

2015-17 BIENNIUM DISTRIBUTIONS TO POLITICAL SUBDIVISIONS - OIL AND GAS GROSS PRODUCTION TAX COLLECTIONS

Distributions of the oil and gas gross production tax to political subdivisions reflect production from 2 months prior. For example, October 2016 distributions of oil and gas gross production tax collections relate to August 2016 oil production. Distributions to political subdivisions pursuant to the new formula in 2015 House Bill No. 1176 became effective with July 2015 oil production and September 2015 distributions. As a result, this memorandum reports the distributions to political subdivisions for the period September 2015 to August 2017 to reflect 24 months of distributions based on the new formula.

DISTRIBUTIONS TO HUB CITIES AND HUB CITY SCHOOL DISTRICTS

The schedule below provides information on the distribution of oil and gas gross production tax collections to hub cities and hub city school districts for the period September 2015 through October 2016. Hub cities in oil-producing counties receive a monthly distribution of \$31,250 for each full or partial percentage point of private employment engaged in oil- and gas-related employment and a distribution from 9 percent of the amount allocated to counties that received \$5 million or more in state fiscal year 2014. Hub cities in non-oil-producing counties receive a monthly distribution of \$20,833 for each full or partial percentage point of private employment engaged in oil- and gas-related employment. Hub city school districts receive a monthly distribution of \$10,417 for each full or partial percentage point of private employment engaged in oil- and gas-related employment. The percentage of private covered employment engaged in oil- and gas-related employment for the hub cities for fiscal year 2016 was: Williston, 66 percent; Dickinson, 40 percent; Minot, 14 percent; Mandan, 9 percent; Bismarck, 4 percent; West Fargo, 3 percent; Jamestown, 2 percent; Fargo, 2 percent; and Grand Forks, 2 percent. The percentage of private covered employment engaged in oil- and gas-related employment for the hub cities for fiscal year 2017 is: Williston, 57 percent; Dickinson, 34 percent; Minot, 11 percent; Mandan, 8 percent; Bismarck, 4 percent; West Fargo, 5 percent; Jamestown, 2 percent; Fargo, 0 percent; and Grand Forks, 2 percent.

	Fiscal Year 2016	September 2016	October 2016	Biennium-to-Date Total
Hub cities				
Williston	\$35,382,631	\$3,413,549	\$2,629,783	\$41,425,963
Dickinson	20,316,315	1,878,649	1,486,766	23,681,730
Minot	7,022,104	615,800	485,172	8,123,076
Mandan	2,250,000	166,667	166,667	2,583,334
Bismarck	1,000,000	83,333	83,333	1,166,666
West Fargo	750,000	104,167	104,167	958,334
Jamestown	500,000	41,667	41,667	583,334
Fargo	500,000	0	0	500,000
Grand Forks	500,000	41,667	41,667	583,334
Total hub cities	\$68,221,050	\$6,345,499	\$5,039,222	\$79,605,771
Hub city school districts				
Williston	\$8,250,000	\$593,750	\$593,750	\$9,437,500
Dickinson	5,000,000	354,167	354,167	5,708,334
Minot	1,750,000	114,583	114,583	1,979,166
Total hub city school districts	\$15,000,000	\$1,062,500	\$1,062,500	\$17,125,000

DISTRIBUTIONS TO COUNTIES

The schedule below provides information on the distribution of oil and gas gross production tax collections to counties for the period September 2015 through October 2016.

	Fiscal Year 2016	September 2016	October 2016	Biennium-to-Date Total
Billings	\$3,113,430	\$252,997	\$292,778	\$3,659,205
Bottineau	1,443,027	123,508	121,574	1,688,109
Bowman	3,916,538	534,592	507,374	4,958,504
Burke	3,366,507	328,282	224,917	3,919,706
Divide	5,369,283	785,064	809,997	6,964,344
Dunn	16,679,973	3,322,244	1,103,948	21,106,165
Golden Valley	431,274	32,877	34,798	498,949
McHenry	30,114	2,278	2,248	34,640
McKenzie	39,457,241	5,156,451	2,876,922	47,490,614
McLean	249,248	23,695	20,968	293,911
Mercer	0	0	0	0
Mountrail	21,370,921	3,747,719	1,526,460	26,645,100

	Fiscal Year 2016	September 2016	October 2016	Biennium-to-Date Total
Renville	404,222	36,006	49,969	490,197
Slope	239,212	22,913	21,902	284,027
Stark	3,142,001	281,931	540,002	3,963,934
Ward	16,239	1,440	1,484	19,163
Williams	20,281,427	3,603,872	1,424,174	25,309,473
Unallocated	0	0	0	0
Total	\$119,510,657	\$18,255,869	\$9,559,515	\$147,326,041

DISTRIBUTIONS TO CITIES

The schedule below provides information on the distribution of oil and gas gross production tax collections to cities in total by county for the period September 2015 through October 2016. Hub cities are excluded from these amounts. A more detailed schedule of the distributions to the cities is attached as [Appendix A](#).

