

## 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, September 2016 distributions of oil and gas gross production tax collections relate to July 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 September 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	Biennium-to-Date Total
<b>Hub cities</b>			
Williston	\$35,382,631	\$3,413,549	\$38,796,180
Dickinson	20,316,315	1,878,649	22,194,964
Minot	7,022,104	615,800	7,637,904
Mandan	2,250,000	166,667	2,416,667
Bismarck	1,000,000	83,333	1,083,333
West Fargo	750,000	104,167	854,167
Jamestown	500,000	41,667	541,667
Fargo	500,000	0	500,000
Grand Forks	500,000	41,667	541,667
Total hub cities	\$68,221,050	\$6,345,499	\$74,566,549
<b>Hub city school districts</b>			
Williston	\$8,250,000	\$593,750	\$8,843,750
Dickinson	5,000,000	354,167	5,354,167
Minot	1,750,000	114,583	1,864,583
Total hub city school districts	\$15,000,000	\$1,062,500	\$16,062,500

### 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 September 2016.

	Fiscal Year 2016	September 2016	Biennium-to-Date Total
Billings	\$3,113,430	\$252,997	\$3,366,427
Bottineau	1,443,027	123,508	1,566,535
Bowman	3,916,538	534,592	4,451,130
Burke	3,366,507	328,282	3,694,789
Divide	5,369,283	785,064	6,154,347
Dunn	16,679,973	3,322,244	20,002,217
Golden Valley	431,274	32,877	464,151
McHenry	30,114	2,278	32,392
McKenzie	39,457,241	5,156,451	44,613,692
McLean	249,248	23,695	272,943
Mercer	0	0	0
Mountrail	21,370,921	3,747,719	25,118,640

	<b>Fiscal Year 2016</b>	<b>September 2016</b>	<b>Biennium-to-Date Total</b>
Renville	404,222	36,006	440,228
Slope	239,212	22,913	262,125
Stark	3,142,001	281,931	3,423,932
Ward	16,239	1,440	17,679
Williams	20,281,427	3,603,872	23,885,299
Unallocated	0	0	0
<b>Total</b>	<b>\$119,510,657</b>	<b>\$18,255,869</b>	<b>\$137,766,526</b>

### 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 September 2016. Hub cities are excluded from these amounts. A more detailed schedule of the distributions to the cities is attached as [Appendix A](#).

	<b>Fiscal Year 2016</b>	<b>September 2016</b>	<b>Biennium-to-Date Total</b>
Billings	\$1,037,813	\$84,332	\$1,122,145
Bottineau	481,019	41,169	522,188
Bowman	1,305,513	178,196	1,483,709
Burke	1,122,170	109,428	1,231,598
Divide	1,789,759	261,688	2,051,447
Dunn	5,559,995	1,107,415	6,667,410
Golden Valley	191,677	14,612	206,289
McHenry	13,383	1,015	14,398
McKenzie	13,152,412	1,718,817	14,871,229
McLean	110,776	10,530	121,306
Mercer	0	0	0
Mountrail	7,123,639	1,249,240	8,372,879
Renville	179,655	16,002	195,657
Slope	106,316	10,184	116,500
Stark	1,047,334	93,977	1,141,311
Ward	7,208	640	7,848
Williams	6,760,479	1,201,290	7,961,769
<b>Total</b>	<b>\$39,989,148</b>	<b>\$6,098,535</b>	<b>\$46,087,683</b>

### 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 September 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](#).

	<b>Fiscal Year 2016</b>	<b>September 2016</b>	<b>Biennium-to-Date Total</b>
Billings	\$1,759,453	\$146,083	\$1,905,536
Bottineau	1,620,251	135,294	1,755,545
Bowman	1,826,374	169,549	1,995,923
Burke	1,788,896	158,726	1,947,622
Divide	1,946,232	189,359	2,135,591
Dunn	1,389,997	276,853	1,666,850
Golden Valley	335,435	25,572	361,007
McHenry	23,421	1,771	25,192
McKenzie	3,288,105	429,703	3,717,808
McLean	193,860	18,429	212,289
Mercer	0	0	0
Mountrail	1,774,567	307,217	2,081,784
Renville	314,394	28,005	342,399
Slope	186,056	17,822	203,878
Stark	1,761,836	148,495	1,910,331
Ward	12,624	1,119	13,743
Williams	1,689,323	300,110	1,989,433
<b>Total</b>	<b>\$19,910,824</b>	<b>\$2,354,107</b>	<b>\$22,264,931</b>

**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 September 2016. These amounts include both the equal allocation to all townships in all oil-producing counties and the allocation based on road miles.

	<b>Fiscal Year 2016</b>	<b>September 2016</b>	<b>Biennium-to- Date Total</b>
Billings	\$536,198	\$70,688	\$606,886
Bottineau	719,425	105,933	825,358
Bowman	621,139	92,023	713,162
Burke	605,457	83,516	688,973
Divide	800,111	120,862	920,973
Dunn	1,537,440	274,104	1,811,544
Golden Valley <sup>1</sup>	0	0	0
McHenry <sup>1</sup>	0	0	0
McKenzie	2,903,126	400,638	3,303,764
McLean <sup>1</sup>	0	0	0
Mercer <sup>1</sup>	0	0	0
Mountrail	1,729,369	288,842	2,018,211
Renville <sup>1</sup>	0	0	0
Slope <sup>1</sup>	0	0	0
Stark	593,710	81,125	674,835
Ward <sup>1</sup>	0	0	0
Williams	1,768,055	295,936	2,063,991
<b>Total</b>	<b>\$11,814,030</b>	<b>\$1,813,667</b>	<b>\$13,627,697</b>

<sup>1</sup>The 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.

ATTACH:2