Budget and Fiscal Trends

Prepared by the North Dakota Legislative Council Staff

September 2017
### General Fund Revenues -
**Beginning Balance, Ongoing Revenues, and Transfers**

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-09</td>
<td>$3,010.8</td>
<td>$3,010.8</td>
</tr>
<tr>
<td>2009-11</td>
<td>$4,294.5</td>
<td>$4,294.5</td>
</tr>
<tr>
<td>2011-13</td>
<td>$6,152.7</td>
<td>$6,152.7</td>
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<tr>
<td>2013-15</td>
<td>$7,197.9</td>
<td>$7,197.9</td>
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<tr>
<td>2015-17</td>
<td>$5,678.7</td>
<td>$5,678.7</td>
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<tr>
<td>2017-19</td>
<td>$4,394.8</td>
<td>$4,394.8</td>
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</tbody>
</table>

**Average biennial increase in tax and fee revenues from 2007-09 to 2015-17 is 13.2%**

**Increase in tax and fee revenues from 2015-17 to 2017-19 is 1.5%**

**Notes:**
- Total 2007-09  $2,509.7
- Total 2009-11  $2,742.6
- Total 2011-13  $4,906.8
- Total 2013-15  $4,906.8
- Total 2015-17  $3,437.6
- Total 2017-19  $3,490.9

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North Dakota Legislative Council

September 2017
General Fund Revenues - Major Revenue Types

Average biennial increase in sales tax revenues from 2007-09 to 2015-17 is 19.1%

Estimated biennial decrease in sales tax revenues from 2015-17 to 2017-19 is 0.9%

North Dakota Legislative Council
State Share of Oil and Gas Gross Production Tax and Oil Extraction Tax Revenues

![Bar Chart](chart.png)

- Political Subdivision Allocation Fund
- Strategic Investment and Improvements Fund
- Budget Stabilization Fund
- Permanent Oil Tax Trust Fund

- State Disaster Relief Fund
- Lignite Research Fund
- Tax Relief Fund
- General Fund

North Dakota Legislative Council

September 2017
Adjusted Appropriations - General Fund, Federal Funds, and Special Funds Appropriations

Average biennial general fund increase from 2007-09 to 2015-17 is 25.3%

2017-19 biennium general fund decrease is 24.2%

2007-09: $1,555.0
2009-11: $2,494.7
2011-13: $3,296.6
2013-15: $3,611.5
2015-17 Adjusted: $3,392.8
2017-19: $3,778.0

North Dakota Legislative Council September 2017
Appropriations - Ongoing and One-Time
General Fund Appropriations

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Ongoing</th>
<th>One-Time</th>
<th>Total</th>
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<tbody>
<tr>
<td>2009-11</td>
<td>$2,981.2</td>
<td>$315.4</td>
<td>$3,296.6</td>
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<tr>
<td>2011-13</td>
<td>$3,556.4</td>
<td>$740.6</td>
<td>$4,297.0</td>
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<td>2013-15</td>
<td>$4,436.0</td>
<td>$4,443.7</td>
<td>$8,883.7</td>
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<tr>
<td>2015-17</td>
<td>$4,571.7</td>
<td>$1,115.6</td>
<td>$5,687.3</td>
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<tr>
<td>2017-19</td>
<td>$4,269.6</td>
<td>$40.7</td>
<td>$4,310.3</td>
</tr>
</tbody>
</table>

Adjusted Total: $6,879.7

- 19.3% Increase from 2009-11 to 2011-13
- 24.7% Increase from 2011-13 to 2013-15
- 3.1% Increase from 2013-15 to 2015-17
- 6.6% Decrease from 2015-17 to 2017-19
Appropriations - Major General Fund Appropriations

![Graph showing appropriations from 2007-09 to 2017-19.]

- **K-12**: Average increase – 26.2%
  - 2017-19 biennial change – (15.6%)
- **Human Services**: Average increase – 22.1%
  - 2017-19 biennial increase – 4.5%
- **Higher Education**: Average increase – 16.8%
  - 2017-19 biennial change – (25.3%)
- **Corrections**: Average increase – 4.6%
  - 2017-19 biennial increase – 4.8%
Appropriations - Comparison of General Fund Appropriations and Total Personal Income

Personal income - Cumulative percentage increase 69.3%

Appropriations - Cumulative percentage increase 67.4%

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September 2017
Higher Education - General Fund Appropriations and Tuition and Student Fee Revenue

Average biennial general fund increase from 2007-09 to 2015-17 is 16.8%

The 2017-19 biennium general fund decrease is 25.3%

Average biennial tuition and fee revenue increase from 2007-09 to 2017-19 is 7.2%
Higher Education - General Fund Appropriations and Full-Time Equivalent (FTE) Enrollments

Average biennial general fund increase from 2007-09 to 2015-17 is 16.8%

2017-19 biennium general fund decrease is 25.3%

Average FTE enrollment increase from 2007-09 to 2015-17 is 1.7%

Projected enrollment increase is 0.2%
Higher Education - Resident Tuition Rates

Average annual increase – 1.9%
Cumulative increase – 17.9%

Average annual increase – 3.3%
Cumulative increase – 34.2%

Average annual increase – 3.1%
Cumulative increase – 31.7%
Average biennial total funds increase from 2007-09 to 2015-17 is 28.6%

2017-19 biennial total funds increase is 0.6%

- **2007-09**:
  - General Fund: $704.6
  - Total: $780.8

- **2009-11**:
  - Kindergarten Through Grade 12 - State School Aid Funding:
    - Total: $1,274.2
  - Average biennial total funds increase from 2007-09 to 2015-17 is 28.6%

