



Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Phil McGrane, Secretary of State

Raúl R. Labrador, Attorney General

Brandon D Woolf, State Controller

Debbie Critchfield, Superintendent of Public Instruction

Dustin T. Miller, 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, 2023

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, April 18, 2023 at the State Capitol, Room WW55, Lower Level, West Wing, 700 West Jefferson St., Boise, Idaho, and via webinar. The meeting began at 9:00 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little

Honorable Secretary of State Phil McGrane

Honorable Attorney General Raúl Labrador

Honorable State Controller Brandon Woolf

Honorable Superintendent of Public Instruction Debbie Critchfield

For the record, all Land Board members were present. Governor Little, Secretary of State McGrane, Controller Woolf, and Superintendent Critchfield attended at the physical location; Attorney General Labrador attended via Zoom webinar.

For the record, Controller Woolf requested unanimous consent to amend the agenda pursuant to Idaho Code § 74-204(4)(c) to remove agenda item 3, the South Dawson Conservation Easement. Controller Woolf explained his reason for this amendment is that the Department of Lands received a request from Molpus and their client Nordic Crystal Falls to make a last-minute change to the conservation easement language, and the Department would like more time to review that. Governor Little stated that without objection the agenda will be modified.

Director Miller announced that a group of new employees was in town for onboarding which includes the opportunity to attend a Land Board meeting. Director Miller asked those employees to stand and be recognized. Governor Little welcomed everyone.

[Editor's note: the Discussion portions, if any, for agenda items may be written in first-person format. This is not a verbatim transcript.]

1. Department Report – Presented by Dustin Miller, Director

Trust Land Revenue

A. Timber Sales – March 2023

Discussion: Governor Little noted that interest rates are up and asked if interest rates for timber sales float. Director Miller said sales are assessed at 6% per year. David Greenwood elaborated that interest rates on sales are fixed at 6% by Idaho code. On timber sale extension contracts, the Department uses the average of the last four weeks' 30-year mortgage rate; that is also by code. Mr. Greenwood said the Department recently did an extension and the rate was 6.25%.

B. Leases and Permits – March 2023

Discussion: Governor Little inquired if the Department adjusts its forecasting, for instance forecasting less for residential lease revenue because the lots continue to be sold. Director Miller said that is correct.

Status Updates

C. Legislative Summary – Final

Discussion: None.

D. Land Bank Fund

Discussion:

Superintendent Critchfield: My question is related to an action later, it is the transfer, item number 8. Do you want me to ask now or later?

Director Miller: You could certainly ask now, Superintendent.

Superintendent Critchfield: It is just a procedural question. The action that is before us to take, is that something that is outside of that 5-year requirement of the transfer? Is that why there is something separate today?

Director Miller: There is about \$13,000 of principal in an account right now that we feel is appropriate to move over preemptively. We do not believe from a land acquisition standpoint that we can do much with that amount; that is in the Normal Schools fund. Our recommendation is to get those funds working for the beneficiary. The interest that we will be moving over follows the principal that we expended on a couple of acquisitions: the Vandals One acquisition, that 18,000-acre timberland acquisition up north, as well as the CAFE center. It is a routine thing if the Land Board chooses to authorize that transfer.

Secretary of State McGrane: A follow up question since we are open to it. I recognize the difference between the interest on those sales, but can we not use those funds to acquire new land, given there is an opportunity to do so?

Director Miller: We certainly could; I do not believe we have done that in the past. We have either rolled the principal and interest into the Land Bank together, or in this case where we have interest lagging principal that we have expended. It is an option for the Land Board to consider getting those dollars working for the endowments in the financial assets. With the transfers, we would still have sufficient funding available in the Land Bank to look at future acquisitions if they make sense for the endowments. We look at opportunities to acquire lands to provide us better access into existing endowment land inholdings. We have an acquisition pipeline report that we track very closely.

