STATUS OF THE GENERAL FUND

Photo Credit: ND Tourism

Presented to the

BUDGET SECTION

THURSDAY JUNE 25, 2020

JOE MORRISSETTE, OFFICE OF MANAGEMENT AND BUDGET DIRECTOR

GENERAL FUND STATUS STATEMENT
2019-21 BIENNIUM
AS OF MAY 31, 2020

Beginning balance:		
Beginning unobligated balance - July 1, 2019	$65,000,000	
Balance obligated for authorized carryover of appropriations	130,404,813	
Total beginning balance		$195,404,813
Revenues:		
Revenues collected to date	$2,381,561,754	
Remaining forecasted revenues	2,486,830,988	
Total revenues		4,868,392,742
Total available		$5,063,797,555
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	(130,404,813)	
Total authorized expenditures		(4,973,861,979)
Estimated ending balance - June 30, 2021		$89,935,576 \1

\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
MAY 31, 2020 FUND BALANCES

Fund	Balance
Budget Stabilization Fund (April 30 RIO balance)	$707,941,205
Legacy Fund (April 30 RIO balance plus May oil tax allocation)	$6,614,754,938
Foundation Aid Stabilization Fund	$370,598,789
Tax Relief Fund	$290,474,146
Strategic Investment and Improvement Fund ($680,310,434 committed)	$766,892,684

OIL UPDATE
MAY 31, 2020 (Based on March 31, 2020 Production)

	Forecast	Actual to Date
Average Price:	$48.50	$46.58
Average Production:	1,400,000	1,461,918
Oil Revenue	$2,002,235,200	$1,962,605,218

STATEMENT OF GENERAL FUND REVENUES AND FORECASTS

Compared to the Legislative Forecast

2019-21 Biennium

May 2020

	Fiscal Month				Biennium To Date			
Revenues and Transfers	May 2019 Leg. Forecast	Actual	Variance	Percent	May 2019 Leg. Forecast	Actual	Variance	Percent
Sales Tax	77,459,556	50,051,122	(27,408,434)	-35.4%	859,404,556	895,592,668	36,188,112	4.2%
Motor Vehicle Excise Tax	11,060,848	7,295,131	(3,765,717)	-34.0%	112,205,201	109,558,465	(2,646,736)	-2.4%
Individual Income Tax	13,817,731	4,738,577	(9,079,154)	-65.7%	378,411,374	334,066,887	(44,344,487)	-11.7%
Corporate Income Tax	2,103,385	2,678,336	574,951	27.3%	52,737,016	80,967,955	28,230,939	53.5%
Insurance Premium Tax	10,492,852	10,505,774	12,922	0.1%	40,545,132	50,670,202	10,125,070	25.0%
Oil & Gas Production Tax*	18,226,545	18,226,545	-	0.0%	195,648,689	195,648,689	-	0.0%
Oil Extraction Tax*	11,120,790	11,120,790	-	0.0%	134,017,527	134,017,527	-	0.0%
Gaming Tax	721,403	1,064,589	343,186	47.6%	3,662,223	10,360,394	6,698,171	182.9%
Lottery	-	-	-	0.0%	-	-	-	0.0%
Cigarette & Tobacco Tax	1,877,323	1,912,893	35,570	1.9%	22,170,430	23,065,259	894,829	4.0%
Wholesale Liquor Tax	768,701	739,223	(29,478)	-3.8%	8,431,011	8,358,926	(72,085)	-0.9%
Coal Conversion Tax	1,649,097	1,713,809	64,712	3.9%	17,107,812	17,471,629	363,817	2.1%
Mineral Leasing Fees	1,895,029	714,785	(1,180,244)	-62.3%	17,550,228	23,225,061	5,674,833	32.3%
Departmental Collections	1,747,143	5,672,711	3,925,568	224.7%	30,017,541	26,715,496	(3,302,045)	-11.0%
Interest Income	375,000	858,729	483,729	129.0%	2,424,400	9,150,685	6,726,285	277.4%
State Mill & Elevator-Transfer	-	-	-	0.0%	-	-	-	0.0%
Bank of North Dakota - Transfer	35,000,000	35,000,000	-	0.0%	70,000,000	70,000,000	-	0.0%
Legacy Fund - Transfer	-	-	-	0.0%	-	-	-	0.0%
Tax Relief Fund - Transfer	-	-	-	0.0%	8,600,000	8,600,000	-	0.0%
SIIF - Transfer	-	-	-	0.0%	382,200,000	382,200,000	-	0.0%
Gas Tax Administration	-	-	-	0.0%	995,512	995,906	394	0.0%
Miscellaneous	-	872	872	100.0%	-	896,005	896,005	100.0%
Total Revenues and Transfers	**188,315,403**	**152,293,886**	**(36,021,517)**	**-19.1%**	**2,336,128,652**	**2,381,561,754**	**45,433,102**	**1.9%**

