

## 2015-17 BIENNIUM REVENUE - MONTHLY SUMMARY

This memorandum provides a summary of general fund revenue; oil production, oil prices, and rig counts; and oil tax revenue collections and allocations.

### GENERAL FUND REVENUE General Fund Revenue Collections

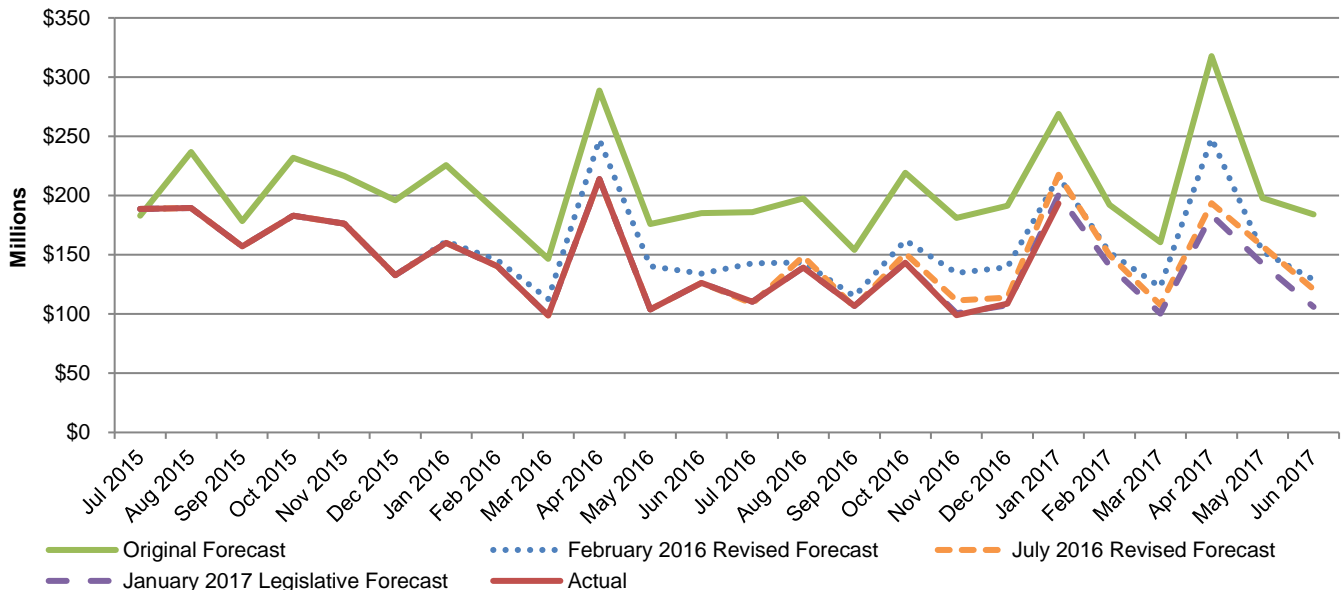
The schedule below provides a comparison of actual general fund revenue collections to the January 2017 legislative forecast for the month of January 2017 and for the biennium-to-date.

