

- Public School Fund - largest endowment beneficiary
- Agricultural College Fund - University of Idaho
- Charitable Institutions Fund - Idaho State University, State Juvenile Corrections, State Hospital North, Idaho Veterans Homes and the School for the Deaf & Blind
- Normal School Fund - Idaho State University, Department of Education and Lewis-Clark State College
- Penitentiary Fund
- School of Science Fund - University of Idaho
- State Hospital South Fund

- University of Idaho Fund
- Capitol Permanent Fund - Capitol building (major maintenance)

*All nine endowment funds are pooled together for investment purposes.*

Distributions can only be made from earnings and are determined annually by the Land Board based on permanent fund balances, amount in earnings reserves, and expected future income.

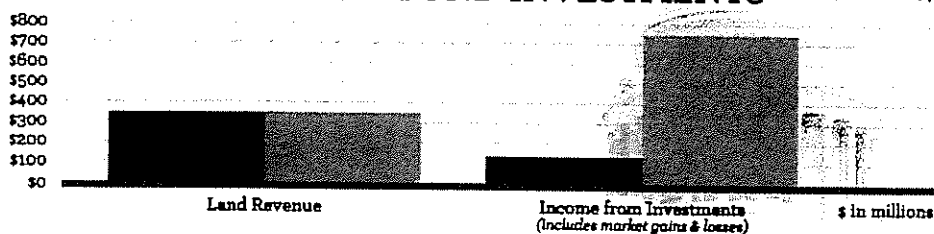
### ENDOWMENT OWNERSHIP FY 2014

\*\$ in millions

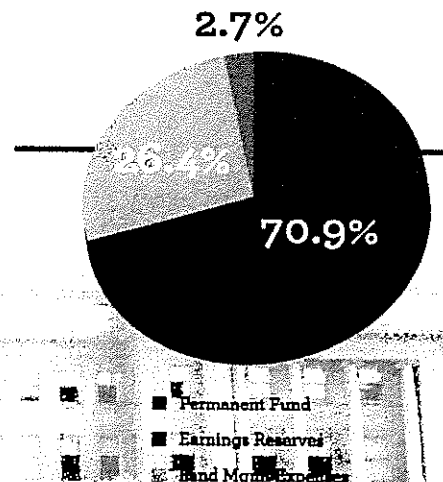
BY ENDOWMENT	ACRES	PERMANENT FUND*	EARNING RESERVES*	FUND \$ OWNERSHIP*
Public School	2,073,094	\$922	\$164	\$1,086
Agricultural College	33,503	\$23	\$12	\$35
Charitable	77,254	\$95	\$29	\$124
Normal School	59,655	\$81	\$23	\$104
Penitentiary	28,908	\$35	\$16	\$51
School of Science	75,490	\$96	\$23	\$119
State Hospital South	31,423	\$55	\$33	\$88
University of Idaho	55,180	\$64	\$42	\$106
Capitol Permanent	7,283	\$28	\$2	\$30
<b>TOTALS</b>	<b>2,441,790</b>	<b>\$1,400</b>	<b>\$345</b>	<b>\$1,744</b>

# Revenues & Expenses (Land & Fund)

## 5 YEAR HISTORY OF LAND REVENUE & INCOME FROM FUND INVESTMENTS



## USES OF LAND REVENUE FY 2014



## LAND INCOME BY ACTIVITY

BY ACTIVITY	ACRES	2014 INCOME*	2013 INCOME*
Rangeland	1,411,452	\$0.8	\$0.7
Forest	972,546	\$53.5	\$42.2
Agriculture	16,890	\$0.4	\$0.4
Commercial	15,437	\$3.8	\$1.4
Residential	726	\$4.2	\$5.0
Other	24,738	\$3.2	\$0.3
<b>TOTAL</b>	<b>2,441,789</b>	<b>\$65.9</b>	<b>\$50.0</b>

