

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

**QUARTERLY FINANCIAL REPORTS
(Unaudited)**

For period ended September 30, 2014



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Common Schools	\$3,141,514,568	\$2,563,029,298
North Dakota State University	51,349,305	42,833,534
School for the Blind	7,056,186	5,948,491
School for the Deaf	17,403,841	14,662,409
State Hospital	12,535,962	11,607,272
Ellendale *	7,381,882	6,815,775
Valley City State University	8,476,755	7,018,854
Mayville State University	6,049,086	5,029,010
Youth Correctional Center	20,473,647	17,290,865
State College of Science	13,535,538	11,746,532
School of Mines **	15,422,781	13,414,767
Veterans Home	4,620,794	4,229,557
University of North Dakota	24,503,323	19,654,390
Capitol Building	5,251,810	2,957,640
Strategic Investment and Improvements	1,628,595,998	970,108,879
Coal Development	66,806,119	65,778,234
Indian Cultural Education Trust	850,579	789,235
Total	<u><u>\$5,031,828,174</u></u>	<u><u>\$3,762,914,742</u></u>
Assets by Type:		
Cash	214,893,036	72,604,959
Receivables	14,688,947	16,962,514
Investments	4,419,071,272	3,508,615,550
Office Building (Net of Depreciation)	690,580	656,915
Farm Loans	15,616,297	17,591,807
Energy Construction Loans	1,401,528	1,448,151
Energy Development Impact Loans	7,284,921	7,846,425
School Construction Loans (Coal)	28,542,978	32,010,346
School Construction Loans (SIIF)	102,643,098	28,492,470
Due to/from Other Trusts and Agencies	226,995,517	76,685,605
Total	<u><u>\$5,031,828,174</u></u>	<u><u>\$3,762,914,742</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, 2014	September 30, 2013
Balance Sheet		
Assets:		
Cash	\$15,125,257	\$7,639,526
Interest Receivable	13,945,005	16,433,976
Investments	3,263,157,309	2,658,102,772
Farm Loans	15,616,297	17,591,807
Energy Construction Loans	1,401,528	1,448,151
Due from Other Agencies	28,772,711	26,522,004
Office Building (Net of Depreciation)	690,580	656,915
Total Assets	\$3,338,708,687	\$2,728,395,151
Liabilities:		
Unclaimed Property Claimant Liability	\$8,326,146	\$5,042,092
Due to Other Trusts	-	-
Due to Other Funds	58,872	72,306
Accounts Payable	-	-
Total Liabilities	8,385,018	5,114,398
Equity:		
Fund Balance	3,318,620,250	2,569,918,691
Net Income/(Loss)	11,703,419	153,362,062
Total Liabilities and Equity	\$3,338,708,687	\$2,728,395,151
Income Statement		
Income:		
Investment Income	\$14,182,294	\$12,926,683
Realized Gain/(Loss)	100,914,466	(505,336)
Unrealized Gain/(Loss)	(175,827,678)	88,578,838
Royalties - Oil and Gas	31,295,586	20,873,279
Royalties - Coal	888,556	800,128
Royalties - Aggregate	410,000	(4,000)
Bonuses - Oil and Gas	5,538,648	2,555,969
Bonuses - Coal	-	-
Rents - Surface	2,129,288	1,173,777
Rents - Mineral	53,016	189,693
Rents - Coal	2,100	2,900
Rents - Office Building	-	-
Gain/Loss on Sale of Land - OREO	-	-
Sale of Capital Asset	-	-
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	44,584,284	39,422,656
Unclaimed Property Income	423,830	178,667
Total Income	24,594,390	166,193,254
Expenses and Transfers:		
Investment Expense	240,257	277,259
In-Lieu and 5% County Payments	-	-
Administrative Expense	650,714	553,933
Transfers to Beneficiaries	12,000,000	12,000,000
Total Expense and Transfers	12,890,971	12,831,192
Net Income/(Loss)	\$11,703,419	\$153,362,062