2. Endowment Fund Investment Board Report – Presented by Chris Anton, EFIB Manager of Investments

- A. Manager's Report
- B. Investment Report

Discussion:

Mr. Anton: The portfolio ended the month in positive territory despite considerable volatility during the month as both Silicon Valley Bank and Signature Bank collapsed, and Swiss authorities facilitated a marriage between UBS and Credit Suisse. The portfolio was up 1.5% for the month which left us up 7.4% fiscal year-to-date. Through April 17th, we were up 7.9%; we remain in a healthy place getting closer to year end. Silicon Valley Bank was the 16th largest bank in the United States; they provided a great deal of financing for high-tech start-up companies, particularly in the Bay Area. Swift action by the Federal Reserve, the FDIC, and the Treasurer to assure depositors were safe and guaranteed helped prevent a run on the banks. They also put in place a new bank term funding program to give investors comfort that even the smaller banks were comfortable because it allowed them to borrow money if they started to see a run on their bank. These actions provided investors with confidence that this was not going to become a systematic banking collapse issue like we saw during the great financial crisis. The markets were pleased by that and moved up late in the month. While the full-blown crisis was averted, the higher interest rate regime that the Federal Reserve has put in place to stem inflation is starting to cause cracks in the economy. First, we saw it in the real estate market with higher mortgage rates, we have seen it in the auto market with higher loan rates, the banks are having trouble, it is hard to say where we will see the problems next, but we are starting to have problems because of the higher rates. Overall, the fund is in good shape. Our distributions are well secured for this year and next. Our next Investment Board meeting will be on May 16th; that will be a joint meeting with the Land Board.

Superintendent Critchfield: One of your comments as it relates to the summary was ending "in a healthy place." How do you define a healthy place as it relates to this business?

Mr. Anton: In terms of the portfolio, we feel good to be up 7.4% fiscal year-to-date despite a very challenging year, a lot of volatility in the market. Two years ago, we had a great year coming out of the pandemic; the fund was up about 30%. Last year we were down -13.1%. It is nice to see a rebound this year on the positive front, that is what I was referring to.

Superintendent Critchfield: Anything that is in the positive, that is the range, so long as it is positive?

Mr. Anton: Our goal is to grow the fund in excess of inflation and our distribution rate to beneficiaries, and at 7.4% we are close to doing that. There have been concerns this year that we could see a recession. Many people talk about a recession given the higher interest rates and there is still potential that will happen. If that does happen, it will put downward pressure on our investments, particularly in the equity markets. The longer the economy stays healthy, and so far most of the economic indicators have been strong, we will end the year in positive territory. It does concern me that the indicators are slowing. I hope we can get through the year without a downturn is essentially what I was referring to.

Superintendent Critchfield: I appreciate the indulgence on learning. I do not know how excited to be about 7.4%. Is that great, is that moderate, I am just trying to understand the range.

Mr. Anton: The larger the better obviously in terms of returns. One of the things Callan does every year is their capital markets assumptions; they look at 10-year expected returns for different asset categories. If you look at our asset allocation and you apply that, it implies that our fund would make about 6.5% on average per year over the next 10 years. Some years are going to be better; some years are going to be worse. 7.4% is reasonable I would say.

Governor Little: We are going to have a joint meeting next Land Board meeting, maybe Chairman Wilford could talk about overall what the goal is for the Investment Board.

Consent—Action Item(s)

3. Clark Fork Hatchery Surplus Property (Idaho Fish & Game) – Presented by Zane Lathim, Program Specialist-Real Estate

Recommendation: Direct the Department to offer the Hatchery property for disposition in accordance with the Surplus Property Act, Idaho Code §§ 58-331–335, and authorize the Department to offer the Hatchery at public auction in Bonner or Ada County.

Discussion:

Secretary of State McGrane: It sounds like the presumption is that no one is going to have an interest in this property and the best thing is to dispose of it through sale. The way the report is framed it seems implicit, from your analysis and evaluation, that it is likely going to go up for private sale. The land does not have much utility at this point, or am I misinterpreting?

Mr. Lathim: We are not aware of any other state uses for the property at this time.

Governor Little: In this instance, we are the state realtor. If it is surplus, it comes to us, and we dispose of it. If the timber division or the commercial people say there is value, then it is a transaction. The money is going to the Fish and Game, we are just the Fish and Game's realtor.

Secretary of State McGrane: This is an educational moment for me. Could the Land Board acquire the land from Fish and Game, if there was an interest and there is utility? As a member of the Land Board, I am curious if there is any potential value to that land.

Mr. Lathim: The Department looked at the land, in regard to employee housing, but the structures there are in poor condition. They have hazardous materials in the form of lead-based paint and asbestos-containing materials. The Fish and Game commissioned a report in 2016 and

at that time it was estimated about \$70,000 to remediate all the hazardous materials. The Department looked at it and it does not fit our needs at this time.

Secretary of State McGrane: Okay, that helps me.

