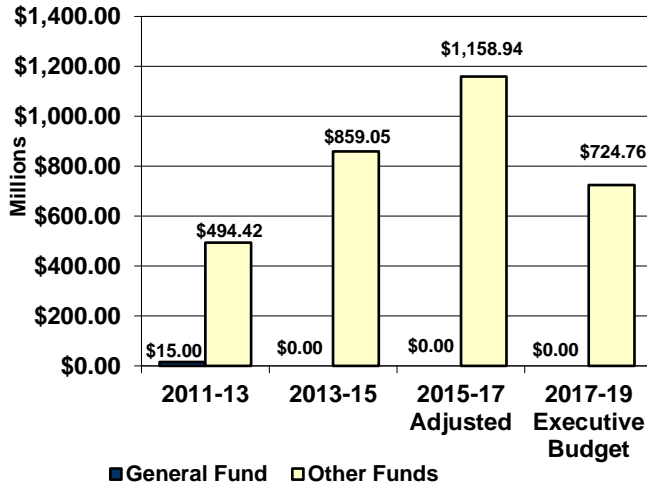


**Department 770- State Water Commission  
House Bill Nos. 1020 and 1080**

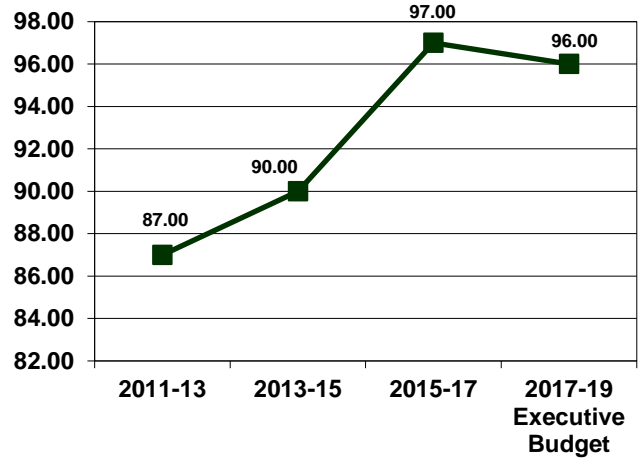
**Executive Budget Comparison to Prior Biennium Appropriations**

|   | FTE Positions | General Fund | Other Funds     | Total           |
|---|---------------|--------------|-----------------|-----------------|
| 2017-19 Executive Budget                    | 96.00         | \$0          | \$724,763,589   | \$724,763,589   |
| 2015-17 Adjusted Legislative Appropriations | 97.00         | 0            | 1,158,935,836   | 1,158,935,836   |
| Increase (Decrease)                         | (1.00)        | \$0          | (\$434,172,247) | (\$434,172,247) |

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

|                          | General Fund | Other Funds     | Total           |
|--------------------------|--------------|-----------------|-----------------|
| 2017-19 Executive Budget | \$0          | \$724,763,589   | \$724,763,589   |
| 2017-19 Base Level       | 0            | 868,935,836     | 868,935,836     |
| Increase (Decrease)      | \$0          | (\$144,172,247) | (\$144,172,247) |

**Executive Budget Highlights**

|  | General Fund | Other Funds     | Total           |
|--|--------------|-----------------|-----------------|
| 1. Adds funding for state employee salary and benefit increases, of which \$82,770 is for salary increases and \$277,612 is for health insurance increases | \$0          | \$360,382       | \$360,382       |
| 2. Adjusts funding for base payroll changes  | \$0          | \$322,700       | \$322,700       |
| 3. Removes funding for 1 FTE position  | \$0          | (\$245,977)     | (\$245,977)     |
| 4. Reduces funding available for water projects  | \$0          | (\$200,463,683) | (\$200,463,683) |
| 5. Adds funding for projects from a Bank of North Dakota line of credit  | \$0          | \$50,000,000    | \$50,000,000    |
| 6. Increases funding for Bank of North Dakota loan payments  | \$0          | \$3,693,997     | \$3,693,997     |
| 7. Increases funding for utility costs   | \$0          | \$895,685       | \$895,685       |
| 8. Increases funding for professional services   | \$0          | \$1,792,835     | \$1,792,835     |
| 9. Reduces funding for equipment   | \$0          | (\$521,500)     | (\$521,500)     |
| 10. Reduces funding for operating expenses   | \$0          | (\$6,686)       | (\$6,686)       |

**Other Bill Sections Recommended to be Added in the Executive Budget  
(As Detailed in House Bill No. 1080)**

**Resources trust fund and water development trust fund** - Section 2 provides that in addition to the amounts appropriated to the State Water Commission from the resources trust fund and the water development trust fund any additional amounts that become available in those funds are appropriated to the State Water Commission for the purpose of defraying the expenses of the State Water Commission for the 2017-19 biennium.

**Grant and water project carryover authority** - Section 3 authorizes the State Water Commission to continue any unexpended 2017-19 biennium appropriation authority for grants or water-related projects for 2 years beyond June 30, 2017.

