Annual Report 2006

Fiscal Year July 1, 2005 through June 30, 2006
"The Stand"

Nancy Taylor, wife of Department of Lands Forester Mark Lesko and resident of Potlatch, Idaho, found inspiration for an art project in an old well-worn pair of her husband’s work boots.

We are proud of our employees and their families and wish to recognize Nancy’s artistic contribution to our forestry heritage.

“I saw the sculpture as a marriage between the ideas of a family making a living on the land, and also doing what’s right for the land. It represents people rooted to the land in a struggle to balance social, economic and environmental forces.”

Artist Nancy Taylor

“Conservation means the wise use of the earth and its resources for the lasting good of men.” — Gifford Pinchot
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   Map Created by Mary Hodges Alleman, GIS Specialist

Lincoln Mine miners, Pearl, Idaho (date unknown)
   Courtesy Idaho State Historical Society
Idaho Department of Lands

Financial and Departmental Data for FY 2005
July 1, 2005 to June 30, 2006

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This year’s annual report is dedicated to all the people who have managed Idaho’s natural resources over the last 126 years. From the State Board of Land Commissioners, who provide direction and vision, to all the faithful public employees who have tended the land — our history is rich!

Since its establishment, the Department of Lands has led Idaho in the stewardship and protection of our State’s natural resources. We are the lead agency in wildland fire fighting. We administer statutes related to lake protection, mine reclamation, forest practices and forest fuels abatement. We manage state-owned trust lands, and we provide support for each other in conducting all these vitally important activities. No matter which program you look at, ours is an exciting, important and fulfilling mission.

Most notably, this past year was a landmark in the Department’s management of endowment resources. For the first time in history over a billion dollars has been “banked” in the permanent fund. Not only has the Department been instrumental in this success, but over the years the endowment beneficiaries have also received regular and substantial financial support from our stewardship of the land. This accomplishment is no small potatoes!

While the past has been good, the future is brighter. There are more options for wise management of endowment land assets than ever before. The challenge for us is to take advantage of the burgeoning opportunities and position the Department to meet the future. This challenge makes the Department of Lands an exciting place to work and grow.

On behalf of all the dedicated employees and public officials who have contributed to our success, it is with great pleasure I present the 2006 Annual Report of the Department of Lands.

Esto perpetua!
The Idaho State Board of Land Commissioners

Dirk Kempthorne
Governor and
President of the Board

Ben Ysursa
Secretary of State

Lawrence Wasden
Attorney General

Keith Johnson
State Controller

Marilyn Howard
Superintendent of Public Instruction

Winston Wiggins
Secretary to the Board
The State Board of Land Commissioners...

In order to effectively manage the endowment lands and funds, Article IX of the Idaho Constitution established the State Board of Land Commissioners, consisting of Idaho’s Governor, Secretary of State, Attorney General and Superintendent of Public Instruction. The State Auditor (now called State Controller) was added in 1910. The Land Commissioners, acting in the capacity of trustees on behalf of the beneficiary schools and other institutions, were given the responsibility under Article IX, Section 8 of the Constitution (as amended) to manage endowment lands “...in such manner as will secure the maximum long term financial return to the institution to which granted...” In addition to this charge, the Constitution also established a permanent endowment fund, the principal of which “...shall forever remain inviolate and intact...,” and the interest from which must be used for the maintenance of the public beneficiaries of the State.

Beneficiaries: Public Schools, the Agricultural College Fund (University of Idaho), Charitable Institutions Fund (Idaho State University, Industrial Training School, State Hospital North, Idaho Veterans Homes and the School for the Deaf and Blind), Normal School Fund (Idaho State University Department of Education and Lewis-Clark State College), the Penitentiary Fund, the School of Science Fund (University of Idaho), State Hospital South Fund, the University Fund (University of Idaho) and the Capitol Commission.

The dedicated employees of the Idaho Department of Lands work to implement the management directives as handed down by the Idaho Constitution and the State Board of Land Commissioners. Of the 3.65 million acres originally received, endowment lands currently total nearly 2.5 million acres, including 780,000 acres of commercial timberland and about three million acres of mineral estate. In addition, the Department of Lands, having been assigned additional duties over the years by the State Legislature, now serves as the host agency to the Idaho Board of Scaling Practices, the Clearwater-Potlatch Timber Protective Association and the Southern Idaho Timber Protective Association. — Reference: www.idl.idaho.gov/overview.htm
1891 State Board of Land Commissioners

Members of the 1st Land Board

Norman B. Willey
Governor

J. Pinkham
Secretary of State

J. E. Harroun
Superintendent of Public Instruction

Frank A. Fenn (Land Selector) was the first employee of what is now the Idaho Department of Lands. — Photo taken 1891 provided courtesy of the Idaho State Historical Society
DEED RECORD.

