

NORTH  
**Dakota**  
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Management  
and Budget



STATUS OF THE GENERAL FUND

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Presented to the  
**BUDGET SECTION**  
WEDNESDAY, DECEMBER 18, 2019

JOE MORRISSETTE, OFFICE OF MANAGEMENT AND BUDGET DIRECTOR

**GENERAL FUND STATUS STATEMENT  
2019-21 BIENNIUM  
AS OF NOVEMBER 30, 2019**

Beginning balance:		
Beginning unobligated balance - July 1, 2019	\$65,000,000	
Balance obligated for authorized carryover of appropriations	<u>130,404,813</u>	
Total beginning balance		\$195,404,813
Revenues:		
Revenues collected to date	\$1,396,667,204	
Remaining forecasted revenues	<u>3,491,046,125</u>	
Total revenues		<u>4,887,713,329</u>
Total available		\$5,083,118,142
Expenditures:		
Legislative appropriations - One time	(\$48,639,068)	
Legislative appropriations - Ongoing	(4,794,924,098)	
2019-21 authority used in 2017-19	106,000	
Authorized carryover from previous biennium	<u>(130,404,813)</u>	
Total authorized expenditures		<u>(4,973,861,979)</u>
Estimated ending balance - June 30, 2021		<u>\$109,256,163</u> <sup>\1</sup>

\1 NDCC Section 54-27.2-02 provides that any end of biennium balance in excess of \$65.0 million must be transferred to the budget stabilization fund, up to a cap of 15.0 percent of general fund appropriations.

**SELECTED SPECIAL FUNDS  
NOVEMBER 30, 2019 FUND BALANCES**

<b>Fund</b>	<b>Balance</b>
Budget Stabilization Fund	\$666,658,558
Legacy Fund	\$6,587,176,827
Foundation Aid Stabilization Fund	\$421,779,369
Tax Relief Fund	\$128,596,485
06/30/19 Strategic Investment and Improvement Fund (\$395,955,967 committed)	\$ 1,134,504,636

**OIL UPDATE  
NOVEMBER 30, 2019**

	<b>Forecast</b>	<b>Actual to Date</b>
Average Price:	\$48.50	\$50.36
Average Production:	\$1,400,000	\$1,448,905
Oil Revenue	\$803,528,600	\$836,302,538

**STATEMENT OF GENERAL FUND REVENUES AND FORECASTS**  
**Compared to the Legislative Forecast**  
**2019-21 Biennium**  
**November 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	80,915,739	71,519,837	(9,395,902)	-11.6%	430,689,915	456,762,919	26,073,004	6.1%
Motor Vehicle Excise Tax	9,046,464	9,371,492	325,028	3.6%	53,056,758	56,283,507	3,226,749	6.1%
Individual Income Tax	13,815,657	8,451,814	(5,363,843)	-38.8%	150,502,117	154,870,294	4,368,177	2.9%
Corporate Income Tax	1,108,672	5,207,557	4,098,885	369.7%	12,100,529	26,858,927	14,758,398	122.0%
Insurance Premium Tax	7,782,275	11,504,200	3,721,925	47.8%	8,450,163	17,149,859	8,699,696	103.0%
Oil & Gas Production Tax	21,207,567	21,207,567	-	0.0%	122,738,417	122,738,417	-	0.0%
Oil Extraction Tax	-	-	-	-	77,261,583	77,261,583	-	0.0%
Gaming Tax	524,210	1,556,429	1,032,219	196.9%	1,498,568	5,404,581	3,906,013	260.6%
Lottery	-	-	-	-	-	-	-	-
Cigarette & Tobacco Tax	2,166,804	2,149,276	(17,528)	-0.8%	11,156,148	11,326,510	170,362	1.5%
Wholesale Liquor Tax	764,303	741,632	(22,671)	-3.0%	4,034,125	3,935,196	(98,929)	-2.5%
Coal Conversion Tax	1,690,331	1,664,038	(26,293)	-1.6%	6,896,377	6,988,060	91,683	1.3%
Mineral Leasing Fees	1,686,472	1,679,958	(6,514)	-0.4%	9,292,535	13,273,840	3,981,305	42.8%
Departmental Collections	2,034,696	1,559,762	(474,934)	-23.3%	17,125,824	12,802,068	(4,323,756)	-25.2%
Interest Income	175,000	855,289	680,289	388.7%	812,700	3,824,128	3,011,428	370.5%
State Mill & Elevator-Transfer	-	-	-	-	-	-	-	-
Bank of North Dakota - Transfer	-	-	-	-	35,000,000	35,000,000	-	0.0%
Legacy Fund - Transfer	-	-	-	-	-	-	-	-
Tax Relief Fund - Transfer	-	-	-	-	8,600,000	8,600,000	-	0.0%
SIIF - Transfer	-	-	-	-	382,200,000	382,200,000	-	0.0%
Gas Tax administration	-	-	-	-	497,756	498,150	394	0.1%
Miscellaneous	-	842,310	842,310	100.0%	-	889,165	889,165	100.0%
<b>Total Revenues and Transfers</b>	<b>142,918,190</b>	<b>138,311,161</b>	<b>(4,607,029)</b>	<b>-3.2%</b>	<b>1,331,913,515</b>	<b>1,396,667,204</b>	<b>64,753,689</b>	<b>4.9%</b>

