

NORTH DAKOTA  
BOARD OF UNIVERSITY AND SCHOOL LANDS

QUARTERLY FINANCIAL REPORT  
(Unaudited)

For period ended September 30, 2018



Item 8C

<b>Board of University and School Lands</b>		
<b>Quarterly Comparative Financial Schedules (Unaudited)</b>		
<b>Schedule of Net Assets</b>		
<b>Assets by Trust:</b>	September 30, 2018	September 30, 2017
Common Schools	\$4,408,229,687	\$4,051,088,513
North Dakota State University	70,086,463	65,443,386
School for the Blind	11,681,026	10,518,747
School for the Deaf	21,109,988	20,438,613
State Hospital	14,619,661	14,117,549
Ellendale *	21,192,905	19,167,056
Valley City State University	12,578,124	11,569,236
Mayville State University	7,604,905	7,264,942
Youth Correctional Center	23,057,998	20,764,415
State College of Science	16,874,760	16,189,395
School of Mines **	20,882,747	19,109,867
Veterans Home	5,379,058	5,221,880
University of North Dakota	32,595,898	29,870,747
Capitol Building	4,922,366	4,286,617
Strategic Investment and Improvements	473,169,979	256,355,994
Coal Development	69,962,528	69,599,478
Indian Cultural Education Trust	1,289,885	1,259,113
Total	\$5,215,237,978	\$4,622,265,548
<b>Assets by Type:</b>		
Cash	37,732,350	33,965,758
Receivables	14,369,701	14,264,461
Investments	4,918,929,945	4,494,227,431
Office Building (Net of Depreciation)	469,891	529,410
Farm Loans	7,091,293	7,524,416
Energy Construction Loans	1,017,863	1,074,339
Energy Development Impact Loans	11,799,711	12,487,745
School Construction Loans (Coal)	44,704,984	47,562,667
Due to/from Other Trusts and Agencies	179,122,240	10,629,321
Total	5,215,237,978	\$4,622,265,548

**\* 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, 2018	September 30, 2017
<b>Balance Sheet</b>		
<b>Assets:</b>		
Cash	\$30,597,329	\$31,189,017
Interest Receivable	13,224,029	13,182,197
Investments	4,612,628,531	4,237,627,064
Farm Loans	7,091,293	7,524,416
Energy Construction Loans	1,017,863	1,074,339
Due from Other Agencies	18,401,363	10,541,841
Office Building (Net of Depreciation)	469,891	529,410
Total Assets	\$4,683,430,299	\$4,301,668,284
<b>Liabilities:</b>		
Unclaimed Property Claimant Liability	\$17,510,901	\$10,875,980
Due to Other Trusts	-	-
Due to Other Funds	26,179	27,957
Accounts Payable	-	-
Total Liabilities	17,537,080	10,903,937
<b>Equity:</b>		
Fund Balance	4,571,686,280	4,172,739,955
Net Income/(Loss)	94,206,939	118,024,392
Total Liabilities and Equity	\$4,683,430,299	\$4,301,668,284
<b>Income Statement</b>		
<b>Income:</b>		
Investment Income	\$26,822,236	\$23,578,448
Realized Gain/(Loss)	5,626,467	37,001,633
Unrealized Gain/(Loss)	40,859,978	59,974,888
Royalties - Oil and Gas	24,548,925	15,383,616
Royalties - Coal	93,687	(46,243)
Royalties - Aggregate	10,000	5,000
Bonuses - Oil and Gas	263,711	741,280
Bonuses - Coal	-	-
Rents - Surface	1,894,694	633,494
Rents - Mineral	18,572	65,889
Rents - Coal	36,500	1,700
Rents - Office Building	-	-
Sale of Capital Asset	-	-
Oil Extraction Tax Income	27,945,428	15,173,103
Unclaimed Property Income	(150,521)	(771,699)
Total Income	127,969,677	151,741,109
<b>Expenses and Transfers:</b>		
Investment Expense	1,045,823	966,809
In-Lieu and 5% County Payments	-	-
Administrative Expense	708,024	715,033
Operating Expense - Building	8,891	34,875
Transfers to Beneficiaries	32,000,000	32,000,000
Total Expense and Transfers	33,762,738	33,716,717
Net Income/(Loss)	\$94,206,939	\$118,024,392

## Board of University and School Lands

### Quarterly Comparative Financial Statements (Unaudited)

#### Capitol Building Trust

	September 30, 2018	September 30, 2017
<b>Balance Sheet</b>		
<b>Assets:</b>		
Cash	\$211,239	\$324,793
Interest Receivable	11,035	8,865
Investments	4,700,093	3,952,958
Total Assets	\$4,922,367	\$4,286,616
<b>Liabilities:</b>		
Due to Other Trusts and Agencies	\$0	\$0
<b>Equity:</b>		
Fund Balance	4,723,483	5,089,876
Net Income	198,884	(803,260)
Total Liabilities and Equity	\$4,922,367	\$4,286,616
<b>Income Statement</b>		
<b>Income:</b>		
Investment Income	\$23,951	\$14,061
Realized Gain(Loss)	1,058	(14)
Unrealized Gain/(Loss)	4,583	2,946
Rents - Surface	-	(797)
Rents - Mineral	240	1,840
Royalties - Oil and Gas	175,463	114,894
Bonuses - Oil and Gas	-	7,720
Royalties - Coal	-	(763)
Royalties - Aggregate	-	63,316
Total Income	205,295	203,203
<b>Expenses and Transfers:</b>		
Investment Expense	352	91
In-Lieu and 5% County Payments	-	-
Administrative Expense	6,059	6,372
Transfers to Facility Management	-	1,000,000
Total Expense and Transfers	6,411	1,006,463
Net Income/(Loss)	198,884	(803,260)

