

Separately Managed Investments Descriptions

As of August 21, 2018

Revised October 10, 2018

Trusts Funds

Department of Agriculture

Schedule: 1-A Noxious Weed Management Trust Permanent // Statutory

The Noxious Weed Management Trust Fund was established in 1985 per MCA 80-7-811. It is sponsored by the Montana Department of Agriculture. The principal amount of ten million dollars (\$10,000,000) shall remain inviolate unless appropriated by the vote of three-fourths (3/4) of the members of each house of the legislature or an emergency described in MCA 80-7-815—the governor may declare a noxious weed emergency if a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department or the state is facing a potential influx of noxious weeds as the result of a natural disaster. Principal in excess of ten million dollars (\$10,000,000) may be appropriated by a majority vote of each house of the legislature. Appropriations of the interest and income shall be used only to fund the noxious weed management program, as provided by law.

[ARG | Noxious Weeds](#)

Department of Environmental Quality

Schedule: 1-B Belt Water Treatment Plant Fund Expendable // Statutory

The Belt Water Treatment Plant Fund consists of funds originated from various Montana Department of Environmental Quality (DEQ) sources, all of which derive from payments from the Office of Surface Mining Reclamation and Enforcement. Expenditures from the funds will be used for the operation and maintenance of the water treatment plant to be constructed in Cascade County, Montana. Expenditures are expected to begin in 2022 and follow the schedule provided by the DEQ, as updated.

[Belt Acid Mine Drainage Water Treatment Plant | PDF](#)

Schedule: 1-C Abandoned Mine Trust Expendable // Statutory

The Abandoned Mine Land Reclamation Trust fund was established in December 1993 per MCA 82-2-1006. It is administered by the Montana Department of Environmental Quality. Proceeds of the fund will be expended to pay for reclamation or drainage abatement on eligible lands or waters.

An expendable trust funded by federal grants under the Surface Mining Control and Reclamation Act of 1977, Article IV. Ten percent of Montana's annual grant amount is deposited into this trust to fund programs related to abandoned mine land reclamation.

[DEQ | Abandoned Mine Reclamation](#)

Schedule: 1-D Clark Fork Site Response

Expendable // Legal

The Clark Fork Site Response Action Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), in order to settle certain litigation and to provide for the funding of the remedial action at the Clark Fork River (CFR) Operable Unit. The settlement involves, among other things, payment by ARCO plus accrued interest. Those funds and the earnings from the investment of those funds are to be used by the State with oversight, input and approval from the United States EPA for the purpose of remediating the CFR over an estimated ten to twelve-year period. Any funds left over after clean-up will be transferred, with EPA approval, to the Clark Fork State Restoration Account (established under the same Consent Decree).

[DEQ | Clark Fork River Operable Unit](#)

Schedule: 1-E Montana Pole Superfund

Expendable // Legal

The Montana Pole Superfund Site Settlement Fund was established in July 1996 through a Consent Decree among Montana Department of Environmental Quality (DEQ), the Environmental Protection Agency (EPA), Atlantic Richfield Company, Burlington Northern Railroad, Montana Resource and others. Funds and earnings from settlement proceeds are used solely for remediating hazardous substance contamination at the Montana Pole Site. The fund is administered by the DEQ. The Investment Policy may be modified by agreement of the DEQ and EPA.

[DEQ | Montana Pole and Treatment Plant](#)

Schedule: 1-F Streamside Tailings Fund

Expendable // Legal

The Streamside Tailing Operable Settlement Fund originated in 1998, when a Consent Decree between the State of Montana, the United States, the Atlantic Richfield Company (ARCO), and others was created in order to settle certain litigation, and to provide funding for the implementation of the remedy for the Streamside Tailings Operable Unit of the Silver Bow Creek/Butte Area (original portion) NPL Site. Funds paid by ARCO and the earnings from the investment of those funds are to be used by the State and EPA for the purpose of remediating the mine waste contamination at the Streamside Tailings Operable Unit. Any funds, including earnings, which are not ultimately required for the remediation of the Streamside Tailings Operable Unit are to be used by the State for natural resource damage restoration purposes, and will be transferred to the Upper Clark Fork Restoration Fund.

