Income and Inventory Report

Fiscal Year

2013-14

Annual review of income generated by state trust lands

Colorado State Board of Land Commissioners

Colorado State Board of Land Commissioners
Income & Inventory Report | FY 2013-14[1]

Introduction

The Colorado State Board of Land Commissioners (State Land Board) is pleased to present its annual Income and Inventory Report. As required by Section 36-1-153.5, C.R.S., this report details the income generated by state trust lands in Fiscal Year 2013-14, examines our revenue trends, and contains a trust land and mineral inventory summary. Appendix A provides detailed income statements for each of the eight trusts that we manage, including sources of revenue and allocated expenses for each of the past five fiscal years.

Summary

FY 2013-14 was a record year for the State Land Board. At $173 million, total trust revenues easily surpassed the prior record of $146 million established in FY 2011-12. Revenues for FY 2013-14 increased by 39%, more than $48 million from the prior year. This increase is primarily attributable to substantial oil and gas royalties from horizontal wells in the Niobrara formation.

In addition to oil and gas royalties, the State Land Board experienced strong revenue growth across numerous revenue sources including commercial, agriculture, and recreation.

For FY 2013-14, the State Land Board saw record revenue from these lines of business:

- Oil royalties $76.6 million (up 125%)
- Gas royalties $23.4 million (up 70%)
- Agricultural rents $3.1 million (up 18%)
- Recreation revenue $1.0 million (up 4%)
- Commercial revenue $3.1 million (up 11%)
- Renewable Energy $700,000 (up 14%)

Exhibit 1: Total Trust Revenue
FY 2009-10 to FY 2013-14

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS	$52,115,262	$108,699,081	$130,982,147	$107,207,708	$155,898,924
SURFACE	$11,260,856	$10,424,367	$11,543,962	$13,027,193	$12,528,159
COMMERCIAL	$3,532,836	$2,772,299	$2,863,664	$3,772,167	$4,129,210
OTHER	$508,170	$480,733	$595,519	$611,032	$832,437
INTEREST INCOME	$385,914	$401,435	$324,248	$321,289	$214,792
TOTAL REVENUE	$67,803,038	$122,777,915	$146,309,539	$124,939,389	$173,603,522

[1] State of Colorado Fiscal Year (FY) is from July 1st to June 30th.

Background

The State Land Board manages an endowment of assets held in eight perpetual, intergenerational, public trusts for the financial support of Colorado's public schools and other public institutions. The State Land Board's mandate is to produce reasonable and consistent revenues over time, and to promote and enhance sound stewardship of the assets entrusted to us (Colorado Constitution Article 9, Section 10). The state trust assets managed by the State Land Board include 2.8 million acres of surface land and 4.0 million acres of mineral rights, plus an assortment of other assets including commercial real estate, water rights and other property improvements.

The State Land Board's strategic plan targets increased diversification of state trust asset use in ways that generate more consistent income over time, including new recreational uses, ecosystem service opportunities, water development, and additional commercial assets. While these efforts will take time to mature, the State Land Board has already seen revenue growth in these sectors.

Exhibit 2 lists all trusts, the associated trust beneficiary, and FY 2013-14 gross revenues.

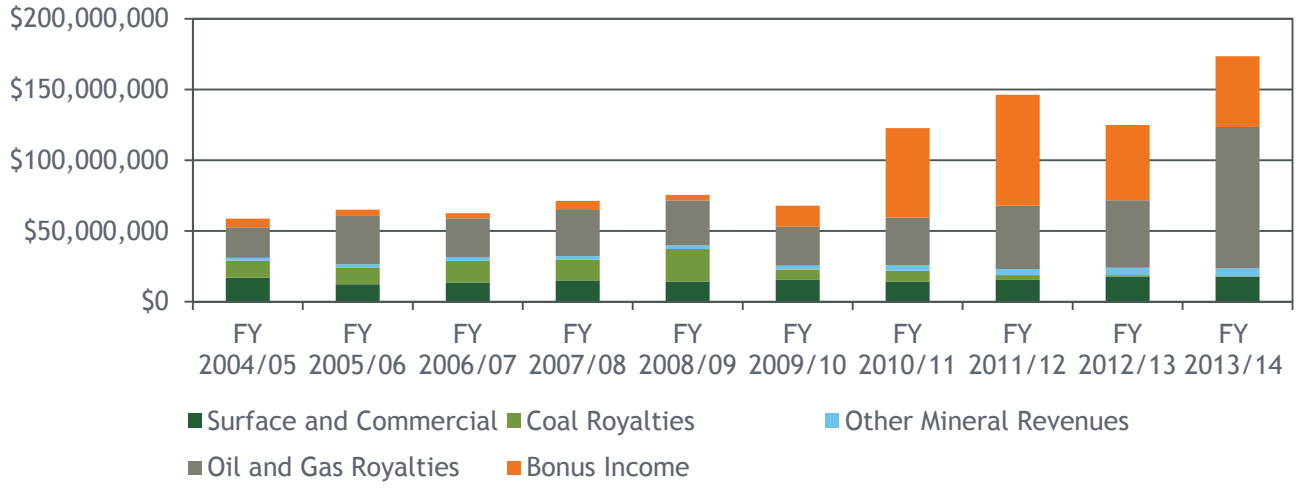
Exhibit 2: Trust and Revenues
FY 2013-14

