

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

**QUARTERLY FINANCIAL REPORT
(Unaudited)**

For period ended September 30, 2015



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	September 30, 2015	September 30, 2014
Common Schools	\$3,219,193,596	\$3,141,514,568
North Dakota State University	52,472,796	51,349,305
School for the Blind	7,182,446	7,056,186
School for the Deaf	17,280,616	17,403,841
State Hospital	11,966,395	12,535,962
Ellendale *	8,078,483	7,381,882
Valley City State University	9,177,332	8,476,755
Mayville State University	6,000,563	6,049,086
Youth Correctional Center	21,048,587	20,473,647
State College of Science	13,557,969	13,535,538
School of Mines **	15,511,647	15,422,781
Veterans Home	4,435,535	4,620,794
University of North Dakota	24,545,559	24,503,323
Capitol Building	6,170,547	5,251,810
Strategic Investment and Improvements	346,262,872	1,628,595,998
Coal Development	67,824,405	66,806,119
Indian Cultural Education Trust	1,094,789	850,579
School Construction Assistance Loan Fund	150,441,045	-
Total	\$3,982,245,182	\$5,031,828,174
Assets by Type:		
Cash	15,738,431	214,893,036
Receivables	13,143,956	14,688,947
Investments	3,720,025,919	4,419,071,272
Office Building (Net of Depreciation)	647,032	690,580
Farm Loans	12,578,031	15,616,297
Energy Construction Loans	1,330,351	1,401,528
Energy Development Impact Loans	13,794,965	7,284,921
School Construction Loans (Coal)	43,772,957	28,542,978
School Construction Loans (SCLAP)	149,979,240	102,643,098
Due to/from Other Trusts and Agencies	11,234,300	226,995,517
Total	\$3,982,245,182	5,031,828,174

*** 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, 2015	September 30, 2014
Balance Sheet		
Assets:		
Cash	\$5,352,285	\$12,155,907
Interest Receivable	12,036,766	13,945,005
Investments	3,374,687,381	3,263,157,308
Farm Loans	12,578,031	15,616,297
Energy Construction Loans	1,330,351	1,401,528
Due from Other Agencies	11,074,020	28,772,711
Office Building (Net of Depreciation)	647,032	690,580
Total Assets	\$3,417,705,866	\$3,335,739,336
Liabilities:		
Unclaimed Property Claimant Liability	\$7,207,867	\$8,326,146
Due to Other Trusts	-	-
Due to Other Funds	46,475	58,872
Accounts Payable	-	-
Total Liabilities	7,254,342	8,385,018
Equity:		
Fund Balance	3,642,517,856	3,318,620,250
Net Income/(Loss)	(232,066,332)	8,734,068
Total Liabilities and Equity	3,417,705,866	\$3,335,739,336
Income Statement		
Income:		
Investment Income	\$17,861,332	\$14,182,294
Realized Gain/(Loss)	(3,403,978)	100,914,466
Unrealized Gain/(Loss)	(258,743,646)	(175,827,678)
Royalties - Oil and Gas	11,936,552	28,379,719
Royalties - Coal	336,908	888,556
Royalties - Aggregate	329,582	410,000
Bonuses - Oil and Gas	741,936	5,538,648
Bonuses - Coal	-	-
Rents - Surface	1,547,585	2,075,928
Rents - Mineral	77,037	53,016
Rents - Coal	2,500	2,100
Rents - Office Building	-	-
Gain/Loss on Sale of Land - OREO	-	-
Sale of Capital Asset	-	-
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	18,159,320	44,584,284
Unclaimed Property Income	(269,726)	423,706
Total Income	(211,424,598)	21,625,039
Expenses and Transfers:		
Investment Expense	330,629	240,257
In-Lieu and 5% County Payments	-	-
Administrative Expense	711,105	650,714
Transfers to Beneficiaries	19,600,000	12,000,000
Total Expense and Transfers	20,641,734	12,890,971
Net Income/(Loss)	(232,066,332)	\$8,734,068

