



Status of the General Fund

Presented to the

Government Finance Committee

August 28, 2019

STATEMENT OF GENERAL FUND REVENUES AND FORECASTS
Compared to the March 2019 Revised Forecast^{1/1}
2017-19 Biennium
June 2019

Revenues and Transfers	Fiscal Month			Biennium To Date				
	March 2019			March 2019				
	Leg. Forecast	Actual	Variance	Leg. Forecast	Actual	Variance		
			Percent			Percent		
Sales Tax	44,399,285	64,255,222	19,855,937	44.7%	1,772,276,206	1,786,479,717	14,203,511	0.8%
Motor Vehicle Excise Tax	9,295,000	10,897,797	1,602,797	17.2%	239,980,388	239,039,038	(941,351)	-0.4%
Individual Income Tax	16,354,000	20,532,322	4,178,322	25.5%	767,812,657	778,054,900	10,242,243	1.3%
Corporate Income Tax	8,174,415	21,542,613	13,368,198	163.5%	179,908,244	240,106,623	60,198,379	33.5%
Insurance Premium Tax	2,374,575	1,169,501	(1,205,074)	-50.7%	110,325,897	115,544,049	5,218,152	4.7%
Oil & Gas Production Tax*					212,147,128	212,147,128		
Oil Extraction Tax*					187,852,872	187,852,872		
Gaming Tax	71,370	211,959	140,589	197.0%	7,228,321	9,156,498	1,928,177	26.7%
Lottery	7,300,000	8,600,000	1,300,000	17.8%	14,600,000	15,900,000	1,300,000	8.9%
Cigarette & Tobacco Tax	2,264,000	2,259,837	(4,163)	-0.2%	51,852,548	52,381,863	529,315	1.0%
Wholesale Liquor Tax	930,308	789,246	(141,062)	-15.2%	17,951,575	17,768,453	(183,122)	-1.0%
Coal Conversion Tax	3,093,000	3,788,631	695,631	22.5%	43,219,227	44,572,709	1,353,481	3.1%
Mineral Leasing Fees	1,252,000	3,651,583	2,399,583	191.7%	38,872,687	42,197,590	3,324,903	8.6%
Departmental Collections	3,305,847	4,041,984	736,137	22.3%	84,883,438	81,466,893	(3,416,545)	-4.0%
Interest Income	1,960,000	2,064,207	104,207	5.3%	9,471,168	11,319,365	1,848,196	19.5%
State Mill & Elevator-Transfer	9,763,615	7,568,325	(2,195,290)	-22.5%	19,872,762	17,677,472	(2,195,290)	-11.0%
Bank of North Dakota - Transfer					140,000,000	140,000,000		
Legacy Fund - Transfer	300,000,000	455,263,216	155,263,216	51.8%	300,000,000	455,263,216	155,263,216	51.8%
Tax Relief Fund - Transfer					183,000,000	183,000,000		
SIF - Transfer					248,000,000	248,000,000		
Gas Tax Administration					2,016,120	2,016,120		
Miscellaneous		763,451	763,451		32,533,691	33,504,157	970,466	3.0%
Total Revenues and Transfers	410,537,415	607,399,893	196,862,478	48.0%	4,663,804,930	4,913,448,662	249,643,733	5.4%

^{1/1}The March 2019 revised revenue forecast includes actuals through January 31, 2019, and revised estimates for the remainder of the biennium.

* The General Fund cap for oil and gas taxes contains two tiers. The first tier of \$200.0 million was reached in January 2018. 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 cap of \$75.0 million. The second tier of \$200.0 million was met in August 2018, so no additional allocations will be made to the General Fund during the 2017-19 biennium.

**GENERAL FUND STATUS STATEMENT
2017-19 BIENNIUM
JUNE 30, 2019 FINAL**

Beginning balance:		
Beginning unobligated balance - July 1, 2017	\$65,000,000	
Balance obligated for authorized carryover of appropriations	<u>99,271,093</u>	
Total beginning balance		\$164,271,093
Revenues:		
Total available		<u>\$4,913,448,662</u>
Expenditures:		\$5,077,719,755
Spending authority		
Legislative appropriations - one-time	(14,638,226)	
Legislative appropriations - ongoing	(4,295,624,415)	
Authorized carryover from previous biennium	(99,271,093)	
2019-21 authority used in 2017-19 pursuant to emergency clause	(106,000)	
Appropriation adjustments, cancellations	9,498,529	
Supplemental appropriations	<u>(115,560,181)</u>	
Total spending authority		(4,515,701,386)
Unspent authority returned to General Fund		<u>49,782,505</u>
Total amount spent or carried over to 2019-21		<u>(4,465,918,881)</u>
Estimated ending balance before transfers and adjustments		\$611,800,874
Transfers and adjustments		
Transfer to Budget Stabilization Fund	(545,902,107) ¹¹	
Net effect of other transfers, adjustments, and cash certifications	<u>(898,767)</u>	
Total transfers and adjustments		<u>(546,800,874)</u>
Ending unobligated balance - June 30, 2019		<u><u>\$65,000,000</u></u>

¹¹ 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.

