



WORKING LANDS, TRUSTED STEWARDS

2019 ANNUAL REPORT



MESSAGE FROM THE DIRECTOR

Since taking over as Director of the Idaho Department of Lands [IDL] a year ago, I continue to be impressed by the passion and enthusiasm of our employees. The dedication they show for the mission of the agency, the endowment beneficiaries, and for the stewardship of the land is inspiring. We have embraced our vision of “Working Lands, Trusted Stewards,” and I am proud to be a part of this amazing team.

IDL’s endowment mission is unique and distinct, and our duties include:

- Generating revenue for public schools and other trust beneficiaries, while serving as stewards of our natural resources, to ensure endowment lands remain healthy and productive for decades to come;
- Regulating and providing assistance to uphold the protection of our natural resources through implementation of laws such as the Forest Practices Act, the Lake Protection Act, and the Abandoned Mine Reclamation Act;
- Providing fire protection on more than 6 million acres of private, state, and federal lands in Idaho.

These major emphasis areas form the bedrock for IDL’s success. Our mission and the work our employees do daily make a difference for the citizens of Idaho. Even more impressive is that we are now leveraging our expertise to help our federal partners and other stakeholders manage our state’s natural resource landscape. The most prominent example of this is the Good Neighbor Authority [GNA], a program granted under the 2014 Farm Bill.

IDL has worked with the U.S. Forest Service [Forest Service] through GNA for the past four years. We recognize there is a forest health crisis and no one agency can tackle the issue on its own. Using IDL expertise, manpower, and state contracting procedures, we have seen an increase in timber sales on federal lands, prominently in areas threatened by insects and wildfire. In addition to the increase in harvest, GNA is also increasing the pace and scale of restoration of federal forests and rangelands. Revenues generated from timber sales offset costs incurred by the state, and fund additional management activities such as reforestation, environmental planning, habitat improvements, and road and trail maintenance.

Moreover, the Bureau of Land Management [BLM] recently became a GNA partner as well. Working with the BLM and collaborative groups, IDL is assisting in creating fuel breaks, wildlife habitat restoration, and other improvements on BLM rangelands.

We are taking these important partnerships even further with a recently signed agreement to implement “Shared Stewardship” and expand forest treatment areas across ownership boundaries. This year, IDL and the Forest Service chose two large-scale project areas in Idaho where federal, state, and private land management activities will align to reduce wildfire risk to communities, create and sustain jobs, and improve the health of Idaho’s forests and watersheds.

Part of the Shared Stewardship goal is to double the number of acres treated on federal forests in Idaho by 2025. Partners will begin by focusing on the 6.1 million acres that have been federally designated as at risk of loss due to insect and disease infestation. Shared Stewardship will enable us to work together and across a larger landscape to address the problem through the power of partnership.

The success of what we do for the endowments and the success of GNA and Shared Stewardship would not be achievable without the work of IDL employees. Our skilled team of endowment foresters, private forestry specialists, lands resource specialists, wildland firefighters, and our critical support staff is what makes IDL a premier natural resource management agency.

As we move into another year together, we will remain focused on our great mission. This focus is essential to deliver change and improvement on the scale needed within our communities. I thank every employee for their dedication to the mission and for carrying out their duties with pride and professionalism. I am honored to be a part of this team, and I look forward to tackling more challenges and celebrating additional success in the coming year.

DUSTIN T. MILLER | Director

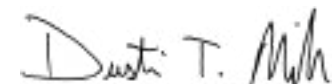


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PHILOSOPHY

OUR VISION

The Idaho Department of Lands will be the premier organization for trust management and resource protection in the western United States.

OUR VALUES

The Idaho Department of Lands believes in...

Stewardship by making decisions and taking actions that positively affect long-term financial returns for the trust beneficiaries and enhance the health and resilience of Idaho's natural resources.

OUR MISSION

To professionally and prudently manage Idaho's endowment assets to maximize long-term financial returns to public schools and other trust beneficiaries and to provide professional assistance to the citizens of Idaho to use, protect and sustain their natural resources.

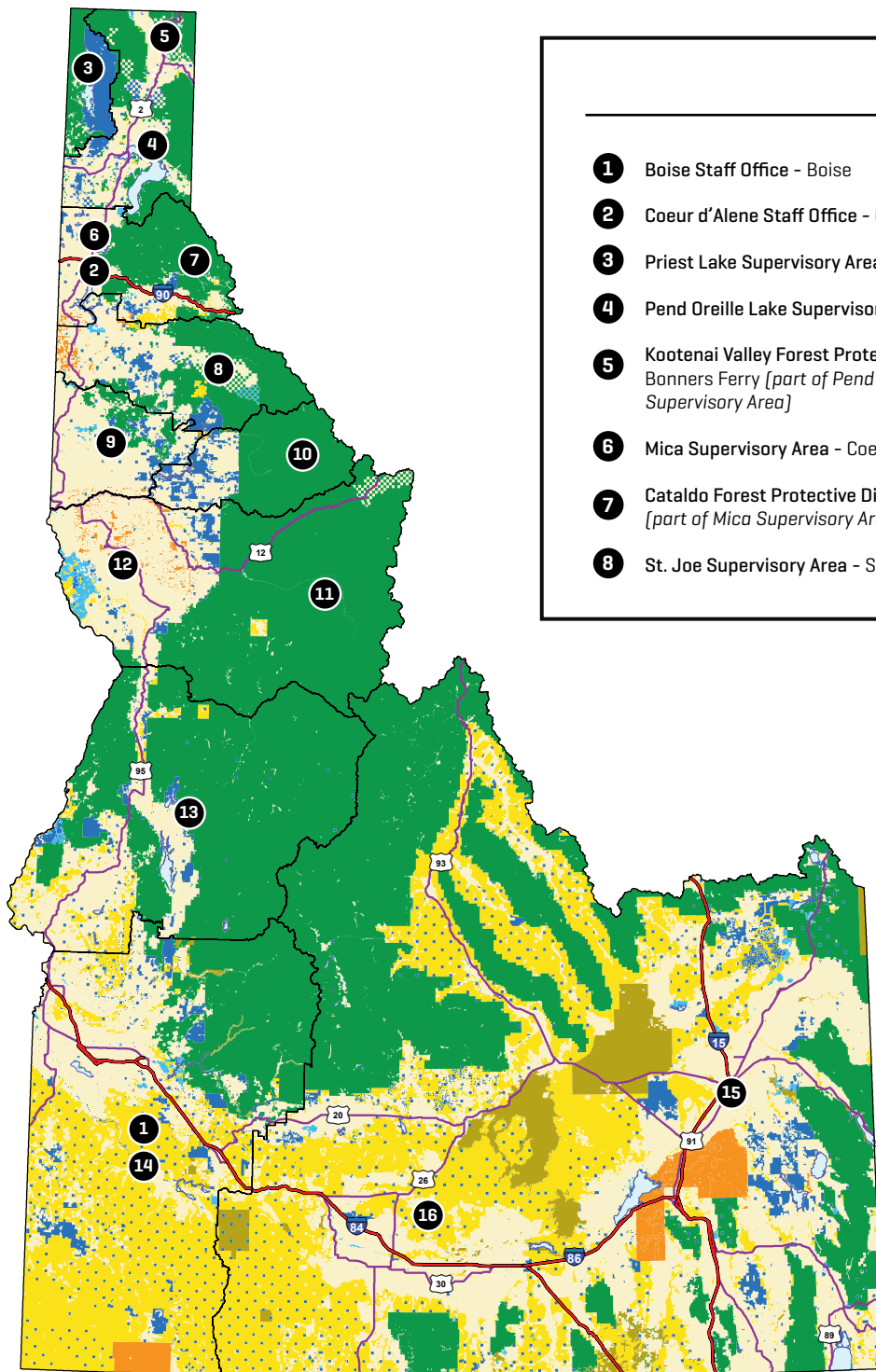
Service by providing exemplary service and delivering programs with professionalism and integrity to both internal and external customers.

Accountability by investing in and having an organizational culture and framework that equips, entrusts, and expects employees to make decisions and get things done.

Cohesiveness by working as a unified organization in which all employees participate in constructive communication to fully meet our mission.

IDL ORGANIZATIONAL STRUCTURE





OFFICE LOCATIONS

- | | |
|---|--|
| 1 Boise Staff Office - Boise | 9 Ponderosa Supervisory Area - Deary |
| 2 Coeur d'Alene Staff Office - Coeur d'Alene | 10 Clearwater Supervisory Area - Orofino |
| 3 Priest Lake Supervisory Area - Coolin | 11 Maggie Creek Supervisory Area - Kamiah |
| 4 Pend Oreille Lake Supervisory Area - Sandpoint | 12 Craig Mountain Forest Protective District -
Craigmont <i>[part of Maggie Creek and
Clearwater Supervisory Areas]</i> |
| 5 Kootenai Valley Forest Protective District -
Bonners Ferry <i>[part of Pend Oreille Lake
Supervisory Area]</i> | 13 Payette Lakes Supervisory Area - McCall |
| 6 Mica Supervisory Area - Coeur d'Alene | 14 Southwest Supervisory Area - Boise |
| 7 Cataldo Forest Protective District - Kingston
<i>[part of Mica Supervisory Area]</i> | 15 Eastern Supervisory Area - Idaho Falls |
| 8 St. Joe Supervisory Area - St. Maries | 16 Jerome Field Office <i>[part of Eastern
Supervisory Area]</i> |

MAJOR LAND OWNERSHIP & BREAKDOWN

OWNERSHIP CATEGORY & ACREAGE *

Forest Service: 38.2%	Bureau of Land Management: 22.1%
Private: 30%	State IDL Endowment Land: 4.6%
Federal Other: 2.9% **	State Other: 0.5% ****
Tribal: 1.7% ***	

TOTAL ACRES IN IDAHO - 53,130,860

OTHER / STATEWIDE HIGHWAYS

Major Lakes	Interstate
IDL Supervisory Areas	US Highway

*Acreages may differ compared to land ownership analyses conducted by other organizations because of differences in spatial projections and how ownership categories are defined. In this analysis, acreages are rounded to the nearest 100 for all categories except State-IDL. Lands located beneath lakes and streams are not included in this analysis. **Includes 11 other classifications of federal land. ***Includes lands managed by U.S. Bureau of Indian Affairs and lands within an Indian Reservation boundary that are managed by a Tribe. ****Includes lands managed by Idaho Department of Fish and Game, Idaho Department of Parks and Recreation, and other State ownership.

IDAHO STATE BOARD OF LAND COMMISSIONERS

The Idaho State Board of Land Commissioners (*Land Board*) consists of Idaho's Governor, Secretary of State, Attorney General, Superintendent of Public Instruction, and State Controller.