[DEQ | Silver Bow Creek/Stream Side Tailings](#)

Schedule: 1-G Upper Blackfoot Response

Expendable // Statutory

The Upper Blackfoot Response Action and Restoration Fund originated in 2008, when a Settlement Agreement was entered between the State of Montana, the United States, Asarco, LLC (Asarco) and the Atlantic Richfield Company (ARCO), in order to settle certain bankruptcy and other claims and to provide for the funding of response and restoration actions at the Upper Blackfoot Mining Complex (UBMC). All funds paid by Asarco and ARCO and the earnings from the investment of these funds are to be used by the State, as Lead Agency, in consultation with the United States Forest Service, for the purpose of conducting response and restoration activities within the UBMC Site. These actions include the removal of the Mike Horse Impoundment as provided in the USFS Action Memorandum dated July 23, 2007, and any amendments thereto. In addition, the State would perform additional remedial and restoration work outside the scope of the Action Memorandum, including the cleanup of tailings along the Upper Blackfoot River, Beartrap Creek, and Mike Horse Creek and restoration of those streams with the intention of restoring west slope cutthroat and bull trout to the area.

[DEQ | Upper Blackfoot Mining Complex](#)

Schedule: 1-H Zortman/Landusky Water Expendable // Statutory

The Zortman/Landusky Long Term Water fund was established in June 1999 at the request of the Montana Department of Environmental Quality. It was funded from proceeds incidental to the bankruptcy and surety bond of Zortman Mining Inc. Proceeds of the fund will be expended for environmental cleanup and long-term treatment of water at the former mine site.

[Zortman & Landusky Mines | PDF](#)

Schedule: 1-I Zortman/Landusky Trust Expendable // Statutory

The Zortman/Landusky Long Term Water Trust fund was established in July 2005 by the Montana Legislature. It was funded with annual transfers of \$1.2 million by the Montana Department of Environmental Quality from the Orphan Share account. The transfers were to continue until the value of the fund was projected to be \$19.3 million on January 1, 2018. Proceeds of the fund will be expended for long-term or perpetual water treatment at the Zortman and Landusky mine sites.

[Zortman & Landusky Mines | PDF](#)

Department of Fish, Wildlife and Parks

Schedule: 1-J Coal Tax Park Acquisition Fund Permanent // Statutory

The Coal Tax Park Trust Fund was established under MCA 15-35-108 as a non-expendable trust fund for parks acquisition or management and to fund cultural and aesthetic projects. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in MCA 23-1-102.

[MT FWP | Programs](#)

Schedule: 1-K Fish, Wildlife, and Parks Mitigation Permanent // Statutory

The Fish, Wildlife & Parks Mitigation Trust Fund was established under MCA 87-1-611 and was originally created because of an agreement between Bonneville Power Administration and the State of Montana pertaining to Wildlife Mitigation for Libby and Hungry Horse Dams. The fund provides for fish and wildlife mitigation or enhancement.

[MT FWP | Wildlife Mitigation Trust](#)

Schedule: 1-L Real Property Trust Permanent // Statutory

The Real Property Trust Fund was established under MCA 87-1-601 as a non-expendable trust fund for the operation, development, and maintenance of real property under management of the Department of Fish, Wildlife & Parks (FWP). Money received from the sale of real property, oil, gas or mineral deposits, and from leases is deposited into this permanent fund account except as provided by MCA 87-1-621.

[MT FWP | Programs](#)

Schedule: 1-M Wildlife Habitat Trust Permanent // Statutory

The Wildlife Habitat Trust Fund was established under MCA 87-1-242 as a non-expendable trust to secure, develop and maintain wildlife habitat. Funding is established from the sale of specific hunting licenses or permits and is subject to appropriation by the Legislature.

[MT FWP | Programs](#)

Department of Health and Human Services

Schedule: 1-N Endowment for Children

Permanent // Statutory

The Endowment for Children Fund was established under MCA 52-7-105 “to provide a permanent source of funding to support the programs and services referred to in MCA 52-7-101 “to fund services and activities related to a broad range of child abuse and neglect prevention activities and family resource programs operated by nonprofit or public community-based educational and service organizations.” Timing of expenditures is uncertain. Staff will rely on expenditure estimates from the Montana Department of Public Health and Human Services.

