

1998-2000

SIXTY-SECOND BIENNIAL REPORT



**BOARD OF
EDUCATIONAL LANDS
AND FUNDS**

GOVERNOR MIKE JOHANNIS

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BOARD OF EDUCATIONAL LANDS AND FUNDS

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Minerals Director
Deputy Director



ROXANNE SUESZ
CINDY S. H. KEHLING
Executive Assistant

LAURA B. BAHR-FREW
Minerals Administrator

LETTER OF TRANSMITTAL

September 29, 2000

The Honorable Mike Johanns
Governor of Nebraska
State Capitol
Lincoln, Nebraska 68509

Dear Governor Johanns:

On behalf of the Board of Educational Lands and Funds, I am pleased to submit this 62nd Biennial Report of its administration of Nebraska's School Trust Lands from July 1, 1998, through June 30, 2000.

This report reflects the broad scope of activity and the extensive responsibility of the Board and its staff in managing the nearly 1.45 million acres of Educational Trust Lands.

Total K-12 School Trust Income for the Biennium was \$64,648,991.17. All School Trust Funds are invested exclusively by the Nebraska Investment Council.

Respectfully submitted,

L. Jay Gildersleeve
For The Board

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

BOARD MEMBERS

TERM EXPIRES

Richard L. Powell, Lincoln, NE	1st District	Oct. 1, 2001
Robert M. Martin, Omaha, NE	2nd District	Oct. 1, 2002
John D. Feller, Beemer, NE	3rd District	Oct. 1, 2003
M. Jane Keller, Bassett, NE	4th District	Oct. 1, 2004
Margaretha Kloeping, Cozad, NE	At Large	Oct. 1, 2000

PROFESSIONAL PERSONNEL

L. Jay Gildersleeve	General Counsel, Minerals Director and Deputy Director
Roxanne E. Suesz	Executive Assistant
Cindy S.H. Kehling	Executive Assistant
Laura B. Bahr-Frew	Minerals Administrator
Kathy J. Wright	Data Processing
Ann C. Poland	Administrative Assistant
Michelle L. Behne	Administrative Secretary
Vicki J. Norton	Land Acreage Records
Donita S. From	Accounts Payable
Heidi J. Schmidt	Accounts Receivable
Ronald J. Vance	Field Supervisor
Daryl Cisney	Field Representative
Rod Clausen	Field Representative
Mark Cooper	Field Representative
Cort Dewing	Field Representative
Rusty Fritz	Field Representative
John Grint	Field Representative
Martin Olson	Field Representative
Pat Speirs	Field Representative
John Wurdeman	Field Representative
Bob Schwartzkopf	Noxious Weed Supervisor
Larry Kelley	Noxious Weed Specialist

OFFICE OF THE STATE SURVEYOR

James L. Brown	State Surveyor
Willis L. Brown	Deputy Surveyor
Gene A. Thomsen	Deputy Surveyor - Dept. of Roads
Steven C. Cobb	Deputy Surveyor
Douglas D. Mowery	Draftsman II
Kathleen Martin	Administrative Assistant
John E. Beran	GEO Mapping Specialist
Clayton D. Buell	GEO Mapping Specialist
Charlene Estes	Data Entry Operator

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 have been acquired in Trust for the support of Nebraska's K-12 public schools and about 1.45 million of these acres have been sold to private sector owners. Approximately 85% of the deeded acres were conveyed pursuant to cash sales, or contractual purchase rights vested in the buyers, prior to 1900 and several decades before the Board of Educational Lands and Funds came into existence. In accordance with Article VII, Sections 7 and 8 of the Nebraska Constitution, the proceeds from all sales comprise part of the permanent school trust fund and all school trust funds are invested exclusively by the Nebraska Investment Council.

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 exclusively the Trust duties of maximizing the income and preserving the assets of the School Trust for the benefit of the State and its citizens.

The Board meets monthly and its members receive compensation of \$40 per day, plus reimbursement for their necessary 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.

The primary duty of the Board is to manage the nearly 1.45 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 makes expenditures for maintenance, conservation and improvement of the land under its care and 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 establishes and collects rentals on, issues and manages approximately 3,500 leases. Sales and trades of School Trust land are also discretionary with the Board.

The primary sources of revenue generated from Nebraska's School Trust Lands are rental and bonus for agricultural leases and rental, bonus and royalty for minerals 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 \$370.2 million for 1.467 million acres as of June 30, 1999, and \$380.4 million for 1.445 million acres as of June 30, 2000. The total agricultural rent established by the Board for that land was approximately \$20.4 million effective January 1, 2000, and will be approximately \$20.3 million effective January 1, 2001.

Pursuant to Article VII, Section 9 of the Nebraska Constitution, the net income of the School Trust is distributed annually to Nebraska's K-12 public schools as the Legislature may provide. To prevent revenue losses to the school districts in which tax exempt School Trust Land is located, distributions are first made to those school districts in lieu of tax. The net School Trust income remaining after these in lieu of tax payments have been made is then distributed to public schools statewide, including the school districts where School Trust Land is located, on a per pupil basis. The manner and time of these distributions are prescribed exclusively by the Legislature, subject only to the Constitutional requirements that all net Trust income must be used exclusively for the support and maintenance of the common schools and the manner of distribution must be fair to all the beneficiaries.

The Board and its staff are firmly committed to 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 them 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 filed 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 2,000 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 Joint Boundary Commission.
- (2) In 1982 the Legislature created the State Survey Record Repository in the Office of the State Surveyor. This repository will receive copies of most land surveys performed in the state. The office must microfilm and file these surveys and provide copies upon request. The Survey Record Repository contains approximately 176,000 documents as of this report.
- (3) In 1991 the Legislature created the G.I.S. Steering Committee. The State Surveyor serves as a member of this Committee and is currently Chair.
- (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, 1998 to June 30, 2000

TEMPORARY SCHOOL FUND (Income):

Agricultural Lease Rentals and Interest	\$ 41,415,981.08
Agricultural Lease Bonus	1,143,711.00
Minerals Lease Rentals	110,510.96
Minerals Lease Bonus	-
Other Sources	130,863.97
Interest on Temporary Investments	2,169,609.68
Interest and Dividends on Permanent Investments ..	18,989,044.00
Liquor Control Licenses, Fines, Fees	242,293.00
Other Licenses, Fines, Fees	446,977.48
TOTAL INCOME	\$ 64,648,991.17

PERMANENT SCHOOL FUND (New Deposits):

Mineral Lease Royalties:	
Federal Mineral Deposits	\$ 19,924.85
Oil and Gas	789,058.49
Sand and Gravel	125,067.23
Limestone	1,853.95
Timber Sale Proceeds	23,233.53
Oil and Gas Severance Tax	1,798,812.70
Land Sales, Easements and Condemnations	11,293,234.38
Unclaimed Property, Escheats and Estrays	3,787,471.18
Licenses, Fines, Fees, Penalties, Forfeitures	811,310.35
All Other Sources	15,667.39
TOTAL ADDITIONS TO PRINCIPAL	\$ 18,665,634.05

TOTAL K-12 SCHOOL TRUST REVENUES \$ 83,314,625.22

*Information compiled from Monthly Fund Summary Reports generated by the Nebraska Department of Administrative Services.

VALUE OF PERMANENT EDUCATIONAL TRUST FUNDS*

As of June 30, 2000

FUND	MARKET VALUE
Permanent School Fund (K-12)	\$300,058,353.57
Permanent University Fund	848,283.25
Agricultural College Fund	1,866,274.37
State College (Normal Schools) Fund	200,040.44
TOTAL	\$302,972,951.63

*Information furnished by the Nebraska Investment Council.

The K-12 School Trust Portfolio was 56% Land (\$380.4 million) and 44% Stocks and Bonds (\$300.1 million) as of June 30, 2000.

