



# Revised Revenue Forecast

**North Dakota Office of  
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**February 9, 2009**

# FEBRUARY 2009 REVENUE FORECAST

## OFFICE OF MANAGEMENT & BUDGET

GENERAL FUND REVENUES	2007-09 BIENNIUM			2009-11 BIENNIUM		
	07-09 Revised	07-09 Revised	Change	09-11 Forecast	09-11 Forecast	Change
	Forecast-Nov 08	Forecast-Feb 09		November 08	February 09	
<b>Tax Types:</b>						
Sales and Use Tax	\$1,082,678,783	\$1,086,066,783	\$3,388,000	\$1,146,060,000	\$1,124,878,000	(\$21,182,000)
Motor Vehicle Excise Tax	128,333,056	127,282,056	(1,051,000)	129,528,000	121,859,000	(7,669,000)
Individual Income Tax	614,538,328	623,570,328	9,032,000	675,507,000	665,472,000	(10,035,000)
Corporate Income Tax	252,903,698	259,084,698	6,181,000	262,842,000	258,677,000	(4,165,000)
Financial Inst. Tax	10,261,402	10,261,402	0	9,500,000	9,500,000	0
Oil & Gas Production Tax	39,309,315	39,309,315	0	59,400,000	59,400,000	0
Oil Extraction Tax	31,690,685	31,690,685	0	50,600,000	50,600,000	0
Cigarette and Tobacco Tax	44,905,687	45,879,687	974,000	42,029,000	45,428,000	3,399,000
Coal Conversion Tax	47,465,410	47,465,410	0	42,245,000	52,425,000	10,180,000
Insurance Premium Tax	66,590,545	66,590,545	0	67,500,000	67,500,000	0
Wholesale Liquor Tax	13,734,874	13,658,874	(76,000)	13,939,000	13,684,000	(255,000)
Gaming	20,283,806	20,283,806	0	20,765,000	20,765,000	0
Lottery	11,155,000	11,155,000	0	11,155,000	11,155,000	0
Departmental Collections	59,769,233	59,769,233	0	62,800,000	62,800,000	0
Interest	42,367,243	39,245,931	(3,121,312)	60,000,000	51,300,000	(8,700,000)
Mineral Leasing and Royalties	21,537,674	21,537,674	0	22,715,000	22,715,000	0
<b>Total Revenues before transfers</b>	<b>\$2,487,524,739</b>	<b>\$2,502,851,427</b>	<b>\$15,326,688</b>	<b>\$2,676,585,000</b>	<b>\$2,638,158,000</b>	<b>(\$38,427,000)</b>
<b>Transfers:</b>						
Bank of North Dakota	\$60,000,000	\$60,000,000	\$0	\$60,000,000	\$60,000,000	\$0
State Mill & Elevator	0	0	0	2,500,000	2,500,000	0
POTTF	115,000,000	115,000,000	0	0	0	0
Land & Minerals Trust Fund	15,000,000	15,000,000	0	43,500,000	43,500,000	0
Student Loan Trust Fund	3,100,000	3,100,000	0	0	0	0
Gas Tax Admin transfer	1,274,056	1,274,056	0	1,288,000	1,288,000	0
<b>Total transfers</b>	<b>\$194,374,056</b>	<b>\$194,374,056</b>	<b>\$0</b>	<b>\$107,288,000</b>	<b>\$107,288,000</b>	<b>\$0</b>
<b>Total revenues and transfers</b>	<b>\$2,681,898,795</b>	<b>\$2,697,225,483</b>	<b>\$15,326,688</b>	<b>\$2,783,873,000</b>	<b>\$2,745,446,000</b>	<b>(\$38,427,000)</b>

