

2012-2014

SIXTY-NINTH BIENNIAL REPORT



**BOARD OF  
EDUCATIONAL LANDS  
AND FUNDS**

GOVERNOR DAVE HEINEMAN

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# BOARD OF EDUCATIONAL LANDS AND FUNDS

RICHARD R. ENDACOTT  
CEO / Executive Secretary

LAURA B. BAHR-FREW  
Minerals Administrator



ROXANNE SUESZ  
CINDY S.H. KEHLING  
Executive Assistants

[www.belf.nebraska.gov](http://www.belf.nebraska.gov)

## LETTER OF TRANSMITTAL

September 30, 2014

The Honorable Dave Heineman  
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 69th Biennial Report of its administration of Nebraska's School Trust Lands from July 1, 2012, through June 30, 2014.

This report reflects the broad scope of activity and the extensive responsibility of the Board and its staff in managing the nearly 1.266 million acres of K-12 Educational Trust Lands.

Total K-12 School Trust Income for the Biennium was \$96,072,030.79. All School Trust Funds are invested exclusively by the Nebraska Investment Council.

Respectfully submitted,

A handwritten signature in black ink that reads "Richard R. Endacott". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard R. Endacott  
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, 2014
Charles A. Ward, Valentine, NE.....	At Large.....	Oct. 1, 2015

**PROFESSIONAL PERSONNEL**

Richard R. Endacott .....	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
Daryl Cisney .....	Field Representative
Mark Cooper.....	Field Representative
Jim Janda .....	Field Representative
Tim Kutcha .....	Field Representative
Joe Martin.....	Field Representative
Brian Reynolds .....	Field Representative
Pat Speirs.....	Field Representative
John Wurdeman .....	Field Representative
Larry Gibbens .....	Noxious Weed Specialist

**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 1.63 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 1.266 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; 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 3,500 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 \$1.228 billion dollars for 1.266 million acres as of June 30, 2013, and \$1.461 billion for 1.266 million acres as of June 30, 2012. 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 \$1.477 billion as of June 30, 2014.

Total revenue attributable to all School Trust Land sources was \$48,750,576.53 for fiscal year ending June 30, 2013, and was \$47,321,454.26 for fiscal year ending June 30, 2014. For additional deposits see page 13 of this report. Anticipated new sources of additional revenue in the near future are wind, carbon 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 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 2,000 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 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 292,435 documents archived on microfilm of which approximately 116,701 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, 2012 to June 30, 2014**

**TEMPORARY SCHOOL FUND (Income):**

1. Agricultural Lease Rentals and Interest.....	\$ 72,813,497.00
2. Agricultural Lease Bonus .....	12,052,920.00
3. Minerals Lease Rentals.....	1,010,988.60
4. Minerals Lease Bonus.....	3,688,627.83
5. Wind Agreement Rent.....	88,027.48
6. Other Sources.....	2,075,570.78
7. Interest on Temporary Investments.....	1,329,369.62
<i>(Interest from BELF only deposits average 60% of total)</i>	
8. Interest and Dividends on Permanent Investments ..	28,161,726.62
9. Liquor Control Licenses, Fines, Fees.....	629,153.00
<hr/>	
TOTAL INCOME .....	\$ 121,849,880.93

**PERMANENT SCHOOL FUND (New Deposits):**

10. Mineral Lease Royalties:	
a. Oil and Gas.....	\$ 3,378,539.34
b. Sand and Gravel.....	20,308.97
11. Water Lease Royalties.....	2,039.80
12. Oil and Gas Severance Tax.....	6,892,386.26
13. Federal Mineral Deposits.....	63,212.68
14. Land Sales, Easements and Condemnations .....	101,575.90
15. Unclaimed Property and Escheats.....	21,597,713.70
16. Licenses, Fines, Fees, Penalties, Forfeitures.....	1,690,252.06
17. All Other Sources.....	42,313.32
<hr/>	
TOTAL ADDITIONS TO PRINCIPAL .....	\$ 33,788,342.03
<hr/>	
TOTAL K-12 SCHOOL TRUST REVENUES.....	\$ 155,638,222.96

Deposits generated solely from BELF administration of School Trust Lands are found under Items 1 - 7, 10 - 11 and 14 above. These deposits totaled \$96,072,030.79 for the 2012-2014 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, 2014

FUND (Fund Number)	MARKET VALUE
Permanent K-12 School Fund (63340).....	\$ 637,292,058.04
Early Childhood Education Endowment Fund (61365)..	49,289,762.58
Total K-12 School Trust Funds **	686,581,820.62
Permanent University Fund (63350).....	1,569,046.52
Agricultural College Fund (65130).....	2,732,241,89
State College Fund (63280 - Normal Schools).....	293,295,63
TOTAL .....	\$ 691,176,404.66

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](http://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.

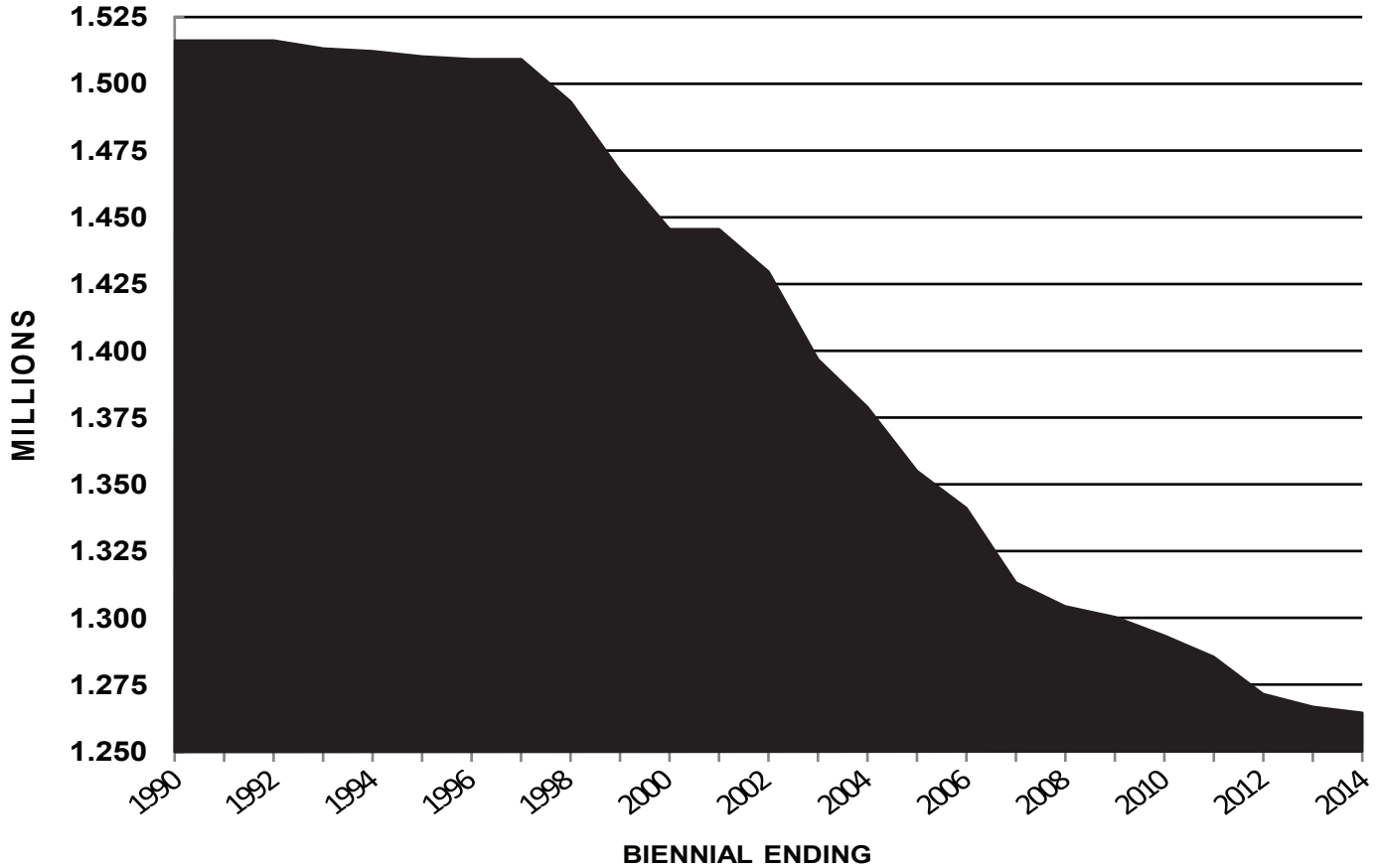
\*\* Effective July 1, 2007, \$40 Million of the Permanent K-12 School Fund was allocated to the Early Childhood Education Endowment Fund.

