

## 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. 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

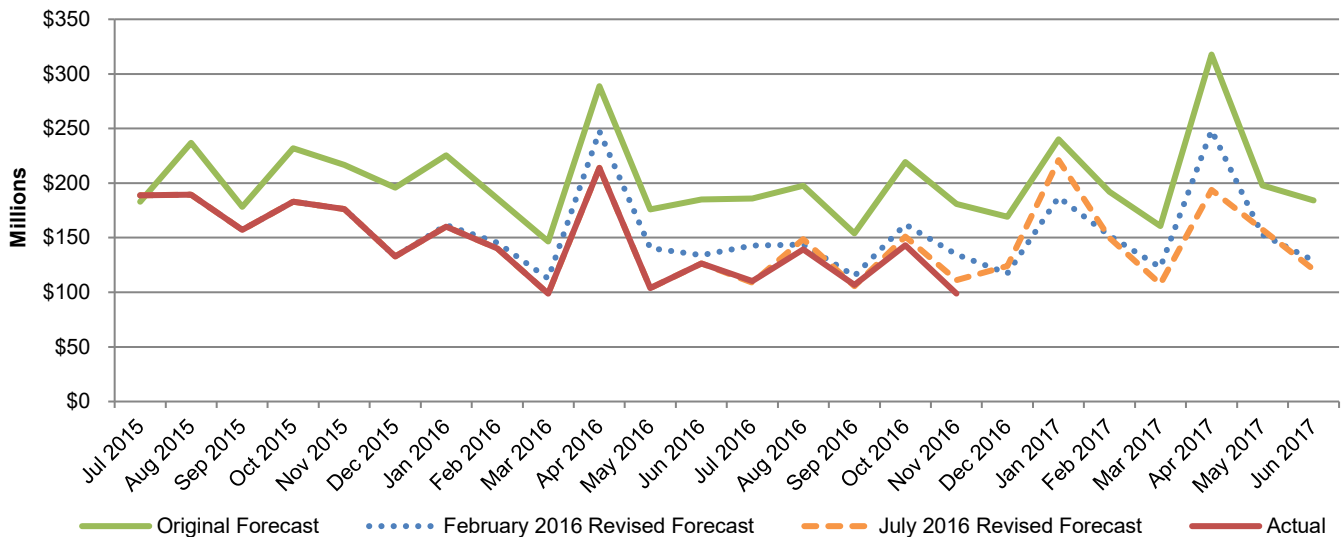
The schedule below provides a comparison of actual general fund revenue collections to the July 2016 revised forecast for the month of November 2016 and for the biennium-to-date.

Category	November 2016			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	\$61,906,371	\$80,714,000	(\$18,807,629)	\$1,289,720,069	\$1,345,924,574	(\$56,204,505)	(4.2%)
Motor vehicle excise tax	8,240,695	7,075,000	1,165,695	154,240,985	147,005,785	7,235,200	4.9%
Individual income tax	7,680,228	5,703,000	1,977,228	467,361,294	456,679,749	10,681,545	2.3%
Corporate income tax	455,459	1,885,000	(1,429,541)	105,334,039	103,086,800	2,247,239	2.2%
Insurance premium tax	12,157,985	7,392,940	4,765,045	73,569,412	67,923,713	5,645,699	8.3%
Financial institutions tax	0	0	0	1,294,077	324,145	969,932	299.2%
Oil gross production tax	0	0	0	83,379,177	83,379,177	0	0.0%
Oil extraction tax	0	0	0	116,620,823	116,620,823	0	0.0%
Gaming tax	371,540	533,790	(162,250)	4,936,815	5,150,035	(213,220)	(4.1%)
Cigarette and tobacco tax	2,296,037	2,321,000	(24,963)	41,479,236	41,360,715	118,521	0.3%
Wholesale liquor tax	702,183	661,000	41,183	12,859,208	12,764,987	94,221	0.7%
Coal conversion tax	1,719,486	1,687,000	32,486	29,253,674	29,069,976	183,698	0.6%
Mineral leasing fees	877,308	819,488	57,820	19,936,504	17,899,016	2,037,488	11.4%
Departmental collections	2,393,733	2,073,696	320,037	56,112,796	54,398,666	1,714,130	3.2%
Interest income	189,229	441,375	(252,146)	13,324,253	14,391,754	(1,067,501)	(7.4%)
<b>Total ongoing revenue</b>	<b>\$98,990,254</b>	<b>\$111,307,289</b>	<b>(\$12,317,035)</b>	<b>\$2,469,422,362</b>	<b>\$2,495,979,915</b>	<b>(\$26,557,553)</b>	<b>(1.1%)</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	1,032,000,000	1,032,000,000	0	0.0%
Other transfers	1,355	0	1,355	1,603,437	1,598,778	4,659	0.3%
<b>Total transfers</b>	<b>\$1,355</b>	<b>\$0</b>	<b>\$1,355</b>	<b>\$1,047,618,331</b>	<b>\$1,047,613,672</b>	<b>\$4,659</b>	<b>0.0%</b>
<b>Total revenue</b>	<b>\$98,991,609</b>	<b>\$111,307,289</b>	<b>(\$12,315,680)</b>	<b>\$3,517,040,693</b>	<b>\$3,543,593,587</b>	<b>(\$26,552,894)</b>	<b>(0.7%)</b>

<sup>1</sup>The amounts shown for the forecast reflect estimates prepared by the Office of Management and Budget based on the July 2016 revised revenue forecast 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 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, and to the July 2016 revised forecast.