EXPENDITURES

The annual expenditures of the Board of Educational Lands and Funds, as well as the direct annual expenditures of all other state agencies except only the University of Nebraska and the State Colleges, are published annually in the Personnel Almanac. This publication lists expenditures separately for each state agency by all major and most minor categories (including total, operating and personal service expenditures, capital outlays, government aid, travel expenditures and so forth) for each of the last 10 years. The more than 100 pages, great detail and 10-year perspectives of the Personnel Almanac make it the most complete source reference of this kind available anywhere.

The Personnel Almanac can be obtained free of charge by contacting the State Personnel Division of the Department of Administrative Services, Nebraska State Office Building - First Floor, P.O. Box 94905, Lincoln, Nebraska, 68509-4905 (Telephone: 402/471-4460)

**DISTRIBUTIONS OF TRUST INCOME
TO K-12 PUBLIC SCHOOL DISTRICTS FOR THE BIENNIUM***

COUNTY	IN-LIEU-OF TAX	PER PUPIL APPORTIONMENT	TOTAL DISTRIBUTION
Adams	\$ 58,866.68	\$ 850,257.51	\$ 909,124.19
Antelope	\$ 205,960.09	\$ 200,353.36	\$ 406,313.45
Arthur	\$ 83,599.79	\$ 12,128.74	\$ 95,728.53
Banner	\$ 103,186.44	\$ 27,062.38	\$ 130,248.82
Blaine	\$ 122,604.84	\$ 21,603.19	\$ 144,208.03
Boone	\$ 19,201.88	\$ 203,787.72	\$ 222,989.60
Box Butte	\$ 298,337.04	\$ 421,471.47	\$ 719,808.51
Boyd	\$ 111,501.09	\$ 76,910.10	\$ 188,411.19
Brown	\$ 225,193.74	\$ 94,329.54	\$ 319,523.28
Buffalo	\$ 129,473.99	\$ 1,029,008.37	\$ 1,158,482.36
Burt	\$ 38,155.53	\$ 235,956.90	\$ 274,112.43
Butler	\$ 12,544.23	\$ 264,497.36	\$ 277,041.59
Cass	\$ 1,960.81	\$ 651,190.52	\$ 653,151.33
Cedar	\$ 21,822.05	\$ 328,225.72	\$ 350,047.77
Chase	\$ 409,416.17	\$ 144,272.21	\$ 553,688.38
Cherry	\$ 652,734.25	\$ 169,220.87	\$ 821,955.12
Cheyenne	\$ 440,424.09	\$ 331,355.64	\$ 771,779.73
Clay	\$ 5,225.69	\$ 225,366.12	\$ 230,591.81
Colfax	\$ 0.00	\$ 335,047.57	\$ 335,047.57
Cuming	\$ 6,126.37	\$ 305,501.11	\$ 311,627.48
Custer	\$ 385,318.70	\$ 326,618.41	\$ 711,937.11
Dakota	\$ 21,730.51	\$ 659,352.22	\$ 681,082.73
Dawes	\$ 99,164.70	\$ 194,004.51	\$ 293,169.21
Dawson	\$ 112,469.52	\$ 738,402.47	\$ 850,871.99
Deuel	\$ 212,965.14	\$ 74,636.46	\$ 287,601.60
Dixon	\$ 33,296.40	\$ 114,436.64	\$ 147,733.04
Dodge	\$ 4,467.48	\$ 997,486.05	\$ 1,001,953.53
Douglas	\$ 1,213.61	\$13,933,988.29	\$13,935,201.90
Dundy	\$ 171,147.88	\$ 51,449.05	\$ 222,596.93
Fillmore	\$ 743.23	\$ 188,301.49	\$ 189,044.72
Franklin	\$ 51,651.69	\$ 65,304.84	\$ 116,956.53
Frontier	\$ 140,908.29	\$ 111,397.38	\$ 252,305.67
Furnas	\$ 177,342.43	\$ 180,513.93	\$ 357,856.36
Gage	\$ 5,140.31	\$ 520,423.70	\$ 525,564.01
Garden	\$ 192,060.41	\$ 54,506.26	\$ 246,566.67
Garfield	\$ 81,592.64	\$ 53,812.52	\$ 135,405.16
Gosper	\$ 20,616.82	\$ 37,703.58	\$ 58,320.40
Grant	\$ 102,842.13	\$ 34,003.93	\$ 136,846.06
Greeley	\$ 64,115.75	\$ 103,163.26	\$ 167,279.01
Hall	\$ 19,652.28	\$ 1,379,408.14	\$ 1,399,060.42
Hamilton	\$ 0.00	\$ 261,003.88	\$ 261,003.88
Hartan	\$ 19,390.68	\$ 60,648.04	\$ 80,038.72
Hayes	\$ 112,784.93	\$ 24,212.18	\$ 136,997.11
Hitchcock	\$ 171,495.69	\$ 69,362.88	\$ 240,858.57
Holt	\$ 537,995.33	\$ 359,995.33	\$ 897,990.66
Hooker	\$ 123,227.91	\$ 29,553.31	\$ 152,781.22
Howard	\$ 45,679.88	\$ 221,708.43	\$ 267,388.31
Jefferson	\$ 33,921.38	\$ 298,439.76	\$ 332,361.14
Johnson	\$ 2,742.68	\$ 141,409.18	\$ 144,151.86

**DISTRIBUTIONS OF TRUST INCOME
TO K-12 PUBLIC SCHOOL DISTRICTS FOR THE BIENNIUM***

COUNTY	IN-LIEU-OF TAX	PER PUPIL APPORTIONMENT	TOTAL DISTRIBUTION
Kearney	\$ 40,471.01	\$ 205,721.81	\$ 246,192.82
Keith	\$ 212,880.47	\$ 238,364.82	\$ 451,245.29
Keya Paha	\$ 83,053.29	\$ 23,523.55	\$ 106,576.84
Kimball	\$ 118,968.28	\$ 99,438.85	\$ 218,407.13
Knox	\$ 113,376.15	\$ 295,266.10	\$ 408,642.25
Lancaster	\$ 12,102.58	\$ 5,874,723.18	\$ 5,886,825.76
Lincoln	\$ 270,961.54	\$ 1,060,470.95	\$ 1,331,432.49
Logan	\$ 75,509.03	\$ 28,358.31	\$ 103,867.34
Loup	\$ 66,168.26	\$ 21,454.36	\$ 87,622.62
Madison	\$ 72,478.02	\$ 1,160,870.47	\$ 1,233,348.49
McPherson	\$ 70,826.99	\$ 14,445.18	\$ 85,272.17
Merrick	\$ 87,768.35	\$ 236,793.45	\$ 324,561.80
Morrill	\$ 142,821.91	\$ 181,933.90	\$ 324,755.81
Nance	\$ 841.38	\$ 115,452.85	\$ 116,294.23
Nemaha	\$ 7,647.24	\$ 186,623.23	\$ 194,270.47
Nuckolls	\$ 4,595.63	\$ 124,197.62	\$ 128,793.25
Otoe	\$ 6,236.68	\$ 450,263.56	\$ 456,500.24
Pawnee	\$ 4,270.78	\$ 94,749.54	\$ 99,020.32
Perkins	\$ 216,054.51	\$ 89,665.03	\$ 305,719.54
Phelps	\$ 32,612.92	\$ 280,207.72	\$ 312,820.64
Pierce	\$ 105,244.34	\$ 252,803.18	\$ 358,047.52
Platte	\$ 10,441.43	\$ 903,876.66	\$ 914,318.09
Polk	\$ 31,957.54	\$ 175,993.12	\$ 207,950.66
Red Willow	\$ 190,687.45	\$ 325,496.95	\$ 516,184.40
Richardson	\$ 7,250.21	\$ 318,737.62	\$ 325,987.83
Rock	\$ 190,637.18	\$ 45,432.15	\$ 236,069.33
Saline	\$ 6,419.24	\$ 392,824.02	\$ 399,243.26
Sarpy	\$ 1,553.07	\$ 2,941,707.73	\$ 2,943,260.80
Saunders	\$ 0.00	\$ 514,628.28	\$ 514,628.28
Scotts Bluff	\$ 46,123.93	\$ 1,044,195.20	\$ 1,090,319.13
Seward	\$ 12,894.76	\$ 508,063.04	\$ 520,957.80
Sheridan	\$ 284,873.52	\$ 168,563.14	\$ 453,436.66
Sherman	\$ 61,231.79	\$ 85,234.06	\$ 146,465.85
Sioux	\$ 120,038.67	\$ 25,878.49	\$ 145,917.16
Stanton	\$ 8,077.27	\$ 78,431.89	\$ 86,509.16
Thayer	\$ 3,436.34	\$ 178,544.79	\$ 181,981.13
Thomas	\$ 70,298.24	\$ 16,169.68	\$ 86,467.92
Thurston	\$ 0.00	\$ 317,684.57	\$ 317,684.57
Valley	\$ 34,302.63	\$ 118,393.73	\$ 152,696.36
Washington	\$ 21,883.30	\$ 523,919.61	\$ 545,802.91
Wayne	\$ 1,452.56	\$ 250,919.57	\$ 252,372.13
Webster	\$ 24,486.84	\$ 96,248.20	\$ 120,735.04
Wheeler	\$ 91,377.00	\$ 24,582.56	\$ 115,959.56
York	\$ <u>20,454.48</u>	\$ <u>360,311.01</u>	\$ <u>380,765.49</u>
Total	\$ 8,876,779.98	\$47,663,956.25	\$56,540,736.23