**GENERAL FUND STATUS STATEMENT  
2007-09 AND 2009-11 BIENNIUMS**

<b><u>2007-09</u></b>	<b>November 2008 Forecast</b>	<b>February 2009 Forecast</b>	<b>Change</b>
Beginning balance - July 1, 2007	\$295,541,176	\$295,541,176	\$0
Revenues	<u>2,681,898,795</u>	<u>2,697,225,483</u>	<u>15,326,688</u>
Total available	\$2,977,439,971	\$2,992,766,659	\$15,326,688
Appropriations:			
Original legislative appropriations - One time	(\$139,526,649)	(\$139,526,649)	\$0
Contingent appropriations - One time	(5,000,000)	(5,000,000)	0
Original legislative appropriations - Ongoing	(2,317,447,307)	(2,317,447,307)	0
Recommended supplemental appropriations	(22,532,907)	(22,532,907)	0
Estimated unspent authority	<u>10,000,000</u>	<u>32,200,000</u>	<u>22,200,000</u>
Total adjusted appropriations	(2,474,506,863)	(2,452,306,863)	22,200,000
Transfer to budget stabilization fund	<u>(111,092,167)</u>	<u>(111,092,167)</u>	<u>0</u>
Estimated ending balance - June 30, 2009	<u><u>\$391,840,941</u></u>	<u><u>\$429,367,629</u></u>	<u><u>\$37,526,688</u></u>
<b><u>2009-11</u></b>			
Revenues	\$2,783,873,000	\$2,745,446,000	(\$38,427,000)
Total available	\$3,175,713,941	\$3,174,813,629	(\$900,312)
Appropriations:			
Recommended appropriations - One time	(\$357,234,183)	(\$357,234,183)	\$0
Recommended appropriations - Ongoing	<u>(2,753,687,482)</u>	<u>(2,753,687,482)</u>	<u>0</u>
Total appropriations	<u>(3,110,921,665)</u>	<u>(3,110,921,665)</u>	<u>0</u>
Estimated ending balance - June 30, 2011	<u><u>\$64,792,276</u></u>	<u><u>\$63,891,964</u></u>	<u><u>(\$900,312)</u></u>

**PERMANENT OIL TAX TRUST FUND STATUS STATEMENT  
2007-09 AND 2009-11 BIENNIUMS**

<b><u>2007-09</u></b>	<b>November 2008 Forecast</b>	<b>February 2009 Forecast</b>	<b>Change</b>
Beginning balance - July 1, 2007	\$143,270,662	\$143,270,662	\$0
Revenues	564,985,026 <sup>\1</sup>	477,537,026 <sup>\1</sup>	(87,448,000)
Total available	\$708,255,688	\$620,807,688	(\$87,448,000)
Appropriations:			
Legislative appropriations	(\$30,716,541)	(\$30,716,541)	\$0
Transfer to general fund	(115,000,000)	(115,000,000)	0
Total appropriations and transfers	(145,716,541)	(145,716,541)	0
Estimated ending balance - June 30, 2009	\$562,539,147	\$475,091,147	(\$87,448,000)
 <b><u>2009-11</u></b>			
Revenues	\$566,508,000 <sup>\1</sup>	\$427,577,667 <sup>\1</sup>	(\$138,930,333)
Total available	\$1,129,047,147	\$902,668,814	(\$226,378,333)
Appropriations:			
Recommended continuing appropriation for property tax relief	(300,000,000)	(300,000,000)	0
Estimated ending balance - June 30, 2011	\$829,047,147	\$602,668,814	(\$226,378,333)

<sup>\1</sup> Based on oil price and production assumptions:

	<b>November 2008 Forecast</b>		<b>February 2009 Forecast</b>	
	<b>Price Range</b>	<b>Ave. Production</b>	<b>Price Range</b>	<b>Ave. Production</b>
Fiscal year 2009	\$50-\$59	200,000	\$35-\$40	205,000
Fiscal year 2010	\$57-\$66	205,000-210,000	\$40-\$63	205,000-210,000
Fiscal year 2011	\$58-\$68	210,000-215,000	\$63-\$68	210,000-225,000

## ESTIMATED RESERVE BALANCES - JUNE 30, 2011

General fund	\$63,891,964
Budget stabilization fund	311,092,167
Permanent oil tax trust fund	<u>602,668,814</u> *
Total estimated general fund and reserve fund balances	<u><u>\$977,652,945</u></u> *

\* The November 2008 revenue forecast included an alternative oil price scenario based on a conservative production forecast and oil prices remaining at \$40 per barrel for all of fiscal years 2009, 2010, and 2011. This conservative alternative scenario provides for an estimated June 30, 2011, ending balance in the permanent oil tax trust fund of \$428.0 million, resulting in total reserves of **\$803.0 million**.