Budget and Fiscal Trends

Prepared by the North Dakota Legislative Council Staff

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The average biennial ongoing revenues increase from 2003-05 to 2011-13 is 15.4%.

Governor’s recommended ongoing revenues increase is 12.0%.

Total General Fund Revenues – Beginning Balance, Ongoing Revenues, and Transfers

- 2003-05: $1,911.7
- 2005-07: $2,385.4
- 2007-09: $3,010.8
- 2009-11: $4,294.5
- 2011-13: $5,890.5
- 2013-15: $4,866.7
General Fund Revenues – Major Revenue Types

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

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>State Share of Oil &amp; Gas Gross Production Tax and Oil Extraction Tax Revenues (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05 Actual</td>
<td>$49.5 (State disaster relief fund) + $71.0 (Property tax relief sustainability fund) + $71.0 (Permanent oil tax trust fund) + $22.0 (General fund) = Total $242.1</td>
</tr>
<tr>
<td>2005-07 Actual</td>
<td>$171.1 (State disaster relief fund) + $71.0 (Property tax relief sustainability fund) + $71.0 (General fund) = Total $242.1</td>
</tr>
<tr>
<td>2007-09 Actual</td>
<td>$487.3 (State disaster relief fund) + $71.0 (Property tax relief sustainability fund) + $71.0 (General fund) = Total $558.3</td>
</tr>
<tr>
<td>2009-11 Actual</td>
<td>$985.6 (State disaster relief fund) + $71.0 (Property tax relief sustainability fund) + $71.0 (General fund) = Total $1,464.1</td>
</tr>
<tr>
<td>2011-13 Executive Budget</td>
<td>$800.3 (State disaster relief fund) + $341.8 (Property tax relief sustainability fund) + $300.0 (General fund) = Total $1,464.1</td>
</tr>
<tr>
<td>2013-15</td>
<td>$22.0 (State disaster relief fund) + $939.8 (Property tax relief sustainability fund) + $300.0 (General fund) = Total $1,603.6</td>
</tr>
</tbody>
</table>

Note: The chart represents the distribution of oil and gas tax revenues across different funds and fiscal years. The totals for each period are highlighted with different colors to distinguish between state disaster relief fund, property tax relief sustainability fund, permanent oil tax trust fund, and general fund.
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

<table>
<thead>
<tr>
<th>Year</th>
<th>Ongoing</th>
<th>One-Time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-07</td>
<td>$2,005.5</td>
<td></td>
<td>$2,574.3</td>
</tr>
<tr>
<td>2007-09</td>
<td>$256.7</td>
<td>$2,317.6</td>
<td>$2,981.2</td>
</tr>
<tr>
<td>2009-11</td>
<td></td>
<td>$315.4</td>
<td>$3,296.6</td>
</tr>
<tr>
<td>2011-13</td>
<td></td>
<td>$702.1</td>
<td>$4,236.7</td>
</tr>
<tr>
<td>2013-15</td>
<td></td>
<td>$3,534.6</td>
<td>$4,786.2</td>
</tr>
</tbody>
</table>

Total 2013-15 Executive Budget: $4,786.2

28.6% Increase

18.6% Increase

7.4% 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%

<table>
<thead>
<tr>
<th>Year</th>
<th>Personal Income</th>
<th>Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05</td>
<td>$39,038.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>2005-07</td>
<td>$43,236.0</td>
<td>$1,816.9</td>
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<tr>
<td>2007-09</td>
<td>$51,996.0</td>
<td>$2,000.5</td>
</tr>
<tr>
<td>2009-11</td>
<td>$57,675.0</td>
<td>$2,574.3</td>
</tr>
<tr>
<td>2011-13</td>
<td>$69,503.0</td>
<td>$3,296.6</td>
</tr>
<tr>
<td>2013-15</td>
<td>$80,037.0</td>
<td>$4,786.2</td>
</tr>
</tbody>
</table>

Millions

- Executive Budget
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%

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

Governor’s recommended general fund increase is 38.7%

Total $1,599.1

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

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%

Average biennial general fund increase from 2003-05 to 2011-13 is 16.2%
Higher Education – Resident Tuition Rates