In 1890, Idaho became the forty-third state of the Union. At that time, Congress granted millions of acres of land to the new State of Idaho for the sole purpose of funding specified beneficiaries, primarily the state's public schools.

The mandate was included in the Idaho Constitution, which states the lands will be managed "in such a manner as will secure the maximum long-term financial return" to the beneficiary institutions.

The Land Board members are the stewards of state endowment trust lands in Idaho and more than two billion dollars of endowment funds. These land and financial resources generate tens of millions of dollars annually for the trust beneficiaries.

The Idaho Department of Lands and Endowment Fund Investment Board carry out the executive directives of the Land Board to meet its constitutional trust mandate and other duties.

Under the direction of the Land Board, the Idaho Department of Lands also administers Idaho's public trust lands – the lands beneath the beds of Idaho's navigable lakes and rivers – for the benefit of all Idahoans; ensures protection of water quality and other resources by overseeing forest and mining practices; remediates abandoned mine lands; and provides service and assistance to Idahoans through forestry and fire management programs.

The Land Board also oversees the Idaho Board of Scaling Practices, the Clearwater-Potlatch Timber Protective Association, and the Southern Idaho Timber Protective Association.

BRAD LITTLE
GOVERNOR OF IDAHO



LAWRENCE DENNEY
SECRETARY OF STATE



LAWRENCE WADSEN
ATTORNEY GENERAL



SHERRI YBARRA
SUPERINTENDENT OF PUBLIC INSTRUCTION



BRANDON WOOLF
STATE CONTROLLER



DUSTIN MILLER
SECRETARY TO THE BOARD



ENDOWMENT FUND INVESTMENT BOARD

The nine-member Endowment Fund Investment Board (EFIB) manages, on behalf of the Land Board, the investment of a perpetual endowment fund whose original source is land sale proceeds and the reinvestment of income generated by Idaho endowment trust lands. A staff of four people in Boise oversee the fund and outside investment managers. Members of the EFIB are appointed by the Governor and confirmed by the Senate.

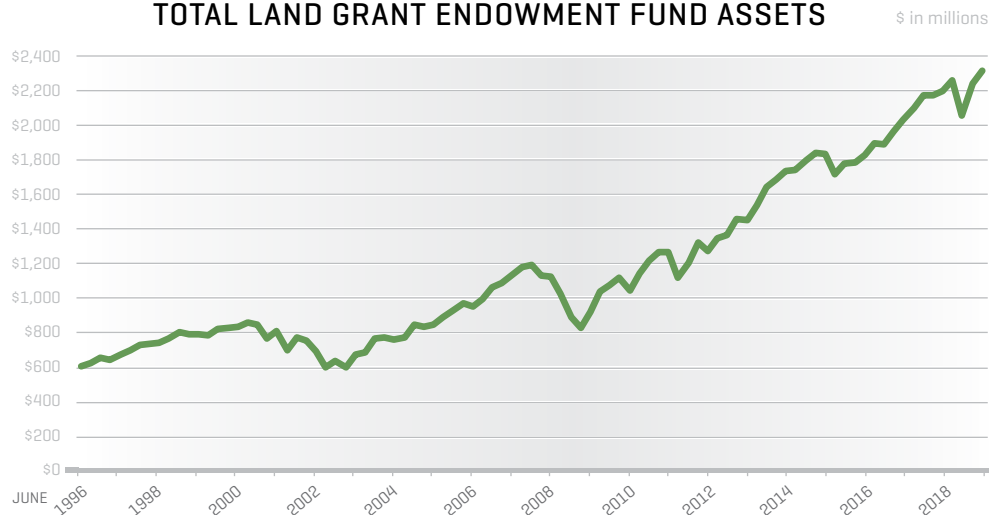
DEAN BUFFINGTON
BOARD CHAIRMAN



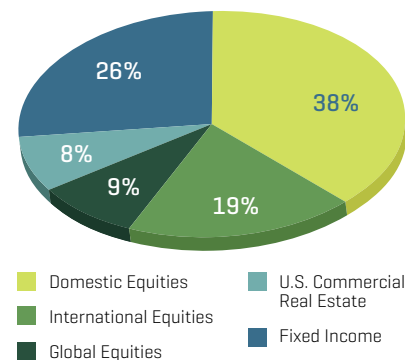
CHRIS J. ANTON
MANAGER OF INVESTMENTS



TOTAL LAND GRANT ENDOWMENT FUND ASSETS



ENDOWMENT FUND ASSET MIX



\$2,324,057,112 = Total Fund Balance
as of June 30, 2019

ENDOWMENT FUND ANNUAL RETURN

10.5%
OVER LAST 10 FISCAL YEARS

7.7% gain in FY19

↑ TOP 8%
RELATIVE TO PEER FUNDS
OVER THE LAST 10 YEARS

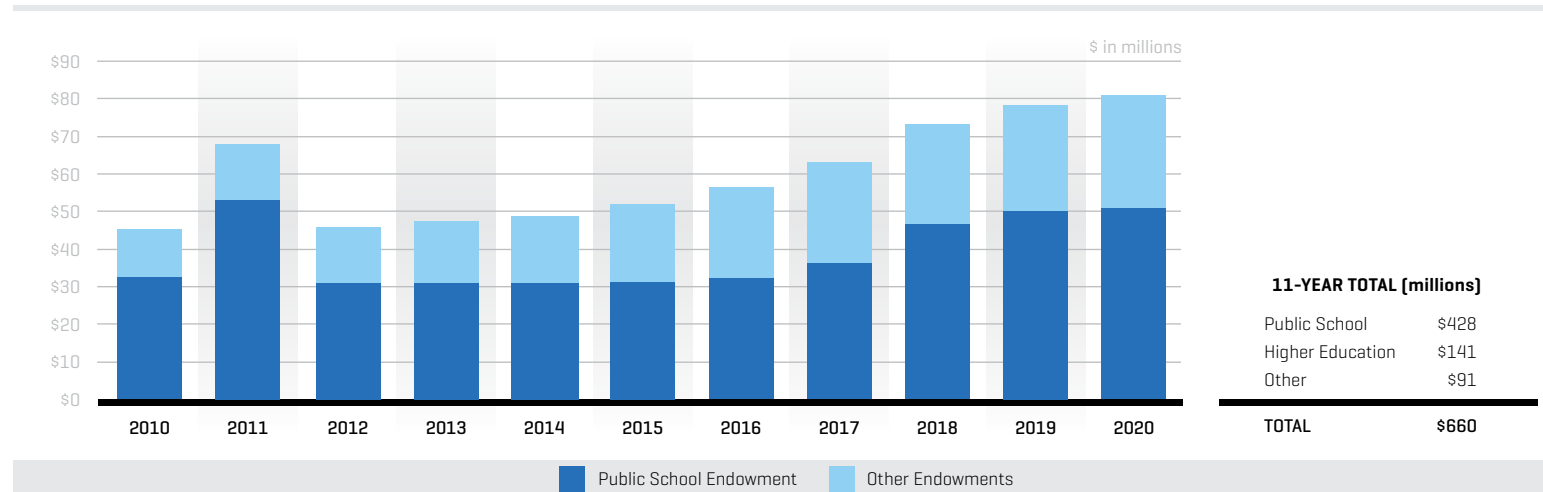
POLICY FOR ENDOWMENT FUND INVESTMENTS AND BENEFICIARY DISTRIBUTIONS

In overseeing the \$2.3 billion endowment fund, it is the policy of the EFIB to make long-term strategic allocations and avoid making tactical shifts. The strategic asset mix of the fund is 66% stocks, 26% bonds, and 8% U.S. commercial real estate. The expected long-term return of this asset mix, after inflation, is approximately 4% and historically market losses have occurred in one year out of three.

In determining distributions, a trustee must balance the needs of current and future beneficiaries. It is the Land Board's policy to distribute a conservative estimate of long-term sustainable income, from both the fund and the land, and hold sufficient reserves of undistributed income to absorb predictable down cycles in endowment earnings. It is a priority to avoid reductions in distributions because most beneficiaries depend on them to fund ongoing operations.

THE ENDOWMENT BENEFICIARIES

HISTORY OF ENDOWMENT DISTRIBUTIONS



Idaho's public school system is the primary beneficiary of state endowment trust lands.

All constitutionally designated funds and their beneficiaries are:

- **Public School Endowment Fund** – K-12 Education
- **Agricultural College Fund** – University of Idaho
- **Charitable Institutions Fund** – Idaho State University, State Juvenile Corrections Center, State Hospital North, Idaho State Veterans Homes, and Idaho School for the Deaf and Blind
- **Penitentiary Fund** – Idaho Department of Correction
- **School of Science Fund** – University of Idaho
- **State Hospital South Fund** – Psychiatric Inpatient Care
- **University of Idaho Fund** – Idaho's Land Grant University
- **Normal School Fund** – Idaho State University Department of Education and Lewis-Clark State College
- **Capitol Permanent Fund** – Capitol building [major maintenance]



LEASES & PERMITS

23 Conservation leases

203 Commercial leases
(industrial, military, recreation, communication sites, office/retail)

122 Residential leases
(115 cottage sites, 7 residential)

142 Mineral leases

16 Alternative energy leases
(15 geothermal, 1 wind)

568 Oil and gas leases

2 Oil and gas wells producing
on state endowment leases

172 Active submerged land
leases [e.g., marinas]

10,745 Active encroachment
permits [e.g., docks]

16,622 Fire safety burn permits
issued

66 Farming leases

1,127 Grazing leases



310

PERMANENT EMPLOYEES

231

TEMPORARY EMPLOYEES (INCLUDES SEASONALS)

2,450 FOREST PRACTICES
NOTIFICATIONS



1,444 FOREST PRACTICES
INSPECTIONS



1,640,000
TREE SEEDLINGS
PLANTED



239 MMBF*
TIMBER
HARVESTED

* million board feet

175 ACTIVE
TIMBER SALES

2,477,613 acres
ENDOWMENT TRUST LAND

\$78,206,400
ENDOWMENT DISTRIBUTIONS

70 MINERAL
EXPLORATION
LOCATION PERMITS

3,370,077 acres
ENDOWMENT MINERAL



6,300,000 acres
PROTECTED FROM FIRE



2,015
TECHNICAL ASSISTS TO PRIVATE LANDOWNERS

59
COTTAGE SITES
SOLD
IN FY19

EXECUTIVE LEADERSHIP

DUSTIN MILLER – Director // DAVID GROESCHL – State Forester, Deputy Director // ANDREA RYAN – Human Resource Officer

DIVISION ADMINISTRATORS: BILL HAAGENSON – Operations // CRAIG FOSS – Forestry & Fire // DONNA CALDWELL – Support Services // DIANE FRENCH – Lands & Waterways // MICK THOMAS – Oil & Gas

DEPARTMENT SUPPORT FUNCTIONS

Vital to any organization are the people who work behind the scenes helping the team achieve success. Some staff develop and monitor the strategic plan, establish pertinent policy, and develop and support legislative actions. Others receive and respond to hundreds of public records requests. The success of Land Board and Oil and Gas Conservation Commission meetings depends on those who coordinate the materials and meeting details.