STATE OF IDAHO.

To all to whom these Presents shall come, Greeting:

Whereas, on the Fortieth day of November, 1891,
all that tract or parcel of land of the State of Idaho, hereinafter mentioned and particularly described, was sold in the manner provided by law to A. J. Blaine

for the aggregate price of Three Hundred and Twenty-five DOLLARS.

AND WHEREAS, the said sum of Three Hundred and Twenty-five DOLLARS has been fully paid to the proper receiving officer for the State of Idaho, by A. J. Blaine

as shown by the records in the office of the State Board of Land Commissioners,

the said sum being the whole amount of the purchase price for the said tract or parcel of land hereinafter described

NOW, KNOW YE, that the said State of Idaho, in pursuance of law in such case made and provided, and in consideration of the premises aforesaid, and of the aforesaid sum of Three Hundred and Twenty-five DOLLARS to the said State of Idaho paid, hath by these presents GRANT, BARGAIN, SELL, CONVEY, AND CONFIRM, in fee, unto the said A. J. Blaine, his heirs and assigns, all the said tract and parcel of land situated in the County of Ada and State of Idaho, and described as follows, to wit:

Lot Number Twenty-three (3) in Section Eleven (11) of Township Nine (9), Range Twenty-three (23), East, in the First Division embracing the premises hereinafter described by the plat of survey of said section now or hereinafter recorded in the office of the Secretary of State of Idaho,

TO HAVE AND TO HOLD the said premises and parcel of land aforesaid, with the appurtenances thereunto, onto the said A. J. Blaine, his heirs and assigns in fee simple forever.

In Witness Whereof, I, the Governor of the State of Idaho, have hereunto signed my name and caused the Great Seal of the State to be hereunto affixed this day of December, 1891.

By the Governor: 

Secretary of State.

Attorn: 

Secretary State Board of Land Commissioners.

Idaho's First Land Deed Record - 1891
Our Mission — We manage endowment trust lands to maximize long-term financial returns to the beneficiary institutions and provide protection to Idaho’s natural resources.

Our Vision — We will be the leader in natural resource management in Idaho by empowering our employees to make decisions, rewarding their creativity and providing them with the resources necessary to achieve our Mission.
We manage Endowment Lands for the future of Idaho …

When Idaho was admitted to the Union as the 43rd state in 1890, it was granted approximately 3,672,000 acres of land for the support of state institutions. The land was granted under the condition that it be managed in perpetuity as a trust for the beneficiary institutions. This mandate was codified in Article IX Section 8 of the Idaho Constitution, which states that the lands are to be managed, “...in such manner as will secure the maximum long term financial return to the institution to which granted.” Chief among the beneficiaries are the public schools which received two sections of every township in the state (1/18 of the total land base). Other institutions include the University of Idaho, the Agricultural College, the Normal Schools, Penitentiary, Charitable Institutions, State Hospital South, School of Science and Public Buildings (now Capitol).

Management activities on state endowment trust land are not intended to benefit the general public, but are directed solely to the good of the beneficiaries of the original land grants. Money generated from the management of these lands is deposited into the earnings reserve fund from which the costs of management and payments to the beneficiaries are made. Revenue from mineral royalties is deposited into the permanent endowment fund. Both the earnings reserve and permanent fund are invested by the Endowment Fund Investment Board. The investment return is distributed to the beneficiaries. Land sale revenue is deposited into the land bank and is available to purchase other land. If not expended for that purpose within five years, the land sale revenue is deposited into the permanent fund.

Management of endowment trust lands is entrusted to the State Board of Land Commissioners consisting of the Governor, Secretary of State, State Controller, Attorney General and Superintendent of Public Instruction. The Idaho Department of Lands is the administrative arm of the Board and carries out the executive directives of the Board to meet the constitutional trust mandate.

