

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 March 2017 legislative forecast for the month of April 2017 and for the biennium-to-date.

Category	April 2017			Biennium-to-Date			
	Actual	Revised Forecast ¹	Variance	Actual	Revised Forecast ¹	Variance	
						Amount	Percentage
Ongoing Revenue							
Sales and use taxes	\$53,603,876	\$44,463,000	\$9,140,876	\$1,575,913,336	\$1,564,790,155	\$11,123,181	0.7%
Motor vehicle excise tax	9,417,187	7,950,000	1,467,187	199,813,685	196,733,943	3,079,742	1.6%
Individual income tax	68,224,450	67,405,000	819,450	626,759,466	625,906,528	852,938	0.1%
Corporate income tax	16,197,170	17,345,000	(1,147,830)	144,118,529	145,126,336	(1,007,807)	(0.7%)
Insurance premium tax	259,762	377,060	(117,298)	95,833,611	96,631,571	(797,960)	(0.8%)
Financial institutions tax	0	0	0	1,308,555	1,299,254	9,301	0.7%
Oil gross production tax	0	0	0	127,164,783	127,164,783	0	0.0%
Oil extraction tax	0	0	0	172,835,217	172,835,217	0	0.0%
Gaming tax	246,457	379,580	(133,123)	6,074,910	6,205,313	(130,403)	(2.1%)
Cigarette and tobacco tax	2,158,631	2,444,000	(285,369)	51,857,271	52,174,263	(316,992)	(0.6%)
Wholesale liquor tax	725,412	804,000	(78,588)	16,347,839	16,427,382	(79,543)	(0.5%)
Coal conversion tax	1,659,054	1,450,000	209,054	38,165,290	37,938,615	226,675	0.6%
Mineral leasing fees	1,017,112	801,913	215,199	25,424,825	24,763,399	661,426	2.7%
Departmental collections	4,367,134	2,080,819	2,286,315	76,048,126	76,418,109	(369,983)	(0.5%)
Interest income	227,182	398,162	(170,980)	14,167,331	14,562,320	(394,989)	(2.7%)
Total ongoing revenue	\$158,103,427	\$145,898,534	\$12,204,893	\$3,171,832,774	\$3,158,977,188	\$12,855,586	0.4%
Transfers							
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	572,485,454	572,485,454	0	0.0%
Bank profits	72,567,245	72,567,245	0	72,567,245	72,567,245	0	N/A
Strategic investment and improvements fund	0	0	0	0	0	0	N/A
Other transfers	255,841	233,032	22,809	2,134,058	2,109,706	24,352	1.2%
Total transfers	\$102,823,086	\$102,800,277	\$22,809	\$1,318,201,651	\$1,318,177,299	\$24,352	0.0%
Total revenue	\$260,926,513	\$248,698,811	\$12,227,702	\$4,490,034,425	\$4,477,154,487	\$12,879,938	0.3%