4. Approval of Draft Minutes – March 21, 2023 Regular Meeting (Boise)

Consent Agenda Board Action: A motion was made by Controller Woolf that the Land Board adopt and approve the Consent Agenda. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

Regular—Action Item(s)

5. Approval of 3rd Extension, Chimney Sweep Pulp Timber Sale – Presented by Bill Haagenson, Deputy Director

Recommendation: Approve the Chimney Sweep Pulp timber sale third extension under the following conditions:

1. The contract term is extended for three months from current expiration date of May 18, 2023 to August 18, 2023.
2. Clearwater Paper Corporation shall pay the estimated stumpage interest for the additional three month extension on May 18, 2023. This payment will not be added to the second extension pre-payment nor be applied to monthly statements. The current estimate is \$8,978.26. If Clearwater Paper Corporation removes some volume before May 18, 2023 then this may decrease based on the interest rate calculation on that date.
3. If Clearwater Paper Corporation does not meet contract requirements by August 18, 2023 all or a portion of the initial deposit, performance bond, and remaining second extension pre-payment will be forfeited as determined by the Department.

Discussion:

Controller Woolf: In my time here on the Land Board, I do not remember doing a third extension, is that correct? Have we done one since 2007?

Mr. Haagenson: I have been here for eight years, and I have not seen one; they are a rare occurrence. Going back before that I would have to look to be sure.

Controller Woolf: The previous two extensions were one-year extensions. This third extension, the Department's recommendation is for three months, waiting for roads to dry up and to be able to haul off those, because they are all decked already on the road, is that correct?

Mr. Haagenson: Yes, waiting for the load limits to come off the roads so that hauling can begin. Discussions with the purchaser indicate that a three-month period is not going to be problematic for them to get that accomplished.

Board Action: A motion was made by Superintendent Critchfield that the Land Board approve the request by Clearwater Paper Corporation for a third contract extension under the conditions stated in the recommendation. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

6. **FY2024 Timber Sales Plan** – Presented by Bill Haagenon, Deputy Director

Recommendation: Direct the Department to proceed with implementation of the FY24 Timber Sales Plan.

Discussion:

Controller Woolf: One of the things has been the 20,000 cedar poles that has been in place for the last few years. Several timber industry members are particularly interested in the cedar, we had the dual entry, the single entry into the woods. This pilot program, is this to continue with 20,000 poles?

Mr. Haagenon: We are past the pilot program as it relates to cedar sales. We are now selling everything with more than 15% cedar volume as a cedar sale with a single entry; that is open to any bidder and the products can go where they see fit. That is doing a decent job for the endowments of capturing return on cedar products that are out there.

Controller Woolf: I appreciate the Department and the timber staff for their work, being able to increase our harvest. Being able to have a plan of a steady, stable market is helpful for us but it is helpful for all the industry. I look forward to next year and the new FAMP.

Secretary of State McGrane: How is the wildfire risk taken into consideration. You mentioned how we react to it when it catches fire, but how do we incorporate the risk profile of wildfires into this plan?

Mr. Haagenon: Endowment lands are intensively managed and well managed. While that does not remove the risk of wildfire, because those acres are going to burn at some point, they will burn in a different way in a well-managed forest. We have the unique ability to quickly move in and salvage any material that is affected. As a result, there is a limited impact on our need to plan for those losses of volume as part of this program. For example, back to the 2021 fire season where we had significant endowment lands affected, we were able to move in and harvest the salvage timber and move green sales into future years to offset that volume. We are a bit reactive in that way, but because of our inventory and our ability to manage quickly, that reactive approach works for us.

Secretary of State McGrane: I follow that, but when you substitute with the green sales, are we not just delaying future harvests? Are we robbing Peter to pay Paul because of the losses related to the fire? I got to tour Benton Ridge and see the cedar, the salvage, I can appreciate that reaction, but there was a lot of timber lost in that as well. I am wondering how we incorporate that into the overall plan because we are losing assets when they burn.

Mr. Haagenon: The loss that we take in those situations is actually the loss of value at the time that we are selling that damaged timber; that is a real risk for any manager of timberlands that we have to acknowledge. Our ability with the inventory that we have, to move in and harvest those affected areas and move those green sales into the future, that volume then continues to grow on the stump. We continue to add value on those acres that we are not treating until future years, provided they do not grow out of merchantability, rather they do not grow too big. There is not a significant hit for us other than the value that we lose when the burned acres go from green timber to dead timber.