... and protect Idaho’s Natural Resources

The Department has been charged by the Idaho Legislature with administering several programs designed to protect the natural resources so vital to the well-being of Idaho citizens. These include:

— The Idaho Forest Practices Act which regulates forest management activities on state, private and federal land to ensure continued productivity and protection of soil, air and water quality.
— The Lake Protection Act which regulates encroachments, such as marinas and docks, over and upon the beds of navigable waters.
— The Mined Land Reclamation Act which regulates the reclamation of lands impacted by mining activities.
— The Placer Mining Act which regulates mining activities below the high water mark of navigable waters.
— The Hazard Reduction law which ensures the mitigation of fire hazard associated with timber harvest.
— The Idaho Forestry law which provides for the effective and efficient suppression of wildfires.

The Department also delivers landowner and community assistance programs designed to advance sound resource management. These include, among others, the Forest Stewardship Program, the Community and Urban Forestry Program, the Forest Health Initiative and the National Fire Plan.
Forestry & Fire

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Fire Management - Coeur d’Alene Helitack

Private Forestry Specialist

Tree Planting

Fire Management
The Forestry and Fire Division consists of the Forest Management, Forestry Assistance and Fire Management Bureaus. These Bureaus, and the office of the Assistant Director of Forestry & Fire, are located in the Department’s Coeur d’Alene staff office.

The Forest Management Bureau provides statewide policy direction, technical guidance and oversight in the utilization, improvement and protection of the renewable forest resources on endowment trust lands. In addition, the Forest Management Bureau supervises the measurement of forest products harvested as part of the Department’s annual timber sale program, as well as the accounting for the receipt of associated payments.

The Forestry Assistance Bureau, staffed by specialists in the fields of forest management, urban forestry, entomology, pathology, fisheries biology, hydrology and geotechnical engineering, provides technical assistance to the Department, other government agencies and private forestland owners. It administers the delivery of programs designed to assist landowners in the responsible management of forest resources, including the Forest Stewardship Program, a cooperative federal-state effort to improve the condition and productivity of Idaho’s non-industrial, privately-owned forestlands, and the Urban and Community Forestry program, which provides technical and financial assistance to develop and improve tree cover in Idaho communities. The Bureau also oversees policy administration of the Idaho Forest Practices Act, which regulates forest practice operations in Idaho.

The Fire Management Bureau provides policy direction and oversight for the prevention, preparedness and suppression of wildland fires on over six million acres of public and private forest and rangelands across Idaho. To support these functions, the Bureau maintains a large warehouse of fire materials available for dispatch to fires throughout the region, and a fully equipped shop devoted to the fabrication and repair of fire response equipment. The Bureau also administers regulations governing the reduction of fire hazards associated with the harvest of forest products on all lands in the state.
Lands, Minerals, Range

Grazing/Cropland

Minerals - (Pictured: North Star Mine)

Navigable Waters and Cottage Sites

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Mike Murphy
Chief
Bureau of Surface and
Mineral Resources
The Lands, Minerals & Range Division consists of the Real Estate and Surface and Mineral Resources Bureaus. These Bureaus, and the office of the Assistant Director for the Lands, Minerals and Range Division, are located in the Department’s headquarters office in Boise.

The Real Estate Bureau is responsible for coordinating the acquisition and disposal of trust lands through sales and exchanges. It maintains title records to all endowment lands and acquires rights-of-way to access these lands. It also issues easements and temporary permits for roads, pipelines, reservoirs and other surface encumbrances and processes disclaimers of interest.

The Surface and Mineral Resources Bureau provides statewide policy direction, technical guidance and oversight for the development and extraction of minerals and industrial materials, such as sand, gravel and rock, and the management of agricultural, grazing, recreational and other surface leasing activities on endowment trust lands and mineral estate. It also directs the leasing of commercial properties owned by the trusts. The Bureau administers the Surface Mining and Placer Mining Acts, which ensure proper reclamation and water quality protection measures on mining operations, and the Lake Protection Act, which regulates encroachments such as docks on lakes and reservoirs. and other activities located over the beds of navigable lakes and rivers (public trust lands).
**Support Services**

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**Jon Pope,** Chief  
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Critical functions that support the overall activities of the Department are housed in the Department headquarters in Boise. These include Fiscal, Human Resources, Management Information Systems and Legal.

**Legal**

Legal services are provided by the Office of the Attorney General. Two Deputy Attorneys General are housed in the Boise Headquarters and have primary responsibility for providing legal advice, initiating legal action to support Department actions and defending Department actions in court, as necessary. In addition, Deputies housed in the Attorney General’s office provide assistance on a case-by-case basis.