	Fiscal Year 2016	September 2016	October 2016	Biennium-to-Date Total
Billings	\$1,037,813	\$84,332	\$97,593	\$1,219,738
Bottineau	481,019	41,169	40,527	562,715
Bowman	1,305,513	178,196	169,125	1,652,834
Burke	1,122,170	109,428	74,973	1,306,571
Divide	1,789,759	261,688	269,999	2,321,446
Dunn	5,559,995	1,107,415	367,983	7,035,393
Golden Valley	191,677	14,612	15,465	221,754
McHenry	13,383	1,015	999	15,397
McKenzie	13,152,412	1,718,817	958,973	15,830,202
McLean	110,776	10,530	9,319	130,625
Mercer	0	0	0	0
Mountrail	7,123,639	1,249,240	508,820	8,881,699
Renville	179,655	16,002	22,208	217,865
Slope	106,316	10,184	9,734	126,234
Stark	1,047,334	93,977	180,001	1,321,312
Ward	7,208	640	658	8,506
Williams	6,760,479	1,201,290	474,724	8,436,493
Total	\$39,989,148	\$6,098,535	\$3,201,101	\$49,288,784

DISTRIBUTIONS TO SCHOOL DISTRICTS

The schedule below provides information on the distribution of oil and gas gross production tax collections to school districts in total by county for the period September 2015 through October 2016. Hub city school districts are excluded from these amounts. A more detailed schedule of the distributions to school districts is attached as [Appendix B](#).

	Fiscal Year 2016	September 2016	October 2016	Biennium-to-Date Total
Billings	\$1,759,453	\$146,083	\$149,398	\$2,054,934
Bottineau	1,620,251	135,294	135,131	1,890,676
Bowman	1,826,374	169,549	167,281	2,163,204
Burke	1,788,896	158,726	144,818	2,092,440
Divide	1,946,232	189,359	191,425	2,327,016
Dunn	1,389,997	276,853	91,996	1,758,846
Golden Valley	335,435	25,572	27,065	388,072
McHenry	23,421	1,771	1,749	26,941
McKenzie	3,288,105	429,703	239,742	3,957,550
McLean	193,860	18,429	16,308	228,597
Mercer	0	0	0	0
Mountrail	1,774,567	307,217	127,204	2,208,988
Renville	314,394	28,005	38,865	381,264
Slope	186,056	17,822	17,036	220,914
Stark	1,761,836	148,495	170,000	2,080,331
Ward	12,624	1,119	1,156	14,899
Williams	1,689,323	300,110	118,680	2,108,113
Total	\$19,910,824	\$2,354,107	\$1,637,854	\$23,902,785

DISTRIBUTIONS TO TOWNSHIPS

The schedule below provides information on the distribution of oil and gas gross production tax collections to townships in total by county for the period September 2015 through October 2016. These amounts include both the equal allocation to all townships in all oil-producing counties and the allocation based on road miles.

	Fiscal Year 2016	September 2016	October 2016	Biennium-to- Date Total
Billings	\$536,198	\$70,688	\$44,809	\$651,695
Bottineau	719,425	105,933	57,943	883,301
Bowman	621,139	92,023	59,311	772,473
Burke	605,457	83,516	46,129	735,102
Divide	800,111	120,862	82,922	1,003,895
Dunn	1,537,440	274,104	111,335	1,922,879
Golden Valley ¹	0	0	0	0
McHenry ¹	0	0	0	0
McKenzie	2,903,126	400,638	219,191	3,522,955
McLean ¹	0	0	0	0
Mercer ¹	0	0	0	0
Mountrail	1,729,369	288,842	127,745	2,145,956
Renville ¹	0	0	0	0
Slope ¹	0	0	0	0
Stark	593,710	81,125	61,843	736,678
Ward ¹	0	0	0	0
Williams	1,768,055	295,936	131,587	2,195,578
Total	\$11,814,030	\$1,813,667	\$942,815	\$14,570,512

¹The townships in these counties do not receive a distribution from the oil and gas gross production tax collections because these counties received less than \$5 million of allocations of oil and gas gross production tax collections in fiscal year 2014.

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