

**ANALYSIS OF THE LANDS AND MINERALS TRUST FUND FOR THE 2007-09 AND 2009-11 BIENNIUMS
(REFLECTING THE 2009-11 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)**

	2007-09 Biennium		2009-11 Biennium	
Beginning balance		\$14,056,683		\$25,147,817
Add estimated revenues				
Production royalties	\$16,944,824		\$14,097,442	
Mineral leases	432,599		432,599	
Oil and gas bonuses	9,962,051		3,627,296	
Investment earnings	1,524,788		2,191,709	
Loan repayments from facilities providing services to the developmentally disabled (1983 SB 2020; 1985 SB 2249)	835,306		372,372	
Total estimated revenues		29,699,568		20,721,418
Total available		\$43,756,251		\$45,869,235
Less estimated expenditures and transfers				
Payments to common schools trust fund - Developmentally disabled loan funds Nos. 2 and 3 (2005 SB 2013 - Continuing appropriation)	\$1,417,504 ¹		\$717,182	
Industrial Commission - Oil and Gas Division contingency (2007 HB 1014; 2009 SB 2014)	285,000 ²		515,207	
Transfer to the general fund (2007 HB 1014; 2009 SB 2013)	15,000,000		43,500,000	
Office of Management and Budget - Heritage Center expansion (2007 SB 2341)	1,000,164 ³			
State Historical Society - Cold War missile sites (2007 SB 2018)	250,000			
Administrative costs/other fees	655,766		222,227	
Total estimated expenditures and transfers		18,608,434		44,954,616
Estimated ending balance		\$25,147,817		\$914,619

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 - House Bill No. 1014 (2007) provides a \$285,000 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 \$285,000 at its March 14, 2008, meeting.

³Office of Management and Budget - Senate Bill No. 2341 (2007) provided a contingent appropriation of \$1.5 million from the lands and minerals trust fund to the Office of Management and Budget for the Heritage Center expansion project. The appropriation was only available when the State Historical Society certifies to the Office of Management and Budget that \$1.5 million of other funds had been received or pledged for the project. The State Historical Society certified to the Office of Management and Budget in May 2007 that \$1.5 million of other funds had been received or pledged for the project. The Office of Management and Budget estimates \$1,000,164 of the \$1.5 million will be transferred from the lands and minerals trust fund for the Heritage Center expansion project.

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 NDCC Section 15-08.1-08. The principal and interest of the trust fund may be used only for purposes approved by the Legislative Assembly.