

## 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 allocations. The first section compares actual and forecasted general fund revenue. The second section compares actual and forecasted oil production, oil prices, rig counts, and oil tax revenue allocations.

### GENERAL FUND REVENUE General Fund Revenue Collections

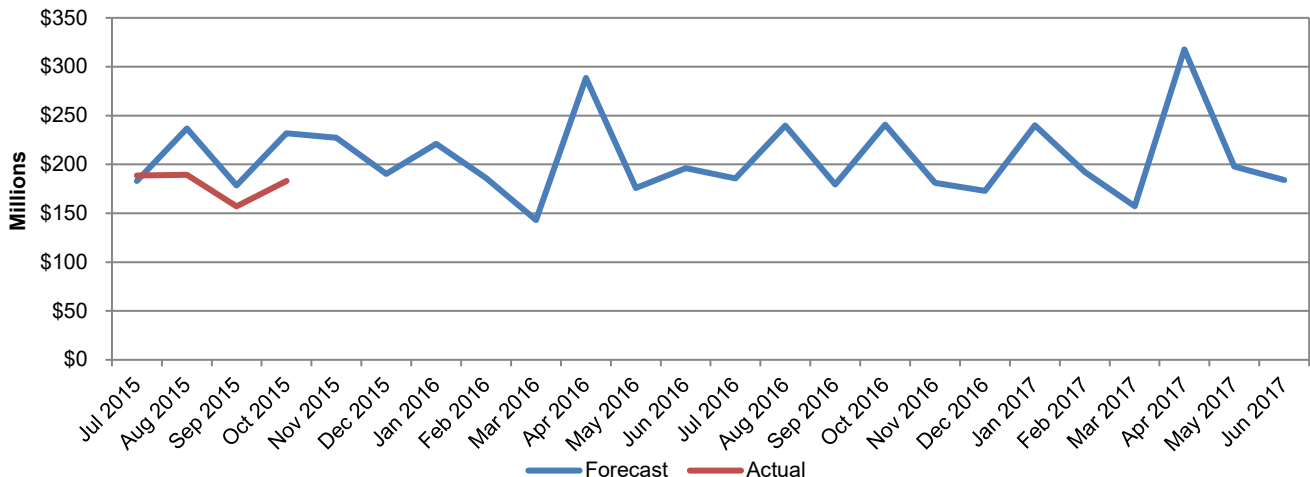
The schedule below provides a comparison of actual to forecasted general fund revenue collections for the month of October 2015 and for the biennium to date.

Category	October 2015			Biennium to Date			
	Actual	Forecast <sup>1</sup>	Variance	Actual	Forecast <sup>1</sup>	Variance	
						Amount	Percentage
<b>Ongoing Revenue</b>							
Sales and use taxes	\$85,614,961	\$123,341,000	(\$37,726,039)	\$361,875,829	\$475,004,000	(\$113,128,171)	(23.8%)
Motor vehicle excise tax	10,589,740	14,639,000	(4,049,260)	41,239,816	52,794,000	(11,554,184)	(21.9%)
Individual income tax	37,454,389	34,242,000	3,212,389	127,623,094	118,985,000	8,638,094	7.3%
Corporate income tax	6,459,116	19,491,000	(13,031,884)	16,261,398	19,491,000	(3,229,602)	(16.6%)
Insurance premium tax	(538)	158,980	(159,518)	5,029,554	3,359,980	1,669,574	49.7%
Financial institutions tax	10,993	0	10,993	244,614	0	244,614	N/A
Gross production tax	12,312,752	12,312,752	0	52,160,900	52,160,900	0	0.0%
Oil extraction tax	19,546,077	19,546,077	0	73,501,438	73,501,438	0	0.0%
Gaming tax	245,912	257,790	(11,878)	1,001,719	1,337,890	(336,171)	(25.1%)
Cigarette and tobacco tax	2,583,532	2,583,000	532	10,889,858	10,839,000	50,858	0.5%
Wholesale liquor tax	987,613	816,000	171,613	3,279,014	3,144,000	135,014	4.3%
Coal conversion tax	1,996,030	1,643,000	353,030	6,096,476	4,886,000	1,210,476	24.8%
Mineral leasing fees	2,953,609	819,488	2,134,121	6,716,706	3,277,952	3,438,754	104.9%
Departmental collections	2,049,085	1,856,580	192,505	11,451,896	10,631,321	820,575	7.7%
Interest income	221,082	265,200	(44,118)	845,112	816,930	28,182	3.4%
<b>Total ongoing revenue</b>	<b>\$183,024,353</b>	<b>\$231,971,867</b>	<b>(\$48,947,514)</b>	<b>\$718,217,424</b>	<b>\$830,229,411</b>	<b>(\$112,011,987)</b>	<b>(13.5%)</b>
<b>Transfers</b>							
Lottery	\$0	\$0	\$0	\$0	\$0	\$0	N/A
State Mill profits - Transfer	0	0	0	0	0	0	N/A
Major special funds - Transfer	0	0	0	657,000,000	657,000,000	0	0.0%
Other transfers	319,016	253,812	65,204	572,828	507,624	65,204	12.8%
<b>Total transfers</b>	<b>\$319,016</b>	<b>\$253,812</b>	<b>\$65,204</b>	<b>\$657,572,828</b>	<b>\$657,507,624</b>	<b>\$65,204</b>	<b>0.0%</b>
<b>Total revenue</b>	<b>\$183,343,369</b>	<b>\$232,225,679</b>	<b>(\$48,882,310)</b>	<b>\$1,375,790,252</b>	<b>\$1,487,737,035</b>	<b>(\$111,946,783)</b>	<b>(7.5%)</b>

<sup>1</sup>The amounts shown for the forecast reflect estimates prepared by the Office of Management and Budget based on the May 2015 legislative estimate for general fund revenue. 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 below provides a comparison of actual to forecasted ongoing general fund revenue collections for the biennium to date.



