

Department 412 - Aeronautics Commission
Senate Bill No. 2006

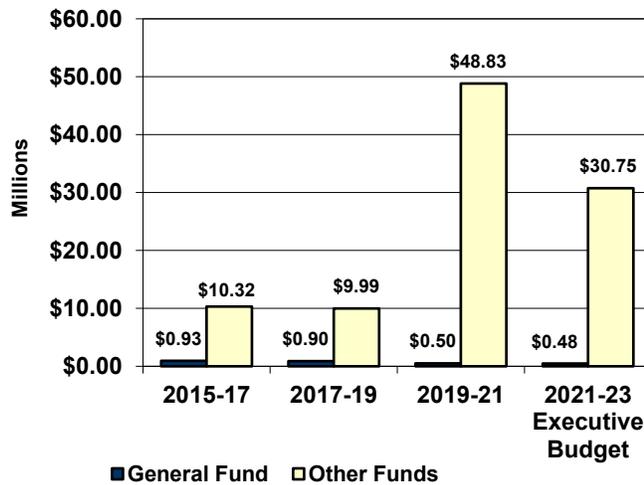
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	7.00	\$475,000	\$30,753,807	\$31,228,807
2019-21 Legislative Appropriations	7.00	500,000	48,831,082	49,331,082
Increase (Decrease)	0.00	(\$25,000)	(\$18,077,275)	(\$18,102,275)

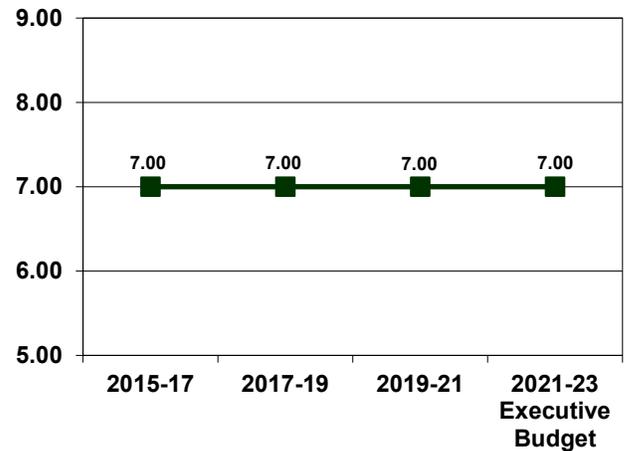
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$475,000	\$0	\$475,000
2019-21 Legislative Appropriations	500,000	0	500,000
Increase (Decrease)	(\$25,000)	\$0	(\$25,000)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$475,000	\$30,753,807	\$31,228,807
2021-23 Base Level	500,000	28,831,082	29,331,082
Increase (Decrease)	(\$25,000)	\$1,922,725	\$1,897,725

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 \$38,751 is for salary increases, \$341 is for health insurance increases, and \$7,972 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month. The Senate did not add funding for retirement contribution increases.	\$0	\$47,064	\$47,064
2. Decreases funding for airport grants as part of the agency's 5 percent general fund budget reduction to provide a total of \$475,000 from the general fund	(\$25,000)	\$0	(\$25,000)

3. Increases funding for airport grants from other funds to provide a total of \$27,075,000	\$0	\$1,875,000	\$1,875,000
4. Reallocates special funds to increase operating expenses by \$62,262 and reduces grants by \$100,000	\$0	(\$37,738)	(\$37,738)
5. Adds funding for Microsoft Office 365 licensing expenses	\$0	\$661	\$661

Other Sections in Senate Bill No. 2006

Exemption - Airport infrastructure fund - Section 3 provides that any unexpended funds from the airport infrastructure fund in Section 1 of Chapter 6 of the 2019 Session Laws is not subject to the provisions of North Dakota Century Code Section 54-44.1-11, and any unexpended funds may be expended during the 2021-23 biennium to provide grants to airports.

Estimated income - Strategic investment and improvements fund - Airport grants - Section 4 identifies one-time funding of \$5 million from the strategic investment and improvements fund for airport grants.

Continuing Appropriations

There are no continuing appropriations for this agency.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

At this time, there is no major related legislation under consideration for this agency.

Aeronautics Commission - Budget No. 412
Senate Bill No. 2006
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	7.00	\$500,000	\$28,831,082	\$29,331,082	7.00	\$500,000	\$28,831,082	\$29,331,082
2021-23 Ongoing Funding Changes								
Base payroll changes			\$37,738	\$37,738			\$37,738	\$37,738
Salary increase			38,751	38,751			38,563	38,563
Health insurance increase			341	341			341	341
Retirement contribution increase			7,972	7,972				0
Adjusts funding for grants		(\$25,000)	1,875,000	1,850,000		(\$25,000)	1,875,000	1,850,000
Adjusts funding for operating expenses and grants			(37,738)	(37,738)			(37,738)	(37,738)
Adds funding for Microsoft Office 365 license expenses			661	661			661	661
Total ongoing funding changes	0.00	(\$25,000)	\$1,922,725	\$1,897,725	0.00	(\$25,000)	\$1,914,565	\$1,889,565
One-time funding items								
Adds funding from SIF for a grant for apron work at the Grand Forks airport				0			\$5,000,000	\$5,000,000
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$5,000,000	\$5,000,000
Total Changes to Base Level Funding	0.00	(\$25,000)	\$1,922,725	\$1,897,725	0.00	(\$25,000)	\$6,914,565	\$6,889,565
2021-23 Total Funding	7.00	\$475,000	\$30,753,807	\$31,228,807	7.00	\$475,000	\$35,745,647	\$36,220,647
<i>Total ongoing changes as a percentage of base level</i>	0.0%	(5.0%)	6.7%	6.5%	0.0%	(5.0%)	6.6%	6.4%
<i>Total changes as a percentage of base level</i>	0.0%	(5.0%)	6.7%	6.5%	0.0%	(5.0%)	24.0%	23.5%