**Human Resources**

Human Resource functions are provided by a team of specialists in the Division of Human Resources (DHR) under a Memorandum of Understanding between the Department and DHR. Payroll, recruitment and record keeping functions are performed by personnel in the Director’s office.

**Management Information Systems**

The Management Information Systems Bureau houses the Information Technology and Geographic Information Systems critical to the success of the Department. Personnel in this Bureau support the Department computer network, software and hardware and maintain land ownership records and databases to assist in planning and implementing management strategies of lands and resources within departmental control. They also maintain a website providing access to land records, state facilities, noxious weeds and digital maps.
2006 Employees of the Year

Eric Wilson and Thom Hawkins were honored as Employees of the Year in recognition of their Teamwork, Innovation, Communication, Individual Initiative, Leadership and Quality Contributions to the Department of Lands.

We are grateful to all of our employees for their hard work and dedication.
Northern Operations

Delivery of endowment-related and regulatory Department services north of the Clearwater River is provided by seven field offices overseen by the Operations Chief, North, who is located in the Department staff office in Coeur d’Alene. The 79 permanent personnel in these offices, assisted by more than 100 seasonal employees, oversee activities on an area with approximately 523,000 acres of endowment trust land. This operational area is the center of the Department timber program with some of the most productive timber land in the inland northwest. The annual timber sale program is 113 million board feet. In addition these offices administer grazing leases covering 66,000 acres, 48 mineral leases, 354 cottage site leases and 45 miscellaneous leases.

Regulatory functions in the northern operations area include seven fire response districts covering nearly 3,000,000 acres of state, private and federal forest land, issuance of approximately 3,150 forest practices notifications each year and oversight of 8,745 lake and river encroachment permits.

St. Joe Supervisory Area Office, St. Maries
Southern Operations

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Delivery of endowment-related and regulatory Department services south of the Clearwater River is provided by seven field offices overseen by the Operations Chief, South, who is located in the Director’s office in Boise. The 73 permanent personnel, assisted by a similar number of seasonal employees, oversee activities on an area with approximately 1,943,000 acres of endowment trust land. Most grazing leases are located in the southern operational areas with 1,123 grazing leases and 79 cropland leases covering nearly 1,854,000 acres. In addition, these offices provide an annual timber sale program of 89 million board feet, administer 128 mineral leases, 1,016 reclamation plans, 168 cottage site leases and 161 miscellaneous leases. Large deposits of phosphate ore are located on trust land in the eastern part of the state and significant revenue is generated each year from the mining of this commodity.

Regulatory functions in the southern operations area include forest protection on 1,146,000 acres of state, private and federal land, approximately 690 forest practices notifications each year and nearly 1,000 lake and river encroachment permits.

Clearwater Supervisory Area Office, Orofino
Board of Scaling Practices

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Ernie Bauer
Executive Director
ebauer@idl.idaho.gov

Idaho Board of Scaling Practices
Mission Statement
Idaho Board of Scaling Practices ensures Professional Quality in Log Scaling for the Benefit of All Parties with Timber Interests

The State Board of Scaling Practices is an independent agency attached to the Department of Lands for administrative purposes. The primary purpose of the Board is to enforce log scaling (measurement) standards prescribed by statute and regulations. In order to accomplish this, the Board tests and licenses scaling practitioners and subjects them to routine, unannounced checks to assure proficiency. Statues also assign the Board with the duties of log brand registration and the disposition of prize (abandoned) logs.

The Scaling Board consists of members who represent industry, logging and private landowner interests. Members are appointed by the Governor. By law, the Director of the Department of Lands serves as chairman. An Executive Director and staff, headquartered in IDL’s Coeur d’Alene staff office, carry out the directives of the Board. Funding comes primarily from an assessment levied on the scale of forest products harvested within the state and from licensing and brand registration fees.

Professional log scalers at the Spring 2006 log scaling workshop
The Southern Idaho Timber Protective Association (SITPA), formed in 1904, and the Clearwater-Potlatch Timber Protective Association (CPTPA), which dates from 1905, are associations of land owners who band together to provide wildfire protection under Idaho Code. Together these organizations provide fire prevention, detection and suppression on over 1,370,000 acres. They also administer Idaho's Hazard Reduction law within their jurisdiction under agreement with the Department.

