

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

**QUARTERLY FINANCIAL REPORTS
(Unaudited)**

For period ended September 30, 2013



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	<u>September 30, 2013</u>	<u>September 30, 2012</u>
Common Schools	2,563,043,031.00	\$2,026,586,799
North Dakota State University	42,833,534	33,722,474
School for the Blind	5,948,491	4,720,516
School for the Deaf	14,662,409	12,136,871
State Hospital	11,607,272	10,266,006
Ellendale *	6,815,775	5,797,694
Valley City State University	7,018,854	5,683,955
Mayville State University	5,029,010	3,710,109
Youth Correctional Center	17,290,865	14,059,336
State College of Science	11,746,532	9,725,019
School of Mines **	13,414,767	11,387,264
Veterans Home	4,229,557	3,750,783
University of North Dakota	19,654,390	16,004,268
Capitol Building	2,957,640	2,663,389
Strategic Investment and Improvements	970,055,010	575,838,318
Coal Development	65,617,736	64,970,791
Indian Cultural Education Trust	789,235	710,243
Total	<u><u>\$3,762,714,108</u></u>	<u><u>\$2,801,733,835</u></u>
Assets by Type:		
Cash	72,604,959	9,298,712
Receivables	16,748,148	16,686,053
Investments	3,558,615,550	2,556,188,295
Office Building (Net of Depreciation)	670,647	697,213
Farm Loans	17,591,807	31,158,971
Energy Construction Loans	1,448,151	2,244,024
Energy Development Impact Loans	7,846,425	8,383,411
School Construction Loans (Coal)	32,010,346	25,413,158
School Construction Loans (SIIF)	28,492,470	-
Medical Facility Loans	-	-
Due to/from Other Trusts and Agencies	26,685,605	151,663,998
Total	<u><u>\$3,762,714,108</u></u>	<u><u>\$2,801,733,835</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

	September 30, 2013	September 30, 2012
Balance Sheet		
Assets:		
Cash	\$7,639,526	\$6,295,690
Interest Receivable	16,433,976	16,122,004
Investments	2,658,102,772	2,086,922,589
Farm Loans	17,591,807	31,158,971
Energy Construction Loans	1,448,151	2,244,024
Due from Other Agencies	26,522,004	18,660,107
Office Building (Net of Depreciation)	670,647	697,213
Total Assets	\$2,728,408,883	\$2,162,100,598
Liabilities:		
Unclaimed Property Claimant Liability	\$5,042,092	\$4,428,596
Due to Other Trusts	-	-
Due to Other Funds	72,306	120,908
Accounts Payable	-	-
Total Liabilities	5,114,398	4,549,504
Equity:		
Fund Balance	2,569,918,691	2,041,671,742
Net Income/(Loss)	153,375,794	115,879,352
Total Liabilities and Equity	\$2,728,408,883	\$2,162,100,598
Income Statement		
Income:		
Investment Income	\$12,926,683	\$12,315,615
Realized Gain/(Loss)	(505,336)	9,006,710
Unrealized Gain/(Loss)	88,578,838	56,431,568
Royalties - Oil and Gas	20,873,279	12,830,964
Royalties - Coal	800,128	956,332
Royalties - Aggregate	(4,000)	43,787
Bonuses - Oil and Gas	2,555,969	6,153,324
Bonuses - Coal	-	-
Rents - Surface	1,173,777	932,600
Rents - Mineral	189,693	44,766
Rents - Coal	2,900	2,510
Rents - Office Building	-	-
Gain/Loss on Sale of Land - OREO	-	271
Sale of Capital Asset	-	-
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	39,422,656	26,513,709
Unclaimed Property Income	178,667	332,081
Total Income	166,193,254	125,564,237
Expenses and Transfers:		
Investment Expense	263,527	303,501
In-Lieu and 5% County Payments	-	-
Administrative Expense	553,933	581,384
Transfers to Beneficiaries	12,000,000	8,800,000
Total Expense and Transfers	12,817,460	9,684,885
Net Income/(Loss)	\$153,375,794	\$115,879,352