## COMBINED LAND AND PERMANENT FUND SCHOOL TRUST

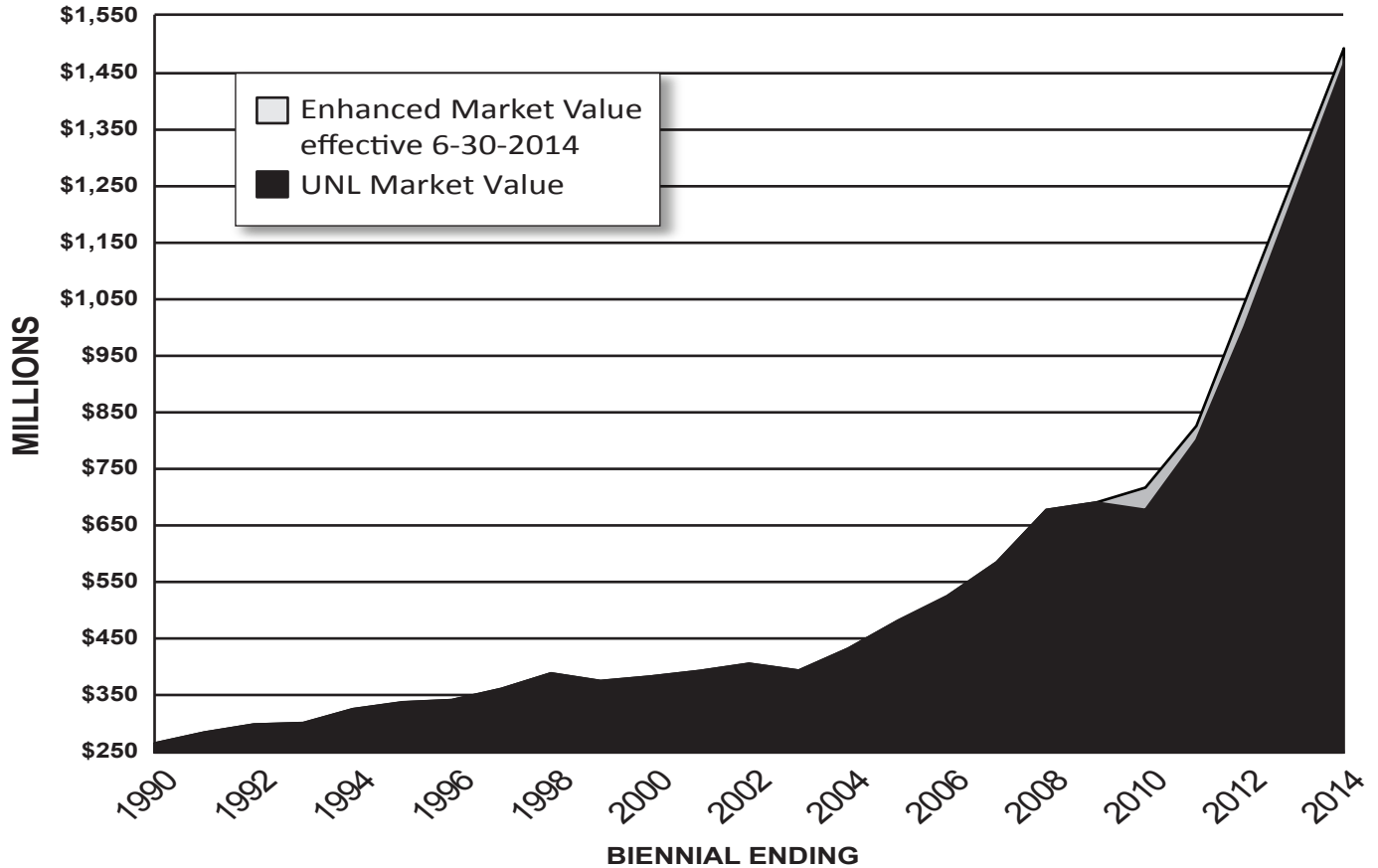
As of June 30, 2014

The Total School Trust Portfolio (School Trust Lands and the Nebraska Investment Council) totalled \$2,147.9 million as of June 30, 2014. Of this amount 68%, or \$1,461.3 billion consisted of agricultural land (not including enhanced value of hunting and recreational land). Investments in stocks and bonds by the Nebraska Investment Council totalled 32% or \$686.5 million of the total portfolio.