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$59,985	\$274,544
Interest Receivable	-	795
Investments	6,110,562	4,855,544
Due from other Trusts and Agencies	-	-
Total Assets	<u>\$6,170,547</u>	<u>\$5,130,883</u>
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	5,903,878	4,998,848
Net Income	266,669	132,035
Total Liabilities and Equity	<u>\$6,170,547</u>	<u>\$5,130,883</u>
<u>Income Statement</u>		
Income:		
Investment Income	\$10,769	\$772
Rents - Surface	-	-
Rents - Mineral	26,890	20,659
Royalties - Oil and Gas	237,049	176,827
Bonuses - Oil and Gas	-	560
Royalties - Coal	-	-
Royalties - Aggregate	-	-
Unrealized Gain/(Loss)	-	-
Total Income	<u>274,708</u>	<u>198,818</u>
Expenses and Transfers:		
Investment Expense	-	-
In-Lieu and 5% County Payments	-	-
Administrative Expense	8,039	6,783
Transfers to Facility Management	-	60,000
Total Expense and Transfers	<u>8,039</u>	<u>66,783</u>
Net Income/(Loss)	<u>266,669</u>	<u>132,035</u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$1,811	\$1,226
Interest Receivable	267,351	243,646
Investments	9,826,508	30,580,638
Coal Impact Loans	13,794,965	7,284,921
School Construction Loans	43,772,957	28,542,978
Due from other Trusts and Agencies	536,044	509,033
Total Assets	<u><u>\$68,199,636</u></u>	<u><u>\$67,162,442</u></u>
Liabilities:		
Accounts Payable	\$375,230	\$356,323
Equity:		
Fund Balance	67,371,341	66,393,006
Net Income	453,065	413,113
Total Liabilities and Equity	<u><u>\$68,199,636</u></u>	<u><u>\$67,162,442</u></u>
<u>Income Statement</u>		
Income:		
Investment Income	\$11,165	\$72,864
Interest on School Construction Loans	209,008	145,800
Realized Gain/(Loss)	(35,658)	(706)
Unrealized Gain/(Loss)	20,466	(39,650)
Coal Severance Tax Income	249,488	238,265
Total Income	454,469	416,573
Expenses and Transfers:		
Investment	761	2,808
Administrative	643	652
Transfers to General Fund	-	-
Total Expense and Transfers	1,404	3,460
Net Income/(Loss)	<u><u>453,065</u></u>	<u><u>\$413,113</u></u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$3,286	\$1,583
Interest Receivable	714	1,177
Investments	1,090,790	847,819
Total Assets	<u>\$1,094,790</u>	<u>\$850,579</u>
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Equity:		
Fund Balance	1,173,978	866,465
Net Income (Loss)	<u>(79,188)</u>	<u>(15,886)</u>
Total Liabilities and Equity	\$1,094,790	\$850,579
<u>Income Statement</u>		
Income:		
Investment Income	\$5,779	\$3,660
Realized Gain/(Loss)	(1,138)	26,663
Unrealized Gain/(Loss)	(83,736)	(46,165)
Rents - Surface	-	-
Donations	-	-
Total Income	<u>(79,095)</u>	<u>(15,842)</u>
Expenses and Transfers:		
Investment Expense	93	44
In-Lieu and 5% County Payments	-	-
Administrative Expense	-	-
Transfers to Beneficiary	-	-
Total Expense and Transfers	<u>93</u>	<u>44</u>
Net Income/(Loss)	<u><u>(\$79,188)</u></u>	<u><u>(\$15,886)</u></u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	September 30, 2015	September 30, 2014
Balance Sheet		
Assets:		
Cash	\$10,272,727	\$198,577,623
Interest Receivable	422,148	498,325
Investments	335,568,531	1,128,014,980
School Construction Loans	-	102,643,098
Due from other Trusts or Agencies	(533)	198,070,097
Total Assets	\$346,262,873	\$1,627,804,123
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	793,726,995	1,417,244,646
Net Income	(447,464,122)	210,559,477
Total Liabilities and Equity	\$346,262,873	\$1,627,804,123
Income Statement		
Income:		
Investment Income	\$306,054	\$27,788
Realized Gain/(Loss)	(35)	-
Unrealized Gain/(Loss)	390,170	-
Interest on School Construction Loans	-	353,509
Interest on Medical Facility Loans	27,771	20,286
Royalties - Oil and Gas	7,694,547	11,976,618
Bonuses - Oil and Gas	(372,610)	1,364,899
Royalties - Coal	8,974	111,019
Rents - Mineral	40,892	30,448
Tax Income - Oil Extraction & Production Distribution	-	203,436,672
Total Income	8,095,763	217,321,239
Expenses and Transfers:		
Administrative	204,513	191,011
Investment Expense	-	3,035
Transfers to General Fund	-	-
Transfer to Commerce Department	2,150,000	-
Transfer to Human Services Department	-	-
Transfers to Legacy Fund	-	6,567,716
Transfer to State Treasurer's Office	-	-
Transfer to Department of Transportation	237,000,000	-
Transfer to BND (SB 2012)	49,891,582	-
Transfer to NDSU (HB 1020)	3,000,000	-
Transfer to Industrial Commission (HB 1014)	13,125,322	-
Transfer to School Construction Assistance Loan Fund	150,188,468	-
Total Expense and Transfers	455,559,885	6,761,762
Net Income/(Loss)	(447,464,122)	\$210,559,477

As of September 30, 2015, the SIIF had a fund balance of \$346,262,873. The fund balance is made up of two parts. The assigned 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 and 2015-2017 bienniums. The unassigned fund balance is the portion of the fund that is unencumbered, and is thus available to be spent or dedicate to other programs as the legislature deems appropriate. The unassigned balance of the fund was \$78,205,368 on September 30, 2015.

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

School Construction Assistance Loan Fund

	September 30, 2015	September 30, 2014
<u>Balance Sheet</u>		
Assets:		
Cash	\$48,338	\$0
Interest Receivable	413,468	-
Investments	149,979,239	-
Total Assets	\$150,441,045	\$0
Liabilities:		
Total Liabilities	-	-
Equity:		
Fund Balance	-	-
Net Income (Loss)	150,441,045	-
Total Liabilities and Equity	150,441,045	\$0
<u>Income Statement</u>		
Income:		
Investment Income	\$252,577	\$0
Transfers from SIIF	150,188,468	-
Total Income	150,441,045	\$0
Expenses and Transfers:		
Administrative Expense	-	-
Total Expense and Transfers	-	-
Net Income/(Loss)	\$150,441,045	\$0

The school construction assistance loan fund, created by the 64th Legislative Assembly, is a special revolving loan fund in the state treasury. The fund consists of \$150,000,000 from the Strategic Investment and Improvements fund which had been allocated by the 63rd Legislative Assembly for school construction loans. All interest or other earnings of the fund, and all repayments of loans collected by the fund will remain in the fund. The money in this fund is appropriated on a continuing basis for the purpose of providing low-interest school construction loans.