

**NORTH DAKOTA
BOARD OF UNIVERSITY AND SCHOOL LANDS**

**QUARTERLY FINANCIAL REPORTS
(Unaudited)**

For period ended December 31, 2012



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Common Schools	\$2,138,835,884	\$1,653,575,109
North Dakota State University	36,068,906	26,596,560
School for the Blind	4,921,444	3,324,414
School for the Deaf	12,750,473	9,598,817
State Hospital	10,619,416	9,167,465
Ellendale *	6,068,423	4,744,054
Valley City State University	6,013,473	4,474,205
Mayville State University	4,094,278	3,078,667
Youth Correctional Center	14,784,769	10,803,372
State College of Science	10,136,811	8,604,468
School of Mines **	11,867,930	10,097,907
Veterans Home	3,865,173	3,145,768
University of North Dakota	16,725,618	13,226,360
Capitol Building	2,715,734	3,410,790
Strategic Investment and Improvements	843,308,415	271,879,508
Coal Development	65,336,585	64,387,240
Indian Cultural Education Trust	726,817	651,546
Total	<u><u>\$3,188,840,149</u></u>	<u><u>\$2,100,766,250</u></u>
Assets by Type:		
Cash	6,404,926.00	29,441,986.00
Receivables	16,062,907	18,088,213
Investments	2,926,376,600	1,958,901,664
Office Building (Net of Depreciation)	685,013	618,255
Farm Real Estate	-	931,760
Farm Loans	28,666,835	40,672,236
Energy Construction Loans	2,084,384	2,293,037
Energy Development Impact Loans	8,251,520	8,704,435
School Construction Loans	35,140,138	27,138,273
Due to/from Other Trusts and Agencies	165,167,826	13,976,391
Total	<u><u>\$3,188,840,149</u></u>	<u><u>\$2,100,766,250</u></u>

*** Ellendale Trust**

The following entities are equal beneficiaries of the Ellendale Trust:

Dickinson State University	School for the Blind
Minot State University	Veterans Home
Dakota College at Bottineau	State Hospital
	State College of Science - Wahpeton

**** School of Mines**

Benefits of the original grant to the School of Mines are distributed to the University of North Dakota.

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Combined Permanent Trusts

	December 31, 2012	December 31, 2011
Balance Sheet		
Assets:		
Cash	\$4,646,098	\$430,598
Interest Receivable	15,346,174	17,054,927
Accounts Receivable	-	-
Investments	2,210,989,035	1,689,523,850
Farm Real Estate	-	931,760
Farm Loans	28,666,835	40,672,236
Energy Construction Loans	2,084,384	2,293,037
Due from Other Agencies	18,918,115	13,799,167
Due from Other Trusts	-	-
Office Building (Net of Depreciation)	685,013	618,255
Total Assets	\$2,281,335,654	\$1,765,323,830
Liabilities:		
Unclaimed Property Claimant Liability	\$4,428,596	\$4,701,766
Due to Other Trusts	-	-
Due to Other Funds	154,461	184,884
Accounts Payable	-	-
Total Liabilities	4,583,057	4,886,650
Equity:		
Fund Balance	2,041,671,742	1,727,400,987
Net Income/(Loss)	235,080,855	33,036,193
Total Liabilities and Equity	2,281,335,654	\$1,765,323,830
Income Statement		
Income:		
Investment Income	\$24,875,592	\$27,534,056
Realized Gain/(Loss)	21,228,107	16,914,439
Unrealized Gain/(Loss)	77,825,953	(87,158,492)
Royalties - Oil and Gas	55,727,667	34,049,142
Royalties - Coal	2,224,799	2,036,705
Royalties - Aggregate	71,788	39,151
Bonuses - Oil and Gas	10,136,662	18,683,901
Bonuses - Coal	-	-
Rents - Surface	7,023,465	5,233,016
Rents - Mineral	81,319	197,764
Rents - Office Building	46,537	-
Gain/Loss on Sale of Land - OREO	271	-
Sale of Capital Asset	39,000	-
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	55,617,157	36,577,706
Unclaimed Property Income	4,869,784	3,179,076
Total Income	259,768,101	57,286,464
Expenses and Transfers:		
Investment Expense	1,674,243	1,236,726
In-Lieu and 5% County Payments	-	-
Administrative Expense	1,013,003	1,013,545
Transfers to Beneficiaries	22,000,000	22,000,000
Total Expense and Transfers	24,687,246	24,250,271
Net Income/(Loss)	\$235,080,855	\$33,036,193

