

# Status of the General Fund

**Presented to the**

**Government Services  
Committee**

**December 15, 2011**



**Pam Sharp, Director  
Office of Management and Budget**

**GENERAL FUND STATUS STATEMENT  
2011-13 BIENNIUM  
AS OF OCTOBER 31, 2011**

Beginning balance:		
Beginning unobligated balance - July 1, 2011	\$996,832,711	
Balance obligated for authorized carryover of appropriations	<u>106,945,443</u>	
Total beginning balance		\$1,103,778,154
Revenues:		
Revenues collected to date	\$981,851,236	
Remaining forecasted revenues	<u>2,640,703,279</u>	
Total revenues		<u>3,622,554,515</u>
Total available		\$4,726,332,669
Expenditures:		
Legislative appropriations - One time	(\$533,958,760)	
Legislative appropriations - Ongoing	(3,532,895,032)	
Legislative appropriations - Special Session	(169,832,668)	
Authorized carryover from previous biennium	(106,945,443)	
2011-13 authority used in 2009-11 pursuant to emergency clause	519,254	
Estimated deficiency requests	<u>0</u>	
Total authorized expenditures		<u>(4,343,112,649)</u>
Estimated ending balance - June 30, 2013		<u>\$383,220,020</u> <sup>1</sup>

<sup>1</sup> 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 9.5 percent of general fund appropriations.

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**SELECTED SPECIAL FUNDS  
As of November 30, 2011**

<b>Fund</b>	<b>Balance</b>
Budget stabilization fund	\$386,351,110
Legacy fund	\$100,000,000
Foundation aid stabilization fund	\$162,016,311

**STATEMENT OF GENERAL FUND REVENUES AND FORECASTS**  
**Compared to the Legislative Forecast**  
**2011-13 Biennium**  
**October 2011**

Revenues and Transfers	Fiscal Month				Biennium To Date			
	April 2011 Leg. Forecast	Actual	Variance	Percent	April 2011 Leg. Forecast	Actual	Variance	Percent
Sales Tax	58,132,000	95,931,701	37,799,701	65.0%	235,596,000	332,742,879	97,146,879	41.2%
Motor Vehicle Excise Tax	7,863,000	9,421,086	1,558,086	19.8%	29,275,000	36,833,827	7,558,827	25.8%
Individual Income Tax	18,155,000	32,367,576	14,212,576	78.3%	87,540,000	117,573,883	30,033,883	34.3%
Corporate Income Tax	5,808,000	10,947,769	5,139,769	88.5%	5,808,000	11,797,697	5,989,697	103.1%
Insurance Premium Tax	100,000	70,294	(29,706)	-29.7%	3,500,000	5,957,654	2,457,654	70.2%
Financial Institutions Tax		45,502	45,502	100.0%		95,548	95,548	100.0%
Oil & Gas Production Tax*	8,376,000	13,581,437	5,205,437	62.1%	53,964,000	60,353,152	6,389,152	11.8%
Oil Extraction Tax*	17,594,000	16,808,529	(785,471)	-4.5%	59,973,000	66,643,013	6,670,013	11.1%
Gaming Tax	381,517	590,189	208,672	54.7%	1,621,113	2,436,420	815,307	50.3%
Lottery								
Cigarette & Tobacco Tax	1,879,000	2,330,755	451,755	24.0%	7,885,000	9,144,905	1,259,905	16.0%
Wholesale Liquor Tax	653,000	675,623	22,623	3.5%	2,546,000	2,789,075	243,075	9.5%
Coal Conversion Tax	1,601,000	1,653,008	52,008	3.2%	4,553,000	5,304,033	751,033	16.5%
Mineral Leasing Fees	1,416,667	20,421,537	19,004,870	1341.5%	3,541,668	23,744,749	20,203,081	570.4%
Departmental Collections	1,827,101	4,762,785	2,935,684	160.7%	9,759,750	9,165,792	(593,959)	-6.1%
Interest Income	900,000	524,077	(375,923)	-41.8%	3,050,000	1,897,364	(1,152,636)	-37.8%
State Mill & Elevator-Transfer								
Major Special Fund Transfers					295,000,000	295,000,000	0	0.0%
Other Transfers	185,625	185,625	0	0.0%	371,250	371,245	(5)	0.0%
<b>Total Revenues and Transfers</b>	<b>124,871,910</b>	<b>210,317,493</b>	<b>85,445,583</b>	<b>68.4%</b>	<b>803,983,781</b>	<b>981,851,236</b>	<b>177,867,455</b>	<b>22.1%</b>

