

NORTH DAKOTA
BOARD OF UNIVERSITY AND SCHOOL LANDS

Financial Position Report
(Unaudited)

For period ended September 30, 2019



Board of University and School Lands

Comparative Financial Position (Unaudited)

Schedule of Net Assets

Assets by Trust:	September 30, 2019	September 30, 2018
Common Schools	\$4,637,570,200	\$4,408,229,687
North Dakota State University	72,016,991	70,086,463
School for the Blind	12,744,243	11,681,026
School for the Deaf	21,229,437	21,109,988
State Hospital	14,570,263	14,619,661
Ellendale *	21,973,922	21,192,905
Valley City State University	12,922,874	12,578,124
Mayville State University	8,119,322	7,604,905
Youth Correctional Center	24,025,667	23,057,998
State College of Science	18,199,367	16,874,760
School of Mines **	21,973,357	20,882,747
Veterans Home	5,357,743	5,379,058
University of North Dakota	34,444,579	32,595,898
Capitol Building	6,779,915	4,922,366
Strategic Investment and Improvements	706,183,461	473,169,979
Coal Development	70,638,848	69,962,528
Indian Cultural Education Trust	1,280,342	1,289,885
Theodore Roosevelt Presidential Library	15,138,312	-
Total	\$5,705,168,843	\$5,215,237,978
Assets by Type:		
Cash	\$78,015,023	\$37,732,350
Receivables	13,555,895	14,369,701
Investments ***	5,541,702,888	4,918,929,945
Office Building (Net of Depreciation)	414,051	469,891
Farm Loans	8,959,194	7,091,293
Energy Construction Loans	956,223	1,017,863
Energy Development Impact Loans	11,087,642	11,799,711
School Construction Loans (Coal)	41,422,549	44,704,984
Due to/from Other Trusts and Agencies	9,055,378	179,122,240
Total	\$5,705,168,843	\$5,215,237,978

*** 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.

***** Investments**

Includes available cash available for loans, investments, abandoned stock and claimant liability.

Board of University and School Lands

Comparative Financial Position (Unaudited)

Combined Permanent Trusts

	September 30, 2019	September 30, 2018
Balance Sheet		
Assets:		
Cash	\$44,898,095	\$30,597,329
Interest Receivable	9,797,462	13,224,029
Investments	4,847,698,410	4,612,628,532
Farm Loans	8,959,194	7,091,293
Energy Construction Loans	956,223	1,017,863
Due from Other Agencies	9,012,988	18,401,363
Office Building (Net of Depreciation)	414,051	469,891
Total Assets	\$4,921,736,423	\$4,683,430,300
Liabilities:		
Unclaimed Property Claimant Liability	\$16,551,604	\$17,510,901
Due to Other Trusts	-	-
Due to Other Funds	36,854	26,179
Accounts Payable	-	-
Total Liabilities	16,588,458	17,537,080
Equity:		
Fund Balance	4,919,177,984	4,571,686,280
Net Income/(Loss)	(14,030,019)	94,206,940
Total Liabilities and Equity	\$4,921,736,423	\$4,683,430,300
Income Statement		
Income:		
Investment Income	\$26,035,244	\$26,822,238
Realized Gain/(Loss)	(5,191,164)	5,626,467
Unrealized Gain/(Loss)	(37,664,462)	40,859,978
Royalties - Oil and Gas	17,955,787	24,548,925
Royalties - Coal	81,027	93,687
Royalties - Aggregate	8,510	10,000
Bonuses - Oil and Gas	7,543,196	263,711
Bonuses - Coal	32,000	-
Rents - Surface	999,159	1,894,693
Rents - Mineral	75,042	18,572
Rents - Coal	22,100	36,500
Rents - Office Building	-	-
Sale of Capital Asset	25,000	-
Oil Extraction Tax Income	18,379,404	27,945,428
Unclaimed Property Income	470,445	(150,521)
Total Income	28,771,288	127,969,678
Expenses and Transfers:		
Investment Expense	1,160,404	1,045,823
In-Lieu and 5% County Payments	-	-
Administrative Expense	754,455	708,024
Operating Expense - Building	136,448	8,891
Transfers to Beneficiaries	40,750,000	32,000,000
Total Expense and Transfers	42,801,307	33,762,738
Net Income/(Loss)	(\$14,030,019)	\$94,206,940