PUBLIC INFORMATION: The public information officers manage the communication needs of the agency, helping to develop clear and transparent communication for the public and the media through news releases, social media, and the development of a more user-friendly website.

HUMAN RESOURCES: The human resources (HR) team delivers professional assistance to the agency in the areas of recruiting, employee development, benefits management, compensation analysis, employee relations, and safety. They ensure compliance with federal and state employment laws and provide value-added services in the areas of meeting facilitation, training, and job design. In FY19, the HR team implemented a new applicant tracking system, initiated a third cohort of the Leadership Development Program, and rolled out a new employee hiring process using electronic content management.

INFORMATION TECHNOLOGY: The information technology (IT) team supports agency operations by implementing and supporting cutting-edge internal and public-facing enterprise systems. The IT team manages the agency's computing infrastructure and records management functions, while ensuring privacy and security of information.

FISCAL MANAGEMENT: The fiscal team provides oversight and policy direction for all accounting functions within the department, including accounts payable and receivable, payroll, and internal auditing. They work closely with the Endowment Fund Investment Board to make certain the land assets are represented as part of the whole trust, ensuring transparent reporting to the Land Board.

PROCUREMENT: The procurement team networks extensively with both internal and external partners to ensure IDL meets the goal of consistently securing high-value contractors for the agency. In FY19, the team solicited and awarded 430 contracts for commodities and services totaling approximately \$20 million. This total includes \$1.5 million awarded to vendors for activities supporting IDL's Good Neighbor Authority initiatives.

LAND RECORDS: Land records staff members maintain the property ownership databases and records including all deeds and encumbrances for all state lands.

GEOGRAPHIC INFORMATION SYSTEMS: A team of Geographic Information System (GIS) analysts design, develop, and implement GIS applications, geodatabases, and process-automation tools to provide IDL managers with working solutions to their spatial data collection, analysis, and reporting needs.

REMOTE SENSING: The remote sensing team is focused on the collection and analysis of data from airborne sensors. Utilizing a combination of satellites, aircraft, and unmanned aerial systems (UAS), they are developing cost-efficient methods for IDL to obtain needed land resource information. This includes a large-scale initiative to create a detailed 3D model of all Idaho endowment land using airborne light detection and ranging (LiDAR).

INTERDISCIPLINARY TEAM: The interdisciplinary team is the cadre of scientists with expertise in hydrology, water rights, fish biology, and geology that provide recommendations and technical assistance to endowment trust land managers across Idaho. They help ensure that management activities maintain wildlife habitats, protect ecological integrity, comply with water quality standards, and work in harmony with diverse geological settings.

ENDANGERED SPECIES: The IDL weighs in on any proposed federal listings of species in Idaho that will affect management of endowment lands. IDL is proactive in providing researched, science-based reviews and input to help ensure sustainable active management is supported on state endowment lands in compliance with needed habitat protections.

IDL scientists conduct fish monitoring on McBride Creek in Owyhee County.





RECREATION OPPORTUNITIES



Mountains, prairies, and high deserts make up Idaho endowment lands, supporting diverse recreational opportunities. Thousands of visitors pursue quality recreation experiences each year on endowment lands.

As part of management, IDL is working to produce a statewide GIS inventory layer showing recreation routes and camping locations. This baseline information will help guide the department as it manages trails, signage, and various recreational uses that must be compatible with the endowment mission.

With assistance from volunteers and cooperating state agencies, IDL is near completion on its first managed trail system. Located near Sandpoint, it will provide a multi-use trail system with a single track recreation experience for both motorized and non-motorized recreationists. When completed, Bonner County will manage the recreation system, the parking lot, and toilet.

IDFG MEMORANDUM OF AGREEMENT

In FY19 the Land Board and the Idaho Department of Fish and Game completed an agreement for recreation access to endowment lands. The agreement provides for general recreation use on legally accessible endowment lands and resulted in over \$295,000 in revenue along with law enforcement assistance during the first year.

OHV FUND

In 2009, the Idaho Legislature directed one dollar from every off highway vehicle (OHV) registration to IDL to provide OHV opportunities and repair damage directly related to OHV use. During FY19, IDL spent more than \$194,000 of the OHV Fund on repair projects and recreation enhancements for OHV users.

OHV ENHANCEMENT PROJECTS

EASTERN IDAHO SUPERVISORY AREA *Based in Idaho Falls*

- KELLY CANYON RECREATION TRAIL INVENTORY ▸ KIOSKS
- TRAIL SUSTAINABILITY IMPROVEMENTS ▸ REHABILITATION

PEND OREILLE SUPERVISORY AREA *Based in Sandpoint*

- TRAIL SYSTEM IMPROVEMENTS ▸ TRAIL SIGNAGE ▸ PARKING LOT
- VAULT TOILET GRANT ▸ SECURITY PATROL CONTRACT

PRIEST LAKE SUPERVISORY AREA *Based in Coolin*

- SIGNAGE ▸ REHABILITATION ▸ TRAIL IMPROVEMENTS
- SECURITY PATROL CONTRACT



Volunteers improving the trail tread on Claim Jumper trail near Sandpoint, Bonner County

REAL ESTATE BUREAU

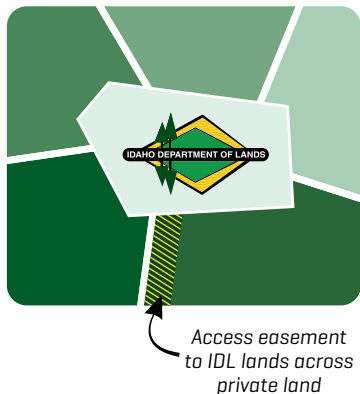
The Real Estate Bureau is responsible for the leasing, acquisition, exchange, and disposition of endowment lands, including the sale of endowment cottage sites and commercial properties. The bureau also oversees the reinvestment of money into new endowment lands such as timberland and road easements.

The Land Board approved auctioning cottage sites at Priest Lake and Payette Lake through 2024. In FY19, IDL sold 50 Priest Lake cottage sites and 9 Payette Lake cottage sites bringing in total proceeds of more than \$29 million. The money from the auctions were deposited into the land bank.



In FY19 a portion of the land bank funds were reinvested in timberlands in central and north Idaho. More than 32,000 acres of timberland were acquired, including 10,000 acres in north Idaho and 22,000 acres in central Idaho. The newly acquired timberland is open to the public for recreational activities including mountain biking, hunting, fishing, and camping. The acquisition creates larger blocks of IDL lands and provides access to other existing endowment lands. Future timber sales on these properties will provide funding to the endowment beneficiaries for future generations.

More than 39 miles of new road easements were purchased in FY19 for just over \$369,000. The easements provide new legal and physical access to more than 6,600 acres of Public School and University of Idaho endowment timberlands. This new access allows for land and timber management, and increased opportunities to create revenue streams for the beneficiaries. It also allows access for increased public recreational opportunities on existing endowment lands.



+39 MILES OF NEW
ACCESS EASEMENTS
WERE PURCHASED IN FY19

**LEGAL ACCESS INCREASES
LAND VALUE BY 40%**



Packers 1 Acquisition, Boundary County

ENDOWMENT LEASING

The IDL has the responsibility of leasing and authorizing the use of the approximately 2.5 million acres of available state endowment trust land [surface estate] and approximately 3.4 million acres of available mineral estate. During FY19, IDL brought in approximately \$9.6 million of gross revenue for the endowment beneficiaries from leases and permits.

Land uses for leases and permits include grazing, farming, conservation, residential cottage sites, wind and geothermal energy, mineral extraction, oil and gas production, and commercial sites that include cell towers, ski resorts, and air strips.

Leases		Land Use Permits (LUP)	
Grazing	1,127	Commercial	139
Oil & Gas	568	Mineral	21
Commercial	203	Exploration Location	70
Cottage Sites	115	Grazing	22
Minerals	142	Residential	5
Farming	66	Agriculture	1
Conservation	23	Conservation	2
Geothermal	15	Public Trust	9
Residential	7	Land Use Permit Total	269
Lease Total	2,266	LEASE & LUP TOTAL: 2,535	

Shepherd watches over flock on Packer John Mountain in Boise County near Smiths Ferry





GRAZING, AGRICULTURE & CONSERVATION LEASING

The IDL manages 1,127 grazing leases that cover 1,758,213 acres of endowment land located primarily in the southern two-thirds of Idaho.

Grazing leases contributed an estimated 258,315 animal unit months [AUM] of forage to livestock operations in 2019.

In addition, IDL administers a portfolio of farming and conservation leases and permits that total approximately 46,782 acres. Crops grown on endowment land include alfalfa hay, barley, beans, corn, potatoes, safflower, wheat, and organic crops. Some croplands are also managed within the USDA Conservation Reserve Program [CRP]. Conservation leases have varied purposes including wildlife habitat in conjunction with Wildlife Management Areas [WMA], big game habitat, parks, and recreation.

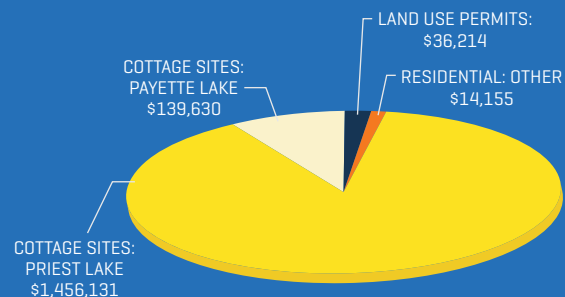
COTTAGE SITE LEASING

The State of Idaho owns endowment land on the shores and uplands of two of Idaho's most beautiful lakes - Priest Lake in northern Idaho and Payette Lake in west central Idaho.

At the end of FY19, IDL leased and permitted 118 cottage sites for \$1.6 million.

Cottage site revenue continues to be part of the leasing program; however, the Land Board will continue to offer ownership through the use of the Voluntary Auction for Ownership option. Disposition of cottage sites will take place through 2024.

