

# Account Descriptions

As of August 21, 2018  
Revised December 23, 2019

## 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. (SABHRS 09034)

### 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. (SABHRS 03447)

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. (SABHRS 03302/02676)

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). (SABHRS 08212)

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. (SABHRS 08159)

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. (SABHRS 08160)

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. (SABHRS 08227)

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. (SABHRS 08217)

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. (SABHRS 09005)

## **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. (SABHRS 09004)

### 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. (SABHRS 08021)

### 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. (SABHRS 09002)

### 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. (SABHRS 09006)

## **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. (SABHRS 09045)

### 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. (SABHRS 09025)

### 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. (SABHRS 09049)

## **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. (SABHRS 08219)

### 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. (SABHRS 08221)

### 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. (SABHRS 08231)

### 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. (SABHRS 08222)

### 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 overruns of the Streamside Tailings Operable Unit if any and then to the Upper Clark Fork River Basin Restoration Fund. (SABHRS 08101)

### 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. (SABHRS 08102)

## **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. (SABHRS 09022)

## **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. (SABHRS 09043)

## **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. (SABHRS 09037)

## **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. (SABHRS various)

## 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. (SABHRS 50001)

### 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. (SABHRS 80500)

## 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. (SABHRS 08502)

# 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. (SABHRS 06008)

### 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. (SABHRS 06082)

### 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." (SABHRS 06559)

# Operating Funds

Schedule: 111-A Montana State University & Affiliated Campuses Permanent // Operations

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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. (SABHRS 80200)

Schedule: 111-B Montana Tech Permanent // Operations

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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. (SABHRS 40500)

Schedule: 111-C University of Montana & Affiliated Campuses (except Montana Tech) Permanent // Operations

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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. (SABHRS 33100)

Schedule: 111-D State Treasurer’s Fund Permanent // Statutory

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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. (SABHRS 10100)

Schedule: 111-E Fish, Wildlife & Parks License Permanent // Statutory

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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. (SABHRS 02409)

# Coal Severance Tax Trust Fund

Coal Severance Tax Bond Fund Permanent // Statutory

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The Coal Severance Tax Bond Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. The Legislature authorizes the sale of coal severance tax bonds to finance renewable resource projects and local government infrastructure projects. On July 1<sup>st</sup> of each year, the state treasurer shall determine the amount necessary to meet all principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12 months and retain that amount in the coal severance tax bond fund. (SABHRS 09042)

Treasure State Endowment Fund Permanent // Statutory

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The Treasure State Endowment Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Treasure State Endowment Fund is appropriated to the Department of Revenue by the legislature for local government infrastructure projects. (SABHRS 09044)

Treasure State Endowment Regional Water System Fund

Permanent // Statutory

The Treasure State Endowment Regional Water System Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Treasure State Endowment Regional Water System Fund is appropriated to the Department of Revenue by the legislature to fund regional water system projects in northcentral and northeastern Montana. (SABHRS 09047)

School Facilities Fund

Permanent // Statutory

The School Facilities Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the School Facilities Fund is appropriated to the Department of Administration by the legislature for local school district infrastructure projects. (SABHRS 09054)

Big Sky Economic Development Fund

Permanent // Statutory

The Big Sky Economic Development Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Big Sky Economic Development Fund is appropriated to the Department of Revenue by the legislature to provide grants and loans to local governments, certified regional development corporations or other approved economic development entities for qualified economic development projects. (SABHRS 09052)

Coal Severance Tax Permanent Fund

Permanent // Statutory

The Coal Severance Tax Permanent Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Coal Severance Tax Permanent Fund is distributed to the Coal Severance Tax Income Fund. The Department of Revenue will then transfer the income to various funds based on legislative appropriations. (SABHRS 09041)

## Other Funds

State Fund Insurance

Permanent // Statutory

Montana State Fund is the guaranteed provider of workers' compensation insurance. The Montana Board of Investments (MBOI) manages the investments of Montana State Fund as authorized by the Unified Investment Program. Investment income assists Montana State Fund in meeting liabilities as well as maintaining stable, cost effective rates for workers compensation insurance. (SABHRS 07035)

Defined Contribution Disability

Permanent // Statutory

The Defined Contribution Retirement Plan Disability Fund, as governed by section 19-3-2117, MCA, provides disability benefits to eligible members who elect the PERS-DCRP. Montana Code Section 19-3-2141(7) states the PERS board shall establish a long-term disability plan trust fund from which disability benefit costs pursuant to this section must be paid. (SABHRS 09514)

Agency Insurance

Permanent // Statutory

Agency Insurance fund, as governed by section §2-9-2, MCA, is a reserve account for the state's property self-insurance program. The Department of Administration, Risk Management and Tort Defense Division, is responsible for the acquisition and administration of all property/casualty insurance purchased for protection of the state, except employee benefits and workers' compensation. (SABHRS 06532)

Hail Insurance

Permanent // Statutory

Hail Insurance, as governed by section §80-2-2, MCA, is administered by the Department of Agriculture and provides benefits to producers engaged in the growing of crops subject to hail damage. (SABHRS 06052)

Subsequent Injury

Permanent // Statutory

Subsequent Injury, as governed by section §39-71-9, MCA, is administered by the Department of Labor & Industry and designed to assist individuals with disabilities obtain employment. (SABHRS 06040)

Unemployment Insurance Benefits

Permanent // Statutory

Unemployment Insurance Benefits, as governed by §39-51-4, MCA, is administered by the Department of Labor & Industry and paid from this fund to eligible recipients. The program stabilizes the local and state economy by preventing a sharp drop in consumer spending during periods of unemployment. (SABHRS 06069)

Uninsured Employers

Permanent // Statutory

Uninsured Employers Fund, as governed by §39-71-5, MCA, is administered by the Department of Labor & Industry and provides benefits to employees injured on the job while working for an uninsured employer. (SABHRS 02941)

## **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.

SABHRS – Statewide Accounting, Budgeting, and Human Resource System.

Statutory – Fund created via Montana Code or Montana Constitution.

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

MCA – Montana Code Annotated.