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

Revenues and Transfers	Fiscal Month				Biennium To Date			
	November 2017	November 2019	Variance	Percent	2017-19	2019-21	Variance	Percent
Sales Tax	68,737,632	71,519,837	2,782,205	4.0%	366,397,884	456,762,919	90,365,035	24.7%
Motor Vehicle Excise Tax	8,100,369	9,371,492	1,271,123	15.7%	47,381,577	56,283,507	8,901,930	18.8%
Individual Income Tax	8,017,398	8,451,814	434,416	5.4%	129,792,542	154,870,294	25,077,752	19.3%
Corporate Income Tax	3,066,120	5,207,557	2,141,437	69.8%	6,794,450	26,858,927	20,064,476	295.3%
Insurance Premium Tax	11,566,408	11,504,200	(62,208)	-0.5%	17,960,050	17,149,859	(810,191)	-4.5%
Oil & Gas Production Tax*	13,894,118	21,207,567	7,313,449	52.6%	42,357,606	122,738,417	80,380,811	189.8%
Oil Extraction Tax*	20,147,006	-	(20,147,006)	-100.0%	73,557,613	77,261,583	3,703,970	5.0%
Gaming Tax	451,787	1,556,429	1,104,642	244.5%	1,474,134	5,404,581	3,930,447	266.6%
Lottery	-	-	-	-	-	-	-	-
Cigarette & Tobacco Tax	2,405,475	2,149,276	(256,199)	-10.7%	12,071,032	11,326,510	(744,521)	-6.2%
Wholesale Liquor Tax	720,624	741,632	21,008	2.9%	3,795,958	3,935,196	139,238	3.7%
Coal Conversion Tax	1,835,487	1,664,038	(171,449)	-9.3%	6,996,587	6,988,060	(8,527)	-0.1%
Mineral Leasing Fees	1,580,931	1,679,958	99,027	6.3%	7,809,942	13,273,840	5,463,898	70.0%
Departmental Collections	2,722,408	1,559,762	(1,162,646)	-42.7%	16,936,548	12,802,068	(4,134,480)	-24.4%
Interest Income	175,160	855,289	680,129	388.3%	814,653	3,824,128	3,009,475	369.4%
State Mill & Elevator-Transfer	-	-	-	-	-	-	-	-
Major Special Fund Transfers	-	-	-	-	377,000,000	425,800,000	48,800,000	12.9%
Other Transfers	271,004	842,310	571,306	210.8%	31,332,723	1,387,315	(29,945,408)	-95.6%
<b>Total Revenues and Transfers</b>	<b>143,691,927</b>	<b>138,311,161</b>	<b>(5,380,766)</b>	<b>-3.7%</b>	<b>1,142,473,299</b>	<b>1,396,667,204</b>	<b>254,193,904</b>	<b>22.2%</b>