**FACT:** The construction of the Capitol in the 1920's was funded by the sale of endowment land.

# STATUS

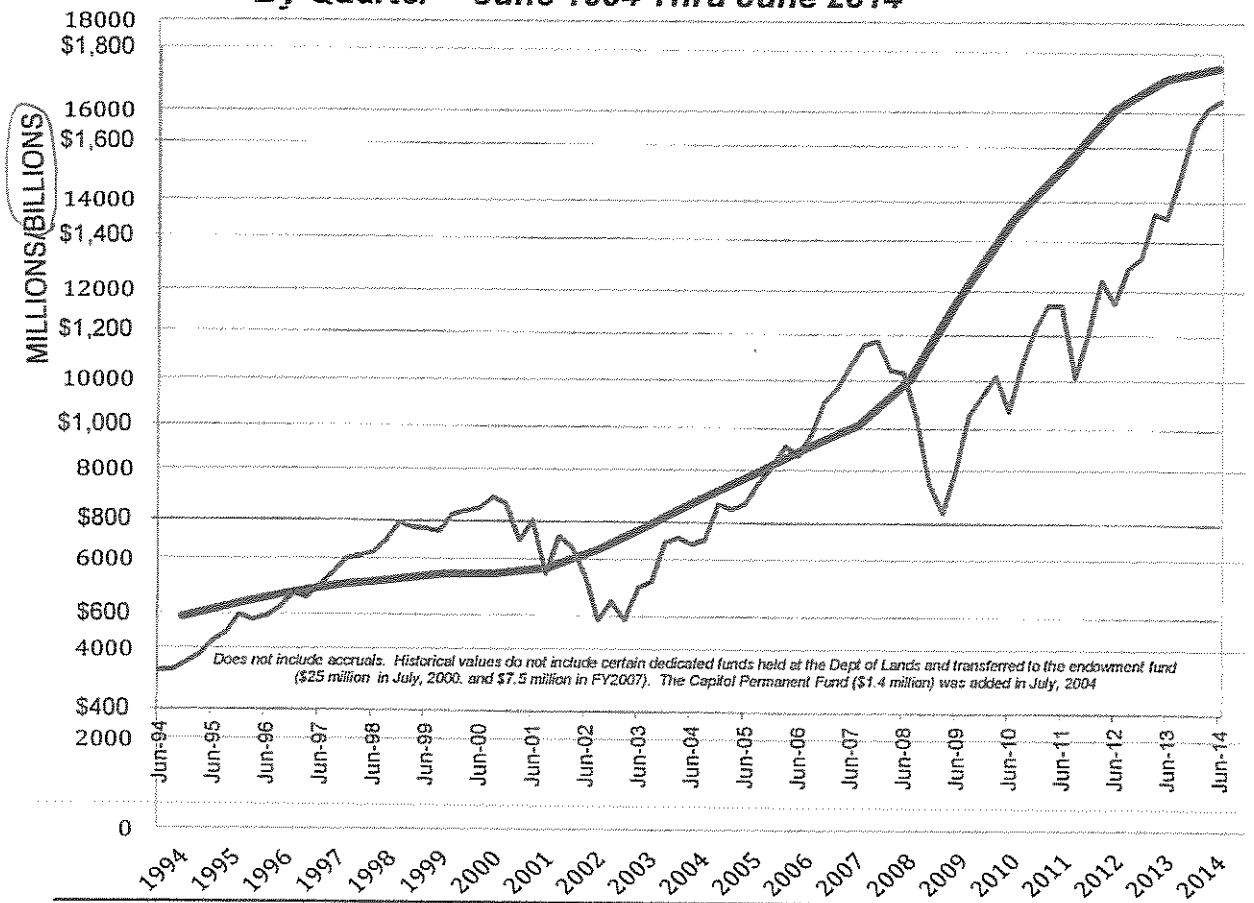
Endowment	Agriculture	Commercial RE	Conservation	Forest Lands	Minerals	Range Lands	Residential
Agricultural College	-	350	-	15,152	7	17,966	
Capitol Permanent	-	19	-	7,164	-	39	
Charitable Inst.	10	122	-	63,090	6	13,997	
Normal School	38	316	-	43,671	63	15,663	
Penitentiary Inc.	480	20	-	27,099	-	1,307	
Public Schools	15,165	13,016	22,825	687,871	1,944	1,336,882	
School of Science	-	350	-	63,964	78	11,475	
State Hospital South	-	1,542	-	26,001	10	3,640	
University of Idaho	100	1111	-	42,979	23	11,995	
<b>Total</b>	<b>15,792</b>	<b>15,855</b>	<b>22,825</b>	<b>977,579</b>	<b>2,131</b>	<b>1,412,98</b>	

