

2014-2016

NEBRASKA
BOARD OF EDUCATIONAL
LANDS AND FUNDS



SEVENTIETH BIENNIAL REPORT

GOVERNOR PETE RICKETTS

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BOARD OF EDUCATIONAL LANDS AND FUNDS

KELLY L. SUDBECK
CEO / Executive Secretary
ROXANNE SUESZ
Executive Assistant
CINDY S.H. KEHLING
Executive Assistant



CORT DEWING
Director of
Field Operations
LAURA B. BAHR-FREW
Minerals Administrator
www.belf.nebraska.gov

LETTER OF TRANSMITTAL

September 30, 2016

The Honorable Pete Ricketts
Governor of Nebraska
State Capitol
Lincoln, Nebraska 68509

Dear Governor Heineman:

On behalf of the Board of Educational Lands and Funds, I am pleased to submit this 70th Biennial Report of its administration of Nebraska's School Trust Lands from July 1, 2014, through June 30, 2016.

This report reflects the broad scope of activity and the extensive responsibility of the Board and its staff in managing the nearly 1.258 million acres of K-12 Educational Trust Lands.

Total K-12 School Trust Income for the Biennium was \$102,511,381.78. All School Trust Funds are invested exclusively by the Nebraska Investment Council.

Respectfully submitted,

Kelly L. Sudbeck
For The Board

**ORGANIZATION AND PERSONNEL
BOARD OF EDUCATIONAL LANDS AND FUNDS**

BOARD MEMBERS

TERM EXPIRES

Martin Demuth, Hastings, NE	1st District	Oct. 1, 2016
James Vokal, Omaha, NE	2nd District.....	Oct. 1, 2017
James Hain, David City, NE	3rd District	Oct. 1, 2018
Glenn Wilson Jr., Grand Island, NE.....	4th District	Oct. 1, 2019
Charles A. Ward, Valentine, NE.....	At Large.....	Oct. 1, 2020

PROFESSIONAL PERSONNEL

Kelly L. Sudbeck.....	Chief Executive Officer / Executive Secretary
Cindy S.H. Kehling.....	Executive Assistant
Roxanne E. Suesz	Executive Assistant
Laura B. Bahr-Frew	Minerals Administrator
Donita S. From	Accounts Payable
Heidi J. Orth.....	Land Acreage Records and Accounts Receivable
Ann C. Poland.....	Administrative Assistant
Michelle L. Trojan.....	Administrative Assistant
Kathy J. Wright	Data Processing and Payroll
Cort Dewing.....	Director of Field Operations and Field Representative
Mark Cooper.....	Field Representative
Ryan Huxoll	Field Representative
Jim Janda	Field Representative
Kort Kemp	Field Representative
Tim Kutcha	Field Representative
Joe Martin	Field Representative
Pat Speirs.....	Field Representative
John Wurdeman.....	Field Representative
Larry Gibbens.....	Invasive Species Program Manager

OFFICE OF THE STATE SURVEYOR

Steven C. Cobb	State Surveyor
Gene A. Thomsen	Deputy Surveyor - Dept. of Roads
Gerri Monahan.....	Administrative Assistant
John E. Beran.....	GEO Mapping Specialist
Ryan R. Luedtke	Draftsman II

THE BOARD OF EDUCATIONAL LANDS AND FUNDS

In the Enabling Act of Congress passed April 19, 1864, pursuant to which Nebraska became a State on March 1, 1867, and as a condition of statehood, the federal government granted generally every section 16 and 36 in each township in Trust for the support of Nebraska's common (K-12 public) schools. The Trust nature, conditions and obligations of this grant are reflected in Article VII, Sections 6, 7, 8 and 9 of the Nebraska Constitution and have been recited in numerous decisions of the Nebraska Supreme Court including, for example, *State ex rel. Ebke v. Board of Educational Lands and Funds*, 154 Neb. 244 (1951).

Nearly 2.9 million acres were originally acquired in Trust for the support of Nebraska's K-12 public schools and about 1.64 million of these acres have been sold to private sector owners. Approximately 80% of the deeded acres were conveyed pursuant to cash sales, or contractual purchase rights vested in the buyers, prior to 1900, several decades before the Board of Educational Lands and Funds came into existence. As stated above, net income earned by the Trust and deposited in the Temporary School Trust Fund is paid out annually for the benefit of Nebraska's K-12 public schools statewide on a per pupil basis. The proceeds from all land sales are deposited into the Permanent School Trust Fund which is invested exclusively by the Nebraska Investment Council. The income from this Permanent Trust Fund earned by the Investment Council – like the income from the Temporary Trust Fund – is paid out exclusively for the benefit of K-12 public schools.

The Board of Educational Lands and Funds is now the Constitutionally established Trustee of Nebraska's School Trust Lands. The Board consists of five members, four from Nebraska's congressional districts as they existed on January 1, 1961, and one at large, appointed by the Governor and confirmed by the Legislature to rotating five year terms. Once appointed to the Board, its members are independent Trustees who manage the Board's activities and conduct its business operations in a totally non-partisan and non-political manner. The Board is governed entirely by trust law and its Trustee members are legally bound to fulfill the Trust duties of maximizing the income and preserving the assets of the School Trust for the exclusive benefit of the Trust's beneficiaries – K-12 public schools.

The Board meets monthly and its members receive a \$50 per diem and reimbursement for their necessary travel expenses for each day they are actually engaged in performing the duties of their office. The Board's Biennial Report is published during even numbered years and supplemented by its report published in the Nebraska Blue Book during odd numbered years and annual report to the Legislature.

The primary duty of the Board is to manage the approximately 1.258 million acres of land now held in Trust for Nebraska's K-12 public schools and in fulfilling this duty the Board serves as both land owner and land manager.

In its capacity as land owner, the Board expends funds for maintenance, conservation and improvement of the land under its care; a substantial portion of its budget each year is dedicated to these purposes. In its capacity as land manager, the Board issues and services both surface leases, primarily for agricultural uses, and subsurface leases permitting exploration for and extraction of oil and gas, minerals and other natural resources. The Board currently manages and collects rentals on approximately 3,250 leases. Sales and trades of School Trust Land are discretionary with the Board.

The primary sources of revenue generated from Nebraska's School Trust Lands are rentals and bonuses for agricultural lands and rental, bonuses and royalties for mineral leases. Analysis using valuation data of the University of Nebraska, Department of Agricultural Economics, established that Nebraska's K-12 School Trust Lands had a current market value of approximately \$1.498 billion dollars for 1.258 million acres as of June 30, 2016, and \$1.552 billion for 1.259 million acres as of June 30, 2015. It should be noted that these values are conservative valuations based solely on agricultural value; they do not include enhanced values for scenic or recreational lands owned by the School Land Trust which increase the value to \$1.549 billion as of June 30, 2016.

Gross revenue attributable to all School Trust Land sources was \$49,500,071.18 for fiscal year ending June 30, 2015, and was \$53,011,310.60 for fiscal year ending June 30, 2016. For additional deposits see page 8 of this report. Sources of new revenue are wind and rare minerals.

Effective January 1, 2001, certain leased public property became taxable to the leaseholder (lessee) as if it were owned by the lessee. The Board voluntarily pays these taxes and collects them from the lessees as part of the rent.

The Board and its staff are firmly committed to their fiduciary duty of maximizing the income and preserving the assets of the School Trust for the benefit of Nebraska and its citizens. In pursuit of these goals, every effort is made to manage and conduct the Board's business operations on the profit motive patterned as closely as possible on business operations conducted by the most efficient enterprises in the private sector. The Board and its staff believe this business-like approach will make possible the continued successful pursuit of the Trust objectives.

OFFICE OF THE STATE SURVEYOR

The laws of 1903 required the Board of Educational Lands and Funds to appoint a State Surveyor and allowed the Board to appoint deputy surveyors as the need arose. These same statutes prescribed several duties to be performed by the State Surveyor. Many of these original duties are still required and direct the operations of the State Surveyor's Office. Among these duties prescribed by the laws of 1903 are:

- (1) Take charge under the supervision of the Board of the field notes, maps, charts and records of the United States surveys.

A library consisting of these notes and plats is maintained in the Surveyor's Office. This material is made available to the public and copies provided upon payment of appropriate fees.

- (2) Prepare and issue under the authority and direction of the Board, a circular of instruction to county surveyors.

Acting under this directive the office last provided a complete set of instructions in 1914. Since that time the office has issued instructions on specific items. The current directives issued to county surveyors are initiated based upon requests from individual county surveyors or registered land surveyors in private practice.

- (3) In case of any dispute among owners of and arising for or by reason of any survey of boundaries of lands within this state, or in case of dispute or disagreement between surveyors as to said surveys or boundaries, the same shall be referred to the State Surveyor for settlement. He is hereby appointed as arbitrator to settle and determine such disputes or disagreements as to said surveys and boundaries and his decision shall be prima facie evidence of the correctness thereof.

These disputes and requests for surveys have resulted in approximately 2,258 State application resurveys. In many cases the disputes can be resolved without resurvey by use of advice and opinion on surveying issued by the office.

- (4) Perform such other duties as may be prescribed by the Board.

The office reviews all transfers of educational trust land and gives opinions on the adequacy of the descriptions for trades, sales, and condemnations. Upon completion of the transfers the staff supervises changes in the abstract and provides the Board's field personnel with plats showing the revised property. Drafting, charts, graphs and court exhibits are also provided to the Board upon request.

- (5) The Board may, when in its judgment there is need, appoint one or more competent experienced deputy land surveyors.