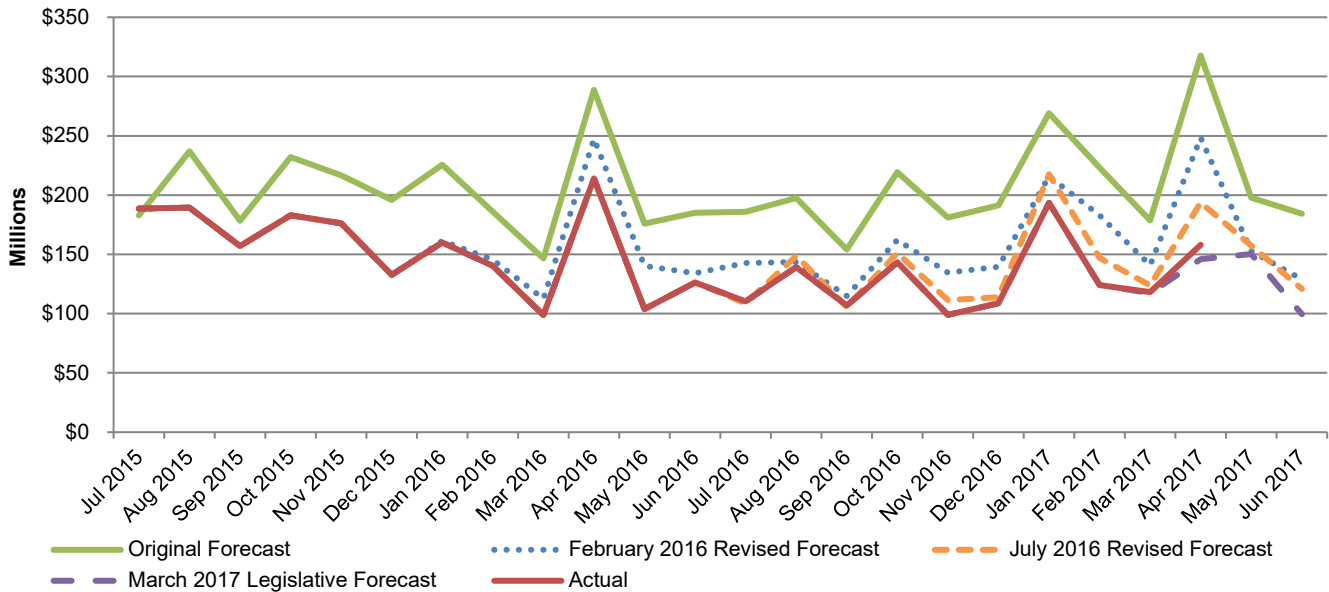
¹The amounts shown for the forecast reflect estimates based on the March 2017 legislative forecast. The amounts shown for the gross production tax and the oil extraction tax forecast have been revised to reflect the actual allocations, because the allocations are limited to \$300 million per biennium.

Ongoing General Fund Revenue

The schedule and chart 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 March 2017 legislative forecast.

	Actual	Original Forecast		March 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)	98,990,254	0	0.0%
December 2016	108,615,075	191,430,633	(82,815,558)	108,615,075	0	0.0%
January 2017	193,411,945	269,053,945	(75,642,000)	193,411,945	0	0.0%

February 2017	124,197,334	223,141,436	(98,944,102)	124,197,334	0	0.0%
March 2017	118,082,631	178,544,047	(60,461,416)	117,431,938	650,693	0.6%
April 2017	158,103,427	317,725,109	(159,621,682)	145,898,534	12,204,893	8.4%
Biennium-to-date	\$3,171,832,774	\$4,568,357,204	(\$1,396,524,430)	\$3,158,977,188	\$12,855,586	0.4%