*Information compiled from 1999 and 2000 Calendar Year Distribution Reports furnished by the Nebraska Department of Education (1998 and 1999 calendar year net income).

SUMMARY OF EDUCATIONAL LANDS

As of June 30, 2000

	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	AGRICULTURAL RENTAL
Common School.....	2,863,164.940	1,418,977.209	1,444,187.731	506,600,653.50	20,264,026.14
Saline	<u>32,789.440</u>	<u>32,238.890</u>	<u>550.550</u>	<u>409,369.50</u>	<u>16,374.78</u>
Total K-12 School	2,895,954.380	1,451,216.099	1,444,738.281	507,010,023.00	20,280,400.92
Trust Lands					
University.....	45,463.270	39,284.303	6,178.967	3,563,806.50	142,552.26
Ag College	89,140.210	85,326.030	3,814.180	2,736,156.00	109,446.24
Normal (State College).....	12,804.800	12,729.970	74.830	111,465.00	4,458.60
Other.....	<u>0.000</u>	<u>0.000</u>	<u>101.350</u>	<u>18,060.50</u>	<u>722.42</u>
Total All Other	147,408.280	137,340.303	10,169.327	6,429,488.00	257,179.52
Educational Trust Lands .					

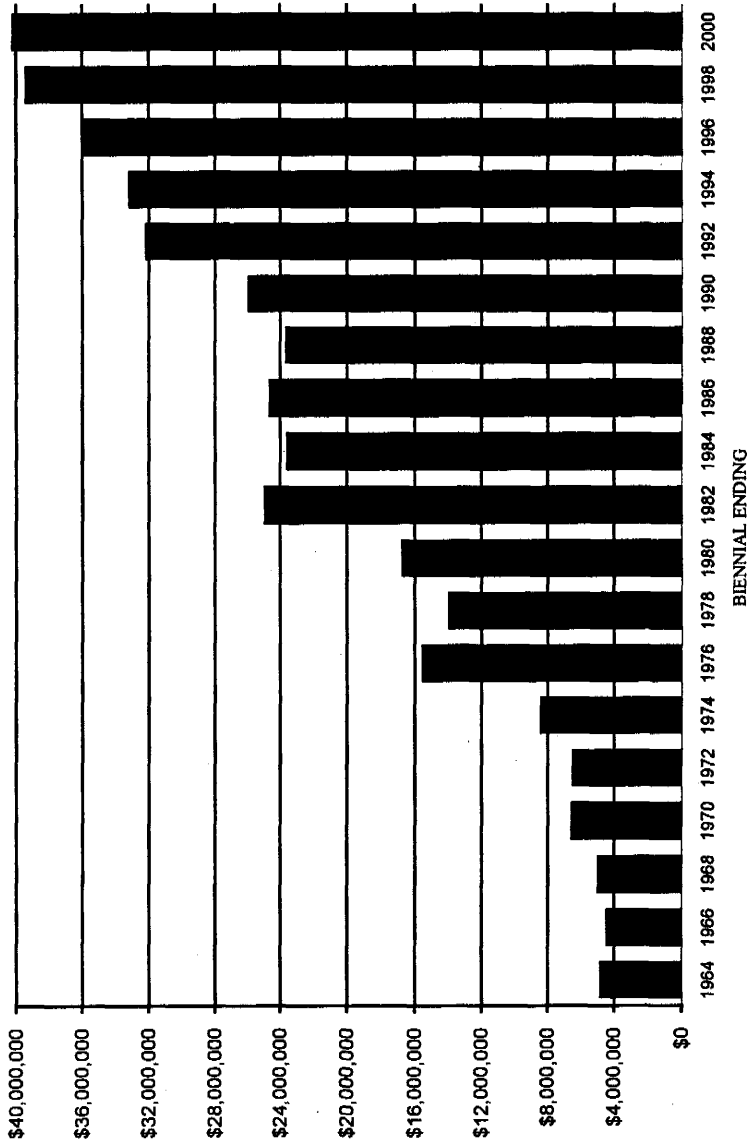
(1) Includes all sources and times of acquisition. The original federal grant of Sections 16 and 36 and in lieu selections (Common School Trust Lands) was, for example, the equivalent of 2,797,520.67 acres.

(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 18.

**AGRICULTURAL RENTAL FROM
K-12 SCHOOL TRUST LANDS**



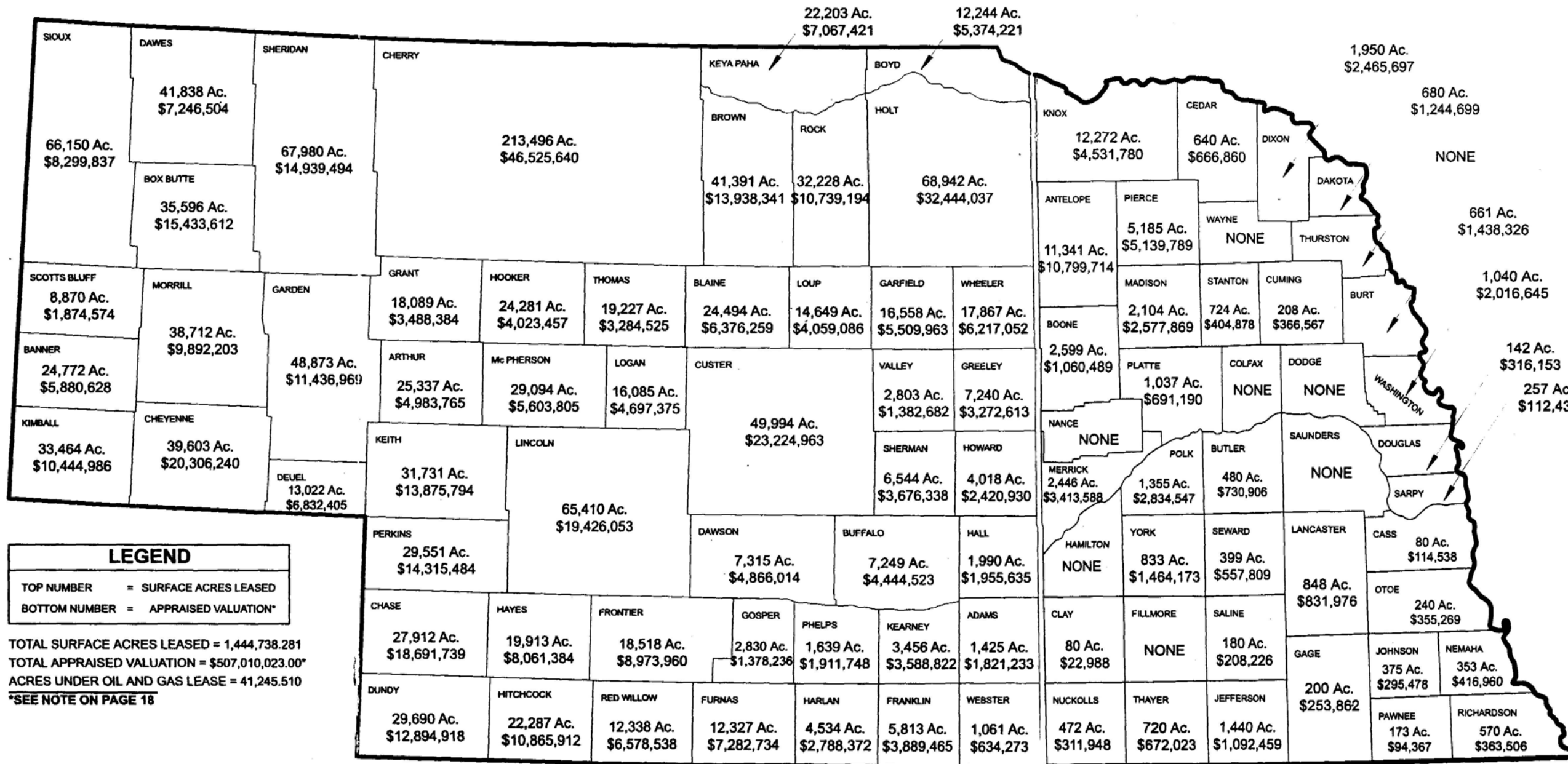
EDUCATIONAL TRUST LANDS BY COUNTY
Common and Saline Lands (K-12)
As of June 30, 2000