[MT Code | Endowment for Children](#)

Schedule: 1-O Older Montanans Trust

Permanent // Statutory

The Older Montanans Trust Fund was created in MCA 52-3-115 to establish new, innovative services or to expand existing services for the benefit of Montana residents 60 years of age or older that will enable those Montanans to live an independent lifestyle in the least restrictive setting and will promote the dignity of and respect for those Montanans.

[MT Code | Older Montanans Trust Fund](#)

Schedule: 1-P Tobacco Trust

Permanent // Legal and Statutory

The Tobacco Trust Fund was created in 1999 from the Master Settlement Agreement from the nation’s largest tobacco companies to pay at least \$205 billion over 25 years. The Tobacco Trust Fund was established in MCA 17-6-601 where forty percent of the tobacco settlement was placed for health care benefits, services, or coverage and tobacco disease prevention (described in MCA 17-6-606). A special revenue fund account was also established in MCA 17-6-603 where nine-tenths of the interest and income derived from the trust fund must be deposited.

[DOJ | Tobacco Settlement](#)

Department of Justice

Schedule: 1-Q Butte Area One Restoration

Expendable // Legal

The Butte Area One Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action at the Butte Area One. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to restore, replace or acquire the equivalent of injured natural resources or lost services.

[DOJ | Butte Area One](#)

Schedule: 1-R Clark Fork River Restoration Fund

Expendable // Legal

The Clark Fork Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action of the Clark Fork River, from Warm Springs Ponds to the former Milltown Reservoir. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to restore aquatic and terrestrial resources.

[DEQ | Clark Fork River Operable Unit](#)

Schedule: 1-S East Helena Compensation Fund

Expendable // Legal

The East Helena Compensation Fund originated in 2006 through a legal settlement with and subsequent claim in bankruptcy on the ASARCO company. The action was taken for natural resource restoration damages and compensatory damages for lost use of resources. Funds will be used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) for wildlife habitat restoration, recreation and open space.

[DOJ | East Helena | 2009 Settlement](#)

Schedule: 1-T Smelter Hill Uplands Restoration Fund

Expendable // Legal

The Smelter Hill Uplands Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on lands injured by emissions from the Anaconda Smelter. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to remediate and restore damaged lands.

[DOJ | Anaconda | Restoration Plan](#)

Schedule: 1-U UCFRB Reserve Fund

Expendable // Legal

The Upper Clark Fork River Basin Reserve Fund originated in 1999 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on and around the Clark Fork River and tributaries generally above the confluence of the Little Blackfoot River. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to cover potential cost over-runs of the Streamside Tailings Operable Unit if any and then to the Upper Clark Fork River Basin Restoration Fund.

[Little Blackfoot River Watershed Restoration Plan | PDF](#)

Schedule: 1-V UCFRB Restoration Fund

Expendable // Legal

The Upper Clark Fork River Basin Restoration Fund originated in 1999, a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on and around the Clark Fork River and tributaries generally above the confluence of the Little Blackfoot River. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to restore, rehabilitate or replace injured natural resources.

[Little Blackfoot River Watershed Restoration Plan | PDF](#)

Department of Natural Resources and Conservation

Schedule: 1-W Public-School Trust

Permanent // Statutory

The purpose of this policy statement is to provide a framework for the Public-School Trust investments (formerly referred to as the Trust and Legacy Fund) under the guidance of the Board. The Public-School Trust was established in 1973 by Article X, Section 2 of the Montana Constitution. The trust consists primarily of land granted to the State of Montana by the United States or other entities. The Public-School Trust is administered by the Montana Department of Natural Resources and Conservation. Per Article X, Section 5 of the Montana Constitution, ninety-five percent of all interest received on fund investments and ninety-five percent of all income received from fund owned land shall be equitably

apportioned to public school districts. Five percent of all interest received on fund investments and five percent of all income received from fund owned land shall be added to the Public-School Trust.

[MT Code | Public School Fund](#)

Department of Revenue

Schedule: 1-X Resource Indemnity Trust Permanent // Statutory

The Resource Indemnity Trust Fund is a trust that was established in 1973 by Article IX Section 2 of the Montana Constitution in the amount of \$100 million. The principal of the trust “shall forever remain inviolate.” Earnings from the fund are to be used to “improve the total environment and rectify damage to the environment” per MCA 15-38-203. The trust is administered by the Department of Revenue.