SITPA, headquartered in McCall, and CPTPA, headquartered in Orofino, are governed by individual Boards and employ staff to carry out Association responsibilities. The Department is represented on both boards. Association budgets are submitted as part of the Department of Lands budget, are approved by the State Board of Land Commissioners and are subject to legislative appropriation.

SITPA and CPTPA are integral members of Idaho's wildfire response team.

In 2005 CPTPA and SITPA celebrated over 100 years of Cooperative Fire Protection.

In 2005 CPTPA and SITPA celebrated over 100 years of Cooperative Fire Protection.

SITPA and CPTPA are integral members of Idaho's wildfire response team.
Land Board Park — The Jordan Tree - 2005
Floodwood State Park — St. Joe Supervisory Area

2005 - (l to r) Ron Litz, Assistant Director-Forestry and Fire, Keith Johnson, State Controller and Winston Wiggins, Director, Department of Lands
LAND BOARD PARK — THE JORDAN TREE - 1953
FLOODWOOD STATE PARK — ST. JOE SUPERVISORY AREA

The Jordan Tree – Idaho’s largest tree. (16’6” dbh in 1953)
Western Red Cedar
Earle Ploude – Assistant State Forester,
A. B. Curtis – Chief Warden, CTPA-PTPA,
John McDonnel – USFS
FY 2006 Highlights & Financial Data

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• Forest Management - p. 27

• Forestry Assistance - p. 28, 29

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• Endowment Land Status (Acres) - p. 33
### Accounts & Funding

#### Revenue and Expenditures by Fund Type FY 2006

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Revenue</th>
<th>Expenditures</th>
</tr>
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<tbody>
<tr>
<td>General Fund</td>
<td>330,193</td>
<td>4,893,708.12</td>
</tr>
<tr>
<td>Misc Pass Through Funds</td>
<td>709,771</td>
<td>4,331.07</td>
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<tr>
<td>Dedicated Land Funds</td>
<td></td>
<td></td>
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<tr>
<td>Forest Resources</td>
<td>2,700,894</td>
<td>2,494,386.01</td>
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<tr>
<td>Lands, Minerals, Range</td>
<td>141,468</td>
<td>34,488.65</td>
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<tr>
<td>Fire Management</td>
<td>3,852,136</td>
<td>3,339,629.90</td>
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<td>Board of Scaling</td>
<td>218,737</td>
<td>167,101.72</td>
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<td>Support Services</td>
<td>10,113</td>
<td>520,659.72</td>
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<tr>
<td>Indirect Cost Recovery</td>
<td>519,735</td>
<td>242,304.22</td>
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<tr>
<td>Community Forestry Trust</td>
<td>8,339</td>
<td>10,200.05</td>
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<tr>
<td>Land Bank</td>
<td>3,138,571</td>
<td>0.00</td>
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<tr>
<td>Total Dedicated Funds</td>
<td>10,589,992</td>
<td>6,808,770.27</td>
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<tr>
<td>Fire Suppression</td>
<td>2,326,876</td>
<td>9,340,988.31</td>
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<tr>
<td>Federal Funds</td>
<td>9,373,346</td>
<td>9,161,968.17</td>
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<tr>
<td>Endowment Funds</td>
<td></td>
<td></td>
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<tr>
<td>Earnings Reserve</td>
<td>60,286,549</td>
<td>15,319,951.44</td>
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<tr>
<td>Permanent</td>
<td>5,703,658</td>
<td>0.00</td>
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<tr>
<td>Total Endowment Funds</td>
<td>65,990,207</td>
<td>15,319,951.44</td>
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<tr>
<td></td>
<td>89,320,385</td>
<td>45,529,717.38</td>
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<tr>
<td>Charitable</td>
<td>Institutions</td>
<td>State Hospital</td>
</tr>
<tr>
<td>------------</td>
<td>--------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Direct Program Expense</td>
<td>10,025,265</td>
<td>1,148,243</td>
</tr>
<tr>
<td>Program Margin</td>
<td>35,243,905</td>
<td>1,596,781</td>
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</tbody>
</table>

* Direct Program Revenue includes contributions to permanent funds and earnings reserve funds.
Forest Management

Timber Sales

Average Sale Prices

<table>
<thead>
<tr>
<th></th>
<th>FY 2005</th>
<th>FY 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sawlogs</td>
<td>$ 297.21 / MBF$</td>
<td>$ 279.69 / MBF $</td>
</tr>
<tr>
<td>Cedar Poles</td>
<td>$ 4.22 / LF$</td>
<td>$ 6.91 / LF$</td>
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</tbody>
</table>