The Legislature has added duties to this original list from time to time. Some of these additional duties have continued to the present time. Among these added duties are:

- (1) In 1961 the Legislature passed a resolution which resulted in a U.S. Supreme Court case on the boundary between Nebraska and Iowa. The case was decided in 1973 but problems on the boundary still persist as evidenced by further resolutions. The result of these actions has been the accumulation of a library of approximately 20,000 documents filed in the Office of the State Surveyor. The State Surveyor serves on the Nebraska Boundary Commission.
- (2) In 1982 the Legislature created the State Survey Record Repository in the Office of the State Surveyor. This Survey Record Repository receives and files land surveys required to be submitted by statute. All submitted documents are microfilmed and copies are available upon request with the payment of appropriate fees. As of this report, the Survey Record Repository contains approximately 319,000 documents archived on microfilm of which approximately 143,280 documents may be accessed online. All online documents are free of charge.
- (3) In 1991 the Legislature created the G.I.S. Steering Committee. The State Surveyor serves as a member of this Committee.
- (4) In 1998 the Legislature created the Nebraska Information Technology Commission. The State Surveyor's Office is to provide technical assistance, support and advice to the various counties, cities and other governmental bodies in Nebraska in their endeavors to produce and maintain cadastral or other geo-referenced maps.

These duties, combined with the general governmental responsibility to provide service and information to the public, provide the basis for the operation of the State Surveyor's Office under the direction of the Board of Educational Lands and Funds.

K-12 SCHOOL TRUST REVENUES FOR THE BIENNIUM

July 1, 2014 to June 30, 2016

TEMPORARY SCHOOL FUND (Income):

1. Agricultural Lease Rentals and Interest.....	\$ 88,814,313.21
2. Agricultural Lease Bonus	6,874,677.00
3. Minerals Lease Rentals.....	479,570.25
4. Minerals Lease Bonus.....	205,401.92
5. Wind Agreement Rent.....	261,268.41
6. Other Sources.....	1,984,316.44
7. Interest on Temporary Investments.....	1,602,251.97
<i>(Interest from BELF only deposits average 74% of total)</i>	
8. Interest and Dividends on Permanent Investments ..	32,235,603.02
9. Liquor Control Licenses, Fines, Fees.....	933,194.00
10. Other Agencies.....	121,040.00
TOTAL INCOME.....	<u>\$ 135,511,636.22</u>

PERMANENT SCHOOL FUND (New Deposits):

11. Mineral Lease Royalties:	
a. Oil and Gas.....	\$ 1,982,206.85
b. Sand and Gravel.....	57,876.24
12. Water Lease Royalties.....	7,240.09
13. Oil and Gas Severance Tax.....	6,235,390.46
14. Federal Mineral Deposits.....	28,130.48
15. Land Sales, Easements and Condemnations	652,272.61
16. Unclaimed Property and Escheats.....	21,822,030.42
17. Licenses, Fines, Fees, Penalties, Forfeitures.....	300,009.20
18. All Other Sources.....	88,940.35
TOTAL ADDITIONS TO PRINCIPAL	<u>\$ 31,174,096.70</u>
TOTAL K-12 SCHOOL TRUST REVENUES.....	<u><u>\$ 164,685,732.92</u></u>

Deposits generated solely from BELF administration of School Trust Lands are found under Items 1 - 7, 11 - 12, 15 and 18 above. These deposits totaled \$102,511,381.78 for the 2014-2016 Biennium. Detailed deposits by Fiscal Year can be found on Page 13.

Information compiled from Monthly General Ledger Reports generated by the Nebraska Information System administered by the Nebraska Department of Administrative Services.

VALUE OF PERMANENT EDUCATIONAL TRUST FUNDS*

As of June 30, 2016

FUND (Fund Number)	MARKET VALUE
Permanent K-12 School Fund (63340).....	\$ 676,112,009.03
Early Childhood Education Endowment Fund (61365)..	49,842,288.31
Total K-12 School Trust Funds **	<u>725,954,297.34</u>
Permanent University Fund (63350).....	1,598,477.96
Agricultural College Fund (65130).....	2,766,425.05
State College Fund (63280 - Normal Schools).....	296,987.01
TOTAL	<u><u>\$ 730,616,187.36</u></u>

Permanent Educational Trust Funds are managed and invested exclusively by the Nebraska Investment Council (by State Statute).

* Information obtained from the following DAS website:

www.das.nebraska.gov/accounting/nis/reports/index.htm

Monthly Balances for all these Funds may be accessed through this DAS website. Select Monthly Reports; choose a Month and Year; and select the Fund Summary By Fund Report. When page 1 (of 1200+) appears, enter the desired Fund Number in the "Find" box on the Toolbar.

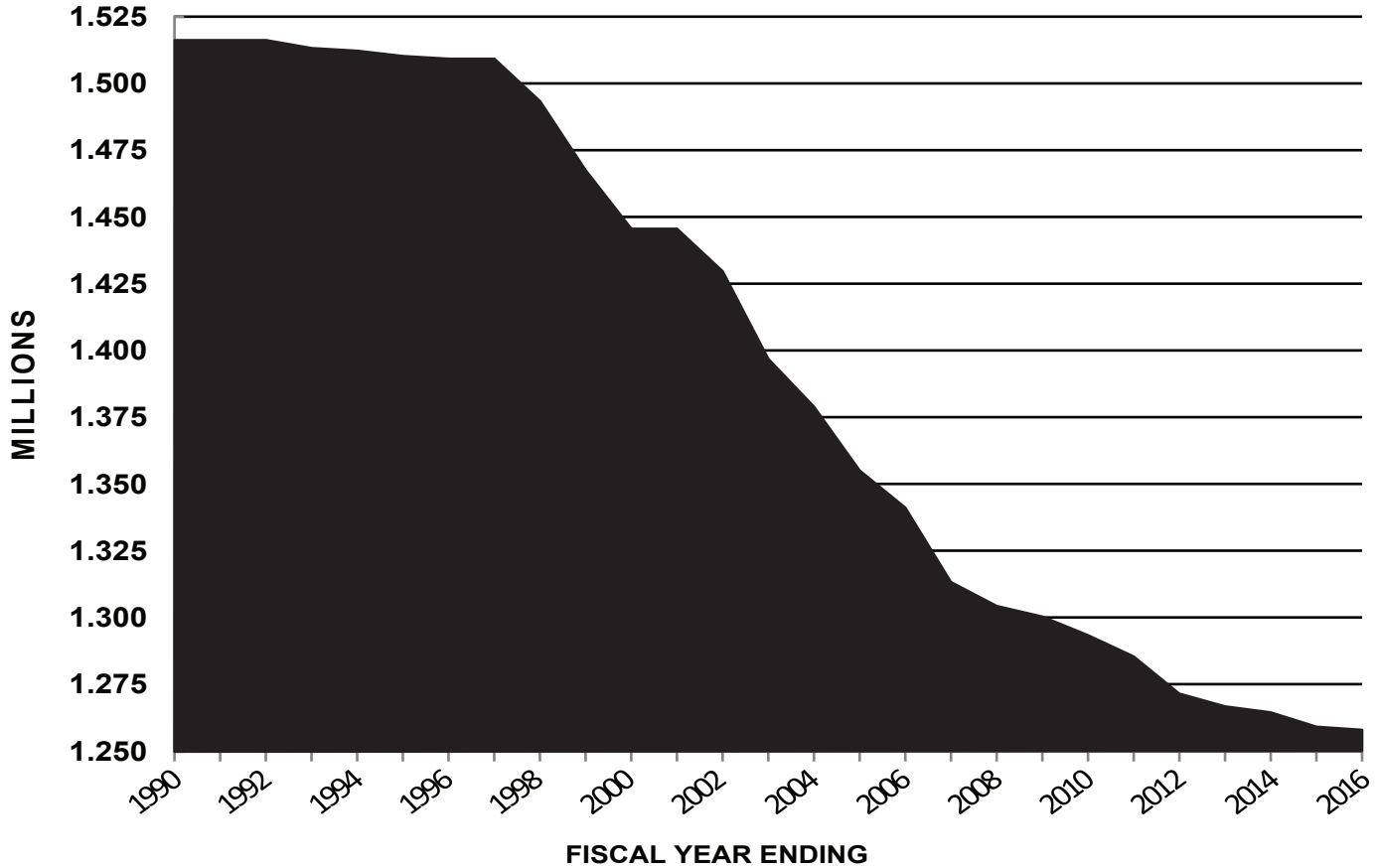
** Effective July 1, 2007, \$40 Million of the Permanent K-12 School Fund was allocated to the Early Childhood Education Endowment Fund.

