

## State Board of Land Commissioners Open Meeting Checklist

Meeting Date: August 15, 2023

### Regular Meetings

8/3/2023	Meeting Notice posted in prominent place in IDL's Boise Director's office five (5) or more calendar days before meeting.
8/3/2023	Meeting Notice posted in prominent place in IDL's Coeur d'Alene staff office five (5) or more calendar days before meeting.
8/3/2023	Meeting Notice posted in prominent place at meeting location five (5) or more calendar days before meeting.
8/3/2023	Meeting Notice published on Townhall Idaho website <a href="https://townhall.idaho.gov">https://townhall.idaho.gov</a> five (5) or more calendar days before meeting.
8/3/2023	Meeting Notice posted electronically on IDL's public website <a href="https://www.idl.idaho.gov">https://www.idl.idaho.gov</a> five (5) or more calendar days before meeting.
8/9/2023	Agenda posted in prominent place in IDL's Boise Director's office forty-eight (48) hours before meeting.
8/9/2023	Agenda posted in prominent place in IDL's Coeur d'Alene staff office forty-eight (48) hours before meeting.
8/9/2023	Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
8/9/2023	Agenda published on Townhall Idaho website <a href="https://townhall.idaho.gov">https://townhall.idaho.gov</a> forty-eight (48) hours before meeting.
8/9/2023	Agenda posted electronically on IDL's public website <a href="https://www.idl.idaho.gov">https://www.idl.idaho.gov</a> forty-eight (48) hours before meeting.
1/3/2023	Land Board annual meeting schedule posted – Boise Director's office, Coeur d'Alene staff office, and IDL's public website <a href="https://www.idl.idaho.gov">https://www.idl.idaho.gov</a> .

### Special Meetings

	Meeting Notice and Agenda posted in a prominent place in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in a prominent place in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Meeting Notice and Agenda published on Townhall Idaho website <a href="https://townhall.idaho.gov">https://townhall.idaho.gov</a> twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted electronically on IDL's public website <a href="https://www.idl.idaho.gov">https://www.idl.idaho.gov</a> twenty-four (24) hours before meeting.
	Emergency situation exists – no advance Meeting Notice or Agenda needed. "Emergency" defined in Idaho Code § 74-204(2).

### Executive Sessions *(If only an Executive Session will be held)*

	Meeting Notice and Agenda posted in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Meeting Notice and Agenda published on Townhall Idaho website <a href="https://townhall.idaho.gov">https://townhall.idaho.gov</a> twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted electronically on IDL's public website <a href="https://www.idl.idaho.gov">https://www.idl.idaho.gov</a> twenty-four (24) hours before meeting.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.

*Renee Jacobsen*

Recording Secretary

August 9, 2023

Date



## 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

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# NOTICE OF PUBLIC MEETING AUGUST 2023

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, August 15, 2023 in the **State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise**. The meeting is scheduled to begin at 9:00 AM (Mountain).

*Please note location.*

**The State Board of Land Commissioners will conduct this meeting in person and by virtual means. This meeting is open to the public. No public comment will be taken.**

Members of the public may register to attend the Zoom webinar through this link:

[https://idl.zoom.us/webinar/register/WN\\_JR1FZvtMRwauB2QfeGa66Q](https://idl.zoom.us/webinar/register/WN_JR1FZvtMRwauB2QfeGa66Q)

First Notice Posted: 8/3/2023-IDL Boise; 8/3/2023-IDL CDA

This notice is published pursuant to Idaho Code § 74-204. For additional information regarding Idaho's Open Meeting law, please see Idaho Code §§ 74-201 through 74-208.

Idaho Department of Lands, 300 N 6th Street, Suite 103, Boise ID 83702, 208.334.0242



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State Board of Land Commissioners Regular Meeting

August 15, 2023 – 9:00 AM (MT)

Final Agenda

Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho

*Please note location.*

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### 1. Department Report – Presented by Dustin Miller, Director

#### Trust Land Revenue

- A. Timber Sales – July 2023
- B. Leases and Permits – July 2023

#### Status Updates

- C. Fire Season Report
- D. Land Revenue Forecast

### Consent—Action Item(s)

- 2. **Disclaimer of Interest Request DI800274-Ruth H Barker and Paul E. Barker Trustees In trust of the Ruth Barker Family IVRT, Bear Lake** – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance
- 3. **Approval of Draft Minutes** – July 18, 2023 Regular Meeting (Boise)

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State Board of Land Commissioners

Final Agenda

Regular Meeting – August 15, 2023

Page 1 of 2

## Regular—Action Item(s)

4. **Endowment Fund Investment Board** – *Presented by Chris Anton, EFIB Manager of Investments, and Janet Becker-Wold, Callan Senior Vice President and Manager*
  - A. Manager's Report
  - B. Investment Report
  - C. FY2025 Beneficiary Distributions and Transfers
  - D. History of Endowment Reform and Callan's Work
5. **FY2025 Department of Lands Budget Enhancements** – *Presented by Dustin Miller, Director*
6. **Negotiated Rulemaking for IDAPA 20.04.01, Rules Pertaining to Forest Fire Protection** – *Presented by Josh Harvey, Bureau Chief-Fire Management*
7. **Negotiated Rulemaking for IDAPA 20.04.02, Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws** – *Presented by Josh Harvey, Bureau Chief-Fire Management*
8. **Use of Land Bank Funds for Employee Housing** – *Presented by Michele Andersen, Division Administrator-Operations*

## Information

9. **IT Consolidation** – *Presented by Alberto Gonzalez, Administrator, Information Technology Services, and Mark McMinn, Chief Information Officer*
10. **Proposed Rule IDAPA 20.05.01, Rules Pertaining to the Recreational Use of Endowment Land** – *Presented by Todd Wernex, Program Manager-Recreation*

## Executive Session

- A. **State v. Tim 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.



# Idaho Statutes

Idaho Statutes are updated to the web July 1 following the legislative session.

TITLE 74  
TRANSPARENT AND ETHICAL GOVERNMENT  
CHAPTER 2  
OPEN MEETINGS LAW

74-206. EXECUTIVE SESSIONS – WHEN AUTHORIZED. (1) An executive session at which members of the public are excluded may be held, but only for the purposes and only in the manner set forth in this section. The motion to go into executive session shall identify the specific subsections of this section that authorize the executive session. There shall be a roll call vote on the motion and the vote shall be recorded in the minutes. An executive session shall be authorized by a two-thirds (2/3) vote of the governing body. An executive session may be held:

(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;

(b) 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;

(c) To acquire an interest in real property not owned by a public agency;

(d) To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code;

(e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;

(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;

(g) By the commission of pardons and parole, as provided by law;

(h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;

(i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or

(j) To consider labor contract matters authorized under section 74-206A (1) (a) and (b), Idaho Code.

(2) The exceptions to the general policy in favor of open meetings stated in this section shall be narrowly construed. It shall be a violation of this chapter to change the subject within the executive session to one not identified within the motion to enter the executive session or to any topic for which an executive session is not provided.

(3) No executive session may be held for the purpose of taking any final action or making any final decision.

(4) If the governing board of a public school district, charter district, or public charter school has vacancies such that fewer than two-thirds (2/3) of board members have been seated, then the board may enter into executive session on a simple roll call majority vote.

History:

[74-206, added 2015, ch. 140, sec. 5, p. 371; am. 2015, ch. 271, sec. 1, p. 1125; am. 2018, ch. 169, sec. 25, p. 377; am. 2019, ch. 114, sec. 1, p. 439.]

## STATE BOARD OF LAND COMMISSIONERS

August 15, 2023  
Trust Land Revenue

### Timber Sales

During July 2023, the Department of Lands sold eight endowment timber sales at auction. Six sales had competitive bidding. Two endowment timber sales did not sell on their first attempt at auction. The net sale value represents a 36% up bid over the appraised value. The Department sold one sale for the Idaho Department of Fish and Game, McDodge. The sale received two up bids accounting for less than 1% up bid from the appraised value. Good Neighbor Authority (GNA) sold two timber sales at auction. One sale had competitive bidding. The net sale value represents a 193% up bid over the appraised value.

TIMBER SALE AUCTIONS								
Sale Name	Area	Sawlog MBF	Cedar Prod MBF	Pulp MBF	Appraised Net Value	Sale Net Value	Net \$/MBF	Purchaser
Spanish Terrace	SWI	6,930			\$ 592,050.00	\$ 592,050.00	\$85.43	Woodgrain Inc
New York	SWI	1,675			\$ 114,720.50	\$ 114,720.50	\$68.49	Woodgrain Inc
Trapper Falls Cedar	PL	3,800			\$ 909,070.50	\$ 917,353.00	\$241.41	Stella-Jones
Big Fork Cedar	POL	3,825			\$ 1,252,011.50	\$ 1,267,221.50	\$331.30	Stimson Lumber
Crane Creek Revival Cedar	MC	6,170	665		\$ 2,936,381.00	\$ 3,900,711.66	\$570.70	Empire Lumber
Phantom Dennis Cedar	SJ	1,800			\$ 439,980.00	\$ 753,600.00	\$418.67	IFG Timber LLC
Crystal Bowl Cedar	SJ	8,750	15		\$ 1,915,644.00	\$ 3,296,465.30	\$376.09	Stimson Lumber
Marble Marten Cedar	SJ	6,085	30		\$ 1,047,442.00	\$ 1,720,592.15	\$281.37	Stimson Lumber
<b>Endowment</b>		<b>39,035</b>	<b>710</b>	<b>0</b>	<b>\$ 9,207,299.50</b>	<b>\$12,562,714.11</b>	<b>\$316.08</b>	
Hoodoo Valley GNA Ton	GNA	10,250			\$ 570,375.60	\$ 1,987,114.00	\$193.86	IFG Timber LLC
Hazard Salvage GNA	GNA	4,490			\$ 165,227.50	\$ 165,227.50	\$36.80	IFG Timber LLC
McDodge	F&G	837		49	\$ 282,663.60	\$ 282,840.76	\$319.23	UTR Land Mgmt
<b>Non-Endowment</b>		<b>15,577</b>	<b>0</b>	<b>49</b>	<b>\$ 1,018,266.70</b>	<b>\$ 2,435,182.26</b>	<b>\$155.84</b>	

