

**DEPARTMENT 473 - HOUSING FINANCE AGENCY
2027-29 BASE-LEVEL BUDGET**

Base Budget - Summary

	<u>Base Level</u>
Salaries and wages	\$13,068,897
New and vacant FTE pool	1,422,760
Operating expenses	9,470,176
Capital assets	20,000
Grants	46,105,110
Housing Finance Agency contingencies	<u>100,000</u>
Total all funds	\$70,186,943
Less other funds	<u>70,186,943</u>
Total General Fund	\$0
FTE positions	59.00

Selected Base Budget Information

	General Fund	Other Funds	Total
1. Includes funding for state employee salaries and benefits for 59 FTE positions (\$12,939,984), overtime (\$24,000), and temporary salaries (\$104,913)	\$0	\$13,068,897	\$13,068,897
2. Includes a portion of the funding removed from the salaries and wages line item for estimated savings from new and vacant FTE positions. This line item includes \$434,297 related to vacant positions and \$988,463 for new positions. Funding may be transferred from this line if needed for filling new positions or if savings from vacant positions is less than estimated.	\$0	\$1,422,760	\$1,422,760
3. Includes funding for operating expenses, primarily related to mortgage servicing premiums (\$7,069,766), information technology (IT) costs (\$677,300), professional services (\$574,000), rent (\$454,080), travel and professional development (\$380,370), postage and printing (\$241,360), supplies and equipment (\$68,500), and repairs and insurance (\$4,800)	\$0	\$9,470,176	\$9,470,176
4. Includes funding for capital assets, primarily related to IT equipment and software	\$0	\$20,000	\$20,000
5. Includes funding for grants, including \$29,274,000 for federal rental assistance grants, \$7,791,110 from the federal HOME Investment Partnerships Program for homebuyer assistance and rental and owner-occupied property rehabilitation related to low-income households, \$5,720,000 from the federal Housing Trust Fund for grants to develop or rehabilitate rental units for extremely low- and very-low income households, \$1,000,000 from federal funds for homeless shelter grants, \$870,000 from federal funds for other housing grants, and \$1,450,000 from agency special funds for other housing grants	\$0	\$46,105,110	\$46,105,110
6. Includes funding for contingencies	\$0	\$100,000	\$100,000

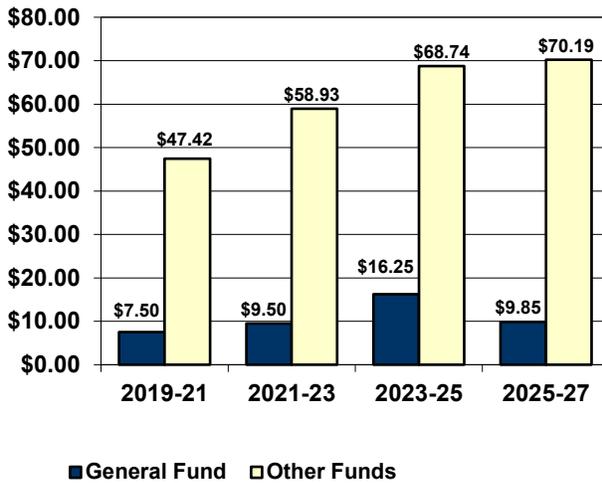
Continuing Appropriations

Housing Incentive Fund - North Dakota Century Code Section 54-17-40 - Provides grants for housing projects. For the 2023-25 biennium, the fund had \$13,750,000 transferred into the fund from the General Fund, \$1,300,000 deposited in the fund related to a federal grant to support affordable housing programs, \$986,273 of revenues from project fees, \$27,838 of interest income, \$13,109,079 of grant distributions, \$821,678 of administrative expenses, and a June 30, 2025, fund balance of \$9,395,939.

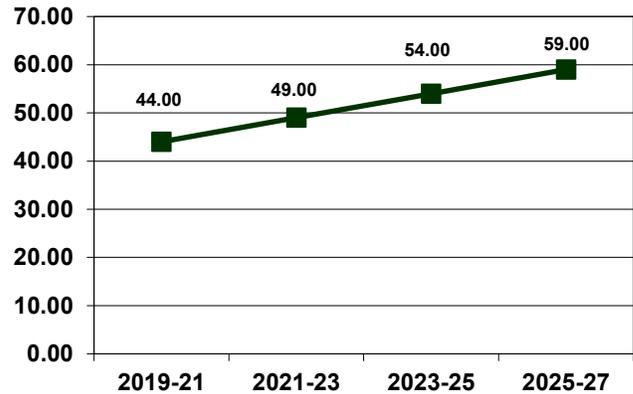
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



