

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, December 2016 distributions of oil and gas gross production tax collections relate to October 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 December 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 | November 2016 | December 2016 | Biennium-to- Date Total |
|----------------------------------|---------------------|-------------------|-----------------|------------------|------------------|----------------------------|
| Hub cities | | | | | | |
| Williston | \$35,382,631 | \$3,413,549 | \$2,629,783 | \$2,602,797 | \$2,749,586 | \$46,778,346 |
| Dickinson | 20,316,315 | 1,878,649 | 1,486,766 | 1,473,273 | 1,546,668 | 26,701,671 |
| Minot | 7,022,104 | 615,800 | 485,172 | 480,674 | 505,139 | 9,108,889 |
| Mandan | 2,250,000 | 166,667 | 166,667 | 166,666 | 166,667 | 2,916,667 |
| Bismarck | 1,000,000 | 83,333 | 83,333 | 83,334 | 83,333 | 1,333,333 |
| West Fargo | 750,000 | 104,167 | 104,167 | 104,166 | 104,167 | 1,166,667 |
| Jamestown | 500,000 | 41,667 | 41,667 | 41,666 | 41,667 | 666,667 |
| Fargo | 500,000 | 0 | 0 | 0 | 0 | 500,000 |
| Grand Forks | 500,000 | 41,667 | 41,667 | 41,666 | 41,667 | 666,667 |
| Total hub cities | \$68,221,050 | \$6,345,499 | \$5,039,222 | \$4,994,242 | \$5,238,894 | \$89,838,907 |
| Hub city school districts | | | | | | |
| Williston | \$8,250,000 | \$593,750 | \$593,750 | \$593,750 | \$593,750 | \$10,625,000 |
| Dickinson | 5,000,000 | 354,167 | 354,167 | 354,166 | 354,167 | 6,416,667 |
| Minot | 1,750,000 | 114,583 | 114,583 | 114,584 | 114,583 | 2,208,333 |
| Total hub city school districts | \$15,000,000 | \$1,062,500 | \$1,062,500 | \$1,062,500 | \$1,062,500 | \$19,250,000 |

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 December 2016.

| | Fiscal Year 2016 | September 2016 | October 2016 | November 2016 | December 2016 | Biennium-to- Date Total |
|---------------|---------------------|-------------------|-----------------|------------------|------------------|----------------------------|
| Billings | \$3,113,430 | \$252,997 | \$292,778 | \$237,874 | \$262,451 | \$4,159,530 |
| Bottineau | 1,443,027 | 123,508 | 121,574 | 94,204 | 128,818 | 1,911,131 |
| Bowman | 3,916,538 | 534,592 | 507,374 | 492,129 | 570,333 | 6,020,966 |
| Burke | 3,366,507 | 328,282 | 224,917 | 361,509 | 351,426 | 4,632,641 |
| Divide | 5,369,283 | 785,064 | 809,997 | 862,009 | 688,580 | 8,514,933 |
| Dunn | 16,679,973 | 3,322,244 | 1,103,948 | 1,179,615 | 1,410,001 | 23,695,781 |
| Golden Valley | 431,274 | 32,877 | 34,798 | 45,392 | 43,038 | 587,379 |
| McHenry | 30,114 | 2,278 | 2,248 | 1,750 | 1,993 | 38,383 |
| McKenzie | 39,457,241 | 5,156,451 | 2,876,922 | 2,813,356 | 3,668,927 | 53,972,897 |
| McLean | 249,248 | 23,695 | 20,968 | 22,312 | 32,491 | 348,714 |
| Mercer | 0 | 0 | 0 | 0 | 0 | 0 |
| Mountrail | 21,370,921 | 3,747,719 | 1,526,460 | 1,477,915 | 1,847,898 | 29,970,913 |

| | Fiscal Year 2016 | September 2016 | October 2016 | November 2016 | December 2016 | Biennium-to- Date Total |
|--------------|----------------------|---------------------|--------------------|--------------------|---------------------|----------------------------|
| Renville | 404,222 | 36,006 | 49,969 | 46,060 | 40,004 | 576,261 |
| Slope | 239,212 | 22,913 | 21,902 | 19,815 | 23,027 | 326,869 |
| Stark | 3,142,001 | 281,931 | 540,002 | 308,634 | 379,172 | 4,651,740 |
| Ward | 16,239 | 1,440 | 1,484 | 1,113 | 1,779 | 22,055 |
| Williams | 20,281,427 | 3,603,872 | 1,424,174 | 1,301,058 | 1,451,688 | 28,062,219 |
| Unallocated | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | \$119,510,657 | \$18,255,869 | \$9,559,515 | \$9,264,745 | \$10,901,626 | \$167,492,412 |