**Board of University and School Lands**

**Quarterly Comparative Financial Statements (Unaudited)**

**Coal Development Trust**

	September 30, 2018	September 30, 2017
<b>Balance Sheet</b>		
<b>Assets:</b>		
Cash	\$194,561	\$10,119
Interest Receivable	263,288	452,500
Investments	12,911,564	8,998,965
Coal Impact Loans	11,799,711	12,487,745
School Construction Loans	44,704,984	47,562,667
Due from other Trusts and Agencies	294,741	291,600
<b>Total Assets</b>	<b>\$70,168,849</b>	<b>\$69,803,596</b>
<b>Liabilities:</b>		
Accounts Payable	\$206,319	\$204,120
<b>Equity:</b>		
Fund Balance	69,591,292	69,080,947
Net Income	371,238	518,529
<b>Total Liabilities and Equity</b>	<b>\$70,168,849</b>	<b>\$69,803,596</b>
<b>Income Statement</b>		
<b>Income:</b>		
Investment Income	\$67,007	\$27,101
Interest on School Construction Loans	210,846	401,913
Realized Gain/(Loss)	3,013	(40)
Unrealized Gain/(Loss)	13,112	4,731
Coal Severance Tax Income	131,563	126,722
<b>Total Income</b>	<b>425,541</b>	<b>560,427</b>
<b>Expenses and Transfers:</b>		
Investment	988	117
Administrative	643	202
Transfers to General Fund	52,672	41,579
<b>Total Expense and Transfers</b>	<b>54,303</b>	<b>41,898</b>
<b>Net Income/(Loss)</b>	<b>\$371,238</b>	<b>\$518,529</b>

## Board of University and School Lands

### Quarterly Comparative Financial Statements (Unaudited)

#### Strategic Investment and Improvements Fund

	September 30, 2018	September 30, 2017
<b>Balance Sheet</b>		
<b>Assets:</b>		
Cash	\$6,725,834	\$2,438,562
Interest Receivable	868,690	618,218
Investments	304,943,000	253,299,214
Due from other Trusts or Agencies	160,632,456	-
Total Assets	\$473,169,980	\$256,355,994
<b>Liabilities:</b>		
Accounts Payable	\$0	\$0
<b>Equity:</b>		
Fund Balance	354,701,097	372,661,563
Net Income	118,468,883	(116,305,569)
Total Liabilities and Equity	\$473,169,980	\$256,355,994
<b>Income Statement</b>		
<b>Income:</b>		
Investment Income	\$1,089,154	\$698,540
Realized Gain/(Loss)	43,997	(1,175)
Unrealized Gain/(Loss)	180,497	115,863
Interest on Fuel Prod Facility	50,098	39,167
Royalties - Oil and Gas	13,388,484	7,593,928
Bonuses - Oil and Gas	47,016	267,169
Royalties - Coal	117,098	(14,257)
Rents - Mineral	4,383	18,679
Tax Income - Oil Extraction & Production Distribution	228,415,176	-
Total Income	243,335,903	8,717,914
<b>Expenses and Transfers:</b>		
Administrative	216,629	177,412
Investment Expense	(7,609)	11,076
Transfer from State Historical Society (HB 1024)		(22,105)
Transfer from Legal Counsel of Indigents (HB 1024)		(189,000)
Transfer from NDIC - Core Library (HB 1014)		(329,290)
Transfer from Political Subdivision Allocation Fund (SB 2013)		(7,660,518)
Transfers to General Fund	124,000,000	124,000,000
Transfer to Public Service Commission (HB 1008)		100,000
Transfer to Department of Corrections (SB 2015)		935,907
Transfer to Department of Agriculture (HB 1009)		1,000,000
Transfer to State Highway Patrol	358,000.00	-
Transfer to Energy Impact Fund		3,000,000
Transfer to Industrial Commission (SB 2014)		4,000,000
Transfer to Adjutant General	300,000	-
Total Expense and Transfers	124,867,020	125,023,483
Net Income/(Loss)	118,468,883	(116,305,569)

As of September 30, 2018, the SIIF had a fund balance of \$473,169,980. 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 balance of the fund was \$225,962,940 on September 30, 2018.

## Board of University and School Lands

### Quarterly Comparative Fiduciary Statements (Unaudited)

#### Indian Cultural Trust

	September 30, 2018	September 30, 2017
<b><u>Fiduciary Net Position</u></b>		
<b>Assets:</b>		
Cash	\$ 3,387	\$ 3,266
Interest receivable	2,660	2,681
Investments	1,283,838	1,253,165
Total Assets	1,289,885	1,259,112
<b>Liabilities:</b>		
Accounts payable	-	-
Total Liabilities	-	-
<b>Net Position:</b>		
Net position restricted	1,289,885	1,259,112
Total Net Position	\$ 1,289,885	\$ 1,259,112
<b><u>Changes in Fiduciary Net Position</u></b>		
<b>Additions:</b>		
Contributions:		
Donations	\$ -	\$ -
Total Contributions	-	-
Investment Income:		
Net change in fair value of investments	13,046	28,674
Interest	7,434	6,905
Less investment expense	(284)	(279)
Net Investment Income	20,196	35,300
Miscellaneous Income	-	-
Total Additions	20,196	35,300
<b>Deductions:</b>		
Payments in accordance with Trust agreement	-	-
Administrative expenses	18	19
Total Deductions	18	19
Change in net position held in Trust for:		
Private-Purpose	20,178	35,281
Total Change in Net Position	20,178	35,281
Net Position - Beginning of Year	1,269,707	1,223,831
Net Position - September 30, 2018	\$ 1,289,885	\$ 1,259,112