

## GENERAL FUND REVENUE COMPARISONS AND POTENTIAL JUNE 30, 2009, BALANCES OF MAJOR STATE FUNDS

### GENERAL FUND REVENUE COMPARISONS

The following schedule provides information on total general fund revenues for the 1999-2001 through 2007-09 bienniums:

Biennium	Beginning Balance	Ongoing General Fund Taxes and Fees <sup>1</sup>		Transfers and Other Revenues <sup>2</sup>	Total Beginning Balance, General Fund Taxes and Fees, and Transfers
			Percentage Increase		
1999-2001 (actual)	\$61,114,425	\$1,535,718,248	8.7%	\$59,539,802	\$1,656,372,475
2001-03 (actual)	\$62,240,652	\$1,559,444,550	1.5%	\$110,433,690	\$1,732,118,892
2003-05 (actual)	\$14,790,311	\$1,739,132,961	11.5%	\$214,265,069	\$1,968,188,341
2005-07 (actual)	\$68,015,056	\$2,162,949,039	24.4%	\$154,710,132	\$2,385,674,227
2007-09 (potential)	\$295,541,176	\$2,280,365,221 <sup>3</sup>	5.4%	\$199,412,439	\$2,775,318,836

<sup>1</sup>The ongoing general fund taxes and fees includes sales tax, motor vehicle excise tax, individual income tax, corporate income tax, and other ongoing revenues.

<sup>2</sup>The transfers and other revenues includes transfers from the Bank of North Dakota, Mill and Elevator, and other special funds and gas tax administration.

<sup>3</sup>The ongoing general fund taxes and fees for the 2007-09 biennium includes revenues collected to date of \$847.5 million, remaining 2007 forecasted revenues of \$1,326.7 million, and potential additional revenues of \$106.1 million. As of March 2008 ongoing general fund revenue collections biennium to date are 15.9 percent more than the legislative forecast. If revenue collections for the remainder of the biennium are 8 percent more than the remaining forecasted revenues, there will be approximately \$106.1 million of additional general fund revenue. The 8 percent estimate anticipates general fund revenue collections continuing to exceed the original forecast but to a lesser extent than biennium to date collections. The reduction from the 15.9 percent variance recognizes revenue shortfalls being experienced in a number of other states and the potential slowing of North Dakota's general fund collections for the remainder of the biennium. The following is a summary of 2007-09 ongoing general fund taxes and fees:

Original 2007 legislative forecast	\$2,057,905,909
Revenues collected to date (through March 2008) and remaining 2007 forecasted revenues (original)	\$2,174,227,332
Revenues collected to date (through March 2008), remaining 2007 forecasted revenues (original), and potential additional revenues	\$2,280,365,221

The attached [appendix](#) provides a comparison of general fund collections to legislative forecasts since the 1981-83 biennium.

### POTENTIAL JUNE 30, 2009, BALANCES OF MAJOR STATE FUNDS

The following schedule provides information on potential June 30, 2009, balances in the general fund, permanent oil tax trust fund, and budget stabilization fund based on actual revenue collections through March 2008:

	(Amounts in Millions)			
	General Fund	Permanent Oil Tax Trust Fund	Budget Stabilization Fund	Total
Beginning balance - July 1, 2007	\$295.5	\$143.3	\$200.0	\$638.8
Revenues				
Revenues collected to date (through March 2008)	963.0	99.9		1,062.9
Remaining forecasted revenues (2007 forecast)	1,410.6	131.2		1,541.8
Total available	\$2,669.1	\$374.4	\$200.0	\$3,243.5
Legislative appropriations	(2,461.9) <sup>1</sup>	(145.7)		(2,607.6)
Estimated ending balance - June 30, 2009 (prior to any budget stabilization fund transfers)	\$207.2	\$228.7	\$200.0	\$635.9
Potential additional revenues (see footnote Nos. 2 and 3)	106.1 <sup>2</sup>	153.7 <sup>3</sup>		259.8
Potential ending balance - June 30, 2009	\$313.3	\$382.4	\$200.0	\$895.7
Less ending balance - June 30, 2009 (originally estimated at the end of 2007 legislative session)	(18.7)	(137.0)	(200.0)	(355.7)
Estimated additional funding available for the 2009-11 biennium	\$294.6	\$245.4	\$0.0	\$540.0

<sup>1</sup>This amount includes a \$5 million contingent general fund appropriation to the Department of Public Instruction for school districts deferred maintenance and physical plant improvement grants authorized in Section 50 of Senate Bill No. 2200. The appropriation was contingent upon the Office of Management and Budget projecting either the June 30, 2008, or the June 30, 2009, ending general fund balance to be \$30 million more than projected at the end of the 2007 legislative session. In February 2008 the Office of Management and Budget determined the ending general fund balance would be \$30 million more than projected and the funding was made available to school districts.

<sup>2</sup>As of March 2008 ongoing general fund revenue collections biennium to date are 15.9 percent more than the legislative forecast. If revenue collections for the remainder of the biennium are 8 percent more than the remaining forecasted revenues, there will be approximately \$106.1 million of additional general fund revenue. The 8 percent estimate anticipates general fund revenue collections continuing to exceed the original forecast but to a lesser extent than biennium to date collections. The reduction from the 15.9 percent variance recognizes revenue shortfalls being experienced in a number of other states and the potential slowing of North Dakota's general fund collections for the remainder of the biennium.

<sup>3</sup>Oil and gas production and extraction tax collections have averaged \$19 million per month for the first nine months of the 2007-09 biennium. Assuming oil and gas tax collections total \$19 million each month for the remainder of the 2007-09 biennium, there may be approximately \$153.7 million of additional revenue deposited in the permanent oil tax trust fund during the 2007-09 biennium.

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