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

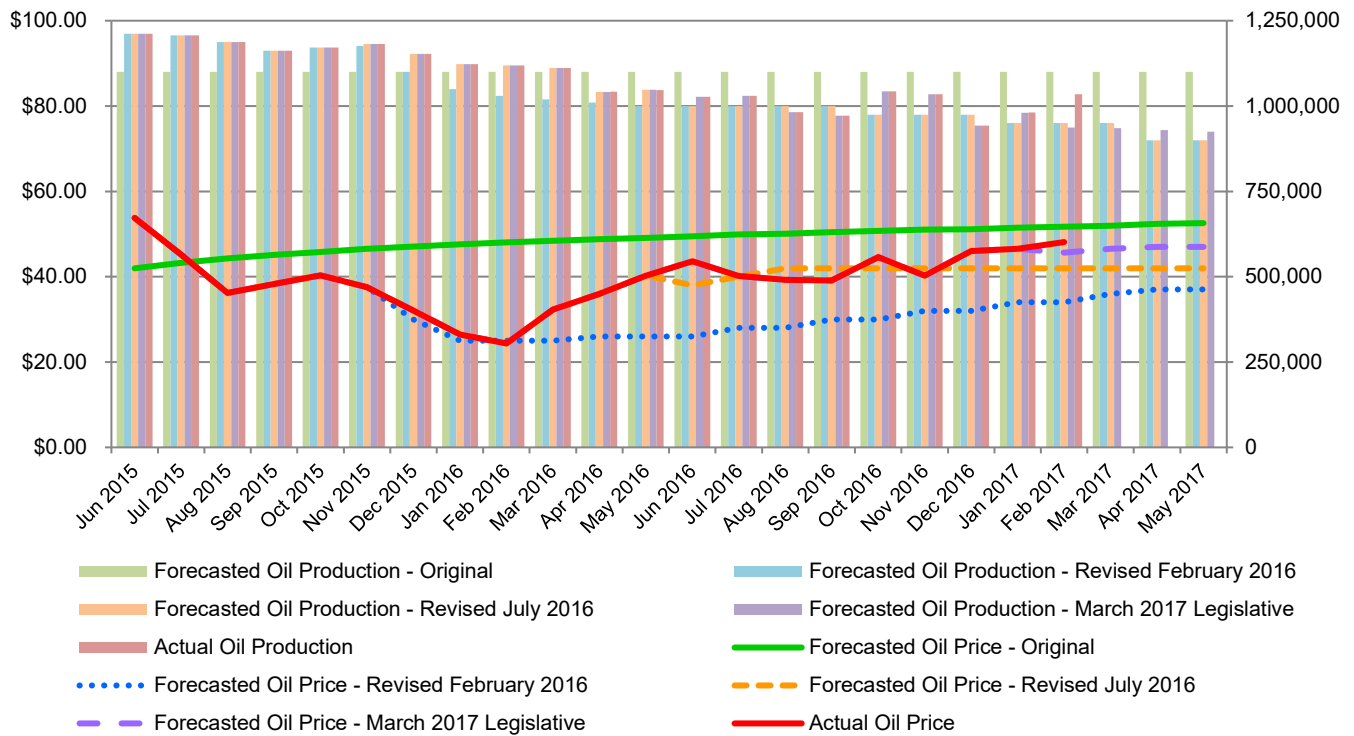
The schedule below provides a comparison of actual to forecasted amounts for oil production, oil prices, and rig counts for February 2017 and for the biennium-to-date. Oil tax revenue allocations relate to oil price and production from 2 months prior. As a result, oil price and production are reported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

	February 2017	Biennium-to-Date Average
Average daily production of oil in barrels		
Actual	1,034,168	1,083,904
Revised forecast ¹	937,455	1,079,218
Average daily oil price		
Actual - Flint Hills Resources (FHR)	\$42.74	\$33.77
Actual - West Texas Intermediate (WTI)	\$53.46	\$45.31
Actual - Average of FHR and WTI	\$48.10	\$39.54
Revised forecast ¹	\$45.64	\$39.43
Average daily rig counts		
Actual	39	47
Revised forecast (Unofficial - Reflects drilling rigs increasing from 38 to 40 per month for the remainder of the biennium)	38	48

¹The amounts shown for the forecast reflect estimates based on the March 2017 legislative forecast for oil prices, oil production, and oil tax revenue.