TRUST	BENEFICIARY	FY 2013-14 REVENUES	% of total
School Trust	Common Schools	$171,835,380	98.98%
CSU Trust	Colorado State University	1,116,315	0.64%
Internal Improvements Trust	Colorado Parks and Wildlife	461,606	0.27%
Public Buildings Trust	Public Buildings	57,840	0.03%
Hesperus Trust	Fort Lewis College	22,957	0.01%
Penitentiary Trust	Colorado Department of Corrections	14,406	0.01%
CU Trust	University of Colorado	45,128	0.03%
Saline Trust	Colorado Parks and Wildlife	27,385	0.02%
Forest Trust	Multiple	22,506	0.01%
	TOTAL TRUST REVENUES	**$173,603,522**	**100%**

TRENDS

State Land Board total trust revenues have grown significantly over the past five years. Total trust revenues increased from $67.8 million in FY 2009-10 to $173.6 million in FY 2013-14, a compound annual growth rate of 26.5%. As shown in Exhibit 3, this growth rate is substantially higher than the 3% rate experienced from FY 2004-05 to FY 2009-10.

Exhibit 3: Trust Revenues
FY 2004-05 to FY 2013-14



Oil & Gas

The increase in total trust revenues over the past five years is primarily attributed to oil and gas development. From FY 2009-10 to FY 2013-14, gas revenues increased approximately 12%, oil revenues increased 57%, and oil and gas lease auction bonus increased 36%. As a whole, oil and gas revenues grew 37% annually, from $42.3 million in FY 2009-10 to $150 million in FY 2013-14.

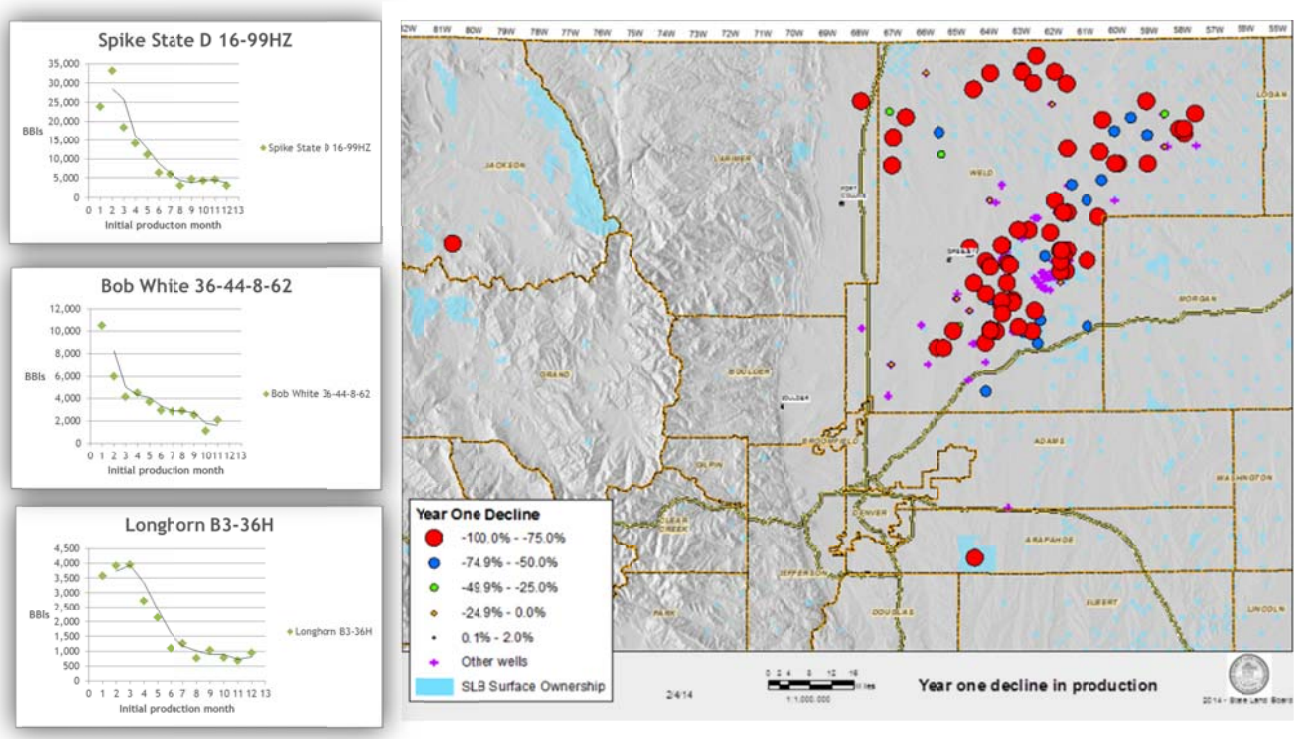
The State Land Board expects continued strong revenue performance from its oil and gas assets over the next three years. There are currently 489 horizontal oil and gas wells in production on state trust land, with another approximately 260 wells permitted, but not yet drilled and in production. Exhibit 4 shows the number of new horizontal wells per fiscal year that are still producing, as well as a projection for the next 2 years.