Timber Harvest

<table>
<thead>
<tr>
<th>Area</th>
<th>Sawlogs (MBF)</th>
<th>Cedar Poles (LF)</th>
<th>Cedar Products (MBF)</th>
<th>Pulp (MBF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priest Lake</td>
<td>17,848</td>
<td>56,970</td>
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<td>Eastern Idaho</td>
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<td><strong>Total</strong></td>
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<td><strong>754,240</strong></td>
<td><strong>4,043</strong></td>
<td><strong>13,071</strong></td>
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</table>

**Total Harvest Income for FY 2006: $59,504,509.**

At the end of FY 2006, the Department held 169 timber sale contracts with a remaining estimated volume to be harvested of 347,644 MBF, valued at $82,950,478. Compared to a year earlier, this is an increase of 38,916 MBF in volume and an increase of $22,897,384 in value.

Money from harvest is deposited into the earnings reserve fund.

1 Thousand Board Feet
2 Lineal Foot
Forestry Assistance

Landowner & Community Assistance

Forest Stewardship Program (Includes Forest Legacy)
- 1,503 forest landowner requested assists
- 486 forest landowner participants at 29 stewardship workshops
- 272 participants at two forest landowner conferences
- 41 forest landowner cost-share assistance projects
- 44 new Landowner Forest Stewardship Plans (LFSP) produced; 11 LFSP revised
- 87 reinspected Landowner Forest Stewardship Plans
- 28,753 acres of Conservation Easement purchased through Forest Legacy funding

Forest Health Protection
- 8 pest detection/evaluation surveys covering 5.8 million acres
- 28 identification and control training sessions with 1,103 participants
- 357 responses to requests for forest health protection information
- Partnership with the USFS using Prevention/Restoration funds to treat 1,180 acres
  of private ownerships in Custer and Lemhi Counties, and 600 acres of state endowment
  lands for management of various forest health problems.

Community & Urban Forestry (includes Conservation Education)
- $517,207 of local matching support generated through Federal & State funding
- 71 Tree Cities USA, a seven-fold increase in the past ten years; 23 Tree Cities also received a tree City USA
  Growth Award - a new high for Idaho!
- Partnerships with the Idaho Department of Transportation and nine Resource Conservation &
  Development Councils to extend local level assistance
- 92 community forestry assistance contacts (i.e., different cities assisted)
- 25 workshops (planting, pruning, tree inventory, chainsaw safety and other topics)
- Presentations at county fairs, schools and community celebrations

Forest Practices Act (FPA)

FPA Administration
- 2,600 inspections of forest practice operations; 96% rate of compliance
- 7 Logger Education to Advance Professionalism (LEAP) training sessions with 311 participants.
  5 sessions were LEAP updates with “FPA For-A-Day” emphasis.

Cumulative Watershed Effects (CWE)
- The Cumulative Watershed Effects analysis process was put up for bid in 2006. Terragraphics
  Environmental Engineering, Inc. was awarded the contract and is currently conducting twenty-three new
  watershed assessments in the Lower Salmon River Basin. Future CWE efforts will be focused on reassessing
  watersheds where Total Maximum Daily Loads (TMDL) implementation plans have been developed using
  initial CWE assessment results allowing the Department to track changes in specific watersheds over time.
Idaho’s first showcase Fuels for Schools project held its grand opening at the Council High School in September 2005. The Council biomass heating system is operational, heats five school buildings and the school is planning to add a greenhouse, made possible by a Rural Advisory Committee grant. The system is unique in that it combines biomass fueled heating with heat pumps to also provide cooling. Engineers estimate the Council schools will save about one million dollars in fuel costs over the next twenty years. A $510,000 Grant helped cover the cost of the $1.2 million biomass heating system.

Utilizing a $310,000 grant, the City of Kellogg broke ground on a biomass heating system at their school system in August. Expected to be operational in late 2006, this system will heat two Kellogg school buildings.

Preliminary engineering surveys are in progress for a school, a hospital and a prison complex in Orofino and a county building complex in Bonners Ferry.

