



Fiscal Year 2016 a positive year for Idaho's state endowments

July 29, 2016

(BOISE) - The Idaho Department of Lands (IDL) ended Fiscal Year 2016 (FY16) with strong performances in endowment land management.

Revenue generating activities on endowment lands coupled with proceeds from cottage site sales that occurred during FY16 amounted to approximately **\$120 million**.

FY16 gross land revenues were approximately \$74 million, of which \$62.8 million came from timber sales and other uses on IDL timberland. In addition, the sale of cottage sites - the lots located on the shores and upland of Priest Lake in northern Idaho and Payette Lake in west central Idaho - during FY16 resulted in approximately \$45.8 million in proceeds*.

The revenue and proceeds are either reinvested in land or deposited into trust funds, both of which provide long-term support to Idaho's **public school system, higher education, state hospitals** for the mentally ill, state **veterans homes**, the **Capitol building, Idaho School for the Deaf and Blind**, and **Idaho's juvenile corrections system and prison system**.

The Idaho Endowment Fund Investment Board manages the investment of land revenues. The Endowment Fund incurred a slight 0.2 percent loss in FY16. **Assets are close to \$1.8 billion**. The fund's average annual gross return has been 7.1 percent over the last five years and 6.7 percent over the last 10 years.

More than 2.4 million acres of endowment lands in Idaho along with the funds they generate are overseen by the State Board of Land Commissioners (Land Board), which is comprised of Idaho's governor, attorney general, secretary of state, state controller, and superintendent of public instruction.

**Approximately \$19 million of the \$45.8 million from the sale of cottage sites during FY16 will be collected in FY17, due to the timing of closings.*

Endowment Land Management Highlights in FY16

Forest Management

FY16 timber harvests totaled **259 million board feet** worth approximately **\$61.6 million**. The receipts were slightly above the average annual receipts for the previous five years but below fiscal years 2015 and 2014. Prices were up, but FY16 harvest volumes fell below each of the previous five year totals because harvesting was limited due to fire restrictions in the summer and warm, wet ground conditions during the winter.



Cottage Site Auctions

IDL sold **102 cottage sites** - 82 lots at Priest Lake and 20 lots at Payette Lake - during FY16 for approximately **\$45.8 million**.* Since 2011, 228 cottage site lots have sold - 141 lots at Priest Lake and 87 lots at Payette Lake - for a total of approximately \$97.7 million. Nearly all lots at both lakes are expected to be sold by the end of 2019.

**Approximately \$19 million of the \$45.8 million from the sale of cottage sites during FY16 will be collected in FY17, due to the timing of closings.*

Strategic Reinvestment

The Land Board approved a plan to ensure all remaining lessees of residential cottage sites at Priest Lake and Payette Lake have the option to participate in auctions of the lots they lease before the end of 2019. The Land Board also approved business plans that recommend the sale of most commercial real estate properties managed by IDL as early as the end of 2017.

The Land Board voted to consider using proceeds from the sale of commercial buildings and cottage sites - which could be **close to \$157 million** over the next few years - to

prudently purchase more timberland and farmland, if attractive investment opportunities arise. [Read more.](#)



Other FY16 Highlights



Fire

The calendar year 2015 fire season was one of the biggest fire seasons on record. IDL suppressed 321 fires that burned 78,571 acres in areas protected by IDL, nearly four times the 20-year average. Total fire season costs exceeded \$78 million.

Good Neighbor Authority

IDL is helping to increase the pace and scale of forest and watershed restoration activities on federal forests in Idaho through Good Neighbor Authority (GNA). The Legislature approved a budget enhancement that enables IDL to (1) hire three positions and purchase necessary equipment and supplies to implement GNA projects in Idaho; and (2) contract with professional foresters to conduct surveys and stand exams and perform timber sale preparation and administration through GNA agreements. All partners signed a GNA master agreement for Idaho, which will result in projects starting in 2016. [Read more.](#)



NEWS MEDIA CONTACT:

Sharla Arledge, Public Information Officer
208-334-0286 or pio@idl.idaho.gov

STAY CONNECTED:



[SIGN UP TO RECEIVE IDL NEWS](#)