PROPOSED TIMBER SALES FOR AUCTION				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
<b>North Operations</b>				
JR Vassar	3,660	\$ 903,011.00	POND	8/9/2023
A Cedar	1,430	\$ 836,594.50	POND	8/9/2023
Purdue Delivered Products	1,405	\$ 999,270.00	POND	8/15/2023
Bovill Scatter	7,055	\$ 1,564,312.00	POND	8/15/2023
Cousin Eddy	3,970	\$ 657,656.00	PL	8/17/2023
<b>TOTALS</b>	<b>17,520</b>	<b>\$ 4,960,843.50</b>		

PROPOSED TIMBER SALES FOR AUCTION continued				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
<b>South Operations</b>				
Rocky North Cedar	3,185	\$ 555,020.50	MC	8/28/2023
Blue Horse GNA Ton	17,185	\$ 1,315,992.38	NEZCLEAR	8/29/2023
<b>TOTALS</b>	<b>20,370</b>	<b>\$ 1,871,012.88</b>		

VOLUME UNDER CONTRACT as of July 31, 2023				
	Public School	Pooled	Total	3 Year Avg.
Active Contracts			180	179
Total Residual MBF Equivalent	372,613	185,649	558,262	557,238
Estimated residual value	\$110,745,933	\$59,722,179	\$170,468,112	\$145,401,744
Residual Value (\$/MBF)	\$297.21	\$321.69	\$305.36	\$260.93

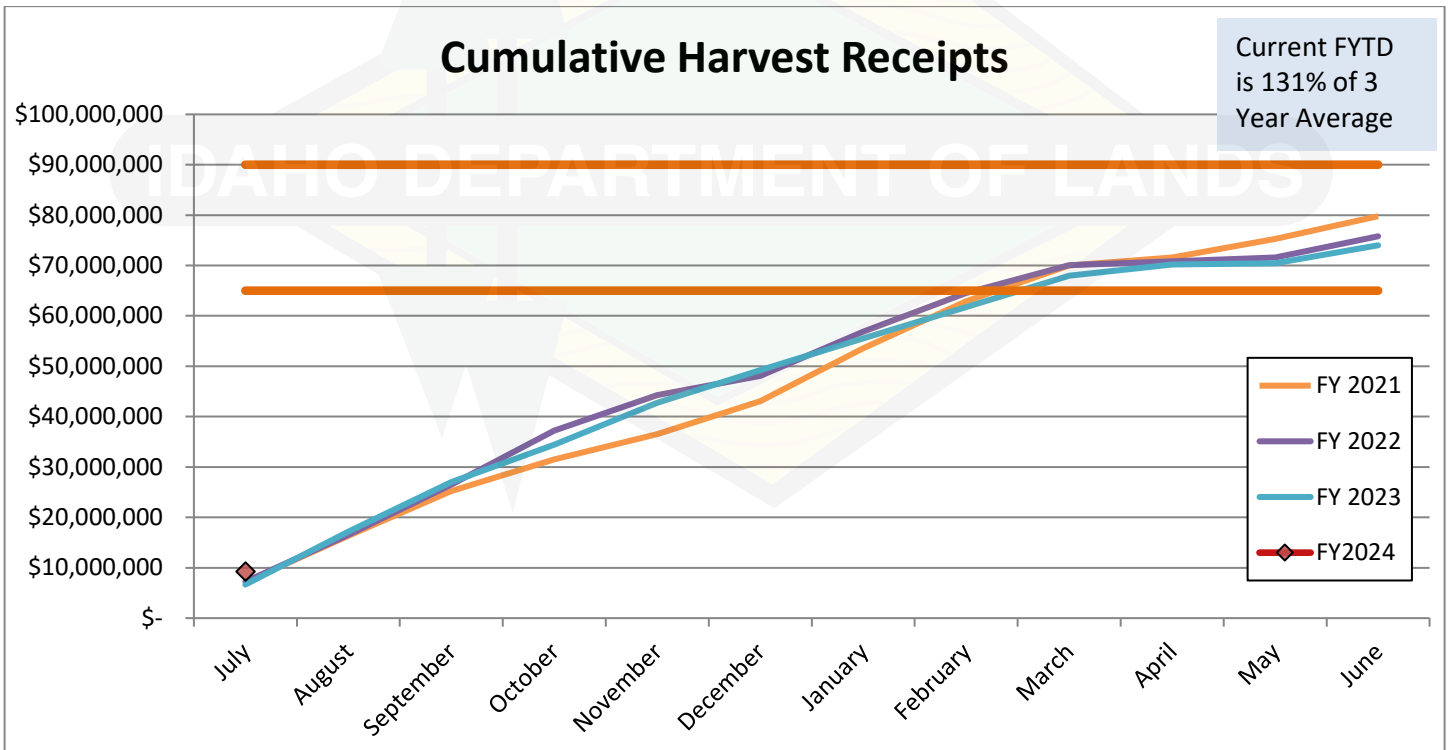
	TIMBER HARVEST RECEIPTS				
	July		FY to date	August Projected	
	Stumpage	Interest	Harvest Receipts	Stumpage	Interest
<b>Public School</b>	\$ 5,143,205.87	\$ 463,166.61	\$ 5,606,372.48	\$ 5,702,400.28	\$ 622,019.66
<b>Pooled</b>	\$ 3,294,571.46	\$ 298,944.24	\$ 3,593,515.70	\$ 3,950,699.06	\$ 372,463.52
<b>General Fund</b>	\$ 1.26	\$ 0.00	\$ 1.26	\$ 1.26	\$ 0.00
<b>TOTALS</b>	<b>\$ 8,437,778.59</b>	<b>\$ 762,110.85</b>	<b>\$ 9,199,889.44</b>	<b>\$ 9,653,100.60</b>	<b>\$ 994,483.18</b>

	Status of FY2023 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of July 31, 2023	207,381	105,727	313,108	22,222	5,933	28,155
Currently Advertised	5,525	3,035	8,560	0	0	0
In Review	4,420	0	4,420	0	0	0
Did Not Sell*	0	0	0	0	0	0
<b>TOTALS</b>	<b>217,326</b>	<b>108,762</b>	<b>326,088</b>	<b>22,222</b>	<b>5,933</b>	<b>28,155</b>
FY2023 Sales Plan			326,000			20,000
Percent to Date			100%			141%

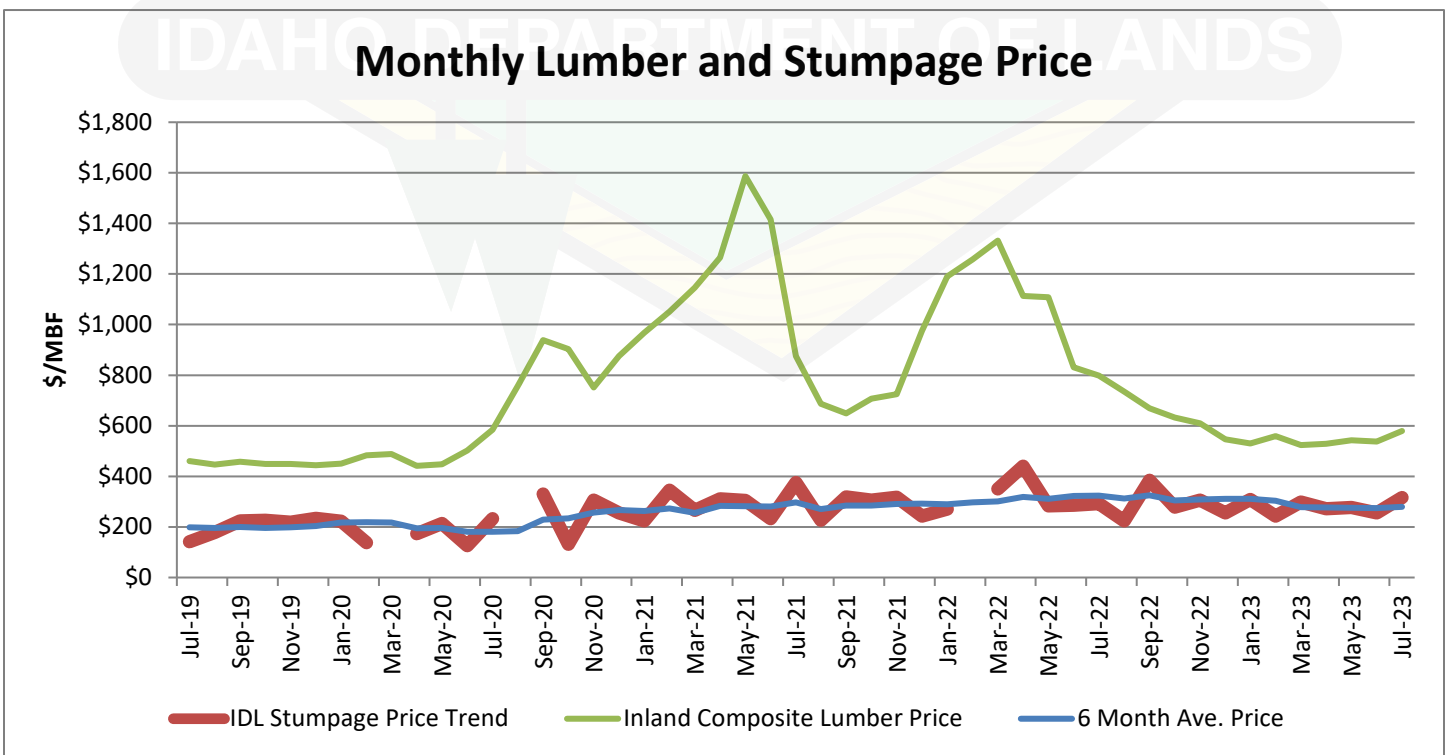
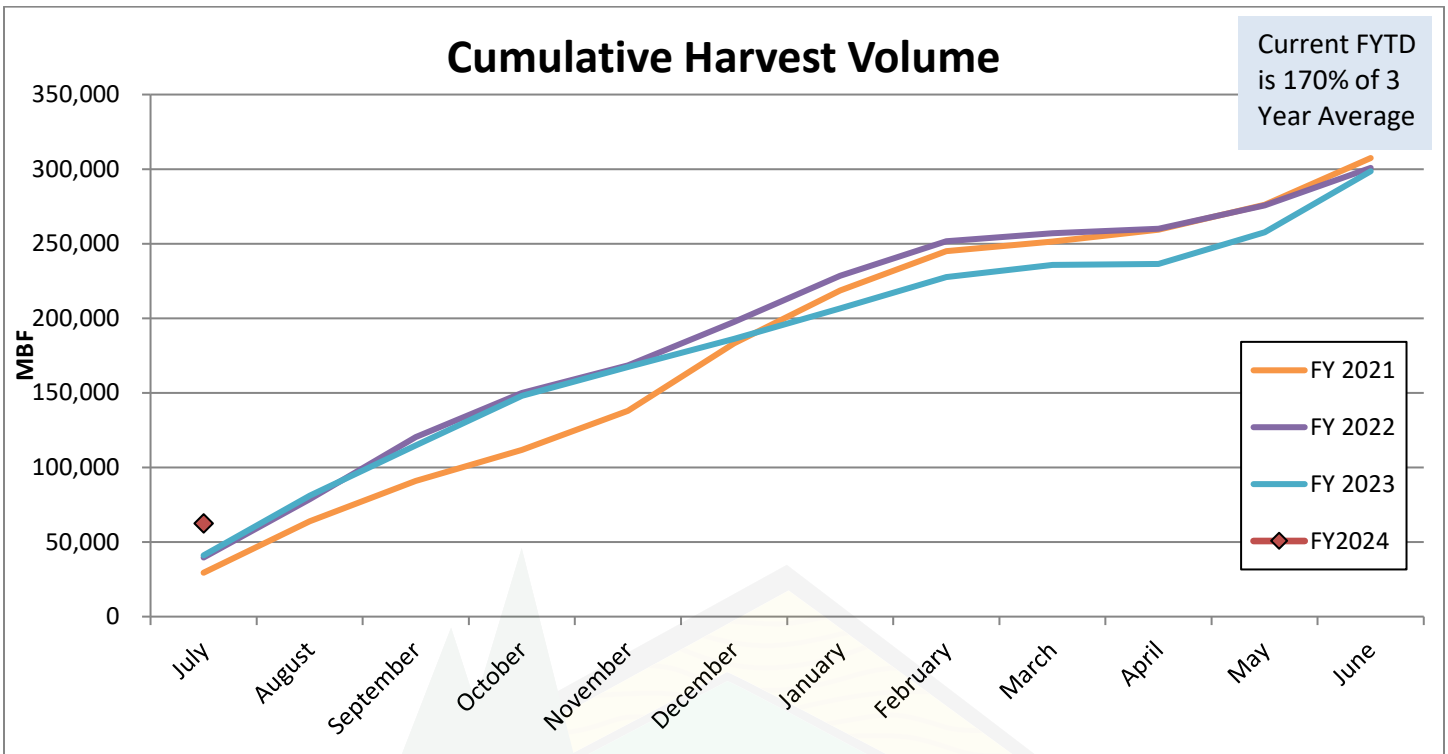
\* After three attempts at auction.

