

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

**QUARTERLY FINANCIAL REPORTS
(Unaudited)**

For period ended December 31, 2013



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Common Schools	2,763,790,800.00	\$2,138,835,884
North Dakota State University	46,440,792	36,068,906
School for the Blind	6,410,646	4,921,444
School for the Deaf	15,800,433	12,750,473
State Hospital	12,237,596	10,619,416
Ellendale *	7,199,461	6,068,423
Valley City State University	7,602,210	6,013,473
Mayville State University	5,439,298	4,094,278
Youth Correctional Center	18,585,863	14,784,769
State College of Science	12,516,732	10,136,811
School of Mines **	14,287,738	11,867,930
Veterans Home	4,477,821	3,865,173
University of North Dakota	21,271,689	16,725,618
Capitol Building	3,222,989	2,715,734
Strategic Investment and Improvements	998,411,010	843,308,415
Coal Development	66,229,343	65,336,585
Indian Cultural Education Trust	824,779	726,817
Total	<u><u>\$4,004,749,200</u></u>	<u><u>\$3,188,840,149</u></u>
Assets by Type:		
Cash	36,760,984	6,404,926
Receivables	17,434,137	16,062,907
Investments	3,821,783,244	2,926,376,600
Office Building (Net of Depreciation)	643,182	685,013
Farm Loans	18,660,460	28,666,835
Energy Construction Loans	1,438,740	2,084,384
Energy Development Impact Loans	7,708,725	8,251,520
School Construction Loans (Coal)	31,337,960	35,140,138
School Construction Loans (SIIF)	45,267,470	-
Medical Facility Loans	-	-
Due to/from Other Trusts and Agencies	23,714,298	165,167,826
Total	<u><u>\$4,004,749,200</u></u>	<u><u>\$3,188,840,149</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, 2013	December 31, 2012
Balance Sheet		
Assets:		
Cash	\$10,953,619	\$4,646,098
Interest Receivable	16,641,824	15,346,174
Investments	2,869,303,574	2,210,989,035
Farm Loans	18,660,460	28,666,835
Energy Construction Loans	1,438,740	2,084,384
Due from Other Agencies	23,554,479	18,918,115
Office Building (Net of Depreciation)	643,182	685,013
Total Assets	\$2,941,195,878	\$2,281,335,654
Liabilities:		
Unclaimed Property Claimant Liability	\$5,042,092	\$4,428,596
Due to Other Trusts	-	-
Due to Other Funds	92,709	154,461
Accounts Payable	-	-
Total Liabilities	5,134,801	4,583,057
Equity:		
Fund Balance	2,569,918,691	2,041,671,742
Net Income/(Loss)	366,142,386	235,080,855
Total Liabilities and Equity	\$2,941,195,878	\$2,281,335,654
Income Statement		
Income:		
Investment Income	\$26,761,020	\$24,875,592
Realized Gain/(Loss)	613,945	21,228,107
Unrealized Gain/(Loss)	190,612,116	77,825,953
Royalties - Oil and Gas	80,207,464	55,727,667
Royalties - Coal	1,798,810	2,224,799
Royalties - Aggregate	151,571	71,788
Bonuses - Oil and Gas	9,075,483	10,136,662
Bonuses - Coal	-	-
Rents - Surface	7,506,308	7,023,465
Rents - Mineral	215,629	78,809
Rents - Coal	2,900	2,500
Rents - Office Building	-	46,547
Gain/Loss on Sale of Land - OREO	-	271
Sale of Capital Asset	-	39,000
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	75,529,093	55,617,157
Unclaimed Property Income	6,473,648	4,869,784
Total Income	398,947,987	259,768,101
Expenses and Transfers:		
Investment Expense	1,630,683	1,674,243
In-Lieu and 5% County Payments	-	-
Administrative Expense	1,174,918	1,013,003
Transfers to Beneficiaries	30,000,000	22,000,000
Total Expense and Transfers	32,805,601	24,687,246
Net Income/(Loss)	\$366,142,386	\$235,080,855

