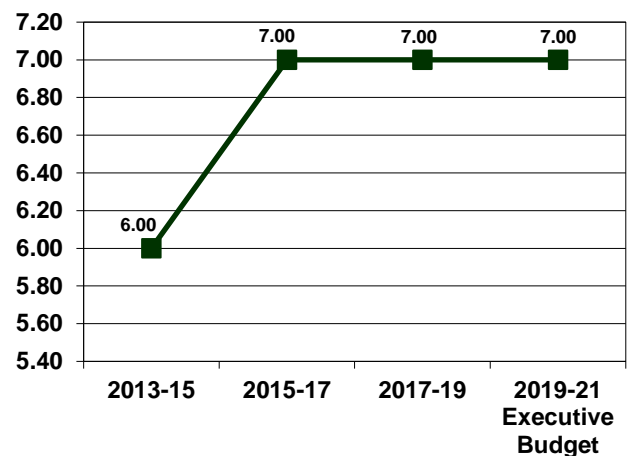
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$855,000	\$0	\$855,000
2017-19 Legislative Appropriations	900,000	0	900,000
Increase (Decrease)	(\$45,000)	\$0	(\$45,000)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$855,000	\$30,852,524	\$31,707,524
2019-21 Base Level	900,000	9,985,412	10,885,412
Increase (Decrease)	(\$45,000)	\$20,867,112	\$20,822,112

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. Adds funding for state employee salary and benefit increases, of which \$60,008 is for salary increases, \$26,452 is for health insurance increases, and \$7,822 is for retirement contribution increases. The House added funding for salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month. The House did not add funding for retirement contribution increases.	\$0	\$94,282	\$94,282
2. Reduces ongoing grant funding to provide \$855,000 from the general fund. The House reduced ongoing grant funding to provide \$500,000 from the general fund.	(\$45,000)	(\$950,000)	(\$995,000)
3. Reduces funding for building, ground, and maintenance in operating expenses	\$0	(\$220,000)	(\$220,000)

4. Removes funding for capital assets	\$0	(\$100,000)	(\$100,000)
5. Increases other operating expenses	\$0	\$19,810	\$19,810
6. Adds funding for Microsoft Office 365 licensing	\$0	\$754	\$754
7. Adds one-time funding from the strategic investment and improvements fund for energy impact grants to airports. The House provided \$5 million from the strategic investment and improvements fund for energy impact grants to airports.	\$0	\$22,000,000	\$22,000,000

Other Sections in House Bill No. 1006

Strategic investment and improvements fund - Section 3 identifies \$5 million from the strategic investment and improvements fund for airport energy impact grants during the 2019-21 biennium.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1066 - Creates an airport infrastructure fund and changes the deposits of the state's share of oil and gas tax revenue to provide \$20 million for the airport infrastructure fund to provide grants for airport infrastructure projects.

Aeronautics Commission - Budget No. 412
House Bill No. 1006
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	7.00	\$900,000	\$9,985,412	\$10,885,412	7.00	\$900,000	\$9,985,412	\$10,885,412
2019-21 Ongoing Funding Changes								
Base payroll changes			\$22,266	\$22,266			\$22,266	\$22,266
Salary increase			60,008	60,008			35,957	35,957
Health insurance increase			26,452	26,452			31,234	31,234
Retirement contribution increase			7,822	7,822				0
Reduces ongoing grant funding		(\$45,000)	(950,000)	(995,000)		(\$400,000)	(950,000)	(1,350,000)
Reduces funding for building, ground, maintenance			(220,000)	(220,000)			(220,000)	(220,000)
Removes funding for capital assets			(100,000)	(100,000)			(100,000)	(100,000)
Increases other operating expenses			19,810	19,810			19,810	19,810
Adds Microsoft Office 365 licensing			754	754			754	754
Total ongoing funding changes	0.00	(\$45,000)	(\$1,132,888)	(\$1,177,888)	0.00	(\$400,000)	(\$1,159,979)	(\$1,559,979)
One-time funding items								
Energy impact grants for airports			\$22,000,000	\$22,000,000			\$5,000,000	\$5,000,000
Total one-time funding changes	0.00	\$0	\$22,000,000	\$22,000,000	0.00	\$0	\$5,000,000	\$5,000,000
Total Changes to Base Level Funding	0.00	(\$45,000)	\$20,867,112	\$20,822,112	0.00	(\$400,000)	\$3,840,021	\$3,440,021
2019-21 Total Funding	7.00	\$855,000	\$30,852,524	\$31,707,524	7.00	\$500,000	\$13,825,433	\$14,325,433