Category	January 2017			Biennium-to-Date			
	Actual	Revised Forecast <sup>1</sup>	Variance	Actual	Revised Forecast <sup>1</sup>	Variance	
						Amount	Percentage
<b>Ongoing Revenue</b>							
Sales and use taxes	\$79,583,140	\$106,427,491	(\$26,844,351)	\$1,422,285,339	\$1,446,703,329	(\$24,417,990)	(1.7%)
Motor vehicle excise tax	9,660,517	8,013,000	1,647,517	171,733,076	168,348,290	3,384,786	2.0%
Individual income tax	51,938,838	38,518,000	13,420,838	528,279,771	511,787,066	16,492,705	3.2%
Corporate income tax	6,644,680	4,668,000	1,976,680	119,028,596	125,543,580	(6,514,984)	(5.2%)
Insurance premium tax	669,899	220,610	449,289	75,100,252	73,563,847	1,536,405	2.1%
Financial institutions tax	6,161	0	6,161	1,299,254	1,294,077	5,177	0.4%
Oil gross production tax	12,651,195	12,651,195	0	98,890,075	98,890,075	0	0.0%
Oil extraction tax	16,293,501	16,293,501	0	152,171,182	152,171,182	0	0.0%
Gaming tax	278,352	346,030	(67,678)	5,270,723	5,438,104	(167,381)	(3.1%)
Cigarette and tobacco tax	1,978,487	2,446,000	(467,513)	45,766,606	46,299,199	(532,593)	(1.2%)
Wholesale liquor tax	756,163	828,000	(71,837)	14,417,668	14,444,025	(26,357)	(0.2%)
Coal conversion tax	1,702,311	1,730,000	(27,689)	32,793,044	32,689,188	103,856	0.3%
Mineral leasing fees	1,279,412	819,488	459,924	22,269,785	21,517,660	752,125	3.5%
Departmental collections	9,806,286	7,120,899	2,685,387	68,481,096	65,542,804	2,938,292	4.5%
Interest income	163,003	452,222	(289,219)	13,662,915	14,511,179	(848,264)	(5.8%)
<b>Total ongoing revenue</b>	<b>\$193,411,945</b>	<b>\$200,534,436</b>	<b>(\$7,122,491)</b>	<b>\$2,771,449,382</b>	<b>\$2,778,743,605</b>	<b>(\$7,294,223)</b>	<b>(0.3%)</b>
<b>Transfers</b>							
Lottery	\$0	\$0	\$0	\$9,580,000	\$9,580,000	\$0	0.0%
State Mill profits	0	0	0	4,434,894	4,434,894	0	0.0%
Tax relief fund	0	0	0	657,000,000	657,000,000	0	0.0%
Budget stabilization fund	30,000,000	30,000,000	0	505,000,000	505,000,000	0	0.0%
Other transfers	257,500	253,812	3,688	1,873,786	1,855,894	17,892	1.0%
<b>Total transfers</b>	<b>\$30,257,500</b>	<b>\$30,253,812</b>	<b>\$3,688</b>	<b>\$1,177,888,680</b>	<b>\$1,177,870,788</b>	<b>\$17,892</b>	<b>0.0%</b>
<b>Total revenue</b>	<b>\$223,669,445</b>	<b>\$230,788,248</b>	<b>(\$7,118,803)</b>	<b>\$3,949,338,062</b>	<b>\$3,956,614,393</b>	<b>(\$7,276,331)</b>	<b>(0.2%)</b>

<sup>1</sup>The amounts shown for the forecast reflect estimates based on the January 2017 legislative forecast reflecting legislative adjustments to the Office of Management and Budget's November 2016 revised forecast. The amounts shown for the gross production tax and the oil extraction tax forecast have been revised to reflect the actual allocations, because the allocations are limited to \$300 million per biennium.

### Ongoing General Fund Revenue

The chart and schedule below provide a comparison of actual ongoing general fund revenue collections to the original May 2015 legislative forecast, to the February 2016 revised forecast, the July 2016 revised forecast, and the January 2017 legislative forecast.



	Actual	Original Forecast		January 2017 Legislative Forecast		
		Amount	Variance	Amount	Variance	Percentage
July 2015	\$188,734,824	\$183,033,628	\$5,701,196	\$188,734,824	\$0	0.0%
August 2015	189,384,797	236,832,276	(47,447,479)	189,384,797	0	0.0%
September 2015	157,073,450	178,391,640	(21,318,190)	157,073,450	0	0.0%
October 2015	183,024,353	231,971,867	(48,947,514)	183,024,353	0	0.0%
November 2015	176,252,034	216,577,498	(40,325,464)	176,252,034	0	0.0%
December 2015	132,744,702	195,939,463	(63,194,761)	132,744,702	0	0.0%
January 2016	160,052,256	225,566,423	(65,514,167)	160,052,256	0	0.0%
February 2016	140,320,653	185,977,626	(45,656,973)	140,320,653	0	0.0%
March 2016	98,779,370	146,555,768	(47,776,398)	98,779,370	0	0.0%
April 2016	213,936,376	288,703,915	(74,767,539)	213,936,376	0	0.0%
May 2016	103,964,968	175,987,915	(72,022,947)	103,964,968	0	0.0%
June 2016	126,348,570	185,076,453	(58,727,883)	126,348,570	0	0.0%
July 2016	110,414,124	185,851,999	(75,437,875)	110,414,124	0	0.0%
August 2016	139,331,118	197,633,356	(58,302,238)	139,331,118	0	0.0%
September 2016	106,853,339	154,055,077	(47,201,738)	106,853,339	0	0.0%
October 2016	143,217,174	219,320,841	(76,103,667)	143,217,174	0	0.0%
November 2016	98,990,254	180,986,289	(81,996,035)	100,539,780	(1,549,526)	(1.5%)
December 2016	108,615,075	191,430,633	(82,815,558)	107,237,281	1,377,794	1.3%
January 2017	193,411,945	269,053,945	(75,642,000)	200,534,436	(7,122,491)	(3.6%)
Biennium-to-date	<b>\$2,771,449,382</b>	<b>\$3,848,946,612</b>	<b>(\$1,077,497,230)</b>	<b>\$2,778,743,605</b>	<b>(\$7,294,223)</b>	<b>(0.3%)</b>