* The General Fund cap for oil and gas taxes contains two tiers. The first tier of $200.0 million was reached in November 2019. Additional oil taxes were allocated to the Tax Relief Fund until that fund received $200.0 million, and then to the Budget Stabilization Fund until that fund reached its max fund balance of $726.5 million. In March, the General Fund began receiving allocations to meet its second tier of $200.0 million.

Report on Federal Grants
Per NDCC 54-27-27

June 25, 2020

Grant Applications

Agency	Description	Time Period of Grant	Amount of Grant Requested
OMB	Governor's Emergency Education Relief Fund emergency assistance to LEAs, IHEs and other education related entities as a result of the Coronavirus.	6/1/2020 – 9/30/2022	$5,932,707
Attorney General	Employ 2 contracted Victim Witness Specialists to enhance efforts for conducting victim-centered investigations.	10/1/2020 – 9/30/2023	$ 270,000
Attorney General	Use funds to send agents/analysts to human trafficking related training/conferences then conduct statewide training	10/1/2020 – 9/30/2021	$ 100,000
Attorney General	Preventing, preparing for, and responding to the Coronavirus.	1/20/2020 – 1/19/2022	$ 2,082,871
Attorney General	Recover data costs for SyTech's Advanced Digital/Audio Collection System and send agents to SyTech for training.	10/1/2020 – 9/30/2021	$ 100,000
Attorney General	ND Internet Crimes Against Children (ND ICAC) task force to hire temporary wounded, ill or special ops vet to serve as computer forensic examiner, improve task force effectiveness, reduce forensic exam backlog, and increase number of exams completed.	10/1/2020 – 9/30/2023	$ 200,000
Dept of Human Services	Enhance existing statewide services for Aging and Disability Resource Center activities to assist individuals with disabilities of all ages resulting from COVID-19 pandemic.	5/1/2020 – 4/30/2021	$ 300,000
Dept of Human Services	Provide crisis intervention services, mental and substance use disorder treatment and other related supports for children and adults impacted by the COVID-19 pandemic.	5/31/2020 – 9/30/2021	$ 2,000,000

Dept of Human Services	Support states and communities during COVID-19 pandemic in advancing efforts to prevent suicide and suicide attempts among adults ages 25 and older.	5/31/2020 – 9/30/2021	$ 800,000
Dept of Human Services	FEMA funds Crisis Counseling Assistance and Training Program (CCP) which assists individuals/communities recover from natural and human-caused disasters through community outreach.	Date awarded – 6/30/2020	$ 160,572
Dept of Human Services	ND Senior Community Service Employment Program demonstration grant will focus on helping older workers secure jobs in high demand positions.	Date awarded – 1-3 years	$ 1,000,000
Dept of Human Services	Leadership Development Programs to address needs for personnel prep in special education, early intervention and related services.	7/1/2020 – 6/30/2021	$ 200,000
Career & Tech Ed	ND Brain – building state capacity to expand apprenticeship through innovation.	7/1/2020 – 6/30/2025	$ 9,000,000
ND Housing Finance	Continuum of Care (CoC) program; coordinate state-wide efforts toward ending homelessness.	7/1/2019 – 6/30/2020	$ 45,055
ND Housing Finance	Continuum of Care-Capacity Building Project, coordinate statewide efforts toward ending homelessness focusing on the Homeless Management Information System (HMIS).	10/1/2019 – 9/30/2021	$ 94,000
DOT	5339(b) Grants for buses and bus facilities programs used to address capital needs for local transit providers where existing resources are not adequate to meet current needs.	FY of fund availability + 3 yrs	$ 30,114,650