Other Sections for Aeronautics Commission - Budget No. 412

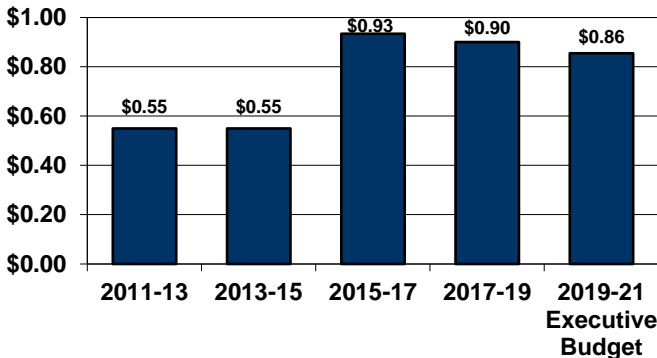
	Executive Budget Recommendation	House Version
Strategic investment and improvements fund	Section 3 would provide for a transfer at the direction of the Aeronautics Commission of \$22 million from the strategic investment and improvements fund for airport energy impact grants during the 2019-21 biennium.	Section 3 identifies \$5 million from the strategic investment and improvements fund for airport energy impact grants during the 2019-21 biennium.

Department 412 - Aeronautics Commission

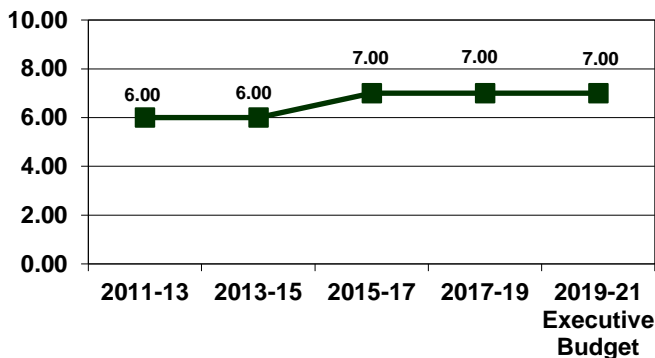
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$550,000	\$550,000	\$934,500	\$900,000	\$855,000
Increase (decrease) from previous biennium	N/A	\$0	\$384,500	(\$34,500)	(\$45,000)
Percentage increase (decrease) from previous biennium	N/A	0.0%	69.9%	(3.7%)	(5.0%)
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	0.0%	69.9%	63.6%	55.5%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- 1. No major increases or decreases \$0

2015-17 Biennium

- 1. Increased funding for airport grants to provide \$1,000,000 \$384,500

2017-19 Biennium

- 1. Reduced funding for airport grants to provide \$900,000 (\$34,500)

2019-21 Biennium (Executive Budget Recommendation)

- 1. Reduced funding for airport grants to provide \$855,000. **The House reduced ongoing grant funding to provide \$500,000 from the general fund.** (\$45,000)

**GOVERNOR'S RECOMMENDATION FOR THE
AERONAUTICS COMMISSION AS SUBMITTED BY THE
OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds are 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, and from special funds derived from federal funds and other income, to the North Dakota aeronautics commission for the purpose of defraying the expenses of the North Dakota aeronautics commission, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,431,222	\$116,548	\$1,547,770
Operating expenses	2,204,190	(199,436)	2,004,754
Capital assets	100,000	(100,000)	0
Grants	<u>7,150,000</u>	<u>21,005,000</u>	<u>28,155,000</u>
Total all funds	\$10,885,412	\$20,822,112	\$31,707,524
Less estimated income	<u>9,985,412</u>	<u>20,867,112</u>	<u>30,852,524</u>
Total general fund	\$900,000	(\$45,000)	\$855,000
Full-time equivalent positions	7.00	0.00	7.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airport energy impact grants	\$0	\$22,000,000
Total other funds	\$0	\$22,000,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The aeronautics commission shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The less estimated income line item in section 1 of this Act includes the sum of \$22,000,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the aeronautics commission for airport energy impact grants during the biennium beginning July 1, 2019, and ending June 30, 2021.