FY19 RESIDENTIAL PROGRAM REVENUE



END OF FY19

ACTIVE COTTAGE

92 PRIEST LAKE



SITE LEASES

23 PAYETTE LAKE

Cottage sites on Priest Lake, Bonner County



COMMERCIAL LEASING & LAND USE PERMITS

342 commercial leasing and land use permits brought in more than \$2.8 million. Commercial uses include cell towers, billboards, wind, military, and recreation.

MINERAL LEASING AND OIL & GAS LEASING

The IDL manages 3.4 million acres of state-owned mineral rights and administers leases for production of primarily phosphate, aggregate [sand, gravel, stone, and cinders], precious metals, and oil and gas. Production and royalty revenue associated with the permanent extraction of commodities is immediately invested in the Permanent Fund managed by the Endowment Fund Investment Board, while rent and fee revenue is applied to the Earnings Reserve Fund. Revenue from leases administered on behalf of other state agencies is allocated back to the agencies.

142 MINERAL LEASES

\$1.3 MILLION IN ROYALTY
\$101,300 IN RENT AND FEES
47,000 ACRES

568 OIL & GAS LEASES

\$36,400 IN ROYALTY
\$67,900 IN RENT AND FEES
40,600 ACRES

15 GEOTHERMAL LEASES

\$18,000 IN RENT AND FEES **7,300** ACRES

70 MINERAL EXPLORATION LOCATION PERMITS

\$600 IN RENT AND FEES **1,400** ACRES

[Note: Royalty, rent and fees reported above are only for state endowment lands]



DeLamar Mine reclaimed Glen Silver open pit, Owyhee County



IDL inspection of abandoned Gilmore Mine in Lemhi County before the opening was permanently closed

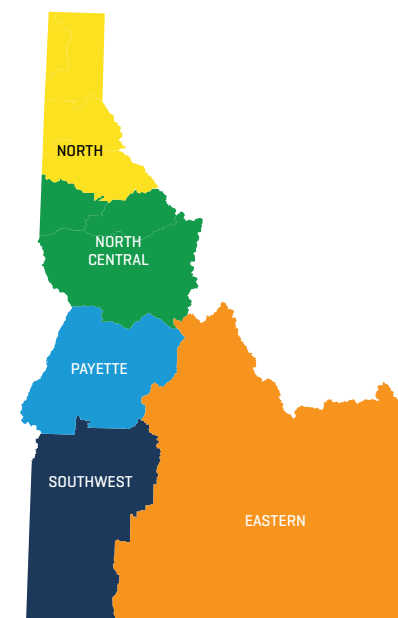
MINING REGULATION & ASSISTANCE

Mining has played an important role in Idaho's history. The discovery of gold resulted in the establishment of the Idaho territory in 1863. Mining in Idaho provides jobs and materials that are important to the economy. An important part of a beneficial mining community is to demonstrate that mining can be done correctly with sustainable mining practices.

To ensure responsible mining in Idaho, the Idaho Legislature created the Idaho Dredge and Placer Act in 1953 and the Mined Land Reclamation Act in 1971. The IDL is responsible for administering both laws. Regulatory oversight serves as the catalyst to promote effective, environmentally responsible mining. The IDL is responsible for overseeing 1,567 active mines and 28 active dredge and placer operations. To regulate all 1,595 mining permits, IDL divides Idaho into five mineral zones based on staffing availability.

RECLAMATION FUND

The Mined Land Reclamation Act requires all mines in Idaho to perform reclamation at the end of mining. Until final reclamation, the mining operators provide financial assurance to cover the costs of reclamation. The State of Idaho offers a Reclamation Fund administered by IDL that provides financial assurance at a fraction of the cost of regular methods to small mine operations. Of the 1,595 mining permits issued by IDL, 620 permits [nearly 39%] are assured through the State Reclamation Fund. This form of financial assurance allows operators to comply with regulatory requirements, promotes the effective and environmentally responsible use of Idaho's lands, and promotes the success of small businesses.



MINERAL STATISTICS	NORTH	NORTH CENTRAL	PAYETTE	SOUTHWEST	EASTERN
RECLAMATION PLANS	249 0 new 1 retired	158 4 new 1 retired	116 5 new 0 retired	305 14 new 2 retired	739 7 new 5 retired
DREDGE & PLACER PERMITS	20 0 new 4 retired	2 0 new 1 retired	2 0 new 0 retired	1 0 new 0 retired	3 0 new 0 retired

ABANDONED MINE LANDS

The Idaho Geological Survey estimates there are approximately 8,500 abandoned mines in Idaho. The Idaho Legislature created the Abandoned Mine Reclamation Act in order to reclaim lands affected by mining in Idaho. The IDL Abandoned Mine Lands (AML) program promotes public safety by identifying and ranking dangerous conditions at mines that are no longer operating and by securing dangerous orphaned mine openings. To continue to mitigate public hazards, IDL performed 16 AML inspections/investigations and carried out 10 orphaned mine closures.

PUBLIC TRUST LAND MANAGEMENT

For more than 1,400 years, governments have recognized that certain natural resources, such as waterbodies, belong to the public. Lakes and rivers have played an important role in Idaho's history by providing not only water but transportation, commerce, and recreation. In Idaho, the Land Board and IDL are responsible for protecting the public's use of 61 navigable lakes covering 183,000 acres and 30 navigable rivers stretching 2,500 miles.

Under the Public Trust Doctrine, the State holds title to the beds of these navigable waterways in trust for the public and regulates the use and disposition of these lands to provide for their commercial, navigational, recreational, and other public purposes.

Waterfront property owners have the right to wharf out and maintain their adjacency to the water within the limits of the Public Trust Doctrine. In an attempt to balance competing interests on lakes, IDL administers encroachment permits and leases under several statutes and rules to assist individuals who want to encroach on these public lands. Encroachment permits provide most of the program's workload and over 20% of the program's operating income.

General Fund tax dollars are not used to support this work; it is completely funded by fees and rents collected from the permits, easements, and leases IDL administers on lakes and rivers. In addition, mineral royalties received from these lands are deposited into the Public School Permanent Fund to provide perpetual funding of Idaho's public school system. Submerged land leases on community docks, marinas, and other commercial encroachments provide about 75% of the program's operating income.

FY19 HIGHLIGHTS

ENCROACHMENT PERMITS: 412 ISSUED, 10,745 ACTIVE

SUBMERGED LAND LEASES: 12 NEW, 172 ACTIVE

SUBMERGED LAND EASEMENTS: 3 NEW, 952 ACTIVE

RIVERBED MINERAL LEASES: 0 NEW, 2 ACTIVE

RIVERBED EXPLORATION LOCATIONS: 2 NEW, 4 ACTIVE



Commercial marina in Bayview on Pend Oreille Lake, Kootenai County



IDAHO OIL & GAS CONSERVATION COMMISSION

The Idaho Oil and Gas Conservation Commission regulates the exploration, drilling, and production of oil and gas resources to ensure the conservation of oil and gas and the protection of correlative rights and surface and groundwater.

The ML Investments #3-10 well located in Payette County

FY19 OIL & GAS WELLS SNAPSHOT

5 PRODUCING 1 DRILLED 13 SHUT IN GAS
7 PLUGGED & ABANDONED PERMITS APPROVED

As of June 30, 2019

For more information,
please visit ogcc.idaho.gov



APPOINTED COMMISSION MEMBERS

CHAIRMAN BETTY COPPERSMITH
PETROLEUM ENGINEER



VICE CHAIRMAN MARC SHIBETA
PAYETTE COUNTY COMMISSIONER



DUSTIN MILLER
IDAHO DEPARTMENT OF LANDS DIRECTOR



DR. RENEE LOVE
GEOLOGIST



JAMES CLASSEN
GEOLOGIST





IDAHO BOARD OF SCALING PRACTICES

Log scaling is a system of measuring logs immediately after they are harvested to determine their financial value. Most timber in the state is bought and sold based on log scale.

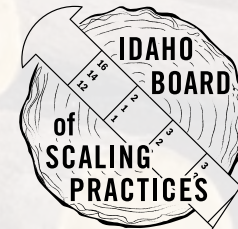
The Idaho Board of Scaling Practices enforces log scaling [measurement] standards prescribed by statute and regulation to ensure professional quality log scaling for the benefit of Idaho timber interests.

The board tests and licenses log scaling practitioners and periodically subjects them to routine, unannounced check scales at their

place of employment to assure proficiency. The board also administers log brand registrations and the disposition of prize [abandoned] logs.

An executive director and check scaler headquartered in the Idaho Department of Lands Coeur d'Alene Staff Office carry out the board's directives. Funding for the board is derived from assessment fees levied on the scale of forest products harvested within the state and from licensing and registration fees.

Appointed by the governor, board members represent industry, logging, and private landowner interests.



Board Members:

DUSTIN MILLER | Chairman

JACK BUELL | Vice Chairman

H. LARRY STEWART | Secretary

GERRY IKOLA

TREVOR STONE

BRETT BENNETT

ALAN HARPER

Executive Director:

RUSSEL (RUSS) HOGAN

IDAHO GOOD NEIGHBOR AUTHORITY

The IDL is working with the U.S. Forest Service and Bureau of Land Management to carry out more forest, rangeland, and watershed restoration projects on federal lands through the “Good Neighbor Authority” granted under the 2014 Farm Bill. The partnership is increasing the pace and scale of restoration on federal lands.

Revenues generated from GNA projects, including the sale of timber, will offset costs incurred by the state and fund additional management activities such as environmental planning, prescribed fires, habitat improvements, or road and trail maintenance.

PROJECT HIGHLIGHTS

SAND CREEK FUEL BREAKS

BLM and GNA

The Sand Creek Fuel Breaks project was developed to enhance public safety and protect nearby wildlife habitat, resource uses, and infrastructure from wildfire. The 300-foot-wide fuel breaks are adjacent to roads stretching 103 miles across state, federal, and private ownerships. This is a shared effort between IDL, BLM, Idaho Fish and Game, and private landowners. Other involved agencies include Natural Resources Conservation Service, Office of Species Conservation, High Country Resource Conservation and Development, and Clark and Fremont counties.

BOGUS BASIN FOREST HEALTH

USFS and GNA

The Bogus Basin Forest Health Project is removing trees infected with Douglas-fir dwarf mistletoe surrounding the Bogus Basin Recreation Area to improve forest health and ensure public safety for recreationists. The IDL is assisting in the implementation of the project through preparation and administration of multiple timber sales to remove the trees. Controlled burning and planting of more resilient tree species will follow harvest operations. This project will take approximately five years to complete.