Grants Awarded

Agency	**Description**	**Time Period of Grant**	**Amount of Grant Awarded**
OMB	Governor’s Emergency Education Relief Fund emergency assistance to LEAs, IHEs and other education related entities as a result of the Coronavirus.	6/1/2020 – 9/30/2022	$5,932,707

Dept of Human Services	Provide crisis intervention services, mental and substance use disorder treatment and other related supports for children and adults impacted by the COVID-19 pandemic.	5/31/2020 – 9/30/2021	$ 2,000,000
Dept of Human Services	Enhance existing statewide services for Aging and Disability Resource Center activities to assist individuals with disabilities of all ages resulting from COVID-19 pandemic.	5/1/2020 – 4/30/2021	$ 300,000
Dept of Human Services	FEMA funds Crisis Counseling Assistance and Training Program (CCP) which assists individuals/communities recover from natural and human-caused disasters through community outreach.	Date awarded – 6/30/2020	$ 160,572

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

March through May 2020

Retroactive Pay

<u>March 2020</u>

125	**Attorney General**	
	Matthew Hiatt	$ 1,477

Increase in responsibilities.

<u>May 2020</u>

125	**Attorney General**	
	Erica Kinnischtzke	$ 819

Provided training and worked while on unpaid maternity leave.

190	**RIO**	
	Faye Kopp	$ 6,948

Increase of $772 per month retroactive to July 1, 2019. Fay retired the end of April 2020 and in attempt to fill the position, it became evident that current salary was significantly below market.

325	**Dept of Human Services**	
	Thomas Schielke	$ 1,236
	Jerry Taxis	$ 510
	Darla Dreher	$ 824
	Emmy Opskar	$ 4,173
	Nathan Ellenson	$ 3,184
	Cherelle Schroeder	$ 583

Workload adjustments.

530	**DOCR**	
	Kayli Richards	$ 944

Workload adjustment.