Exhibit 4: New Horizontal Wells
2010-2016

2010	2011	2012	2013	2014	2015 (Proj.)	2016 (Proj.)
1	27	88	173	200	250	250

While the number of new state trust oil and gas wells, and associated oil and gas production, grew substantially in FY 2013-14, horizontal wells often experience severe declines in their first year of production. Exhibit 5 shows some of the first year declines in state trust horizontal Niobrara wells. Generally, first year production declines for horizontal wells have been between 60% and 80%, compared to 35% declines for vertical wells.

Exhibit 5: Oil and Gas Production- First Year Declines



While first year production declines will lessen for the next couple of years, it appears that that future royalty revenue, in addition to future prices, will continue to be largely dependent on new oil and gas wells, and associated production, in order to maintain current oil and gas royalty.

We expect future bonus revenue to decline substantially because our best parcels for oil and gas development have already been leased. Additionally, bonus revenues will experience a substantial drop-off in the next three years due to expiring multi-year payments. The Lowry Ranch bonus of $27.5 million per year ends in FY 2015-16 and the 70 Ranch bonus of $12 million per year ends in FY 2016-17. The Lowry and 70 Ranch bonus streams accounted for approximately 80% of total bonus revenues in FY 2013-14.

Surface

Agricultural (dry land and irrigated crop) rents increased substantially over the past two years. In FY 2013-14, the increase in agricultural rent was 18%. Overall, the increases have been driven by a rate formula that more closely linked rate to underlying crop prices.

Over the past 2 years, the State Land Board provided credit totaling $1.3 million to our grazing lessees, as the drought required destocking of many of our land parcels. Further drought credits have been issued for FY 2014-15 to the State Land Board's grazing partners in order to better assure the long-term stewardship of the land. However, we expect that the total amount of drought credits issued for FY 2014-15 will be substantially lower than FY 2013-14.

The State Land Board expects several of the new line of business revenue sources to show strong growth over the next fiscal year. Recreation should continue modest growth through new leasing activity and adjustments to existing recreational lease rates. Renewable energy is expected to again experience a double digit increase in FY 2014-15, both from existing leases and new leases. Commercial revenue is anticipated to grow based on higher rental rates in our existing commercial portfolio as well as the potential to acquire new vertical assets.

Financial Overview – FY 2013-14

MINERALS

In FY 2013-14, mineral revenues were $155.8 million, a 45% increase over the prior fiscal year. As previously mentioned, this increase was primarily from oil and gas royalties.

Exhibit 6: Minerals Revenues
FY 2013-14

REVENUE	FY 2013-14	% Change from prior
MINERALS		
Oil Royalties	$76,606,585	125.0%
Gas Royalties	23,469,305	70.0%
Coal Royalties	184,674	-80.5%
Limestone Royalties	804,787	-4.1%
Other Mineral Royalties	516,969	-14.8%
Gravel Royalties	722,921	339.4%
Bonus	50,038,376	-5.9%
Oil and Gas Rentals	2,348,291	-10.5%
SUA	744,404	51.1%
Other Mineral Rentals	325,497	-18.2%
Coal Rentals	66,832	0.0%
Gravel Rentals	20,619	-38.4%
TOTAL MINERALS	$155,849,262	45.4%

Oil & Gas

The record high oil and gas royalty revenue in FY 2013-14 was the result of horizontal drilling in the Niobrara formation. Total oil production increased to approximately 900,000 barrels, an increase of approximately a half-million barrels compared to the prior fiscal year. This resulted in a 125% increase in oil royalty revenue.

Gas royalty revenues increased from $13.8 million to $23.4 million, an increase of 70%. Gas production totaled 5,600,000 MCF in FY 2013-14. The gas increase was primarily the result of high-value gas produced from Niobrara wells.

The FY 2013-14 bonus revenue is composed of three revenue streams: quarterly lease auctions totaling $11 million, Lowry Ranch bonus of $27 million, and 70 Ranch bonus of $12 million. A total of 113,000 acres of oil and gas leases were auctioned in FY 2013-14. Except for a few high-priced lease bonuses (>$1,000/acre), most of the oil and gas leases were auctioned below $100/acre.

Other Minerals

Other mineral revenues account for less than 4% of total mineral revenues. There were a few noteworthy changes in FY 2013-14. The significant decline in coal royalty revenues in FY 2013-14 stems from the 20 Mile coal mine operations in Routt County moving off of state trust coal. The State Land Board expects the decline in coal revenues to reverse itself over the next two years as 20 Mile will again produce state trust coal. The large increase in gravel royalties was the result of a one-time gravel royalty payment from Colorado Springs Utility in connection with their acquisition of a state trust property for a reservoir site. The increase in Surface Use Agreements (SUAs) is driven by the increase in oil and gas leasing on state trust property.

SURFACE

Surface revenues decreased slightly to $12.5 million in FY 2013-14. This decrease was the result of drought rent credits associated with destocking State Land Board land primarily in eastern Colorado as well as lower one-time right-of-way revenues.