Secretary of State McGrane: I have looked through the materials and you mentioned the letters of support, so I want to recognize the Associated Logging Contractors letter of support. But also, when I was speaking to some of the members, there was concern about us being overly aggressive in terms of our harvest. The Controller was highlighting the success of increasing it, but I am just wondering as we look at the long-term plan – and maybe this is education for me as we look at FY25, having more time in terms of what the plan is and how that fits in the long-term – part of me wants to share some of the concerns of the loggers throughout the forest that they think the projections are overly optimistic about the health of the forest and therefore what the yields will actually be. I do not know if you have any comments on that, but it was shared with me, part of my role is to share with you.

Mr. Haagenon: That is an excellent question and we have heard that concern. As we manage acres and do so more intensively, the trees that are established on those acres are growing faster, we are adding more volume on those younger stands than what the older stands are able to add. There is a management effect on growth that is really important. We also have an overabundance of inventory at this point. Some of that inventory, if we leave it out there, will grow out of merchantability and will start to lose value. Right now, as we did the 2019 FAMP, our estimate of our total inventory is around 10 billion board feet. We would like to see that number down much lower, more like 5 billion board feet on endowment lands. We still have lots of inventory to capture to get us down to where we need to be. What you are likely to see is this elevated harvest level for a period, perhaps 20-30 years, and then have it reset to a lower level as our endowment lands enter what we call a regulated forest condition where we are harvesting the growth. That is the plan, we feel good about that plan and the data that supports it.

Secretary of State McGrane: I welcome the opportunity for more education, for the FAMP next year for FY25, recognizing the long-term return, not just this year's coming return.

Mr. Haagenon: Important to us as well, thank you.

Board Action: A motion was made by Controller Woolf that the Land Board direct the Department to proceed with the implementation of the FY24 Timber Sales Plan. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

7. Land Bank Fund Transfer-Principal and Earned Interest – *Presented by Dustin Miller, Director*

Recommendation: The Department recommends transfer of \$2,847,310 of principal and interest from the Land Bank to the permanent endowment fund.

Discussion:

Secretary of State McGrane: I just want to confirm what you were saying there. The first forced transfer will be the first quarter of FY26?

Director Miller: The first transfer, absent action by the Board, would be the first quarter in FY25. Nearly \$13,000 in Normal Schools would automatically expire the first quarter of FY25. We are not able to do a whole lot with that from a land acquisition side of things, so we might as well get the funds working for the endowments. The remaining interest from the Vandals One acquisition and the CAFE center, that interest would expire in the following quarters of FY25, this is just preemptively moving it. We typically move the interest along with the principal when moving

funds into the permanent fund. In this case, we expended those funds on land acquisitions and we have not done anything with the interest.

Secretary of State McGrane: You mentioned the history of the Land Board, but I have not sat on the Land Board previously. One of my priorities is, to the extent that we can, to invest in more land, because I think in the long term that is going to be in the best interest to the endowment. We use the principal to purchase land, why not use the interest to purchase land? I recognize there may not be any opportunities at this moment, but I look forward to trying to figure out ways to better leverage these funds to acquire land. When you look at the overall endowment, it continues to shrink over time, and I do not know that to be in the long-term interest of the beneficiaries. I guess I have a little rub with this. I get putting it in the market, although based on what is going on with the banking industry right now, we are betting on what the market will be here in the short term. Philosophically, I would like us to acquire more land.

Controller Woolf: Director, the policy was put in place to create the [Investment] Subcommittee, with Mr. Anton, yourself, and Mr. Wilford. Is there direction that the Investment Committee is discussing of how the interest would be handled? Keeping it and looking if there is potential in the pipeline report, or just sweeping it? At this point there is no set policy of how that interest should be handled. Is that something that we should look at as a Land Board?

Director Miller: I appreciate that question. To go along the lines of what Secretary McGrane was asking and where he is at on the timberland acquisition side of things, if we can find opportunities that make sense for the endowments or improve access to existing inholdings then there is no reason why we could not be using interest to secure those additional acres and that additional real estate. This is just something that we have gotten used to doing; we customarily move the interest into the Land Bank following the principal being expended on real estate transactions. I would entertain a conversation with my colleagues on the Investment Subcommittee to talk about this and provide some recommendations to the Board as we move forward. There is no reason we could not use the interest and the principal on acquisitions, or if it makes sense to roll it into the permanent fund preemptively, move it altogether.