	Status of FY2024 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of July 31, 2023	269	0	269	0	0	0
Currently Advertised	6,584	5,561	12,145	321	2,519	2,840
In Review	46,049	11,633	57,682	13,458	1,002	14,460
Did Not Sell*	0	0	0	0	0	0
<b>TOTALS</b>	<b>52,902</b>	<b>17,194</b>	<b>70,096</b>	<b>13,779</b>	<b>3,521</b>	<b>17,300</b>
FY2024 Sales Plan			328,000			20,000
Percent to Date			21%			87%

\* After three attempts at auction.



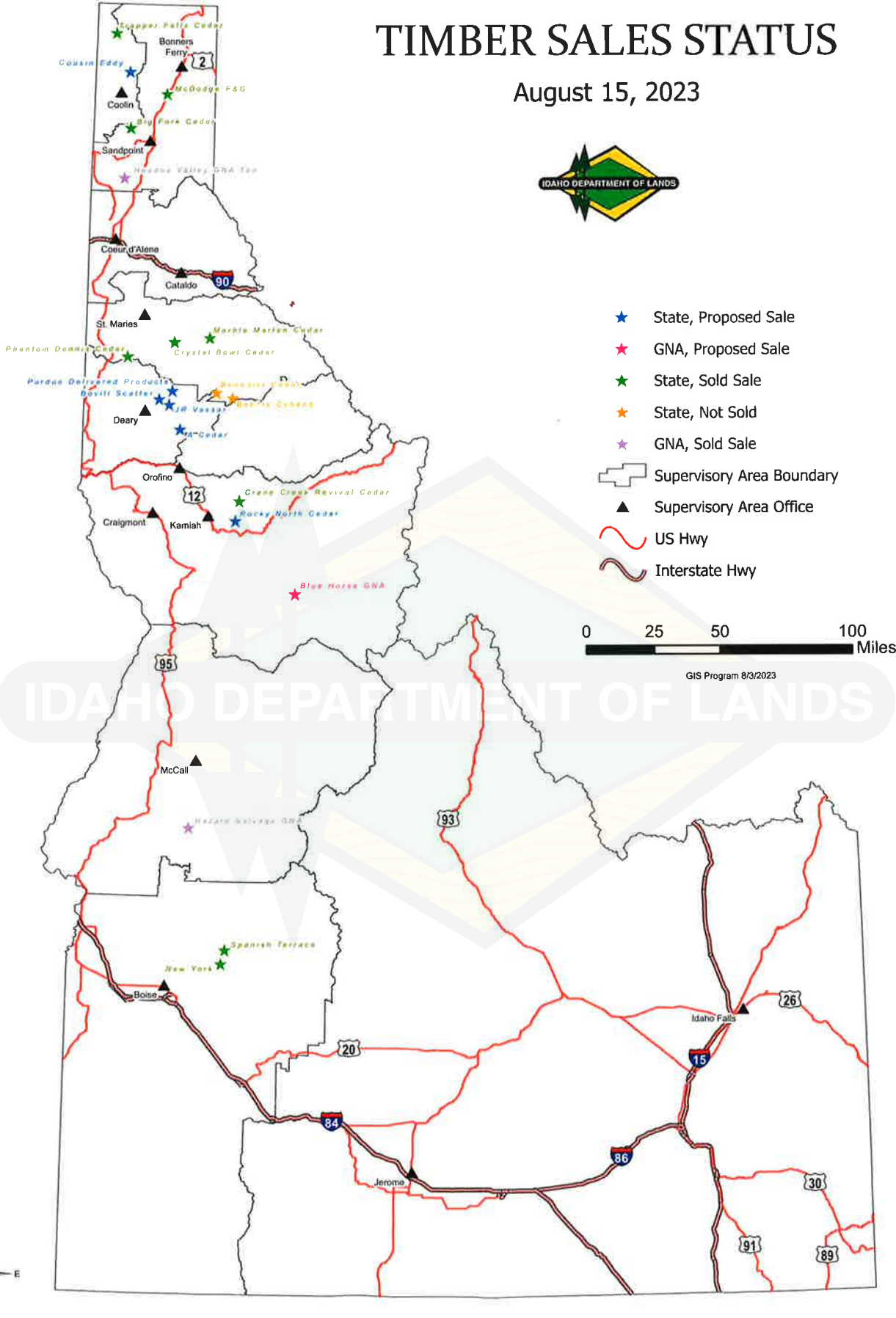




July 2023 6-month average price is \$279.09.  
 July 2022 6-month average price was \$323.46.

# TIMBER SALES STATUS

August 15, 2023

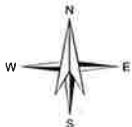


- ★ State, Proposed Sale
- ★ GNA, Proposed Sale
- ★ State, Sold Sale
- ★ State, Not Sold
- ★ GNA, Sold Sale
- ▭ Supervisory Area Boundary
- ▲ Supervisory Area Office
- US Hwy
- Interstate Hwy



GIS Program 8/3/2023

IDAHO DEPARTMENT OF LANDS



STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Endowment Transactions

Leases and Permits

FISCAL YEAR 2024 – LEASING & PERMITTING TRANSACTIONS BY MONTH – through July 31, 2023													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
<b>SURFACE</b>													
Agriculture	1	-	-	-	-	-	-	-	-	-	-	-	1
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	-	-	-	0
Communication Sites	1	-	-	-	-	-	-	-	-	-	-	-	1
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	-	-	-	0
Grazing	-	-	-	-	-	-	-	-	-	-	-	-	0
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	-	-	-	0
Residential	-	-	-	-	-	-	-	-	-	-	-	-	0
<i>Assignments</i>	1	-	-	-	-	-	-	-	-	-	-	-	1
<b>COMMERCIAL</b>													
Alternative Energy	-	-	-	-	-	-	-	-	-	-	-	-	0
Industrial	1	-	-	-	-	-	-	-	-	-	-	-	1
Military	-	-	-	-	-	-	-	-	-	-	-	-	0
Office/Retail	-	-	-	-	-	-	-	-	-	-	-	-	0
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	0
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>OTHER</b>													
Conservation	-	-	-	-	-	-	-	-	-	-	-	-	0
Geothermal	-	-	-	-	-	-	-	-	-	-	-	-	0
Minerals	2	-	-	-	-	-	-	-	-	-	-	-	2
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	-	-	-	0
Non-Comm Recreation	2	-	-	-	-	-	-	-	-	-	-	-	2
Oil & Gas	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>PERMITS</b>													
Land Use Permits	1	-	-	-	-	-	-	-	-	-	-	-	1
<b>TOTAL INSTRUMENTS</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>

Real Estate

FISCAL YEAR 2024 – REAL ESTATE TRANSACTIONS BY MONTH – through July 31, 2023													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	-	-	-	-	-	-	-	-	-	-	-	0
Deeds Granted	-	-	-	-	-	-	-	-	-	-	-	-	0
Deeds Granted - Surplus	-	-	-	-	-	-	-	-	-	-	-	-	0
Easements Acquired	1	-	-	-	-	-	-	-	-	-	-	-	1
Easements Granted	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>Notes :</b>													
<i>Acquired Easement AE200069: Conservation Easement, Moyie River Corridor, Boundary County</i>													

**TRUST LAND MANAGEMENT DIVISION**  
**FY2024 GROSS REVENUE (non-timber) - ACTUAL AND FORECASTED**  
**through July 31, 2023**