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 December 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 | November 2016 | December 2016 | Biennium-to- Date Total |
|---------------|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------------|
| Billings | \$1,037,813 | \$84,332 | \$97,593 | \$79,291 | \$87,483 | \$1,386,512 |
| Bottineau | 481,019 | 41,169 | 40,527 | 31,397 | 42,940 | 637,052 |
| Bowman | 1,305,513 | 178,196 | 169,125 | 164,042 | 190,111 | 2,006,987 |
| Burke | 1,122,170 | 109,428 | 74,973 | 120,503 | 117,142 | 1,544,216 |
| Divide | 1,789,759 | 261,688 | 269,999 | 287,337 | 229,527 | 2,838,310 |
| Dunn | 5,559,995 | 1,107,415 | 367,983 | 393,205 | 470,001 | 7,898,599 |
| Golden Valley | 191,677 | 14,612 | 15,465 | 20,175 | 19,128 | 261,057 |
| McHenry | 13,383 | 1,015 | 999 | 779 | 885 | 17,061 |
| McKenzie | 13,152,412 | 1,718,817 | 958,973 | 937,786 | 1,222,976 | 17,990,964 |
| McLean | 110,776 | 10,530 | 9,319 | 9,918 | 14,441 | 154,984 |
| Mercer | 0 | 0 | 0 | 0 | 0 | 0 |
| Mountrail | 7,123,639 | 1,249,240 | 508,820 | 492,638 | 615,967 | 9,990,304 |
| Renville | 179,655 | 16,002 | 22,208 | 20,472 | 17,779 | 256,116 |
| Slope | 106,316 | 10,184 | 9,734 | 8,807 | 10,234 | 145,275 |
| Stark | 1,047,334 | 93,977 | 180,001 | 102,878 | 126,390 | 1,550,580 |
| Ward | 7,208 | 640 | 658 | 494 | 791 | 9,791 |
| Williams | 6,760,479 | 1,201,290 | 474,724 | 433,687 | 483,895 | 9,354,075 |
| Total | \$39,989,148 | \$6,098,535 | \$3,201,101 | \$3,103,409 | \$3,649,690 | \$56,041,883 |

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 December 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 | November 2016 | December 2016 | Biennium-to- Date Total |
|---------------|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------------|
| Billings | \$1,759,453 | \$146,083 | \$149,398 | \$144,823 | \$146,871 | \$2,346,628 |
| Bottineau | 1,620,251 | 135,294 | 135,131 | 132,850 | 135,736 | 2,159,262 |
| Bowman | 1,826,374 | 169,549 | 167,281 | 166,011 | 172,527 | 2,501,742 |
| Burke | 1,788,896 | 158,726 | 144,818 | 155,126 | 154,285 | 2,401,851 |
| Divide | 1,946,232 | 189,359 | 191,425 | 196,834 | 182,381 | 2,706,231 |
| Dunn | 1,389,997 | 276,853 | 91,996 | 98,302 | 117,500 | 1,974,648 |
| Golden Valley | 335,435 | 25,572 | 27,065 | 35,305 | 33,473 | 456,850 |
| McHenry | 23,421 | 1,771 | 1,749 | 1,362 | 1,550 | 29,853 |
| McKenzie | 3,288,105 | 429,703 | 239,742 | 234,447 | 305,743 | 4,497,740 |
| McLean | 193,860 | 18,429 | 16,308 | 17,353 | 25,271 | 271,221 |
| Mercer | 0 | 0 | 0 | 0 | 0 | 0 |
| Mountrail | 1,774,567 | 307,217 | 127,204 | 123,160 | 153,991 | 2,486,139 |
| Renville | 314,394 | 28,005 | 38,865 | 35,824 | 31,115 | 448,203 |
| Slope | 186,056 | 17,822 | 17,036 | 15,412 | 17,911 | 254,237 |
| Stark | 1,761,836 | 148,495 | 170,000 | 150,720 | 156,597 | 2,387,648 |
| Ward | 12,624 | 1,119 | 1,156 | 866 | 1,386 | 17,151 |
| Williams | 1,689,323 | 300,110 | 118,680 | 108,420 | 120,974 | 2,337,507 |
| Total | \$19,910,824 | \$2,354,107 | \$1,637,854 | \$1,616,815 | \$1,757,311 | \$27,276,911 |

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 December 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 | November 2016 | December 2016 | Biennium-to- Date Total |
|----------------------------|-----------------------------|---------------------------|-------------------------|--------------------------|--------------------------|------------------------------------|
| Billings | \$536,198 | \$70,688 | \$44,809 | \$41,104 | \$47,553 | \$740,352 |
| Bottineau | 719,425 | 105,933 | 57,943 | 54,921 | 65,621 | 1,003,843 |
| Bowman | 621,139 | 92,023 | 59,311 | 57,470 | 67,251 | 897,194 |
| Burke | 605,457 | 83,516 | 46,129 | 51,849 | 57,382 | 844,333 |
| Divide | 800,111 | 120,862 | 82,922 | 84,176 | 82,840 | 1,170,911 |
| Dunn | 1,537,440 | 274,104 | 111,335 | 113,333 | 134,565 | 2,170,777 |
| Golden Valley ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| McHenry ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| McKenzie | 2,903,126 | 400,638 | 219,191 | 212,912 | 268,600 | 4,004,467 |
| McLean ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| Mercer ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| Mountrail | 1,729,369 | 288,842 | 127,745 | 124,526 | 152,062 | 2,422,544 |
| Renville ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| Slope ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| Stark | 593,710 | 81,125 | 61,843 | 49,167 | 58,722 | 844,567 |
| Ward ¹ | 0 | 0 | 0 | 0 | 0 | 0 |
| Williams | 1,768,055 | 295,936 | 131,587 | 123,375 | 141,333 | 2,460,286 |
| Total | \$11,814,030 | \$1,813,667 | \$942,815 | \$912,833 | \$1,075,929 | \$16,559,274 |

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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