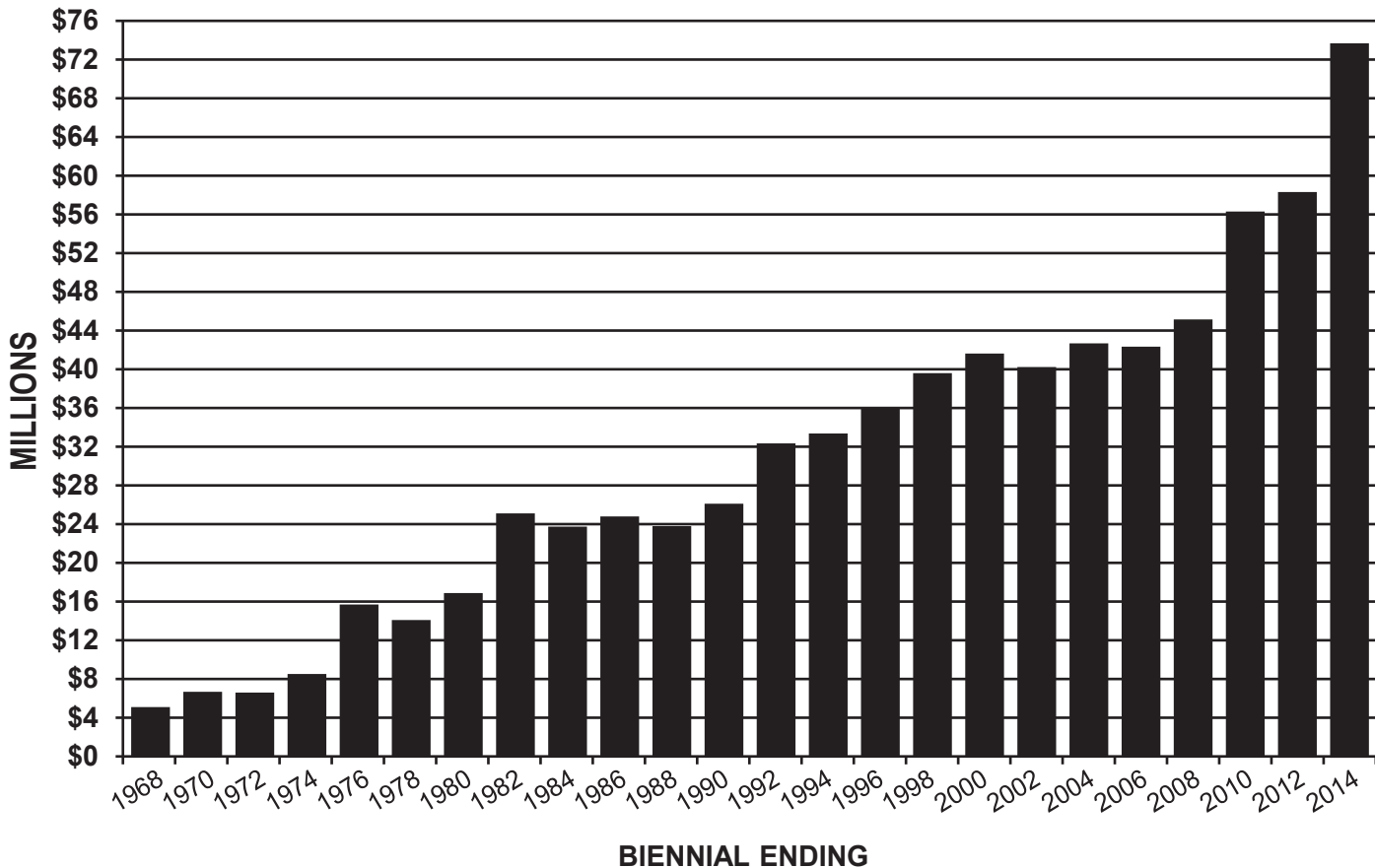
# K-12 AGRICULTURAL ACRES HELD



# 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**

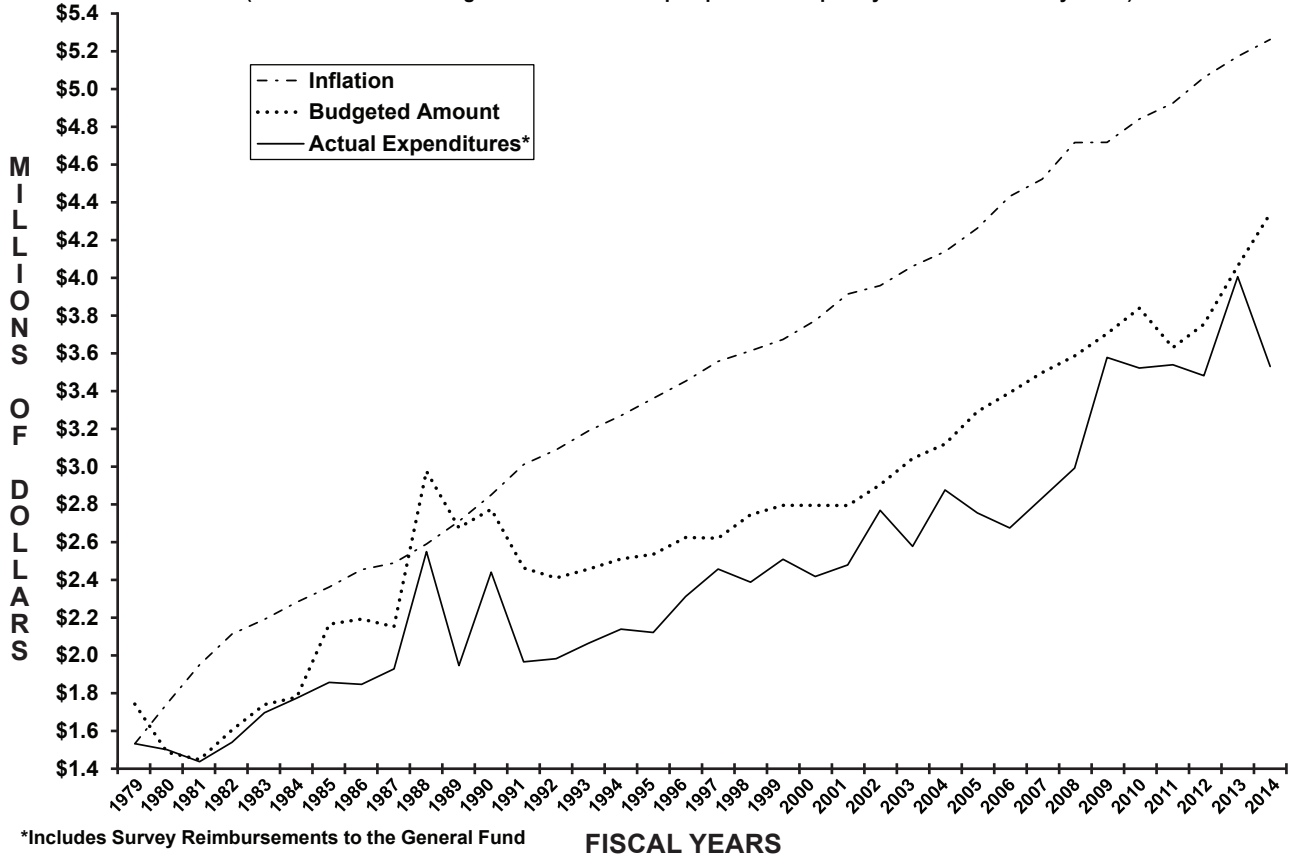
Sources of Revenue	Fiscal Year 2012-2013	Fiscal Year 2013-2014
K-12 Agricultural Rent, Interest and Accounting Fees .....	\$ 34,879,449.52	\$ 37,934,047.48
K-12 Agricultural Bonus .....	8,679,650.00	3,373,270.00
K-12 Oil and Gas Rent .....	495,062.82	491,893.38
K-12 Sand and Gravel Rent .....	7,219.00	7,219.00
K-12 Water Rent .....	250.00	250.00
K-12 Uranium Rent .....	4,480.00	4,614.40
K-12 Minerals Bonus .....	2,193,674.17	1,494,953.66
K-12 Oil and Gas Royalties .....	1,593,781.51	1,784,757.83
K-12 Sand and Gravel Royalties .....	13,323.90	6,985.07
K-12 Water Royalties .....	772.40	1,267.40
Timber Sales .....	-	-
K-12 Wind Agreement Rent .....	37,744.59	50,282.89
Other Miscellaneous Payments .....	263,436.35	1,591,848.24
Administrative Fees .....	17,158.27	23,556.38
Office Space Rent (from other Agency) .....	26,350.00	26,350.00
Sale of Surplus Administrative Items .....	29,195.74	15,567.42
Interest on Temporary Investments (Average 60% of Total)..	433,509.54	364,112.23
10% Fee for Management of University and State College Trust .....	53,653.82	70,767.88
<b>Total Revenues</b>	<b>\$ 48,728,711.63</b>	<b>\$ 47,241,743.26</b>
<b>Additional Deposits:</b>		
Land Sales .....	11,731.90	73,961.00
Easements and Condemnations .....	10,133.00	5,750.00
<b>Total Deposits from School Trust Administration</b>	<b>\$ 48,750,576.53</b>	<b>\$ 47,321,454.26</b>

## EXPENDITURES FOR THE BIENNIUM BY FISCAL YEAR

	EXPENDITURES FOR FISCAL YEAR 2012-2013			EXPENDITURES FOR FISCAL YEAR 2013-2014		
	Budgeted	Expended	%	Budgeted	Expended	%
<i>LAND OWNERSHIP EXPENSES:</i>						
Irrigation Tolls	\$ 150,000	\$ 159,147	106.1%	\$ 160,000	\$ 165,202	103.3%
Capital Expenditure Projects	\$ 755,000	\$ 1,265,181	167.6%	\$ 1,005,000	\$ 775,923	77.2%
Non-Cash Lease Expenses	\$ 6,000	\$ 1,377	23.0%	\$ 6,000	\$ 1,205	20.1%
Real Estate Taxes	\$ 8,508,300	\$ 8,337,059	98.0%	\$ 8,808,000	\$ 9,002,607	102.2%
Noxious Weeds	\$ 769,180	\$ 581,978	75.7%	\$ 812,260	\$ 506,020	62.3%
	\$ 10,188,480	\$ 10,344,742	101.5%	\$ 10,791,260	\$ 10,450,957	96.8%
<i>LAND MANAGEMENT EXPENSES:</i>						
Board	\$ 29,930	\$ 27,055	90.4%	\$ 42,255	\$ 31,343	74.2%
Building Maintenance & Services	\$ 61,365	\$ 40,802	66.5%	\$ 61,765	\$ 30,576	49.5%
Administration	\$ 1,237,835	\$ 992,878	80.2%	\$ 1,160,360	\$ 1,010,104	87.1%
Field Operations	\$ 1,075,065	\$ 970,401	90.3%	\$ 1,092,065	\$ 986,867	90.4%
	\$ 2,404,195	\$ 2,031,136	84.5%	\$ 2,356,445	\$ 2,058,890	87.4%
<b>GRAND TOTAL OF ALL BUDGETED EXPENSES</b>	<b>\$ 12,592,675</b>	<b>\$ 12,375,878</b>	<b>98.3%</b>	<b>\$ 13,147,705</b>	<b>\$ 12,509,847</b>	<b>95.1%</b>
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		\$ 24,259			\$ 12,806	
<b>GRAND TOTAL OF ALL EXPENSES</b>		<b>\$ 12,400,137</b>			<b>\$ 12,522,653</b>	

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

(Includes all Land Management and Ownership Expenses except only Real Estate Tax Payments)



