Budget and Fiscal Trends

Prepared by the North Dakota Legislative Council Staff

January 8, 2013
Average biennial ongoing revenues increase from 2003-05 to 2011-13 is 15.4%

Governor’s recommended ongoing revenues increase is 12.0%
Actual average biennial sales tax increase from 2003-05 to 2011-13 is 32.7%

Governor’s forecasted sales tax tax increase is 18.4%
State Share of Oil & Gas Gross Production Tax and Oil Extraction Tax Revenues

Millions

<table>
<thead>
<tr>
<th>Period</th>
<th>State Share of Oil &amp; Gas Gross Production Tax and Oil Extraction Tax Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05 Actual</td>
<td>$49.5</td>
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<tr>
<td>2005-07 Actual</td>
<td>$171.1</td>
</tr>
<tr>
<td>2007-09 Actual</td>
<td>$487.3</td>
</tr>
<tr>
<td>2009-11 Actual</td>
<td>$985.6</td>
</tr>
<tr>
<td>2011-13 Executive Budget</td>
<td>$800.3</td>
</tr>
<tr>
<td>2013-15</td>
<td></td>
</tr>
</tbody>
</table>

- State disaster relief fund
- Property tax relief sustainability fund
- Permanent oil tax trust fund
- General fund

Total $1,603.6
Appropriations – General Fund, Federal Funds, and Special Funds Appropriations

Average biennial general fund increase from 2003-05 to 2011-13 is 23.8%

Governor’s recommended general fund increase is 13.0%
Appropriations – Ongoing and One-Time General Fund Appropriations

 Millions

 $6,000.0

 $5,000.0

 $4,000.0

 $3,000.0

 $2,000.0

 $1,000.0

 $0.0


 Total $2,005.5 Total $2,574.3 Total $3,296.6 Total $4,236.7 Total $4,786.2

 Ongoing One-Time Total

 $256.7 $2,317.6 $2,981.2 $702.1 $990.5

 $315.4 $3,534.6 7.4% Increase

 28.6% Increase 18.6% Increase

 $4,236.7 $3,795.7

 Increase
Appropriations – Major General Fund Appropriations

- Average increase-21.3%
- 2013-15 biennial decrease-16.1%
- Average increase-23.6%
- 2013-15 biennial increase-25.1%
- Average increase-16.2%
- 2013-15 biennial increase-38.7%
- Average increase-20.6%
- 2013-15 biennial increase-12.8%
Appropriations – Comparison of General Fund Appropriations and Total Personal Income

- **Personal Income** - Cumulative percentage increase 128.1%
- **Appropriations** - Cumulative percentage increase 176.9%

Graph showing the comparison between Personal Income and General Fund Appropriations from 2003-05 to 2013-15, with steep increases in both categories.
Higher Education – General Fund Appropriations and Tuition and Student Fee Revenue

Average biennial general fund increase from 2003-05 to 2011-13 is 16.2%

Governor’s recommended general fund increase is 38.7%

Total $1,599.1

Average biennial tuition and fee revenue increase from 2003-05 to 2013-15 is 11.2%

Executive Budget
Higher Education – General Fund Appropriations and Full-Time Equivalent (FTE) Enrollments

- Average biennial general fund increase from 2003-05 to 2011-13 is 16.2%
- Average FTE enrollment increase from 2003-05 to 2011-13 is 2.1%
- Governor’s recommended general fund increase is 38.7%
- Projected enrollment increase is 0.4%
- Governor's recommended general fund increase is 38.7%
- Average biennial general fund increase from 2003-05 to 2011-13 is 16.2%
- Average FTE enrollment increase from 2003-05 to 2011-13 is 2.1%
- Projected enrollment increase is 0.4%
Higher Education – Resident Tuition Rates

Two-Year Institutions
Average annual increase-5.4%
Cumulative increase-58.3%

Research Institutions
Average annual increase-6.7%
Cumulative increase-77.2%

Other Four-Year Institutions
Average annual increase-6.5%
Cumulative increase-74.7%
## Kindergarten Through Grade 12 – State School Aid and Other Grant Funding

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Property tax relief</th>
<th>Federal and other special funds (fiscal stimulus in 2009-11; education jobs and oil impact in 2011-13)</th>
<th>State tuition fund</th>
<th>General fund - School aid and other general fund grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05</td>
<td>$669.0</td>
<td>$599.5</td>
<td>$69.5</td>
<td>$4.2</td>
<td>$714.2</td>
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<tr>
<td>2005-07</td>
<td>$702.6</td>
<td>$631.0</td>
<td>$71.6</td>
<td>$85.6</td>
<td>$140.3</td>
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<td>2007-09</td>
<td>$789.2</td>
<td>$713.0</td>
<td>$76.2</td>
<td>$86.3</td>
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<td>2009-11</td>
<td>$1,282.8</td>
<td>$1,106.7</td>
<td>$4.2</td>
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<td>2011-13</td>
<td>$1,361.5</td>
<td>$1,233.7</td>
<td>$26.2</td>
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<td>2013-15</td>
<td>$1,886</td>
<td>$1,031.5</td>
<td>$140.3</td>
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</tbody>
</table>