Board of University and School Lands

Comparative Financial Position (Unaudited)

Capitol Building Trust

	September 30, 2019	September 30, 2018
<u>Balance Sheet</u>		
Assets:		
Cash	\$191,592	\$211,239
Interest Receivable	40,338	11,035
Investments	6,547,985	4,700,093
Total Assets	\$6,779,915	\$4,922,367
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Equity:		
Fund Balance	6,548,608	4,723,483
Net Income	231,307	198,884
Total Liabilities and Equity	\$6,779,915	\$4,922,367
<u>Income Statement</u>		
Income:		
Investment Income	\$49,800	\$23,953
Realized Gain(Loss)	14,476	1,056
Unrealized Gain/(Loss)	(11,409)	4,583
Rents - Surface	8,615	-
Rents - Mineral	1,202	240
Royalties - Oil and Gas	173,464	175,463
Bonuses - Oil and Gas	802	-
Royalties - Coal	-	-
Royalties - Aggregate	-	-
Total Income	236,950	205,295
Expenses and Transfers:		
Investment Expense	729	352
In-Lieu and 5% County Payments	-	-
Administrative Expense	4,914	6,059
Transfers to Facility Management	-	-
Total Expense and Transfers	5,643	6,411
Net Income/(Loss)	\$231,307	\$198,884

Board of University and School Lands

Comparative Financial Position (Unaudited)

Coal Development Trust

	September 30, 2019	September 30, 2018
Balance Sheet		
Assets:		
Cash	\$106,517	\$194,561
Interest Receivable	349,814	263,288
Investments	17,629,936	12,911,560
Coal Impact Loans	11,087,642	11,799,711
School Construction Loans	41,422,549	44,704,984
Due from other Trusts and Agencies	141,301	294,741
Total Assets	\$70,737,759	\$70,168,845
Liabilities:		
Accounts Payable	\$98,910	\$206,319
Equity:		
Fund Balance	70,296,353	69,591,292
Net Income	342,496	371,234
Total Liabilities and Equity	\$70,737,759	\$70,168,845
Income Statement		
Income:		
Investment Income	\$113,842	\$67,003
Interest on School Construction Loans	219,786	210,846
Realized Gain/(Loss)	38,566	3,013
Unrealized Gain/(Loss)	(30,654)	13,112
Coal Severance Tax Income	85,628	131,563
Total Income	427,168	425,537
Expenses and Transfers:		
Investment	1,991	988
Administrative	203	643
Transfers to General Fund	82,478	52,672
Total Expense and Transfers	84,672	54,303
Net Income/(Loss)	\$342,496	\$371,234

Board of University and School Lands

Comparative Financial Position (Unaudited)