\*Includes Survey Reimbursements to the General Fund

**FISCAL YEARS**



## DISBURSEMENTS OF TRUST REVENUES DURING 2013

COUNTY	K-12 PER PUPIL APPORTIONMENT (1)	REAL ESTATE TAX PAYMENTS (2)	TOTAL DISBURSEMENTS
Adams.....	\$ 759,541.84	\$ 32,998.92	\$ 792,540.76
Antelope.....	\$ 169,576.34	\$ 233,984.74	\$ 403,561.08
Arthur.....	\$ 11,494.51	\$ 66,484.52	\$ 77,979.03
Banner.....	\$ 16,014.83	\$ 93,227.98	\$ 109,242.81
Blaine.....	\$ 16,402.28	\$ 76,300.46	\$ 92,702.74
Boone.....	\$ 131,864.00	\$ 19,754.16	\$ 151,618.16
Box Butte.....	\$ 289,429.22	\$ 216,809.22	\$ 506,238.44
Boyd.....	\$ 39,520.45	\$ 105,290.60	\$ 144,811.05
Brown.....	\$ 70,516.89	\$ 227,030.28	\$ 297,547.17
Buffalo.....	\$ 1,082,292.22	\$ 174,578.90	\$ 1,256,871.12
Burt.....	\$ 180,166.79	\$ 24,499.20	\$ 204,665.99
Butler.....	\$ 198,377.20	\$ 14,795.30	\$ 213,172.50
Cass.....	\$ 547,345.41	\$ 2,711.56	\$ 550,056.97
Cedar.....	\$ 215,554.39	\$ 16,851.28	\$ 232,405.67
Chase.....	\$ 109,649.90	\$ 240,929.96	\$ 350,579.86
Cherry.....	\$ 111,587.17	\$ 589,502.68	\$ 701,089.85
Cheyenne.....	\$ 236,089.53	\$ 274,169.28	\$ 510,258.81
Clay.....	\$ 88,598.15	\$ 832.10	\$ 89,430.25
Colfax.....	\$ 347,676.69	\$ 0.00	\$ 347,676.69
Cuming.....	\$ 297,824.10	\$ 7,775.66	\$ 305,599.76
Custer.....	\$ 242,934.57	\$ 382,034.44	\$ 624,969.01
Dakota.....	\$ 580,537.42	\$ 26,749.04	\$ 607,286.46
Dawes.....	\$ 190,628.08	\$ 135,785.86	\$ 326,413.94
Dawson.....	\$ 711,884.82	\$ 74,588.56	\$ 786,473.38
Deuel.....	\$ 62,122.02	\$ 87,659.84	\$ 149,781.86
Dixon.....	\$ 142,712.75	\$ 49,962.40	\$ 192,675.15
Dodge.....	\$ 1,004,026.23	\$ 0.00	\$ 1,004,026.23
Douglas.....	\$ 14,133,470.86	\$ 6,598.64	\$ 14,140,069.50
Dundy.....	\$ 51,273.27	\$ 156,916.84	\$ 208,190.11
Fillmore.....	\$ 131,476.55	\$ 0.00	\$ 131,476.55
Franklin.....	\$ 39,391.30	\$ 68,567.06	\$ 107,958.36
Frontier.....	\$ 73,616.54	\$ 133,079.22	\$ 206,695.76
Furnas.....	\$ 142,583.61	\$ 112,435.50	\$ 255,019.11
Gage.....	\$ 449,060.87	\$ 5,043.06	\$ 454,103.93
Garden.....	\$ 40,295.37	\$ 142,455.06	\$ 182,750.43
Garfield.....	\$ 45,073.98	\$ 87,147.98	\$ 132,221.96
Gosper.....	\$ 28,413.40	\$ 22,766.56	\$ 51,179.96
Grant.....	\$ 19,243.62	\$ 30,177.84	\$ 49,421.46
Greeley.....	\$ 65,738.27	\$ 58,083.88	\$ 123,822.15
Hall.....	\$ 1,437,201.43	\$ 64,717.04	\$ 1,501,918.47
Hamilton.....	\$ 227,823.81	\$ 0.00	\$ 227,823.81
Harlan.....	\$ 39,262.15	\$ 45,501.60	\$ 84,763.75
Hayes.....	\$ 16,918.89	\$ 119,380.32	\$ 136,299.21
Hitchcock.....	\$ 40,682.82	\$ 164,678.94	\$ 205,361.76
Holt.....	\$ 244,355.23	\$ 733,566.16	\$ 977,921.39
Hooker.....	\$ 20,793.44	\$ 38,470.26	\$ 59,263.70
Howard.....	\$ 169,576.34	\$ 46,248.74	\$ 215,825.08
Jefferson.....	\$ 193,598.57	\$ 23,542.46	\$ 217,141.03
Johnson.....	\$ 122,823.38	\$ 5,922.80	\$ 128,746.18

## DISBURSEMENTS OF TRUST REVENUES DURING 2013

COUNTY	K-12 PER PUPIL (1) APPORTIONMENT	REAL ESTATE (2) TAX PAYMENTS	TOTAL DISBURSEMENTS
Kearney.....	\$ 168,284.82	\$ 47,373.78	\$ 215,658.60
Keith.....	\$ 167,380.76	\$ 247,979.48	\$ 415,360.24
Keya Paha.....	\$ 14,723.31	\$ 107,227.70	\$ 121,951.01
Kimball.....	\$ 68,837.92	\$ 116,153.24	\$ 184,991.16
Knox.....	\$ 249,263.01	\$ 133,647.38	\$ 382,910.39
Lancaster.....	\$ 6,615,414.40	\$ 14,947.42	\$ 6,630,361.82
Lincoln.....	\$ 1,119,100.49	\$ 381,808.42	\$ 1,500,908.91
Logan.....	\$ 22,859.87	\$ 72,623.72	\$ 95,483.59
Loup.....	\$ 15,498.22	\$ 49,851.67	\$ 65,349.89
Madison.....	\$ 939,321.18	\$ 72,366.08	\$ 1,011,687.26
McPherson.....	\$ 11,752.82	\$ 78,013.58	\$ 89,766.40
Merrick.....	\$ 141,421.24	\$ 54,433.30	\$ 195,854.54
Morrill.....	\$ 132,509.77	\$ 139,991.34	\$ 272,501.11
Nance.....	\$ 115,720.03	\$ 0.00	\$ 115,720.03
Nemaha.....	\$ 148,137.13	\$ 956.60	\$ 149,093.73
Nuckolls.....	\$ 177,325.45	\$ 5,193.44	\$ 182,518.89
Otoe.....	\$ 458,747.27	\$ 7,488.64	\$ 466,235.91
Pawnee.....	\$ 57,343.41	\$ 2,029.60	\$ 59,373.01
Perkins.....	\$ 70,775.20	\$ 212,168.16	\$ 282,943.36
Phelps.....	\$ 224,207.55	\$ 30,381.82	\$ 254,589.37
Pierce.....	\$ 193,727.72	\$ 118,446.72	\$ 312,174.44
Platte.....	\$ 818,693.37	\$ 20,561.44	\$ 839,254.81
Polk.....	\$ 196,698.22	\$ 44,232.14	\$ 240,930.36
Red Willow.....	\$ 397,270.99	\$ 103,468.24	\$ 500,739.23
Richardson.....	\$ 214,650.32	\$ 11,477.30	\$ 226,127.62
Rock.....	\$ 27,251.03	\$ 169,378.72	\$ 196,629.75
Saline.....	\$ 384,872.41	\$ 3,938.34	\$ 388,810.75
Sarpy.....	\$ 3,400,309.04	\$ 13,802.04	\$ 3,414,111.08
Saunders.....	\$ 456,293.37	\$ 0.00	\$ 456,293.37
Scotts Bluff.....	\$ 906,387.45	\$ 51,190.60	\$ 957,578.05
Seward.....	\$ 448,673.42	\$ 12,166.59	\$ 460,840.01
Sheridan.....	\$ 127,860.30	\$ 271,058.34	\$ 398,918.64
Sherman.....	\$ 67,675.55	\$ 62,670.68	\$ 130,346.23
Sioux.....	\$ 12,140.27	\$ 105,517.18	\$ 117,657.45
Stanton.....	\$ 65,609.12	\$ 9,442.16	\$ 75,051.28
Thayer.....	\$ 123,339.99	\$ 12,389.46	\$ 135,729.45
Thomas.....	\$ 13,948.40	\$ 47,894.24	\$ 61,842.64
Thurston.....	\$ 250,296.23	\$ 0.00	\$ 277,290.13
Valley.....	\$ 94,151.68	\$ 26,993.90	\$ 145,862.32
Washington.....	\$ 504,596.16	\$ 51,710.64	\$ 504,596.16
Wayne.....	\$ 200,831.08	\$ 0.00	\$ 200,831.08
Webster.....	\$ 68,708.76	\$ 12,444.10	\$ 81,152.86
Wheeler.....	\$ 15,498.22	\$ 101,579.54	\$ 117,077.76
York.....	\$ 266,311.05	\$ 27,980.26	\$ 294,291.31
<b>Total.....</b>	<b>\$ 45,761,459.50</b>	<b>\$ 8,293,584.90</b>	<b>\$ 54,055,044.40</b>

<sup>(1)</sup> Information compiled from 2013 Calendar Year Distribution Reports furnished by the Nebraska Department of Education (2012 calendar year net income).

<sup>(2)</sup> Real Estate Taxes levied in 2012 and payable during calendar year 2013.

