

**ANALYSIS OF THE LANDS AND MINERALS TRUST FUND FOR THE 2005-07 AND 2007-09 BIENNIUMS
(REFLECTING THE 2007-09 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)**

	2005-07 Biennium		2007-09 Biennium	
Beginning balance		\$6,820,579		\$9,752,183
Add estimated revenues				
Production royalties	\$6,514,182		\$5,329,785	
Mineral leases	247,315		206,680	
Oil and gas bonuses	2,975,918		143,868	
Investment earnings	1,028,375		1,129,968	
Loan repayments from facilities providing services to the developmentally disabled (1983 SB 2020; 1985 SB 2249)	1,057,178		1,129,730	
Total estimated revenues		11,822,968		7,940,031
Total available		\$18,643,547		\$17,692,214
Less estimated expenditures and transfers				
Payments to common schools trust fund - Developmentally disabled loan fund Nos. 2 and 3 (2005 SB 2013 - Continuing appropriation)	\$1,652,538 ¹		\$1,643,060 ¹	
Industrial Commission - Oil and Gas Division contingency (2005 SB 2014)	225,000 ²			
Transfer to the general fund (2005 HB 1015; 2007 SB 2015)	6,800,000		15,000,000	
Administrative costs/other fees	213,826		226,848	
Total estimated expenditures and transfers		8,891,364		16,869,908
Estimated ending balance		\$9,752,183		\$822,306

¹Payments to common schools trust fund - North Dakota Century Code Section 15-08.1-09 provides an annual continuing appropriation from the lands and minerals trust fund of the amount necessary to make payments of principal and interest to the common schools trust fund for loans made to developmentally disabled loan fund Nos. 2 and 3.

²Industrial Commission - Oil and Gas Division contingency - Senate Bill No. 2014 (2005) provides a \$225,000 contingency appropriation from the lands and minerals trust fund to the Oil and Gas Division for the purpose of hiring, upon Emergency Commission approval, up to two full-time equivalent positions if the average drilling rig count exceeds 30 active rigs for each month in any consecutive three-month period. The Emergency Commission approved a transfer of \$142,000 at its March 2, 2006, meeting and a transfer of \$83,000 at its November 27, 2006, meeting.

FUND HISTORY

The lands and minerals trust fund originated in 1977 when the Legislative Assembly transferred to the Board of University and School Lands possessory interest in properties obtained by the Bank of North Dakota, including tracts of real property and reserved mineral interests. All income from the sale, lease, and management of the mineral interests relating to these properties is deposited in the lands and minerals trust fund, pursuant to North Dakota Century Code Section 15-08.1-08. The principal and interest of the trust fund may be used only for purposes approved by the Legislative Assembly.