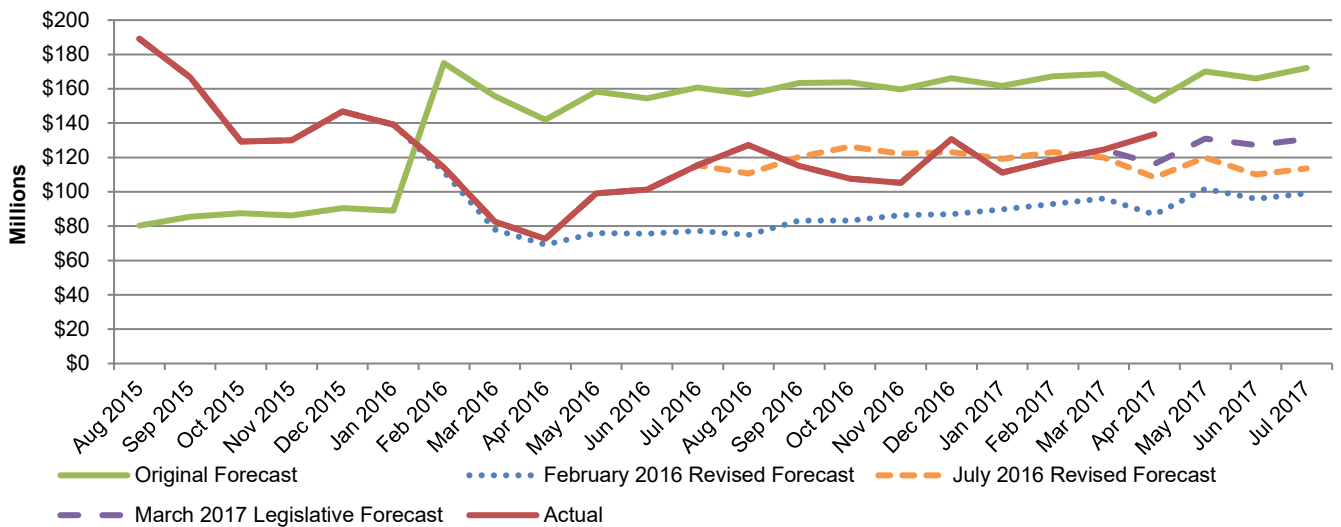
Oil Production and Prices

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		March 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)	130,748,734	0	0.0%
January 2017	111,174,391	161,631,360	(50,456,969)	111,174,391	0	0.0%
February 2017	118,381,819	167,248,224	(48,866,405)	118,381,819	0	0.0%
March 2017	124,632,787	168,557,664	(43,924,877)	124,632,788	(1)	0.0%
April 2017	133,634,841	152,866,560	(19,231,719)	116,205,272	17,429,569	15.0%
Biennium-to-date	\$2,560,431,936	\$2,925,701,020	(\$365,269,084)	\$2,543,002,368	\$17,429,568	0.7%

Oil Tax Revenue Allocations

The schedule below provides a comparison of actual to forecasted oil tax revenue allocations for the period August 2015 through April 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 March 2017 legislative forecast.

	2015-17 Biennium-to-Date		Variance	
	Actual	Forecast	Amount	Percentage
Legacy fund	\$709,878,540	\$705,912,100	\$3,966,440	0.6%
Three Affiliated Tribes	194,169,602	189,961,500	4,208,102	2.2%
Oil and gas research fund	10,000,000	10,000,000	0	0.0%
Oil and gas impact grant fund	64,978,613	63,282,364	1,696,249	2.7%
Political subdivisions	483,953,129	480,040,747	3,912,382	0.8%
Abandoned well reclamation fund	8,967,616	8,890,514	77,102	0.9%
North Dakota outdoor heritage fund	17,285,020	17,130,815	154,205	0.9%
Foundation aid stabilization fund	105,105,419	105,167,861	(62,442)	(0.1%)
Common schools trust fund	105,105,419	105,167,861	(62,442)	(0.1%)
Resources trust fund	210,210,838	210,335,721	(124,883)	(0.1%)
General fund	300,000,000	300,000,000	0	0.0%
Tax relief fund	300,000,000	300,000,000	0	0.0%
Strategic investment and improvements fund	50,777,740	47,112,885	3,664,855	7.8%
Political subdivision allocation fund	0	0	0	N/A
State disaster relief fund	0	0	0	N/A
Total oil and gas tax revenue allocations	\$2,560,431,936	\$2,543,002,368	\$17,429,568	0.7%