**Infrastructure revolving loan fund** - Section 4 amends North Dakota Century Code Section 61-02-78 relating to the infrastructure revolving loan fund to suspend the ten percent allocation of oil extraction moneys deposited in the resources trust fund when the cash balance of the infrastructure revolving loan fund reaches \$10 million. The allocation of oil extraction moneys will resume when the cash balance in the infrastructure revolving loan fund falls below \$7 million.

### **Continuing Appropriations**

**Infrastructure revolving loan fund** - Section 61-02-78 establishes the infrastructure revolving loan fund within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction moneys deposited in the resources trust fund are made available on a continuing basis to the infrastructure revolving loan fund.

### **Significant Audit Findings**

There are no significant audit findings for this agency.

### **Major Related Legislation**

At this time, no major related legislation has been introduced affecting this agency.

**State Water Commission - Budget No. 770**  
**House Bill Nos. 1020 and 1080**  
**Base Level Funding Changes**

|  | <b>Executive Budget Recommendation</b> |                     |                    |                 |
|--|--|---------------------|--------------------|-----------------|
|  | <b>FTE<br/>Position</b>                | <b>General Fund</b> | <b>Other Funds</b> | <b>Total</b>    |
| <b>2017-19 Biennium Base Level</b>           | 97.00                                  | \$0                 | \$868,935,836      | \$868,935,836   |
| <b>2017-19 Ongoing Funding Changes</b>       |  |                     |                    |                 |
| Base payroll changes                         |  |                     | \$322,700          | \$322,700       |
| Salary increase - Performance                |  |                     | 82,770             | 82,770          |
| Health insurance increase                    |  |                     | 277,612            | 277,612         |
| Removes funding for 1 FTE position           | (1.00)                                 |                     | (245,977)          | (245,977)       |
| Increases funding for utility costs          |  |                     | 895,685            | 895,685         |
| Increases funding for BND loan payments      |  |                     | 3,693,997          | 3,693,997       |
| Increases funding for professional services  |  |                     | 1,792,835          | 1,792,835       |
| Reduces funding for equipment                |  |                     | (521,500)          | (521,500)       |
| Reduces funding for operating expenses       |  |                     | (6,686)            | (6,686)         |
| Adds funding from a BND line of credit       |  |                     | 50,000,000         | 50,000,000      |
| Reduces funding available for water projects |  |                     | (200,463,683)      | (200,463,683)   |
| Total ongoing funding changes                | (1.00)                                 | \$0                 | (\$144,172,247)    | (\$144,172,247) |
| <b>One-time funding items</b>                |  |                     |                    |                 |
| No one-time funding items                    |  |                     |                    | \$0             |
| Total one-time funding changes               | 0.00                                   | \$0                 | \$0                | \$0             |
| <b>Total Changes to Base Level Funding</b>   | (1.00)                                 | \$0                 | (\$144,172,247)    | (\$144,172,247) |
| <b>2017-19 Total Funding</b>                 | 96.00                                  | \$0                 | \$724,763,589      | \$724,763,589   |

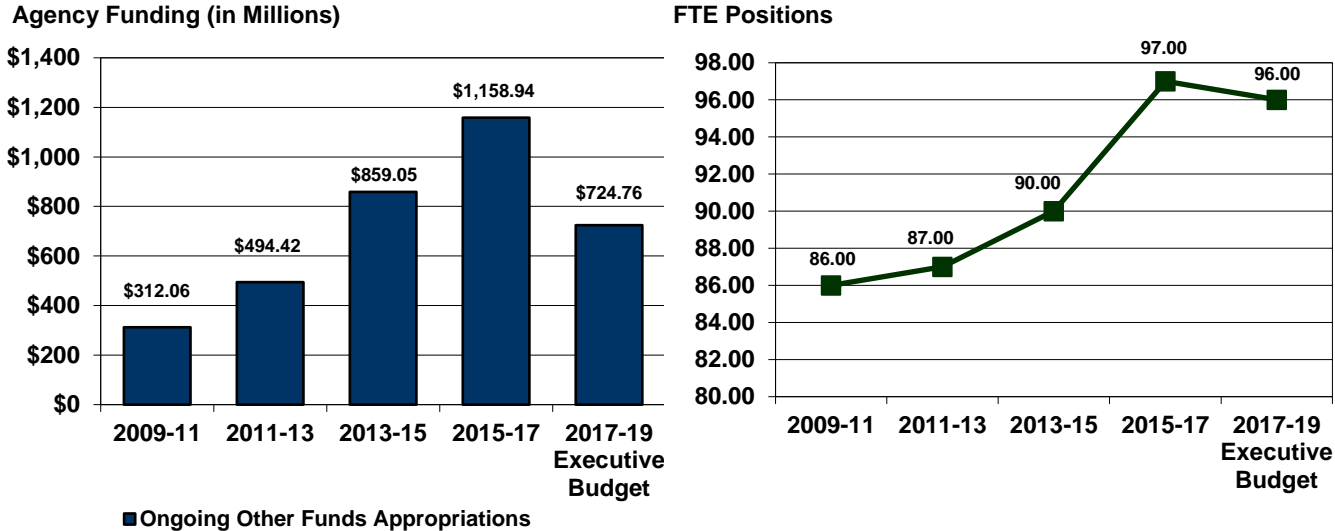
**Other Sections in State Water Commission - Budget No. 770**