NDCC 54-27-25
Tobacco Settlement Trust Fund - Fund 407

Date	Total Amount Received	Community Health Trust Fund - 100%	Commons School Trust Fund - 0 %	Water Development Trust Fund - 0%	Attorney General Appropriation
12/14/99	9,036,985.38	903,698.54	4,066,643.42	4,066,643.42	
1/3/00	7,871,639.19	787,163.91	3,542,237.64	3,542,237.64	
4/18/00	12,875,523.14	1,287,552.32	5,793,985.41	5,793,985.41	
4/19/00	169,475.62	16,947.56	76,264.03	76,264.03	
5/4/00	984.72	98.48	443.12	443.12	
9/13/00	363.38	36.34	163.52	163.52	
1/2/01	8,011,307.29	801,130.73	3,605,088.28	3,605,088.28	
1/17/01	1,505.95	150.59	677.68	677.68	
4/17/01	14,690,317.34	1,469,031.74	6,610,642.80	6,610,642.80	
4/27/01	221,405.57	22,140.55	99,632.51	99,632.51	
6/15/01	21,277.38	2,127.74	9,574.82	9,574.82	
11/19/01	181,556.56	18,155.66	81,700.45	81,700.45	
1/2/02	7,115,019.43	711,501.95	3,201,758.74	3,201,758.74	
1/14/02	2,071.14	207.12	932.01	932.01	
4/16/02	18,872,853.92	1,887,285.40	8,492,784.26	8,492,784.26	
4/23/02	609,210.48	60,921.04	274,144.72	274,144.72	
1/2/03	5,869,683.32	586,968.34	2,641,357.49	2,641,357.49	
1/16/03	1,960,169.68	196,016.96	882,076.36	882,076.36	
4/16/03	18,051,398.80	1,805,139.88	8,123,129.46	8,123,129.46	
4/23/03	668,581.37	66,858.13	300,861.62	300,861.62	
7/1/03	305,817.91	30,581.79	137,618.06	137,618.06	
10/3/03	230,963.18	23,096.32	103,933.43	103,933.43	
4/15/04	21,899,894.49	2,189,989.45	9,854,952.52	9,854,952.52	
4/21/04	852,398.02	85,239.80	383,579.11	383,579.11	
8/30/04	255,371.41	25,537.15	114,917.13	114,917.13	
4/19/05	22,261,451.85	2,226,145.19	10,017,653.33	10,017,653.33	
4/20/05	809,930.77	80,993.07	364,468.85	364,468.85	
10/6/05	262,051.11	26,205.11	117,923.00	117,923.00	
4/17/06	19,898,716.49	1,989,871.65	8,954,422.42	8,954,422.42	
4/19/06	1,253,301.83	125,330.19	563,985.82	563,985.82	
12/22/06	196,418.35	19,641.83	88,388.26	88,388.26	
4/17/07	20,664,718.59	2,066,471.85	9,299,123.37	9,299,123.37	
4/19/07	1,379,744.44	137,974.44	620,885.00	620,885.00	
6/5/07	173,167.26	17,316.72	77,925.27	77,925.27	
4/16/08	34,965,293.50	3,496,529.34	15,734,382.08	15,734,382.08	
4/17/08	1,515,783.61	151,578.37	682,102.62	682,102.62	
7/7/08	91.50	9.14	41.18	41.18	
2/26/09	1,978,845.20	197,884.52	890,480.34	890,480.34	
4/20/09	23,035,384.29	2,303,538.43	10,365,922.93	10,365,922.93	
4/15/10	19,759,434.19	1,975,943.41	8,891,745.39	8,891,745.39	
4/19/10	1,057,430.92	105,743.10	475,843.90	475,843.91	
4/20/11	19,736,098.42	1,973,609.84	8,881,244.29	8,881,244.29	
4/20/12	20,127,216.58	2,012,721.66	9,057,247.46	9,057,247.46	
4/17/13	20,099,831.57	2,009,983.15	9,044,924.21	9,044,924.21	
4/24/13	13,067.04	1,306.70	5,880.17	5,880.17	
4/22/14	22,756,378.89	2,275,637.89	10,240,370.50	10,240,370.50	
4/15/15	19,220,022.57	1,922,002.25	8,649,010.16	8,649,010.16	
5/15/15	254,078.67	25,407.87	114,335.40	114,335.40	
5/18/16	20,466,444.08	2,026,644.40	9,119,899.84	9,119,899.84	200,000.00
4/20/17	20,196,746.52	2,019,674.66	9,088,535.93	9,088,535.93	
4/20/18	53,096,556.03	29,093,105.82	0.00	23,803,450.21	200,000.00
7/10/18	158,922.32	87,407.28	0.00	71,515.04	
4/22/19	20,977,434.08	11,537,588.74	0.00	9,439,845.34	
7/24/19	155,286.18	155,286.18	0.00	0.00	
4/16/20	16,470,621.00	16,470,621.00			
4/22/20	4,809,767.02	4,809,767.02			
Totals:	**517,526,009.54**	**104,319,518.31**	**189,745,840.31**	**223,060,650.91**	**400,000.00**

	Effective 2017- 2019 Biennium:	Effective 2019- 2021 Biennium:
Community Health Trust Fund:	55%	100%
Water Development Trust Fund:	45%	0%
Common Schools Trust Fund:	0%	0%
Total %:	100%	100%