2017-2019 General Fund Turnback

Agency	Total Unexpended	% Returned	Notes
101 Governor's Office	\$388,850	2.05%	
108 Secretary of State	31,309	0.39%	
110 Office of Management &	522,956	1.50%	
112 Information Technology Dept	13,922	0.07%	
117 State Auditor's Office	255,958	2.69%	
120 State Treasurer	90,073	5.10%	
125 Attorney General	583,608	1.26%	
127 State Tax Commissioner	1,686,171	3.15%	Savings from vacant positions, filling positions at less than budgeted
150 Legislative Assembly	603,411	3.90%	
160 Legislative Council	2,484,590	15.07%	Level of authorized carryover no longer needed
180 Courts	2,931,801	2.87%	Salary savings from turnover
188 Counsel for Indigents	1,272,870	7.08%	Lower than anticipated cost related to caseload
201 Public Instruction	12,353,107	0.86%	Excess school aid formula funding
215 University System	1,015,867	0.92%	
226 Dept of Trust Lands	75	0.01%	
250 State Library	10,432	0.19%	
252 School for the Deaf	790	0.01%	
253 School for the Blind	120	0.00%	
270 Career & Technical	410,359	1.39%	
301 Health Dept	1,597,235	3.67%	EMS Training and grants, unexpended contracts, additional federal funds received for grants and indirect costs reducing the general fund
313 ND Veterans' Home	1,839	0.03%	
316 Indian Affairs Commission	35,178	3.16%	
321 Veterans Affairs	11,336	0.98%	
325 Human Services	14,082,102	1.04%	Lower than anticipated costs and caseloads related to nursing homes, Foster Care, DD Grants and County Social Services
360 Protection and Advocacy	16	0.00%	
380 Job Service	108,300	19.84%	
405 Industrial Commission	1,418,145	5.06%	Lower than anticipated salary, operating and litigation costs
406 Labor Commissioner	406,157	17.63%	
408 Public Service Commission	456,635	6.89%	
414 Securities Commissioner	161,080	7.37%	
471 Bank of North Dakota	172,259	17.23%	
504 Highway Patrol	1,509,433	3.55%	Salary and operating costs from vacant positions filled later than
530 Dept of Corrections & Rehab	3,778,966	1.76%	Lower than anticipated costs related to inmate population
540 Adjutant General	176,729	0.61%	
601 Dept of Commerce	1,151,015	1.83%	Lower than anticipated salary expenses due to reorganization and filling vacant positions later than anticipated.
602 Dept of Agriculture	7,658	0.08%	
670 ND Racing Commission	1	0.00%	
701 State Historical Society	5,406	0.03%	
709 Council on the Arts	797	0.05%	
750 Parks & Recreation	45,949	0.23%	
Total	\$49,782,505	1.10%	

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		
SIF - 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%

**GENERAL FUND STATUS STATEMENT
2019-21 BIENNIUM
AS OF JULY 31, 2019**

Beginning balance:		
Beginning unobligated balance - July 1, 2019	\$65,000,000	
Balance obligated for authorized carryover of appropriations	<u>130,852,782</u>	
 Total beginning balance		 \$195,852,782
Revenues:		
Revenues collected to date	\$601,942,664	
Remaining forecasted revenues	<u>4,263,393,599</u>	
Total revenues		<u>4,865,336,263</u>
 Total available		 \$5,061,189,045
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>(130,852,782)</u>	
 Total authorized expenditures		 <u>(4,974,309,948)</u>
 Estimated ending balance - June 30, 2021		 <u>\$86,879,097</u> \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
JULY 31, 2019 FUND BALANCES**

Fund	Balance
Budget Stabilization Fund (before transfer from General Fund)	\$113,551,329
Legacy Fund	\$6,383,332,562
Foundation Aid Stabilization Fund	\$422,117,621
Tax Relief Fund	\$173,700,000
05/31/19 Strategic Investment and Improvement Fund (\$259,022,231 committed)	\$ 1,108,880,544