COUNTY	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	NUMBER OF AGRICULTURAL LEASES
Adams	20,880.080	19,455.080	1,425.000	1,821,232.50	11
Antelope	31,400.000	20,058.860	11,341.140	10,799,714.00	55
Arthur	27,311.980	1,975.435	25,336.545	4,983,764.50	42
Banner	26,930.510	2,158.910	24,771.600	5,880,627.50	44
Blaine	25,628.020	1,133.572	24,494.448	6,376,258.50	49
Boone	23,675.280	21,076.030	2,599.250	1,060,489.00	8
Box Butte	40,963.930	5,367.460	35,596.470	15,433,611.50	73
Boyd	22,664.500	10,420.720	12,243.780	5,374,220.50	67
Brown	47,741.830	6,351.030	41,390.800	13,938,341.00	75
Buffalo	30,894.620	23,645.920	7,248.700	4,444,522.50	31
Burt	18,225.550	17,564.290	661.260	1,438,325.50	6
Butler	21,699.630	21,219.630	480.000	730,905.50	3
Cass	19,733.980	19,653.980	80.000	114,537.50	2
Cedar	27,044.360	26,404.360	640.000	666,860.00	4
Chase	33,280.000	5,368.080	27,911.920	18,691,738.50	66
Cherry	274,538.700	61,043.023	213,495.677	46,525,639.50	374
Cheyenne	44,506.390	4,902.992	39,603.398	20,306,239.50	81
Clay	21,240.000	21,160.000	80.000	22,987.50	1
Colfax	14,463.510	14,463.510	0.000	0.00	0
Cuming	20,324.700	20,116.740	207.960	366,567.00	1
Custer	92,658.160	42,664.650	49,993.510	23,224,963.00	139
Dakota	7,255.960	6,575.750	680.210	1,244,698.50	5
Dawes	51,973.900	10,135.520	41,838.380	7,246,503.50	87
Dawson	36,725.000	29,410.214	7,314.786	4,866,014.00	22
Deuel	16,800.700	3,778.710	13,021.990	6,832,404.50	33
Dixon	17,029.280	15,078.900	1,950.380	2,465,696.50	13
Dodge	18,560.930	18,560.930	0.000	0.00	0
Douglas	9,320.550	9,178.940	141.610	316,152.50	3
Dundy	33,307.410	3,617.480	29,689.930	12,894,918.00	54
Fillmore	20,648.510	20,648.510	0.000	0.00	0
Franklin	20,471.850	14,658.870	5,812.980	3,889,465.00	24
Frontier	34,560.000	16,042.370	18,517.630	8,973,959.50	55
Furnas	25,599.880	13,273.120	12,326.560	7,282,734.00	42
Gage	24,637.310	24,437.310	200.000	253,861.50	2
Garden	64,221.410	15,348.890	48,872.520	11,436,968.50	90
Garfield	20,480.000	3,922.380	16,557.620	5,509,962.50	38
Gosper	16,640.000	13,809.540	2,830.460	1,378,236.00	7
Grant	30,565.440	12,476.180	18,089.260	3,488,384.00	38
Greeley	20,475.300	13,235.300	7,240.000	3,272,613.00	25
Hall	19,604.520	17,614.870	1,989.650	1,955,634.50	14
Hamilton	20,487.700	20,487.700	0.000	0.00	0
Harlan	20,364.600	15,830.830	4,533.770	2,788,371.50	19
Hayes	26,160.000	6,247.120	19,912.880	8,061,384.00	56
Hitchcock	25,460.910	3,174.336	22,286.574	10,865,911.50	60
Holt	87,696.800	18,754.946	68,941.654	32,444,037.00	191
Hooker	28,626.050	4,345.090	24,280.960	4,023,457.00	41
Howard	23,036.780	19,018.660	4,018.120	2,420,930.00	17
Jefferson	20,484.080	19,044.080	1,440.000	1,092,459.00	12
Johnson	13,480.000	13,104.840	375.160	295,478.00	7
Kearney	18,758.060	15,301.860	3,456.200	3,588,821.50	9
Keith	46,542.710	14,811.547	31,731.163	13,875,793.50	73
Keya Paha	26,394.490	4,191.140	22,203.350	7,067,421.00	54
Kimball	36,561.000	3,096.890	33,464.110	10,444,985.50	62
Knox	43,533.810	31,261.650	12,272.160	4,531,779.50	56
Lancaster	31,973.850	31,676.410	297.440	422,605.50	3
Lancaster (Saline)	32,789.440	32,238.890	550.550	409,369.50	5
Lincoln	100,210.660	34,800.628	65,410.032	19,426,052.50	132
Logan	20,480.000	4,395.320	16,084.680	4,697,374.50	29
Loup	20,393.280	5,744.090	14,649.190	4,059,085.50	30
Madison	24,626.970	22,523.094	2,103.876	2,577,868.50	12
McPherson	32,361.410	3,267.000	29,094.410	5,603,805.00	52
Merrick	14,976.210	12,530.000	2,446.210	3,413,588.00	14
Morrill	62,315.930	23,604.059	38,711.871	9,892,202.50	76
Nance	0.000	0.000	0.000	0.00	0
Nemaha	11,993.240	11,640.040	353.200	416,960.00	2
Nuckolls	21,049.610	20,577.230	472.380	311,947.50	5
Otoe	21,992.560	21,752.560	240.000	355,269.00	3
Pawnee	20,128.960	19,955.850	173.110	94,367.00	3
Perkins	31,890.020	2,339.154	29,550.866	14,315,483.50	58
Phelps	20,388.030	18,748.600	1,639.430	1,911,747.50	6
Pierce	20,480.000	15,295.240	5,184.760	5,139,788.50	19
Platte	23,655.480	22,618.900	1,036.580	691,190.00	7
Polk	17,432.560	16,077.200	1,355.360	2,834,546.50	6
Red Willow	25,408.710	13,070.416	12,338.294	6,578,537.50	36
Richardson	10,400.000	9,830.000	570.000	363,506.00	4
Rock	41,439.690	9,211.200	32,228.490	10,739,193.50	71
Saline	20,620.000	20,440.000	180.000	208,225.50	4
Sarpy	8,994.920	8,737.450	257.470	112,430.00	6
Saunders	26,323.880	26,323.880	0.000	0.00	0
Scotts Bluff	25,524.140	16,654.270	8,869.870	1,874,573.50	23
Seward	21,203.950	20,805.290	398.660	557,808.50	3
Sheridan	95,765.150	27,785.410	67,979.740	14,939,494.00	146
Sherman	20,453.780	13,910.160	6,543.620	3,676,338.00	29
Sioux	80,967.440	14,817.051	66,150.389	8,299,837.00	126
Stanton	15,444.290	14,720.000	724.290	404,878.00	3
Thayer	20,472.350	19,752.350	720.000	672,023.00	5
Thomas	29,338.040	10,110.942	19,227.098	3,284,524.50	36
Thurston	0.000	0.000	0.000	0.00	0
Valley	20,704.750	17,901.760	2,802.990	1,382,681.50	11
Washington	13,663.610	12,623.610	1,040.000	2,016,645.00	10
Wayne	15,360.000	15,360.000	0.000	0.00	0
Webster	20,861.200	19,800.000	1,061.200	634,272.50	9
Wheeler	21,120.000	3,252.690	17,867.310	6,217,051.50	39
York	20,480.000	19,646.610	833.390	1,464,172.50	9
Total K-12 School Trust Lands	<u>2,895,954.380</u>	<u>1,451,216.099</u>	<u>1,444,738.281</u>	<u>\$607,010,023.00</u>	<u>3,373</u>

