

STATE AID TO POLITICAL SUBDIVISIONS - OTHER POLITICAL SUBDIVISION REVENUE

This memorandum provides information on state assistance to political subdivisions and revenue sources of schools, cities, counties, and other political subdivisions.

STATE ASSISTANCE TO POLITICAL SUBDIVISIONS - EFFECT ON PROPERTY TAXES

The statewide average number of mills levied in 2005 for property taxes payable in 2006 was 401.66. Each mill generates approximately \$1.7 million statewide.

State assistance to political subdivisions for the 2005-07 biennium totaled \$1.1 billion or \$550 million per year. In terms of mills, this assistance was equivalent to 323.5 mills in 2006.

SCHOOL REVENUE SOURCES

The following schedule lists the revenue sources for North Dakota schools for the 2005-06 school year as reported by the Department of Public Instruction:

Local sources		
Taxes	\$329,756,271	
Tuition	27,739,816	
Transportation	401,829	
In lieu of taxes	1,216,023	
Other	18,629,531	
Total local sources	\$377,743,470	43.8%
Sources received through counties		
Oil and gas	\$8,602,450	
Coal production	2,447,780	
Coal conversion	1,191,765	
Other	1,117,542	
Total sources received through counties	\$13,359,537	1.5%
State sources		
Tuition apportionment	\$35,503,747	
Pupil aid	234,583,328	
Transportation	16,213,012	
Teacher compensation	24,551,020	
Vocational education	3,678,285	
Special education	21,734,607	
Other	5,919,236	
Total state sources	\$342,183,235	39.7%
Federal sources	\$120,778,330	14.0%
Other sources	\$8,680,504	1.0%
Total - All sources	\$862,745,076	100%

PROPERTY TAX REVENUE OF OTHER POLITICAL SUBDIVISIONS

The following schedule provides the total 2006 property taxes payable for cities, counties, townships, and miscellaneous districts as reported by the Tax Department:

Cities	\$173,172,195
Counties	158,899,366
Townships	12,038,404
Miscellaneous districts	15,179,509
Total property taxes	\$359,289,474
Total state aid to cities, counties, townships, and miscellaneous districts	\$192,700,000 ¹
Total state aid as a percentage of total property taxes	53.6%

¹This amount is 50 percent of the 2005-07 biennium appropriations and allocations for direct assistance to political subdivisions, excluding schools.

COUNTY REVENUE SOURCES

The following schedule based on information provided by the North Dakota Association of Counties identifies major county revenue sources for calendar year 2004:

	Statewide	Percentage
Taxes	\$131,775,070	43%
Licenses and permits	1,905,025	1%
State aid distribution fund	17,866,652	6%
State highway tax distribution fund	31,657,494	10%
Other state and federal sources	70,849,563	23%
Charges for services	31,543,417	10%
Miscellaneous	17,984,405	7%
Total	\$303,581,626	100%

CITY REVENUE SOURCES

The following schedule based on information provided by the North Dakota League of Cities identifies the combined major revenue sources for the cities of Bismarck, Dickinson, Fargo, Grand Forks, Jamestown, and Minot for calendar year 2006:

	Select Cities	Percentage
Property taxes	\$39,237,706	30%
State sources	15,369,224	12%
Fees/fines/licenses	34,018,604	26%
City sales tax/transfers	20,298,648	15%
Other	22,569,909	17%
Total	\$131,494,091	100%