

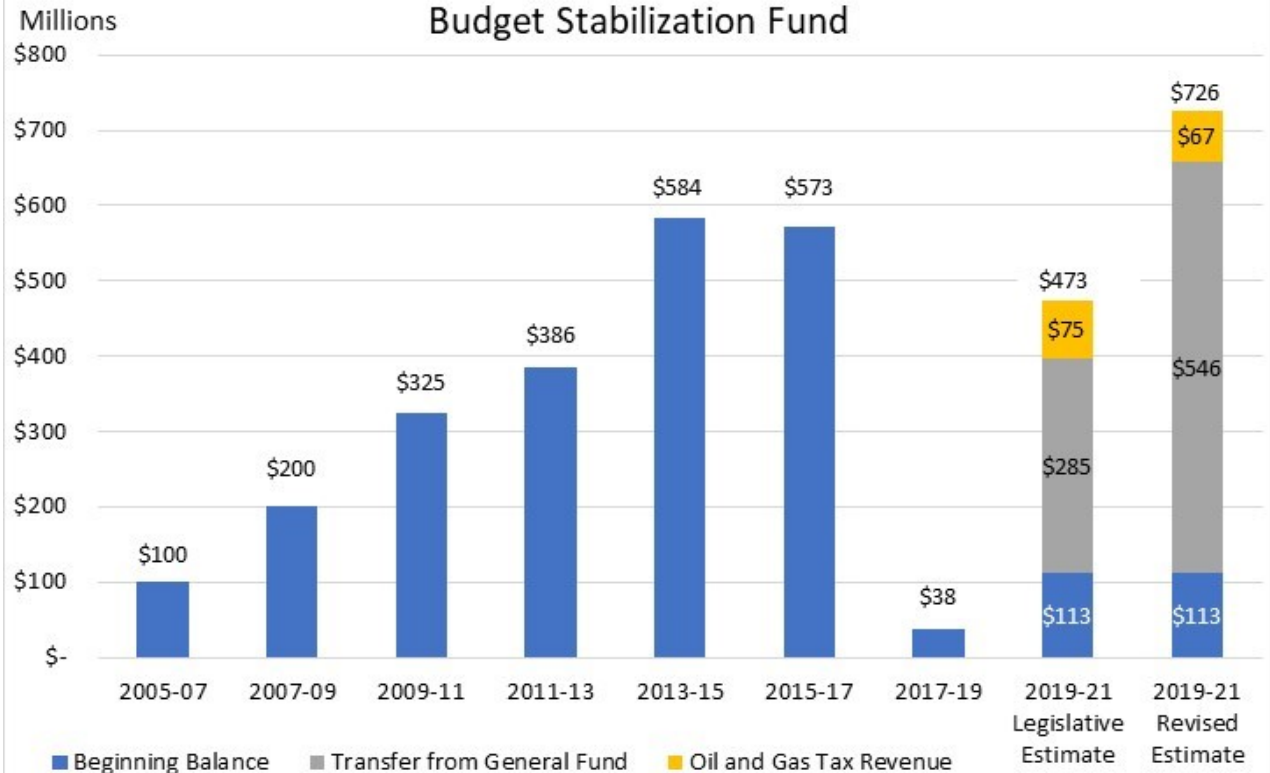
Oil Activity

	June 2019	May 2019	Apr 2019
Actual Average Price per Barrel	\$49.43	\$55.36	\$59.14
Production (barrels/day)	1,424,625	1,394,548	1,392,485
Drilling Permits	127	140	129
Producing Wells	15,741	15,703	15,503
Well Completions	95	113	91
Rig Count	63	65	63

Oil Tax Allocations (in Millions)

	Biennium to Date July 31, 2019		
	Revised Forecast	Actual	Incr (Dcr)
Political Subs	656.2	678.7	22.5
Tribes	442.7	453.7	11.0
Legacy Fnd	1,228.1	1,248.6	20.5
General Fnd	400.0	400.0	0.0
Education Fnds	354.4	357.5	3.1
Resourc Trst Fnd	351.2	354.0	2.8
Budget Stabil Fnd	75.0	75.0	0.0
Tax Relief Fnd	200.0	200.0	0.0
Strat Invst Fnd	760.9	780.1	19.2
Other Allocations	67.8	68.1	0.3
Total	4,536.3	4,615.7	79.4

Budget Stabilization Fund



North Dakota's Budget Stabilization Fund will reach its maximum balance of \$726.5 million during the 2019-21 biennium, far exceeding the legislative estimate of \$473.4 million adopted during the 2019 legislative session. State law provides for the transfer into the Budget Stabilization Fund of any general fund balance exceeding \$65.0 million at the end of the biennium. Because 2017-19 biennium general fund revenues exceeded the legislative estimates, the end of biennium transfer into the Budget Stabilization Fund was \$545.9 million, compared to the legislative estimate of \$285.1 million.

During the 2019-21 biennium an additional \$75.0 million of oil and gas taxes could be allocated to the fund. However, only \$67.0 million will be required to bring the Budget Stabilization Fund to its maximum balance of \$726.5 million, which is 15 percent of the current general fund budget.

