Budget and Fiscal Trends – 2011 Legislative Assembly

Prepared by North Dakota Legislative Council staff

January 5, 2011
General Fund Revenues –
Beginning Balance, Ongoing Revenues, and Transfers

Governor’s recommended ongoing revenues increase is 9.5%

Average biennial ongoing revenues increase from 2001-03 to 2009-11 is 12.9%
General Fund Revenues – Major Revenue Types

Actual average biennial sales tax increase from 2001-03 to 2009-11 is 16.9%

Governor’s forecasted sales tax increase is 16.4%

Net of $50 million of Governor’s recommended income tax relief

Sales Tax  Individual Income Tax  Corporate Income Tax  Others
State Share of Oil & Gas Gross Production Tax and Oil Extraction Tax Revenues

<table>
<thead>
<tr>
<th>Period</th>
<th>Legacy Fund</th>
<th>Permanent Oil Tax Trust Fund</th>
<th>General Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-03 Actual</td>
<td>$62.0</td>
<td>$7.6</td>
<td>$49.5</td>
<td>$120.5</td>
</tr>
<tr>
<td>2003-05 Actual</td>
<td>$71.0</td>
<td>$71.0</td>
<td>$71.0</td>
<td>$240.8</td>
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<tr>
<td>2005-07 Actual</td>
<td>$169.8</td>
<td></td>
<td>$71.0</td>
<td>$484.3</td>
</tr>
<tr>
<td>2007-09 Actual</td>
<td>$71.0</td>
<td></td>
<td>$71.0</td>
<td>$890.2</td>
</tr>
<tr>
<td>2009-11 Executive Budget</td>
<td>$71.0</td>
<td>$607.3</td>
<td>$71.0</td>
<td>$120.5</td>
</tr>
<tr>
<td>2011-13</td>
<td></td>
<td></td>
<td>$71.0</td>
<td>$612.5</td>
</tr>
</tbody>
</table>

Total 2001-03 Actual: $69.6
Total 2003-05 Actual: $120.5
Total 2005-07 Actual: $484.3
Total 2007-09 Actual: $890.2
Total Executive Budget: $1,290.8
Appropriations – General Fund, Federal Funds, and Special Funds Appropriations

- Average biennial general fund increase from 2001-03 to 2009-11 is 17.6%
- Governor's recommended general fund increase is 1.1%
- Includes federal fiscal stimulus funding of $665.8 million in 2009-11 and $81.6 million in 2011-13
Appropriations – Comparison of General Fund Appropriations and Total Personal Income

- Personal income: Cumulative percentage increase 65.2%
- Appropriations: Cumulative percentage increase 90.6%
Higher Education – General Fund Appropriations and Tuition and Student Fee Revenue

Average biennial tuition and fee revenue increase from 2001-03 to 2009-11 is 20.0%

Average biennial general fund increase from 2001-03 to 2009-11 is 13.3%

Governor’s recommended general fund increase is 9.3%
Higher Education – General Fund Appropriations and Full-Time Equivalent (FTE) Enrollments

- Includes $59.2 million of one-time funding for 2009-11 and $42.4 million of one-time funding for 2011-13
- Governor’s recommended general fund increase is 9.3%
- Average biennial general fund increase from 2001-03 to 2009-11 is 13.3%
- Average FTE enrollment increase from 2001-03 to 2009-11 is 3.5%
- Projected enrollment increase is 2.9%
Kindergarten Through Grade 12 –
State School Aid and Other Grant Funding

Average biennial increase from 2001-03 to 2009-11 is 21.3%

Governor’s recommended increase is 6.1%

Total $1,278.4
Total $1,355.8


- Property Tax Relief (Special Funds)
- Property Tax Relief (General Fund)
- Federal Funds (Fiscal stimulus in 2009-11; education jobs in 2011-13)
- State Tuition Fund
- General Fund - School Aid and Other General Fund Grants
Kindergarten Through Grade 12 –
Teachers and Student Enrollment

Average annual enrollment decrease from 2001-02 to 2010-11 is 1.2%

Average annual personnel increase from 2001-02 to 2010-11 is 0.01%
Department of Human Services –
General Fund and Total Funds Appropriations

- Total Funds: Average increase-12.9%
  Recommended increase-14.0%

- Federal Funds: Average increase-13.9%
  Recommended increase-3.1%

- General Fund: Average increase-15.4%
  Recommended increase-42.2%

- Special Funds: Average increase-(1.2%)
  Recommended increase-(1.2%)

Governor’s recommended total funds increase is 18.2%

Average biennial total funds increase from 2001-03 to 2009-11 is 15.0%
The enhanced FMAP included in the American Recovery and Reinvestment Act of 2009 of 69.95 is effective for the 2009 and 2010 federal fiscal years and the first quarter of the 2011 federal fiscal year. The enhanced FMAP is reduced to 66.95 for the second quarter of 2011 and to 64.95 for the third quarter (which ends June 30, 2011).