|   | <b>Executive Budget Recommendation</b>  |
|---|---|
| Resources trust fund and water development trust fund | Section 2 provides that in addition to the amounts appropriated to the State Water Commission from the resources trust fund and the water development trust fund any additional amounts that become available in those funds are appropriated to the State Water Commission for the purpose of defraying the expenses of the State Water Commission for the 2017-19 biennium.   |
| Grant and water project carryover authority           | Section 3 authorizes the State Water Commission to continue any unexpended 2017-19 appropriation authority for grants or water-related projects for 2 years beyond June 30, 2017.   |
| Infrastructure revolving loan fund                    | Section 4 amends Section 61-02-78 relating to the infrastructure revolving loan fund to suspend the 10 percent allocation of oil extraction moneys deposited in the resources trust fund when the cash balance of the infrastructure revolving loan fund reaches \$10 million. The allocation of oil extraction moneys will resume when the cash balance in the infrastructure revolving loan fund falls below \$7 million. |

Department 770 - State Water Commission

# Historical Appropriations Information

## Total Other Funds Appropriations Since 2009-11



| Total Other Funds Appropriations                                |                            |                            |               |                  |                          |
|---|----------------------------|----------------------------|---------------|------------------|--------------------------|
|   | 2009-11                    | 2011-13                    | 2013-15       | 2015-17 Adjusted | 2017-19 Executive Budget |
| Ongoing other funds appropriations                              | \$312,055,809 <sup>1</sup> | \$494,420,221 <sup>1</sup> | \$859,045,805 | \$1,158,935,836  | \$724,763,589            |
| Increase (decrease) from previous biennium                      | N/A                        | \$182,364,412              | \$364,625,584 | \$299,890,031    | (\$434,172,247)          |
| Percentage increase (decrease) from previous biennium           | N/A                        | 58.4%                      | 73.7%         | 34.9%            | (37.5%)                  |
| Cumulative percentage increase (decrease) from 2009-11 biennium | N/A                        | 58.4%                      | 175.3%        | 271.4%           | 132.3%                   |

<sup>1</sup>Amount excludes \$13,823,899 from the general fund for the 2009-11 biennium and \$14,995,199 from the general fund for the 2011-13 biennium for the administration of the State Water Commission.

### Major Increased (Decreases) in Other Funds Appropriations

#### 2011-13 Biennium

- 1. Added 1 water development director FTE position \$231,899
- 2. Increased funding for utilities \$4,519,000
- 3. Increased funding for professional services \$3,927,021
- 4. Increased funding for capital payments \$3,220,861
- 5. Increased funding for grants \$124,658,000

#### 2013-15 Biennium

- 1. Changed funding source for the administration of the State Water Commission from the general fund to the resources trust fund \$17,566,561
- 2. Added funding to provide grants to advance the Stutsman County Rural Water, North Central Rural Water Consortium, and McLean-Sheridan Rural Water projects \$10,350,000
- 3. Added funding to advance additional construction on the Southwest Pipeline Project \$21,000,000
- 4. Added funding for 3 FTE positions \$425,507
- 5. Added funding for the infrastructure revolving loan fund within the resources trust fund \$15,000,000
- 6. Increased funding for professional services \$14,086,303
- 7. Increased funding for utilities \$3,749,426
- 8. Increased funding for capital payments \$131,366,895
- 9. Increased funding for grants \$150,860,165

**2015-17 Biennium**

|   |              |
|---|--------------|
| 1. Added funding for 4 water permitting FTE positions   | \$768,831    |
| 2. Added funding for 1 regulatory director FTE position                                       | \$273,871    |
| 3. Added funding for 1 water supply project manager FTE position                              | \$229,840    |
| 4. Added funding for 1 sovereign lands FTE position   | \$192,784    |
| 5. Increased funding for professional services  | \$10,727,828 |
| 6. Added funding for loan payment on Bank of North Dakota loan to refinance outstanding bonds | \$7,000,000  |
| 7. Increased funding for water projects   | \$36,132,255 |

**2017-19 Biennium**

|  |                 |
|--|-----------------|
| 1. Increases funding for utility costs   | \$895,685       |
| 2. Increases funding for loan payment on Bank of North Dakota loan used to refinance outstanding bonds | \$3,693,997     |
| 3. Increases funding for professional services   | \$1,792,835     |
| 4. Removes funding for 1 FTE position  | (245,977)       |
| 5. Reduces funding available for water projects in the 2017-19 biennium                                | (\$200,463,683) |