\* In addition to the oil and gas tax collections reflected on this report, through October 31, 2011, \$67.0 million has been deposited in the legacy fund.

## Average Monthly Oil Statistics

	Nov 2010	Dec 2010	Jan 2011	Feb 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	Sept 2011	Oct 2011
<b>Actual Average Price per Barrel</b>	\$73.68	\$79.10	\$78.59	\$78.19	\$92.15	\$103.91	\$94.69	\$91.49	\$91.79	\$80.71	\$83.50	\$79.83
<b>Production (barrels/day)</b>	355,040	344,100	343,300	348,400	360,300	351,300	361,400	384,800	425,000	444,100	463,887	488,066
<b>Drilling Permits</b>	245	134	142	155	149	125	154	138	136	207	176	169
<b>Producing Wells</b>	5,331	5,331	5,317	5,324	5,439	5,536	5,570	5,558	5,756	5,971	6,071	6,202
<b>Rig Count</b>	158	163	163	167	171	173	175	171	177	192	197	197

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\* Current Price per Barrel: \$98.34

\*\* Current Rig Count: 200

## Revenue Forecast Assumptions

	July 2011	August 2011	Sept 2011	Oct 2011
<b>Projected Price per Barrel</b>	\$72.00	\$72.00	\$72.00	\$72.00
<b>Projected Production (barrels/day)</b>	390,000	390,000	392,000	392,000

## ONGOING AND ONE-TIME APPROPRIATIONS AND REVENUES

### APPROPRIATIONS

Legislative Appropriations: One-Time	\$ 533,958,760	
Special Session Legislative Appropriations: One-Time	<u>169,832,668</u>	
		\$ 703,791,428
Legislative Appropriations: Ongoing		<u>3,532,895,032</u>
<b>Total Appropriations</b>		<b>\$ 4,236,686,460</b>

### REVENUES

One-Time Revenues	\$ 94,790,000	
Ongoing Revenues	<u>3,527,764,515</u>	
<b>Total Revenues Based on Legislative Forecast</b>		<b>\$ 3,622,554,515</b>

**Preliminary  
Cost to Continue Items  
2013-15 Biennium**

(In Millions of \$)

**Heritage Center Expansion**

*Historical Society*

Exhibit Specialist position funded for one year only .06

*OMB*

Custodial Staff funded for one year only .15

Utilities/Operating funded for one year only .24

**K-12 Education**

*Dept. of Public Instruction*

State School Aid, delayed implementation of Middle School factor and replacing \$9 million 2009-11 ending balance carried forward 29.3

**Penitentiary Expansion**

Staffing 3.4  
Utilities/Maintenance .4  
Inmate Costs (food, clothing) .3  
Contract Housing Savings (2.6)

**Industrial Commission**

Salaries funded at various stages in the biennium .15  
Operating for new staff .08

**Highway Patrol**

Special Session Salaries .19  
Operating .07

**Human Services**

2<sup>nd</sup> Year 3% Provider Increases 8.0  
FMAP Continuation (Continuing rate at June 30, 2013) 57.6  
Salaries for implementation of Affordable Care Act .15

**Higher Education**

2<sup>nd</sup> Year Salary Increase 8.6  
2<sup>nd</sup> Year Growth in Resident Positions and Medical and Allied 2.0  
Health Students .5  
CTC Academic and CTE Scholarship Program .5

**2<sup>nd</sup> Year 3% Salary Increase 18.5**

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**TOTAL \$127.09**