Balances as of June 30, 2012

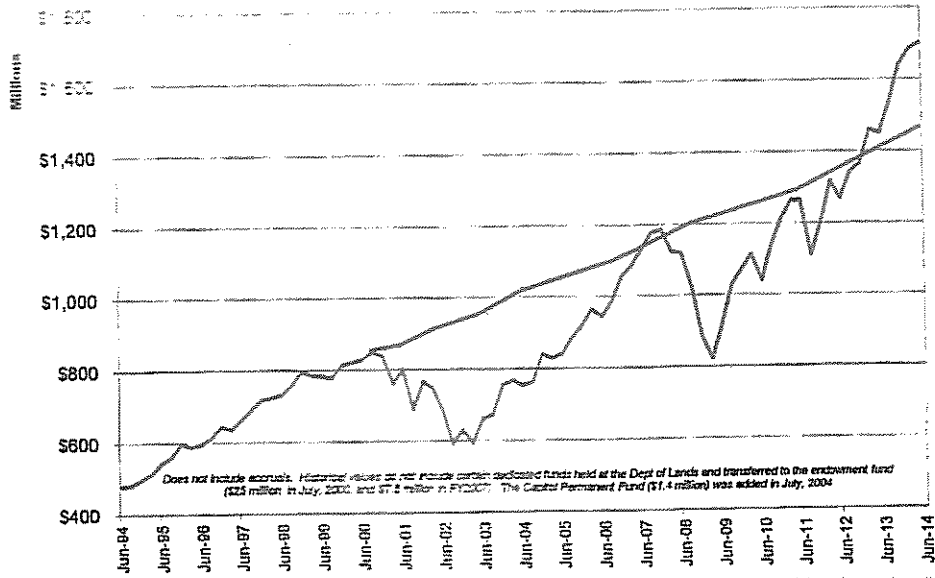
As a government entity, the Idaho Department of Lands is required to use cash basis accounting methods in reporting asset performance. Using the more commonly employed accrual method of accounting, the performance of commercial assets is represented as follows:

<b>Developed Commercial Office/Retail</b>	<b>FY12</b>
Gross Revenue	1,604,500
Direct Costs	1,258,236
<b>Program/Building Margin (Cash Basis)</b>	<b>346,264</b>
<b><sup>1</sup>Accrual Entries:</b>	
<sup>2</sup> Add Current Year Capitalized Expenses	521,903
<sup>3</sup> Deduct Current Year Useful Life Amortization	374,072
<b>Program/Building Margin (Accrual Basis)</b>	<b>494,094</b>
Program Expense	142,110
Managerial Overhead	141,136
<b>Net Income (Accrual Basis)</b>	<b>210,848</b>
<b>Return on Asset (ROA)</b>	
Beginning Value	16,294,211
Ending Value	19,759,523
Cash on Cash	1.29%
Value Appreciation	21.27%
<b>Total ROA</b>	<b>22.56%</b>