Exhibit 7: Surface Revenues
FY 2013-14

REVENUE	FY 2013-14	% Change from prior
SURFACE		
Agricultural Rental	$3,168,492	18.0%
Grazing Rental	5,687,364	-11.9%
Other Surface Rental Income	1,202,414	-6.3%
Recreation	1,024,853	3.9%
Right of Way	1,351,680	-16.3%
Timber Sales	93,356	N/A
TOTAL SURFACE	$12,528,159	-3.8%

Agriculture

Net agricultural revenues (grazing, dry land crop, and irrigated crop) decreased slightly. Agricultural rental revenues (dry land and irrigated crop) grew by 18% due to increase per-acre rents. Grazing rental revenue decreased approximately 12%, primarily because of drought reductions. The State Land Board approved de-stocking reductions on state trust land, resulting in $1.0 million in revenue reductions in FY 2013-14.

Other Surface

Recreation, rights-of-way, and other surface revenues (e.g. Conservation Reserve Program (CRP), access permits, subleases, and assignments) account for 29% of total surface revenues. Right-of-way contracts are generally one-time payments for a 30-year easement for power lines, pipelines, and roads. The large decrease in rights-of-way is due to a single large one-time pipeline right-of-way (≈$1.0 million) in the previous fiscal year. Also, recreation revenues increased nearly 4% due to higher lease rates and a few new recreational leases.

COMMERCIAL

Commercial revenues are generated by commercial ground leases, commercial building rents (vertical assets), and communication towers placed on state trust land. Overall, commercial revenues were up more than 10% in FY 2013-14. Commercial rents were slightly lower due to larger tenant improvement (TI) expenditures and lower rents in the commercial portfolio. Ground leases had substantial growth due to one lease, and tower leases benefited from increases in annual rents and new leases.

Exhibit 8: Commercial Revenues
FY 2013-14

REVENUE	FY 2013-14	% Change from prior
COMMERCIAL		
Commercial Rent	$2,792,722	-3.12%
Ground Leases	1,039,101	66.89%
Tower Leases	347,050	30.10%
TOTAL COMMERCIAL	$4,178,873	10.78%

RENEWABLE ENERGY

Renewable energy grew 14% for FY 2013-14 to a record $684,000. We expect renewable energy revenue to increase again by double digits in FY 2014-15.

Exhibit 9: Renewable Energy
FY 2013-14

REVENUE	FY 2013-14	% Change from prior
RENEWABLE		
Renewable Energy	$683,974	13.7%
TOTAL RENEWABLE	$683,974	13.7%

In FY 2013-14, the State Land Board added four new solar production leases, one new wind production lease, and four new wind planning leases. These new leases increased the total renewable energy leased acreage to nearly 15,000 acres. In addition to new leasing, several existing wind energy leases added new turbines and paid higher production royalities in FY 2013-14.

OTHER AND INTEREST

Other and interest revenues produced approximately $363,000 in FY 2013-14. The small number of water leases produced nearly $100,000. Almost half of this amount was from water used for oil and gas development.

Exhibit 10: Other and Interest Revenues
FY 2013-14

REVENUE	FY 2013-14	% Change from prior
OTHER and INTEREST		
Water/Eco Services/COPS	$125,976	12822.5%
Jackson/Larimer	22,487	159.2%
Interest Income	214,791	-33.1%
TOTAL OTHER and INTEREST	363,254	9.8%

TRUST DISTRIBUTIONS

In FY 2013-14, total trust distributions were $166.5 million, a 40% increase from the prior year. After allocated costs and statutory fund transfers, the State Land Board distributed more than 95% of FY 2013-14 trust revenues to beneficiaries.

Exhibit 11: Net Trust Distribution
FY 2013-14

TRUST	BENEFICIARY	FY 2013-14 Trust Distributions
School Trust	Common Schools	$164,849,735
CSU Trust	Colorado State University	1,071,916
Internal Improvements Trust	Colorado Parks and Wildlife	438,416
Public Buildings Trust	Public Buildings	55,344
Hesperus Trust	Fort Lewis College	19,487
Penitentiary Trust	Colorado Department of Corrections	13,628
CU Trust	University of Colorado	42,823
Saline Trust	Colorado Parks and Wildlife	25,905
Forest Trust	Multiple	21,367
	TOTAL TRUST DISTRIBUTIONS	**$166,538,620**

SCHOOL TRUST

In FY 2013-14, School Trust gross revenues were approximately $193.4 million: $171.8 million earned by the State Land Board land and mineral assets, and $21.6 million in interest income earned on the Public School Permanent Fund, which is managed by the State Treasurer's Office. The flow chart (Exhibit 13) below shows how these revenues were utilized in FY 2013-14, with approximately $84.5 million deposited into the Permanent Fund during the fiscal year.

