



**COMMON SCHOOLS TRUST FUND - INVESTMENTS AND DISTRIBUTIONS**

**INVESTMENT EARNINGS AND DISTRIBUTIONS**

The schedule below provides information on the common schools trust fund balance, returns, investment earnings, and annual distributions for the 2009-11 biennium through the 2017-19 biennium. After voter approval in November 2006, the constitutional change to implement the percent of market value distribution method became effective for the 2009-11 biennium. The amounts shown reflect information from reports published by the Department of Trust Lands. The investment earnings include investment income, loan income, changes in fair value of investments, and securities lending income. In addition to the investment earnings, revenues of the common schools trust fund include royalties, leasing bonuses, rental income, unclaimed property deposits, and oil extraction tax allocations, which increase the balance of the fund.

| Date                   | Ending Balance  | Annual Net Return | Investment Earnings <sup>1</sup> | Annual Distributions <sup>2</sup> | Variance             |
|------------------------|-----------------|-------------------|----------------------------------|-----------------------------------|----------------------|
| June 30, 2010          | \$1,221,501,801 | 14.48%            | \$124,285,446                    | \$38,589,000                      | \$85,696,446         |
| June 30, 2011          | \$1,622,412,984 | 17.99%            | \$228,535,266                    | \$38,589,000                      | \$189,946,266        |
| 2009-11 biennium total |                 |                   | <b>\$352,820,712</b>             | <b>\$77,178,000</b>               | <b>\$275,642,712</b> |
| June 30, 2012          | \$1,917,135,220 | 2.42%             | \$48,115,266                     | \$46,257,000                      | \$1,858,266          |
| June 30, 2013          | \$2,417,363,782 | 10.65%            | \$213,314,618                    | \$46,257,000                      | \$167,057,618        |
| 2011-13 biennium total |                 |                   | <b>\$261,429,884</b>             | <b>\$92,514,000</b>               | <b>\$168,915,884</b> |
| June 30, 2014          | \$3,128,315,233 | 13.85%            | \$356,700,569                    | \$65,163,000                      | \$291,537,569        |
| June 30, 2015          | \$3,437,988,002 | .50%              | \$20,267,207                     | \$65,163,000                      | (\$44,895,793)       |
| 2013-15 biennium total |                 |                   | <b>\$376,967,776</b>             | <b>\$130,326,000</b>              | <b>\$246,641,776</b> |
| June 30, 2016          | \$3,512,355,582 | (0.63%)           | (\$10,783,207)                   | \$103,067,000                     | (\$113,850,207)      |
| June 30, 2017          | \$3,940,114,988 | 9.50%             | \$345,248,373                    | \$103,067,000                     | \$242,181,373        |
| 2015-17 biennium total |                 |                   | <b>\$334,465,166</b>             | <b>\$206,134,000</b>              | <b>\$128,331,166</b> |
| June 30, 2018          | \$4,318,989,728 | 6.50%             | \$265,743,785                    | \$144,132,000                     | \$121,611,785        |
| June 30, 2019          | \$4,651,515,837 | 3.87%             | \$188,387,546                    | \$144,132,000                     | \$44,255,546         |
| 2017-19 biennium total |                 |                   | <b>\$454,131,331</b>             | <b>\$288,264,000</b>              | <b>\$165,867,331</b> |

<sup>1</sup>The amounts shown for the investment earnings include realized and unrealized gains and losses.  
<sup>2</sup>Pursuant to the constitutional provisions, 10 percent of the 5-year average value of the trust assets is distributed per biennium with equal amounts distributed each fiscal year.

**FEES AND INVESTMENT RETURNS**

The Department of Trust Lands manages the permanent trusts for the benefit of various educational institutions. The permanent trusts include the common schools trust fund. In fiscal year 2019, the pooled investments of the permanent trusts paid \$22.7 million of investment fees reflecting a fee rate of 0.49 percent. The average market value of the assets invested was \$4.63 billion, and the net investment returns were 3.87 percent.

As a comparison, the legacy fund, which is managed by the Retirement and Investment Office, paid \$23.7 million of investment fees in fiscal year 2019 reflecting a fee rate of 0.39 percent. The average market value of the assets invested was \$6.08 billion, and the net investment returns were 4.98 percent.