University, Agricultural College and State College (Normal School) Lands
As of June 30, 2000

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	90,030.00	1
Burt (Ag)	640.000	640.000	0.000	0.00	0
Cedar (Ag)	25,405.470	24,431.630	973.840	1,049,037.50	7
Cedar (Uni)	1,920.000	1,605.703	314.297	288,060.50	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	18,060.50	1
Dixon (Ag)	2,240.000	2,200.000	40.000	83,850.00	1
Dixon (Uni)	640.000	640.000	0.000	0.00	0
Holt (Uni)	8,322.100	4,414.730	3,907.370	2,055,364.50	25
Knox (Ag)	33,491.200	31,207.590	2,283.610	823,549.50	9
Knox (Uni)	4,480.000	3,969.610	510.390	237,243.00	4
Lancaster (Normal)	12,804.800	12,729.970	74.830	111,465.00	1
Madison (Uni)	2,240.000	2,080.000	160.000	266,475.00	1
Nuckolls (Uni)	4,940.020	4,764.580	175.440	86,550.00	1
Pierce (Ag)	10,114.560	9,597.830	516.730	779,719.00	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	540,083.50	7
Total All Other Educational Trust Lands	<u>147,408.280</u>	<u>137,340.303</u>	<u>10,169.327</u>	<u>\$6,429,488.00</u>	<u>63</u>

Notes (1), (2), (3) and (4): See pages 12 and 18.



MAP OF K-12 SCHOOL TRUST LANDS

As of June 30, 2000

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 statutory 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 \$20.3 million and a rate of 4% is chosen, the resulting value will be \$507.5 million. Similarly, a rate of 5% applied to rental of \$20.3 million will yield a value of \$406.0 million, and a rate of 6% used for the same \$20.3 million rent will result in a value of \$338.3 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.

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 \$370.2 million for 1,467 million acres as of June 30, 1999, and \$380.4 million for 1,445 million acres as of June 30, 2000. By comparison, the total agricultural rent established by the Board for that land was approximately \$20.4 million effective January 1, 2000, and will be approximately \$20.3 million effective January 1, 2001. These numbers, of course, yield actual agricultural rent to value ratios between 5.34% and 5.52%.

TOTAL K-12 SCHOOL TRUST LAND SALES FOR THE BIENNIUM

TOTAL PARCELS	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	TOTAL SALE PRICE	EXCESS OVER APPRAISED VALUE
122	41,371.76	38,750.26	1,052.49	473.40	620.87	\$9,255,410	\$9,913,610	\$658,200 (7.11%)

The proceeds from the sale of all K-12 School Trust Lands are deposited into the Permanent School Fund during the Fiscal Year in which they are received.

TOTAL UNIVERSITY TRUST LAND SALES FOR THE BIENNIUM

TOTAL PARCELS	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	TOTAL SALE PRICE	EXCESS OVER APPRAISED VALUE
1	320.00	320.00	-	-	-	\$128,000	\$165,000	\$37,000 (28.91%)

The proceeds from the sale of all University Trust Lands are deposited into the Permanent University Endowment Fund during the Fiscal Year in which they are received.

With respect to auctions occurring during the last three months of any Biennium, 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.

SUMMARY OF K-12 SCHOOL TRUST LAND SALES DURING FISCAL YEAR 1998-1999

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWN-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	SALE PRICE	EXCESS OVER APPRAISED VALUE
Brown	15	All	36-T29N-R21W	Pasture	640.00	640.00				\$170,000	\$170,000	
Chase	26	E/4NE/4 and SE/4SE/4	16-T06N-R39W	Pasture and Cropland	120.00	101.50	17.50			\$32,500	\$33,050	\$550
Cherry	8	All	36-T28N-R25W	Pasture	640.00	640.00				\$149,800	\$149,800	
Cherry	9	W/4, W/4E/4, NE/4NE/4 and SE/4SE/4	16-T29N-R25W	Pasture	560.00	560.00				\$166,500	\$166,500	
Cherry	10	All	36-T29N-R25W	Pasture	640.00	632.00				\$162,000	\$162,000	
Cherry	12	All	36-T30N-R25W	Pasture	640.00	640.00				\$177,500	\$177,500	
Cherry	15	All	16-T32N-R25W	Pasture	640.00	640.00				\$140,500	\$140,500	
Cherry	51	All	16-T27N-R27W	Pasture	640.00	640.00				\$148,000	\$148,000	
Cherry	126	Acreage in the Northeast Corner of the NE/4	16-T28N-R30W	Acreage with substantial farmstead	39.10			39.10		\$39,100	\$39,100	
Cherry	264	All	16-T26N-R35W	Pasture	667.34	667.34				\$122,500	\$122,500	
Cherry	265	All	36-T26N-R35W	Pasture	602.81	602.81				\$100,700	\$100,700	
Cherry	318	All	36-T26N-R37W	Pasture	640.00	640.00				\$115,850	\$115,850	
Dawes	23	Acreage in the Southwest Corner of the SW/4SE/4	36-T33N-R48W	Acreage site - undeveloped	3.03			3.03		\$6,000	\$8,000	\$2,000
Dawes	47	All	16-T33N-R50W	Pasture	640.00	640.00				\$102,400	\$102,400	
Dawes	50	All	36-T34N-R50W	Pasture	640.00	640.00				\$75,500	\$75,500	
Dundy	26	All	36-T01N-R39W	Pasture	640.00	640.00				\$132,650	\$132,650	
Frontier	40	NE/4NW/4	16-T08N-R29W	Pasture and Cropland	40.00	37.00	3.00			\$15,500	\$15,500	
Frontier	41	S/4NE/4 and SE/4	36-T08N-R29W	Pasture and Cropland	240.00	220.00	20.00			\$70,600	\$70,600	
Frontier	41	S/4NW/4 and SW/4	36-T08N-R29W	Pasture and Cropland	240.00	239.00	1.00			\$50,300	\$50,300	
Grant	19	All	36-T21N-R37W	Pasture	632.40	632.40				\$120,000	\$120,000	
Holt	34	E/4SE/4 (Pasture has acreage potential.)	36-T29N-R10W	Pasture	80.00	77.00				\$36,650	\$36,650	
Hooker	16	All	36-T24N-R32W	Pasture	640.00	640.00				\$104,050	\$104,050	
Howard	6	E/4SW/4 (Pasture has irrigation potential.)	16-T13N-R10W	Pasture and Cropland	80.00	40.00	39.00			\$117,500	\$117,500	
Keith	8	Govt. Lot 4 plus accretions	18-T14N-R35W	Pasture	80.00	45.00				\$8,000	\$22,050	\$14,050
Knox	37	SW/4NW/4 and SW/4 (with small farmstead)	19-T31N-R06W	CRP and Pasture	175.79	50.69	119.10	3.00		\$57,850	\$90,000	\$22,150
Logan	2	W/4	36-T17N-R26W	Pasture and Cropland	320.00	305.00	15.00			\$73,850	\$73,850	