COMBINED LAND AND PERMANENT FUND SCHOOL TRUST

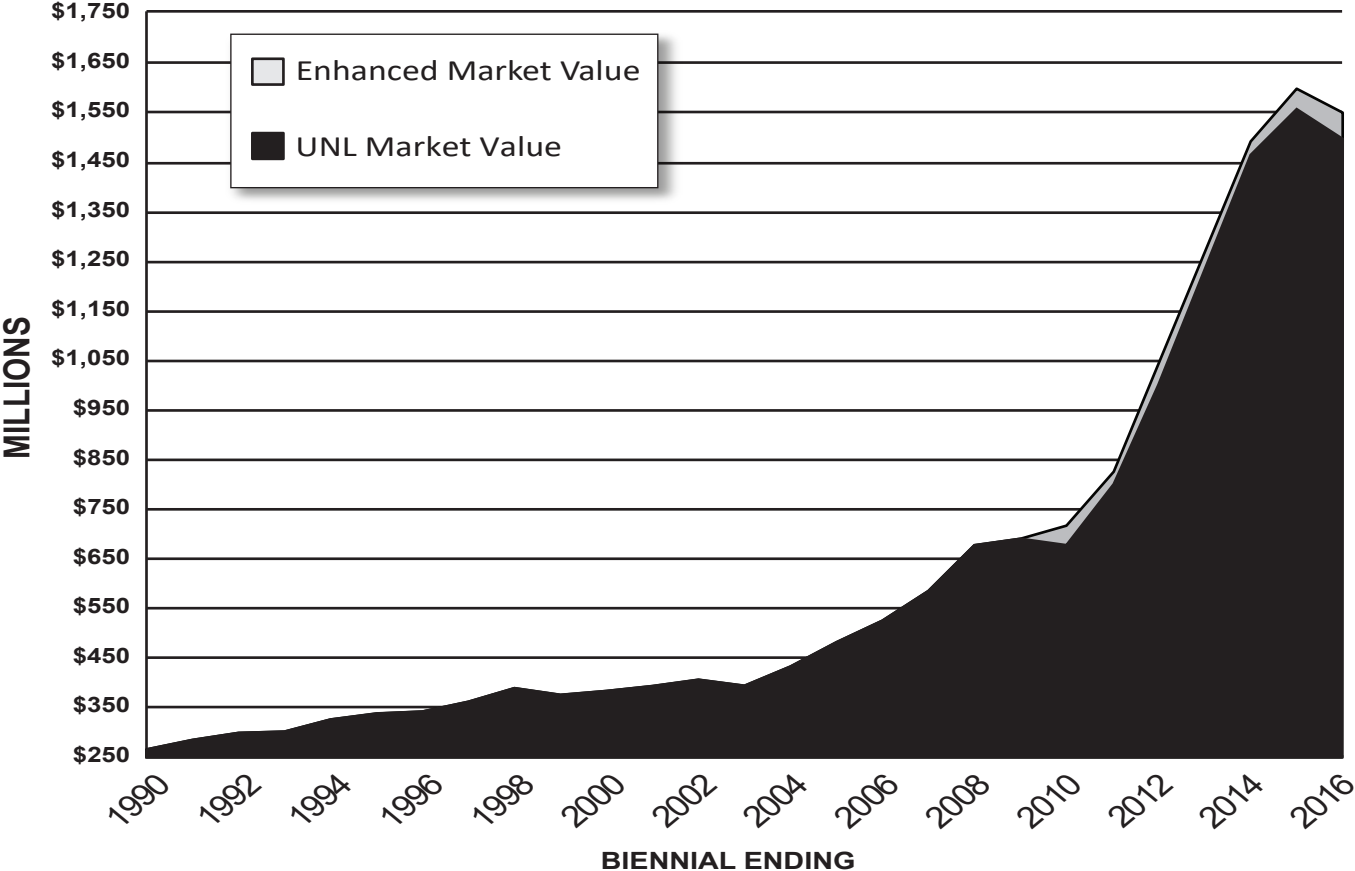
As of June 30, 2016

The Total School Trust Portfolio (School Trust Lands and the Nebraska Investment Council) totalled \$2.224 billion as of June 30, 2016. Of this amount 67.4%, or \$1.498 billion consisted of agricultural land (not including enhanced value of hunting and recreational land). Investments in stocks and bonds by the Nebraska Investment Council totaled 32.6% or \$725.95 million of the total portfolio.

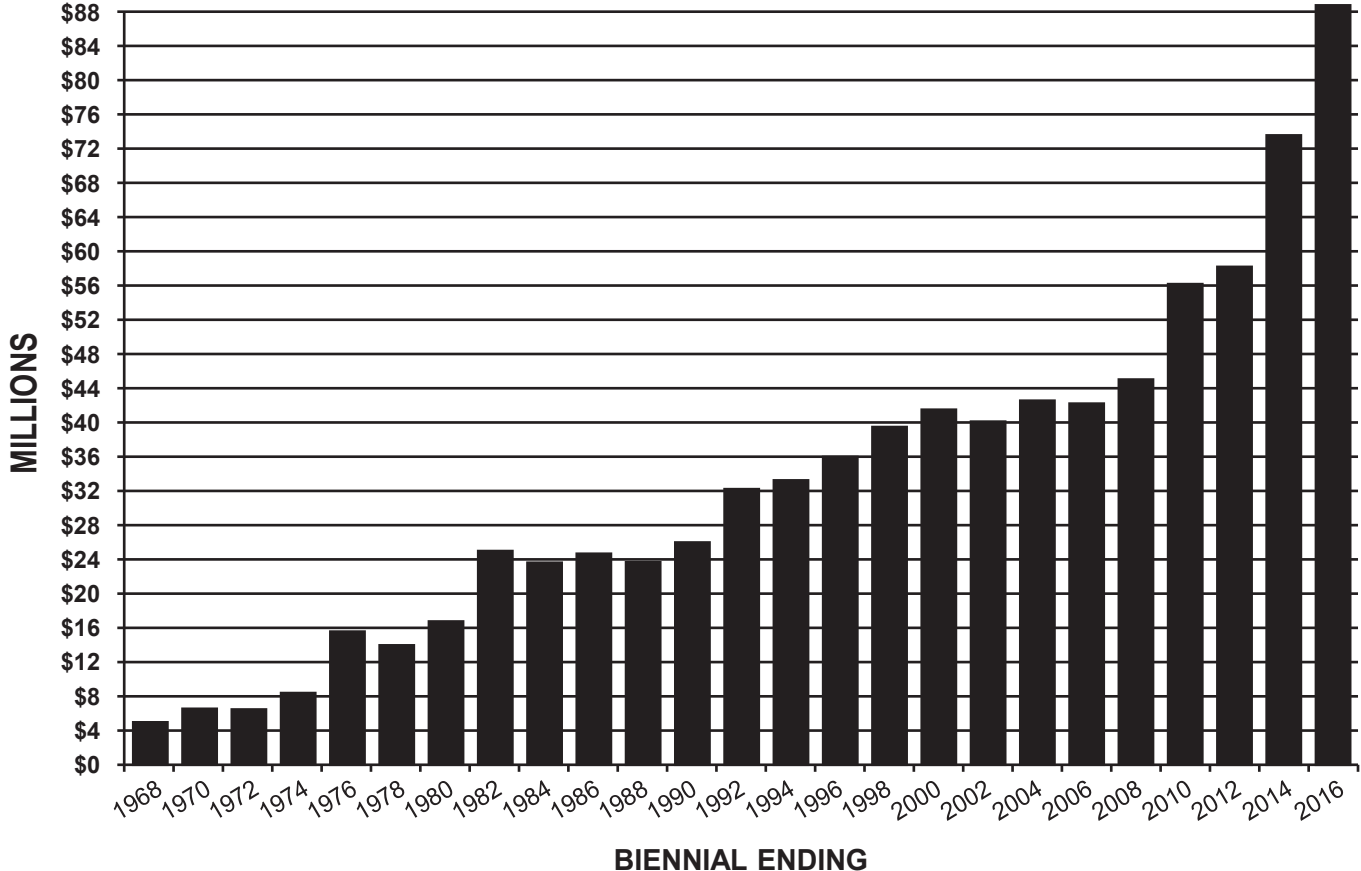
K-12 AGRICULTURAL ACRES HELD



K-12 AGRICULTURAL LAND VALUES



AGRICULTURAL RENTAL FROM K-12 SCHOOL TRUST LANDS



**GROSS K-12 DEPOSITS BY FISCAL YEAR
GENERATED SOLELY FROM ADMINISTRATION OF SCHOOL LANDS**

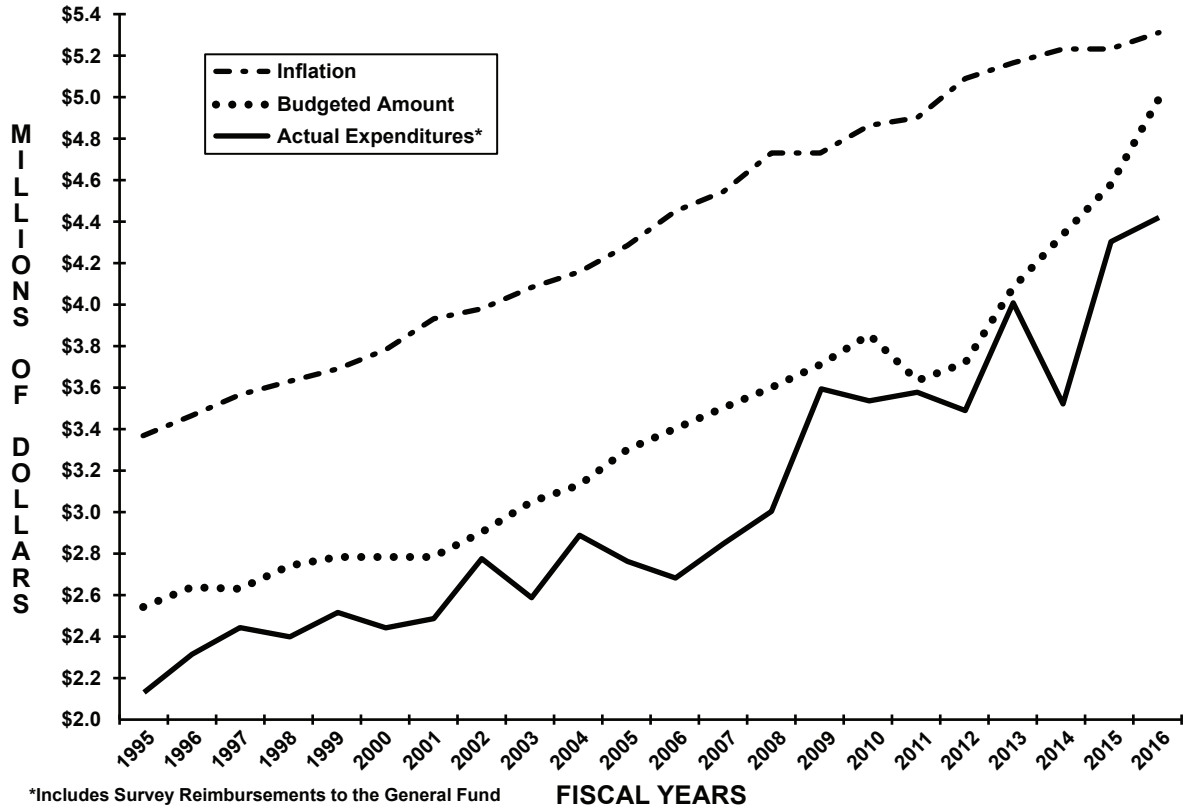
Sources of Revenue	Fiscal Year 2014-2015	Fiscal Year 2015-2016
K-12 Agricultural Rent, Interest and Accounting Fees	\$ 41,418,441.31	\$ 47,395,871.90
K-12 Agricultural Bonus	4,237,225.00	2,637,452.00
K-12 Oil and Gas Rent	284,188.96	171,469.49
K-12 Sand and Gravel Rent	7,315.00	6,868.00
K-12 Water Rent	250.00	250.00
K-12 Uranium Rent	4,614.40	4,614.40
K-12 Minerals Bonus	106,241.92	99,160.00
K-12 Oil and Gas Royalties	1,385,639.11	596,567.74
K-12 Sand and Gravel Royalties	25,433.75	32,442.49
K-12 Water Royalties	6,484.01	756.08
Timber Sales	-	-
K-12 Wind Agreement Rent and Royalties	83,039.79	178,228.62
Other Miscellaneous Rent and Payments	841,648.40	722,577.63
Administrative Fees	68,693.75	80,268.07
Office Space Rent (from other Agency)	26,350.00	27,150.00
Sale of Surplus Administrative Items	26,401.65	33,233.48
Interest on Temporary Investments (Average each year)	491,027.25	701,211.51
10% Fee for Management of University and State College Trust	71,851.48	86,141.98
Total Revenues	\$ 49,084,845.78	\$ 52,774,263.39
Additional Deposits:		
Land Sales	103,625.00	40,500.00
Easements and Condemnations	311,600.40	196,547.21
Total Deposits from School Trust Administration	\$ 49,500,071.18	\$ 53,011,310.60