## DISBURSEMENTS OF TRUST REVENUES DURING 2014

COUNTY	K-12 PER PUPIL APPORTIONMENT (1)	REAL ESTATE TAX PAYMENTS (2)	TOTAL DISBURSEMENTS
Adams.....	\$ 738,711.91	\$ 36,002.18	\$ 774,714.09
Antelope.....	\$ 164,570.04	\$ 263,250.30	\$ 427,820.34
Arthur.....	\$ 12,108.01	\$ 67,135.10	\$ 79,243.11
Banner.....	\$ 14,949.68	\$ 108,369.54	\$ 123,319.22
Blaine.....	\$ 12,602.21	\$ 80,898.74	\$ 93,500.95
Boone.....	\$ 117,249.98	\$ 18,430.46	\$ 135,680.44
Box Butte.....	\$ 279,966.75	\$ 226,466.70	\$ 506,433.45
Boyd.....	\$ 39,659.90	\$ 119,802.50	\$ 159,462.40
Brown.....	\$ 64,987.87	\$ 234,339.42	\$ 299,327.29
Buffalo.....	\$ 1,029,180.51	\$ 175,186.16	\$ 1,204,366.67
Burt.....	\$ 170,376.93	\$ 27,849.60	\$ 198,226.53
Butler.....	\$ 190,021.57	\$ 15,586.16	\$ 205,607.73
Cass.....	\$ 518,296.79	\$ 3,472.04	\$ 521,768.83
Cedar.....	\$ 204,229.93	\$ 17,530.84	\$ 221,760.77
Chase.....	\$ 106,253.93	\$ 280,590.32	\$ 386,844.25
Cherry.....	\$ 102,918.05	\$ 596,650.44	\$ 699,568.49
Cheyenne.....	\$ 228,322.40	\$ 307,426.90	\$ 535,749.30
Clay.....	\$ 87,721.27	\$ 941.76	\$ 88,663.03
Colfax.....	\$ 312,831.34	\$ 0.00	\$ 312,831.34
Cuming.....	\$ 284,167.49	\$ 8,663.06	\$ 292,830.55
Custer.....	\$ 222,021.31	\$ 415,720.86	\$ 637,742.17
Dakota.....	\$ 553,755.95	\$ 34,832.46	\$ 588,588.41
Dawes.....	\$ 148,631.95	\$ 153,908.10	\$ 302,540.05
Dawson.....	\$ 686,449.81	\$ 95,589.74	\$ 782,039.55
Deuel.....	\$ 59,180.97	\$ 99,050.06	\$ 158,231.03
Dixon.....	\$ 129,852.20	\$ 52,944.52	\$ 182,796.72
Dodge.....	\$ 951,961.09	\$ 0.00	\$ 951,961.09
Douglas.....	\$ 13,698,726.16	\$ 8,570.72	\$ 13,707,296.88
Dundy.....	\$ 52,509.21	\$ 171,213.96	\$ 223,723.17
Fillmore.....	\$ 123,056.88	\$ 0.00	\$ 123,056.88
Franklin.....	\$ 37,683.08	\$ 76,352.70	\$ 114,035.78
Frontier.....	\$ 72,277.39	\$ 140,691.24	\$ 212,968.63
Furnas.....	\$ 137,265.25	\$ 141,375.06	\$ 278,640.31
Gage.....	\$ 454,050.23	\$ 6,358.96	\$ 460,409.19
Garden.....	\$ 33,729.45	\$ 153,458.34	\$ 187,187.79
Garfield.....	\$ 39,536.35	\$ 89,480.34	\$ 129,016.69
Gosper.....	\$ 28,663.85	\$ 27,597.58	\$ 56,261.43
Grant.....	\$ 19,150.42	\$ 29,558.38	\$ 48,708.80
Greeley.....	\$ 63,752.36	\$ 60,886.42	\$ 124,638.78
Hall.....	\$ 1,426,644.34	\$ 77,584.40	\$ 1,504,228.74
Hamilton.....	\$ 215,102.44	\$ 0.00	\$ 215,102.44
Harlan.....	\$ 37,559.53	\$ 55,942.46	\$ 93,501.99
Hayes.....	\$ 14,702.58	\$ 130,813.88	\$ 145,516.46
Hitchcock.....	\$ 40,524.75	\$ 177,353.84	\$ 217,878.59
Holt.....	\$ 236,600.32	\$ 784,341.24	\$ 1,020,941.56
Hooker.....	\$ 19,891.72	\$ 39,531.46	\$ 59,423.18
Howard.....	\$ 164,940.69	\$ 51,416.16	\$ 216,356.85
Jefferson.....	\$ 184,461.76	\$ 28,555.82	\$ 213,017.58
Johnson.....	\$ 115,890.92	\$ 6,715.30	\$ 122,606.22

## DISBURSEMENTS OF TRUST REVENUES DURING 2014

COUNTY	K-12 PER PUPIL APPORTIONMENT (1)	REAL ESTATE TAX PAYMENTS (2)	TOTAL DISBURSEMENTS
Kearney.....	\$ 161,357.71	\$ 50,657.70	\$ 212,015.41
Keith.....	\$ 146,284.48	\$ 303,606.36	\$ 449,890.84
Keya Paha.....	\$ 15,567.44	\$ 101,338.00	\$ 116,905.44
Kimball.....	\$ 71,165.42	\$ 135,233.72	\$ 206,399.14
Knox.....	\$ 212,013.65	\$ 152,004.70	\$ 364,018.35
Lancaster.....	\$ 6,425,521.09	\$ 18,916.44	\$ 6,444,437.53
Lincoln.....	\$ 1,109,241.61	\$ 399,847.02	\$ 1,509,088.63
Logan.....	\$ 21,868.54	\$ 78,514.34	\$ 100,382.88
Loup.....	\$ 14,455.48	\$ 52,458.82	\$ 66,914.30
Madison.....	\$ 910,077.28	\$ 87,196.22	\$ 997,273.50
McPherson.....	\$ 10,254.74	\$ 73,814.48	\$ 84,069.22
Merrick.....	\$ 132,323.21	\$ 64,606.20	\$ 196,929.41
Morrill.....	\$ 127,134.07	\$ 155,271.76	\$ 282,405.83
Nance.....	\$ 106,130.38	\$ 0.00	\$ 106,130.38
Nemaha.....	\$ 140,477.58	\$ 1,107.44	\$ 141,585.02
Nuckolls.....	\$ 164,693.59	\$ 5,283.92	\$ 169,977.51
Otoe.....	\$ 394,622.15	\$ 8,447.18	\$ 403,069.33
Pawnee.....	\$ 49,173.33	\$ 2,032.54	\$ 51,205.87
Perkins.....	\$ 65,729.18	\$ 246,542.94	\$ 312,272.12
Phelps.....	\$ 219,303.17	\$ 35,893.64	\$ 255,196.81
Pierce.....	\$ 180,631.68	\$ 139,567.46	\$ 320,199.14
Platte.....	\$ 763,916.34	\$ 20,618.30	\$ 784,534.64
Polk.....	\$ 180,013.92	\$ 49,249.96	\$ 229,263.88
Red Willow.....	\$ 376,954.35	\$ 120,910.80	\$ 497,865.15
Richardson.....	\$ 200,894.06	\$ 12,406.62	\$ 213,300.68
Rock.....	\$ 24,092.46	\$ 182,771.66	\$ 206,864.12
Saline.....	\$ 376,089.50	\$ 4,506.46	\$ 380,595.96
Sarpy.....	\$ 3,344,651.33	\$ 14,283.62	\$ 3,358,934.95
Saunders.....	\$ 420,567.87	\$ 0.00	\$ 420,567.87
Scotts Bluff.....	\$ 822,973.75	\$ 37,578.52	\$ 860,552.27
Seward.....	\$ 422,915.35	\$ 14,216.16	\$ 437,131.51
Sheridan.....	\$ 124,910.15	\$ 280,666.46	\$ 405,576.61
Sherman.....	\$ 63,999.46	\$ 68,420.88	\$ 132,420.34
Sioux.....	\$ 14,579.03	\$ 133,500.80	\$ 148,079.83
Stanton.....	\$ 62,022.64	\$ 10,179.52	\$ 72,202.16
Thayer.....	\$ 115,273.16	\$ 14,123.72	\$ 129,396.88
Thomas.....	\$ 13,590.62	\$ 47,821.86	\$ 61,412.48
Thurston.....	\$ 236,600.33	\$ 0.00	\$ 236,600.33
Valley.....	\$ 91,057.15	\$ 27,217.64	\$ 118,274.79
Washington.....	\$ 482,219.87	\$ 58,984.54	\$ 541,204.41
Wayne.....	\$ 195,087.15	\$ 0.00	\$ 195,087.15
Webster.....	\$ 64,493.67	\$ 16,205.46	\$ 80,699.13
Wheeler.....	\$ 14,331.93	\$ 107,551.94	\$ 121,883.87
York.....	\$ 279,472.55	\$ 29,766.38	\$ 309,238.93
<b>Total.....</b>	<b>\$ 44,016,431.94</b>	<b>\$ 9,061,758.40</b>	<b>\$ 53,078,190.34</b>

(1) Information compiled from 2014 Calendar Year Distribution Reports furnished by the Nebraska Department of Education (2013 calendar year net income).