Exhibit 12: School Trust Revenue Flow Chart
FY 2013-14

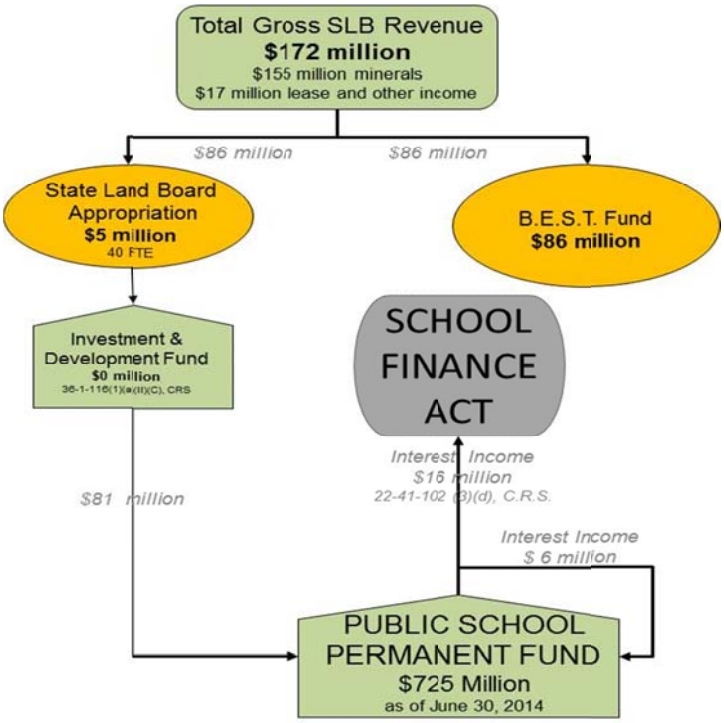


Exhibit 13: School Trust Revenues Distribution
FY 2009-10 to FY 2013-14

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	5 year Total
	Actual	Actual	Actual	Actual	Actual	
SCHOOL TRUST REVENUES						
Recurring Revenues (Surface & Commercial)	15,582,452	13,649,035	14,861,046	17,799,210	17,831,032	79,722,775
Non-Recurring Revenues (Minerals)	50,779,472	106,908,766	129,876,957	105,528,325	154,004,348	547,097,869
TOTAL SLB Revenues	66,361,924	120,557,801	144,738,003	123,327,536	171,835,380	626,820,644
Permanent Fund Interest Income	27,842,753	26,759,713	24,055,589	22,265,675	21,610,649	122,534,379
TOTAL SCHOOL TRUST REVENUES	94,204,677	147,317,514	168,793,592	145,593,210	193,446,029	749,355,023
SCHOOL TRUST USES						
SLB Operating Expense (Long Bill)	4,625,720	4,675,880	4,689,960	$5,179,435	$6,985,645	$26,156,641
SLB I&D Fund	2,964,552	4,000,000	8,500,000	1,250,000	-	16,714,552
TOTAL SLB Uses	7,590,273	8,675,880	13,189,960	6,429,435	6,985,645	42,871,193
BEST Allocation (50% of SLB Revenues)	33,180,962	60,278,901	72,369,002	61,663,768	85,917,690	313,410,322
School Finance Act (SLB Revs after BEST&SLB Uses)	25,590,689	51,603,020	21,000,000	36,203,931	-	134,397,640
School Finance Act (Interest on Perm Fund)	27,842,753	26,759,713	24,055,589	20,000,000	16,000,000	114,658,055
Total Education Uses	86,614,404	138,641,634	117,424,591	117,867,699	101,917,690	562,466,017
Permanent Fund Deposit	-	-	38,179,042	21,296,077	84,542,694	144,017,812
TOTAL SCHOOL TRUST USES	94,204,677	147,317,514	168,793,592	145,593,210	193,446,029	749,355,023
Permanent Fund Balance (as of June 30th)	581,493,048	581,826,369	620,154,187	640,987,352	725,586,075	

INVENTORY

As of July 2014, the State Land Board's land inventory stood at 2.8 million surface acres and 4.0 million subsurface acres. The legal acreage by trust is provided in Exhibit 14 below.

Exhibit 14
Trust Inventory as of July 1, 2014

TRUST	Surface	Subsurface
School	2,626,508	3,847,599
Multi-Beneficiary (Forest)	70,348	70,308
Internal Improvements	47,644	126.34
CSU	19,130	42,572
Saline	10,600	350
Penitentiary	6,847	9,912
Hesperus	6,279	6,279
Univ of Colorado	3,521	11,704
Other Trust	26	16
Public Buildings	48	6,199
Total	**2,790,950**	**3,995,065**

Appendix A

INCOME STATEMENTS BY TRUST

Appendix A contains income statements for each of the eight trusts, as well as a total trust income statement. These income statements are compiled on a cash basis.