EXPENDITURES FOR THE BIENNIUM BY FISCAL YEAR

	EXPENDITURES FOR FISCAL YEAR 2014-2015			EXPENDITURES FOR FISCAL YEAR 2015-2016		
	Budgeted	Expended	%	Budgeted	Expended	%
<i>LAND OWNERSHIP EXPENSES:</i>						
Irrigation Tolls	\$ 160,000	\$ 165,087	103.2%	\$ 160,000	\$ 172,004	107.5%
Capital Expenditure Projects	\$ 1,155,000	\$ 1,369,475	118.6%	\$ 1,380,000	\$ 1,200,174	87.0%
Non-Cash Lease Expenses	\$ 6,000	\$ 6,086	101.4%	\$ 6,000	\$ 1,205	20.1%
Real Estate Taxes	\$ 9,473,000	\$ 10,111,041	106.7%	\$ 10,615,500	\$ 11,265,807	106.1%
Noxious Weeds	\$ 802,890	\$ 670,148	83.5%	\$ 834,780	\$ 764,580	91.6%
	\$ 11,596,890	\$ 12,321,837	106.3%	\$ 12,996,280	\$ 13,403,769	103.1%
<i>LAND MANAGEMENT EXPENSES:</i>						
Board	\$ 55,705	\$ 35,189	63.2%	\$ 52,605	\$ 33,980	64.6%
Building Maintenance & Services	\$ 65,365	\$ 54,764	83.8%	\$ 68,915	\$ 49,097	71.2%
Administration	\$ 1,206,000	\$ 978,504	81.1%	\$ 1,215,355	\$ 1,063,897	87.5%
Field Operations	\$ 1,129,580	\$ 988,642	87.5%	\$ 1,245,730	\$ 1,085,609	87.1%
	\$ 2,456,650	\$ 2,057,099	83.7%	\$ 2,582,605	\$ 2,232,583	86.4%
GRAND TOTAL OF ALL BUDGETED EXPENSES	\$ 14,053,540	\$ 14,378,936	102.3%	\$ 15,578,885	\$ 15,636,352	100.4%
Reimbursement to State of Nebraska General Fund for professional mapping, GIS and GPS assistance, Web site maintenance, legal descriptions, survey contracting, and consulting services provided by the State Surveyor's Office		\$ 36,687			\$ 49,598	
GRAND TOTAL OF ALL EXPENSES		\$ 14,415,623			\$ 15,685,950	

BOARD OF EDUCATIONAL LANDS AND FUNDS BUDGET VS. ACTUAL EXPENDITURES VS. INFLATION

(Includes all Land Management and Ownership Expenses except only Real Estate Tax / In-Lieu-Of Tax Payments)



*Includes Survey Reimbursements to the General Fund

DISBURSEMENTS OF TRUST REVENUES DURING 2015

COUNTY	K-12 PER PUPIL (1) APPORTIONMENT	REAL ESTATE (2) TAX PAYMENTS	TOTAL DISBURSEMENTS
Adams.....	\$ 808,397.20	\$ 41,835.18	\$ 850,232.38
Antelope.....	\$ 178,445.39	\$ 323,202.98	\$ 501,648.37
Arthur.....	\$ 12,424.28	\$ 75,449.02	\$ 87,873.30
Banner.....	\$ 17,475.91	\$ 110,818.48	\$ 128,294.39
Blaine.....	\$ 15,427.95	\$ 89,212.78	\$ 104,640.73
Boone.....	\$ 155,371.73	\$ 18,522.26	\$ 173,893.99
Box Butte.....	\$ 309,651.22	\$ 278,312.78	\$ 587,964.00
Boyd.....	\$ 44,645.48	\$ 138,264.20	\$ 182,909.68
Brown.....	\$ 69,630.56	\$ 260,960.88	\$ 330,591.44
Buffalo.....	\$ 1,162,966.97	\$ 136,834.22	\$ 1,299,801.19
Burt.....	\$ 184,316.20	\$ 30,407.84	\$ 214,724.04
Butler.....	\$ 206,843.74	\$ 15,471.04	\$ 222,314.78
Cass.....	\$ 585,306.33	\$ 3,960.10	\$ 589,266.43
Cedar.....	\$ 242,205.14	\$ 20,765.52	\$ 262,970.66
Chase.....	\$ 127,109.92	\$ 325,838.42	\$ 452,948.34
Cherry.....	\$ 115,777.88	\$ 596,650.44	\$ 712,428.32
Cheyenne.....	\$ 255,585.13	\$ 358,950.18	\$ 614,535.31
Clay.....	\$ 98,165.44	\$ 1,018.92	\$ 99,184.36
Colfax.....	\$ 371,089.96	\$ 0.00	\$ 371,089.96
Cuming.....	\$ 329,721.20	\$ 9,922.72	\$ 339,643.92
Custer.....	\$ 253,537.18	\$ 469,470.50	\$ 723,007.68
Dakota.....	\$ 613,295.10	\$ 39,861.76	\$ 653,156.86
Dawes.....	\$ 171,755.40	\$ 178,773.32	\$ 350,528.72
Dawson.....	\$ 795,836.40	\$ 122,755.68	\$ 918,592.08
Deuel.....	\$ 65,944.24	\$ 123,601.06	\$ 189,545.30
Dixon.....	\$ 124,106.25	\$ 48,937.12	\$ 173,043.37
Dodge.....	\$ 1,076,133.56	\$ 0.00	\$ 1,076,133.56
Douglas.....	\$ 15,495,667.84	\$ 10,320.16	\$ 15,505,988.00
Dundy.....	\$ 54,475.68	\$ 194,211.60	\$ 248,687.28
Fillmore.....	\$ 130,932.77	\$ 0.00	\$ 130,932.77
Franklin.....	\$ 41,095.69	\$ 97,129.92	\$ 138,225.61
Frontier.....	\$ 77,822.40	\$ 173,877.90	\$ 251,700.30
Furnas.....	\$ 154,416.02	\$ 161,995.72	\$ 316,411.74
Gage.....	\$ 515,266.18	\$ 7,496.26	\$ 522,762.44
Garden.....	\$ 40,549.56	\$ 158,466.00	\$ 199,015.56
Garfield.....	\$ 41,505.28	\$ 98,194.72	\$ 139,700.00
Gosper.....	\$ 26,759.98	\$ 36,311.50	\$ 63,071.48
Grant.....	\$ 20,889.17	\$ 29,816.04	\$ 50,705.21
Greeley.....	\$ 49,014.46	\$ 77,274.88	\$ 126,289.34
Hall.....	\$ 1,569,827.91	\$ 105,559.08	\$ 1,675,386.99
Hamilton.....	\$ 241,932.08	\$ 0.00	\$ 241,932.08
Harlan.....	\$ 41,641.81	\$ 75,276.04	\$ 116,917.85
Hayes.....	\$ 17,066.31	\$ 163,067.36	\$ 180,133.67
Hitchcock.....	\$ 46,147.32	\$ 211,034.08	\$ 257,181.40
Holt.....	\$ 263,776.96	\$ 896,393.56	\$ 1,160,170.52
Hooker.....	\$ 20,206.52	\$ 41,712.08	\$ 61,918.60
Howard.....	\$ 181,449.06	\$ 60,281.74	\$ 241,730.80
Jefferson.....	\$ 200,972.93	\$ 30,898.46	\$ 231,871.39
Johnson.....	\$ 128,202.16	\$ 6,880.26	\$ 135,082.42