	ACTUAL RECEIPTS AS OF 7.31.2023	REVENUE EXPECTED BY 7.31.2023*	REVENUE EXPECTED BY 06.30.2024
<b>SURFACE</b>			
AGRICULTURE	\$ 63,375	\$ 250	\$ 592,000
COMMUNICATION SITES	\$ 20,562	\$-	\$ 1,190,000
GRAZING	\$ 5,750	\$ 3,000	\$ 1,680,200
RESIDENTIAL LEASES	\$ 325	\$-	\$ 1,017,395
<b>COMMERCIAL</b>			
COMMERCIAL ENERGY RESOURCES	\$ -	\$-	\$ 95,840
COMMERCIAL INDUSTRIAL	\$ 7,162	\$-	\$ 142,000
COMMERCIAL MILITARY FACILITIES	\$ -	\$ 250	\$ 151,000
COMMERCIAL OFFICE/RETAIL LEASES	\$ 23,639	\$ 33,000	\$ 991,600
COMMERCIAL RECREATION	\$ 4,711	\$ 10,000	\$ 1,014,000
<b>OTHER</b>			
CONSERVATION LEASES	\$ -	\$ 250	\$ 73,000
GEOTHERMAL	\$ -	\$-	\$ 5,012
MINERAL LEASES	\$ 3,231	\$ 250	\$ 113,000
OIL AND GAS LEASES	\$ -	\$-	\$ 3,926
<b>Sub Total</b>	<b>\$ 128,755</b>	<b>\$ 47,000</b>	<b>\$ 7,068,973</b>
REAL ESTATE SERVICES (ER)	\$ -	**	
<b>Grand Total - Earnings Reserve</b>	<b>\$ 128,755</b>		

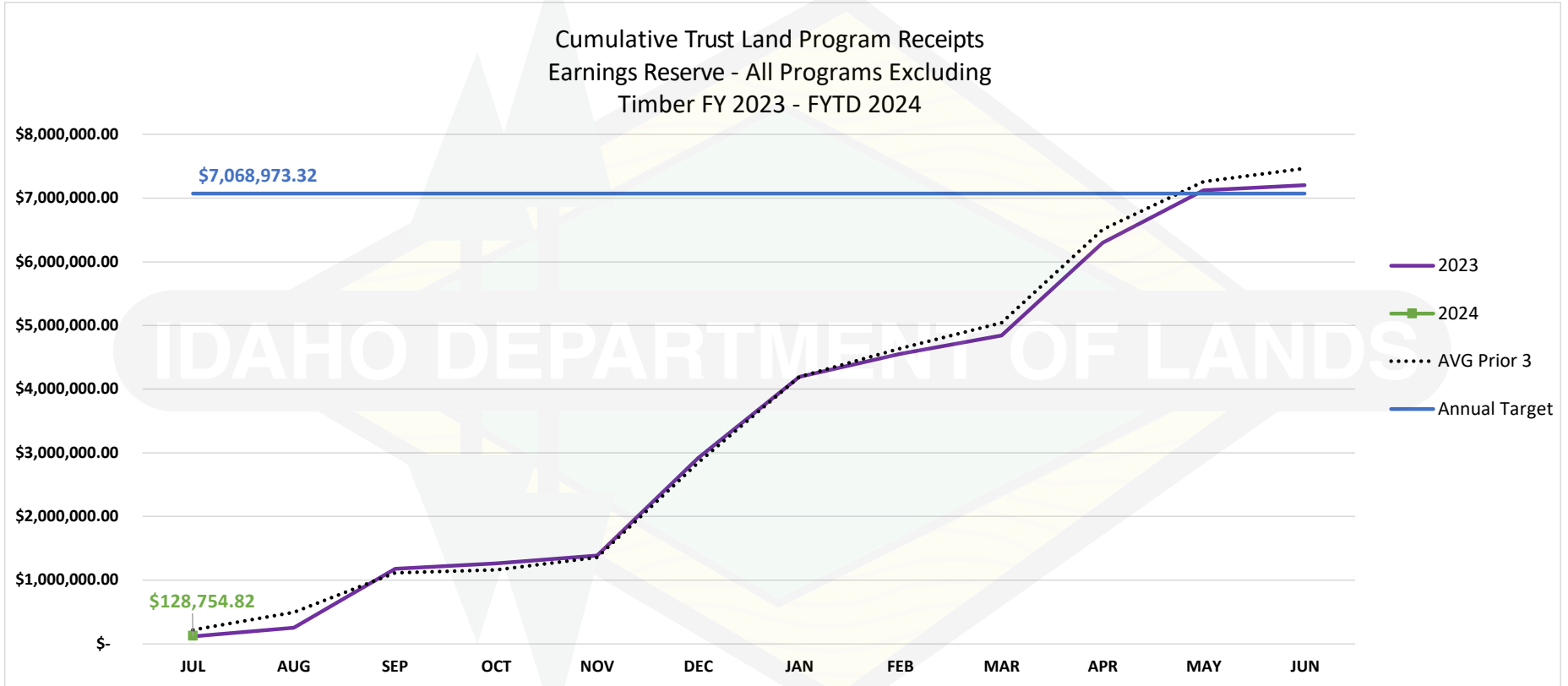
<b>PERMANENT FUND REVENUE</b>	
<b>MINERALS (PF)</b>	<b>\$ 222,249</b> ***

\*These figures are based on historic timing of revenue/billing as well as estimates of upcoming lease and permit revenue.

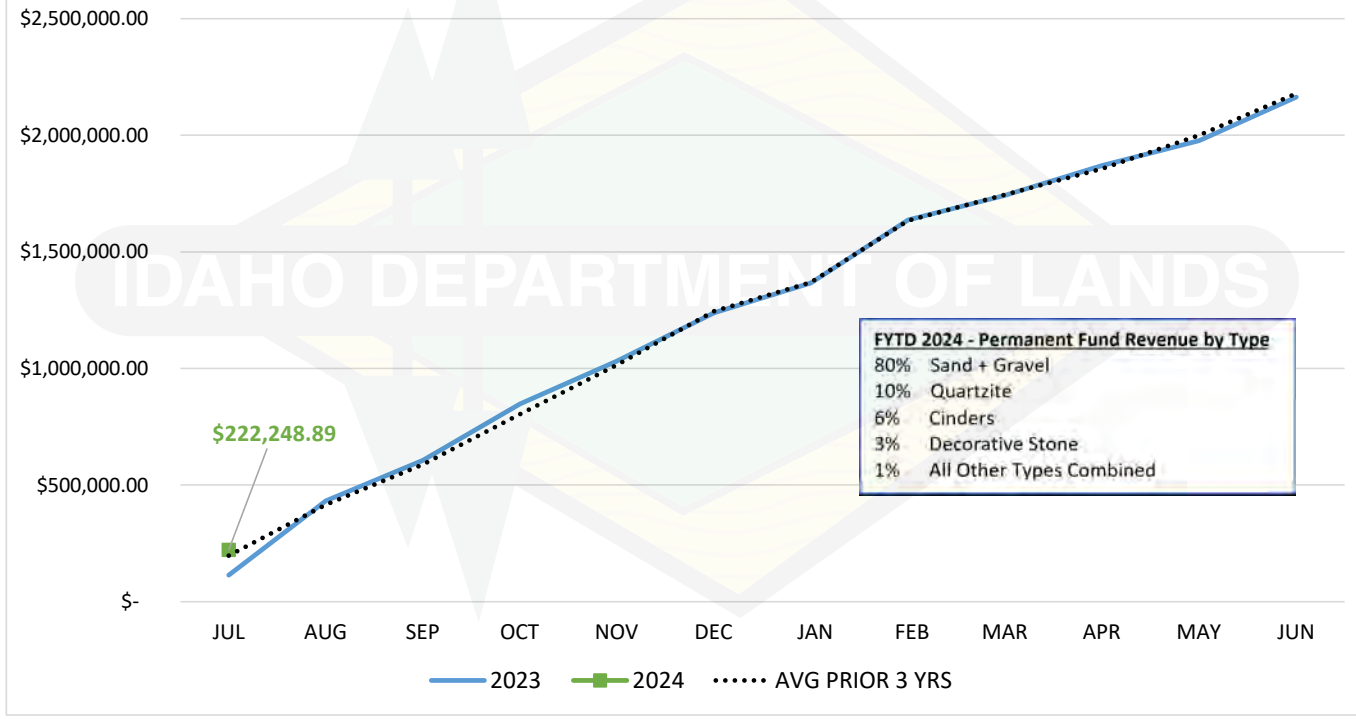
\*\* This category is not included in the annual forecast.

\*\*\*This category is not included in the annual forecast and represents minerals revenue to permanent fund.

Cumulative Trust Land Program Receipts  
Earnings Reserve - All Programs Excluding  
Timber FY 2023 - FYTD 2024



Trust Land Permanent Fund Revenue & Royalties  
 (Excluding Land Bank and Timber Program)  
 FY2023 - FYTD2024



# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023  
Department Report

## Subject

Fire Season Update

## Background

As of August 8, Emergency Fire Suppression expenditures are estimated to be \$11,771,500. The Suppression Account will recover an estimated \$557,000 of reimbursable costs, for a net obligation of \$11,214,500. The total obligation includes the 2023 contracted aircraft costs and prepositioned contract engines to assist with resource scarcity. These engines will be assigned across the state to boost initial attack resources.

## Discussion

On July 18, the Goldrun Fire was detected 3 miles NE of Ola. The fire burned 800 acres and is in monitor status. The fire was managed by an interagency Type 3 team.

On July 21, the Tyson Fire was detected 5 miles west of Fernwood. The fire burned 155 acres and is 100 percent contained. The fire was managed by an IDL ad hoc Type 3 team and is now back to the district.

On July 27, the Greer Fire was detected near Orofino. The fire burned 100 acres and is controlled.

On July 30, the Russell Fire was detected south of Whitebird. The fire burned 141 acres and is out.

On August 4, the Parkway Fire was detected in Post Falls. The fire burned approximately 80 acres and is 100 percent contained. The Type 3 team has returned the fire to the district.

### Fire Season Comparison to Date

Number and Size of Fires (Year to Date)				
Year	Human	Lightning	Total	Acres
2020	77	20	97	330
2021	173	109	282	115,970
2022	75	27	102	421
2023*	152	46	198	1,969
20 Yr. Average (2002-2022)			166	18,434

\*2023 fires are calculated using the protection boundaries of the new Idaho Master Agreement which has increased the area in which IDL is the protecting agency. Therefore, there is a known inconsistency between 2023 numbers and 20-year averages.

July put Idaho on a rapid drying trend with above average temperatures and below normal precipitation. The long-term weather forecast indicates a warmer than normal fire season with near normal precipitation through most of the state but drier than average in the panhandle. The National Significant Wildland Fire Potential Outlook shows most of north and southwest Idaho having elevated fire risk through September. Due to need, IDL started several contract engines earlier than the anticipated August 1 date.

Stage 1 fire restrictions started Friday, July 28, in Central Idaho. Stage 2 fire restrictions began on Wednesday, August 9 for the Coeur d'Alene Dispatch Zone.