FY19 IDAHO GNA SNAPSHOT



TIMBER SALE CONTRACTS AWARDED IN FY2019

14,000^{MBF*} **TIMBER**
VOLUME SOLD



* thousand board feet



\$3,250,925

GROSS SALE VALUE

1,433 ACRES TREATED



RESTORATION SERVICE CONTRACTS AWARDED IN FY2019

15 CONTRACTS AWARDED

13 CONTRACTS COMPLETED



**\$1,094,824 VALUE OF
AWARDED CONTRACTS**

IDL awarded 15 contracts in FY19 to the private sector totaling more than \$1 million to increase the pace and scale of restoration work on federal lands. These services include:

- Timber Sale Preparation ▸ Project Planning and Design
- Noxious Weeds Treatment ▸ Prescribed Fire Planning
- Reforestation ▸ LiDAR Data Collection ▸ Road Reconstruction



SHARED STEWARDSHIP

In December of 2018, the IDL and the USDA's Northern and Intermountain Regions of the Forest Service further expanded interagency efforts to co-manage Idaho's forests and rangelands by entering into the nation's first Agreement for Shared Stewardship. Under this agreement, two priority landscapes were identified to align and focus collective resources based on extensive analysis of threats and potential benefits achieved through management activities.

The Good Neighbor Authority (GNA) and Forestry Assistance bureaus will work collaboratively with our national forest partners to define and implement cross-boundary projects that can best meet the goals of Idaho's Shared Stewardship initiatives. Projects will focus on the use of prescribed fire, mastication, harvesting, and thinning treatments in this holistic approach to reduce threats of wildfires, and to improve the health of Idaho's forests, rangelands, and watersheds. The governor established an advisory group composed of diverse stakeholders to provide strategic input and assist IDL in successfully implementing Shared Stewardship in Idaho.

NORTHERN IDAHO PRIORITY LANDSCAPE

Ownership	Acres
US Forest Service	621,400
Bureau of Land Management	67,000
State Endowment Land	144,400
Private	1,045,100
Tribal	3,800
Other Ownership	148,400
Total Acres	2,030,100

SOUTHERN IDAHO PRIORITY LANDSCAPE

Ownership	Acres
US Forest Service	1,123,500
Bureau of Land Management	154,300
State Endowment Land	169,100
Private	804,600
Other Ownership	33,000
Total Acres	2,284,500

FOREST MANAGEMENT



1,030,498 acres
OF ENDOWMENT TIMBERLAND



5% OF FORESTED
LAND BASE IN IDAHO

FY19 TIMBER HARVEST & RECEIPTS



239 MMBF
TIMBER = **\$77** million
HARVESTED harvested by professional logging contractors

\$\$\$

Revenue mostly supports public schools



Supported 6,603 jobs, \$270.9 million in wages, and more than \$1.3 billion in goods and services.*

Completed the Forest Asset Management Plan (FAMP) with a more accurate modeling software system, increasing annual timber harvests from 247 MMBF to 328 MMBF over the next five years.



45,395 TRUCKLOADS
OF FOREST PRODUCTS HAULED

7,032 TRUCKLOADS
MEASURED BY IDL SCALERS

MMBF = MILLION BOARD FEET

*Numbers derived from methodologies used in the Policy Analysis Group study "Endowment Lands Contributions to Idaho's Economy"



1,640,000 seedlings
PLANTED ON **5,100** ACRES
by IDL foresters and private contractors

Pre-commercially thinned 3,786 overstocked acres

Prepared 4,616 acres for future regeneration efforts

Sample measured timber on 9,626 plots on 54,388 acres for Stand Based Inventory, in order to estimate volume and growth on all forested acres managed by IDL

Collected 1,259 bushels of cones from multiple species of trees



HARVEST + REFORESTATION

RENEWABLE RESOURCE

Benefits wildlife, promotes clean air and clean water, and ensures revenues for today's students as well as future generations.

END OF FY19

- 175 -
ACTIVE TIMBER
SALES*

- 451.3 -
MMBF UNDER
CONTRACT*

- 15 -
PURCHASERS OF
TIMBER SALES*

*Does not include Direct Sale Purchasers

Hidden Scriber Salvage Sale, Packer John State Forest, Boise County



TIMBER HARVESTED - FY19 Total Harvest Volume - All product types - 239,000 MBF

North Operations	Sawlogs (MBF)	Sawlogs (TON)	Cedar Poles (LF)	Other Products (MBF)	Pulp (MBF)
Priest Lake	17,316	6,235	10,200	352	3,593
Pend Oreille	21,196	1,904	0	76	915
Mica	9,654	1,071	0	32	33
St. Joe	39,145	51,014	0	1,101	3,201
Ponderosa	23,096	29,209	0	593	1,833
Subtotal	110,405	89,432	10,200	2,154	9,575

South Operations					
Clearwater	44,615	4,205	305,910	819	3,293
Maggie Creek	14,117	0	0	511	5,733
Payette Lakes	81	35,299	0	0	3
Southwest	0	90,325	0	0	0
Eastern Idaho	175	13,255	0	0	0
Subtotal	58,987	143,083	305,910	1,330	9,028
Total	169,393	232,515	316,110	3,484	18,603

Average Harvest Prices	FY17	FY18	FY19	
Sawlog \$/MBF	\$295.54	\$297.56	\$346.25	* Completed the Forest Asset Management Plan (FAMP) with a more accurate modeling software system, increasing annual timber harvests from 247 MMBF to 328 MMBF over the next five years.
Sawlog \$/Ton	\$42.25	\$38.51	\$42.17	
Cedar Poles \$/LF	\$3.89	\$3.95	\$4.78	

TIMBER SOLD - FY19 Total Sale Volume - All product types - 290,645 MBF

North Operations	Sawlogs (MBF)	Sawlogs (TON)	Cedar Poles (LF)	Other Products (MBF)	Pulp (MBF)
Priest Lake	20,327	0	0	31	0
Pend Oreille	15,294	12,442	0	90	0
Mica	17,450	0	0	0	0
St. Joe	52,980	15,800	0	1,419	229
Ponderosa	41,998	52	0	405	25
Subtotal	148,049	28,294	0	1,945	255

South Operations					
Clearwater	44,683	0	0	95	283
Maggie Creek	32,395	0	0	3,870	12,594
Payette Lakes	22	111,242	0	0	0
Southwest	0	38,639	0	0	0
Eastern Idaho	225	30,008	0	0	26
Subtotal	77,326	179,889	0	3,965	12,903
Total	225,374	208,183	0	5,910	13,158

Average Sale Prices	FY17	FY18	FY19	
Sawlog \$/MBF	\$269.11	\$368.06	\$317.67	* Starting in FY18, cedar poles were no longer sold by the lineal foot. Cedar poles were sold by board foot and factored into total sawlog MBF totals. For FY 19, a total of 20,938 poles were offered for sale on a board foot basis.
Sawlog \$/Ton	\$40.96	\$36.85	\$31.55	
Cedar Poles \$/LF	\$5.11	NA*	NA*	

FORESTRY ASSISTANCE AND REGULATION

Staff members provide technical assistance to forest landowners, IDL land managers, forest management organizations, and other local, state, and federal agencies.

These specialists in forest stewardship, entomology, pathology, urban forestry, fire risk mitigation, and forestry regulations advise and assist forestland owners, managers, operators, and communities across the state. The regulatory program ensures harvesting operations on Idaho forestlands are carried out in compliance with the water protection standards set forth by the Idaho Forest Practices Act. Many IDL forestry assistance programs are funded through partnerships with the USDA Forest Service.





FOREST HEALTH

Working Collaboratively to Ensure Healthy Forests for All Idahoans

Staff members provide technical assistance and training to forest landowners and managers to minimize risks and hazards from insects and disease. In FY19, forest health specialists helped to monitor and mitigate an exceptionally destructive outbreak of the Douglas-fir tussock moth in southwest Idaho on private, federal, and endowment lands.

59 training sessions CONDUCTED
EDUCATING 3,311 PARTICIPANTS
in partnership with the U.S. Forest Service and the University of Idaho Extension Forestry.

 **7,090 ACRES**
MONITORED FOR
NON-NATIVE PINE ENGRAVER BEETLES

 **397**
TECHNICAL ASSISTS
REGARDING FOREST
HEALTH INFORMATION



TOTAL ACRES SURVEYED: 10,525,562



Aerial Detection
9,427,246 ACRES



Gypsy Moth Survey
1,008,801 ACRES



Douglas-fir Tussock Moth Survey 82,425 ACRES
Larvae: 3,515 acres
Adult: 78,910 acres

FOREST LEGACY

Conserving Lands to Keep Working Forests Working

The Idaho Forest Legacy Program provides federal funds to purchase conservation easements on private forestlands that might otherwise be developed and lost as productive forests.

100,044 ACRES CONSERVED SINCE 2003
IN IDAHO

SECURED **3 CONSERVATION EASEMENTS** IN 2019, COVERING
1,318 acres OF PRIVATE FORESTLAND
[\$1.2 MILLION FEDERAL LEGACY FUNDS/
\$870,000 PRIVATE FUNDS]

LANDSCAPE SCALE RESTORATION GRANT PROJECTS

Restoring Landscapes across Idaho through Partnerships & Collaboration

The Landscape Scale Restoration [LSR] Competitive Grant Program offers federal funding to provide on-the-ground forestland improvements for thousands of acres and dozens of communities in Idaho.

8 LANDSCAPE-LEVEL GRANT PROJECTS
2 NEW LSR GRANTS AWARDED TO
IDAHO TOTALING \$600,000

CLEARWATER COMPLEX LSR PROJECT PLANTED
136,080 SEEDLINGS ON 490 ACRES OF
PRIVATE AND TRIBAL FORESTLANDS



FOREST STEWARDSHIP

Providing Landowner Assistance and Education to Idaho Forestland Owners

The IDL provides advice to private family forest landowners on management planning, timber harvesting, reforestation, and other stand improvement projects.

1,618 TECHNICAL ASSISTS TO LANDOWNERS

292 NEW OR REVISED FOREST STEWARDSHIP PLANS FOR LANDOWNERS ON 72,293 ACRES

700 STUDENTS PARTICIPATED IN IDAHO STATE FORESTRY CONTEST

4,577 FOREST LANDOWNERS AND MANAGERS PARTICIPATED IN EDUCATIONAL WORKSHOPS OR FIELD DAY TRAININGS

URBAN AND COMMUNITY FORESTRY

Enhancing Communities through the Promotion of Tree Canopy Benefits

The IDL supports and assists communities in developing or improving their forestry programs. Trees reduce air and noise pollution, conserve water, increase property values, save energy, reduce erosion, beautify, enhance economic vitality, and improve human health.