[Resource Indemnity Trust | PDF](#)

Montana Arts Council

Schedule: 1-Y Cultural Trust Permanent // Statutory

The Cultural Trust Fund was created from the Coal Tax Park Acquisition Fund, which is funded by coal severance tax collections. The Cultural Trust Fund is established in MCA 15-35-108. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capital and for other cultural and aesthetic projects.

[Montana Cultural Trust](#)

Montana Historical Society

Schedule: 1-Z Historical Society Trusts Permanent // Statutory

Various gifts and endowments used to collect, preserve and provide access to Montana’s cultural heritage-past, present and future.

[Montana Historical Society Overview](#)

University Endowments

Schedule: 1-AA Harold Hamm Endowment Permanent // Legal

The Harold Hamm Endowment was created for the benefit of Helena College University of Montana via a gift from Harold W. Hamm. The endowment distributes scholarships to students and faculty in the Aviation and Maintenance Technology program on an annual basis.

[Helena College Scholarships](#)

Schedule: 1-AB Potter Trust fund Permanent // Legal

The Potter Loan Trust Fund was created for the benefit of Montana Tech per the Last Will and Testament of Peter Potter. The Trust is utilized by Montana Tech to provide financial aid assistance for students and to reimburse the university some administrative expenses.

[MT Board of Regents of Higher Education | Potter Trust](#)

City Council of Butte-Silver Bow

Schedule: 1-AC Butte-Silver Bow Redevelopment Trust

Expendable // Legal

Funds derived from a negotiated settlement between the City and County of Butte-Silver Bow and ARCO to fund projects and activities to include a variety of work to promote the redevelopment of the Butte Hill and adjacent areas as Superfund cleanup actions conclude.

[City-County of Butte-Silver Bow | Redevelopment Trust](#)

Insurance Funds

Schedule: 11-A MUS Group Insurance

Permanent // Statutory

The Montana University System Group Insurance account was established as the reserve for the self-insured health plan for the Montana University System.

[MUS | Group Insurance Program | PDF](#)

Schedule: 11-B MUS Workers Compensation

Permanent // Statutory

MUS Workers Compensation began operations on July 1, 2003 as a self-insurance program to provide workers compensation coverage for the Montana University System. This is an operating account requiring significant liquidity. However, the Montana Department of Labor requires the Program to maintain adequate reserves to meet the Program's anticipated and contingency funding needs in the event of adverse developments or uncharacteristically high costs, so investment in the Trust Fund Investment Pool is considered prudent to achieve a higher level of investment income.

[MUS | Self-Funded Workers' Comp Program](#)

Schedule: 11-C Employee Group Benefits

Permanent // Statutory

The State Employee Group Benefits account was established under MCA 2-18-808 "to establish a program under which the state may provide state employees with adequate group hospitalization, health, medical, disability, life, and other related group benefits in an efficient manner and at an affordable cost."

[MT Health Care & Benefits Division](#)

Operating Funds

Schedule: 111-A Montana State University

Permanent // Operations

The Montana State University account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate.

[Administration & Finance | Montana State University](#)

Schedule: 111-B Montana Tech

Permanent // Operations

The Montana Tech account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate.

[Administrative Services | MT Tech](#)

Schedule: 111-C University of Montana

Permanent // Operations

University of Montana Operating Funds account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate.

[Administration & Finance | University of Montana](#)

Schedule: 111-D State Treasurer's Fund

Permanent // Statutory

The States Treasurer's fund is comprised of cash in all state accounts that do not retain their investment earnings. By statute, all earnings are deposited in the state general fund. State law authorizes the Board to determine the amount of surplus cash in the Fund to be invested and the type of investment to be made. The fund is managed to maximize income, rather than for total rate of return. This Fund is a major participant in STIP.

[MT Code | Deposit of Funds in Hands of State Treasurer](#)

Schedule: 111-E Fish, Wildlife & Parks License

Permanent // Statutory

The Fish, Wildlife & Parks License Fund was established under MCA 87-1-601. This account contains revenue generated from the sale of hunting and fishing licenses.

[FWP Licensing and Funding Advisory Council](#)

MBOI Definitions

Permanent – MBOI believes the fund will exist in perpetuity.

Expendable – MBOI believes the fund will be expended.

Operations – Funds used for operational expenses over time.

Statutory – Fund created via Montana Code or Montana Constitution.

Legal – Fund created via a legal settlement, gift or endowment

MCA – Montana Code Annotated