DISBURSEMENTS OF TRUST REVENUES DURING 2015

COUNTY	K-12 PER PUPIL APPORTIONMENT (1)	REAL ESTATE TAX PAYMENTS (2)	TOTAL DISBURSEMENTS
Kearney.....	\$ 178,991.52	\$ 68,791.20	\$ 247,782.72
Keith.....	\$ 162,061.72	\$ 357,683.22	\$ 519,744.94
Keya Paha.....	\$ 16,520.19	\$ 100,609.02	\$ 117,129.21
Kimball.....	\$ 77,822.40	\$ 171,283.12	\$ 249,105.52
Knox.....	\$ 228,688.63	\$ 147,247.66	\$ 375,936.29
Lancaster.....	\$ 7,225,331.62	\$ 20,946.74	\$ 7,246,278.36
Lincoln.....	\$ 1,249,936.91	\$ 469,084.90	\$ 1,719,021.81
Logan.....	\$ 22,664.07	\$ 82,303.28	\$ 104,967.35
Loup.....	\$ 14,745.30	\$ 54,468.29	\$ 69,213.59
Madison.....	\$ 1,004,455.03	\$ 99,681.82	\$ 1,104,136.85
McPherson.....	\$ 11,332.03	\$ 74,057.60	\$ 85,389.63
Merrick.....	\$ 141,309.09	\$ 81,691.08	\$ 223,000.17
Morrill.....	\$ 138,305.42	\$ 199,028.94	\$ 337,334.36
Nance.....	\$ 121,102.57	\$ 0.00	\$ 121,102.57
Nemaha.....	\$ 156,327.45	\$ 1,399.84	\$ 157,727.29
Nuckolls.....	\$ 191,825.38	\$ 6,136.86	\$ 197,962.24
Otoe.....	\$ 451,096.84	\$ 10,050.90	\$ 461,147.74
Pawnee.....	\$ 54,885.27	\$ 2,397.28	\$ 57,282.55
Perkins.....	\$ 84,512.39	\$ 316,103.72	\$ 400,616.11
Phelps.....	\$ 231,692.29	\$ 46,156.96	\$ 277,849.25
Pierce.....	\$ 188,275.58	\$ 151,423.06	\$ 339,698.64
Platte.....	\$ 849,902.48	\$ 23,061.58	\$ 872,964.06
Polk.....	\$ 191,688.85	\$ 52,563.62	\$ 244,252.47
Red Willow.....	\$ 422,015.84	\$ 148,696.96	\$ 570,712.80
Richardson.....	\$ 203,430.48	\$ 13,474.32	\$ 216,904.80
Rock.....	\$ 29,081.00	\$ 194,450.28	\$ 223,531.28
Saline.....	\$ 416,145.02	\$ 5,678.48	\$ 421,823.50
Sarpy.....	\$ 3,818,075.97	\$ 14,477.42	\$ 3,832,553.39
Saunders.....	\$ 465,022.95	\$ 0.00	\$ 465,022.95
Scotts Bluff.....	\$ 901,374.49	\$ 44,627.44	\$ 946,001.93
Seward.....	\$ 470,347.64	\$ 18,580.90	\$ 488,928.54
Sheridan.....	\$ 118,098.90	\$ 323,556.94	\$ 441,655.84
Sherman.....	\$ 67,309.55	\$ 83,641.62	\$ 150,951.17
Sioux.....	\$ 15,154.89	\$ 163,659.92	\$ 178,814.81
Stanton.....	\$ 70,586.28	\$ 9,717.52	\$ 80,303.80
Thayer.....	\$ 126,017.68	\$ 17,554.50	\$ 143,572.18
Thomas.....	\$ 12,970.40	\$ 49,060.80	\$ 62,031.20
Thurston.....	\$ 263,503.90	\$ 0.00	\$ 263,503.90
Valley.....	\$ 100,759.53	\$ 35,661.44	\$ 136,420.97
Washington.....	\$ 527,690.46	\$ 63,668.20	\$ 591,358.66
Wayne.....	\$ 214,625.98	\$ 0.00	\$ 214,625.98
Webster.....	\$ 68,947.91	\$ 17,699.54	\$ 86,647.45
Wheeler.....	\$ 16,110.60	\$ 92,651.76	\$ 108,762.36
York.....	\$ 276,610.84	\$ 31,163.94	\$ 307,774.78
Total.....	\$ 49,348,137.19	\$ 10,320,187.43	\$ 59,668,324.62

⁽¹⁾ Information compiled from 2015 Calendar Year Distribution Reports furnished by the Nebraska Department of Education (2014 calendar year net income).

⁽²⁾ Real Estate Taxes levied in 2014 and payable during calendar year 2015.

DISBURSEMENTS OF TRUST REVENUES DURING 2016

COUNTY	K-12 PER PUPIL (1) APPORTIONMENT	REAL ESTATE (2) TAX PAYMENTS	TOTAL DISBURSEMENTS
Adams.....	\$ 806,607.34	\$ 44,480.24	\$ 851,087.58
Antelope.....	\$ 169,055.71	\$ 334,969.64	\$ 504,025.35
Arthur.....	\$ 12,803.29	\$ 80,539.00	\$ 93,342.29
Banner.....	\$ 17,375.89	\$ 124,976.26	\$ 142,352.15
Blaine.....	\$ 15,416.21	\$ 91,226.78	\$ 106,642.99
Boone.....	\$ 151,157.22	\$ 20,488.92	\$ 171,646.14
Box Butte.....	\$ 289,772.44	\$ 295,624.86	\$ 585,397.30
Boyd.....	\$ 41,414.73	\$ 142,250.58	\$ 183,665.31
Brown.....	\$ 64,016.45	\$ 293,666.66	\$ 357,683.11
Buffalo.....	\$ 1,107,876.61	\$ 157,724.08	\$ 1,265,600.69
Burt.....	\$ 180,291.24	\$ 37,388.34	\$ 217,679.58
Butler.....	\$ 200,410.70	\$ 17,601.00	\$ 218,011.70
Cass.....	\$ 541,918.89	\$ 4,456.62	\$ 546,375.51
Cedar.....	\$ 228,499.55	\$ 19,667.24	\$ 248,166.79
Chase.....	\$ 116,928.02	\$ 348,292.64	\$ 465,220.66
Cherry.....	\$ 110,787.66	\$ 647,442.24	\$ 758,229.90
Cheyenne.....	\$ 239,212.51	\$ 427,982.52	\$ 667,195.03
Clay.....	\$ 90,537.56	\$ 1,366.84	\$ 91,904.40
Colfax.....	\$ 362,019.58	\$ 0.00	\$ 362,019.58
Cuming.....	\$ 320,082.27	\$ 11,074.50	\$ 331,156.77
Custer.....	\$ 246,398.03	\$ 531,911.46	\$ 778,309.49
Dakota.....	\$ 589,735.26	\$ 40,111.06	\$ 629,846.32
Dawes.....	\$ 155,991.11	\$ 207,351.22	\$ 363,342.33
Dawson.....	\$ 747,686.07	\$ 141,070.18	\$ 888,756.25
Deuel.....	\$ 63,493.88	\$ 151,822.86	\$ 215,316.74
Dixon.....	\$ 124,766.76	\$ 49,801.16	\$ 174,567.92
Dodge.....	\$ 1,020,343.89	\$ 0.00	\$ 1,020,343.89
Douglas.....	\$ 14,993,829.52	\$ 13,080.16	\$ 15,006,909.68
Dundy.....	\$ 47,163.14	\$ 209,143.00	\$ 256,306.14
Fillmore.....	\$ 120,455.44	\$ 0.00	\$ 120,455.44
Franklin.....	\$ 33,967.91	\$ 109,051.72	\$ 143,019.63
Frontier.....	\$ 77,342.33	\$ 201,828.20	\$ 279,170.53
Furnas.....	\$ 149,328.18	\$ 178,638.62	\$ 327,966.80
Gage.....	\$ 479,078.24	\$ 8,662.88	\$ 487,741.12
Garden.....	\$ 41,153.44	\$ 157,965.62	\$ 199,119.06
Garfield.....	\$ 43,897.00	\$ 123,285.64	\$ 167,182.64
Gosper.....	\$ 28,088.85	\$ 35,102.12	\$ 63,190.97
Grant.....	\$ 20,511.39	\$ 33,227.34	\$ 53,738.73
Greeley.....	\$ 48,469.60	\$ 74,350.18	\$ 122,819.78
Hall.....	\$ 1,667,563.32	\$ 114,005.38	\$ 1,781,568.70
Hamilton.....	\$ 227,976.97	\$ 0.00	\$ 227,976.97
Harlan.....	\$ 38,409.87	\$ 82,531.90	\$ 120,941.77
Hayes.....	\$ 15,546.85	\$ 165,563.40	\$ 181,110.25
Hitchcock.....	\$ 47,163.14	\$ 241,384.96	\$ 288,548.10
Holt.....	\$ 253,191.61	\$ 1,034,358.44	\$ 1,287,550.05
Hooker.....	\$ 20,119.46	\$ 44,987.08	\$ 65,106.54
Howard.....	\$ 171,407.32	\$ 76,459.60	\$ 247,866.92
Jefferson.....	\$ 195,576.80	\$ 36,234.20	\$ 231,811.00
Johnson.....	\$ 123,590.95	\$ 7,066.42	\$ 130,657.37