## OIL TAX REVENUE ALLOCATIONS

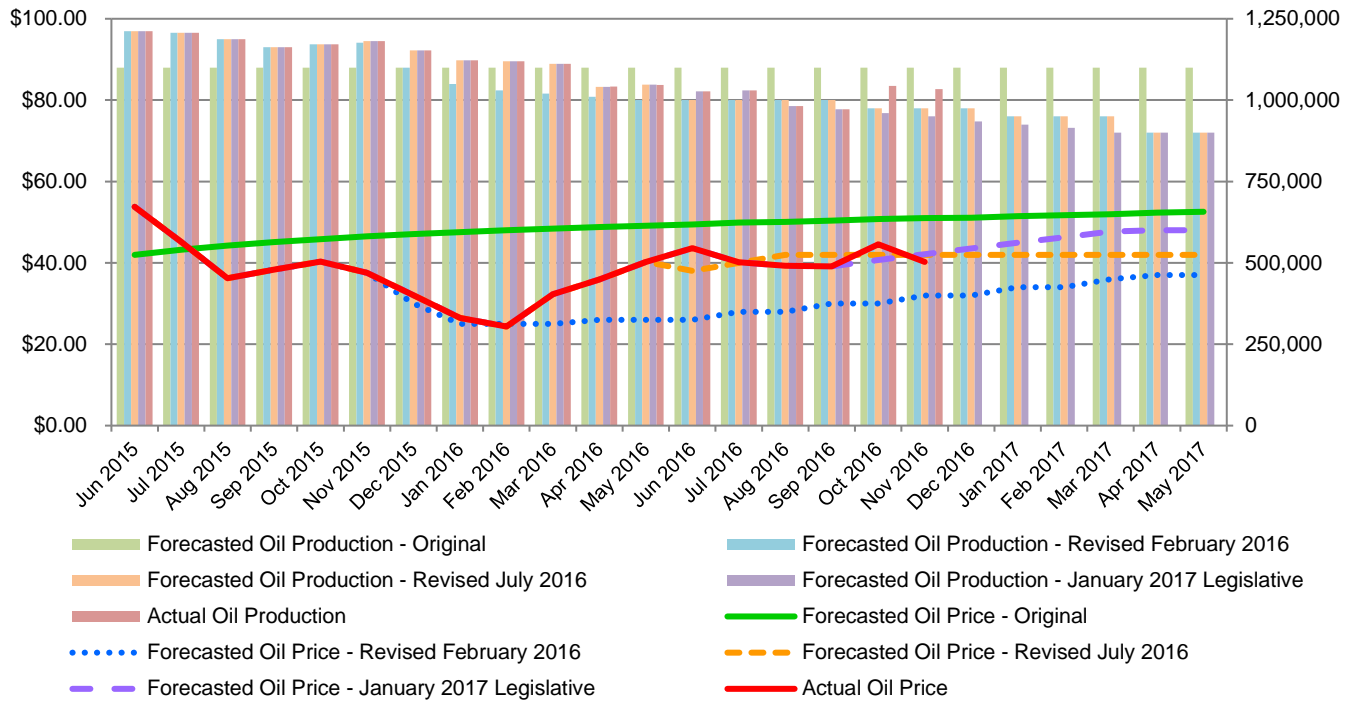
### Oil Production, Oil Prices, and Rig Counts

The schedule below provides a comparison of actual to forecasted amounts for oil production, oil prices, and rig counts for November 2016 and for the biennium-to-date. Oil tax revenue allocations relate to oil price and production from 2 months prior. As a result, oil price and production are reported from June 2015 to May 2017.