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	<u>September 30, 2013</u>	<u>September 30, 2012</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$59,450	\$159,879
Interest Receivable	540	933
Investments	2,897,651	2,502,576
Due from other Trusts and Agencies	-	-
Total Assets	<u><u>\$2,957,641</u></u>	<u><u>\$2,663,388</u></u>
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	2,841,003	3,252,822
Net Income	116,638	(589,434)
Total Liabilities and Equity	<u><u>\$2,957,641</u></u>	<u><u>\$2,663,388</u></u>
<u>Income Statement</u>		
Income:		
Investment Income	\$253	\$1,066
Rents - Surface	-	-
Rents - Mineral	15,725	(25,225)
Royalties - Oil and Gas	90,931	41,382
Bonuses - Oil and Gas	16,400	-
Royalties - Coal	-	-
Unrealized Gain/(Loss)	-	-
Total Income	<u>123,309</u>	<u>17,223</u>
Expenses and Transfers:		
Investment Expense	-	-
In-Lieu and 5% County Payments	-	-
Administrative Expense	6,671	6,657
Transfers to Facility Management	-	600,000
Total Expense and Transfers	<u>6,671</u>	<u>606,657</u>
Net Income/(Loss)	<u><u>\$116,638</u></u>	<u><u>(\$589,434)</u></u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	September 30, 2013	September 30, 2012
Balance Sheet		
Assets:		
Cash	\$1,995	\$1,651
Interest Receivable	113,944	266,282
Investments	25,481,424	30,746,379
Coal Impact Loans	7,846,425	8,383,411
School Construction Loans	32,010,346	25,413,158
Due from other Trusts and Agencies	545,337	533,031
Total Assets	\$65,999,471	\$65,343,912
Liabilities:		
Accounts Payable	\$381,736	\$373,122
Equity:		
Fund Balance	65,300,138	64,360,254
Net Income	317,597	610,536
Total Liabilities and Equity	\$65,999,471	\$65,343,912
Income Statement		
Income:		
Investment Income	\$68,026	\$86,432
Interest on School Construction Loans	761	115,381
Realized Gain/(Loss)	(55,127)	30,367
Unrealized Gain/(Loss)	64,201	138,288
Coal Severance Tax Income	242,661	242,766
Total Income	320,522	613,234
Expenses and Transfers:		
Investment	2,422	1,663
Administrative	503	1,035
Transfers to General Fund	-	-
Total Expense and Transfers	2,925	2,698
Net Income/(Loss)	\$317,597	\$610,536

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	September 30, 2013	September 30, 2012
<u>Balance Sheet</u>		
Assets:		
Cash	\$2,934	\$1,207
Interest Receivable	1,836	1,586
Investments	784,466	707,450
Total Assets	\$789,236	\$710,243
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	-	-
Equity:		
Fund Balance	759,092	683,831
Net Income (Loss)	30,144	26,412
Total Liabilities and Equity	\$789,236	\$710,243
<u>Income Statement</u>		
Income:		
Investment Income	\$3,763	\$4,031
Realized Gain/(Loss)	(149)	3,096
Unrealized Gain/(Loss)	26,595	19,364
Rents - Surface	-	-
Bonuses - Oil and Gas	-	-
Total Income	30,209	26,491
Expenses and Transfers:		
Investment Expense	65	79
In-Lieu and 5% County Payments	-	-
Administrative Expense	-	-
Transfers to Beneficiary	-	-
Total Expense and Transfers	65	79
Net Income/(Loss)	\$30,144	\$26,412

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	September 30, 2013	September 30, 2012
Balance Sheet		
Assets:		
Cash	\$64,901,055	\$2,840,285
Interest Receivable	197,852	295,247
Investments	826,463,633	439,858,805
Investment - Medical Facility Infrastructure	50,000,000	
School Construction Loans	28,492,470	-
Due from other Trusts or Agencies	-	132,843,981
Total Assets	\$970,055,010	\$575,838,318
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	969,920,162	387,713,205
Net Income	134,848	188,125,113
Total Liabilities and Equity	\$970,055,010	\$575,838,318
Income Statement		
Income:		
Investment Income	\$9,551	\$154,254
Interest on School Construction Loans	-	-
Interest on Medical Facility Loans	-	-
Royalties - Oil and Gas	9,029,883	5,221,639
Bonuses - Oil and Gas	2,263,411	6,138,643
Royalties - Coal	13,735	187,392
Bonuses - Coal	-	-
Rents - Mineral	92,751	28,477
Tax Income - Oil Extraction & Production Distribution	219,156	176,580,715
Total Income	11,628,487	188,311,120
Expenses and Transfers:		
Administrative	204,925	186,007
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	11,493,639	186,007
Net Income/(Loss)	\$134,848	\$188,125,113

As of September 30, 2013, the \$970,055,010 fund balance includes an obligated balance of \$894,303,695 and \$75,751,291 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.