STATEMENT OF GENERAL FUND REVENUES AND FORECASTS
Compared to the Legislative Forecast
2019-21 Biennium
July 2019

Revenues and Transfers	Fiscal Month				Biennium To Date			
	May 2019 Leg. Forecast	Actual	Variance	Percent	May 2019 Leg. Forecast	Actual	Variance	Percent
Sales Tax	93,027,554	117,076,570	24,049,016	25.9%	93,027,554	117,076,570	24,049,016	25.9%
Motor Vehicle Excise Tax	10,902,339	11,071,587	169,248	1.6%	10,902,339	11,071,587	169,248	1.6%
Individual Income Tax	57,877,009	71,629,637	13,752,628	23.8%	57,877,009	71,629,637	13,752,628	23.8%
Corporate Income Tax	433,713	772,960	339,247	78.2%	433,713	772,960	339,247	78.2%
Insurance Premium Tax		10,896	10,896			10,896	10,896	
Oil & Gas Production Tax								
Oil Extraction Tax								
Gaming Tax	182,954	774,486	591,532	323.3%	182,954	774,486	591,532	323.3%
Lottery								
Cigarette & Tobacco Tax	2,299,203	2,177,798	(121,405)	-5.3%	2,299,203	2,177,798	(121,405)	-5.3%
Wholesale Liquor Tax	985,626	874,974	(110,652)	-11.2%	985,626	874,974	(110,652)	-11.2%
Coal Conversion Tax								
Mineral Leasing Fees	1,462,152	5,274,967	3,812,815	260.8%	1,462,152	5,274,967	3,812,815	260.8%
Departmental Collections	1,288,113	919,110	(369,003)	-28.6%	1,288,113	919,110	(369,003)	-28.6%
Interest Income	58,500	312,143	253,643	433.6%	58,500	312,143	253,643	433.6%
State Mill & Elevator-Transfer								
Bank of North Dakota - Transfer								
Legacy Fund - Transfer								
Tax Relief Fund - Transfer	8,600,000	8,600,000			8,600,000	8,600,000		
SIIF - Transfer	382,200,000	382,200,000			382,200,000	382,200,000		
Gas Tax Administration	248,878	248,878			248,878	248,878		
Miscellaneous		(1,342)	(1,342)			(1,342)	(1,342)	
Total Revenues and Transfers	559,566,041	601,942,664	42,376,623	7.6%	559,566,041	601,942,664	42,376,623	7.6%

STATEMENT OF GENERAL FUND REVENUES AND FORECASTS
Compared to the Previous Biennium Revenues
2019-21 Biennium
July 2019

Revenues and Transfers	Fiscal Month				Biennium To Date			
	July <u>2017</u>	July <u>2019</u>	<u>Variance</u>	<u>Percent</u>	<u>2017-19</u>	<u>2019-21</u>	<u>Variance</u>	<u>Percent</u>
Sales Tax	80,256,851	117,076,570	36,819,719	45.9%	80,256,851	117,076,570	36,819,719	45.9%
Motor Vehicle Excise Tax	11,216,497	11,071,587	(144,910)	-1.3%	11,216,497	11,071,587	(144,910)	-1.3%
Individual Income Tax	53,677,266	71,629,637	17,952,370	33.4%	53,677,266	71,629,637	17,952,370	33.4%
Corporate Income Tax	523,242	772,960	249,718	47.7%	523,242	772,960	249,718	47.7%
Insurance Premium Tax	9,579	10,896	1,317	13.8%	9,579	10,896	1,317	13.8%
Oil & Gas Production Tax*								
Oil Extraction Tax*								
Gaming Tax	276,482	774,486	498,003	180.1%	276,482	774,486	498,003	180.1%
Lottery								
Cigarette & Tobacco Tax	2,552,021	2,177,798	(374,223)	-14.7%	2,552,021	2,177,798	(374,223)	-14.7%
Wholesale Liquor Tax	912,798	874,974	(37,823)	-4.1%	912,798	874,974	(37,823)	-4.1%
Coal Conversion Tax								
Mineral Leasing Fees	1,240,971	5,274,967	4,033,995	325.1%	1,240,971	5,274,967	4,033,995	325.1%
Departmental Collections	1,131,751	919,110	(212,641)	-18.8%	1,131,751	919,110	(212,641)	-18.8%
Interest Income	59,796	312,143	252,347	422.0%	59,796	312,143	252,347	422.0%
State Mill & Elevator-Transfer								
Major Special Fund Transfers	307,000,000	390,800,000	83,800,000	27.3%	307,000,000	390,800,000	83,800,000	27.3%
Other Transfers	29,253,187	247,536	(29,005,651)	-99.2%	29,253,187	247,536	(29,005,651)	-99.2%
Total Revenues and Transfers	488,110,442	601,942,664	113,832,222	23.3%	488,110,442	601,942,664	113,832,222	23.3%

VARIANCES

Compared to March 2019 Revised Legislative Forecast

July 2019 marks the beginning of the 2019-21 biennium. Revenues started the biennium on a positive note totaling \$601.9 million, which is \$42.4 million, or 7.6 percent above forecast. When transfers from major special funds are excluded, 2019-21 revenues to date are tracking \$30.0 million or 16.6 percent ahead of the same time period in the 2017-19 biennium. Significant monthly variances are as follows:

- **Sales tax** collections of \$117.1 million were \$24.0 million, or 25.9 percent, higher than anticipated for the month. In a year over year comparison, July 2019 sales tax revenues are \$36.8 million, or 45.9 percent, higher than July 2017 sales tax revenues and \$15.9 million, or 15.7 percent, higher than July 2018 revenues.
- **Individual income tax** collections of \$71.6 million were \$13.8 million, or 23.8 percent higher than forecast, due to higher than anticipated withholding. July 2019 collections are 17.9 million, or 33.4 percent, more than July 2017 collections and \$11.1

million, or 18.3 percent, more than July 2018 collections.

- **Mineral leasing fee** collections of \$5.3 million were \$3.8 million, or 260.8 percent, higher than forecast due to higher than anticipated payments. These collections reflect the state general fund share of payments from the federal government for leasing mineral rights and extracting minerals on federal lands located within the state. The total payments are shared equally with the counties from which the minerals are produced. July 2019 collections are \$4.0 million, or 325.1 percent higher than July 2017 collections and \$3.3 million, or 165.6 percent higher than July 2018 collections.



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