46 CITIES WITH URBAN FORESTRY PROGRAMS
TOTAL POPULATION: 864,562

68 CITIES WITH DEVELOPING URBAN FORESTRY PROGRAMS
TOTAL POPULATION: 113,406

7,500 ENERGY SAVING TREES PLANTED WITH IDAHO POWER

31 CITIES USING IDAHO TREE PLOTTER INVENTORY SOFTWARE TO MANAGE PUBLIC TREES



TECHNICAL ASSISTANCE TO **90 cities**

IDAHO FOREST PRACTICES ACT ADMINISTRATION

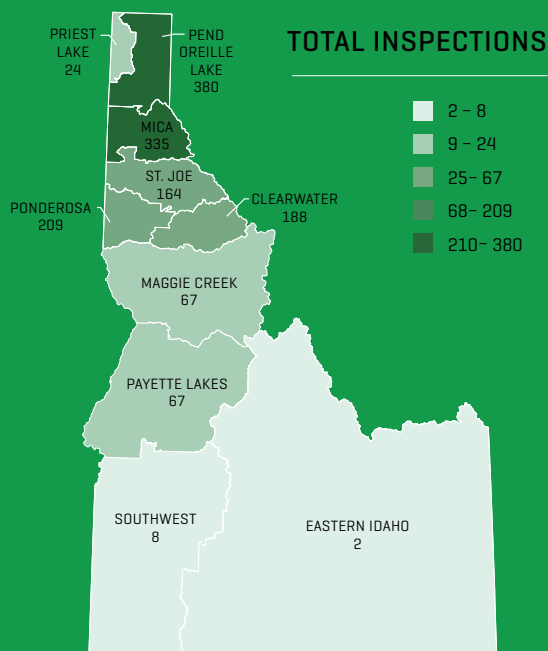
Promoting Active Forest Management while Protecting Natural Resources

The IDL administers the Idaho Forest Practices Act [FPA], a law created in 1974 to encourage forest management and ensure the health of forest soil, water, vegetation, wildlife, and aquatic habitat is maintained during the growing and harvesting of forest trees in Idaho.

2,450 NOTIFICATIONS SUBMITTED FOR FOREST PRACTICE OPERATIONS ON STATE AND PRIVATE FORESTLANDS

99.2% OF ALL INSPECTIONS IN COMPLIANCE WITH THE FOREST PRACTICES ACT RULES

1,444 INSPECTIONS CONDUCTED ON 1,237 OPERATIONS



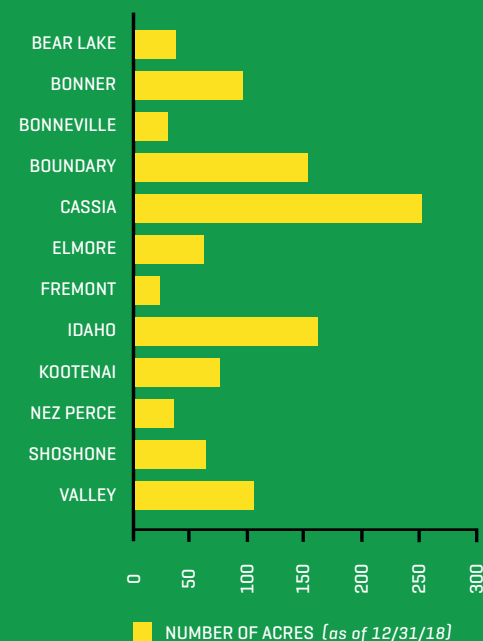
WILDFIRE RISK MITIGATION

Building Fire Resiliency on Private Forestlands through Fuels Treatments

Fire resiliency not only applies to the vegetative components associated with the many landscapes found throughout Idaho, but also to the communities and individuals that call these same areas home. The IDL supports a wide range of activities to reduce wildfire impacts on communities. Activities include vegetation management, planning, and education.

FIRE MITIGATION PROJECTS BY COUNTY

Acres treated with 2013 through 2018 Federal Grant Funding



2019 FIRE SEASON

239 FIRES

79% OF 20-YEAR AVERAGE



1,436 acres
BURNED IN IDL PROTECTION

6% OF 20-YEAR AVERAGE

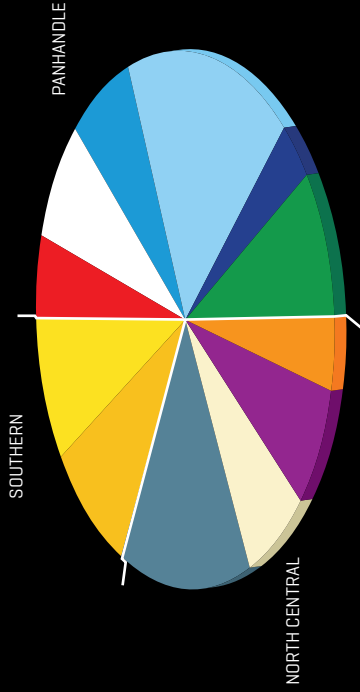


95% of



10 acres

IDL FIRES BY REGION / DISTRICT



- PANHANDLE DISTRICTS**
 - PRIEST LAKE FPD - COOLIN
 - KOOTENAI VALLEY FPD - BONNERS FERRY
 - MICA FPD - COEUR D'ALENE
 - PEND OREILLE FPD - SANDPOINT
 - CATALDO FPD - KINGSTON
 - WEST ST. JOE FPD - ST. MARIES

- NORTH CENTRAL DISTRICTS**
 - PONDEROSA FPD - DEARY
 - MAGGIE CREEK FPD - KAMIAH
 - CRAIG MOUNTAIN FPD - CRIAGMONT
 - CPTPA - OROFINO
- SOUTHERN DISTRICTS**
 - SOUTHWEST IDAHO FPD - BOISE
 - SITPA - MCCALL

2019 FIRE SEASON COST

\$11,500,000

General Fund net obligation

+ \$2,100,000

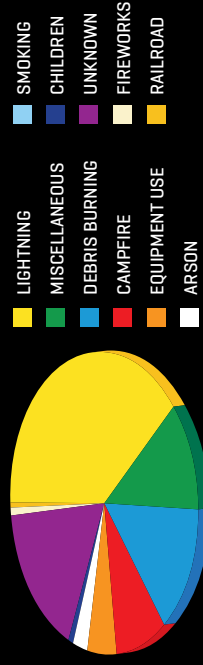
Reimbursable expenses for assisting on fires managed by other agencies

\$13,600,000

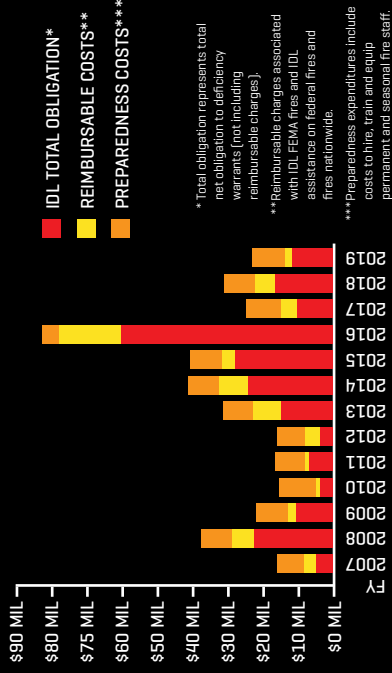
TOTAL COSTS*

*Estimates as of October 10, 2019. Due to billing cycles across fire protection agencies, the true cost of a single fire season is not known for several years.

IDL FIRES BY CAUSE



HISTORIC FIRE PROGRAM COSTS



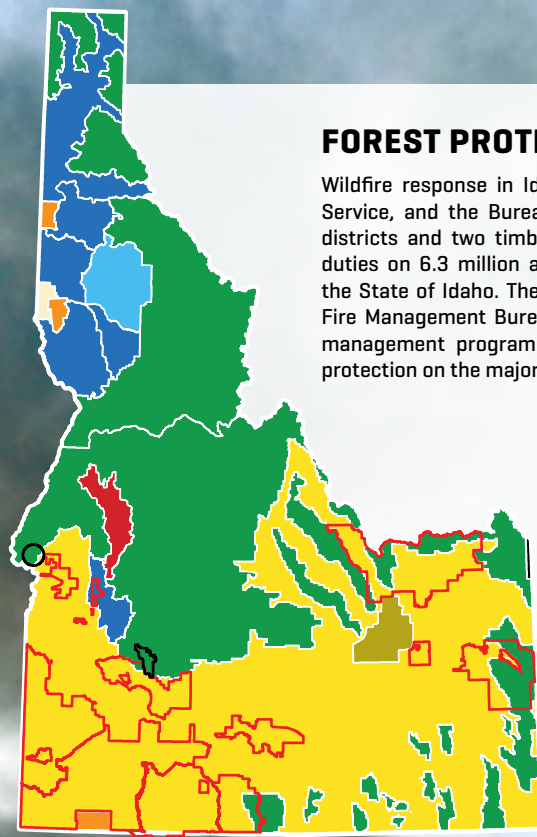
STATEWIDE ACRES BURNED: PROTECTION AGENCY*



STATEWIDE ACRES BURNED: OWNERSHIP*



*Includes only larger fires reported by GEDMAC



FOREST PROTECTIVE DISTRICTS

Wildfire response in Idaho is primarily organized by IDL, the U.S. Forest Service, and the Bureau of Land Management. Ten IDL forest protective districts and two timber protective associations have lead fire response duties on 6.3 million acres of land owned mostly by private entities and the State of Idaho. The districts and associations, with the support of the Fire Management Bureau, promote and carry out the work of the IDL fire management program. Federal land management agencies provide fire protection on the majority of their lands statewide.

FOREST PROTECTIVE DISTRICTS

IDL	DOE-INL	CPTPA
BLM	NPS	SITPA
USFS	OTHER	NOT PROTECTED
TRIBE		

RANGELAND FIRE PROTECTION ASSOCIATIONS

EXISTING	PROPOSED
----------	----------

1,200 piles of juniper slash burned as part of cooperative project to improve sage grouse habitat and watershed health. Cassia County south of Albion

FIRE MANAGEMENT

Fire management responsibilities are one of the most visible of our functions.

On a day-to-day basis, IDL establishes and implements policies to prevent, prepare for, and fight wildland fires on more than six million acres of state, private, and federal forests and rangelands in Idaho.

These responsibilities include regulating the elimination of fire hazards caused by timber harvesting on state and private lands. Between January 1 and October 10, 2019, IDL issued 2,076 compliances related to this responsibility. Our duties also include issuing fire safety burn permits to individuals living outside city limits anywhere in Idaho, who plan to burn for any reason—including crop residue burning and excluding recreational campfires—during closed fire season. In calendar year 2019, IDL issued more than 16,622 fire safety burn permits with the help of the online resource: [BurnPermits.Idaho.gov](https://burnpermits.idaho.gov)

The IDL's work in fire management helps protect and preserve important endowment timber assets as well as millions of acres of private forestland and some federal lands.