### Significant Fires Outside of IDL Protection

#### Hayden Fire

Agency/Management: Salmon-Challis National Forest (USFS)  
 General Location: 18 miles west of Leadore, ID  
 Acres burned: 24,489 acres, 77 percent contained

#### Consalus Fire

Agency/Management: Idaho Panhandle National Forests (USFS)  
 General Location: 10 miles west of Coolin, ID  
 Acres burned: 475 acres, 70 percent contained

#### Elk Horn Fire

Agency/Management: Payette National Forest (USFS)  
 General Location: NW of McCall, ID  
 Acres burned: 24,039 acres, 12 percent contained

#### Ridge Creek Fire

Agency/Management: Idaho Panhandle National Forests (USFS)  
 General Location: 3.5 miles east of Hayden Lake, ID  
 Acres burned: 1,200 acres, 0 percent contained

<b>Total Acres Burned by Ownership</b>	
8/9/2023	
<b>Surface Owner</b>	<b>Acres</b>
Bureau of Land Management	7,704
Other Federal	171
Private	2,492
State Endowment	400
Tribal	28
U.S. Forest Service	51,532
<b>Total Acres</b>	<b>62,327</b>

Only fires with perimeters in the Fire Enterprise Geospatial Portal have been included in the analysis.



<b>Fire Deficiency Warrant Spending - 2023 Fire Season YTD</b>		
<b>Category</b>	<b>Estimated Costs</b>	<b>Notes</b>
Aviation Resources	\$2,750,000	4 SEATS, 2 Fire Bosses, 2 Type 2 Helicopters
Prepositioned Engines	\$885,500	10 Contract engines statewide to boost IA, between 8/1/2023 – 9/15/2023
IDL Non-Team Fires	\$454,000	IDL/Assn fires including pre-positioning
IDL Team Fires	\$6,550,000	IDL Team Fire, 2 Type 3
Other Suppression Non-reimbursable	\$575,000	Coeur d'Alene Cache, Dispatch and emergency equipment expenses
Other Suppression Reimbursable	\$557,000	Reimbursable (IDL and Fire Department resources supporting non-IDL fires)
<b>Total Estimate YTD</b>	<b>\$11,771,500</b>	Does not include Cost Share Fires which will be reported in October

### **Attachments**

1. Map–Significant Fires Throughout Idaho
2. Map–Current Fire Restrictions

**IDAHO DEPARTMENT OF LANDS**

# 2023 Wildland Fires in Idaho

8/9/2023

## Fire Perimeter Categories

- Current Month
- Last Month
- Two Months Ago
- Three Months and Older

## Surface Management

- Idaho Endowment Lands
- Other State
- Private
- U.S. Forest Service
- Bureau of Land Management
- Tribal Lands
- Other Federal



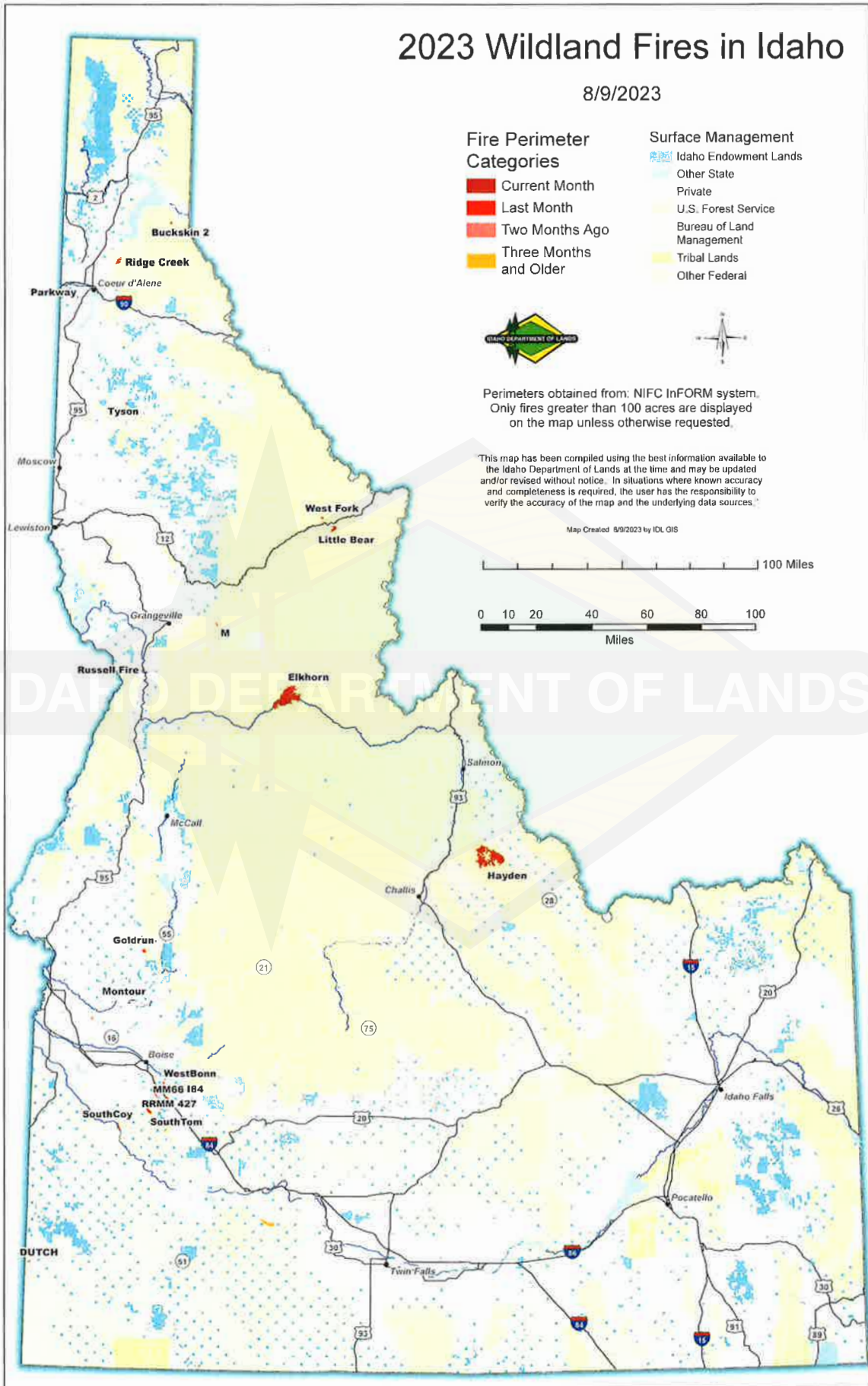
Perimeters obtained from: NIFC InFORM system.  
Only fires greater than 100 acres are displayed on the map unless otherwise requested.

"This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources."

Map Created 8/9/2023 by IDL GIS

0 10 20 40 60 80 100 Miles

0 10 20 40 60 80 100 Miles



X:\Projects\FireManagement\WeeklyFireUpdates\2023\AutomateWeeklyFireMap\AutomateWeeklyFireMap.aprx

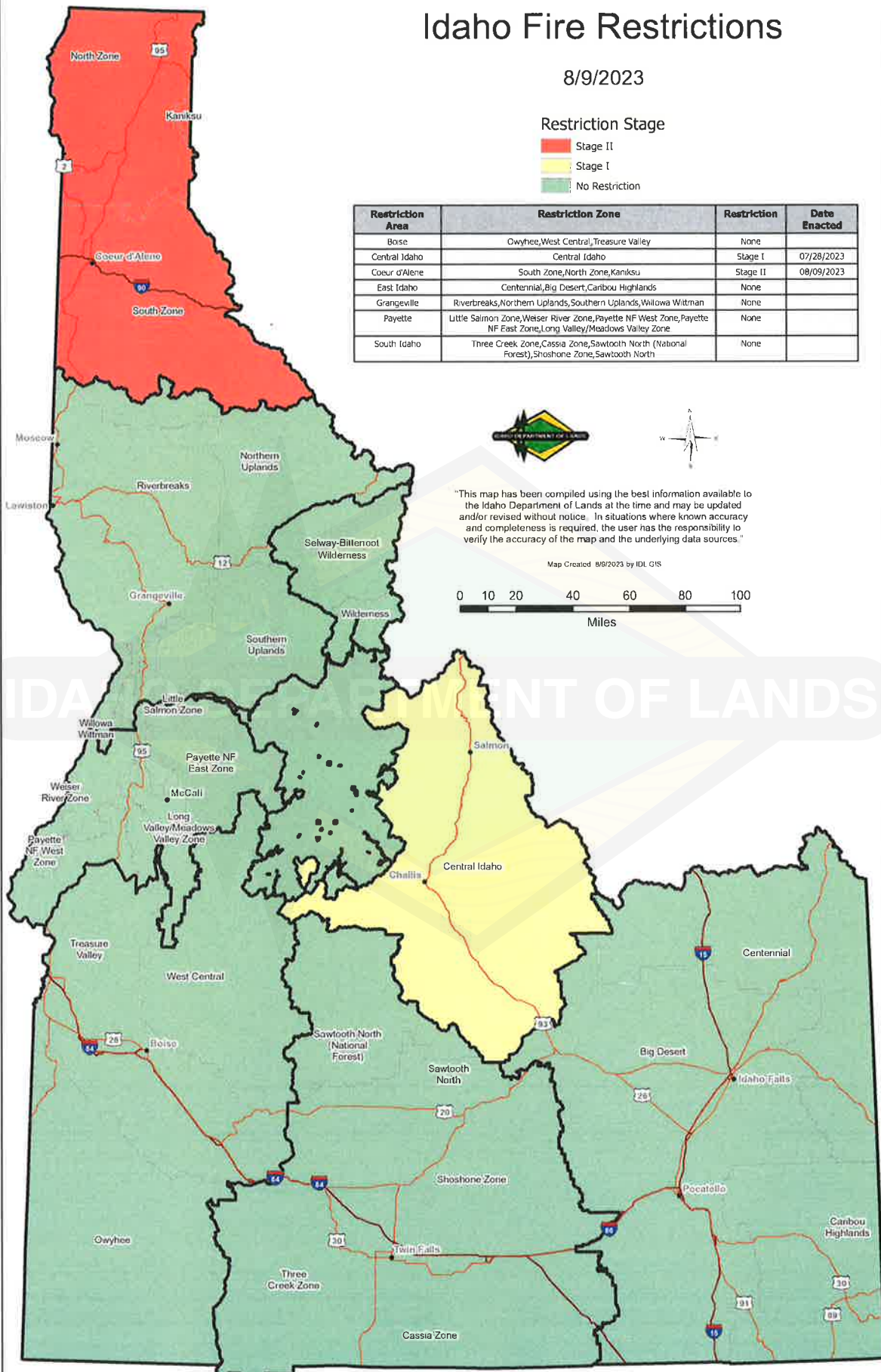
# Idaho Fire Restrictions

8/9/2023

## Restriction Stage

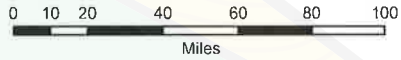
- Stage II
- Stage I
- No Restriction

Restriction Area	Restriction Zone	Restriction	Date Enacted
Bose	Owyhee, West Central, Treasure Valley	None	
Central Idaho	Central Idaho	Stage I	07/28/2023
Coeur d'Alene	South Zone, North Zone, Kaniksu	Stage II	08/09/2023
East Idaho	Centennial, Big Desert, Caribou Highlands	None	
Grangeville	Riverbreaks, Northern Uplands, Southern Uplands, Willowa Wittman	None	
Payette	Little Salmon Zone, Weiser River Zone, Payette NF West Zone, Payette NF East Zone, Long Valley/Meadows Valley Zone	None	
South Idaho	Three Creek Zone, Cassia Zone, Sawtooth North (National Forest), Shoshone Zone, Sawtooth North	None	