Strategic Investment and Improvements Fund

	September 30, 2019	September 30, 2018
Balance Sheet		
Assets:		
Cash	\$32,685,766	\$6,725,834
Interest Receivable	3,366,282	868,690
Investments	670,131,412	304,942,999
Due from other Trusts or Agencies	-	160,632,456
Total Assets	\$706,183,460	\$473,169,979
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	1,134,326,018	354,701,097
Net Income	(428,142,558)	118,468,882
Total Liabilities and Equity	\$706,183,460	\$473,169,979
Income Statement		
Income:		
Investment Income	\$4,477,668	\$1,089,153
Realized Gain/(Loss)	1,416,509	43,997
Unrealized Gain/(Loss)	(1,146,452)	180,497
Interest on Fuel Prod Facility	-	50,098
Royalties - Oil and Gas	9,687,010	13,388,484
Bonuses - Oil and Gas	849,426	47,016
Royalties - Coal	34,964	126,698
Rents - Mineral	40,139	(5,217)
Tax Income - Oil Extraction & Production Distribution	-	228,415,176
Total Income	15,359,264	243,335,902
Expenses and Transfers:		
Administrative	281,327	216,629
Investment Expense	40,952	(7,609)
Transfers to General Fund	382,200,000	124,000,000
Transfer to State Highway Patrol	-	358,000
Transfer to Commerce Department	3,000,000	-
Transfer to Adjutant General	2,502,253	300,000
Transfer to Energy Infrastructure& Impact Office	2,000,000	-
Transfer to Aeronautics Commission	20,000,000	-
Transfer from ND Parks & Recreation	1,877,500	-
Transfer to Information Technology Department	5,150,000	-
Transfer to Industrial Commission	270,000	-
Transfer to Bank of North Dakota	25,137,707	-
Transfer to ND Department of Corrections	1,218,000	-
Transfer from Public Service Commission	(52,818)	-
Transfer from Department of Health Department	(67,310)	-
Transfer from Attorney General Office	(6,387)	-
Transfer from State Highway Patrol	(49,403)	-
Total Expense and Transfers	443,501,822	124,867,020
Net Income/(Loss)	(\$428,142,558)	\$118,468,882

As of September 30, 2019 the SIIF had a fund balance of \$706,183,460. 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 or dedicated to various loan programs established by the legislature. 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 fund balance was \$5,174,750 as of September 30, 2019.

Board of University and School Lands

Comparative Fiduciary Statements (Unaudited)

Indian Cultural Trust

	September 30, 2019	September 30, 2018
<u>Fiduciary Net Position</u>		
Assets:		
Cash	\$473	\$3,387
Interest receivable	1,651	2,660
Investments	1,278,218	1,283,838
Total Assets	1,280,342	1,289,885
Liabilities:		
Accounts payable	-	-
Total Liabilities	-	-
Net Position:		
Net position restricted	1,280,342	1,289,885
Total Net Position	\$1,280,342	\$1,289,885
<u>Changes in Fiduciary Net Position</u>		
Additions:		
Contributions:		
Donations	-	-
Total Contributions	\$0	\$0
Investment Income:		
Net change in fair value of investments	(11,400)	13,048
Interest	6,774	7,419
Less investment expense	(300)	(284)
Net Investment Income	(4,926)	20,183
Miscellaneous Income	3	15
Total Additions	(4,923)	20,198
Deductions:		
Payments in accordance with Trust agreement	-	-
Administrative expenses	-	18
Total Deductions	-	18
Change in net position held in Trust for:		
Private-Purpose	(4,923)	20,180
Total Change in Net Position	(4,923)	20,180
Net Position - Beginning of Year	1,285,265	1,269,707
Net Position - September 30	\$1,280,342	\$1,289,887

Board of University and School Lands
Comparative Fiduciary Statements (Unaudited)

Indian Cultural Trust

September 30, 2019

Fiduciary Net Position

Assets:

Cash		\$132,580
Interest receivable		348
Investments		15,005,384
Total Assets		15,138,312

Liabilities:

Accounts payable		-
Total Liabilities		-

Net Position:

Net position restricted		15,138,312
Total Net Position		\$15,138,312

Changes in Fiduciary Net Position

Additions:

Contributions:		
Donations		-
Total Contributions		\$0

Investment Income:

Net change in fair value of investments		4,510
Interest		1,332
Less investment expense		110
Net Investment Income		5,732

Miscellaneous Income		81,833
Total Additions		87,565

Deductions:

Payments in accordance with Trust agreement		-
Administrative expenses		-
Total Deductions		-

Change in net position held in Trust for:

Private-Purpose		87,565
Total Change in Net Position		87,565

Net Position - Beginning of Year		15,050,748
Net Position - September 30, 2019		\$15,138,313