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$324,817	\$213,979
Interest Receivable	-	933
Investments	2,898,172	2,500,822
Due from other Trusts and Agencies	-	-
Total Assets	<u><u>\$3,222,989</u></u>	<u><u>\$2,715,734</u></u>
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	2,841,003	3,252,822
Net Income	381,986	(537,088)
Total Liabilities and Equity	<u><u>\$3,222,989</u></u>	<u><u>\$2,715,734</u></u>
<u>Income Statement</u>		
Income:		
Investment Income	\$2,998	\$2,907
Rents - Surface	83,333	66,367
Rents - Mineral	16,410	(25,091)
Royalties - Oil and Gas	274,541	133,307
Bonuses - Oil and Gas	16,400	-
Royalties - Coal	-	-
Unrealized Gain/(Loss)	-	-
Total Income	<u>393,682</u>	<u>177,490</u>
Expenses and Transfers:		
Investment Expense	-	-
In-Lieu and 5% County Payments	-	-
Administrative Expense	11,696	14,578
Transfers to Facility Management	-	700,000
Total Expense and Transfers	<u>11,696</u>	<u>714,578</u>
Net Income/(Loss)	<u><u>\$381,986</u></u>	<u><u>(\$537,088)</u></u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$2,291	\$1,384
Interest Receivable	443,343	362,511
Investments	26,577,204	21,422,453
Coal Impact Loans	7,708,725	8,251,520
School Construction Loans	31,337,960	35,140,138
Due from other Trusts and Agencies	532,729	528,594
Total Assets	<u>\$66,602,252</u>	<u>\$65,706,600</u>
Liabilities:		
Accounts Payable	\$372,910	\$370,016
Equity:		
Fund Balance	65,300,138	64,360,254
Net Income	929,204	976,330
Total Liabilities and Equity	<u>\$66,602,252</u>	<u>\$65,706,600</u>
<u>Income Statement</u>		
Income:		
Investment Income	\$133,547	\$165,243
Interest on School Construction Loans	322,656	233,646
Realized Gain/(Loss)	(56,876)	75,371
Unrealized Gain/(Loss)	68,414	61,874
Coal Severance Tax Income	482,146	474,290
Total Income	<u>949,887</u>	<u>1,010,424</u>
Expenses and Transfers:		
Investment	19,612	14,115
Administrative	1,071	1,899
Transfers to General Fund	-	18,080
Total Expense and Transfers	<u>20,683</u>	<u>34,094</u>
Net Income/(Loss)	<u>\$929,204</u>	<u>\$976,330</u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	December 31, 2013	December 31, 2012
<u>Balance Sheet</u>		
Assets:		
Cash	\$4,934	\$3,208
Interest Receivable	1,912	1,381
Investments	817,932	722,226
Total Assets	\$824,778	\$726,815
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	-	-
Equity:		
Fund Balance	759,092	683,831
Net Income (Loss)	65,686	42,985
Total Liabilities and Equity	\$824,778	\$726,815
<u>Income Statement</u>		
Income:		
Investment Income	\$7,667	\$8,023
Realized Gain/(Loss)	180	7,153
Unrealized Gain/(Loss)	56,287	26,328
Rents - Surface	-	-
Bonuses - Oil and Gas	-	-
Total Income	64,134	41,504
Expenses and Transfers:		
Investment Expense	(2,000)	(1,565)
In-Lieu and 5% County Payments	-	-
Administrative Expense	448	84
Transfers to Beneficiary	-	-
Total Expense and Transfers	(1,552)	(1,481)
Net Income/(Loss)	\$65,686	\$42,985

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	December 31, 2013	December 31, 2012
Balance Sheet		
Assets:		
Cash	\$25,475,323	\$1,540,257
Interest Receivable	347,058	351,908
Investments	877,321,159	695,325,118
Investment - Medical Facility Infrastructure	50,000,000	-
School Construction Loans	45,267,470	-
Due from other Trusts or Agencies	-	146,091,132
Total Assets	\$998,411,010	\$843,308,415
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	969,920,162	387,713,205
Net Income	28,490,848	455,595,210
Total Liabilities and Equity	\$998,411,010	\$843,308,415
Income Statement		
Income:		
Investment Income	\$730,642	\$489,887
Interest on School Construction Loans	165,103	-
Interest on Medical Facility Loans	-	-
Royalties - Oil and Gas	36,051,959	22,883,413
Bonuses - Oil and Gas	2,767,945	20,996,952
Royalties - Coal	130,696	275,689
Bonuses - Coal	-	-
Rents - Mineral	99,289	48,960
Tax Income - Oil Extraction & Production Distribution	219,156	411,262,614
Total Income	40,164,790	455,957,515
Expenses and Transfers:		
Administrative	385,228	362,305
Transfers to General Fund	-	-
Transfers to Attorney General Office	9,600,000.00	-
Transfer to Commerce Department	-	-
Transfer to Human Services Department	-	-
Transfers to Legacy Fund	1,688,714.00	-
Total Expense and Transfers	11,673,942	362,305
Net Income/(Loss)	\$28,490,848	\$455,595,210

As of December 31, 2013, the \$998,411,010 fund balance includes an obligated balance of \$894,303,695 and \$104,107,315 unobligated. The obligated includes \$135,103,695 that has been designated as an assigned fund balance being held until potential title disputes related to certain riverbed leases have been resolved. The obligated fund balance also includes various funding obligations directed by the 63rd legislative assembly including \$534,200,000 in distributions and transfers, and \$225,000,000 dedicated to various loan programs.