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Map Created 8/9/2023 by IDL GIS



# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023  
Department Report

## Subject

Land Revenue Forecast

## Background

Each year, the Idaho Department of Lands (Department) provides a revenue forecast showing a predicted range of revenue by endowment for the next four fiscal years based on expected levels of operations, prices of existing timber sales under contract, and expected changes in lease revenues and agency expenditures. The four-year net income forecast table is provided as Attachment 1.

An income range is shown for each endowment primarily due to variability in timber markets and the duration of timber sale contracts. Most leasing returns are relatively stable from year to year; however, leasing revenue has declined in recent years due to the sale of residential and commercial real estate.

## Discussion

The Department's gross land management revenue was \$80.9 million in FY2023, approximately \$4.4 million less than FY2022 and \$0.81 million more than the 10-year average. The \$80.9 million total is approximately \$15.2 million below last year's forecasted high and \$5.9 million above the forecasted low. Gross income forecasts compared to actual returns are provided as Attachment 2.

The Department's net land management income was over \$52.8 million in FY2023, approximately \$5.1 million less than FY2022 and \$145,000 more than the 10-year average. The \$52.8 million total is approximately \$15.8 million below last year's forecasted high and \$5.4 million above the forecasted low. Net income forecasts compared to actual returns are provided as Attachment 3.

The timberland asset class accounted for approximately 92.7% of the total gross land management revenue and about 96% of the total net income from land management in FY2023. Monte Carlo data analysis was used to update the timber revenue based on past ten-year stumpage price volatility and harvest levels approaching the current sale plan volume levels of 328 MMBF. Adjustments were made to leasing revenue based on dispositions, new leases that have been executed, and updated appraisal values affecting residential lease rates.

## Attachments

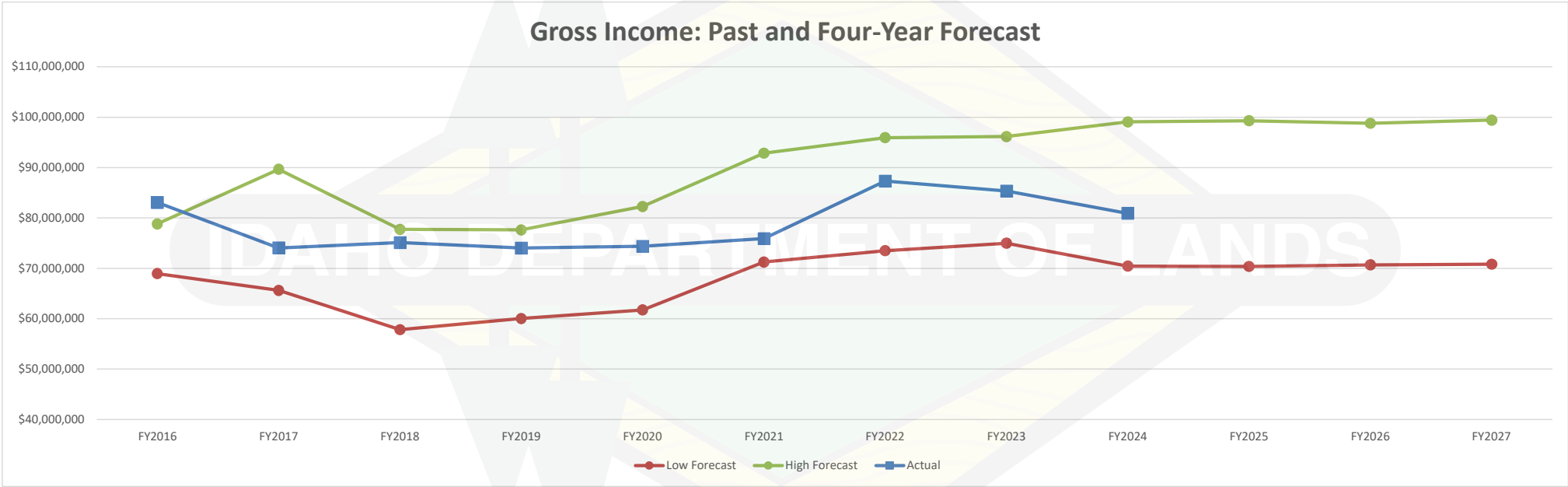
1. Four-Year Net Income Forecast Table (by Endowment)
2. Gross Income: Past and Four-Year Forecast Graph
3. Net Income: Past and Four-Year Forecast Graph

### Four-Year Net Income Forecast

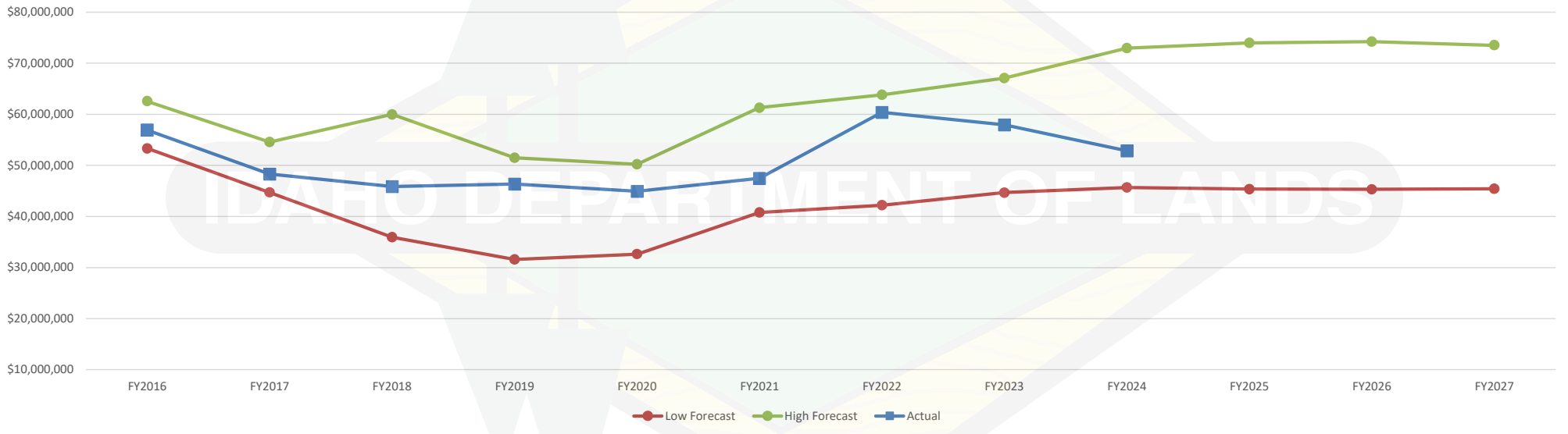
Fiscal Year	Net Income	Public School	Ag College	Charitable Institutions	Normal School	Penitentiary	School of Science	State Hospital South	University	Capitol*	Total
2024	Low	\$ 32,636,131	\$ 669,827	\$ 2,780,819	\$ 1,983,111	\$ 1,194,495	\$ 2,801,030	\$ 1,419,705	\$ 1,876,705	\$ (131,368)	\$ 45,230,455
	High	\$ 53,226,975	\$ 1,092,436	\$ 4,535,298	\$ 3,234,299	\$ 1,948,128	\$ 4,568,261	\$ 2,315,427	\$ 3,060,759	\$ (80,782)	\$ 73,900,801
2025	Low	\$ 32,605,023	\$ 669,189	\$ 2,778,168	\$ 1,981,221	\$ 1,193,357	\$ 2,798,361	\$ 1,418,352	\$ 1,874,916	\$ (132,681)	\$ 45,185,904
	High	\$ 53,409,165	\$ 1,096,175	\$ 4,550,822	\$ 3,245,369	\$ 1,954,796	\$ 4,583,898	\$ 2,323,353	\$ 3,071,235	\$ (81,590)	\$ 74,153,224
2026	Low	\$ 32,677,402	\$ 670,674	\$ 2,784,336	\$ 1,985,619	\$ 1,196,006	\$ 2,804,573	\$ 1,421,500	\$ 1,879,078	\$ (134,008)	\$ 45,285,179
	High	\$ 52,895,302	\$ 1,085,628	\$ 4,507,037	\$ 3,214,145	\$ 1,935,989	\$ 4,539,795	\$ 2,300,999	\$ 3,041,686	\$ (82,406)	\$ 73,438,177
2027	Low	\$ 32,594,305	\$ 668,969	\$ 2,777,255	\$ 1,980,569	\$ 1,192,964	\$ 2,797,441	\$ 1,417,885	\$ 1,874,300	\$ (135,348)	\$ 45,168,341
	High	\$ 53,170,849	\$ 1,091,284	\$ 4,530,516	\$ 3,230,888	\$ 1,946,074	\$ 4,563,444	\$ 2,312,986	\$ 3,057,531	\$ (83,230)	\$ 73,820,342

\*Capitol revenue accrues to the permanent fund rather than the reserve.

### Gross Income: Past and Four-Year Forecast



Net Income: Past and Four-Year Forecast



# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Consent Agenda

## Subject

DI800274, Disclaimer of Interest for the former bed of Bear Lake, Bear Lake County, Idaho.

## Question Presented

Shall the Land Board approve Disclaimer of Interest DI800274?