The IDL enhances forest and rangeland management on state endowment trust lands by utilizing fire as a management tool while protecting local communities from wildfire by reducing fuels.

The IDL also supports and helps facilitate the creation of rangeland fire protection associations in Idaho, made up of ranchers who are professionally trained and legally allowed to utilize interagency fire suppression resources.

CHIEF FOCUS OF IDL MANAGED FIRES IS INITIAL ATTACK

PUT OUT FIRES
AS QUICKLY AS
POSSIBLE

PROTECT
RESOURCES

MINIMIZE
SUPPRESSION
COSTS

ACCOUNTANT'S STATEMENT

We have examined and prepared the data presented in this annual report in accordance with generally accepted accounting standards and affirm it is true and accurate and reflects the activity of the Idaho Department of Lands and the State Board of Land Commissioners during fiscal year 2019.



DEBBIE BUCK | Financial Officer

* Earnings Reserve Fund revenue is generated from activities on endowment land that do not permanently deplete the resource, such as timber sales and land leases.

** Permanent Fund revenue is generated from activities on endowment land that result in the permanent disposal of a non-renewable asset, such as mineral extraction, perpetual easements, or land sales.

ACCOUNTS AND FUNDING

REVENUE AND EXPENDITURES BY FUND TYPE FY19

	Revenue	Expenditures
General Fund	\$40,591	\$5,920,097
Misc Pass Through Funds	1,226,274	0
Dedicated Land Funds:		
Forest Resources	2,028,935	2,822,077
Lands, Minerals, Range	1,030,045	1,664,025
Oil & Gas	21,000	204,661
Fire Management	6,562,162	5,039,085
Board of Scaling	246,309	231,577
Support Services	19,919	1,117,082
Indirect Cost Recovery	376,584	514,232
Community Forestry Trust	14,364	15,298
Subtotal Dedicated Funds	10,299,318	11,608,037
Fire Suppression	7,930,125	27,308,485
Federal Funds	3,866,182	3,707,025
Endowment Funds:		
*Earnings Reserve	74,349,811	29,399,697
**Permanent by Endowment		
Public School	1,305,668	0
Agricultural College	47	0
Charitable Institutions	21,182	0
Normal School	149,127	0
Penitentiary	759	0
School of Science	21,367	0
State Hospital South	200,809	0
University of Idaho	3,005	0
Capitol Commission	925,222	0
**Permanent Sub-Total	2,627,186	0
Subtotal Endowment Funds	76,976,997	29,399,697
Grand Total	\$100,339,487	\$77,943,341

ENDOWMENT FUND

PERMANENT FUND REVENUE BY ENDOWMENT AND ASSET CLASS

	Public School	Agricultural College	Charitable Institutions	Normal School	Penitentiary	School of Science	State Hospital South	University	Capitol	Total by Asset Class
Timber	16,010	0	0	0	0	0	0	0	920,482	936,491
Farmland	4,594	0	0	0	0	0	0	0	0	4,594
Rangeland	[3,183]	0	0	0	0	0	0	0	4,568	1,385
Commercial Office/Retail	[17]	0	0	0	0	0	0	0	0	[17]
Residential	0	0	0	0	0	0	0	0	1	1
Oil and Gas	36,015	47	0	0	0	0	0	0	0	36,062
Minerals	1,252,248	0	21,182	149,127	759	21,367	200,809	3,005	171	1,648,669
Interest on Land Sales	0	0	0	0	0	0	0	0	0	0
Total by Endowment	\$1,305,668	\$47	\$21,182	\$149,127	\$759	\$21,367	\$200,809	\$3,005	\$925,222	\$2,627,186

LAND BANK REVENUE BY ENDOWMENT

	Public School	Agricultural College	Charitable Institutions	Normal School	Penitentiary	School of Science	State Hospital South	University	Capitol	Total by Asset Class
Total by Endowment	\$26,777,601	\$0	\$0	\$2,909,020	\$0	\$0	\$1,924,067	\$129,060	\$0	\$31,739,748

ENDOWMENT LAND STATUS

SURFACE ACRES BY ASSET CLASS

Endowment	Farmland	Commercial	Timberland	Rangeland	Residential	Grand Total
Agricultural College	352.54	0	15,216.24	17,957.84	0	33,526.62
Capitol Permanent	0.00	9.80	7,227.85	45.20	0	7,282.85
Charitable Institutions	37.76	2.86	63,166.80	14,033.73	0	77,241.15
Normal School	62.14	159.57	45,053.55	15,746.95	10.86	61,033.07
Penitentiary	477.41	8.86	27,134.92	1,293.55	0	28,914.74
Public School	17,404.73	666.00	734,174.76	1,350,609.08	276.00	2,103,130.57
School of Science	192.34	136.66	63,635.14	11,533.41	0	75,497.55
State Hospital South	18.10	0.69	32,250.90	3,660.77	12.12	35,942.58
University of Idaho	547.84	10.00	42,631.62	11,901.06	0	55,090.51
Total	19,092.86	994.44	1,030,491.78	1,426,781.59	298.98	2,477,659.65

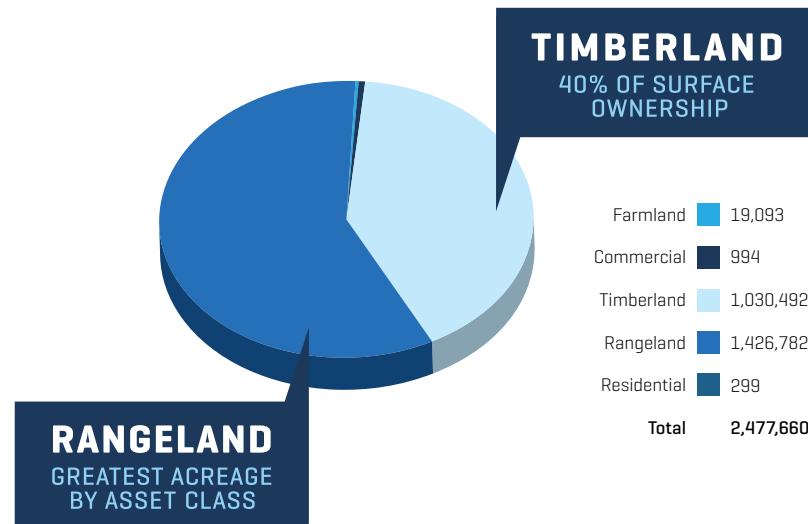
LAND NET INCOME BY ASSET CLASS

By Asset Class	Acres	FY19 Net Income
Farmland	19,093	\$246,136
Commercial	994	\$313,688
Timberland	1,030,492	\$43,678,235
Rangeland	1,426,782	\$1,157,068
Residential	299	[\$35,076]
Total	2,477,660	\$45,360,051

ENDOWMENT LANDS AND FUND – FY19 VALUES & NET RETURNS

	FY19 Value	FY19 Net Return
Endowment Lands	\$1,488,657,550	3.32%
Endowment Fund	\$2,324,057,112	7.14%
Combined	\$3,812,714,662	5.75%

SURFACE ACRES BY ASSET CLASS



ENDOWMENT TRUST LANDS

INCOME STATEMENT

	Public School	Agricultural College	Charitable Institutions	Normal School	Penitentiary
Asset Class/Endowment Revenue *					
Timberland	\$37,810,053	\$308,445	\$4,424,248	\$4,795,847	\$4,554,593
Farmland	356,079	1,488	3,785	8,670	20,661
Rangeland	2,745,981	48,322	82,163	52,566	8,786
Residential Real Estate	1,872,890	1	3	-34,506	1
Commercial Real Estate	136,427	2	20	505,835	2
Oil and Gas Rentals and Bonuses	28,972	867	4,971	4,619	148
Minerals Rentals and Bonuses	107,245	321	4,231	4,815	630
Total Revenue	43,057,648	359,445	4,519,422	5,337,846	4,584,821
Less: Expenses**					
Timberland	16,177,764	300,039	1,508,531	1,140,213	967,915
Farmland	122,070	510	1,474	2,972	7,083
Rangeland	1,815,996	22,010	37,425	23,944	4,002
Residential Real Estate	1,524,415	0	0	242,800	0
Commercial Real Estate	97,016	2,831	7	369,250	514
Oil and Gas Rentals and Bonuses	95,815	2,868	16,441	15,276	489
Minerals Rentals and Bonuses	381,343	1,140	15,046	17,120	2,240
Total Expense	20,214,419	329,399	1,578,923	1,811,576	982,244
Net Income by Asset Class					
Timberland	21,632,289	8,406	2,915,718	3,655,633	3,586,677
Farmland	234,009	978	2,311	5,698	13,578
Rangeland	929,985	26,312	44,738	28,623	4,784
Residential Real Estate	348,476	1	3	[277,306]	1
Commercial Real Estate	39,411	[2,828]	14	136,585	[512]
Oil and Gas Rentals and Bonuses	[66,844]	[2,001]	[11,470]	[10,657]	[341]
Minerals Rentals and Bonuses	[274,097]	[820]	[10,815]	[12,306]	[1,610]
Total Net Income	\$22,843,230	\$30,046	\$2,940,499	\$3,526,271	\$3,602,577

*Direct program revenue includes only Earnings Reserve funds. **Includes all expenses related to Permanent Fund proceeds.

	School of Science	State Hospital South	University	Capitol***	Total
Asset Class/Endowment Revenue *					
Timberland	\$8,315,645	\$1,430,318	\$5,977,335	\$0	\$67,616,485
Farmland	0	2,275	17,929	0	410,887
Rangeland	52,507	112,114	61,040	0	3,163,480
Residential Real Estate	159	140,058	1	0	1,978,606
Commercial Real Estate	6	373,248	0	0	1,015,541
Oil and Gas Rentals and Bonuses	2,173	706	2,981	0	45,438
Minerals Rentals and Bonuses	1,022	467	641	0	119,373
Total Revenue	8,371,513	2,059,186	6,059,928	0	74,349,811
Less: Expenses**					
Timberland	1,573,228	936,682	1,161,465	172,414	23,938,251
Farmland	0	780	29,862	0	164,751
Rangeland	23,917	51,067	27,803	248	2,006,411
Residential Real Estate	0	246,468	0	0	2,013,682
Commercial Real Estate	2	223,539	8,695	0	701,853
Oil and Gas Rentals and Bonuses	7,188	2,336	9,858	9	150,282
Minerals Rentals and Bonuses	3,635	1,661	2,281	0	424,467
Total Expense	1,607,970	1,462,532	1,239,965	172,671	29,399,697
Net Income by Asset Class					
Timberland	6,742,418	493,637	4,815,871	(172,414)	43,678,235
Farmland	0	1,495	[11,933]	0	246,136
Rangeland	28,591	61,047	33,237	(248)	1,157,068
Residential Real Estate	159	[106,410]	1	0	[35,076]
Commercial Real Estate	4	149,710	[8,695]	0	313,688
Oil and Gas Rentals and Bonuses	[5,014]	[1,630]	[6,877]	[9]	[104,844]
Minerals Rentals and Bonuses	[2,613]	[1,194]	[1,639]	0	[305,094]
Total Net Income	\$6,763,544	\$596,655	\$4,819,963	[172,671]	\$44,950,114

***Unlike the other endowments, timber sale revenues accrue to the permanent fund rather than the reserve.

ENDOWMENT FUND

Annual distributions to endowment beneficiaries come from land revenues and earnings on the investment of those revenues. While Idaho Department of Lands manages the land assets, the Endowment Fund Investment Board manages the invested funds.