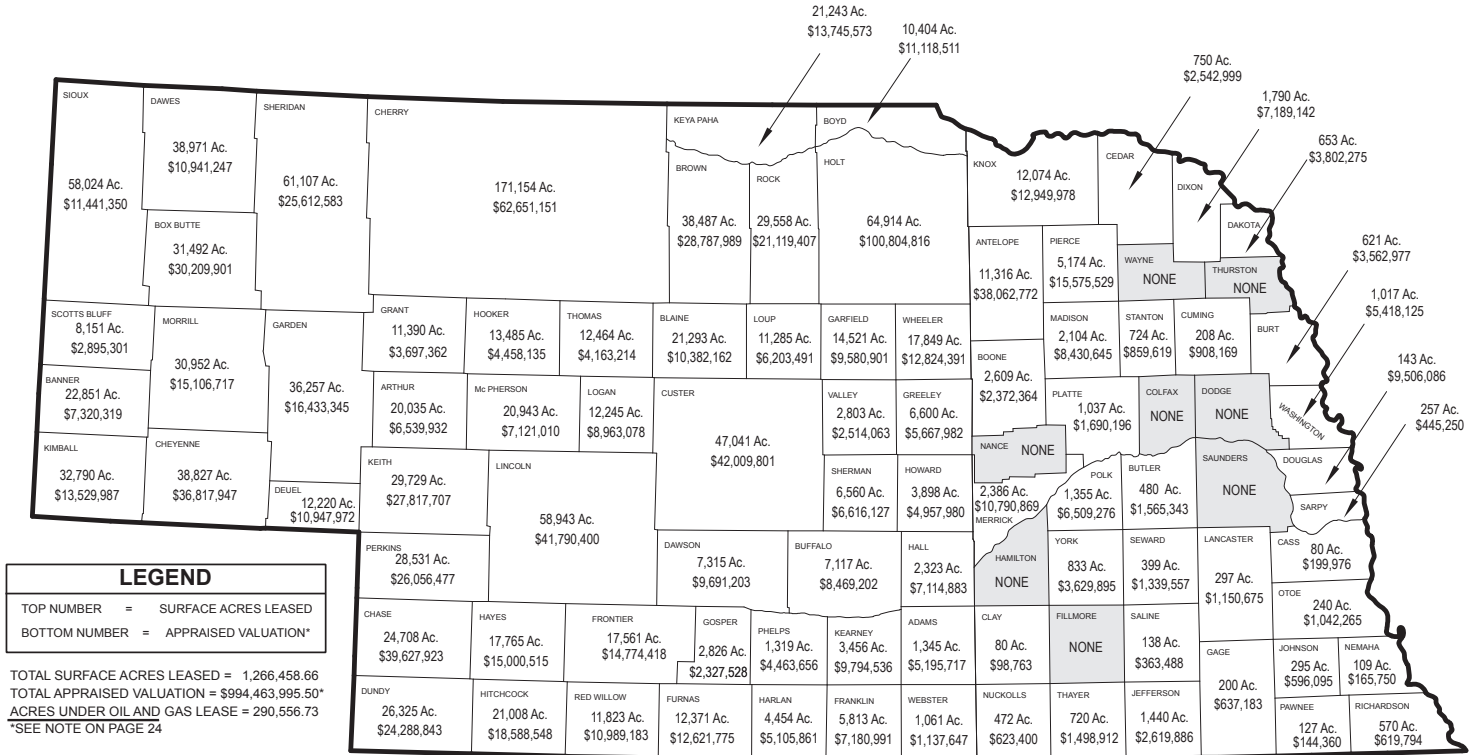
(2) Real Estate Taxes levied in 2013 and payable during calendar year 2014.

## SUMMARY OF EDUCATIONAL LANDS

As of June 30, 2014

	ACRES ACQUIRED (1)	ACRES DEEDED (2)	SURFACE ACRES LEASED (3)	APPRAISED VALUATION (4)	AGRICULTURAL RENTAL CHARGED
Common School.....	2,869,175.459	1,602,878.798	1,266,296.661	\$ 994,132,340.50	\$ 39,765,293.62
Saline.....	<u>32,789.220</u>	<u>32,627.220</u>	<u>162.000</u>	<u>\$ 331,655.00</u>	<u>\$ 13,266.20</u>
Total K-12 School Trust Lands.....	2,901,964.679	1,635,506.018	1,266,458.661	\$ 994,463,995.50	\$ 39,778,559.82
University.....	45,463.270	39,290.033	6,173.237	\$ 9,249,534.00	\$ 369,981.36
Ag College.....	89,140.210	85,326.030	3,814.180	\$ 8,048,916.50	\$ 321,956.66
Normal (State College).....	12,804.800	12,729.970	74.830	\$ 297,154.50	\$ 11,886.18
Other.....	<u>-</u>	<u>-</u>	<u>101.350</u>	<u>\$ 26553.50</u>	<u>\$ 1,062.14</u>
Total All Other Educational Trust Lands..	147,408.280	137,346.033	10,163.597	\$ 17,622,158.50	\$ 704,886.34

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.



# MAP OF K-12 SCHOOL TRUST LANDS

As of June 30, 2014

**EDUCATIONAL TRUST LANDS BY COUNTY**  
**Common and Saline Lands (K-12)**  
**As of June 30, 2014**

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	\$ 5,195,717.00	11
Antelope.....	31,400.000	20,084.030	11,315.970	38,062,772.00	56
Arthur.....	27,311.980	7,277.467	20,034.513	6,539,931.50	31
Banner.....	26,930.510	4,079.990	22,850.520	7,320,319.00	39
Blaine.....	25,628.020	4,334.800	21,293.220	10,382,161.50	44
Boone.....	23,675.280	21,065.940	2,609.340	2,372,363.50	8
Box Butte.....	40,963.930	9,472.050	31,491.880	30,209,901.00	66
Boyd.....	22,664.500	12,260.340	10,404.160	11,118,511.00	57
Brown.....	49,088.020	10,601.040	38,486.980	28,787,978.50	69
Buffalo.....	30,894.620	23,777.280	7,117.340	8,469,202.00	29
Burt.....	18,225.550	17,604.290	621.260	3,562,976.50	4
Butler.....	21,699.630	21,219.630	480.000	1,565,342.50	3
Cass.....	19,733.980	19,653.980	80.000	199,976.00	2
Cedar.....	27,154.850	26,404.360	750.490	2,542,999.00	5
Chase.....	33,280.000	8,572.450	24,707.550	39,627,923.00	62
Cherry.....	276,595.130	105,440.823	171,154.307	62,651,151.00	278
Cheyenne.....	44,507.500	5,680.722	38,826.778	36,817,946.50	80
Clay.....	21,240.000	21,160.000	80.000	98,762.50	1
Colfax.....	14,463.510	14,463.510	0.000	0.00	0
Cuming.....	20,324.600	20,116.560	208.040	908,169.00	1
Custer.....	92,658.160	45,616.730	47,041.430	42,009,801.00	131
Dakota.....	7,255.960	6,602.690	653.270	3,802,275.00	7
Dawes.....	51,973.900	13,002.540	38,971.360	10,941,247.00	48
Dawson.....	36,725.000	29,410.214	7,314.786	9,691,203.00	21
Deuel.....	16,800.700	4,580.640	12,220.060	10,947,972.00	29
Dixon.....	17,029.280	15,238.900	1,790.380	7,189,142.00	11
Dodge.....	18,560.930	18,560.930	0.000	0.00	0
Douglas.....	9,322.040	9,179.200	142.840	9,506,085.50	4
Dundy.....	33,307.410	6,982.790	26,324.620	24,288,842.50	48
Fillmore.....	20,648.510	20,648.510	0.000	0.00	0
Franklin.....	20,471.850	14,658.870	5,812.980	7,180,991.00	24
Frontier.....	34,560.000	16,998.840	17,561.160	14,774,417.50	47
Furnas.....	25,648.310	13,277.790	12,370.520	12,621,774.50	38
Gage.....	24,637.310	24,437.310	200.000	637,182.50	2
Garden.....	64,221.550	27,964.860	36,256.690	16,433,345.00	71
Garfield.....	20,480.000	5,958.870	14,521.130	9,580,901.00	31
Gosper.....	16,640.000	13,813.620	2,826.380	2,327,527.50	7
Grant.....	30,565.440	19,175.450	11,389.990	3,697,362.00	24
Greeley.....	20,475.300	13,875.300	6,600.000	5,667,981.50	23
Hall.....	19,759.940	17,437.000	2,322.940	7,114,882.50	17
Hamilton.....	20,487.700	20,487.700	0.000	0.00	0
Harlan.....	20,364.600	15,910.830	4,453.770	5,105,861.00	18
Hayes.....	26,160.000	8,394.610	17,765.390	15,000,515.00	48
Hitchcock.....	25,460.910	4,453.176	21,007.734	18,588,547.50	54
Holt.....	88,962.030	24,048.256	64,913.774	100,804,815.50	186
Hooker.....	28,626.050	15,141.300	13,484.750	4,458,134.50	19
Howard.....	23,036.780	19,138.660	3,898.120	4,957,979.50	17
Jefferson.....	20,484.080	19,044.080	1,440.000	2,619,885.50	12
Johnson.....	13,480.000	13,184.840	295.160	596,095.00	5
Kearney.....	18,758.060	15,302.090	3,455.970	9,794,535.50	9
Keith.....	46,542.710	16,813.563	29,729.147	27,817,707.00	72
Keya Paha.....	26,394.490	5,151.140	21,243.350	13,745,572.50	47
Kimball.....	36,561.000	3,771.080	32,789.920	13,529,986.50	59
Knox.....	43,533.810	31,460.290	12,073.520	12,949,978.00	51
Lancaster.....	31,973.850	31,676.410	297.440	1,150,674.50	3
Lancaster (Saline).....	32,789.220	32,627.220	162.000	331,655.00	2
Lincoln.....	100,192.559	41,249.017	58,943.542	41,790,399.50	121
Logan.....	20,480.000	8,235.320	12,244.680	8,963,078.00	23
Loup.....	20,393.280	9,108.520	11,284.760	6,203,491.00	23
Madison.....	24,626.970	22,523.094	2,103.876	8,430,645.00	14
McPherson.....	32,361.410	11,418.290	20,943.120	7,121,009.50	35
Merrick.....	14,976.210	12,589.800	2,386.410	10,790,868.50	13
Morrill.....	62,316.080	31,364.319	30,951.761	15,106,716.50	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	623,400.00	5