## Background

Idaho holds title to the beds and banks of navigable waterways below the ordinary high water mark (OHWM). The State Board of Land Commissioners (Land Board) is the statutorily designated trustee of these lands. Meander line surveys were completed on Idaho lakes and rivers by the Government Land Office around the time of statehood. The purpose of these surveys was to generally define the banks of the lakes and rivers and establish lots with specific acreages for settlement. The OHWM of a lake is the true boundary line to determine state ownership of the lakebed and not the meander line. Uplands between the meander line and the OHWM are subject to adverse possession by the adjacent upland landowner through a quiet title action. Land Board policy directs the Idaho Department of Lands (Department) to work with landowners and pursue disclaimers of interest for clearing title to land adjacent to navigable waterways.

## Discussion

Ruth H Barker and Paul E. Barker Trustees In trust of the Ruth Barker Family IVRT applied for a disclaimer of interest for one parcel of land totaling 0.4 acres, more or less. This parcel is located within the original surveyed meander lines of Bear Lake adjacent to the applicant's deeded property in Government Lot 2 of Section 11, Township 16 South, Range 43 East (Attachment 1-Map).

The Department will not be recommending a 25-foot public easement for this disclaimer. This is similar to how other lake disclaimers have been issued. The OHWM of lakes do not move or change, unlike the movement of rivers. The location of the OHWM has not been affected by artificial means such as diking or filling, so the easement is not needed to compensate the state for any uncertainty related to the OHWM. Land Board policy regarding public access easements reserves a 25-foot public use right of way along navigable rivers except in unusual circumstances. The OHWM of Bear Lake is set at elevation 5923.65 feet (Utah Power and Light datum), and a recent LiDAR survey confirms that the 0.4 acres is above the OHWM.



After the applicant paid the \$300 application fee, the Department identified the OHWM on site and the applicant's licensed surveyor completed a survey. The Department reviewed the survey, deed, and tax documents, and determined that the disclaimer was ready to move forward. Tax documents and deed are included as Attachments 2 and 3.

### **Recommendation**

Direct the Department to issue a Disclaimer of Interest for one parcel totaling 0.4 acres of the former bed of Bear Lake, to Ruth H Barker and Paul E. Barker Trustees in trust of the Ruth Barker Family IVRT following their payment to the Department of the remaining processing fee of \$800.

### **Board Action**

### **Attachments**

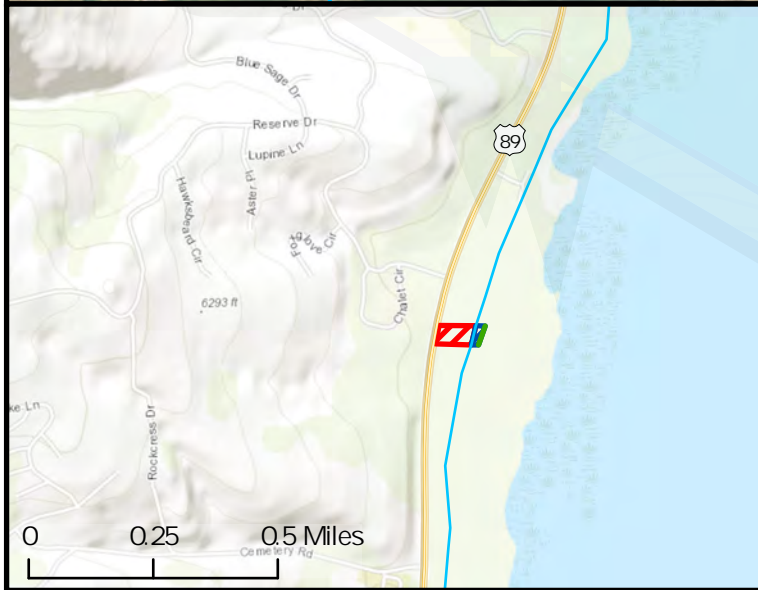
1. Map
2. Tax History
3. Deed





The logo for the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a green diamond shape in the center. A horizontal banner across the middle contains the text "IDAHO DEPARTMENT OF LANDS" in white capital letters on a grey background.

IDAHO DEPARTMENT OF LANDS



Scale 1:4,000



-  High Water Line of Bear Lake Utah Power and Light Elevation 5923.65
-  Private Parcel
-  Disclaimed BY State
-  Meander Line

DI 800274  
 Sec. 11  
 T16S - R43E



Map Notes

Projection: Idaho Transverse Mercator, NAD 83  
 Map Notes and Data Sources  
 Disclaimer:  
 This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.

jnarducci  
 2/10/2023

# BEAR LAKE COUNTY TAX STATEMENT

**TRICIA POULSEN**  
**Bear Lake County Tax Collector**  
 P.O. Box 55  
 Paris, ID 83261  
 208-945-2130 x7

Tax Year: 2017 Bill Number: 121623  
 AIN: 05761.02 Billing Date: 08/16/2021  
 PIN: RP16S43E111280 Balance good until: 08/16/2021  
 Code-Area: 031-0000 Last Payment: 11/20/2017

<b>Bond Information:</b> www.bearlakecounty.info
<b>Parcel Description:</b> T-8139 F. LOT 2; 11-16-43; 1.59; ILLEGAL SPLIT
<b>Location:</b> <b>Acres:</b> 1.5900 <b>Mortgage:</b>
PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID LATE CHARGES, PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

AUTO  
  
 SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Values	Amount	Exemptions and Credits	Amount	Exemptions and Credits	Amount
Land Value	124,200				
			Total Taxable		124,200

Taxing District	Phone	Rate	Total	Spec. Assessments	Phone	Rate	Total
Bear Lake County	208-945-2212	0.0037352130	\$463.93				
School #33 Tort	208-945-2891	0	\$0.00				
School #33 Emergency	208-945-2891	0.0005615080	\$69.74				
School #33 Supplemental	208-945-2891	0.0008706080	\$108.13				
School #33 Judgement	208-945-2891	0	\$0.00				
Fish Haven Cemetery	208-241-7796	0.0000330990	\$4.11				
Bear Lake County Fire District	208-317-6292	0.0003032690	\$37.67				
Fish Haven Sewer	208-945-1065	0.0001134540	\$14.09				
County Library	208-847-1664	0.0003375690	\$41.93				
Fish Haven Mosquito Abatement	435-213-6300	0.0001705080	\$21.18				
				<b>Urban Renewal</b>	<b>Phone</b>	<b>Rate</b>	<b>Total</b>

Bill Summary	Prior Year	Current	Delinquent	Interest	Late Fee	Fees	Paid	Total Due
	0.00	\$760.78	\$0.00	\$0.00	\$0.00	\$0.00	\$760.78	\$0.00

YOU CAN NOW PAY WITH CREDIT/DEBIT CARDS FOR A 2.5% FEE OR BY ELECTRONIC CHECK FOR ONLY \$1.00 AT WWW.BEARLAKECOUNTY.INFO  
 ALSO, NEW DRIVE UP PAYMENT DROP BOX ON THE SOUTHEAST CORNER OF THE NEW COURTHOUSE!  
 THE MORTGAGE COMPANIES HAVE RECEIVED OUR TAX FILES. IF YOUR MORTGAGE PAYS FROM YOUR ESCROW ACCOUNT, PLEASE USE THIS NOTICE FOR YOUR RECORDS

**Make Check Payable to: Bear Lake County Treasurer** **Keep top portion for your records**

**FOR PROPER CREDIT RETURN THIS STUB WITH PAYMENT  
 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2017 - 121623

PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

1ST HALF

\$0.00

FULL AMOUNT

\$0.00

December 20, 2017

**FOR PROPER CREDIT RETURN THIS STUB WITH PAYMENT  
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SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2017 - 121623

PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

2ND HALF

\$0.00

June 20, 2018



**ATTACHMENT 2**

# BEAR LAKE COUNTY TAX STATEMENT

**TRICIA POULSEN**  
**Bear Lake County Tax Collector**  
 P.O. Box 55  
 Paris, ID 83261  
 208-945-2130 x7

Tax Year: 2018 Bill Number: 110715  
 AIN: 05761.02 Billing Date: 08/16/2021  
 PIN: RP16S43E111280 Balance good until: 08/16/2021  
 Code-Area: 031-0000 Last Payment: 12/14/2018

<b>Bond Information:</b> www.bearlakecounty.info
<b>Parcel Description:</b> T-8139 F. LOT 2; 11-16-43; 1.59; ILLEGAL SPLIT
<b>Location:</b> <b>Acres:</b> 1.5900 <b>Mortgage:</b>
PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID LATE CHARGES, PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

AUTO  
  
 SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Values	Amount	Exemptions and Credits	Amount	Exemptions and Credits	Amount
Land Value	124,200				
			Total Taxable		124,200

Taxing District	Phone	Rate	Total	Spec. Assessments	Phone	Rate	Total
Bear Lake County	208-945-2212	0.0036517800	\$453.55				
School #33 Emergency	208-945-2891	0.0005310070	\$65.95				
School #33 Supplemental	208-945-2891	0.0008164300	\$101.40				
Fish Haven Cemetery	208-241-7796	0.0000308910	\$3.84				
Bear Lake County Fire District	208-317-6292	0.0003018260	\$37.49				
Fish Haven Sewer	208-945-1065	0.0001057520	\$13.13				
County Library	208-847-1664	0.0003156210	\$39.20				
Fish Haven Mosquito Abatement	435-213-6300	0.0002130060	\$26.46				
				<b>Urban Renewal</b>	<b>Phone</b>	<b>Rate</b>	<b>Total</b>

Bill Summary	Prior Year	Current	Delinquent	Interest	Late Fee	Fees	Paid	Total Due
	760.78	\$741.02	\$0.00	\$0.00	\$0.00	\$0.00	\$741.02	\$0.00

YOU CAN NOW PAY WITH CREDIT/DEBIT CARDS FOR A 2.5% FEE OR BY ELECTRONIC CHECK FOR ONLY \$1.00 AT WWW.BEARLAKECOUNTY.INFO  
 ALSO, NEW DRIVE UP PAYMENT DROP BOX ON THE SOUTHEAST CORNER OF THE NEW COURTHOUSE!  
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 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2018 - 110715  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>1ST HALF</b>	\$0.00
<b>FULL AMOUNT</b>	\$0.00

December 20, 2018

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SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2018 - 110715  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>2ND HALF</b>	\$0.00
-----------------	--------