Superintendent Critchfield: From year to year, what kind of interest is deposited into the Land Bank as a total.

Director Miller: As a total, it is variable, it depends on what type of transactions we make on the real estate side of things, and what kind of interest remains. If there is nothing in the pipeline for us to purchase, then that interest would continue to accrue. I think it is more than 2.5% in the State Treasurer's office that it would accrue at. Bill might have a different number for me.

Mr. Haagenon: The current rate is 2.93% as of February for funds that are in the Treasurer's office. For years that number was much lower, 0.4% for example. So far, the Board has moved approximately \$130 million out of Land Bank and into the permanent fund. The amount that was interest, off the top of my head, was a little under \$10 million.

Mr. Anton: One comment. The interest is tied to the principal that comes into the Land Bank and is on the same aging schedule, so the interest expires at the end of five years. What you do not see on this schedule is that much of the money that was reinvested in timber was close to the expiration date. We are talking about moving interest on principal that has already been spent that was very close to expiration. If you look at the total interest in the fund, it is more than the

amount that is being transferred. The interest is remaining in the Land Bank on the remaining principal amounts, this is just the interest on the money that was already spent.

Secretary of State McGrane: Recognizing there is \$13,000 about ready to transfer, is there an extra year for most of the interest that we are talking about, the FY26 first quarter transfer?

Mr. Haagenon: The amounts that were in the Land Bank that were used for Vandals One in particular were some of the older amounts in the different endowments. We would have to look at an older version of the Land Bank aging report and we can certainly provide that information to the Board members on the exact timing of those different amounts, and the approximate associated interest with them, if that would help.

Secretary of State McGrane: I would at least like to propose the idea of just tabling this for a month to look at the aging report. If it is, as some of the money clearly is, going to be transferred relatively soon I have no problem with that, but if we have a year to look at potential purchase of land, a year is not an insignificant amount of time.

Superintendent Critchfield: I am less concerned about the timing and will be, should the motion come forward, supportive of the recommendation. If our Board wants to contemplate a different way to handle this moving forward, what kind of money are we talking about, does it make sense to even take the time to discuss it? It sounds like with \$10 million there is an opportunity to think differently. For today, I am satisfied with the recommendation.

Secretary of State McGrane: I move to postpone it for one month.

Superintendent Critchfield: May I ask a question of the motion-maker? What will change for you in a month? I am trying to understand the difference of now and a month related to this specific action.

Secretary of State McGrane: Good question. I think the aging report, if it is truly a year, I am inclined to wait to see if we can acquire land. If it is sooner, I would support it. The aging report may help me make a better-informed decision.

Governor Little: I would add that we do have a lot of money in the Land Bank. The one thing you have to do is match up the money that is in the pool. That is the problem with the Normal Schools, it is a small endowment, and even University of Idaho. Public School endowment is a different issue because it is a much bigger fund. These smaller funds, the practicality of government buying little parcels of land, overhead costs exceed return versus giving it to EFIB and having them earn a 5-7% return right away. Given the newness of some of the Board members, next month when Tom is here, we have that discussion about endowment investments versus land investments. You mentioned a lot of land we got rid of, if you look at a map of Idaho most of that land was in the wilderness area, we had no access. We went from 3.5 million to 2.5 million [acres]. You heard from Bill how we are actively managing the 2.5 million. We were not making any return off much of that extra million and that is part of the narrative about state lands. Any landowner has to have enough volume to cover their overhead to do the management and, in our instance, you need mills and loggers, which goes back to your other question. Some of these other states that have state land do not have any mills or loggers. They cannot do anything. We are very blessed here in Idaho. The Land Bank is in the constitution and there are certain things we have to do there. This is what we have done before. I understand

the question, it is a policy question and does not need to be made at this point, the whole theory of when do we buy land and when do we give it to the Endowment Fund Investment Board to make long, long term decisions with it. This is short-term money; at best we are going to get 3%. Their goal is to make so many basis points over the market, and that is what the people of Idaho did when they amended the constitution.

Secretary of State McGrane: I respect your experience both as a Land Board member and as a landowner. I recognize in the short term that the standard operating procedure does have embedded in it some philosophical undertones, and where I am coming at with this is just looking at it. We currently have land that is not that useful. I recognize your point that it may be less land but more beneficial, we are able to harvest trees versus some of the rangeland or others that we acquire. I understand not all land is created equal, but there is value in the long term to acquire land because it is something that you cannot get more of over time. I recognize the short-term investment component; I am just looking at the long term philosophically.

