

OIL AND GAS TAX REVENUE COLLECTIONS AND ALLOCATIONS QUARTERLY UPDATE DETAIL

This memorandum provides information on oil production and prices, oil and gas tax revenue collections, and oil and gas tax revenue allocations for the biennium to date through October 2019. **The forecasted amounts reflect the 2019 legislative revenue forecast**, prepared at the close of the 2019 legislative session.

OIL PRODUCTION AND PRICE - COMPARISON OF ACTUAL AND FORECAST

The schedules below provide information on oil production and prices for the biennium to date through August 2019. Monthly oil and gas tax revenue collections and allocations reflect oil production and prices from 2 months prior. The amounts shown for the actual oil prices reflect the average of Flint Hills Resources posted prices and West Texas Intermediate posted prices.

Average Daily Oil Production - Barrels Per Day				
	June 2019	July 2019	August 2019	Biennium-to-Date Average
Actual	1,425,230	1,445,934	1,477,394	1,449,519
Forecast	1,400,000	1,400,000	1,400,000	1,400,000
Variance to forecast	25,230	45,934	77,394	49,519

Average Oil Price - Price Per Barrel				
	June 2019	July 2019	August 2019	Biennium-to-Date Average
Posted prices				
Flint Hills Resources	\$43.10	\$46.72	\$44.58	\$44.80
West Texas Intermediate	\$54.71	\$57.54	\$54.84	\$55.70
Price comparison				
Actual	\$48.91	\$52.13	\$49.71	\$50.25
Forecast	48.50	48.50	48.50	48.50
Variance to forecast	\$0.41	\$3.63	\$1.21	\$1.75

OIL AND GAS TAX REVENUE COLLECTIONS - COMPARISON OF ACTUAL AND FORECAST

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for the biennium to date through October 2019.

	August 2019	September 2019	October 2019	Biennium-to-Date Total
Actual				
Gross production tax	\$108,036,985	\$113,708,806	\$111,864,191	\$333,609,982
Oil extraction tax	96,491,662	104,762,406	100,685,178	301,939,246
Total actual	\$204,528,647	\$218,471,212	\$212,549,369	\$635,549,228
Forecasted				
Gross production tax	\$99,813,000	\$103,140,100	\$103,140,100	\$306,093,200
Oil extraction tax	97,776,000	101,035,200	101,035,200	299,846,400
Total forecasted	\$197,589,000	\$204,175,300	\$204,175,300	\$605,939,600
Variance to forecast				
Gross production tax	\$8,223,985	\$10,568,706	\$8,724,091	\$27,516,782
Oil extraction tax	(1,284,338)	3,727,206	(350,022)	2,092,846
Total variance	\$6,939,647	\$14,295,912	\$8,374,069	\$29,609,628
Percentage variance	3.5%	7.0%	4.1%	4.9%

OIL AND GAS TAX REVENUE COLLECTIONS BY TAX TYPE

The schedules below provide information on oil and gas gross production tax collections and oil extraction tax collections in each county and the Fort Berthold Reservation for the biennium to date through October 2019. The amounts shown for the Fort Berthold Reservation include a portion of the collections that are attributed to Dunn, McKenzie, McLean, and Mountrail Counties. Unallocated tax collections are primarily related to small miscellaneous corrections reported on tax returns. Unallocated tax collections remaining at the end of each fiscal year are allocated to the counties in the subsequent fiscal year.

Oil and Gas Gross Production Tax Collections				
	August 2019	September 2019	October 2019	Biennium-to-Date Total
Billings	\$923,107	\$958,417	\$881,331	\$2,762,855
Bottineau	286,127	317,594	299,590	903,311
Bowman	1,001,929	1,044,271	975,044	3,021,244
Burke	893,101	888,193	879,456	2,660,750
Divide	1,422,766	1,456,501	1,378,491	4,257,758
Dunn	14,089,452	16,505,846	16,565,398	47,160,696
Golden Valley	119,464	125,408	123,307	368,179
McHenry	11,150	1,902	17,176	30,228
McKenzie	37,413,695	36,719,405	36,358,073	110,491,173
McLean	0	0	0	0
Mercer	0	0	0	0
Mountrail	9,868,872	10,852,881	10,997,519	31,719,272
Renville	106,985	116,315	117,662	340,962
Slope	55,242	56,616	50,817	162,675
Stark	710,746	712,341	654,105	2,077,192
Ward	3,280	3,977	4,200	11,457
Williams	19,793,800	20,850,425	20,555,264	61,199,489
Fort Berthold Reservation	21,337,269	23,098,714	22,006,758	66,442,741
Total	\$108,036,985	\$113,708,806	\$111,864,191	\$333,609,982

