

**Mill and Elevator Association
Budget 475
2015 House Bill No. 1014**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	147.00	\$0	\$64,315,898	\$64,315,898
2013-15 legislative appropriation	135.00	0	52,123,557	52,123,557
2015-17 appropriation increase (decrease) to 2013-15 appropriation	12.00	\$0	\$12,192,341	\$12,192,341
2015-17 general fund budget allotment (4.05 percent)	0.00	0	0	0
Adjusted 2015-17 appropriation after budget allotment	147.00	\$0	\$64,315,898	\$64,315,898

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

FTE position changes - The 2015-17 biennium appropriation includes funding for 147 FTE positions, an increase of 12 FTE positions from the 2013-15 biennium authorized level of 135 FTE positions. The Legislative Assembly added 3 mill operator FTE positions, 3 rail car loader FTE positions, 2 flour packer FTE positions, 2 utility worker FTE positions, 1 electrician FTE position, and 1 maintenance worker FTE position.

Expansion project - During the 2015-17 biennium, the Mill and Elevator Association plans to construct a new G mill.

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.

Status/Result

The budget allotment did not reduce the appropriation authority for the Mill and Elevator Association because the Mill did not receive an appropriation from the general fund.

The new FTE positions are vacant as of March 2016. The Mill and Elevator Association anticipates all of the positions will be filled by the end of calendar year 2016 when the new G mill is operational.

The estimated cost of the project is \$27.8 million, and the project is anticipated to be completed in the fall of 2016.

The Mill and Elevator Association had fiscal year 2015 income of approximately \$16.7 million and transferred \$833,767 to the agricultural products utilization fund for the second year of the 2013-15 biennium (fiscal year 2015). The total transferred for both years of the 2013-15 biennium was \$1,665,348. The estimated transfer to the agricultural products utilization fund during the 2015-17 biennium is \$1.45 million.

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 2013 Legislative Assembly limited the transfer to the lessee of 50 percent of the Mill's profits, or \$6,817,200. The 2015 Legislative Assembly did not provide any additional limits on the transfer of 50 percent of the Mill's profits.

The Mill and Elevator Association had fiscal year 2015 income of approximately \$16.7 million and transferred \$3,408,600 to the general fund for the second year of the 2013-15 biennium (fiscal year 2015). The total transferred for both years of the 2013-15 biennium was \$6,817,200. The estimated transfer to the general fund during the 2015-17 biennium is \$13,775,000.