

Now the reality of this happening is very unlikely, however, it does paint the picture of what is happening in western North Dakota. Plus with the recent oil prices dropping to stressful levels, there is no guarantee the state will deliver on any verbal promises.

Specifically speaking, Watford City, Dickinson and Williston have accumulated hundreds of millions in debt each, with Williston over a billion dollars. Dickinson's spending went from \$21 million in 2010 to \$210 million in 2014. Watford City's budget increased from \$6 million to \$33 million. As mentioned, the city of Williston is over a billion in debt with a projected \$210 million dollar budget. To put the city's annual operating budget into perspective, the state's capital, Bismarck, which has three times the population, operates at \$205 million.

Speaking with the Steve Holen, president of the North Dakota Association of Oil and Gas Producing Counties and superintendent of schools in McKenzie County (Watford City), he said the sticker shock can be alarming at first, but state officials are confident assistance will be there. Using Watford City as the symbol for this discussion of rapid community debt, Holen expounded on the town's new balance sheet and activity report.

"From a school stand point we are there, we passed a \$27 million bond issue for the new high school which was absolutely needed, but, we indebted ourself to the max in the process," Holen said. "I think when you have a community like Watford City it's not going to come into this (oil play) with a larger tax base that some larger communities are going to have, so the catch up game is magnified ten-fold. There's just no way the tax base could come up with the infrastructure needs in Watford City. We need some of this oil (tax) revenue to come back, not because we are looking for some kind of a hand out from the state or otherwise, it's basically because that's the only resource there is to make this catch up happen. And there is absolutely no way we are going to put this on the backs of the taxpayers. It just isn't going to happen."

According to Bogar, the counties are "at least seven years behind the times", indicating yet another reason why western county officials are requesting the "surge funding" until the tax code is "fixed." Holen said the association has been dealing with issues like this for nearly as long as he has been active within the oil and gas community.

"We can only pass so many bond issues and tap our locals for so much, eventually it just isn't going to happen anymore," Holen said. "We view this as a long term play, we need some long term solutions."

Holen said overall community development is taking place, just not at a speed to satisfy everyone. He hopes the next legislative session will address some issues and needs the North Dakota oil and gas producing counties have.

"The resources just aren't there to get them to meet the growth pace and I think that is the issue," Holen said. "We are fighting the battle, it's just hard to keep up."