Income Statement

Colorado State Board of Land Commissioners
SCHOOL TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$12,736,608	$17,477,758	$27,333,665	$34,030,404	$76,590,867
Gas Royalties	13,958,154	15,349,324	16,623,000	12,886,968	22,395,761
Coal Royalties	6,967,519	7,787,310	3,363,070	946,854	184,674
Sand and Gravel Royalties	188,537	179,228	188,215	164,534	722,921
Limestone Royalties	88,030	854,150	782,204	839,248	804,787
Other Mineral Royalties	230,455	562,446	525,388	596,894	516,649
Bonus	14,880,486	62,649,071	78,406,236	53,183,032	50,038,216
Oil and Gas Rentals	1,419,804	1,378,609	2,227,112	2,611,403	2,337,540
Coal Rentals	60,753	58,833	66,832	66,832	66,831
Gravel Rentals	26,207	27,187	25,486	33,461	20,619
Other Mineral Rentals	222,918	584,851	335,749	168,695	325,481
TOTAL MINERALS	$50,779,472	$106,908,766	$129,876,957	$105,528,325	$154,004,348
SURFACE					
Agricultural Rental	$1,872,776	$1,824,408	$2,164,524	$2,673,417	$3,153,130
Grazing Rental	6,162,561	5,918,593	6,233,904	6,298,977	5,536,918
Other Surface Rental Income	893,301	938,852	669,651	871,462	767,070
Recreation	923,439	869,112	873,190	938,658	974,204
Right of Way	744,869	283,515	742,835	1,614,388	1,351,454
SUA	535,000	318,500	214,934	492,500	652,125
Assignment/Sublease	377,744	371,038	128,508	152,521	139,198
Land/Timber Sales	4,746	53,824	22,552	975	86,250
CRP	-	-	393,713	393,408	414,339
TOTAL SURFACE	$11,514,436	$10,577,841	$11,443,811	$13,436,307	$13,074,688
COMMERCIAL					
Commercial	$3,389,085	$2,414,414	$2,565,975	$3,404,701	$3,772,505
TOTAL COMMERCIAL	$3,389,085	$2,414,414	$2,565,975	$3,404,701	$3,772,505
OTHER					
Renewable Energy	$469,211	$417,506	$564,983	$601,382	$683,974
Ecosystems	-	-	-	-	15,469
Water	-	-	50,953	83,460	99,247
TOTAL OTHER	$469,211	$417,506	$615,936	$684,842	$798,690
INTEREST INCOME					
Interest Income	$209,720	$239,273	$235,323	$273,360	$185,148
TOTAL INTEREST INCOME	$209,720	$239,273	$235,323	$273,360	$185,148
TOTAL REVENUE	**$66,361,924**	**$120,557,801**	**$144,738,002**	**$123,327,535**	**$171,835,380**
TOTAL OPERATING EXPENSES - Allocated	**$4,625,720**	**$4,675,880**	**$4,689,960**	**$5,179,435**	**$6,985,645**
NET INCOME (LOSS)	**$61,736,204**	**$115,881,920**	**$140,048,042**	**$118,148,100**	**$164,849,734**
TOTAL TRUST DISTRIBUTION	**$58,771,651**	**$110,772,839**	**$131,548,042**	**$116,898,100**	**$164,849,734**

Income Statement

Colorado State Board of Land Commissioners

CSU TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$6,128	$1,960	$594	$290	$4,347
Gas Royalties	729,996	753,735	797,840	905,740	1,061,309
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	320
Gravel Royalties	-	-	-	-	-
Bonus	-	63,724	7,701	-	160
Oil and Gas Rentals	29,513	20,011	18,688	8,470	7,074
SUA	-	-	-	-	12
Other Mineral Rentals	-	-	-	8,826	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$765,637	$839,429	$824,823	$923,325	$1,073,222
SURFACE					
Agricultural Rental	$2,740	$2,740	$2,740	$2,740	$2,740
Grazing Rental	32,389	32,002	30,239	22,800	16,186
Other Surface Rental Income	7,441	6,014	5,528	-	6,726
Recreation	8,367	8,956	9,374	9,582	10,333
Right of Way	-	-	-	-	-
Timber Sales	-	-	-	-	3,877
TOTAL SURFACE	$50,938	$49,712	$47,881	$35,123	$39,862
COMMERCIAL					
Commercial	$354	$354	$270	$468	$1,581
TOTAL COMMERCIAL	$354	$354	$270	$468	$1,581
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	1,888	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$1,888	$0	$0	$0	$0
INTEREST INCOME					
Interest Income	$2,906	$2,443	$1,516	$1,684	$1,650
TOTAL INTEREST INCOME	$2,906	$2,443	$1,516	$1,684	$1,650
TOTAL REVENUE	**$821,723**	**$891,938**	**$874,490**	**$960,599**	**$1,116,315**
TOTAL OPERATING EXPENSES - Allocated	**$62,158**	**$34,704**	**$14,475**	**$39,782**	**$44,399**
NET INCOME (LOSS)	**$759,565**	**$857,234**	**$860,015**	**$920,817**	**$1,071,916**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$759,631**	**$996,325**	**$647,473**	**$920,817**	**$1,071,916**

Income Statement

Colorado State Board of Land Commissioners

INTERNAL IMPROVEMENTS TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$43,739	$9,585	$4,774	$2,767
Gas Royalties	-	16,965	7,306	3,153	2,791
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	42	42	42	42	42
SUA	-	-	-	-	955
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$42	$60,746	$16,933	$7,969	$6,554
SURFACE					
Agricultural Rental	$0	$0	$0	$0	
Grazing Rental	66,764	65,149	64,971	69,262	65,022
Other Surface Rental Income	2,540	5,156	8,835	3,974	2,241
Recreation	35,997	19,684	19,795	20,594	21,585
Right of Way	49,343	-	-	250	
Timber Sales	-	-	-	-	9,214
TOTAL SURFACE	$154,644	$89,989	$93,601	$94,081	$98,062
COMMERCIAL					
Commercial	$142,484	$357,119	$297,104	$366,203	$356,456
TOTAL COMMERCIAL	$142,484	$357,119	$297,104	$366,203	$356,456
OTHER					
Renewable Energy	$17,603	$0	$0	$0	$0
Land Sales	5,778	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$23,381	$0	$0	$0	$0
INTEREST INCOME					
Interest Income	$752	$1,222	$906	$703	$533
TOTAL INTEREST INCOME	$752	$1,222	$906	$703	$533
TOTAL REVENUE	**$321,302**	**$509,076**	**$408,543**	**$468,955**	**$461,606**
TOTAL OPERATING EXPENSES - Allocated	**$26,315**	**$34,314**	**$19,227**	**$23,292**	**$23,190**
NET INCOME (LOSS)	**$294,987**	**$474,763**	**$389,317**	**$445,663**	**$438,416**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$275,174**	**$488,040**	**$389,317**	**$445,663**	**$438,416**