One-Time General Fund Appropriations

	2017-19	2019-21	2021-23	2023-25	2025-27
One-time General Fund appropriations	\$0	\$7,500,000	\$9,500,000	\$13,750,000	\$9,850,000

Major One-Time General Fund Appropriations

2019-21 Biennium	Transferred funding from the General Fund to the Housing Incentive Fund	\$7,500,000
2021-23 Biennium	Transferred funding from the General Fund to the Housing Incentive Fund	\$9,500,000
2023-25 Biennium	Transferred funding from the General Fund to the Housing Incentive Fund	\$13,750,000
2025-27 Biennium	Transferred funding from the General Fund to the Housing Incentive Fund for homeless programs	\$9,850,000

Other Funds

Major sources of special funds include:

- Housing Finance Agency Operating Fund - Operating fund for the Housing Finance Agency

Major sources of federal funds include:

- Rental assistance - Provides federal rental assistance under the Section 8 Housing Choice Voucher Program
- HOME Investment Partnerships Program - Federal block grant for homebuyer assistance and rental and owner-occupied property rehabilitation related to low-income households
- Federal Housing Trust Fund - Federal grants to develop or rehabilitate rental units for extremely low- and very-low income households

Other Funds Appropriations

	2017-19	2019-21	2021-23	2023-25	2025-27
Other funds appropriations	\$44,530,239	\$47,421,891	\$58,925,532	\$68,742,347	\$70,186,943
Increase (decrease) from previous biennium	N/A	\$2,891,652	\$11,503,641	\$9,816,815	\$1,444,596
Percentage increase (decrease) from previous biennium	N/A	6.5%	24.3%	16.7%	2.1%
Cumulative percentage increase (decrease) from 2017-19 biennium	N/A	6.5%	32.3%	54.4%	57.6%

Major Increases (Decreases) in Other Funds Appropriations

2019-21 Biennium

Ongoing

- | | |
|--|-------------|
| 1. Removed funding for temporary employees | (\$57,219) |
| 2. Increased funding for mortgage servicing premium expenses | \$602,921 |
| 3. Increased funding for agency program grants (\$20,000) and federal housing grants (\$1,651,772) | \$1,671,772 |

One-time

None	\$0
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2021-23 Biennium

Ongoing

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|--|-------------|
| 1. Transferred the federal HOME Program from the Department of Commerce, including 2 FTE positions, \$356,421 for salaries and wages, \$236,950 for operating expenses, \$50,000 for capital assets, and \$7.7 million for grants | \$8,343,371 |
| 2. Transferred a mortgage loan program from the Bank of North Dakota and added 3 FTE positions, including \$396,656 for salaries and wages and \$244,883 for operating expenses, for the management of the loan program with 1 FTE position funded for the 2 nd year of the biennium only | \$641,539 |
| 3. Increased funding for operating expenses primarily related to IT costs (\$122,224), added funding for a statewide housing needs assessment (\$80,000), and increased funding for Microsoft Office 365 licensing expenses (\$4,847) | \$207,071 |
| 4. Added funding for multifamily housing-related software | \$173,880 |
| 5. Increased federal funding for housing and urban development grants | \$1,808,600 |

One-time

Added one-time funding from the Housing Finance Agency Operating Fund for a statewide housing needs assessment	\$35,000
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2023-25 Biennium

Ongoing

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|---|-------------|
| 1. Added funding from federal funds for other salary increases (\$800,102) and temporary salaries (\$78,000) | \$878,102 |
| 2. Increased funding for operating expenses, including \$4,531,830 from the agency's operating fund for mortgage servicing premiums paid to lenders related to growth in the Home Loan Program, \$165,642 from the agency's operating fund for inflationary increases, \$21,135 from federal funds for miscellaneous increases, and \$13,413 from the agency's operating funds for shared software and service rate increases | \$4,732,020 |
| 3. Transferred homeless shelter grant programs from the Department of Commerce, including \$1,147,341 of federal funds | \$1,147,341 |
| 4. Increased funding for grants, including \$1,949,910 for federal grant programs and \$380,000 from the agency's operating funds for housing rehabilitation grants | \$2,329,910 |

One-time

None	\$0
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2025-27 Biennium

Ongoing

Added 2 FTE homeownership and loan specialist positions (\$369,592), 1 FTE accountant position (\$257,410), 1 FTE homeless program manager position (\$213,880), and 1 FTE business analyst position (\$257,410)	\$1,098,292
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One-time

None	\$0
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