



STATE BOARD OF LAND COMMISSIONERS

C. L. "Butch" Otter, Governor and President of the Board
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, Superintendent of Public Instruction

Tom Schultz, Secretary to the Board

Be it remembered, that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.

Final Minutes
State Board of Land Commissioners Regular Meeting
April 18, 2017

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, April 18, 2017, in the Capitol, Lincoln Auditorium, Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho. The meeting began at 9:00 a.m. The Honorable Governor C.L. "Butch" Otter presided. The following members were present:

Honorable Secretary of State Lawrence Denney
Honorable Attorney General Lawrence Wasden (*via teleconference*)
Honorable State Controller Brandon Woolf

For the record, Governor Otter recognized the presence of four Board members and the absence of Superintendent of Public Instruction Sherri Ybarra. Attorney General Wasden joined the meeting via conference call.

1. Director's Report

- A. Interest Rate on Department Transactions – April 2017
- B. Timber Sale Activity and Information Report – March 2017
DISCUSSION: Controller Woolf, referring to the Monthly Stumpage Price graph on page 4 of the report, observed that the inland price is ticking up while the Department's stumpage price is remaining flat. Controller Woolf inquired if there is any significance in that, commenting that these normally track together. Director Schultz noted that typically when the lumber price goes up the stumpage price will follow, but usually there is a bit of lag.
- C. Division of Lands and Waterways Activity and Information Report – March 2017
- D. Legislative Update – Final

E. Department Employee of the Year Presentation

DISCUSSION: Director Schultz explained that the Department annually selects an Employee of the Year that has served the citizens of Idaho and contributed to the Department by exemplifying its core values — stewardship, service, accountability and cohesiveness. Director Schultz described how in addition to helping with firefighting efforts in 2015, Mr. Hagen led the agency in responding to the salvage operations, which resulted in 60 million board feet being recovered. Director Schultz also observed Mr. Hagen's role coordinating safety training with other offices and working as an instructor in the heavy equipment loss class. This training is critical; the firefighting community suffered the loss of a dozer operator several years ago. Director Schultz commended Mr. Hagen on his instrumental role in helping staff respond and assisting the family. Director Schultz noted Mr. Hagen's leadership roles and the projects he has coordinated for the Department. Mr. Hagen's wife, Monica, joined him in the front of the room where Governor Otter presented Mr. Hagen with a keepsake crystal award. Mr. Hagen thanked the Land Board and the Department, and expressed how gratifying it is for him to work with so many others at IDL who are also passionate about managing the land. Mr. Hagen thanked his IDL co-workers for their support and the agency for providing so many opportunities for him to learn and grow in his job.

2. Endowment Fund Investment Board Manager's Report – Presented by Chris Halvorson, EFIB Investment Officer

A. Manager's Report

DISCUSSION: Mr. Halvorson explained that the Endowment Fund Reserves are strong and distributions for FY2017 and FY2018 are well-secured by the reserves. Mr. Halvorson stated that there have been no significant board actions, legal issues, or compliance issues to report.

B. Investment Report

DISCUSSION: Mr. Halvorson reported that performance for the month of March was up about 50 basis points, making the fiscal year-to-date return about 9.3%. April, so far, brought an up market followed by a down market; the net result is flat, so the fiscal year-to-date return stands at 9.3%.

Mr. Halvorson reminded the Board that the Endowment Fund Investment Board will be attending the May Land Board meeting to present its semi-annual report. Following its presentation at the Land Board meeting, the Investment Board will meet to discuss the Board's annual distribution policy; staff does not anticipate recommending any changes to that policy.

• **CONSENT**

3. Approval of Minutes – March 21, 2017 Regular Meeting (Boise)

CONSENT AGENDA BOARD ACTION: A motion was made by Attorney General Wasden that the Board adopt and approve the Consent Agenda. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

- **REGULAR**

- 4. **FY2018 Timber Sales Plan** – *Presented by Jim Elbin, Bureau Chief-Forest Management*

RECOMMENDATION: Direct the Department to proceed with implementation of the FY18 Timber Sales Plan.

DISCUSSION: An audio recording is available by request to the Department of Lands, Attn: Land Board Recording Secretary, PO Box 83720, Boise, Idaho 83720-0050 or by email to public_records_request@idl.idaho.gov.

BOARD ACTION: A motion was made by Attorney General Wasden that the Board approve the Department recommendation to proceed with implementation of the FY18 Timber Sales Plan. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

- **INFORMATION**

NONE

At 9:52 a.m. a motion was made by Attorney General Wasden to resolve into Executive Session pursuant to Idaho Code § 74-206 (1)(b) to consider the evaluation of a public official. Attorney General Wasden requested that a roll call vote be taken and that the Secretary record the vote in the minutes of the meeting. Controller Woolf seconded the motion. *Roll Call Vote:* Aye: Denney, Wasden, Woolf, Otter; Nay: None; Absent: Ybarra.

- **EXECUTIVE SESSION**

A. Idaho Code 74-206(1)(b)(d) – to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student; and to consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code. [TOPIC: Performance Evaluation – Director, Department of Lands]

At 10:11 a.m. the Board resolved out of Executive Session by unanimous consent. No action was taken by the Board during the Executive Session.

- **REGULAR**

- 5. **Personnel Matter** – *No Board Materials*

DISCUSSION: Attorney General Wasden thanked Director Schultz for his work as the executive director. Governor Otter voiced his agreement with the Attorney General's statement.

BOARD ACTION: None taken.

There being no further business before the Board, at 10:12 a.m. a motion to adjourn was made by Attorney General Wasden. Controller Woolf seconded the motion. The motion carried on a vote of 4-0. Meeting adjourned.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/ C. L. "Butch" Otter

C. L. "Butch" Otter
President, State Board of Land Commissioners and
Governor of the State of Idaho

/s/ Lawrence E. Denney

Lawrence E. Denney
Secretary of State

/s/ Thomas M. Schultz, Jr.

Thomas M. Schultz, Jr.
Director

The above-listed final minutes were approved by the State Board of Land
Commissioners at the May 16, 2017 regular Land Board meeting.