Income Statement

Colorado State Board of Land Commissioners
PUBLIC BUILDINGS TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$7,590	$6,082	$2,806	$5,671	$8,603
Gas Royalties	17,088	13,525	10,527	8,025	9,444
Coal Royalties	-	-	-	-	
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	320	-	320	-	-
Gravel Royalties	-	-	-	-	-
Bonus	3,400	547,400	-	-	
Oil and Gas Rentals	2,872	2,712	2,232	1,032	1,560
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	12
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$31,271	$569,720	$15,885	$14,728	$19,619
SURFACE					
Agricultural Rental	$1,206	$0	$0	$0	$0
Grazing Rental	9,923	8,764	8,764	10,439	10,439
Other Surface Rental Income	524	500	500	500	
Recreation	-	-	-	-	-
Right of Way	-	-	39,600	-	-
Timber Sales	-	-	-	-	-
TOTAL SURFACE	$11,653	$9,264	$48,864	$10,939	$10,439
COMMERCIAL					
Commercial	$0	$0	$0	$0	$0
TOTAL COMMERCIAL	$0	$0	$0		$0
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales/Water	-	-	-	-	500
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$0	$0	$0		$500
INTEREST INCOME					
Interest Income	$172,478	$158,356	$86,476	$45,347	$27,282
TOTAL INTEREST INCOME	$172,478	$158,356	$86,476	$45,347	$27,282
TOTAL REVENUE	**$215,402**	**$737,340**	**$151,225**	**$71,014**	**$57,840**
TOTAL OPERATING EXPENSES - Allocated	**$43,054**	**$27,162**	**$6,679**	**$3,026**	**$2,496**
NET INCOME (LOSS)	**$172,347**	**$710,178**	**$144,546**	**$67,988**	**$55,344**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$594,770**	**$689,312**	**$144,546**	**$67,988**	**$55,344**

Income Statement

Colorado State Board of Land Commissioners

HESPERUS TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$0	$0	$0	$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	7,431	-	-
Oil and Gas Rentals	-	-	775	775	775
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	2,500
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$0	$0	$8,206	$775	$3,275
SURFACE					
Agricultural Rental	$0	$0	$0	$0	$0
Grazing Rental	-	-	31,962	20,360	19,406
Other Surface Rental Income	6,000	6,000	-	-	-
Recreation	-	-	-	-	-
Right of Way	-	-	-	-	-
Timber Sales	-	-	-	-	251
TOTAL SURFACE	$6,000	$6,000	$31,962	$20,360	$19,657
COMMERCIAL					
Commercial	$0	$0	$0	$0	$0
TOTAL COMMERCIAL	$0	$0	$0	$0	$0
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$0	$0	$0	$0	$0
INTEREST INCOME					
Interest Income	-$5	$36	$11	$35	$25
TOTAL INTEREST INCOME	($5)	$36	$11	$35	$25
TOTAL REVENUE	**$5,995**	**$6,036**	**$40,179**	**$21,170**	**$22,957**
TOTAL OPERATING EXPENSES - Allocated	**$468**	**$581**	**$5,875**	**$2,756**	**$3,470**
NET INCOME (LOSS)	**$5,527**	**$5,455**	**$34,304**	**$18,414**	**$19,487**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$5,532**	**$11,029**	**$34,304**	**$18,378**	**$19,487**

Income Statement

Colorado State Board of Land Commissioners

PENITENTIARY TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$0	$0	$0	$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	26,000	-	-
Oil and Gas Rentals	-	-	500	-	1,300
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	13,631	501
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$0	$0	$26,500	$13,631	$1,801
SURFACE					
Agricultural Rental	$0	$0	$0	$0	$0
Grazing Rental	6,555	6,555	7,015	7,115	7,115
Other Surface Rental Income	-	-	-	-	-
Recreation	5,459	5,181	5,153	-	5,479
Right of Way	-	-	-	1,300	-
Timber Sales	-	-	-	-	-
TOTAL SURFACE	$12,015	$11,736	$12,168	$8,415	$12,595
COMMERCIAL					
Commercial	$0	$0	$0	$0	$0
TOTAL COMMERCIAL	$0	$0	$0	$0	$0
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	-	-	-	10	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$0	$0	$0	$10	$0
INTEREST INCOME					
Interest Income	$2	$5	$12	$2	$10
TOTAL INTEREST INCOME	$2	$5	$12	$2	$10
TOTAL REVENUE	**$12,017**	**$11,741**	**$38,680**	**$22,059**	**$14,406**
TOTAL OPERATING EXPENSES - Allocated	**$1,216**	**$910**	**$1,557**	**$1,124**	**$778**
NET INCOME (LOSS)	**$10,801**	**$10,831**	**$37,122**	**$20,935**	**$13,628**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$10,855**	**$10,820**	**$37,118**	**$20,899**	**$13,628**