### Total Endowment Fund Assets By Quarter -- June 1994 Thru June 2014



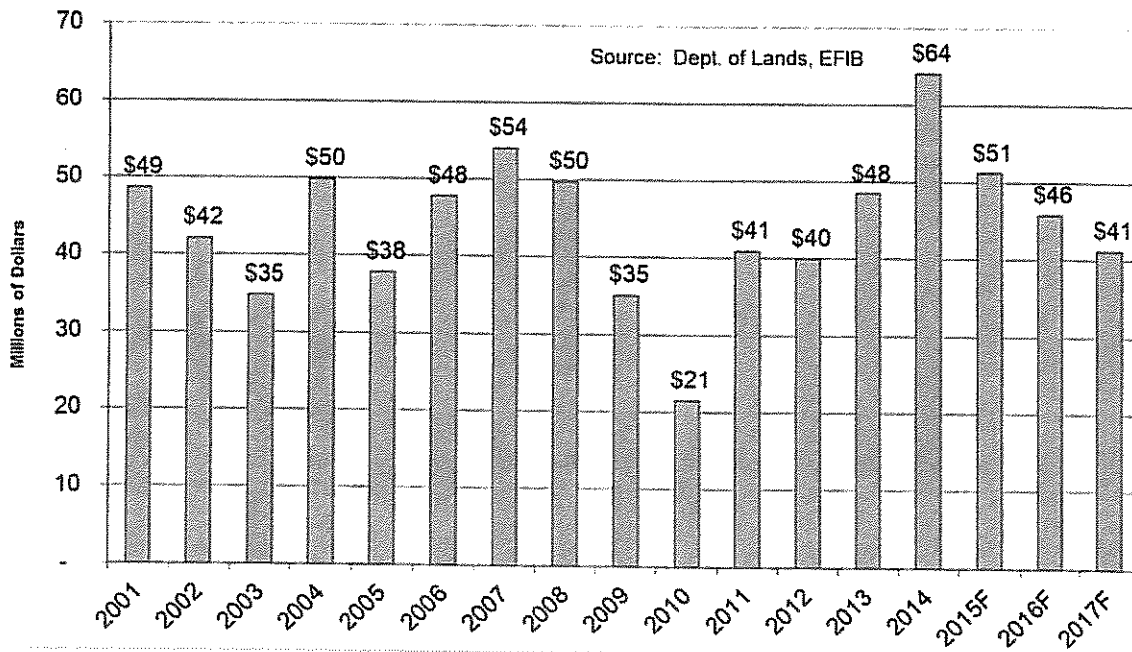
### Total Endowment Fund Assets By Quarter - June 1994 Thru June 2014



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Depositing revenues in Permanent Fund

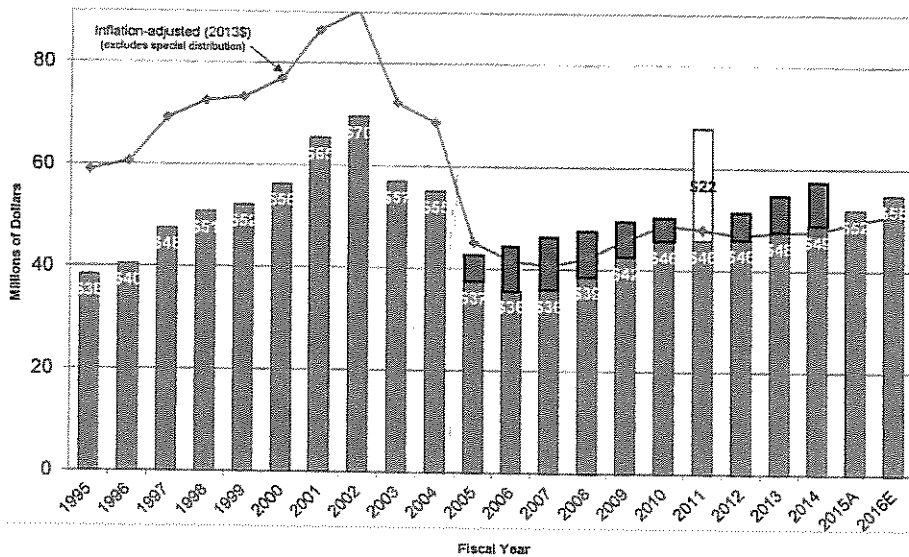
### Net Endowment Land Revenues Actual 2001-2014, "Low" Forecast 2015-2017



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**Endowment Distributions To Beneficiaries  
1995-2016 Actual/Estimated, Net of General Funds  
Nominal and Inflation-Adjusted**

*(Net of General Fund contributions 1995-2000, 2008, includes special Public School distribution in 2011 of \$22M)*



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Secure investment of 4% return on Permanent Fund  
Endowments have missed out on \$73.5 million dollars in the last 10 years

## Endowment Fund Management Expense – FY 2014

		<i>% of Fund</i>
Endowment Fund Board and Staff*	\$ 408,767	0.02%
Consultant, Auditor, Custodian	681,878	0.04%
Investment Managers	6,193,879	0.35%
<b>Total</b>	<b>\$ 7,284,524</b>	<b>0.42%</b>

*Endowment Assets - June 2011 (\$MM)* \$1,744.8

\*Portion paid by land grant endowments. Excludes portion paid by other clients.

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