



STATE OF NORTH DAKOTA
OFFICE OF STATE TREASURER
Kelly L. Schmidt, State Treasurer

To: Legacy and Budget Stabilization Fund Advisory Board

From: Office of State Treasurer, Carlee McLeod, Deputy State Treasurer

Re: Timing of Deposits into Legacy and Budget Stabilization Funds

Date: June 28, 2011

Please find the attached spreadsheet with projected monthly deposits into the Legacy Fund. These projections rely on the revenue forecasts developed by the Tax Department for the 2011-2013 biennium.

As you can see by the attachment, deposits of revenue into the Legacy Fund will begin in September 2011. The constitutional measure creating the Legacy Fund and SB 2129 which provides the mechanisms for the deposit are both effective for oil produced/extracted after June 30, 2011. Oil revenue distributions lag production/extraction by two months. Using FY 2012 as an example, July production/extraction will be taxed in August. Those collections will be distributed in September.

Ms. Sharp addressed the biennial Budget Stabilization transfer prior to this presentation, so I have not included duplicative information.

North Dakota Office of State Treasurer, Kelly L. Schmidt

Estimated Deposits into Legacy Fund 2011-2013

FY 2012													
Produced†	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Deposited†	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jun	Aug	
GP	41,783,040	41,783,040	40,642,560	41,997,312	40,642,560	42,318,720	42,318,720	38,707,200	42,854,400	41,990,400	43,390,080	43,740,000	
EXT	40,042,080	40,042,080	38,949,120	40,247,424	38,949,120	40,555,440	40,555,440	37,094,400	41,068,800	40,240,800	41,582,160	41,917,500	
Total	81,825,120	81,825,120	79,591,680	82,244,736	79,591,680	82,874,160	82,874,160	75,801,600	83,923,200	82,231,200	84,972,240	85,657,500	
30%	24,547,536	24,547,536	23,877,504	24,673,421	23,877,504	24,862,248	24,862,248	22,740,480	25,176,960	24,669,360	25,491,672	25,697,250	295,023,719
FY 2013													
Produced†	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Deposited†	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jun	Aug	
GP	45,198,000	45,198,000	43,740,000	45,756,000	44,280,000	46,314,000	46,314,000	42,336,000	47,430,000	45,900,000	47,430,000	no projections	
EXT	43,314,750	43,314,750	41,917,500	43,849,500	42,435,000	44,384,250	44,384,250	40,572,000	45,453,750	43,987,500	45,453,750	no projections	
Total	88,512,750	88,512,750	85,657,500	89,605,500	86,715,000	90,698,250	90,698,250	82,908,000	92,883,750	89,887,500	92,883,750	-	
30%	26,553,825	26,553,825	25,697,250	26,881,650	26,014,500	27,209,475	27,209,475	24,872,400	27,865,125	26,966,250	27,865,125	-	293,688,900

† The Legacy Fund is effective for oil produced after June 30, 2011. There is a two month lag between production/extraction and deposit of revenues into the Legacy Fund, so the first deposit into the Legacy Fund will occur in September 2011.