Average annual increase:
- Two-Year Institutions: 5.4%
- Research Institutions: 6.7%
- Other Four-Year Institutions: 6.5%

Cumulative increase:
- Two-Year Institutions: 58.3%
- Research Institutions: 77.2%
- Other Four-Year Institutions: 74.7%
Kindergarten Through Grade 12 – State School Aid and Other Grant Funding

Average biennial total funds increase from 2003-05 to 2011-13 is 21.5%

2013-15 biennial total funds increase is 38.5%

- Property tax relief
- Federal and other special funds (fiscal stimulus in 2009-11; education jobs and oil impact in 2011-13)
- State tuition fund
- General fund - School aid and other general fund grants
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%
Department of Human Services – Medicaid Funding

Average biennial total funds increase from 2003-05 to 2011-13 is 15.9%

Governor's recommended total funds increase is 9.2%

Average biennial total funds increase from 2003-05 to 2011-13 is 15.9%

Governor's recommended total funds increase is 9.2%

Executive Budget

Total Funds
Federal and Other Funds
General Fund
Department of Human Services – Major Medicaid Costs

- Nursing Homes
- Developmental Disabilities
- Hospitals
- Physicians
- Drugs

 Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Nursing Homes</th>
<th>Developmental Disabilities</th>
<th>Hospitals</th>
<th>Physicians</th>
<th>Drugs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-05</td>
<td>$190.6</td>
<td>$98.1</td>
<td>$66.3</td>
<td>$55.9</td>
<td>$48.3</td>
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<tr>
<td>2005-07</td>
<td>$211.7</td>
<td>$121.3</td>
<td>$95.2</td>
<td>$66.3</td>
<td>$55.9</td>
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<td>2007-09</td>
<td>$274.4</td>
<td>$153.2</td>
<td>$59.9</td>
<td>$57.7</td>
<td>$50.9</td>
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<td>2009-11</td>
<td>$371.5</td>
<td>$198.4</td>
<td>$50.9</td>
<td>$50.5</td>
<td>$44.9</td>
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<tr>
<td>2011-13</td>
<td>$425.7</td>
<td>$239.9</td>
<td>$50.5</td>
<td>$50.5</td>
<td></td>
</tr>
<tr>
<td>2013-15</td>
<td>$459.6</td>
<td>$258.6</td>
<td>$50.5</td>
<td>$50.5</td>
<td>$44.9</td>
</tr>
<tr>
<td>Executive</td>
<td>$501.3</td>
<td>$502.4</td>
<td>$50.5</td>
<td>$50.5</td>
<td>$44.9</td>
</tr>
</tbody>
</table>
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%.
Average biennial increase from 2003-05 to 2011-13 for home and community-based care is 22.6%

Governor’s recommended increase for home and community-based care is 4.9%

Average biennial increase from 2003-05 to 2011-13 for nursing home care is 9.6%

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

Department of Human Services – Nursing Home and Home and Community-Based Care Funding – Total Funds
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%

Governor’s recommended general fund increase is 12.8%

Estimated inmate count decrease is 0.4%

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

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%

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

Governor’s recommended FTE position increase is 2.5%

Estimated inmate count decrease is 0.4%
State Employees – Total FTE Positions (Excluding Higher Education)

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

Governor’s recommended increase is 123.82

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)

Millions

$4,000.0
$3,500.0
$3,000.0
$2,500.0
$2,000.0
$1,500.0
$1,000.0
$500.0
$0.0


Total $1,013.9  Total $1,093.8  Total $1,322.3  Total $684.4  Total $1,054.5  Total $2,268.5

$375.6  $420.3  $507.8  $1,205.4  $1,461.9  $1,135.4

$638.3  $673.5  $814.5  $1,461.9  $1,461.9  $1,461.9

Total $2,516.4

General Fund Appropriations
Special Funds Appropriations and Revenue Allocations
Major Direct Assistance to Political Subdivisions (Including School-Related Funding)

- 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)