(above) The Kellogg School District receives $381,000 for the District’s biomass heating program. [Pictured l to r: Byron Morgan, Kellogg School Board Chairman; Greg Godwin, Kellogg Superintendent; Randy Swick, USDA FS District Ranger; David Stephenson, Idaho Department of Lands Community Forestry Coordinator]

(left) Murray Dalgleish, Council School District Superintendent, inspects wood chips entering the boiler of the Council Fuels for Schools project.
**Lands, Minerals, Range**

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**Range & Cropland Leasing**

**Grazing Program**
- 1,238 grazing leases
- 1,738,695.46 acres under grazing lease
- 258,354.70 Animal Unit Months (AUMs)

**Cropland Program**
- 78 Cropland Leases
- 41,529.96 acres under cropland lease

---

**Mineral Leasing**

- 190 Mineral Leases
- 10 Geothermal Resource Leases
- 87 Oil and Gas Leases
- 24 Mining Locations
- 27 Temporary Mineral Permits
- 1,377 Surface Mining Plans
- 25 Placer Mining Permits

Revenue generated from minerals: (figures based on total revenue and not revenue after administrative costs removed)

- 30% phosphates
- 60% sand and gravel
- 10% building stone, gemstones and miscellaneous mineral commodities

---

**Cottage Sites & Navigable Waters**

- 523 cottage sites (Priest Lake 354; Payette Lake 169)
- 169 submerged land leases (marinas, etc.)
- Approximately 9,000 commercial and non-commercial encroachment permits (docks, etc.)
- 400-500 encroachment applications annually

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**Commercial Property**

- 177,111 square feet of commercial property under management
- 90.4% occupancy
- 208 cabin, recreational, outfitter and guide leases
- 65 communication site leases

---

**Real Estate Transactions**

- 31 easements; 111 temporary permits
- 3 easements to improve access to endowment land; 7 to protect public recreational access to navigable rivers
- 14 disclaimers of interest for former state-owned riverbed land
- 5 land sales (106.11 acres for $3,026,100)
  
  This includes a seven-acre surplus sale for the Idaho Military Division that sold for $23,100.
2005 FIRE SEASON SUMMARY

Even under the effects of a multiple-year drought, the 2005 fire season was below average in terms of fire occurrence. On lands for which the Idaho Department of Lands, Clearwater-Potlatch Timber Protective Association and Southern Idaho Timber Protective Association provide wildland fire protection, fire fighters responded to 228 fires (55 percent of average). These fires burned 10,868 acres, which is 117% of average. Quick response by dedicated teams of firefighters kept 91% of these fires below 10 acres.

2005 saw two fires exceed 100 acres. Both of these fires were on the Craig Mountain District and one each was on the Maggie Creek and Kootenai Valley FPDs. These four fires totaled 10,123 acres, which is 93% of the total acreage burned in the year. The cost of suppressing these fires was $9,549,593. Suppression costs for the year totaled $10,801,375.¹

## CAUSES BY DISTRICT

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>TOTAL</th>
<th>LIGHTNING</th>
<th>DEBRIS BURNING</th>
<th>MISC</th>
<th>CAMPFIRE</th>
<th>EQUIP USE</th>
<th>ARSON</th>
<th>RAIL ROAD</th>
<th>SMOKING</th>
<th>CHILDREN</th>
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¹The fire season begins in late spring so does not coincide with the fiscal year. As a result, figures on this page may not agree with fiscal year figures elsewhere in this report.
Board of Scaling Practices

Enforcement of Log Scaling Regulations

167 licensed scalers
116 check scales performed
3 log scaling workshops
427 registered log brands

Scaling License Exam Results

2 scaling license examinations offered
40 exams taken
  19 passed
  21 failed

Revenue

Total Revenue Generated: $218,737
Total Expenditures: $167,102
Ending free-fund balance: $143,795
## Endowment Land Status (Acres)

*As of June 30, 2006*

<table>
<thead>
<tr>
<th>ENDOWMENT</th>
<th>PRIMARY FOREST LAND</th>
<th>SECONDARY FOREST LAND</th>
<th>NON-FORESTED LAND</th>
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<td><strong>TOTAL</strong></td>
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<td><strong>190,980</strong></td>
<td><strong>1,425,610</strong></td>
<td><strong>2,460,261</strong></td>
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</table>
Remembering those who paved the way ...

Look closely at the faces of those who have come before us. Study the lines and furrows on their brow. They are our history. Let not their lives be lived in vain. Learn from them. — Anonymous

Mining Photos — Rocky Bar (top); Quartsburg (bottom) — photos courtesy of the Idaho State Historical Society
This map shows the boundaries for IDL supervisory area offices along with the city where each office is located.