**EDUCATIONAL TRUST LANDS BY COUNTY**  
**Common and Saline Lands (K-12)**  
**As of June 30, 2014**

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	1,042,265.00	3
Pawnee.....	20,128.960	20,001.960	127.000	144,360.00	2
Perkins.....	31,869.570	3,338.874	28,530.696	26,056,477.00	59
Phelps.....	20,388.030	19,068.600	1,319.430	4,463,656.00	6
Pierce.....	20,480.000	15,306.240	5,173.760	15,575,528.50	19
Platte.....	23,655.480	22,618.900	1,036.580	1,690,195.50	8
Polk.....	17,432.560	16,077.200	1,355.360	6,509,275.50	6
Red Willow.....	25,408.710	13,595.796	11,812.914	10,989,183.00	32
Richardson.....	10,400.000	9,830.000	570.000	619,793.50	4
Rock.....	41,599.990	12,041.670	29,558.320	21,119,406.50	63
Saline.....	20,620.000	20,481.830	138.170	363,487.50	3
Sarpy.....	8,994.920	8,737.450	257.470	445,250.00	6
Saunders.....	26,323.880	26,323.880	0.000	0.00	0
Scotts Bluff.....	25,507.790	17,357.250	8,150.540	2,895,300.50	20
Seward.....	21,203.950	20,805.290	398.660	1,339,557.00	3
Sheridan.....	96,565.150	35,458.130	61,107.020	25,612,583.00	125
Sherman.....	20,453.780	13,893.840	6,559.940	6,616,126.50	27
Sioux.....	80,967.440	22,943.721	58,023.719	11,441,349.50	105
Stanton.....	15,444.290	14,720.000	724.290	859,618.50	3
Thayer.....	20,472.350	19,752.350	720.000	1,498,912.00	5
Thomas.....	29,338.040	16,873.812	12,464.228	4,163,213.50	23
Thurston.....	0.000	0.000	0.000	0.00	0
Valley.....	20,704.750	17,901.760	2,802.990	2,514,063.00	10
Washington.....	13,783.350	12,766.110	1,017.240	5,418,125.00	11
Wayne.....	15,360.000	15,360.000	0.000	0.00	0
Webster.....	20,861.200	19,800.000	1,061.200	1,137,647.00	9
Wheeler.....	21,120.000	3,271.294	17,848.706	12,824,391.00	38
York.....	20,480.000	19,646.610	833.390	3,629,894.50	9
Total K-12					
School Trust Lands...	2,901,964.679	1,635,506.018	1,266,458.661	\$ 994,463,995.50	2,952

**University, Agricultural College and Normal School (State College) Lands**  
**As of June 30, 2014**

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	\$ 307,162.50	1
Burt (Ag).....	640.000	640.000	0.000	0.00	0
Cedar (Ag).....	25,405.470	24,431.630	973.840	3,133,222.00	7
Cedar (Uni).....	1,920.000	1,605.703	314.297	813,250.50	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	26,553.50	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	5,311,866.00	20
Knox (Ag).....	33,491.200	31,207.590	2,283.610	2,069,604.00	8
Knox (Uni).....	4,480.000	3,969.610	510.390	742,729.50	4
Lancaster (Normal).....	12,804.800	12,729.970	74.830	297,154.50	1
Madison (Uni).....	2,240.000	2,080.000	160.000	764,794.00	1
Nuckolls (Uni).....	4,940.020	4,764.580	175.440	196,140.00	1
Pierce (Ag).....	10,114.560	9,597.830	516.730	2,621,840.50	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	1,113,591.50	7
Total All Other					
Educational Trust Lands...	147,408.280	137,346.033	10,163.597	\$ 17,622,158.50	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 \$39.7 million and a rate of 4% is chosen, the resulting value will be \$992.5 million. Similarly, a rate of 5% applied to rental of \$39.7 million will yield a value of \$794.0 million, and a rate of 6% used for the same \$39.7 million rent will result in a value of \$661.6 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 \$1.227 billion for 1.266 million acres as of June 30, 2013, and \$1.461 billion for 1.266 million acres as of June 30, 2014. By comparison, the total agricultural rent established by the Board for that land was approximately \$39.7 million effective January 1, 2014, and will be approximately \$43.1 million effective January 1, 2015. These values are based on agricultural land value only and do not include any enhanced value for acreages, recreational or hunting parcels.

## 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
5	33.360	0.000	4.500	0.000	28.860	\$78,960	\$78,960	\$ - 0.00%

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 were five land sale requests denied by the Board to be reported pursuant to the last sentence of the second paragraph of Section 72-258.

During Fiscal Year 2012-13, the Board denied a request that Section 16-T15N-R43W, Garden County, be offered at public auction for \$725,000. This is a dryland cropland parcel, located 4 miles east and 9 miles south of Oshkosh, NE with good access. The sale of the parcel at the price offered was not in the best interests of the School Trust. An identical offer was made on Section 36-T15N-R43W, Garden County, which the Board denied for the same reasons. This is also a dryland cropland parcel with excellent access, located 6 miles south and 3 miles west of Lewellen, NE.

Also during Fiscal Year 2012-13, the Board denied a request that Section 16-T21N-R31W, Hooker County, be offered at public auction for \$304,000. This is a grassland parcel that was subsequently part of a land trade with the requesting party.

During the same Fiscal Year, the Board denied a request that the NE $\frac{1}{4}$  and the E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 16-T23N-R08W, Antelope County be offered at public auction for \$720,000. The sale of the dryland cropland parcel at the price offered, with excellent access and located 8 miles west and 1 mile south of Elgin, NE, was not in the best interest of the School Trust since this land was scheduled for pivot irrigation development. Leases were subsequently sold on the described property for pivot irrigation with the Board providing the irrigation wells, tree removal and land shaping.

The final request, during Fiscal Year 2013-2014, was \$256,000 for Section 16-T17N-R53W, Banner County, NE, to be offered at public auction. The Board denied the request at this offer as this mostly grassland parcel has good access, limited hunting potential with tree cover and dry stream and pivot irrigated acres. A trade of this land would be considered by the Board.

## SUMMARY OF LAND SALES DURING FISCAL YEAR 2012-2013

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
<b>No Parcels Sold during FY 2012-2013</b>					0.000	0.000	0.000	0.000	0.000	\$0	\$0	\$0

## SUMMARY OF LAND SALES DURING FISCAL YEAR 2013-2014

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
Brown	34	3.45 acres in the Northwest corner of the NW¼NW¼	36-T29N-R22W	Pasture	3.450				3.450	\$20,700	\$20,700	\$0
Chase	2	The fenced out residential acreage and improvement site abutting the north side of County Road #726 in the S½SE¼	36-T05N-R36W	Residential acreage and improvement site	8.030				8.030	\$16,060	\$16,060	\$0
Hitchcock	36	A tract of land south of the Burlington Northern RR in SE¼SE¼SE¼	16-T02N-35W	Dryland cropland	4.500		4.500			\$6,750	\$6,750	\$0
Red Willow	14	Government Lot 1 and all accretions thereto	16-T03N-28W	Accretion	7.200				7.200	\$10,000	\$10,000	\$0
Red Willow	23	Residential acreage and improvement site of 10.18 total surveyed acres located in NW¼NW¼	36-T04N-R29W	Residential acreage and improvement site	10.180				10.18	\$25,450	\$25,450	\$0
<b>5 Total Parcels Sold during FY 2013-2014</b>					<b>33.360</b>	<b>0.000</b>	<b>4.500</b>	<b>0.000</b>	<b>28.860</b>	<b>\$78,960</b>	<b>\$78,960</b>	<b>\$0 (0%)</b>

**OIL AND GAS LEASES BY COUNTY**  
**K-12 School Trust Lands**  
**As of June 30, 2014**

<b>COUNTY</b>	<b>NO. OF LEASES</b>	<b>NO. OF ACRES UNDER LEASE</b>
Banner .....	42	20,511.720
Box Butte .....	4	2,240.000
Chase .....	11	7,034.140
Cheyenne .....	74	41,397.850
Deuel .....	2	1,280.000
Dundy .....	58	31,961.430
Franklin .....	7	1,076.360
Frontier.....	2	1,280.000
Furnas .....	8	4,368.220
Garden .....	16	9,168.040
Gosper .....	1	440.000
Harlan .....	19	4,852.720
Hayes .....	17	8,913.600
Hitchcock .....	36	19,459.020
Kimball.....	54	27,156.000
Lincoln.....	12	7,666.580
Morrill .....	8	4,080.290
Red Willow.....	23	10,604.370
Richardson.....	1	490.000
Scotts Bluff .....	27	12,488.950
Sioux .....	122	74,087.440
<b>21 Counties .....</b>	<b>544</b>	<b>290,556.730</b>