Morrill	39C	All	16-T18N-R50W	Pasture	640.00	629.00		\$128,000	\$128,000			
Morrill	47	All of Section 26 and the NE $\frac{1}{4}$ /NW $\frac{1}{4}$, N $\frac{1}{2}$ /NE $\frac{1}{4}$, and SE $\frac{1}{4}$ of Section 27	26-T19N-R50W	Cropground (mostly irrigated) and Pasture (with substantial farmstead)	640.00	381.00	504.00	\$769,000	\$769,000			
Morrill	52	All	16-T21N-R50W	Pasture	640.00	636.00		\$66,850	\$66,850			
Morrill	53	NW $\frac{1}{4}$ /NE $\frac{1}{4}$ (Pasture has acreage potential.)	08-T20N-R51W	Pasture	40.00	39.00		\$7,200	\$14,200			
Morrill	64	W $\frac{1}{2}$ /SW $\frac{1}{4}$	10-T20N-R51W	Pasture and Cropground	80.00	67.43	5.50	\$27,650	\$53,350			
Morrill	67	W $\frac{1}{2}$ /NW $\frac{1}{4}$	15-T20N-R51W	Pasture with Wetlands	80.00	72.45		\$18,000	\$25,500			
Morrill	67	E $\frac{1}{2}$ /NW $\frac{1}{4}$	15-T20N-R51W	Pasture with Wetlands	80.00	79.59		\$19,200	\$40,000			
Morrill	67	NE $\frac{1}{4}$	15-T20N-R51W	Pasture with Wetlands	160.00	160.00		\$39,100	\$56,500			
Morrill	68	NE $\frac{1}{4}$	16-T20N-R51W	Pasture with Wetlands	160.00	153.80		\$53,750	\$111,000			
Morrill	68	E $\frac{1}{2}$ /NW $\frac{1}{4}$, Govt. Lot 1 and SE $\frac{1}{2}$ /SW $\frac{1}{4}$	16-T20N-R51W	Pasture with Wetlands	160.00	149.37		\$39,100	\$75,000			
Morrill	68	W $\frac{1}{2}$ /NW $\frac{1}{4}$	16-T20N-R51W	Pasture	80.00	70.72		\$19,400	\$24,000			
Morrill	75	E $\frac{1}{2}$ /E $\frac{1}{2}$ (with farmstead)	16-T21N-R51W	Pasture	160.00	157.00	2.00	\$34,000	\$125,000			
Perkins	34	NE $\frac{1}{4}$ and E $\frac{1}{2}$ /SE $\frac{1}{4}$	36-T11N-R39W	Pasture and Cropground	240.00	184.00	56.00	\$63,650	\$63,650			
Polk	1	NE $\frac{1}{4}$	16-T15N-R01W	Pasture	160.00	153.00		\$80,000	\$82,000			
Rock	61	All	16-T31N-R20W	Pasture	640.00	636.00		\$190,000	\$190,000			
Saline	4	S $\frac{1}{2}$ /SE $\frac{1}{4}$	15-T07N-R03E	Pasture and Cropground	80.00	46.00	32.00	\$74,100	\$74,100			
Scotts Bluff	11	All	16-T20N-R56W	Pasture	640.00	640.00		\$82,700	\$82,700			
Shendan	50	N $\frac{1}{2}$ and N $\frac{1}{2}$ /S $\frac{1}{2}$	36-T28N-R41W	Pasture	495.22	495.22		\$66,550	\$66,550			
Shendan	50	All lying South of Highway 2	16-T24N-R43W	Pasture	335.12	335.12		\$46,750	\$60,500			
Sioux	13	E $\frac{1}{2}$	36-T27N-R53W	CRP and Pasture	320.00	25.20	294.80	\$57,500	\$59,500			
Sioux	27	All	36-T33N-R53W	Pasture and CRP	640.00	284.00	26.40	\$42,000	\$42,000			
Sioux	50	All	16-T33N-R54W	Pasture	640.00	637.00		\$73,650	\$73,650			
Thomas	10	All	36-T24N-R27W	Pasture	640.00	640.00		\$116,700	\$116,700			
49 Total Parcels of K-12 Trust Land Sold during Fiscal Year 1998-1999												
					18,950.81	17,280.84	693.00	440.30	62.13	\$4,609,650	\$4,922,950	(7.07%)

SUMMARY OF K-12 SCHOOL TRUST LAND SALES DURING FISCAL YEAR 1999-2000

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWIN-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	SALE PRICE	EXCESS OVER APPRAISED VALUE
Boyd	35	Govt. Lots 2, 6, 7, 8 & 9, W $\frac{1}{2}$ /SW $\frac{1}{4}$ and SE $\frac{1}{4}$ /SW $\frac{1}{4}$.	36-T35N-R12W	Cropland and Pasture	270.76	139.93	123.93		7.00	\$110,300	\$110,300	
Brown	50	All	36-T29N-R23W	Pasture	640.00	640.00				\$162,400	\$162,400	
Chase	6	SW $\frac{1}{4}$ /SE $\frac{1}{4}$ /SW $\frac{1}{4}$, SW $\frac{1}{4}$ /SE $\frac{1}{4}$ and E $\frac{1}{4}$ /SE $\frac{1}{4}$.	36-T07N-R36W	Pasture	320.00	320.00				\$62,800	\$62,800	
Cherry	105B	Portions of the E $\frac{1}{2}$ of Section 17 and the NW $\frac{1}{4}$ /NE $\frac{1}{4}$ of Section 20 North and West of Road	17-T34N-R28W 20-T34N-R29W	Pasture with live water (Mimnochadza Creek) and acreage potential	191.00	191.00				\$63,000	\$65,000	\$2,000
Cherry	105A (east)	Portions of the NE $\frac{1}{4}$ and N $\frac{1}{2}$ /SE $\frac{1}{4}$ lying North of U.S. Highway 20	16-T34N-R29W	Pasture	165.98	158.11			7.87	\$42,400	\$42,400	
Cherry	105A (west)	NE $\frac{1}{4}$ /NW $\frac{1}{4}$ and portions of the S $\frac{1}{2}$ /NW $\frac{1}{4}$ lying North of U.S. Highway 20	16-T34N-R29W	Pasture with acreage potential	58.68	54.16			4.52	\$14,900	\$20,500	\$5,600
Cherry	396	All	16-T34N-R39W	Pasture	640.00	640.00				\$192,800	\$192,800	
Cherry	397	N $\frac{1}{2}$ /N $\frac{1}{4}$, SW $\frac{1}{4}$ /NW $\frac{1}{4}$, NW $\frac{1}{4}$ /SW $\frac{1}{4}$ and S $\frac{1}{2}$ /S $\frac{1}{4}$;	36-T34N-R38W	Pasture	400.00	382.42			17.58	\$78,400	\$78,400	
Cherry	398	All	36-T35N-R39W	Pasture	640.00	640.00				\$108,500	\$108,500	
Cherry	433	All	36-T35N-R40W	Pasture	640.00	640.00				\$173,700	\$173,700	
Dawes	35	Surveyed parcel near North Quarter Corner	36-T33N-R49W	Residential acreage and pasture	13.88				13.88	\$13,880	\$13,880	
Dawes	43	Parcel in Southwest Corner lying South and West of the existing roads	16-T31N-R50W	Scenic Pasture with live water (East Ash Creek) and acreage potential	40.00	40.00				\$40,000	\$42,400	\$2,400
Dawes	51	All of the N $\frac{1}{2}$ /NW $\frac{1}{4}$ and NE $\frac{1}{4}$ lying North of U.S. Highway 385.	36-T35N-R50W	Pasture	147.01	147.01				\$16,600	\$16,600	
Dawes	57	E $\frac{1}{2}$ and E $\frac{1}{4}$ /W $\frac{1}{2}$;	36-T31N-R51W	Scenic Pasture with live water (West Ash Creek)	480.00	480.00				\$72,000	\$105,500	\$33,500
Dundy	25	All	16-T01N-R39W	Pasture	640.00	633.00			7.00	\$153,000	\$153,000	
Garden	11	All	16-T23N-R41W	Pasture	640.00	640.00				\$124,000	\$124,000	
Garden	26	NE $\frac{1}{4}$ /NE $\frac{1}{4}$, S $\frac{1}{2}$ /NW $\frac{1}{4}$ /NW $\frac{1}{4}$ and S $\frac{1}{2}$;	36-T22N-R42W	Pasture	560.00	560.00				\$114,500	\$114,500	
Garden	34	E $\frac{1}{2}$;	16-T18N-R43W	Pasture	320.00	320.00				\$45,900	\$45,900	
Garden	34	W $\frac{1}{2}$;	16-T18N-R43W	Pasture	320.00	320.00				\$48,000	\$48,000	
Grant	5	S $\frac{1}{2}$ /SE $\frac{1}{4}$;	13-T23N-R36W	Pasture	400.00	400.00				\$76,500	\$76,500	
	14	N $\frac{1}{2}$;	24-T23N-R36W	Pasture	400.00	400.00				\$153,000	\$153,000	