DISBURSEMENTS OF TRUST REVENUES DURING 2016

COUNTY	K-12 PER PUPIL APPORTIONMENT (1)	REAL ESTATE TAX PAYMENTS (2)	TOTAL DISBURSEMENTS
Kearney.....	\$ 175,849.27	\$ 92,604.36	\$ 268,453.63
Keith.....	\$ 157,036.28	\$ 396,954.46	\$ 553,990.74
Keya Paha.....	\$ 15,938.79	\$ 97,838.48	\$ 113,777.27
Kimball.....	\$ 69,895.52	\$ 194,591.14	\$ 264,486.66
Knox.....	\$ 214,128.51	\$ 163,856.82	\$ 377,985.33
Lancaster.....	\$ 7,254,893.37	\$ 22,269.88	\$ 7,277,163.25
Lincoln.....	\$ 1,232,120.79	\$ 531,074.98	\$ 1,763,195.77
Logan.....	\$ 21,164.62	\$ 90,015.42	\$ 111,180.04
Loup.....	\$ 14,893.62	\$ 57,973.66	\$ 72,867.28
Madison.....	\$ 954,759.70	\$ 107,493.50	\$ 1,062,253.20
McPherson.....	\$ 12,280.71	\$ 73,412.24	\$ 85,692.95
Merrick.....	\$ 139,007.16	\$ 91,959.00	\$ 230,966.16
Morrill.....	\$ 130,776.47	\$ 212,509.82	\$ 343,286.29
Nance.....	\$ 116,144.13	\$ 0.00	\$ 116,144.13
Nemaha.....	\$ 146,453.97	\$ 1,653.18	\$ 148,107.15
Nuckolls.....	\$ 170,754.10	\$ 7,563.54	\$ 178,317.64
Otoe.....	\$ 430,608.64	\$ 11,004.16	\$ 441,612.80
Pawnee.....	\$ 47,685.73	\$ 2,787.04	\$ 50,472.77
Perkins.....	\$ 79,040.72	\$ 322,914.80	\$ 401,955.52
Phelps.....	\$ 230,067.30	\$ 56,123.00	\$ 286,190.30
Pierce.....	\$ 182,642.87	\$ 162,707.28	\$ 345,350.15
Platte.....	\$ 792,628.22	\$ 22,183.94	\$ 814,812.16
Polk.....	\$ 177,025.10	\$ 55,111.80	\$ 232,136.90
Red Willow.....	\$ 392,068.13	\$ 163,154.50	\$ 555,222.63
Richardson.....	\$ 192,180.01	\$ 15,091.04	\$ 207,271.05
Rock.....	\$ 27,304.98	\$ 209,149.84	\$ 236,454.82
Saline.....	\$ 420,810.20	\$ 6,303.16	\$ 427,113.36
Sarpy.....	\$ 3,870,251.95	\$ 14,987.60	\$ 3,885,239.55
Saunders.....	\$ 485,349.25	\$ 0.00	\$ 485,349.25
Scotts Bluff.....	\$ 911,515.93	\$ 54,424.92	\$ 965,940.85
Seward.....	\$ 456,215.23	\$ 19,110.20	\$ 475,325.43
Sheridan.....	\$ 116,536.07	\$ 345,148.48	\$ 461,684.55
Sherman.....	\$ 65,584.21	\$ 92,293.36	\$ 157,877.57
Sioux.....	\$ 13,979.10	\$ 144,801.44	\$ 158,780.54
Stanton.....	\$ 66,890.66	\$ 9,973.72	\$ 76,864.38
Thayer.....	\$ 136,394.25	\$ 19,510.20	\$ 155,904.45
Thomas.....	\$ 11,235.54	\$ 50,830.16	\$ 62,065.70
Thurston.....	\$ 251,493.21	\$ 0.00	\$ 251,493.21
Valley.....	\$ 95,632.75	\$ 36,135.52	\$ 131,768.27
Washington.....	\$ 518,402.64	\$ 75,287.62	\$ 593,690.26
Wayne.....	\$ 207,334.92	\$ 0.00	\$ 207,334.92
Webster.....	\$ 64,147.10	\$ 22,365.68	\$ 86,512.78
Wheeler.....	\$ 15,938.79	\$ 102,764.66	\$ 118,703.45
York.....	\$ 210,862.37	\$ 38,087.16	\$ 248,949.53
Total.....	\$ 48,154,353.08	\$ 11,364,235.52	\$ 59,518,588.60

(1) Information compiled from 2016 Calendar Year Distribution Reports furnished by the Nebraska Department of Education (2015 calendar year net income).

(2) Real Estate Taxes levied in 2015 and payable during calendar year 2016.

SUMMARY OF EDUCATIONAL LANDS

As of June 30, 2016

	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	AGRICULTURAL RENTAL CHARGED
Common School.....	2,870,360.479	1,612,705.631	1,257,654.848	\$ 1,163,380,462.00	\$ 46,535,218.48
Saline.....	32,789.220	32,627.220	162.000	\$ 367,375.00	\$ 14,695.00
Total K-12 School Trust Lands.....	2,903,149.699	1,645,332.851	1,257,816.848	\$ 1,163,747,837.00	\$ 46,549,913.48
University.....	45,463.270	39,290.033	6,173.237	\$ 11,220,893.50	\$ 448,835.74
Ag College.....	89,140.210	85,326.030	3,814.180	\$ 9,351,412.50	\$ 374,056.50
Normal (State College).....	12,804.800	12,729.970	74.830	\$ 298,511.50	\$ 11,940.46
Other.....	-	-	101.350	\$ 34,955.00	\$ 1,398.20
Total All Other Educational Trust Lands..	147,408.280	137,346.033	10,163.597	\$ 20,905,772.50	\$ 836,230.90

1. Includes all sources and times of acquisition. The original federal grant of Sections 16 and 36 and in lieu selections (Common School Trust Lands) was, for example, the equivalent of 2,797,520.67 acres.
2. Includes acres condemned and paid for pursuant to federal or state authority for roadways and other public uses.
3. Acres available for surface leasing will vary slightly from time to time due to such things as the meanderings and channel changes of rivers and streams. Additional acres are available for subsurface leasing, primarily as a result of subsurface rights retained when the surface was deeded or condemned.
4. See the Note on page 24.

EDUCATIONAL TRUST LANDS BY COUNTY
Common and Saline Lands (K-12)
As of June 30, 2016

COUNTY	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	NUMBER OF AGRICULTURAL LEASES
Adams.....	20,880.080	19,535.080	1,345.000	\$ 5,103,027.00	11
Antelope.....	31,699.230	20,084.030	11,615.200	39,806,382.00	56
Arthur.....	27,311.980	7,277.467	20,034.513	9,226,637.00	31
Banner.....	26,884.870	4,079.990	22,804.880	8,135,263.00	39
Blaine.....	25,628.020	4,334.800	21,293.220	14,006,948.00	44
Boone.....	23,675.280	21,065.940	2,609.340	3,331,711.00	8
Box Butte.....	40,963.930	10,112.050	30,851.880	30,676,193.00	65
Boyd.....	22,664.500	12,260.340	10,404.160	13,388,580.50	56
Brown.....	49,088.020	11,241.040	37,846.980	37,132,960.50	68
Buffalo.....	31,011.200	23,777.280	7,233.920	11,297,749.50	30
Burt.....	18,225.550	17,604.290	621.260	3,497,675.50	4
Butler.....	21,699.630	21,219.630	480.000	1,563,956.50	3
Cass.....	19,733.980	19,653.980	80.000	229,696.00	2
Cedar.....	27,306.260	26,404.360	901.900	4,370,705.50	6
Chase.....	33,280.000	9,240.160	24,039.840	39,665,550.00	60
Cherry.....	276,595.130	110,786.203	165,808.927	87,996,770.50	266
Cheyenne.....	44,507.500	5,680.722	38,826.778	36,980,753.00	80
Clay.....	21,240.000	21,160.000	80.000	106,344.00	1
Colfax.....	14,463.510	14,463.510	0.000	0.00	0
Cuming.....	20,324.600	20,116.560	208.040	952,860.50	1
Custer.....	92,658.160	45,616.730	47,041.430	52,223,628.50	131
Dakota.....	7,255.960	6,602.690	653.270	3,742,772.00	7
Dawes.....	51,973.900	13,002.540	38,971.360	14,144,196.50	44
Dawson.....	36,725.000	29,410.214	7,314.786	11,483,223.00	21
Deuel.....	16,800.700	4,580.640	12,220.060	11,092,598.00	29
Dixon.....	17,029.280	15,238.900	1,790.380	7,118,664.00	11
Dodge.....	18,560.930	18,560.930	0.000	0.00	0
Douglas.....	9,322.040	9,179.200	142.840	9,501,803.00	4
Dundy.....	33,307.410	6,982.790	26,324.620	25,676,135.00	48
Fillmore.....	20,648.510	20,648.510	0.000	0.00	0
Franklin.....	20,471.850	14,658.870	5,812.980	8,487,003.00	24
Frontier.....	34,560.000	16,998.840	17,561.160	16,730,858.00	47
Furnas.....	25,648.310	13,277.790	12,370.520	14,029,296.50	36
Gage.....	24,637.310	24,437.310	200.000	643,055.00	2
Garden.....	64,221.550	27,964.860	36,256.690	19,230,170.00	70
Garfield.....	20,480.000	5,964.113	14,515.887	13,883,799.00	31
Gosper.....	16,640.000	13,813.620	2,826.380	2,790,652.50	7
Grant.....	30,565.440	19,175.450	11,389.990	5,399,201.50	24
Greeley.....	20,475.300	13,875.300	6,600.000	7,237,512.00	23
Hall.....	19,759.940	17,437.000	2,322.940	7,273,221.50	17
Hamilton.....	20,487.700	20,487.700	0.000	0.00	0
Harlan.....	20,364.600	15,910.830	4,453.770	5,797,030.50	18
Hayes.....	26,160.000	8,394.610	17,765.390	16,072,537.00	48
Hitchcock.....	25,430.320	4,459.656	20,970.664	19,670,031.50	54
Holt.....	89,563.030	24,064.226	65,498.804	116,317,775.00	186
Hooker.....	28,626.050	15,141.300	13,484.750	6,447,596.50	19
Howard.....	23,036.780	19,129.570	3,907.210	6,059,778.00	17
Jefferson.....	20,484.080	19,044.080	1,440.000	3,069,629.00	12
Johnson.....	13,480.000	13,184.840	295.160	680,601.00	5
Kearney.....	18,758.060	15,500.150	3,257.910	9,698,925.50	8
Keith.....	46,542.710	16,813.563	29,729.147	30,119,942.00	73
Keya Paha.....	26,394.490	5,151.140	21,243.350	20,005,133.00	46
Kimball.....	36,561.000	3,771.080	32,789.920	14,226,387.50	59
Knox.....	43,533.810	31,460.290	12,073.520	17,259,854.00	48
Lancaster.....	31,973.850	31,676.410	297.440	1,164,321.00	3
Lancaster (Saline).....	32,789.220	32,627.220	162.000	367,375.00	2
Lincoln.....	100,192.559	41,269.067	58,923.492	50,683,361.50	117
Logan.....	20,480.000	8,235.320	12,244.680	10,671,155.50	23
Loup.....	20,393.280	9,108.520	11,284.760	8,952,466.00	23
Madison.....	24,626.970	22,523.094	2,103.876	8,283,784.50	14
McPherson.....	32,361.410	11,418.290	20,943.120	10,438,464.00	35
Merrick.....	14,976.210	12,629.800	2,346.410	10,437,689.00	12
Morrill.....	62,316.080	31,381.349	30,934.731	17,434,904.00	59
Nance.....	0.000	0.000	0.000	0.00	0
Nemaha.....	11,993.240	11,884.660	108.580	165,750.00	2
Nuckolls.....	21,049.610	20,577.230	472.380	758,794.00	5

