

**Mill and Elevator Association
Budget No. 475
Senate Bill No. 2014**

	FTE Positions	General Fund	Other Funds	Total
2017-19 legislative appropriation	153.00	\$0	\$68,213,519	\$68,213,519
2015-17 legislative appropriation	<u>147.00</u>	<u>0</u>	<u>64,315,898</u>	<u>64,315,898</u>
2017-19 appropriation increase (decrease) to 2015-17 appropriation	6.00	\$0	\$3,897,621	\$3,897,621

Item Description

FTE position changes - The 2017-19 biennium appropriation includes funding for 153 FTE positions, an increase of 6 FTE positions from the 2015-17 biennium authorized level of 147 FTE positions. The Legislative Assembly added 2 grain handling positions, 2 food safety positions, 1 flour packer position, and 1 utility worker position.

Projects - During the 2017 legislative session, the Mill and Elevator Association identified potential future projects, including increased packaging capacity, increased whole wheat milling capacity, increased durum wheat milling capacity, Phase 2 of a train unloading facility, and increased wheat storage capacity.

Transfer to agricultural products utilization fund - North Dakota Century Code Section 54-18-21, enacted by the Legislative Assembly in 2009, provides that within 30 days after the conclusion of each fiscal year, the Industrial Commission transfer 5 percent of the net income earned by the Mill and Elevator Association during that fiscal year to the agricultural products utilization fund. Money in the fund is available to the Agricultural Products Utilization Commission to provide grants to develop and expand the use of agricultural products.

Transfer to general fund - Section 54-18-19, enacted by the Legislative Assembly in 2009, requires the Industrial Commission transfer to the general fund 50 percent of the annual earnings and undivided profits of the Mill and Elevator Association after any transfers to other state agricultural-related programs. The money must be transferred on an annual basis in the amounts and at the times requested by the Director of the Office of Management and Budget. The 2017 Legislative Assembly increased the transfer to 75 percent of the Mill's profits only for the 2017-19 biennium.

Status/Result

All of the new FTE positions were filled as of March 2018.

The Mill and Elevator Association is in the process of completing a project to increase packaging capacity. The project is anticipated to be completed in the summer of 2018 at a cost of \$1.95 million.

The Mill and Elevator Association is planning for a project to increase wheat storage capacity and to complete Phase 2 of a train unloading facility. The estimated cost of the project is \$24.7 million and is anticipated to be completed during the 2019-21 biennium.

The Mill and Elevator Association had fiscal year 2017 income of approximately \$9.7 million and transferred \$485,958 to the agricultural products utilization fund for the second year of the 2015-17 biennium (fiscal year 2017). The total transferred for both years of the 2015-17 biennium was \$952,789. The estimated transfer to the agricultural products utilization fund during the 2017-19 biennium is \$1.3 million.

The Mill and Elevator Association had fiscal year 2017 income of approximately \$9.7 million and transferred \$4,616,603 to the general fund for the second year of the 2015-17 biennium (fiscal year 2017). The total transferred for both years of the 2015-17 biennium was \$9,051,496. The 2017 Legislative Assembly estimated the 2017-19 biennium transfer to the general fund would be \$18.6 million. The Mill and Elevator Association anticipates transferring this amount during the 2017-19 biennium.