Grant	16	N/1NW1/4 and SW1/4	16-T24N-R36W	Pasture	240.00	240.00					\$39,550	\$39,550
Grant	29	All	36-T23N-R38W	Pasture	640.00	640.00					\$109,800	\$109,800
Grant	31	All that part lying North of Nebraska Highway 2	36-T24N-R38W	Pasture	367.35	346.06			21.29		\$60,100	\$60,100
Hayes	10	SW1/4NW1/4	36-T05N-R32W	Pasture and Croppground	40.00	22.67	13.00		4.33		\$12,400	\$12,400
Hayes	36	All	16-T06N-R35W	Pasture and Croppground	640.00	636.80	3.20				\$139,000	\$139,000
Hitchcock	1	Pasture in W1/2 lying West of surveyed fence	16-T01N-R31W	Pasture	180.50	180.50					\$38,130	\$38,130
Hitchcock	15	The W1/2W1/2 lying West of County Road 368	16-T04N-R32W	Pasture	41.00	41.00					\$10,000	\$10,000
Hooker	44	NE1/4 and N1/4NW1/4	17-T23N-R35W	Pasture	240.00	240.00					\$40,000	\$40,000
Hooker	45	SW1/4	18-T23N-R35W	Pasture	181.91	181.91					\$37,500	\$37,500
Hooker	48	All	36-T24N-R35W	Pasture	640.00	640.00					\$105,500	\$105,500
Howard	16	E1/2	16-T16N-R11W	Pasture	320.00	318.00			2.00		\$128,000	\$128,000
Howard	16	SW1/4SW1/4	16-T16N-R11W	Pasture	40.00	38.00			2.00		\$16,000	\$16,000
Keith	3	N1/2SW1/4 except the residential acreage	10-T13N-R35W	Pasture and Croppground	76.73	44.66	26.00		6.07		\$31,200	\$31,200
Keith	3	NW1/4SE1/4 except the residential acreage	10-T13N-R35W	Pasture and Croppground	36.37	28.32	5.00		3.05		\$13,400	\$13,400
Keith	3	NE1/4SE1/4	10-T13N-R35W	Pasture and Croppground	40.00	29.78	7.00		3.22		\$15,400	\$15,400
Keith	3	S1/4S1/4	10-T13N-R35W	Dryland Croppground	160.00	160.00	111.46		48.54		\$55,400	\$55,400
Keith	7	N1/4N1/2	16-T14N-R35W	Pasture	160.00	160.00					\$29,400	\$29,400
Keith	19	Surveyed parcel in Southeast Corner of SE1/4	16-T13N-R36W	Residential Acreage and Croppground	11.25				11.25		\$8,000	\$8,000
Keith	57	Surveyed parcel in NW1/4 abutting the County Road in the NW1/4	16-T14N-R40W	Residential Acreage and Pasture	15.99				15.99		\$8,750	\$8,750
Keith	64	Surveyed parcel near South Quarter Corner	16-T14N-R41W	Residential acreage and Croppground	10.70				10.70		\$8,750	\$8,750
Keith	18	SW1/4NW1/4 and Govt. Lots 1, 2, 3 and 4 plus accretions (1 mile of Platte River frontage)	10-T13N-R36W	Accretion with Hunting/Recreational Potential and Pasture	461.10	216.10			245.00		\$250,000	\$250,000
Lincoln	15	E1/2	36-T11N-R27W	Pasture	320.00	320.00					\$79,700	\$79,700
Lincoln	57	NW1/4	36-T09N-R30W	Pasture and Croppground	160.00	109.84	50.00		0.16		\$59,200	\$59,200
Lincoln	65	E1/4SE1/4	16-T14N-R30W	Meadow	80.00	76.436			3.564		\$46,000	\$46,000
Lincoln	68	Portions of the SE1/4 and SE1/4SW1/4 lying South of U.S. Highway 83 and West of the County Road	36-T15N-R30W	Acreage with Pasture (Substantial acreage improvements are removable by Lessee)	73.00	68.00			5.00		\$35,000	\$35,000

SUMMARY OF K-12 SCHOOL TRUST LAND SALES DURING FISCAL YEAR 1999-2000 (Continued)

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWNR-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	SALE PRICE	EXCESS OVER APPRAISED VALUE
Lincoln	80B	Govt. Lots 4 and 5 plus accretions (1/2 mile of Platte River frontage)	12-T14N-R31W	Accretion with Hunting/Recreational Potential and Pasture	124.65	35.00			89.65	\$45,000	\$94,000	\$49,000
Rock	30	NE1/4NE1/4	16-T31N-R18W	CRP and Pasture	40.00	6.90	33.10			\$14,000	\$14,000	
Sheridan	2	All that part lying South of Nebraska Highway 2	36-T24N-R41W	Pasture	426.64	426.64				\$67,000	\$67,000	
Sheridan	31	N1/2 and N1/4S1/2	16-T26N-R42W	Pasture	480.00	480.00				\$76,000	\$76,000	
Sheridan	33	All except that part lying North of the County Road	16-T27N-R42W	Pasture	570.63	562.53		8.10		\$89,500	\$89,500	
Sheridan	55	S1/2	09-T26N-R43W	Pasture	320.00	320.00				\$61,500	\$61,500	
Sheridan	56	S1/4NE1/4, N1/4NW1/4, SE1/4NW1/4, NE1/4SW1/4, S1/4SW1/4 and SE1/4	16-T26N-R43W	Pasture	480.00	480.00				\$80,000	\$80,000	
Sheridan	57	NW1/2 and N1/4NE1/4	17-T26N-R43W	Pasture and Croppground	240.00	233.00	7.00			\$43,000	\$43,000	
Sheridan	58	W1/2	21-T26N-R43W	Pasture	320.00	320.00				\$48,000	\$48,000	
Sheridan	59	NW1/2 and S1/2	36-T26N-R43W	Pasture	480.00	480.00				\$83,500	\$83,500	
Sheridan	61	All	36-T27N-R43W	Pasture	640.00	640.00				\$99,500	\$99,500	
Sheridan	81	W1/4NW1/4, SE1/4NW1/4, SW1/4, W1/2SE1/4 and NE1/2SE1/4	16-T26N-R44W	Pasture	400.00	400.00				\$90,500	\$90,500	
Sheridan	82	All	33-T26N-R44W	Pasture	640.00	640.00				\$109,000	\$109,000	
Sheridan	102	E1/4SW1/4, NW1/2 and E1/2	16-T24N-R45W	Pasture	560.00	559.02		0.98		\$89,500	\$89,500	
Sheridan	102	W1/2SW1/4	16-T24N-R45W	Pasture	80.00	80.00				\$14,100	\$14,100	
Sheridan	104	SW1/4SW1/4, E1/2SW1/4 and NW1/4	16-T25N-R45W	Pasture	280.00	280.00				\$39,800	\$80,000	\$40,200
Sheridan	104	E1/2	16-T25N-R45W	Pasture	320.00	320.00				\$42,300	\$75,500	\$33,200
Stouss	12	All of NE1/2 Southeast of Highway 71	23-T27N-R53W	Pasture	39.07	39.07				\$5,025	\$5,025	
Stouss	12	All of NE1/2 Northwest of Highway 71	23-T27N-R53W	Pasture	105.52	105.52				\$13,200	\$13,200	
Stouss	12	NW1/4	23-T27N-R53W	Pasture	160.00	160.00				\$21,475	\$21,475	
Stouss	40	All	16-T28N-R54W	Pasture	640.00	638.00		2.00		\$80,700	\$80,700	
Stouss	47	All	16-T31N-R54W	Scenic Pasture	640.00	630.73		9.27		\$110,400	\$193,000	\$82,600