Other Sections in Aeronautics Commission - Budget No. 412

Exemption - Airport infrastructure fund

Executive Budget Recommendation
 Section 3 would provide that any unexpended funds from the airport infrastructure fund in Section 1 of Chapter 6 of the 2019 Session Laws is not subject to the provisions of Section 54-44.1-11, and any unexpended funds may be expended during the 2021-23 biennium to provide grants to airports.

Senate Version
 Section 3 provides that any unexpended funds from the airport infrastructure fund in Section 1 of Chapter 6 of the 2019 Session Laws is not subject to the provisions of Section 54-44.1-11, and any unexpended funds may be expended during the 2021-23 biennium and the 2023-25 biennium to provide grants to airports.

Estimated income - Strategic investment and improvements fund

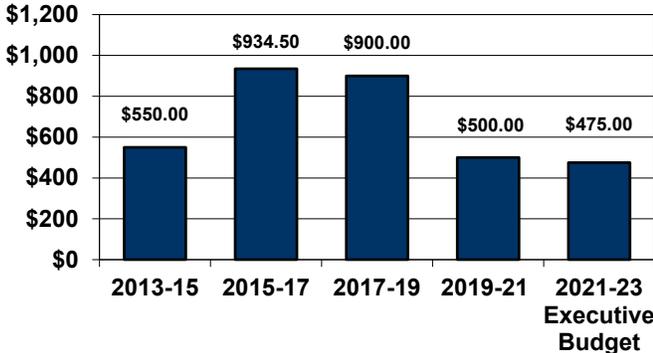
Section 4 identifies one-time funding of \$5 million from the strategic investment and improvements fund for airport grants.

Department 412 - Aeronautics Commission

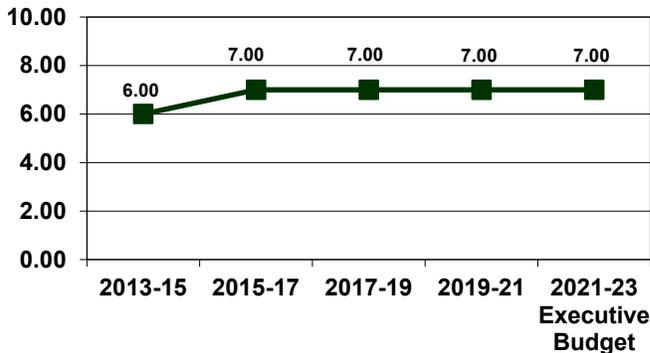
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Thousands)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$550,000	\$934,500	\$900,000	\$500,000	\$475,000
Increase (decrease) from previous biennium	N/A	\$384,500	(\$34,500)	(\$400,000)	(\$25,000)
Percentage increase (decrease) from previous biennium	N/A	69.9%	(3.7%)	(44.4%)	(5.0%)
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	69.9%	63.6%	(9.1%)	(13.6%)

Major Increases (Decreases) in Ongoing General Fund Appropriations

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

- 1. Reduced funding for airport grants to provide \$500,000 (\$400,000)

2021-23 Biennium (Executive Budget Recommendation)

- 1. Reduces funding for airport grants as part of the agency's 5 percent general fund budget reduction to provide a total of \$475,000 from the general fund (\$25,000)

**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, 2021 and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$ 1,526,328	\$ 84,802	\$ 1,611,130
Operating Expenses	2,004,754	62,923	2,067,677
Capital Assets	0	0	0
Grants	<u>25,800,000</u>	<u>1,750,000</u>	<u>27,550,000</u>
Total All Funds	\$29,331,082	\$1,897,725	\$31,228,807
Less Estimated Income	<u>28,831,082</u>	<u>1,922,725</u>	<u>30,753,807</u>
Total General Fund	\$ 500,000	(\$25,000)	\$ 475,000
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-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Airport Energy Impact Grants	<u>\$20,000,000</u>	<u>\$ 0</u>
Total Other Funds	\$20,000,000	\$ 0

SECTION 3. EXEMPTION. The estimated income line item in section 1 of chapter 6 of 2019 Session Laws includes \$20,000,000 from the airport infrastructure fund for the aeronautics commission to provide grants to airports during the biennium beginning July 1, 2019 and ending June 30, 2021. Section 54-44.1-11 does not apply to this funding, and any funds not spent by June 30, 2021, must be continued into the biennium beginning July 1, 2021 and ending June 30, 2023, and may be expended only for providing grants to airports.