The financial information below is excerpted from the audited financial statements located at efib.idaho.gov

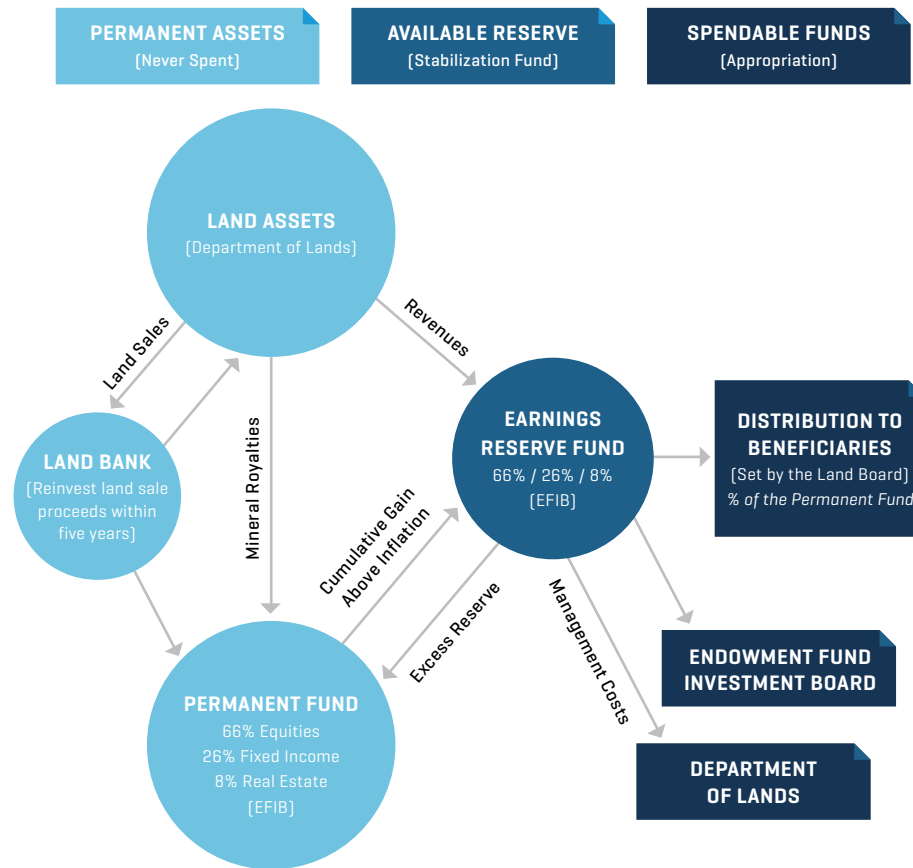
STATE OF IDAHO ENDOWMENT FUND – STATEMENT OF ACTIVITIES – FOR THE YEAR ENDED JUNE 30, 2019

	Public School	Agricultural College	Charitable Institutions	Normal School	Penitentiary
Permanent Net Position					
Permanent Net Position, beginning of year	\$1,026,454,837	\$30,030,117	\$119,315,621	\$101,133,968	\$45,479,855
Program Revenues:					
Receipts from Dept. of Lands	1,333,260	47	22,867	148,926	759
Income from Investments	21,271,898	622,334	2,472,656	2,095,866	942,509
Total Program Revenue	22,605,158	622,381	2,495,523	2,244,792	943,268
Transfer to Earnings Reserve	0	0	0	0	0
Transfer from Earnings Reserve	19,157,000	1,381,000	0	6,534,000	5,204,000
Increase (Decrease) in Net Position	41,762,158	2,003,381	2,495,523	8,778,792	6,147,268
Permanent Net Position, end of year	1,068,216,995	32,033,498	121,811,144	109,912,760	51,627,123
Earnings Reserve Net Position					
Earnings Reserve Net Position, beginning of year	326,716,780	11,642,692	37,767,021	41,156,208	20,933,338
Program Revenues:					
Receipts from Dept. of Lands	40,577,973	353,519	4,255,953	4,313,659	4,179,895
Income from Investments	81,184,298	2,490,135	9,428,444	8,756,116	4,252,230
Total Program Revenues	121,762,271	2,843,654	13,684,397	13,069,775	8,432,125
Program Expenses:					
Distribution for Expenses-IDL	20,214,419	329,399	1,578,923	1,811,576	982,244
Distribution for Expenses-EFIB	5,573,025	169,943	645,955	585,956	279,151
Distributions to Beneficiaries	50,325,600	1,447,200	5,754,000	4,410,000	2,193,600
Total Program Expenses	76,113,044	1,946,542	7,978,878	6,807,532	3,454,995
Net Program Revenue	45,649,227	897,111	5,705,519	6,262,244	4,977,130
Transfer to Permanent Fund	[19,157,000]	[1,381,000]	0	[6,534,000]	[5,204,000]
Transfer from Permanent Fund	0	0	0	0	0
Increase (Decrease) in Net Position	26,492,227	[483,889]	5,705,519	[271,756]	[226,870]
Earnings Reserve Net Position, end of year	353,209,008	11,158,803	43,472,540	40,884,451	20,706,468
TOTAL NET POSITION	\$1,421,426,003	\$43,192,301	\$165,283,683	\$150,797,211	\$72,333,591

	School of Science	State Hospital South	University of Idaho	Capitol	Total
Permanent Net Position					
Permanent Net Position, beginning of year	\$100,132,842	\$90,937,187	\$87,720,455	\$31,143,131	\$1,632,348,013
Program Revenues:					
Receipts from Dept. of Lands	21,367	200,809	3,518	969,609	2,701,162
Income from Investments	2,075,119	1,884,551	1,817,889	2,369,108	35,551,930
Total Program Revenue	2,096,486	2,085,360	1,821,407	3,338,717	38,253,092
Transfer to Earnings Reserve	0	0	0	(1,406,000)	(1,406,000)
Transfer from Earnings Reserve	8,903,000	0	9,130,000	0	50,309,000
Increase [Decrease] in Net Position	10,999,486	2,085,360	10,951,407	1,932,717	87,156,092
Permanent Net Position, end of year	111,132,328	93,022,547	98,671,862	33,075,848	1,719,504,105
Earnings Reserve Net Position					
Earnings Reserve Net Position, beginning of year	43,412,680	41,696,992	39,649,788	6,227,066	569,202,565
Program Revenues:					
Receipts from Dept. of Lands	8,311,526	1,899,554	5,374,762	85,455	69,352,297
Income from Investments	9,125,400	8,050,407	8,001,458	551,788	131,840,276
Total Program Revenues	17,436,926	9,949,961	13,376,220	637,243	201,192,572
Program Expenses:					
Distribution for Expenses-IDL	1,607,970	1,462,532	1,239,965	172,671	29,399,699
Distribution for Expenses-EFIB	600,812	544,180	527,791	156,219	9,083,032
Distributions to Beneficiaries	4,826,400	5,024,400	4,225,200	250,000	78,456,400
Total Program Expenses	7,035,182	7,031,112	5,992,956	578,890	116,939,130
Net Program Revenue	10,401,745	2,918,849	7,383,264	58,353	84,253,442
Transfer to Permanent Fund	(8,903,000)	0	(9,130,000)	0	(50,309,000)
Transfer from Permanent Fund	0	0	0	1,406,000	1,406,000
Increase [Decrease] in Net Position	1,498,745	2,918,849	(1,746,736)	1,464,353	35,350,442
Earnings Reserve Net Position, end of year	44,911,424	44,615,842	37,903,053	7,691,419	604,553,007
TOTAL NET POSITION	\$156,043,753	\$137,638,389	\$136,574,914	\$40,767,268	\$2,324,057,112

ENDOWMENT FUND

STRUCTURE OF IDAHO'S ENDOWMENT ASSETS



STATE OF IDAHO ENDOWMENT FUND GOVERNMENTAL BALANCE SHEET AND STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES - JUNE 30, 2019

Current Assets:

Cash with the State Treasurer	\$0
Investments, at Fair Value	2,322,739,061
Receivable for Unsettled Trades	45,247,663
Receivable From Idaho Department of Lands	2,532,470
Accrued Interest and Dividends Receivable	7,505,090
Prepaid Expenses to the Department of Lands	1,966,355
Total Assets	\$2,379,990,639

Current Liabilities:

Payable for Unsettled Trades	\$54,287,704
Investment Manager Expenses Payable	1,645,823
Total Liabilities	\$55,933,527

Fund Balances:

Nonspendable - Permanent Funds	\$1,719,504,105
Restricted - Earnings Reserve	604,553,007
Total Fund Balances	\$2,324,057,112

Total Liabilities and Fund Balances	\$2,379,990,639
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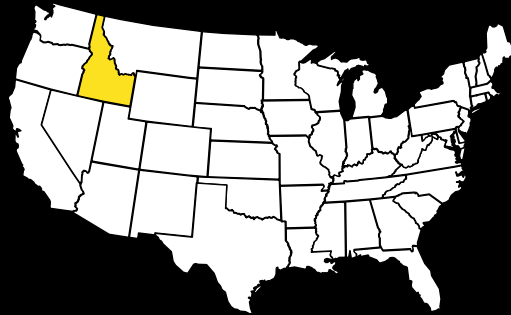
Statement of Net Position:

Restricted for Permanent Trust - Nonexpendable	\$1,719,504,105
Restricted for Permanent Trust - Expendable	604,553,007
Total Net Position - Governmental Activities	\$2,324,057,112



Icehouse Creek on endowment land in Fremont County

www.idl.idaho.gov



IDAHO DEPARTMENT OF LANDS

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Cover Photo: Sheep grazing on Packer John Mountain in Boise County near Smiths Ferry