	Actual	Original Forecast		July 2016 Revised 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)	108,756,999	1,657,125	1.5%
August 2016	139,331,118	197,633,356	(58,302,238)	148,564,356	(9,233,238)	(6.2%)
September 2016	106,853,339	154,055,077	(47,201,738)	105,649,077	1,204,262	1.1%
October 2016	143,217,174	219,320,841	(76,103,667)	151,085,841	(7,868,667)	(5.2%)
November 2016	98,990,254	180,986,289	(81,996,035)	111,307,289	(12,317,035)	(11.1%)
Biennium-to-date	<b>\$2,469,422,362</b>	<b>\$3,388,462,034</b>	<b>(\$919,039,672)</b>	<b>\$2,495,979,915</b>	<b>(\$26,557,553)</b>	<b>(1.1%)</b>

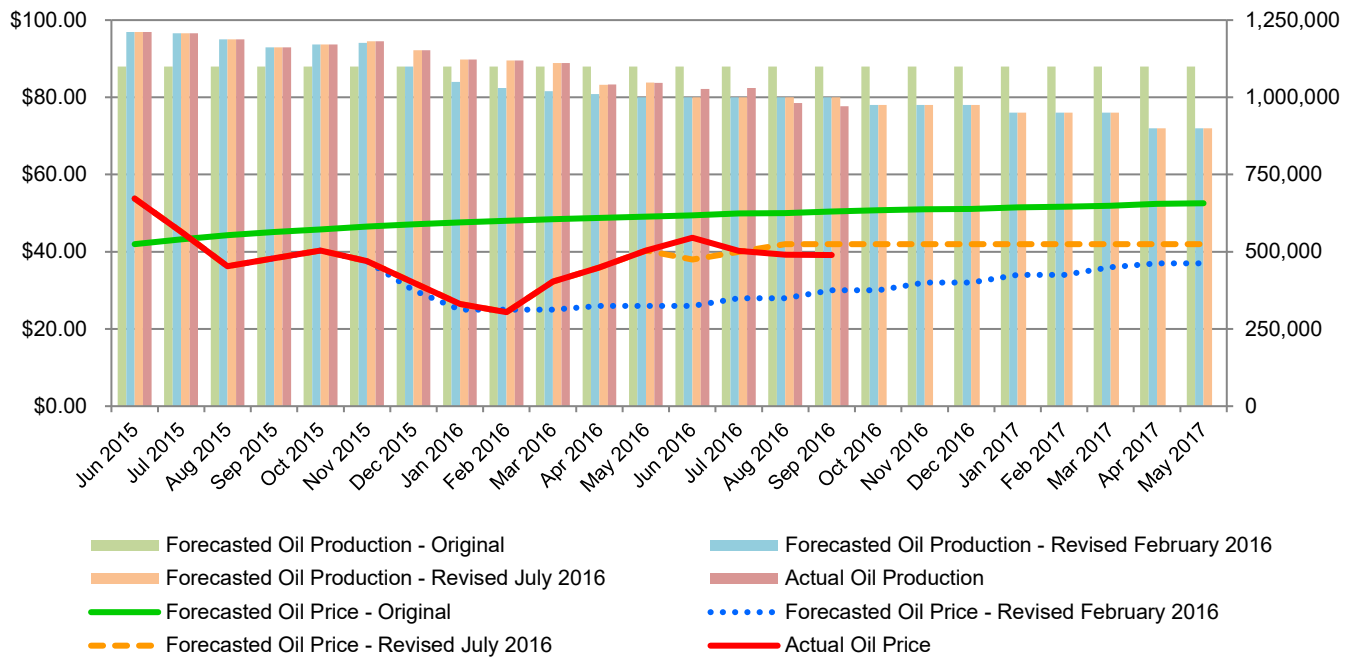
### OIL TAX REVENUE ALLOCATIONS Oil Production, Oil Prices, and Rig Counts

The schedule below provides a comparison of actual to forecasted amounts for oil production, oil prices, and rig counts for September 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.