Sioux	72	50' wide strip running 1505.4' along South line	16-T32N-R55W	Access Strip	1.73	1.73	\$2,000	\$2,000										
Sioux	72	All of W $\frac{1}{2}$ NW $\frac{1}{4}$ East of Hat Creek Road	16-T32N-R55W	Pasture	9.50	7.50	\$600	\$600										
Sioux	97	N $\frac{1}{2}$ W $\frac{1}{2}$ SW $\frac{1}{4}$ and E $\frac{1}{2}$ SE $\frac{1}{4}$	16-T33N-R56W	Pasture and Croppground	480.00	13.00	\$60,000	\$60,000										
Sioux	116	N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ and N $\frac{1}{2}$	36-T31N-R57W	Pasture	600.00	597.00	\$90,000	\$90,000										
Sioux	118	NW $\frac{1}{4}$ and S $\frac{1}{2}$	36-T32N-R57W	Pasture	480.00	480.00	\$60,800	\$60,800										
Sioux	118	NE $\frac{1}{4}$	36-T32N-R57W	Pasture	160.00	160.00	\$20,600	\$20,600										
TOTALS	73	Total Parcels of K-12 Trust Land Sold during Fiscal Year 1999-2000			22,420.95	21,469.62	\$4,645,760	\$4,980,660	33.10	558.74	359.49	320.00	320.00	\$128,000	\$165,000	\$334,900	(7.21%)	

SUMMARY OF UNIVERSITY TRUST LAND SALES DURING FISCAL YEAR 1999-2000

COUNTY	PLAT #	LEGAL DESCRIPTION	SEC-TWN-RGE	CHARACTERISTICS OF THE LAND	TOTAL ACRES	GRASS ACRES	CROP ACRES	CRP ACRES	OTHER ACRES	APPRAISED VALUE	SALE PRICE	EXCESS OVER APPRAISED VALUE
Knox	12	S $\frac{1}{2}$ (Timbered)/Scenic University Trust Land located 400 yards South of Lewis and Clark Lake)	20-T33N-R03W	Hunting, Recreational and Acreage Potential	320.00	320.00				\$128,000	\$165,000	\$37,000
TOTALS	1	Parcel of University Trust Land Sold during Fiscal Year 1999-2000			320.00	320.00	-	-	-	\$128,000	\$165,000	\$37,000 (28.91%)

OIL AND GAS LEASES BY COUNTY

K-12 School Trust Lands

As of June 30, 2000

COUNTY	NO. OF LEASES	NO. OF ACRES UNDER LEASE
Banner	15	3,800,000
Cheyenne	11	5,480,000
Dundy	17	9,269,000
Furnas.....	2	1,200,000
Gosper.....	1	640,000
Hartan	1	640,000
Hayes.....	1	640,000
Hitchcock	8	3,359,000
Kimball	24	10,882,740
Lincoln	1	640,000
Morrill	5	2,240,290
Red Willow.....	6	1,440,000
Scotts Bluff.....	3	1,014,480
13 Counties.....	95	41,245,510

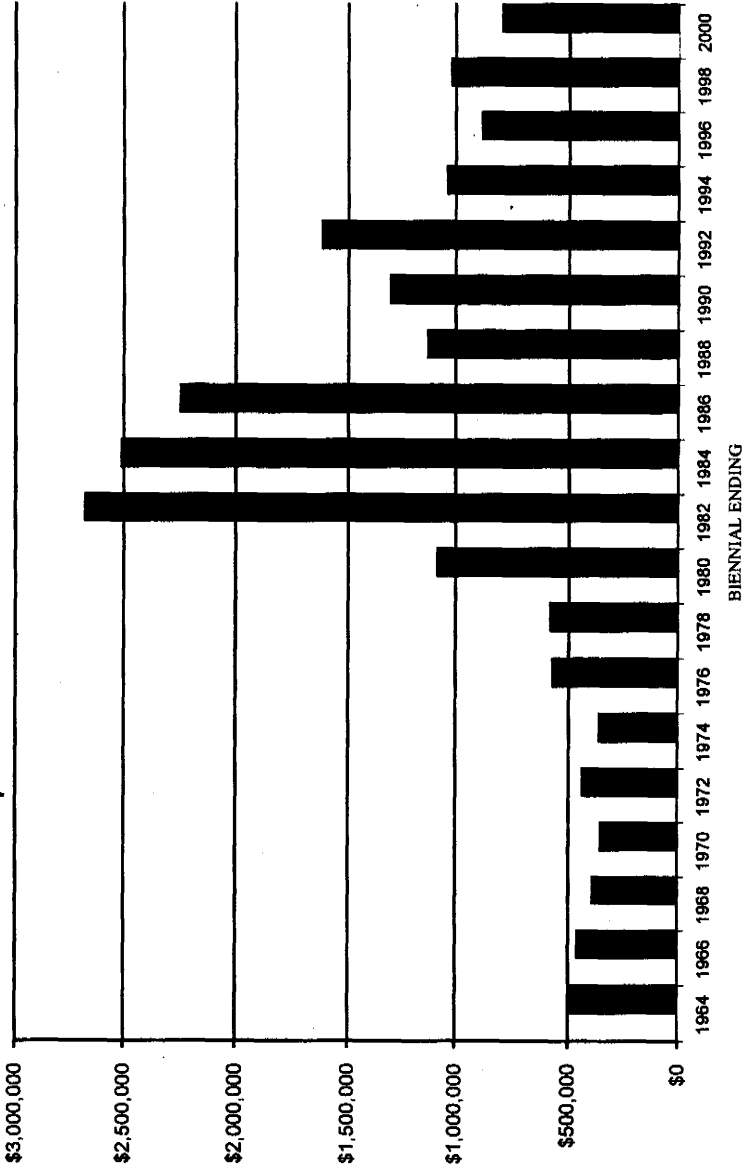
There were no oil or gas leases covering University, Agricultural College or State College (Normal School) Lands.

OIL AND GAS ROYALTIES BY COUNTY
K-12 School Trust Lands
July 1, 1998 to June 30, 2000

COUNTY	ROYALTIES RECEIVED
Banner	\$ 42,732.34
Cheyenne	\$ 102,778.88
Dundy	\$ 97,006.37
Furnas	\$ 6,095.99
Hitchcock	\$ 140,982.77
Kimball	\$ 241,110.12
Morrill	\$ 99,778.59
Red Willow	\$ 40,708.39
Scotts Bluff	\$ 17,865.04
TOTAL	\$ 789,058.49

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**