Income Statement

Colorado State Board of Land Commissioners

CU TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$0	$0	$0	$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	1,920	-	-	-	-
Oil and Gas Rentals	1,920	1,920	1,440	-	-
SUA	-	-	-	-	17
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$3,840	$1,920	$1,440	$0	$17
SURFACE					
Agricultural Rental	$2,952	$2,997	$3,961	$8,302	$12,622
Grazing Rental	13,706	13,379	11,869	15,194	17,794
Other Surface Rental Income	9,979	10,201	7,441	7,989	9,043
Recreation	316	366	360	344	593
Right of Way	-	-	-	-	-
Timber Sales	-	-	-	-	4,523
TOTAL SURFACE	$26,954	$26,943	$23,631	$31,829	$44,576
COMMERCIAL					
Commercial	$413	$413	$315	$546	$428
TOTAL COMMERCIAL	$413	$413	$315	$546	$428
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$0	$0	$0	$0	$0
INTEREST INCOME					
Interest Income	$46	$54	-$1	$124	$106
TOTAL INTEREST INCOME	$46	$54	($1)	$124	$106
TOTAL REVENUE	**$31,253**	**$29,329**	**$25,385**	**$32,498**	**$45,128**
TOTAL OPERATING EXPENSES - Allocated	**$2,720**	**$2,097**	**$1,252**	**$1,625**	**$2,305**
NET INCOME (LOSS)	**$28,533**	**$27,233**	**$24,133**	**$30,873**	**$42,823**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$28,534**	**$28,945**	**$24,129**	**$30,872**	**$42,823**

Income Statement

Colorado State Board of Land Commissioners

SALINE TRUST

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$0	$0	$0	$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	-	-	-	-	-
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$0	$0	$0	$0	$0
SURFACE					
Agricultural Rental	$0	$0	$0	$0	$0
Grazing Rental	13,209	13,209	13,209	14,337	14,483
Other Surface Rental Income	-	-	-	-	
Recreation	10,103	11,995	11,846	12,271	12,658
Right of Way	-	-	-	-	226
Timber Sales	-	-	-	-	-
TOTAL SURFACE	$23,312	$25,204	$25,055	$26,608	$27,367
COMMERCIAL					
Commercial	$500	$0	$0	$250	
TOTAL COMMERCIAL	$500	$0	$0	$250	$0
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	-	-	-	-	-
Jackson/Larimer	-	-	-	-	-
TOTAL OTHER	$0	$0	$0	$0	$0
INTEREST INCOME					
Interest Income	$11	$40	$4	$17	$18
TOTAL INTEREST INCOME	$11	$40	$4	$17	$18
TOTAL REVENUE	**$23,823**	**$25,244**	**$25,059**	**$26,875**	**$27,385**
TOTAL OPERATING EXPENSES - Allocated	**$2,432**	**$1,959**	**$1,490**	**$1,369**	**$1,480**
NET INCOME (LOSS)	**$21,391**	**$23,285**	**$23,569**	**$25,506**	**$25,905**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$21,508**	**$23,641**	**$23,569**	**$25,506**	**$25,905**

Income Statement

Colorado State Board of Land Commissioners

FOREST (Jackson/Larimer)

For FY 2009-10 to FY 2013-14

Cash Basis

REVENUE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
MINERALS					
Oil Royalties	$0	$0	$0	$0	$0
Gas Royalties	-	-	-	-	-
Coal Royalties	-	-	-	-	-
Limestone Royalties	-	-	-	-	-
Other Mineral Royalties	-	-	-	-	-
Gravel Royalties	-	-	-	-	-
Bonus	-	-	-	-	-
Oil and Gas Rentals	-	-	-	-	-
SUA	-	-	-	-	-
Other Mineral Rentals	-	-	-	-	-
Coal Rentals	-	-	-	-	-
Gravel Rentals	-	-	-	-	-
TOTAL MINERALS	$0	$0	$0	$0	$0
SURFACE					
Agricultural Rental	$0	$0	$0	$0	$0
Grazing Rental	-	-	-	-	-
Other Surface Rental Income	-	-	(8)	-	-
Recreation	-	-	-	-	-
Right of Way	-	-	-	-	-
Timber Sales	-	-	-	-	-
TOTAL SURFACE	$0	$0	($8)	$0	$0
COMMERCIAL					
Commercial	$0	$0	$0	$0	$0
TOTAL COMMERCIAL	$0	$0	$0	$0	$0
OTHER					
Renewable Energy	$0	$0	$0	$0	$0
Land Sales	-	-	-	-	-
Jackson/Larimer	9,595	9,403	7,984	8,675	22,487
TOTAL OTHER	$9,595	$9,403	$7,984	$8,675	$22,487
INTEREST INCOME					
Interest Income	$5	$5	$0	$8	$19
TOTAL INTEREST INCOME	$5	$5	($0)	$8	$19
TOTAL REVENUE	**$9,600**	**$9,408**	**$7,976**	**$8,683**	**$22,506**
TOTAL OPERATING EXPENSES - Allocated	**$894**	**$698**	**$393**	**$433**	**$1,139**
NET INCOME (LOSS)	**$8,705**	**$8,710**	**$7,583**	**$8,250**	**$21,367**
DISTRIBUTIONS					
TOTAL TRUST DISTRIBUTION	**$8,706**	**$8,688**	**$7,583**	**$8,250**	**$21,367**