	November 2016	Biennium-to- Date Average
<b>Average daily production of oil in barrels</b>		
Actual	1,033,693	1,100,185
Revised forecast <sup>1</sup>	950,000	1,090,872
<b>Average daily oil price</b>		
Actual - Flint Hills Resources (FHR)	\$34.58	\$32.56
Actual - West Texas Intermediate (WTI)	\$45.87	\$44.07
Actual - Average of FHR and WTI	\$40.23	\$38.32
Revised forecast <sup>1</sup>	\$42.13	\$38.21
<b>Average daily rig counts</b>		
Actual	37	48
Revised forecast (Unofficial - Reflects drilling rigs increasing from 33 to 40 per month for the remainder of the biennium)	35	49
<sup>1</sup> The amounts shown for the forecast reflect estimates based on the January 2017 legislative forecast for oil prices, oil production, and oil tax revenue.		

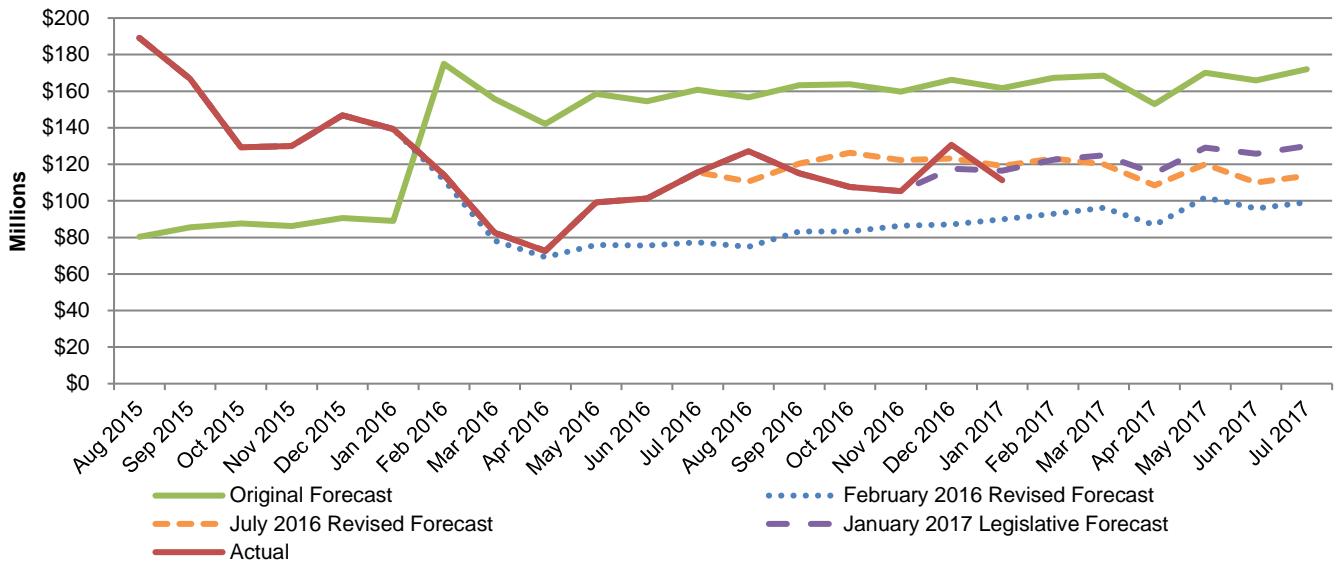
### Oil Production and Prices

The chart below provides information on oil production and oil prices for the biennium-to-date. Oil tax revenue allocations relate to oil price and production from 2 months prior. As a result, oil price and production are reported from June 2015 to May 2017. **The amounts shown for the actual oil price reflect the average of the FHR price and the WTI price.**



### Oil Tax Revenue Collections

The chart and schedule below provide a comparison of actual to forecasted oil tax revenue collections for the biennium-to-date.