- **2011-13**:
  - Total: $1,350.9
  - General Fund: $1,223.1

- **2013-15**:
  - Total: $1,695.4
  - General Fund: $1,668.2

- **2015-17 Adjusted**:
  - Total: $2,003.4
  - State Tuition Fund: $116.1

- **2017-19**:
  - Total: $2,015.9
  - Federal Aid Stabilization Fund: $301.0

- **Federal and Other Special Funds** (fiscal stimulus in 2009-11; education jobs and oil impact in 2011-13)

- **State Tuition Fund**

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Kindergarten Through Grade 12 - Teachers and Student Enrollment

Average annual enrollment increase from 2007-08 to 2016-17 is 1.44%

Average annual personnel increase from 2007-08 to 2016-17 is 1.17%

Public School Teachers

Student Enrollment

North Dakota Legislative Council
September 2017
Department of Human Services -
General Fund and Total Funds Appropriations

Average biennial increase – 16.2%
2017-19 biennial increase – 10.4%

Average biennial increase – 14.7%
2017-19 biennial increase – 4.0%

Average biennial increase – 22.2%
2017-19 biennial increase – 4.5%

Average biennial increase – 5.1%
2017-19 biennial increase – 182.0%
Medicaid Expansion was implemented in January 2014. The 2015-17 biennium appropriation included $541.8 million for Medicaid Expansion, of which $8.2 million was from the general fund. The 2017-19 biennium appropriation includes $633.3 million for Medicaid Expansion, of which $33.1 million is from the general fund.

Average biennial total funds increase from 2007-09 to 2015-17 is 20.9%

2017-19 biennium total funds increase is 9.2%
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>
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<tbody>
<tr>
<td>2007-09</td>
<td>$153.2</td>
<td>$198.4</td>
<td>$117.4</td>
<td>$59.9</td>
<td>$57.7</td>
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<tr>
<td>2009-11</td>
<td>$198.4</td>
<td>$239.9</td>
<td>$120.4</td>
<td>$99.6</td>
<td>$50.9</td>
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<tr>
<td>2011-13</td>
<td>$239.9</td>
<td>$265.6</td>
<td>$117.4</td>
<td>$104.7</td>
<td>$50.5</td>
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<td>2013-15</td>
<td>$265.6</td>
<td>$278.8</td>
<td>$90.5</td>
<td>$120.4</td>
<td>$44.4</td>
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<tr>
<td>Adjusted</td>
<td>$278.8</td>
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<td>$90.5</td>
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<td>$42.3</td>
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<tr>
<td>2015-17</td>
<td>$278.8</td>
<td></td>
<td>$90.5</td>
<td></td>
<td>$52.3</td>
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<tr>
<td>2017-19</td>
<td>$276.1</td>
<td></td>
<td>$90.5</td>
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The enhanced FMAP included in the American Recovery and Reinvestment Act (ARRA) 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).

The federal government paid 100 percent of the costs relating to Medicaid Expansion through December 30, 2016, then:
- 95% in 2017
- 94% in 2018
- 93% in 2019
- 90% after 2019
Department of Human Services - Nursing Home and Home- and Community-Based Care Funding - Total Funds

Average biennial increase from 2007-09 to 2015-17 for home- and community-based care is 22.1%

Average biennial increase from 2007-09 to 2015-17 for nursing home care is 8.4%

2017-19 biennial increase for home- and community-based care is 8.5%

2017-19 biennial increase for nursing home care is 9.9%

Nursing Home Care

Home- and Community-Based Care
Department of Corrections and Rehabilitation -
General Fund Appropriations and Inmate Counts

Average biennial general fund increase from 2007-09 to 2015-17 is 4.6%

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

Average biennial inmate count increase from 2007-09 to 2015-17 is 5.8%

Estimated inmate count increase is 3.3%

General fund appropriation increase is 4.8%

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Department of Corrections and Rehabilitation - FTE Positions and Inmate Counts

Average biennial inmate count increase from 2007-09 to 2015-17 is 5.8%

Estimated inmate count increase for the 2017-19 biennium is 3.3%

Average biennial FTE position increase from 2007-09 to 2015-17 is 4.2%

FTE position increase for the 2017-19 biennium is 1.1%
State Water Commission - Appropriations

Average biennial total appropriations increase from 2007-09 to 2015-17 is 61.3%

Total biennial appropriation decrease from 2015-17 to 2017-19 is 37.7%

Total biennial appropriation decrease from 2015-17 to 2017-19 is 37.7%
The 2017-19 legislative appropriations include authorization of all FTE positions for institutions and entities under the control of the State Board of Higher Education, including positions supported by special funds. Previously, only FTE positions supported by the general fund were authorized.

The biennial increase from 2015-17 to 2017-19 is 4,030.50.

The biennial decrease from 2015-17 to 2017-19 is 306.91. Major decreases in agency FTE positions include:
- Job Service North Dakota – 56.15 positions
- Department of Human Services – 48.85 positions
- Judicial branch – 35.50 positions
- Department of Transportation – 33.50 positions
- Main Research Center – 17.73 positions
- Attorney General – 13.00 positions

The biennial increase from 2015-17 to 2017-19 is 4,337.41.
The biennial increase in assistance from 2007-09 to 2017-19 is 152.4%

The biennial decrease from 2015-17 to 2017-19 is 24.2%

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