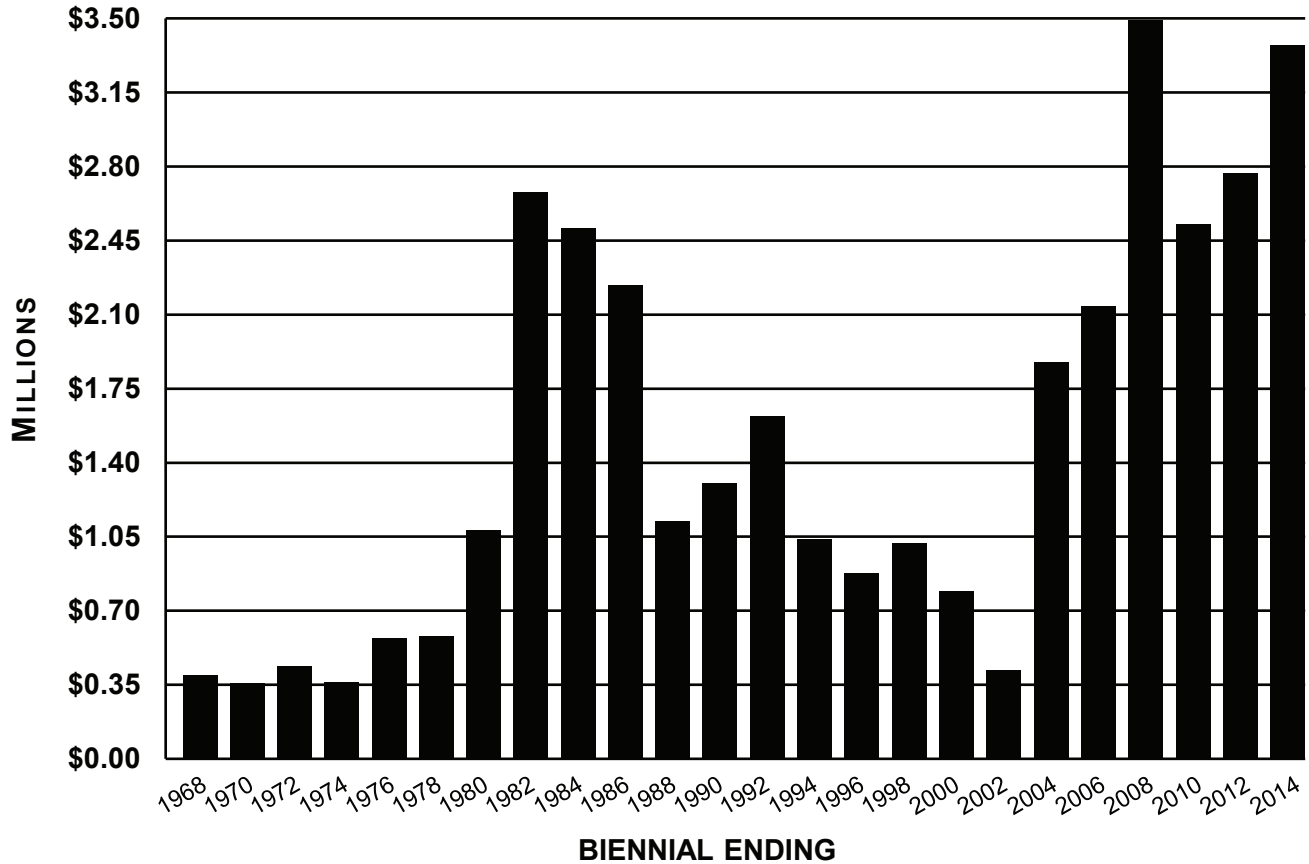
There were no oil or gas leases covering University, Agricultural College or State College (Normal School) Lands.

**OIL AND GAS ROYALTIES BY COUNTY**  
**K-12 School Trust Lands**  
**July 1, 2012 through June 30, 2014**

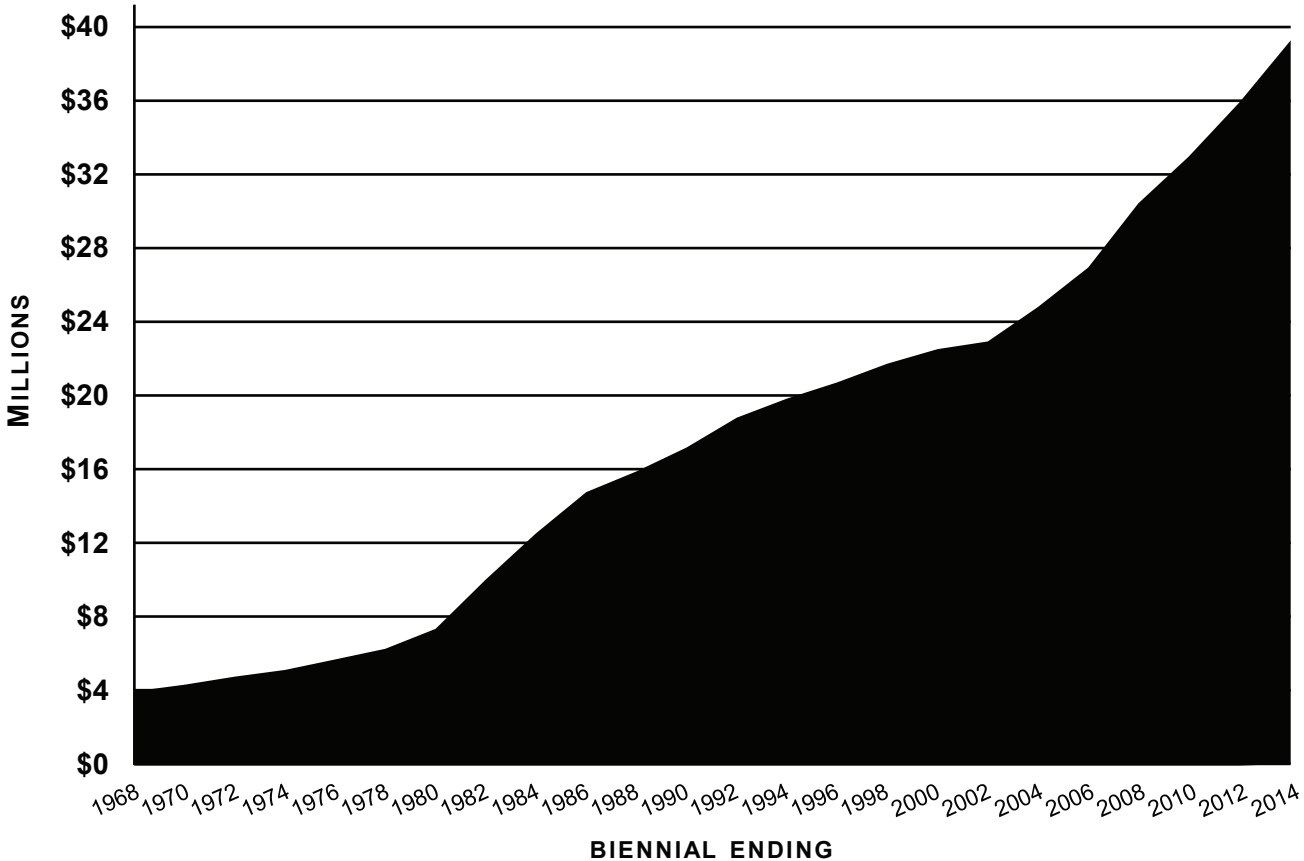
COUNTY	ROYALTIES RECEIVED
Banner.....	\$ 99,265.44
Chase.....	\$ 37,440.57
Cheyenne.....	\$ 109,604.78
Deuel.....	\$ -
Dundy.....	\$ 1,653,832.84
Furnas.....	\$ 92,185.78
Hitchcock.....	\$ 390,666.01
Kimball.....	\$ 533,959.02
Morrill.....	\$ 190,529.36
Red Willow.....	\$ 208,103.60
Scotts Bluff.....	\$ 62,951.94
TOTAL.....	\$ 3,378,539.34

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**



**For further information, please visit our websites**

**Board of Educational Lands and Funds**

**[www.belf.nebraska.gov](http://www.belf.nebraska.gov)**

**Office of the Nebraska State Surveyor**

**[www.sso.nebraska.gov](http://www.sso.nebraska.gov)**



## **READER'S NOTES**