- Average biennial total funds increase from 2003-05 to 2011-13 is 21.5%
- 2013-15 biennial total funds increase is 38.5%
Kindergarten Through Grade 12 – Teachers and Student Enrollment

Average annual enrollment decrease from 2003-04 to 2012-13 is 0.2%

Average annual personnel increase from 2003-04 to 2012-13 is 0.36%
Department of Human Services –
General Fund and Total Funds Appropriations

Average increase-15.2%
2013-15 biennial increase-5.4%

Average increase-12.4%
2013-15 biennial decrease-6.6%

Average increase-23.6%
2013-15 biennial increase-25.1%

Average increase-7.1%
2013-15 biennial increase-9.5%
Average biennial total funds increase from 2003-05 to 2011-13 is 15.9%

Governor's recommended total funds increase is 9.2%
The enhanced FMAP included in the American Recovery and Reinvestment Act of 2009 of 69.95% was effective for the 2009 and 2010 federal fiscal years and the first quarter of the 2011 federal fiscal year. The enhanced FMAP was reduced to 66.95% for the second quarter of 2011 and to 64.95% for the third quarter (which ended June 30, 2011).

In 2013 the FMAP will be the lowest since 1979 when it was 50.71%.
Governor’s recommended increase for home and community-based care is 4.9%

Average biennial increase from 2003-05 to 2011-13 for home and community-based care is 22.6%

Governor’s recommended increase for nursing home care is 9.1%

Average biennial increase from 2003-05 to 2011-13 for nursing home care is 9.6%
Department of Corrections and Rehabilitation –
General Fund Appropriations and Inmate Counts

Average biennial general fund increase from 2003-05 to 2011-13 is 20.6%

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

Governor’s recommended general fund increase is 12.8%

Estimated inmate count decrease is 0.4%

Average biennial inmate count increase from 2003-05 to 2011-13 is 3.6%
Department of Corrections and Rehabilitation – FTE Positions and Inmate Counts

Average biennial inmate count increase from 2003-05 to 2011-13 is 3.6%

Estimated inmate count decrease is 0.4%

Average biennial FTE position increase from 2003-05 to 2011-13 is 5.4%

Governor’s recommended FTE position increase is 2.5%
Department of Corrections and Rehabilitation – Inmate Counts

- Average Daily Female (Incarcerated) Count
- Average Daily Male Inmate (Incarcerated) Count

Executive Budget:
- 2003-05: 1,170
- 2005-07: 1,248
- 2007-09: 1,291
- 2009-11: 1,309
- 2011-13: 1,326
- 2013-15: 1,322

Total:
- Female: 1,295
- Male: 1,405
- Total: 2,690

Note: The chart shows the average daily counts for female and male inmates from 2003-05 to 2013-15.
Governor’s recommended increase is 123.82

FTE positions increase from 2003-05 to 2013-15 is 774.19

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)

### Graph

<table>
<thead>
<tr>
<th>Year</th>
<th>General Fund Appropriations</th>
<th>Special Funds Appropriations and Revenue Allocations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05</td>
<td>$375.6</td>
<td>$638.3</td>
<td>$1,013.9</td>
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<td>2005-07</td>
<td>$420.3</td>
<td>$673.5</td>
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<td>2007-09</td>
<td>$507.8</td>
<td>$814.5</td>
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<td>2009-11</td>
<td>$1,205.4</td>
<td>$684.4</td>
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<td>2011-13</td>
<td>$1,461.9</td>
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<td>2013-15</td>
<td>$1,135.4</td>
<td>$2,268.5</td>
<td>$3,403.9</td>
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### Executive Budget

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-15</td>
<td>$3,403.9</td>
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### Categories
- General Fund Appropriations
- Special Funds Appropriations and Revenue Allocations

### Notes
- The graph illustrates the trend in major direct assistance from 2003-05 to 2013-15.
- The data includes both general fund and special funds allocations.
Major Direct Assistance to Political Subdivisions
(Including School-Related Funding)

<table>
<thead>
<tr>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,000.0</td>
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<tr>
<td>$3,500.0</td>
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<tr>
<td>$500.0</td>
</tr>
<tr>
<td>$0.0</td>
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</tbody>
</table>


- Other Appropriations and Revenue Allocations
- Select Transportation Funding Distributions
- Coal-Related and Oil-Related Taxes
- Motor Vehicle Fuel Tax and Registration Fee Allocations
- State Aid Distribution Funds
- School-Related Funding (2009-11 and after include property tax relief)

Total $3,403.9