	Actual	Original Forecast		January 2017 Legislative Forecast		
		Amount	Variance	Amount	Variance	Percentage
August 2015	\$189,128,527	\$80,330,580	\$108,797,947	\$189,128,527	\$0	0.0%
September 2015	166,733,048	85,500,294	81,232,754	166,733,048	0	0.0%
October 2015	129,281,384	87,557,206	41,724,178	129,281,384	0	0.0%
November 2015	130,038,372	86,283,120	43,755,252	130,038,372	0	0.0%
December 2015	146,746,620	90,583,240	56,163,380	146,746,620	0	0.0%
January 2016	139,202,168	89,039,280	50,162,888	139,202,168	0	0.0%
February 2016	114,171,236	174,991,652	(60,820,416)	114,171,236	0	0.0%
March 2016	82,627,992	155,757,888	(73,129,896)	82,627,992	0	0.0%
April 2016	72,580,606	141,985,536	(69,404,930)	72,580,606	0	0.0%
May 2016	99,139,519	158,442,240	(59,302,721)	99,139,519	0	0.0%
June 2016	101,344,321	154,503,360	(53,159,039)	101,344,321	0	0.0%
July 2016	115,548,295	160,799,232	(45,250,937)	115,548,295	0	0.0%
August 2016	127,238,464	156,625,920	(29,387,456)	127,238,464	0	0.0%
September 2016	115,176,649	163,319,904	(48,143,255)	115,176,649	0	0.0%
October 2016	107,590,480	163,810,944	(56,220,464)	107,590,480	0	0.0%

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November 2016	105,311,683	159,698,880	(54,387,197)	105,311,683	0	0.0%
December 2016	130,748,734	166,167,936	(35,419,202)	117,604,973	13,143,761	11.2%
January 2017	111,174,391	161,631,360	(50,456,969)	116,468,385	(5,293,994)	(4.5%)
<b>Biennium-to-date</b>	<b>\$2,183,782,489</b>	<b>\$2,437,028,572</b>	<b>(\$253,246,083)</b>	<b>\$2,175,932,722</b>	<b>\$7,849,767</b>	<b>0.4%</b>

**Oil Tax Revenue Allocations**

The schedule below provides a comparison of actual to forecasted oil tax revenue allocations for the period August 2015 through January 2017. Oil tax revenue allocations relate to oil price and production from 2 months prior. As a result, oil tax revenue allocations are reported from August 2015 to July 2017, and oil price and production are reported from June 2015 to May 2017. The amounts shown for the 2015-17 biennium forecast reflect the January 2017 legislative forecast.

	2015-17 Biennium-to-Date		Variance	
	Actual	Forecast	Amount	Percentage
Legacy fund	\$606,838,656	\$604,751,552	\$2,087,104	0.3%
Three Affiliated Tribes	160,986,431	160,093,678	892,753	0.6%
Oil and gas research fund	10,000,000	10,000,000	0	0.0%
Oil and gas impact grant fund	52,435,089	50,877,210	1,557,879	3.1%
Political subdivisions	418,252,492	417,380,136	872,356	0.2%
Abandoned well reclamation fund	7,655,979	7,585,166	70,813	0.9%
North Dakota outdoor heritage fund	14,661,745	14,520,119	141,626	1.0%
Foundation aid stabilization fund	90,472,576	90,751,309	(278,733)	(0.3%)
Common schools trust fund	90,472,576	90,751,309	(278,733)	(0.3%)
Resources trust fund	180,945,154	181,502,619	(557,465)	(0.3%)
General fund	251,061,258	247,719,091	3,342,167	1.3%
Tax relief fund	300,000,000	300,000,000	0	0.0%
Strategic investment and improvements fund	533	533	0	0.0%
Political subdivision allocation fund	0	0	0	N/A
State disaster relief fund	0	0	0	N/A
<b>Total oil and gas tax revenue allocations</b>	<b>\$2,183,782,489</b>	<b>\$2,175,932,722</b>	<b>\$7,849,767</b>	<b>0.4%</b>