	September 2016	Biennium-to- Date Average
<b>Average daily production of oil in barrels</b>		
Actual	971,658	1,107,888
Revised forecast <sup>1</sup>	1,000,000	1,107,191
<b>Average daily oil price</b>		
Actual - Flint Hills Resources (FHR)	\$32.98	\$32.01
Actual - West Texas Intermediate (WTI)	\$45.23	\$43.60
Actual - Average of FHR and WTI	\$39.11	\$37.81
Revised forecast <sup>1</sup>	\$42.00	\$37.79
<b>Average daily rig counts</b>		
Actual	34	50
Revised forecast (Unofficial - Reflects 30 drilling rigs per month for the second year of the biennium)	30	50
<sup>1</sup> The amounts shown for the forecast reflect estimates prepared by the Office of Management and Budget based on the July 2016 revised revenue forecast for oil tax revenue.		

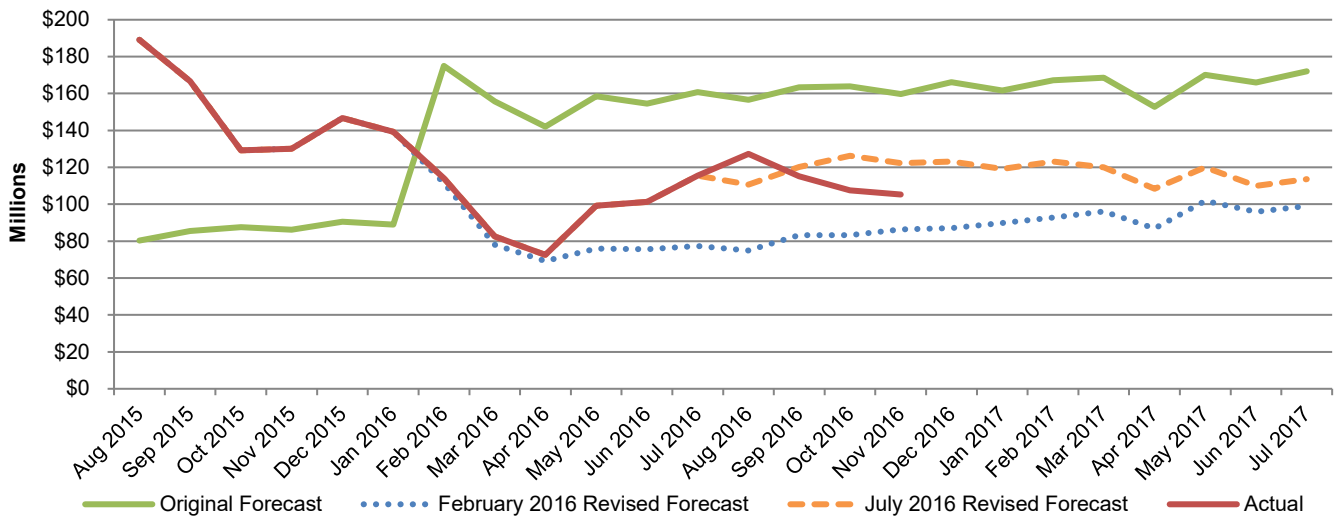
### Oil Production and Prices

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		July 2016 Revised 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)	110,580,000	16,658,464	15.1%
September 2016	115,176,649	163,319,904	(48,143,255)	120,280,000	(5,103,351)	(4.2%)
October 2016	107,590,480	163,810,944	(56,220,464)	126,294,000	(18,703,520)	(14.8%)
November 2016	105,311,683	159,698,880	(54,387,197)	122,220,000	(16,908,317)	(13.8%)
<b>Biennium-to-date</b>	<b>\$1,941,859,364</b>	<b>\$2,109,229,276</b>	<b>(\$167,369,912)</b>	<b>\$1,965,916,088</b>	<b>(\$24,056,724)</b>	<b>(1.2%)</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 November 2016. 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 July 2016 revised revenue forecast.

	2015-17 Biennium-to-Date		Variance	
	Actual	Forecast	Amount	Percentage
Legacy fund	\$539,906,958	\$547,866,392	(\$7,959,434)	(1.5%)
Three Affiliated Tribes	142,168,965	139,694,240	2,474,725	1.8%
Oil and gas research fund	10,000,000	10,000,000	0	0.0%
Oil and gas impact grant fund	44,437,616	45,289,451	(851,835)	(1.9%)
Political subdivisions	373,950,381	379,671,777	(5,721,396)	(1.5%)
Abandoned well reclamation fund	6,798,139	6,836,859	(38,720)	(0.6%)
North Dakota outdoor heritage fund	12,946,065	13,023,505	(77,440)	(0.6%)
Foundation aid stabilization fund	80,766,753	83,183,374	(2,416,621)	(2.9%)
Common schools trust fund	80,766,753	83,183,374	(2,416,621)	(2.9%)
Resources trust fund	161,533,507	166,366,748	(4,833,241)	(2.9%)
General fund	200,000,000	200,000,000	0	0.0%
Tax relief fund	288,583,694	290,799,835	(2,216,141)	(0.8%)
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>\$1,941,859,364</b>	<b>\$1,965,916,088</b>	<b>(\$24,056,724)</b>	<b>(1.2%)</b>