Oil Extraction Tax Collections				
	August 2019	September 2019	October 2019	Biennium-to-Date Total
Billings	\$599,736	\$623,976	\$565,000	\$1,788,712
Bottineau	83,663	91,996	85,860	261,519
Bowman	374,281	(253,512)	312,417	433,186
Burke	601,716	591,567	432,834	1,626,117
Divide	866,267	913,069	722,829	2,502,165
Dunn	12,656,136	15,493,634	15,305,043	43,454,813
Golden Valley	73,207	83,607	80,608	237,422
McHenry	9,598	0	13,994	23,592
McKenzie	33,280,056	35,286,402	33,143,439	101,709,897
McLean	0	0	0	0
Mercer	0	0	0	0
Mountrail	8,863,886	9,611,827	9,695,691	28,171,404
Renville	30,105	33,412	31,872	95,389
Slope	0	0	0	0
Stark	499,277	475,530	444,638	1,419,445
Ward	1,930	718	1,872	4,520
Williams	17,985,501	19,612,118	18,736,305	56,333,924

Oil Extraction Tax Collections				
	August 2019	September 2019	October 2019	Biennium-to-Date Total
Fort Berthold Reservation	2,468	1,569	2,174	6,211
Unallocated	20,563,835	22,196,493	21,110,602	63,870,930
Total	\$96,491,662	\$104,762,406	\$100,685,178	\$301,939,246

OIL AND GAS TAX REVENUE ALLOCATIONS

The schedule below provides information on oil and gas tax revenue collections allocated to the Three Affiliated Tribes of the Fort Berthold Reservation, state funds, and political subdivisions for the biennium to date through October 2019.

	August 2019	September 2019	October 2019	Biennium-to-Date Total
Three Affiliated Tribes	\$20,950,552	\$22,647,604	\$21,558,680	\$65,156,836
Legacy fund	55,073,428	58,747,082	57,297,208	171,117,718
North Dakota outdoor heritage fund	0	1,449,761	1,437,719	2,887,480
Abandoned well reclamation fund	0	724,881	718,859	1,443,740
Political subdivisions	27,122,115	44,330,821	29,816,889	101,269,825
Common schools trust fund	8,620,975	9,366,416	9,012,988	27,000,379
Foundation aid stabilization fund	8,620,975	9,366,416	9,012,988	27,000,379
Resources trust fund ¹	17,672,997	19,201,153	18,476,625	55,350,775
Oil and gas research fund	1,329,352	1,052,742	1,304,348	3,686,442
State energy research center fund	664,676	526,371	652,174	1,843,221
General fund	64,473,577	51,057,965	63,260,891	178,792,433
Tax relief fund	0	0	0	0
Budget stabilization fund	0	0	0	0
Lignite research fund	0	0	0	0
State disaster relief fund	0	0	0	0
Municipal infrastructure fund	0	0	0	0
Strategic investment and improvements fund	0	0	0	0
County and township infrastructure fund	0	0	0	0
Airport infrastructure fund	0	0	0	0
Total oil tax allocations	\$204,528,647	\$218,471,212	\$212,549,369	\$635,549,228
¹ The amounts shown for the resources trust fund include transfers to the following:				
	August 2019	September 2019	October 2019	Biennium-to-Date Total
Energy conservation grant fund	\$88,365	\$96,006	\$92,383	\$276,754
Renewable energy development fund	530,190	576,035	554,299	1,660,524
Total transfers	\$618,555	\$672,041	\$646,682	\$1,937,278