

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

**QUARTERLY FINANCIAL REPORT
(Unaudited)**

For period ended March 31, 2017



Board of University and School Lands		
Quarterly Comparative Financial Schedules (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	March 31, 2017	March 31, 2016
Common Schools	3,810,499,798.00	\$3,368,290,148
North Dakota State University	61,687,138	54,823,546
School for the Blind	9,746,916	7,560,089
School for the Deaf	19,658,639	17,876,950
State Hospital	13,575,094	12,352,484
Ellendale *	17,957,018	8,424,353
Valley City State University	10,887,381	9,662,233
Mayville State University	6,920,032	6,229,238
Youth Correctional Center	19,753,580	24,906,607
State College of Science	15,519,164	14,079,687
School of Mines **	17,943,180	16,029,405
Veterans Home	5,030,732	4,602,599
University of North Dakota	28,471,353	25,603,796
Capitol Building	6,400,448	6,869,602
Strategic Investment and Improvements	468,018,331	335,741,776
Coal Development	69,466,637	68,600,643
Indian Cultural Education Trust	1,200,120	1,107,897
School Construction Assistance Loan Fund	-	151,297,786
Total	\$4,582,735,561	\$4,134,058,839
Assets by Type:		
Cash	1,200,785.00	19,208,176.00
Receivables	17,736,025	19,305,337
Investments	4,421,266,148	3,862,952,034
Office Building (Net of Depreciation)	559,214	617,722
Farm Loans	7,772,169	10,593,842
Energy Construction Loans	1,230,427	1,298,910
Energy Development Impact Loans	12,823,008	13,476,520
School Construction Loans (Coal)	41,178,562	49,740,027
School Construction Loans (SCLAP)	-	149,979,240
Due to/from Other Trusts and Agencies	78,969,223	6,887,031
Total	\$4,582,735,561	\$4,134,058,839

*** 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

	March 31, 2017	March 31, 2016
Balance Sheet		
Assets:		
Cash	\$665,172	\$9,915,623
Interest Receivable	16,323,287	16,571,605
Investments	4,010,172,033	3,531,928,211
Farm Loans	7,772,169	10,593,842
Energy Construction Loans	1,230,427	1,298,910
Due from Other Agencies	9,967,989	6,736,405
Office Building (Net of Depreciation)	559,214	617,722
Total Assets	\$4,046,690,291	\$3,577,662,318
Liabilities:		
Unclaimed Property Claimant Liability	\$9,030,676	\$7,207,867
Due to Other Trusts	-	-
Due to Other Funds	9,588	13,315
Accounts Payable	-	-
Total Liabilities	\$9,040,264	\$7,221,182
Equity:		
Fund Balance	3,720,729,900	3,642,517,856
Net Income/(Loss)	316,920,127	(72,076,720)
Total Liabilities and Equity	\$4,046,690,291	\$3,577,662,318
Income Statement		
Income:		
Investment Income	\$67,105,424	\$61,039,635
Realized Gain/(Loss)	130,550,882	(27,204,264)
Unrealized Gain/(Loss)	82,446,836	(154,280,941)
Royalties - Oil and Gas	72,240,286	70,492,779
Royalties - Coal	379,717	930,274
Royalties - Aggregate	271,755	413,300
Bonuses - Oil and Gas	1,334,943	5,224,620
Bonuses - Coal	128,000	-
Rents - Surface	10,744,688	11,374,115
Rents - Mineral	179,372	191,262
Rents - Coal	31,751	30,836
Rents - Office Building	52,735	58,970
Sale of Capital Asset	-	4,635,000
Tobacco Settlement Income	-	-
Oil Extraction Tax Income	42,396,228	45,824,053
Unclaimed Property Income	8,930,188	7,955,831
Total Income	416,792,805	26,685,470
Expenses and Transfers:		
Investment Expense	6,386,002	5,526,044
In-Lieu and 5% County Payments	-	-
Administrative Expense	2,246,676	1,996,146
Transfers to Beneficiaries	91,240,000	91,240,000
Total Expense and Transfers	99,872,678	98,762,190
Net Income/(Loss)	\$316,920,127	(\$72,076,720)

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Capitol Building Trust

	<u>March 31, 2017</u>	<u>March 31, 2016</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$3,148	\$125,515
Interest Receivable	13,440	8,480
Investments	6,383,860	6,735,607
Due from other Trusts and Agencies	-	-
Total Assets	<u>\$6,400,448</u>	<u>\$6,869,602</u>
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	6,219,543	5,903,878
Net Income	180,905	965,724
Total Liabilities and Equity	<u>\$6,400,448</u>	<u>\$6,869,602</u>
<u>Income Statement</u>		
Income:		
Investment Income	\$545,934	\$45,479
Rents - Surface	144,514	140,165
Rents - Mineral	4,360	29,669
Royalties - Oil and Gas	590,065	765,255
Bonuses - Oil and Gas	3,040	396
Royalties - Coal	-	-
Royalties - Aggregate	18,126	10,000
Unrealized Gain/(Loss)	-	-
Total Income	<u>1,306,039</u>	<u>990,964</u>
Expenses and Transfers:		
Investment Expense	2,707	166
In-Lieu and 5% County Payments	-	-
Administrative Expense	22,427	22,574
Transfers to Facility Management	1,100,000	2,500
Total Expense and Transfers	<u>1,125,134</u>	<u>25,240</u>
Net Income/(Loss)	<u>\$180,905</u>	<u>\$965,724</u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Coal Development Trust

