

PROGRAM NARRATIVE**Date:** 01/13/2011**475 ND Mill and Elevator Association****Time:** 11:32:20**Program:** Flour Mill and Grain Terminal Operations**Reporting level:** 00-475-100-00-00-00-00000000**Program Performance Measures**

The North Dakota Mill:

- (1) seeks to be the leader in quality and service for the milling industry
- (2) manufactures flour to bakery specifications from hard red spring wheat
- (3) manufactures durum flour and semolina to pasta manufacturer's specifications from hard amber durum
- (4) seeks to develop new, value added products to enhance the growth and profitability of the North Dakota Mill

Program Statistical Data

The North Dakota Mill:

- (1) purchases and mills 23,000,000 bushels of spring wheat and durum
- (2) produces and sells 11,000,000 hundred weights of finished product of which approximately 80% is bulk and 20% is bagged
- (3) will provide employment for approximately 131 people

Explanation of Program Costs

A major part of the budget is wages and benefits for the 131 employees to mill 23,000,000 bushels of grain into 11,000,000 hundred weights of flour and semolina. Costs of repairs and operating supplies are those required to keep the terminal and mill running at peak efficiency. Utilities are the next largest expense category. Electrical useage is high as several motors of various sizes are used in running the terminal and mill. Other expense includes advertising and promotion expense, data processing expense, interest expense, insurance, communications, employee expense, and postage. Agriculture promotion is money spent on general promotion that is not tied specifically to mill products. All funds are generated through operations, and when necessary bank loans from the Bank of North Dakota are used. No General Funds are required.

Program Goals and Objectives

The North Dakota Mill will:

- (1) purchase and mill 23,000,000 bushels per year of North Dakota grown spring and durum wheat.
- (2) realize profits in order to maintain the facilities in top operating condition.
- (3) return a portion of the profits to the General Fund.

REQUEST DETAIL BY PROGRAM

475 ND Mill and Elevator Association

Bill#: HB1014

Date: 01/13/2011

Time: 11:32:20

Biennium: 2011-2013

Program: Flour Mill and Grain Terminal Operations	Reporting Level: 00-475-100-00-00-00-00000000
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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
Salaries and Wages					
Salaries - Permanent	10,009,037	11,212,608	763,838	11,976,446	596,362
Salaries - Other	0	2,766,182	880,618	3,646,800	0
Temporary Salaries	70,398	373,000	83,000	456,000	0
Overtime	1,823,101	3,027,620	650,380	3,678,000	0
Fringe Benefits	4,040,666	5,219,914	525,233	5,745,147	235,554
Total	15,943,202	22,599,324	2,903,069	25,502,393	831,916

Salaries and Wages

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	15,943,202	22,599,324	2,903,069	25,502,393	831,916
Total	15,943,202	22,599,324	2,903,069	25,502,393	831,916

Operating Expenses

Travel	368,143	601,500	0	601,500	0
Supplies - IT Software	26,487	62,165	8,835	71,000	0
Supply/Material-Professional	132,440	352,400	10,000	362,400	0
Miscellaneous Supplies	1,585,471	1,764,756	210,000	1,974,756	0
Office Supplies	123,009	174,400	40,600	215,000	0
Postage	68,189	105,500	0	105,500	0
IT Equip Under \$5,000	72,399	101,048	0	119,500	0
Utilities	3,813,607	6,215,536	0	7,415,536	0
Insurance	1,270,875	1,691,000	0	2,171,000	0
Repairs	4,156,014	4,993,664	0	5,743,664	0
IT - Communications	145,879	204,750	34,000	238,750	0
IT Contractual Svcs and Rprs	118,987	131,650	35,000	166,650	0
Professional Development	170,690	201,749	0	241,749	0
Operating Fees and Services	4,364,228	186,550	0	221,550	0
Fees - Professional Services	92,141	196,250	0	231,250	0
Total	16,508,559	16,982,918	338,435	19,879,805	0

Operating Expenses

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	16,508,559	16,982,918	2,896,887	19,879,805	0
Total	16,508,559	16,982,918	338,435	19,879,805	0

Agriculture Promotion

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
Special Line Other	97,222	150,000	0	150,000	0
Total	97,222	150,000	0	150,000	0
Agriculture Promotion					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	97,222	150,000	0	150,000	0
Total	97,222	150,000	0	150,000	0
Contingency					
Special Line Other	0	325,000	75,000	400,000	0
Total	0	325,000	75,000	400,000	0
Contingency					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	325,000	75,000	400,000	0
Total	0	325,000	75,000	400,000	0
Total Expenditures	32,548,983	40,057,242	5,874,956	45,932,198	831,916
Funding Sources					
Special Funds					
475 Mill and Elevator Fund	32,548,983	40,057,242	5,874,956	45,932,198	831,916
Total	32,548,983	40,057,242	5,874,956	45,932,198	831,916
Total Funding Sources	32,548,983	40,057,242	5,874,956	45,932,198	831,916
FTE Employees	131.00	131.00	0.00	131.00	6.00

CHANGE PACKAGE DETAIL
475 ND Mill and Elevator Association
Biennium: 2011-2013

Bill#: HB1014

Date: 01/13/2011

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Program: Flour Mill and Grain Terminal Operations **Reporting Level:** 00-475-100-00-00-00-00000000

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
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Base Budget Changes

Ongoing Budget Changes

A-A 1 Inflation Adjustment and Production increases		0.00	0	0	2,971,887	2,971,887
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Base Payroll Change		0.00	0	0	2,903,069	2,903,069
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Total Ongoing Budget Changes		0.00	0	0	5,874,956	5,874,956
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Total Base Budget Changes		0.00	0	0	5,874,956	5,874,956
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Optional Budget Changes

Ongoing Optional Changes

A-C 2 add 2 FTE car checker positions	1	2.00	0	0	226,806	226,806
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A-C 3 add FTE Lead electrician	1	1.00	0	0	171,643	171,643
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A-C 4 add FTE Sales Representative	1	1.00	0	0	144,916	144,916
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A-C 5 add FTE Lab Technician	1	1.00	0	0	112,552	112,552
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A-C 6 add FTE I T System Analyst	1	1.00	0	0	175,999	175,999
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Total Ongoing Optional Changes		6.00	0	0	831,916	831,916
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Total Optional Budget Changes		6.00	0	0	831,916	831,916
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