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	December 31, 2012	December 31, 2011
Balance Sheet		
Assets:		
Cash	\$213,979	\$166,262
Interest Receivable	933	13,777
Investments	2,500,823	3,230,752
Due from other Trusts and Agencies	-	-
Total Assets	\$2,715,735	\$3,410,791
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	3,252,822	3,367,501
Net Income	(537,087)	43,290
Total Liabilities and Equity	\$2,715,735	\$3,410,791
Income Statement		
Income:		
Investment Income	\$2,908	\$7,972
Rents - Surface	66,367	55,245
Rents - Mineral	(25,091)	3,077
Royalties - Oil and Gas	133,307	88,264
Bonuses - Oil and Gas	-	-
Royalties - Coal	-	-
Unrealized Gain/(Loss)	-	-
Total Income	177,491	154,558
Expenses and Transfers:		
Investment Expense	-	-
In-Lieu and 5% County Payments	-	-
Administrative Expense	14,578	11,268
Transfers to Facility Management	700,000	100,000
Total Expense and Transfers	714,578	111,268
Net Income/(Loss)	(\$537,087)	\$43,290

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$1,384	\$1,085
Interest Receivable	362,511	428,974
Investments	21,422,454	27,937,250
Coal Impact Loans	8,251,520	8,704,435
School Construction Loans	35,140,138	27,138,273
Due from other Trusts and Agencies	528,594	590,747
Total Assets	<u>\$65,706,601</u>	<u>\$64,800,764</u>
Liabilities:		
Accounts Payable	\$370,016	\$413,523
Equity:		
Fund Balance	64,360,254	63,449,566
Net Income	976,331	937,675
Total Liabilities and Equity	<u>\$65,706,601</u>	<u>\$64,800,764</u>
<u>Income Statement</u>		
Income:		
Investment Income	\$165,244	\$222,945
Interest on School Construction Loans	233,646	283,361
Realized Gain/(Loss)	75,371	52,009
Unrealized Gain/(Loss)	61,874	(95,489)
Coal Severance Tax Income	474,290	491,912
Total Income	<u>1,010,425</u>	<u>954,738</u>
Expenses and Transfers:		
Investment	14,115	15,107
Administrative	1,899	1,956
Transfers to General Fund	18,080	-
Total Expense and Transfers	<u>34,094</u>	<u>17,063</u>
Net Income/(Loss)	<u>\$976,331</u>	<u>\$937,675</u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	December 31, 2012	December 31, 2011
<u>Balance Sheet</u>		
Assets:		
Cash	\$3,208	\$2,449
Interest Receivable	1,381	1,939
Investments	722,228	647,158
Total Assets	\$726,817	\$651,546
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	-	-
Equity:		
Fund Balance	683,831	667,591
Net Income (Loss)	42,986	(16,045)
Total Liabilities and Equity	\$726,817	\$651,546
<u>Income Statement</u>		
Income:		
Investment Income	\$8,023	\$10,175
Realized Gain/(Loss)	7,153	6,589
Unrealized Gain/(Loss)	26,328	(34,382)
Rents - Surface	2,000	2,000
Bonuses - Oil and Gas	-	-
Total Income	43,504	(15,618)
Expenses and Transfers:		
Investment Expense	518	427
In-Lieu and 5% County Payments	-	-
Administrative Expense	-	-
Transfers to Beneficiary	-	-
Total Expense and Transfers	518	427
Net Income/(Loss)	42,986	(\$16,045)

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	December 31, 2012	December 31, 2011
<u>Balance Sheet</u>		
Assets:		
Cash	\$1,540,257	\$28,841,592
Interest Receivable	351,908	588,610
Investments	695,325,118	242,449,309
Due from other Trusts or Agencies	146,091,132	-
Total Assets	\$843,308,415	\$271,879,511
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	387,713,205	249,074,434
Net Income	455,595,210	22,805,077
Total Liabilities and Equity	\$843,308,415	\$271,879,511
<u>Income Statement</u>		
Income:		
Investment Income	\$489,887	\$262,515
Royalties - Oil and Gas	22,883,413	12,506,873
Bonuses - Oil and Gas	20,996,952	10,356,004
Royalties - Coal	275,689	(1,207)
Bonuses - Coal	-	-
Rents - Mineral	48,960	80,560
Tax Income - Oil Extraction & Production Distribution	411,262,614	-
Total Income	455,957,515	23,204,745
Expenses and Transfers:		
Administrative	362,305	298,106
DD Loan Payments (Net)		101,562
Transfers to General Fund	-	-
Total Expense and Transfers	362,305	399,668
Net Income/(Loss)	\$455,595,210	\$22,805,077

The Strategic Investment and Improvements Fund (SIIF) has an assigned fund balance of \$113,843,446.74 as of November 30, 2012; this designation means that these funds should not be transferred out of the SIIF. The first \$107,593,446.74 of the assigned fund balance will be held until potential title disputes related to certain riverbed leases have been resolved. The remaining \$6,250,000 will be held to potentially fund 25% of the guarantee reserve fund for the Fuel Production Facility Loan Guarantee Program administered by the Bank of North Dakota (NDCC 6-09.7-05).