	March 31, 2017	March 31, 2016
Balance Sheet		
Assets:		
Cash	\$1,829	\$1,105
Interest Receivable	518,749	638,119
Investments	14,778,350	4,594,247
Coal Impact Loans	12,823,008	13,476,520
School Construction Loans	41,178,562	49,740,027
Due from other Trusts and Agencies	540,850	502,087
Total Assets	\$69,841,348	\$68,952,105
Liabilities:		
Accounts Payable	\$378,595	\$351,461
Equity:		
Fund Balance	68,204,180	67,371,341
Net Income	1,258,573	1,229,303
Total Liabilities and Equity	\$69,841,348	\$68,952,105
Income Statement		
Income:		
Investment Income	\$119,670	\$69,987
Interest on School Construction Loans	490,700	577,159
Realized Gain/(Loss)	5,482	(35,948)
Unrealized Gain/(Loss)	(28,180)	(24,932)
Coal Severance Tax Income	718,112	723,115
Total Income	1,305,784	1,309,381
Expenses and Transfers:		
Investment	5,761	8,477
Administrative	9,386	1,804
Transfers to General Fund	32,064	69,797
Total Expense and Transfers	47,211	80,078
Net Income/(Loss)	\$1,258,573	\$1,229,303

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Indian Cultural Trust

	<u>March 31, 2017</u>	<u>March 31, 2016</u>
<u>Balance Sheet</u>		
Assets:		
Cash	\$3,676	\$4,688
Interest Receivable	2,153	2,210
Investments	1,194,290	1,101,000
Total Assets	<u>\$1,200,119</u>	<u>\$1,107,898</u>
Liabilities:		
Due to Other Funds	-	-
Accounts Payable	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Equity:		
Fund Balance	1,140,104	1,173,978
Net Income (Loss)	60,015	(66,080)
Total Liabilities and Equity	<u>\$1,200,119</u>	<u>\$1,107,898</u>
<u>Income Statement</u>		
Income:		
Investment Income	\$20,352	\$19,379
Realized Gain/(Loss)	40,159	(8,718)
Unrealized Gain/(Loss)	25,076	(50,457)
Rents - Surface	2,900	2,000
Donations	-	-
Total Income	<u>88,487</u>	<u>(37,796)</u>
Expenses and Transfers:		
Investment Expense	1,924	1,736
In-Lieu and 5% County Payments	-	-
Administrative Expense	1	1
Transfers to Beneficiary	26,547	26,547
Total Expense and Transfers	<u>28,472</u>	<u>28,284</u>
Net Income/(Loss)	<u>\$60,015</u>	<u>(\$66,080)</u>

Board of University and School Lands

Quarterly Comparative Financial Statements (Unaudited)

Strategic Investment and Improvements Fund

	March 31, 2017	March 31, 2016
Balance Sheet		
Assets:		
Cash	\$523,075	\$9,112,899
Interest Receivable	878,396	814,724
Investments	397,777,882	325,814,152
School Construction Loans	-	0
Due from other Trusts or Agencies	68,838,979	0
Total Assets	\$468,018,332	\$335,741,775
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	354,359,176	793,726,995
Net Income	113,659,156	(457,985,220)
Total Liabilities and Equity	\$468,018,332	\$335,741,775
Income Statement		
Income:		
Investment Income	\$3,717,799	\$1,796,908
Realized Gain/(Loss)	145,448	24,067
Unrealized Gain/(Loss)	(830,915)	482,856
Interest on School Construction Loans	-	-
Interest on Medical Facility Loans	-	-
Interest on Fuel Production Facility Loans	58,593	77,773
Royalties - Oil and Gas	41,109,810	41,900,125
Bonuses - Oil and Gas	4,868,812	5,581,541
Royalties - Coal	114,838	189,588
Rents - Mineral	73,372	103,969
Tax Income - Oil Extraction & Production Distribution	83,997,112	533
Total Income	133,254,869	50,157,360
Expenses and Transfers:		
Administrative	758,056	718,180
Investment Expense	137,657	7,496
Transfers to General Fund	-	-
Transfer to Commerce Department	-	4,400,000
Transfer to Legal Counsel for Indigents	200,000	-
Transfers to Legacy Fund	-	-
Transfer to State Treasurer's Office	-	-
Transfer to Department of Transportation	3,500,000	237,000,000
Transfer to BND (SB 2012)	-	99,891,582
Transfer to NDSU (HB 1020)	15,000,000	3,000,000
Transfer to Industrial Commission (HB 1014)	-	13,125,322
Transfer to School Construction Assistance Loan Fund	-	150,000,000
Total Expense and Transfers	19,595,713	508,142,580
Net Income/(Loss)	\$113,659,156	(\$457,985,220)

As of March 31, 2017, the SIIF had a fund balance of \$468,018,332. 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 uncommitted balance of the fund was \$117,491,858 on March 31, 2017.