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	<u>September 30, 2014</u>	<u>September 30, 2013</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$395,470	\$59,450
Interest Receivable	795	540
Investments	4,855,545	2,897,650
Due from other Trusts and Agencies	-	-
Total Assets	<u><u>\$5,251,810</u></u>	<u><u>\$2,957,640</u></u>
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	4,998,848	2,841,003
Net Income	252,962	116,637
Total Liabilities and Equity	<u><u>\$5,251,810</u></u>	<u><u>\$2,957,640</u></u>
<u>Income Statement</u>		
Income:		
Investment Income	\$772	\$252
Rents - Surface	-	-
Rents - Mineral	20,659	15,725
Royalties - Oil and Gas	297,754	90,931
Bonuses - Oil and Gas	560	16,400
Royalties - Coal	-	-
Unrealized Gain/(Loss)	-	-
Total Income	<u>319,745</u>	<u>123,308</u>
Expenses and Transfers:		
Investment Expense	-	-
In-Lieu and 5% County Payments	-	-
Administrative Expense	6,783	6,671
Transfers to Facility Management	60,000	-
Total Expense and Transfers	<u>66,783</u>	<u>6,671</u>
Net Income/(Loss)	<u><u>\$252,962</u></u>	<u><u>\$116,637</u></u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	September 30, 2014	September 30, 2013
<u>Balance Sheet</u>		
Assets:		
Cash	\$1,226	\$1,995
Interest Receivable	243,646	274,442
Investments	30,580,638	25,481,424
Coal Impact Loans	7,284,921	7,846,427
School Construction Loans	28,542,978	32,010,346
Due from other Trusts and Agencies	509,033	545,337
Total Assets	\$67,162,442	\$66,159,971
Liabilities:		
Accounts Payable	\$356,323	\$381,736
Equity:		
Fund Balance	66,393,006	65,300,138
Net Income	413,113	478,097
Total Liabilities and Equity	\$67,162,442	\$66,159,971
<u>Income Statement</u>		
Income:		
Investment Income	\$72,864	\$68,029
Interest on School Construction Loans	145,800	161,258
Realized Gain/(Loss)	(706)	(55,127)
Unrealized Gain/(Loss)	(39,650)	64,201
Coal Severance Tax Income	238,265	242,661
Total Income	416,573	481,022
Expenses and Transfers:		
Investment	2,808	2,422
Administrative	652	503
Transfers to General Fund	-	-
Total Expense and Transfers	3,460	2,925
Net Income/(Loss)	\$413,113	\$478,097

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	September 30, 2014	September 30, 2013
<u>Balance Sheet</u>		
Assets:		
Cash	\$1,583	\$2,934
Interest Receivable	1,177	1,836
Investments	847,819	784,466
Total Assets	\$850,579	\$789,236
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	-	-
Equity:		
Fund Balance	866,465	759,092
Net Income (Loss)	(15,886)	30,144
Total Liabilities and Equity	\$850,579	\$789,236
<u>Income Statement</u>		
Income:		
Investment Income	\$3,660	\$3,764
Realized Gain/(Loss)	26,663	(149)
Unrealized Gain/(Loss)	(46,165)	26,595
Rents - Surface	-	-
Bonuses - Oil and Gas	-	-
Total Income	(15,842)	30,210
Expenses and Transfers:		
Investment Expense	44	66
In-Lieu and 5% County Payments	-	-
Administrative Expense	-	-
Transfers to Beneficiary	-	-
Total Expense and Transfers	44	66
Net Income/(Loss)	(\$15,886)	\$30,144

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	September 30, 2014	September 30, 2013
Balance Sheet		
Assets:		
Cash	\$199,369,499	\$64,901,055
Interest Receivable	498,325	251,721
Investments	1,128,014,980	826,463,633
School Construction Loans	102,643,098	28,492,470
Due from other Trusts or Agencies	198,070,097	50,000,000
Total Assets	\$1,628,595,999	\$970,108,879
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	1,417,244,646	969,920,162
Net Income	211,351,353	188,717
Total Liabilities and Equity	\$1,628,595,999	\$970,108,879
Income Statement		
Income:		
Investment Income	\$27,788	\$9,552
Interest on School Construction Loans	353,509	53,868
Interest on Medical Facility Loans	20,286	-
Royalties - Oil and Gas	12,768,494	9,029,883
Bonuses - Oil and Gas	1,364,899	2,263,411
Royalties - Coal	111,019	13,735
Bonuses - Coal	-	-
Rents - Mineral	30,448	92,751
Tax Income - Oil Extraction & Production Distribution	203,436,672	219,156
Total Income	218,113,115	11,682,356
Expenses and Transfers:		
Administrative	190,886	204,925
Investment Expense	3,160	-
Transfers to General Fund	-	-
Transfers to Attorney General Office	-	9,600,000
Transfer to Commerce Department	-	-
Transfer to Human Services Department	-	-
Transfers to Legacy Fund	6,567,716	1,688,714
Total Expense and Transfers	6,761,762	11,493,639
Net Income/(Loss)	\$211,351,353	\$188,717

As of September 30, 2014, the SIIF had a fund balance of \$1,628,595,999. The fund balance is made up of two parts. The obligated fund balance is that portion of the fund that has either been set aside until potential title disputes related to certain riverbed leases have been resolved, dedicated to various loan programs established by the legislature, or appropriated to be spent during the 2013-15 biennium. The unobligated fund balance is the portion of the fund that is unencumbered, and is thus available to be spent or dedicated to other programs as the legislature deems appropriate. The unobligated balance of the fund was \$592,825,363 on September 30, 2014.