EDUCATIONAL TRUST LANDS BY COUNTY
Common and Saline Lands (K-12)
As of June 30, 2016

COUNTY	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	NUMBER OF AGRICULTURAL LEASES
Otoe.....	21,992.560	21,752.560	240.000	\$ 1,057,554.00	3
Pawnee.....	20,128.960	20,001.960	127.000	181,891.50	2
Perkins.....	31,869.570	3,363.874	28,505.696	26,998,521.50	58
Phelps.....	20,468.440	19,068.600	1,399.840	4,794,746.50	7
Pierce.....	20,480.000	15,306.240	5,173.760	15,974,169.00	19
Platte.....	23,655.480	22,618.900	1,036.580	2,207,852.50	8
Polk.....	17,432.560	16,077.200	1,355.360	6,358,436.00	6
Red Willow.....	25,408.710	13,595.796	11,812.914	12,065,967.50	31
Richardson.....	10,400.000	9,830.000	570.000	704,285.00	4
Rock.....	41,599.990	12,041.670	29,558.320	28,702,879.00	63
Saline.....	20,620.000	20,481.830	138.170	449,156.00	3
Sarpy.....	8,994.920	8,737.450	257.470	457,750.00	6
Saunders.....	26,323.880	26,323.880	0.000	0.00	0
Scotts Bluff.....	25,507.790	17,372.250	8,135.540	3,384,357.50	19
Seward.....	21,203.950	20,805.290	398.660	1,368,563.00	3
Sheridan.....	96,565.150	35,778.130	60,787.020	31,398,527.50	125
Sherman.....	20,453.780	13,893.840	6,559.940	8,563,364.00	27
Sioux.....	80,980.060	24,183.721	56,796.339	15,377,846.00	104
Stanton.....	15,444.290	14,720.000	724.290	1,237,319.00	3
Thayer.....	20,472.350	19,752.350	720.000	1,675,849.50	5
Thomas.....	29,338.040	16,873.812	12,464.228	6,022,171.50	23
Thurston.....	0.000	0.000	0.000	0.00	0
Valley.....	20,704.750	17,901.760	2,802.990	3,533,778.50	10
Washington.....	13,783.350	12,766.110	1,017.240	5,518,990.00	11
Wayne.....	15,360.000	15,360.000	0.000	0.00	0
Webster.....	20,861.200	19,800.000	1,061.200	1,497,048.00	9
Wheeler.....	21,120.000	3,911.294	17,208.706	17,218,589.50	37
York.....	20,480.000	19,646.610	833.390	4,057,387.50	9
Total K-12					
School Trust Lands...	2,903,149.699	1,645,332.851	1,257,816.848	\$1,163,747,837.00	2,920

University, Agricultural College and Normal School (State College) Lands
As of June 30, 2016

COUNTY	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	NUMBER OF AGRICULTURAL LEASES
Antelope (Uni).....	1,600.000	1,407.050	192.950	\$ 347,760.50	1
Burt (Ag).....	640.000	640.000	0.000	0.00	0
Cedar (Ag).....	25,405.470	24,431.630	973.840	3,587,920.50	7
Cedar (Uni).....	1,920.000	1,605.703	314.297	904,360.50	2
Cuming (Ag).....	960.000	960.000	0.000	0.00	0
Dakota (Ag).....	640.000	640.000	0.000	0.00	0
Dakota (Uni).....	320.000	320.000	0.000	0.00	0
Dawes (Other).....	0.000	0.000	101.350	34,955.00	1
Dixon (Ag).....	2,240.000	2,200.000	40.000	224,250.00	1
Dixon (Uni).....	640.000	640.000	0.000	0.00	0
Holt (Uni).....	8,322.100	4,420.460	3,901.640	6,691,839.00	20
Knox (Ag).....	33,491.200	31,207.590	2,283.610	3,050,315.50	8
Knox (Uni).....	4,480.000	3,969.610	510.390	924,561.00	4
Lancaster (Normal).....	12,804.800	12,729.970	74.830	298,511.50	1
Madison (Uni).....	2,240.000	2,080.000	160.000	719,625.00	1
Nuckolls (Uni).....	4,940.020	4,764.580	175.440	207,165.00	1
Pierce (Ag).....	10,114.560	9,597.830	516.730	2,488,926.50	3
Pierce (Uni).....	3,197.670	3,197.670	0.000	0.00	0
Wayne (Ag).....	15,648.980	15,648.980	0.000	0.00	0
Webster (Uni).....	17,803.480	16,884.960	918.520	1,425,582.50	7
Total All Other					
Educational Trust Lands...	147,408.280	137,346.033	10,163.597	\$ 20,905,772.50	57

NOTE CONCERNING APPRAISED VALUATION

Appraised valuation also means **appraised rental valuation** and is merely surface (agricultural) rental capitalized at the rate of 4% (divided by .04). The sole purpose for this computation is to generate the numbers required by certain statutes which have not been amended for many years. These numbers are intended only to provide the statutorily desired information and do not reflect market value as of any specific date.

For purposes of this nature, **capitalization rate** is the same thing as **rent to value ratio**. To illustrate the process, if annual rent is \$46.550 million and a rate of 4% is chosen, the resulting value will be \$1.164 billion. Similarly, a rate of 5% applied to rental of \$46.550 million will yield a value of \$931.0 million, and a rate of 6% used for the same \$46.550 million rent will result in a value of \$775.8 million. The historically valid long-term capitalization rates for agricultural land are generally 4% to 6%. However, within this range, applying the lower rent to value ratios to actual rental will yield higher values, while applying the higher rent to value ratios to actual rental will yield lower values.

Accurate rent to value ratios can be determined through the process of dividing the rentals which exist at any point in time by the corresponding values to which they pertain. All of these numbers are driven by the private sector marketplace and, therefore, the actual rentals, values and rent to value ratios are always changing over time. It is simply not possible to incorporate these constantly changing rent to value ratios into statutes because, by the time the necessary computations could be made and the statutes could be amended, the actual rent to value ratios would have changed again. For statutory purposes, therefore, the best course is to choose one rent to value ratio within the historically valid range of 4% to 6% and use it consistently over a considerable period of time. This allows the numbers thus generated to be useful for some additional purposes, such as comparing relative values from one county to another and relative changes in values over the years, even though these numbers do not represent current market value.

TOTAL K-12 SCHOOL TRUST LAND SALES FOR THE BIENNIUM

TOTAL PARCELS	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	BEGINNING BID PRICE	SALE PRICE	EXCESS OVER BEGINNING PRICE
3	72.760	26.590	24.170	0.000	22.000	\$139,125	\$139,125	\$ - (0%)

All parcels sold were K-12 School Trust Land. Proceeds are deposited into the Permanent School Fund during the Fiscal Year in which they are received. With respect to auctions occurring during the last three months of the Fiscal Year, only the down payment may be received prior to the close of the Fiscal Year. The balance of the purchase price is due within 90 days of the auction date and payments made after June 30th will be included in receipts for the next Fiscal Year. Deeds are issued only after the purchase price is paid in full and acres are not removed from inventory until that time.

SECTION 72-258 REPORT OF DENIED LAND SALE REQUESTS

There was one land sale request denied by the Board to be reported pursuant to the last sentence of the second paragraph of Section 72-258.

During Fiscal Year 2014-15, the Board denied a request that part of the E½NW¼ lying South of Hwy. 20, in Section 36-T29N-R08E, Dakota County, except approximately 5.77 acres lying southwest of Crystal Lake, be offered at public auction for \$110,000. This is a recreational use parcel with approximately 17 acres of Crystal Lake, located 2 miles west of South Sioux City, NE with good access. The sale of the parcel at the price offered was not in the best interests of the School Trust.

SUMMARY OF LAND SALES DURING FISCAL YEAR 2014-2015

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWN-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	BEGINNING BID PRICE	SALE PRICE	EXCESS OVER BEGINNING PRICE
Chase	8	Approximately 27.71 acres of Farmstead and Improvement Site near the East Quarter Corner	36-T08N-R36W	Residential Acreage and Improvement Site	27.710	7.540	4.170		16.000	\$48,500	\$48,500	\$0
Lincoln	114	All that part of the SE¼ lying South of Nebraska Highway 23	16-T10N-R34W	A strip of land separated by Highway 23 from remainder of Section.	20.050	0.050	20.000			\$50,125	\$50,125	\$0
2 Parcels Sold during FY 2014-2015					47.750	7.590	24.170	0.000	16.000	\$98,625	\$98,625	\$0 (0%)

SUMMARY OF LAND SALES DURING FISCAL YEAR 2015-2016

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWN-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	BEGINNING BID PRICE	SALE PRICE	EXCESS OVER BEGINNING PRICE
Perkins	13	Approximately 25 acres in the southwest corner of the SW¼SW¼	36-T11N-R36W	Residential acreage and improvement site	25.000	19.000			6.000	\$40,500	\$40,500	\$0
1 Parcel Sold during FY 2015-2016					25.000	19.000	0.000	0.000	6.000	\$40,500	\$40,500	\$0 (0%)

OIL AND GAS LEASES BY COUNTY
K-12 School Trust Lands
As of June 30, 2016

COUNTY	NO. OF LEASES	NO. OF ACRES UNDER LEASE
Banner	16	3,840.000
Chase	10	6,358.000
Cheyenne	12	6,080.000
Dundy	39	21,782.410
Franklin.....	6	756.360
Furnas.....	7	4,080.000
Garden.....	15	8,517.650
Harlan.....	12	3,972.720
Hayes.....	16	8,273.600
Hitchcock.....	31	16,272.380
Kimball.....	22	10,618.880
Lincoln.....	2	1,280.000
Morrill.....	6	2,920.290
Perkins.....	3	1,924.280
Phelps.....	3	1,320.000
Red Willow.....	21	9,964.370
Richardson.....	1	490.000
Scotts Bluff	2	640.000
Sioux	23	14,368.820
19 Counties	247	123,459.760