In 2012, the FMAP will be the lowest since 1987 when it was 55.12%
Governor’s recommended increase for home and community-based care is 6.0%

Average biennial increase from 2001-03 to 2009-11 for home and community-based care is 26.5%

Governor’s recommended increase for nursing home care is 7.8%

Average biennial increase from 2001-03 to 2009-11 for nursing home care is 9.6%
Governor’s recommended general fund decrease is 3.3%.

Includes $41 million of one-time funding for 2007-09 and $22.5 million of one-time funding for 2009-11.

Average biennial general fund increase from 2001-03 to 2009-11 is 23.8%.

Estimated inmate count increase is 6.8%.

Average biennial inmate count increase from 2001-03 to 2009-11 is 6.6%.
Department of Corrections and Rehabilitation – FTE Positions and Inmate Counts

Average biennial inmate count increase from 2001-03 to 2009-11 is 6.6%

Estimated inmate count increase is 6.8%

Average biennial FTE position increase from 2001-03 to 2009-11 is 4.6%

Governor’s recommended FTE position increase is 9.1%
### Department of Corrections and Rehabilitation – Inmate Counts

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Daily Female (Incarcerated) Count</th>
<th>Average Daily Male Inmate (Incarcerated) Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-03</td>
<td>1,041</td>
<td>1,170</td>
</tr>
<tr>
<td>2003-05</td>
<td>1,09</td>
<td>1,170</td>
</tr>
<tr>
<td>2005-07</td>
<td>1,248</td>
<td>1,291</td>
</tr>
<tr>
<td>2007-09</td>
<td>1,291</td>
<td>1,311</td>
</tr>
<tr>
<td>2009-11</td>
<td>1,311</td>
<td></td>
</tr>
<tr>
<td>2011-13</td>
<td>1,395</td>
<td></td>
</tr>
</tbody>
</table>

- **Total 2001-03**: 1,150
- **Total 2003-05**: 1,405
- **Total 2005-07**: 1,444
- **Total 2007-09**: 1,481
- **Total 2009-11**: 1,481
- **Total 2011-13**: 1,581

Executive Budget:
- 2001-03: 0
- 2003-05: 0
- 2005-07: 0
- 2007-09: 0
- 2009-11: 0
- 2011-13: 0
State Employees – Total FTE Positions
Excluding Higher Education

FTE positions increase from 2001-03 to 2009-11 is 357.51

Governor’s recommended increase is 81.43

Increase of 390.49 includes 132.20 added to the Department of Human Services for state administration of child support
Major Direct Assistance to Political Subdivisions (Including School-Related Funding)

![Bar chart showing financial data over different years for political subdivisions.

- 2001-03: $602.7 million (General Fund Appropriations) + $360.8 million (Special Funds Appropriations and Revenue Allocations) = Total $963.5 million
- 2003-05: $635.8 million (General Fund Appropriations) + $385.8 million (Special Funds Appropriations and Revenue Allocations) = Total $1,021.6 million
- 2005-07: $674.5 million (General Fund Appropriations) + $430.7 million (Special Funds Appropriations and Revenue Allocations) = Total $1,105.2 million
- 2007-09: $761.1 million (General Fund Appropriations) + $488.1 million (Special Funds Appropriations and Revenue Allocations) = Total $1,249.2 million
- 2009-11: $1,166.9 million (General Fund Appropriations) + $611.4 million (Special Funds Appropriations and Revenue Allocations) = Total $1,778.3 million
- 2011-13: $954.0 million (General Fund Appropriations) + $1,355.2 million (Special Funds Appropriations and Revenue Allocations) = Total $2,309.2 million

Total for all years: $2,309.2 million

General Fund Appropriations
Special Funds Appropriations and Revenue Allocations

Bar chart indicates a steady increase in financial assistance over the years.