

Oil and Gas Research Fund
 Financial Statement
2013-2015 Biennium
 May 26, 2015 Oil & Gas Research Council Meeting

	<u>Cash Balance</u>
July 1, 2013 Balance	\$ 3,875,671.18
Revenues through April 30, 2015	\$10,009,014.47
Transfer to the Pipeline Authority Fund	\$(200,400.00)
Expenditures through April 30, 2015	<u>\$(9,002,717.91)</u>
	\$ 4,681,567.74
Outstanding Administration Commitment*	\$ (84,221.06)
Outstanding Project Commitments as of April 30, 2015**	<u>\$(3,094,057.00)**</u>
Balance	\$ 1,503,289.68**

Oil and Gas Research Fund
 Continuing Appropriation Authority
 2013-2015 Biennium

Uncommitted Balance July 1, 2013	\$ 000.00
Carried Over Administration Allocation	\$ 32,106.18
Projected Income from Project Applications & Interest	\$ 20,000.00
Revenues (2% of State's Share of Oil Tax Revenues)	\$10,000,000.00
Returned Commitments	\$ 20,056.03
Unused commitment from 2011-2013 biennium	<u>\$ 1,000,000.00</u>
	\$11,072,162.21
Transfer to Pipeline Authority	\$ (200,400.00)
Administration Commitment	\$ (332,706.00)
Approved Project Commitments 2013-2015	\$ (2,482,342.00)
Carried over Project Commitments for 2013-2015	<u>\$(6,542,439.00)</u>
Available Funding	\$ 1,514,275.21**

57-51.1-07.3. Oil and gas research fund - Deposits - Continuing appropriation.

There is established a special fund in the state treasury to be known as the oil and gas research fund. Before depositing oil and gas gross production tax and oil extraction tax revenues in the general fund, property tax relief sustainability, strategic investment and improvements fund or the state disaster relief fund, two percent of the revenues must be deposited monthly into the oil and gas research fund, up to ten million dollars per biennium. All moneys deposited in the oil and gas research fund and interest on all such moneys are appropriated as a continuing appropriation to the council to be used for purposes stated in chapter 54-17.6.

*This includes the remaining amount of \$134,938 owed on the NDSU Workforce Study

**This amount does not include research/education funding for:

Contract G-028-058 with \$1,100,000 to be expended in the 2015-2017 biennium;

Contract G-030-060 with \$3,027,250 to be expended in the 2015-2017 biennium;

Contract G-034-065 with \$669,690 to be expended in the 2015-2017 biennium.

Priorities	%	2013-2015 Biennium New Monies		Carried Over	Unused	2013-2015 Available Funds	Approved	Approved	Approved	Returned Commitment	Approved	Industrial Comm. Award	Available Funding	Special	Carried over
		Carried Over Uncommitted Funds	to 2013-2015 biennium*	Grant Round 27 Project	Grant Round 31 6/1/13		Grant Round 32+ 11/1/13	Grant Round 33 6/1/14	Grant Round 34 11/1/14		Grant Round 35 4/15/15			Commitment to 2015-2017 biennium*	
Research	92.00%	9,218,400	0	6,363,383	1,000,000	3,855,017		679,500	200,000	0	1,311,242	150,000	1,514,275	759,860	4,127,250
Education	3.00%	300,600	0	179,056	0	121,544	75,000	0	0	20,056	66,600	0	0	0	669,690
Subtotal	95.00%	9,519,000	0	6,542,439	1,000,000	3,976,561	75,000	679,500	200,000	20,056	1,377,842	150,000	1,514,275	759,860	4,796,940
Pipeline	2.00%	200,400	166,067			366,467		0							
Admin.	3.00%	300,600	32,106			332,706		149,931							
Total	100.00%	10,020,000	198,173	6,542,439	1,000,000	4,675,734		829,431							
5/5/2015															
<p>*The <u>Grant Round 27</u> application anticipates payments of approximately \$200,000 during the 2011-2013 biennium, \$800,000 to be charged to the 2013-2015 biennium. The <u>Grant Round 28</u> application anticipates payments of approximately \$900,000 during the 2011-2013 biennium, \$2,000,000 to be disbursed in the 2013-2015 and \$1,100,000 to the 2015-2017 biennia.</p>															
<p>*The <u>Grant Round 30</u> Application anticipates payments of \$1,399,367 during the 2011-2013 biennium, \$4,127,883 to be disbursed in the 2013-2015 biennium and \$3,027,250 in the 2015-2017 biennium</p>															
<p>*The Grant Round 34 Education Application in the amount of \$736,290 anticipates payments of \$66,600 during the 2013-2015 biennium and \$669,690 in the 2015-2017 biennium.</p>															



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

MEMORANDUM

TO: Oil and Gas Research Council
FR: *Karlene Fine*, Industrial Commission Executive Director
DT: May 25, 2015
RE: 2015-2017 OGRF allocations

Attached is a spread sheet for the allocation of the \$10,020,000 of funding that is anticipated to be available in the Oil and Gas Research Fund for the 2015-2017 biennium. Please note that \$4,796,940 of that funding has already been committed by prior actions of the Council/Commission. At this point I do not have the final amounts that will not be committed or used during the 2013-2015 biennium.

The attached spreadsheet proposes the following allocation of \$10,000,000 plus investment earnings:

Research	80.0%	\$ 8,016,000
Education	13.5%	\$ 1,352,700
Pipeline Authority	2.0%	\$ 200,400
Administration/Legislative action	4.0%	\$ 450,900
		<u>\$10,020,000</u>

I have increased the amount for Administration to include the funding for the \$100,000 Natural Gas Production Study that was passed by the Legislature in Senate Bill 2035.

This breakdown does not include any of the dollars that the Legislature directed in House Bill 1358 be transferred to the Oil and Gas Research fund for specific studies/pilot program.

The Oil and Gas Research Council does not have to act on this at the May 25, 2015 meeting if you would prefer to wait until we know the funding that will be carried over to the next biennium. However if you wish to act on May 25, 2015 I would propose the allocation as noted above be recommended to the Industrial Commission.

Karlene

Attachment