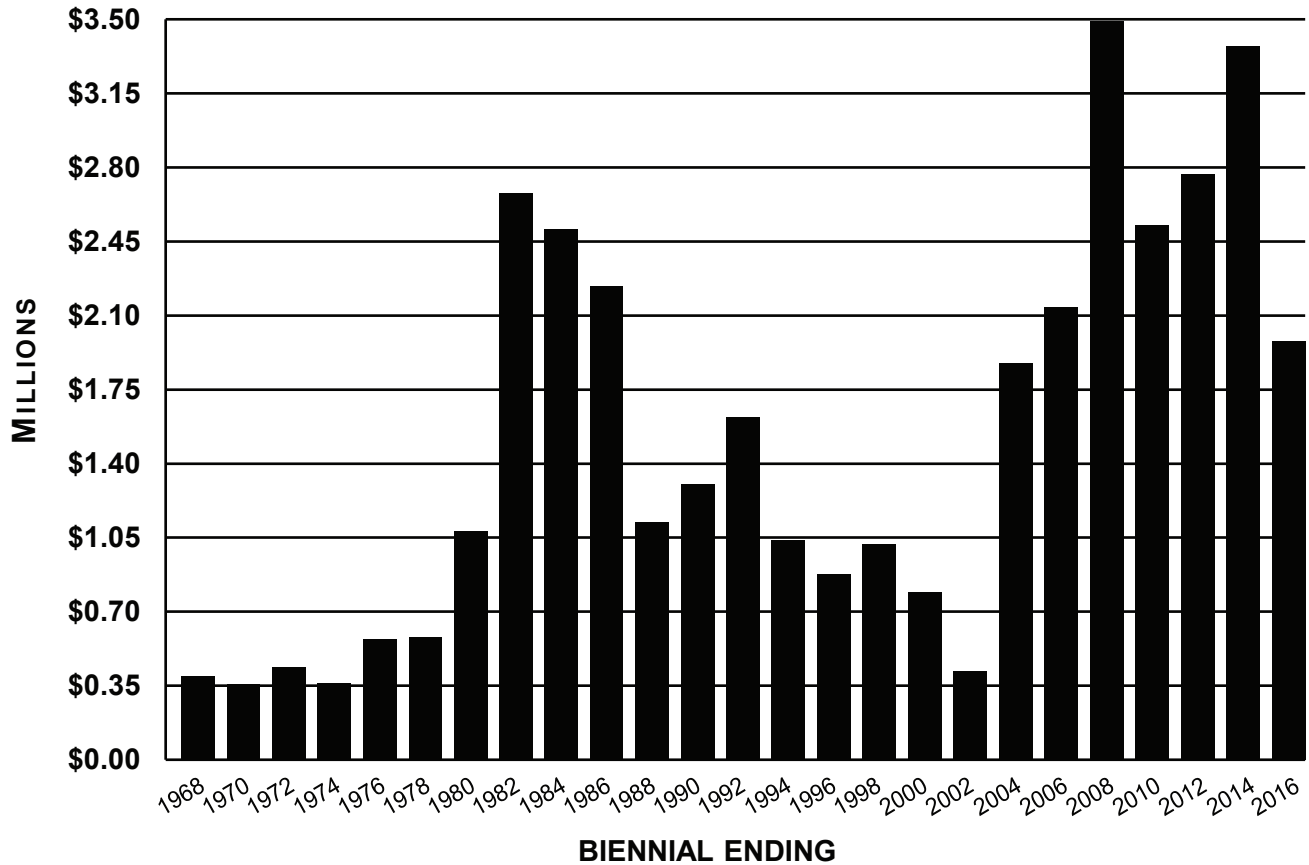
There were no oil or gas leases covering University, Agricultural College or State College (Normal School) Lands.

OIL AND GAS ROYALTIES BY COUNTY
K-12 School Trust Lands
July 1, 2014 through June 30, 2016

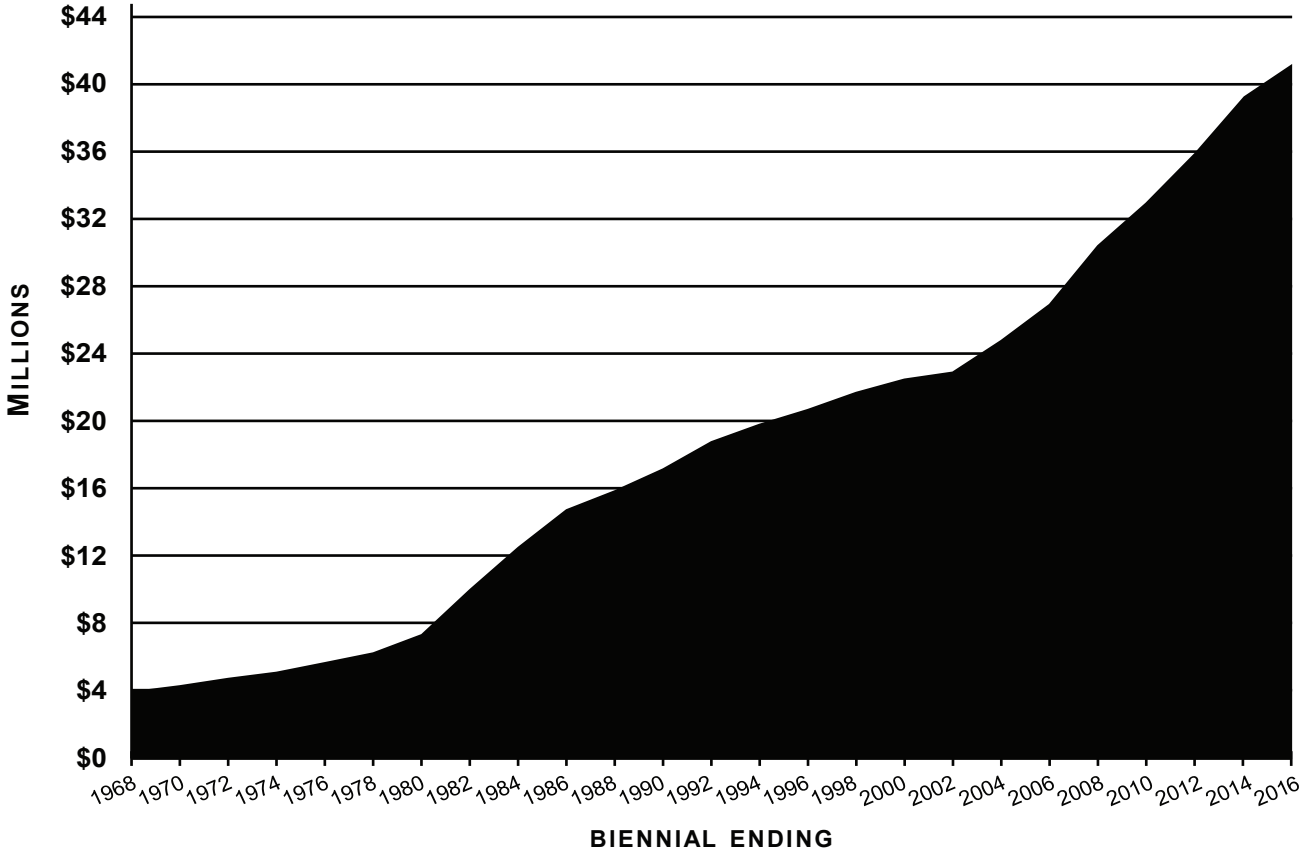
COUNTY	ROYALTIES RECEIVED
Banner.....	\$ 57,069.18
Chase.....	\$ 280,574.39
Cheyenne.....	\$ 45,417.27
Deuel.....	\$ -
Dundy.....	\$ 829,417.75
Furnas.....	\$ 34,004.36
Hitchcock.....	\$ 185,147.26
Kimball.....	\$ 257,840.43
Lincoln.....	\$ 43,677.09
Morrill.....	\$ 114,969.57
Red Willow.....	\$ 96,801.03
Scotts Bluff.....	\$ 37,288.52
TOTAL.....	<u>\$ 1,982,206.85</u>

There were no oil or gas royalties from University, Agricultural College or State College (Normal School) Lands.

**OIL AND GAS ROYALTIES FROM K-12 SCHOOL TRUST LANDS
Deposited in the Permanent School Fund**



**CUMULATIVE OIL AND GAS ROYALTIES FROM K-12 SCHOOL TRUST LANDS
Deposited in the Permanent School Fund**



WIND LEASES BY COUNTY
K-12 School Trust Lands
July 1, 2014 to June 30, 2016

COUNTY	NO. OF LEASES	NO. OF ACRES UNDER LEASE	RENT RECEIVED	ROYALTY RECEIVED
Antelope.....	14	5,250.160	28,557.900	6,868.000
Custer.....	1	629.300	-	50,859.410
Greeley.....	1	600.000	4,981.500	-
Holt.....	7	4,000.000	135,081.600	-
Johnson.....	1	145.500	-	-
Pierce.....	1	640.000	1,920.000	-
Richardson.....	1	490.000	3,000.000	-
Saline.....	2	160.000	-	-
Wheeler.....	2	1,132.500	-	-
Special One Time Agreement.....	0	-	30,000.000	-
9 Counties	30	13,047.460	203,541.000	57,727.410

There were no wind leases covering University, Agricultural College or State College (Normal School) Lands.

For further information, please visit our websites

Board of Educational Lands and Funds

www.belf.nebraska.gov

Office of the Nebraska State Surveyor

www.sso.nebraska.gov

READER'S NOTES