

FISCAL NOTE
Requested by Legislative Council
03/31/2017

Amendment to: SB 2321

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$320,000			
Appropriations			\$0			

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts		\$320,000	
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill would increase the amount that a school district can have in their ending fund balance to 35% of expenditures plus \$100,000 for districts who enter into a cooperative agreement. A school district's state aid is reduced the following year for excess money in the ending fund balance.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Based on the last four years, 10-14 school districts have had an ending fund balance offset applied to their foundation aid payment. The effect of increasing the offset to \$100,000 in these years would have cost the state from \$200,000 to \$600,000 a year.

Currently there are 4 cooperative agreements between 8 school districts with 2 more agreements approved for the 2017-18 school year. Using the 2015-16 financial data, the ending fund balance offset would have decreased by \$160,000, increasing the state aid payment by the same amount.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

HB 1013 contains the funding for the K-12 formula. The appropriation would not be changed due to the ability school districts have to control their expenditures and ending fund balance. Ending fund balance offsets have not been included in the budget.

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<i>County/ District Number</i>	<i>School District Name</i>	<i>School District Type</i>	<i>Enroll. Grades 9 - 12</i>	<i>Enroll. Grades K - 12</i>	<i>Total Expend.</i>	<i>Ending Balance Fund Group</i>	<i>User Defined Field 1</i>	<i>User Defined Field 2</i>		
1	2	3	8	9	42	43	48	49	40%	40%
Codist	Dname	DTYPE	DEN912	DENK12	FGIEXP	FGIEB	Coops		\$20,000	\$10,000
09-080	Page 80	2	-	97	2,205,955	822,099	1.00	0.37	-	-
46-010	Hope 10	1	47	65	2,277,691	830,714	1.00	0.36	-	-
25-014	Anamoose 14	2	-	97	1,782,121	500,484	2.00	0.28	-	-
25-057	Drake 57	1	55	88	1,670,077	575,520	2.00	0.34	-	-
19-018	Roosevelt 18	2	-	58	1,214,938	655,871	3.00	0.54	149,896	60,000
30-039	Flasher 39	1	82	217	3,500,841	836,855	3.00	0.24	-	-
20-007	Midkota 7	1	45	161	2,961,264	1,198,419	4.00	0.40	-	-
47-019	Kensal 19	1	-	27	1,136,255	450,310	4.00	0.40	-	-
13-016	Killdeer 16	1	135	431	5,943,778	2,073,596	5.00	0.35	-	-
13-019	Halliday 19	1	2	32	1,100,181	644,511	5.00	0.59	184,438	10,000
28-050	Max 50	1	51	178	2,813,209	1,145,103	6.00	0.41	-	-
51-016	Sawyer 16	1	18	54	1,880,582	333,517	6.00	0.18	-	-
									334,334	17,000

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