## OIL TAX REVENUE ALLOCATIONS

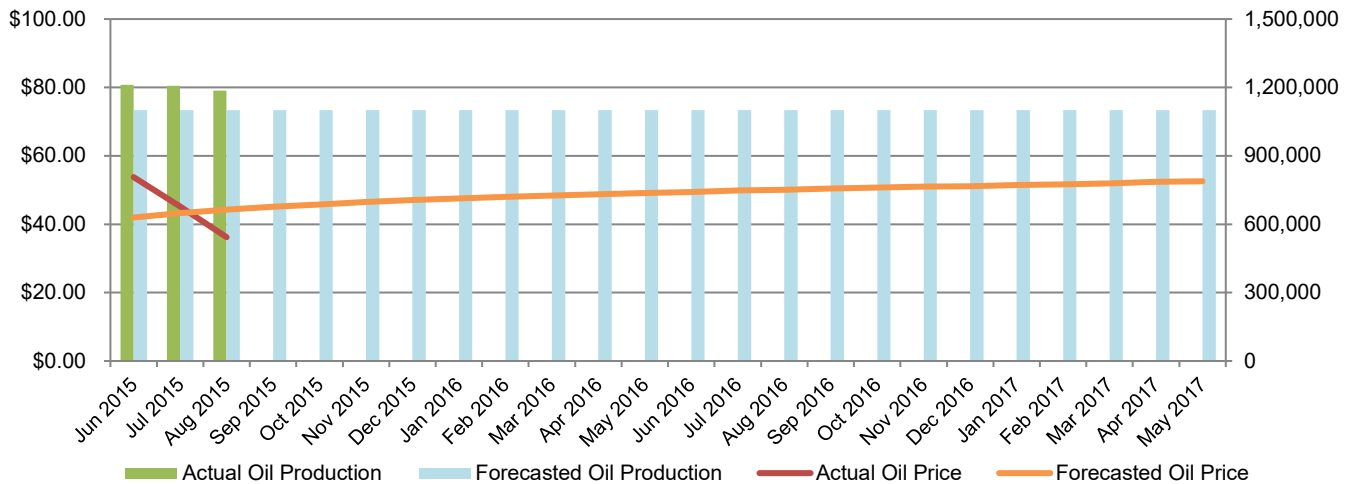
### Oil Production, Oil Prices, and Rig Counts

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

	August 2015	Biennium-to-Date Average
<b>Average daily production of oil in barrels</b>		
Actual	1,186,444	1,201,589
Forecast	1,100,000	1,100,000
<b>Average daily oil price</b>		
Actual - Flint Hills Resources (FHR)	\$29.52	\$38.89
Actual - West Texas Intermediate (WTI)	\$42.89	\$51.22
Actual - Average of FHR and WTI	\$36.21	\$49.44
Forecast	\$44.27	\$43.16
<b>Average daily rig counts</b>		
Actual	74	75
Forecast (Unofficial - Reflects an increase from 100 to 140 drilling rigs for the biennium)	110	103

### 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 two 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 Allocations

The schedule below provides a comparison of actual to forecasted oil tax revenue allocations for the period August 2015 through October 2015. Oil tax revenue allocations relate to oil price and production from two 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 May 2015 legislative estimate, which was based on lower oil extraction tax collections for the first five months of the biennium related to the "large trigger." However, the "large trigger" did not take effect.

	2015-17 Biennium to Date		Variance	
	Actual	Forecast	Amount	Percentage
Legacy fund	<b>\$134,150,203</b>	\$69,827,638	\$64,322,565	92.1%
Three Affiliated Tribes	<b>37,975,079</b>	20,629,288	17,345,791	84.1%
Oil and gas research fund	<b>3,657,619</b>	969,426	2,688,193	277.3%
Oil and gas impact grant fund	<b>9,471,589</b>	11,131,022	(1,659,433)	(14.9%)
Political subdivisions	<b>88,563,680</b>	83,655,299	4,908,381	5.9%
Abandoned well reclamation fund	<b>1,645,327</b>	1,536,685	108,642	7.1%
North Dakota outdoor heritage fund	<b>2,640,441</b>	3,073,370	(432,929)	(14.1%)
Foundation aid stabilization fund	<b>20,344,037</b>	3,765,871	16,578,166	440.2%
Common schools trust fund	<b>20,344,037</b>	3,765,871	16,578,166	440.2%
Resources trust fund	<b>40,688,075</b>	7,531,741	33,156,334	440.2%

	2015-17 Biennium to Date		Variance	
	Actual	Forecast	Amount	Percentage
General fund	125,662,339	47,501,869	78,160,470	164.5%
Property tax relief fund	0	0	0	N/A
Strategic investment and improvements fund	533	0	533	N/A
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>\$485,142,959</b>	<b>\$253,388,080</b>	<b>\$231,754,879</b>	<b>91.5%</b>