Board Action: A motion was made by Superintendent Critchfield that the Land Board approve the Department's recommendation related to this specific transfer with the expectation that at an upcoming meeting the Land Board will work through future policy discussions and issues. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

8. Negotiated Rulemaking for IDAPA 20.05.01, Recreational Use of Endowment Land – *Presented by Todd Wernex, Program Manager-Recreation*

Recommendation: Authorize the Department to initiate negotiated rulemaking for a new rule chapter related to recreational use of endowment land (IDAPA 20.05.01).

Discussion: None.

Board Action: A motion was made by Controller Woolf that the Land Board authorize the Department to initiate negotiated rulemaking for a new rule chapter related to recreational use of endowment land (IDAPA 20.05.01). Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

9. Disclaimer of Interest Delegation of Authority – *Presented by Mick Thomas, Division Administrator-Minerals, Navigable Waterways, Oil and Gas*

Recommendation: Delegate the approval of Disclaimers of Interest to the Director as long as the above six conditions are met.

Discussion:

Governor Little: If you have an agricultural building that is worth \$300,000, that is exempt. It says no structures and then it says non-agricultural. If somebody has a 24.9-acre parcel with a fancy outbuilding, that does not come to the Land Board?

Mr. Thomas: Here is the caveat, all of them are evaluated and come before Land Board staff, and the discretion is always up to staff or the Director to say this warrants bringing before the Land Board. The option is always there to bring everything before the Land Board.

Superintendent Critchfield: The memo states that requests from landowners have increased; is that 1 to 4 or is that 1 to 100, what does the increase look like? How often does this happen?

Mr. Thomas: Over the past 5-10 years, we have had approximately 40 disclaimers approved. Yet we have had 5 or 6 in the past two years, that is the increase we have seen. They are not knocking down any doors, but they have gone up and they have been an onerous part of Land Board meetings. We thought we would streamline your time a little bit.

Governor Little: I asked how many of these we have, they said thousands, and I said are we just going to be consumed at Land Board meetings doing these. This is the Department's very credible attempt to make it to where the Land Board is not spending all their precious time. Around 90% of these title issues are not debatable anyway. The river has moved, they own the land, and it is just perfunctory from a chain of title standpoint what we have to do.

Superintendent Critchfield: Along those lines of making our Board less about compliance and function like that, is 25 acres too limited, should that number be higher?

Mr. Thomas: I scanned a list of disclaimers we have done in the past 11 years, there were 2 or 3 that were over 25 acres, most of them are small parcels. Accretion does not happen over huge swaths of land suddenly. This is small little ebbs and flows that change in the river.

Board Action: A motion was made by Superintendent Critchfield that the Land Board approve delegation of disclaimers of interest contingent upon the conditions that are set forth in the Land Board materials. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

Information

None

At 10:18 a.m., a motion was made by Controller Woolf to resolve into Executive session pursuant to Idaho Code § 74-206(1)(f) – to communicate with legal counsel for the Land Board to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Controller Woolf requested that a roll call vote be taken, and that the Secretary record the vote in the minutes of the meeting. Superintendent Critchfield seconded the motion. *Roll Call Vote: Aye:* McGrane, Labrador, Woolf, Critchfield, Little; *Nay:* None; *Absent:* None.

Executive Session

A. State v. Garayalde

Idaho Code § 74-206(1)(f) – to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement.

For the record, Attorney General Labrador was present by phone for the duration of the Executive session and excused himself at its conclusion.

At 11:01 a.m., a motion was made by Controller Woolf to resolve out of Executive session. Superintended Critchfield seconded the motion. A roll call vote was taken. *Roll Call Vote: Aye:* McGrane, Woolf, Critchfield, Little; *Nay:* None; *Absent:* Labrador. No action was taken by the Land Board during the Executive session.

There being no further business before the Land Board, at 11:01 a.m. a motion to adjourn was made by Controller Woolf. Superintendent Critchfield seconded the motion. The motion carried on a vote of 4-0.

Idaho State Board of Land Commissioners

/s/ Brad Little

Brad Little
President, State Board of Land Commissioners and
Governor of the State of Idaho

/s/ Phil McGrane

Phil McGrane
Secretary of State

/s/ Dustin T. Miller

Dustin T. Miller
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the May 16, 2023 Land Board meeting.