

Oil and Gas Revenue



Presented to the
Natural Resources Commission
on June 3, 2010

Revenue Collected



- \$22.3 M collected through March 31, 2010
- \$20.2 M to MNRTF
- Less \$10.0 M to State Park Endowment
- \$6.7 M available for grants
- \$3.5 M increase to MNRTF corpus
- \$2.1 M to Game and Fish Trust corpus

Oil and Gas Auction



- 118,578.55 acres offered on May 4, 2010
- 118,117 acres were bid successfully
- Bonus and rental revenue \$178,377,990.56
- 36% to Game and Fish Trust and related funds
- 64% to Michigan Natural Resources Trust Fund

Impact on MNRTF



- \$113.9 M (only auction sale revenue)
- \$38.0 M (1/3) to be available for grants
- \$75.9 M increase to corpus
- \$75.9 M available to invest now
- Assume 5% distribution on corpus increase
- \$3.8 M additional available for grants in December 2011 and beyond

MNRTF Corpus



- \$393.8 M MNRTF corpus September 30, 2009
- + \$3.5 M revenue through March 31, 2010
- + \$75.9 M auction revenue
- \$473.2 M as of May 4, 2010
- Revenue for remainder of fiscal year will add to the corpus
- \$500 M corpus cap

Game and Fish Trust Fund Corpus



- \$109.8 M Game and Fish Trust corpus
September 30, 2009
- + \$2.1 M revenue through March 31, 2010
- + \$63.9 M auction revenue
- \$6.0 M Game and Fish General Purpose
- \$169.8 M as of May 4, 2010

Game and Fish Trust Fund



- \$60.0 M available to invest now
- Assume 5% return
- \$3.0 M additional annual revenue to Game and Fish General Purpose
- No cap on corpus
- Revenue for remainder of fiscal year will add to the corpus

Impact to Park Endowment Fund



- \$136.4 M balance as of September 30, 2009
- MNRTF reaches \$500 M cap – oil and gas revenue is deposited into Park Endowment Fund
- ½ of revenue available for expenditure
- \$800 M corpus cap

Thank you!



Questions?