**Report on Federal Grants**  
**Per NDCC 54-27-27**  
**December 18, 2019**

**Grant Applications**

<b>Agency</b>	<b>Description</b>	<b>Time Period of Grant</b>	<b>Amount of Grant Requested</b>
Dept of Human Services	Preschool development grant. State match will be provided from funds already appropriated to DHS, DoC, NDIT and DPI.	1/1/2020 – 12/31/2022	\$20,850,542
Attorney General	State Crime Lab purchase hardware and software to track sexual assault kits and fund part-time temporary staff. (SAFE-ITR)	1/1/2020 – 12/31/2022	\$ 442,908
Attorney General	Purchase and implementation of replacement FBI National Incident-Based Reporting System (NIBRS) repository. (NCS-X)	8/1/2019 – 9/30/2021	\$ 376,010

**Grants Awarded**

<b>Agency</b>	<b>Description</b>	<b>Time Period of Grant</b>	<b>Amount of Grant Awarded</b>
Attorney General	State Crime Lab purchase hardware and software to track sexual assault kits and fund part-time temporary staff. (SAFE-ITR)	1/1/2020 – 12/31/2022	\$ 442,908
Attorney General	Purchase and implementation of replacement FBI National Incident-Based Reporting System (NIBRS) repository. (NCS-X)	8/1/2019 – 9/30/2021	\$ 376,010
Game and Fish	Study white-nose syndrome, fungal disease in bats, which is present in MN, SD and Manitoba.	10/1/2019 – 9/30/2020	\$ 40,000

**N.D.C.C. 54-14-03.1**  
**Fiscal Irregularities**

September through November 2019

**Payment Adjustments**

**October 2019**

**801 DOT**

Ron Henke \$ 5,000  
One-time temporary workload adjustment for role as interim director.

**Retroactive Pay**

**September 2019**

**120 Treasurer's Office**

Nicole Krivoruchka \$ 750  
Makenzie Quintus \$ 750  
Alyxandra Spryncznatyk \$ 750  
Temporary workload adjustments.

**October 2019**

**188 Indigents Counsel**

Toni Van Orman \$ 750  
Temporary workload adjustment.

**325 DHS**

Linda Regan \$ 1,365  
Equity adjustment.

**750 Parks & Rec**

Ryan Gardner \$ 1,500  
Jolene Rieck \$ 1,500  
Justin Robinson \$ 1,500

Bonus for additional duties performed since June 2018, when deputy director retired.

**November 2019**

**125 Attorney General**

Matthew Hammer \$ 1,000  
Equity adjustment.

**325 DHS**

Ann Engel \$ 4,962  
Amanda Marie Buckley \$ 960  
Equity adjustments.

**325 DHS**

Victoria Anderson \$ 700  
Workload increase.

## **Preliminary Planning Revolving Fund Request**

### **Background**

The preplanning revolving fund is established by North Dakota Century Code 54-27-22. The purpose of the fund is to allow more detailed and accurate capital project proposals to be developed for use in the budget process. Although the fund has been inactive for several biennia, the 2019 legislature approved a \$100,000 transfer to restore the fund. State agencies can obtain planning moneys from the fund through the following process:

1. A written request is submitted to the Office of Management and Budget (OMB).
2. OMB reviews the request and provides a recommendation to the Budget Section
3. If approved by the Budget Section, the planning moneys are advanced to the agency.
4. If the legislature appropriates money for the proposed project, the fund is repaid from that appropriation.

### **North Dakota Highway Patrol (NDHP) Request**

Section 8 of 2019 House Bill 1011 provides: "During the 2019-20 interim, the highway patrol shall develop alternatives to relocate the housing and classroom portions of the law enforcement training academy."

The NDHP is requesting up to \$80,000 from the preplanning revolving fund for architectural services to develop schematic designs and construction cost estimates for the following alternatives:

1. Construction of a new public safety training facility.
2. Construction of a new public safety training facility, NDHP regional office, and NDHP headquarters office.
3. Construction of a new public safety training facility, NDHP regional office, NDHP headquarters office, and ND Bureau of Criminal Investigation office
4. Remodel of and addition to the existing North Dakota Law Enforcement Training Academy.

### **OMB Recommendation**

In order to facilitate the NDHP budget development process, the requirements of 2019 House Bill 1011, and provide accurate proposals for use in the budget process, OMB recommends approval of the NDHP request for up to \$80,000 from the preplanning revolving fund.