June 20, 2019



# BEAR LAKE COUNTY TAX STATEMENT

**TRICIA POULSEN**  
**Bear Lake County Tax Collector**  
 P.O. Box 55  
 Paris, ID 83261  
 208-945-2130 x7

Tax Year: 2019 Bill Number: 110860  
 AIN: 05761.02 Billing Date: 08/16/2021  
 PIN: RP16S43E111280 Balance good until: 08/16/2021  
 Code-Area: 031-0000 Last Payment: 12/02/2019

<b>Bond Information:</b> www.bearlakecounty.info
<b>Parcel Description:</b> T-8139 F. LOT 2; 11-16-43; 1.59; ILLEGAL SPLIT
<b>Location:</b> <b>Acres:</b> 1.5900 <b>Mortgage:</b>
PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID LATE CHARGES, PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

AUTO  
  
 SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Values	Amount	Exemptions and Credits	Amount	Exemptions and Credits	Amount
Land Value	124,200				
Total Taxable					124,200

Taxing District	Phone	Rate	Total	Spec. Assessments	Phone	Rate	Total
Bear Lake County	208-945-2212	0.0038562690	\$478.94				
School #33 Plant	208-945-2891	0.0004183770	\$51.96				
School #33 Tort	208-945-2891	0.0000950350	\$11.80				
School #33 Supplemental	208-945-2891	0.0006798620	\$84.44				
Fish Haven Cemetery	208-241-7796	0.0000310510	\$3.86				
Bear Lake County Fire District	208-317-6292	0.0003012570	\$37.42				
Fish Haven Sewer	208-945-1065	0.0001068920	\$13.28				
County Library	208-847-1664	0.0003189740	\$39.62				
Fish Haven Mosquito Abatement	435-213-6300	0.0002623150	\$32.58				
				<b>Urban Renewal</b>	<b>Phone</b>	<b>Rate</b>	<b>Total</b>

Bill Summary	Prior Year	Current	Delinquent	Interest	Late Fee	Fees	Paid	Total Due
	741.02	\$753.90	\$0.00	\$0.00	\$0.00	\$0.00	\$753.90	\$0.00

YOU CAN NOW PAY WITH CREDIT/DEBIT CARDS FOR A 2.5% FEE OR BY ELECTRONIC CHECK FOR ONLY \$1.00 AT WWW.BEARLAKECOUNTY.INFO  
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 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2019 - 110860  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>1ST HALF</b>	\$0.00
<b>FULL AMOUNT</b>	\$0.00

December 20, 2019



**FOR PROPER CREDIT RETURN THIS STUB WITH PAYMENT  
 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2019 - 110860  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>2ND HALF</b>	\$0.00
-----------------	--------

June 22, 2020



# BEAR LAKE COUNTY TAX STATEMENT

**TRICIA POULSEN**  
**Bear Lake County Tax Collector**  
 P.O. Box 55  
 Paris, ID 83261  
 208-945-2130 x7

Tax Year: 2020 Bill Number: 110833  
 AIN: 05761.02 Billing Date: 08/16/2021  
 PIN: RP16S43E111280 Balance good until: 08/16/2021  
 Code-Area: 031-0000 Last Payment: 12/18/2020

<b>Bond Information:</b> www.bearlakecounty.info
<b>Parcel Description:</b> T-8139 F. LOT 2; 11-16-43; 1.59; ILLEGAL SPLIT
<b>Location:</b> <b>Acres:</b> 1.5900 <b>Mortgage:</b>
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AUTO  
  
 SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Values	Amount	Exemptions and Credits	Amount	Exemptions and Credits	Amount
Land Value	124,200				
			Total Taxable		124,200

Taxing District	Phone	Rate	Total	Spec. Assessments	Phone	Rate	Total
Bear Lake County	208-945-2212	0.0038718630	\$480.91				
School #33 Plant	208-945-2891	0.0004020400	\$49.93				
School #33 Tort	208-945-2891	0.0000944920	\$11.74				
School #33 Supplemental	208-945-2891	0.0006533150	\$81.14				
Fish Haven Cemetery	208-241-7796	0.0000317300	\$3.94				
Bear Lake County Fire District	208-317-6292	0.0003720360	\$46.21				
Fish Haven Sewer	208-945-1065	0.0001094560	\$13.59				
County Library	208-847-1664	0.0003210070	\$39.87				
Fish Haven Mosquito Abatement	435-213-6300	0.0001959300	\$24.33				
				<b>Urban Renewal</b>	<b>Phone</b>	<b>Rate</b>	<b>Total</b>

Bill Summary	Prior Year	Current	Delinquent	Interest	Late Fee	Fees	Paid	Total Due
	753.90	\$751.66	\$0.00	\$0.00	\$0.00	\$0.00	\$751.66	\$0.00

YOU CAN NOW PAY WITH CREDIT/DEBIT CARDS FOR A 2.5% FEE OR BY ELECTRONIC CHECK FOR ONLY \$1.00 AT WWW.BEARLAKECOUNTY.INFO  
 ALSO, NEW DRIVE UP PAYMENT DROP BOX ON THE SOUTHEAST CORNER OF THE NEW COURTHOUSE!  
 THE MORTGAGE COMPANIES HAVE RECEIVED OUR TAX FILES. IF YOUR MORTGAGE PAYS FROM YOUR ESCROW ACCOUNT, PLEASE USE THIS NOTICE FOR YOUR RECORDS

**Make Check Payable to: Bear Lake County Treasurer** **Keep top portion for your records**

**FOR PROPER CREDIT RETURN THIS STUB WITH PAYMENT  
 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2020 - 110833  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>1ST HALF</b>	\$0.00
<b>FULL AMOUNT</b>	\$0.00

December 21, 2020

**FOR PROPER CREDIT RETURN THIS STUB WITH PAYMENT  
 PERSONAL CHECKS ARE SUBJECT TO BANK CLEARANCE**

SMOOT MARK & CHRISTINE FAM LP  
 PO BOX 480  
 GARDEN CITY UT 84028

Bill Number: 2020 - 110833  
 PIN: RP16S43E111280  
 AIN: 05761.02

BEAR LAKE COUNTY

<b>2ND HALF</b>	\$0.00
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June 21, 2021



Instrument # 235020  
BEAR LAKE COUNTY  
04-28-2021 12:59:54 No. of Pages: 2  
Recorded for: FIRST AMERICAN TITLE - MONTPELIER  
Cindy Garner Fee: \$16.00  
Ex-Officio Recorder Deputy: JH  
Index to: WARRANTY DEED

**RECORDING REQUESTED BY**  
First American Title Company

**AND WHEN RECORDED MAIL TO:**  
First American Title Company  
469 Washington St  
Montpelier, ID 83254

Space Above This Line for Recorder's Use Only

**WARRANTY DEED**

File No.: 948816-MON (ab)

Date: April 22, 2021

For Value Received, **The Mark and Christine Smoot Family Limited Partnership**, hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto **Ruth H Barker and Paul E Barker, Trustees or their successors in trust of The Ruth H Barker Family Inter Vivos Revocable Trust, dated the 21st day of June, 2000**, hereinafter called the Grantee, whose current address is 414 South 500 East, Farmington, UT 84025, the following described premises, situated in **Bear Lake County, Idaho**, to-wit:

**A parcel of land located in Section 11, Township 16 South, Range 43 East, Boise Meridian, Bear Lake County Idaho and more particularly described as follows:**  
**Beginning at the North Quarter corner of said Section 11, from which the South Quarter corner of Section 11 bears South 00° 08' 46" East 5292.94 feet;**  
**Thence South 00° 08' 46" East 1815.33 feet along the meridional centerline of said Section 11;**  
**Thence North 89° 51' 14" East 387.34 feet to a point on a 5690.00 foot radius non tangent Highway 89 Easterly right of way curve concave to the Southeast whose center bears South 78° 36' 00" East, the True Point of Beginning;**  
**Thence Northeasterly along said Easterly right of way curve through a central angle of 02° 00' 45" a distance of 200.00 feet (chord = North 12° 24' 25" East 199.99 feet) to a 5/8" rebar with cap labeled, "A.A. Hudson, PLS 13173";**  
**Thence South 87° 54' 28" East 388.49 feet to a 5/8" rebar with cap set on the Easterly deed line of the parcel owned by Bear Lake Reserve Holdings I, LLC as described in Instrument # 208048 in the official records of Bear Lake County;**  
**Thence South 14° 47' 20" West 207.01 feet along said East deed line to a found 5/8" rebar with cap set on an agreed upon property line as shown on the survey recorded as instrument # 213828 in the official records of Bear Lake County;**  
**Thence North 87° 07' 21" West 378.84 feet along said agreed upon property line to True Point of Beginning.**

SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances, unto the said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations,

Date: 04/27/2021

Warranty Deed  
- continued

File No.: 948816-MON (ab)

restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

The Mark and Christine Smoot Family Limited Partnership

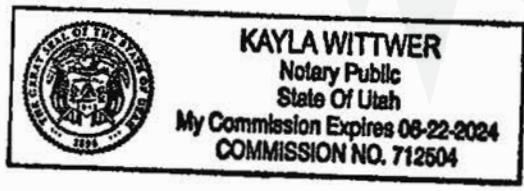
By: [Signature]  
Name: Mark C Smoot  
Title: General Partner

By: [Signature]  
Name: Christine T Smoot  
Title: General Partner

STATE OF Utah )  
COUNTY OF Washington ) ss.

On this 27 day of April, 2021, before me, a Notary Public in and for said State, personally appeared **Mark C Smoot and Christine T Smoot**, known or identified to me to be one of the partners in the partnership of **The Mark and Christine Smoot Family Limited Partnership**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that they executed the same in said partnership name.

[Signature]  
Notary Public of Utah  
Residing at: St George  
Commission Expires: 6/22/24







## 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

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*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.*

### Draft Minutes

State Board of Land Commissioners Regular Meeting

July 18, 2023

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, July 18, 2023 at the State Capitol, Lincoln Auditorium WW02, 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 attended at the physical location.

*[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 – June 2023

**Discussion:** Governor Little noticed one GNA sale sold for more than 300% of appraised value and asked if the Forest Service plays a role in the valuation or is it Department of Lands' foresters? Director Miller replied that the Forest Service does play a role. The Department uses its contracting procedures and advises the Forest Service; rates are set according to Forest Service procedures. Director Miller added that an adjacent sale had no bids, and this sale was set at a rate that was a dollar per ton less. It was interesting to see that carry out.

###### B. Leases and Permits – June 2023

**Discussion:** Controller Woolf commented on the revenue being one million dollars more than expected and inquired if that is expected to continue at that rate again, especially in the commercial area which had much more revenue received. Is that expected in the next fiscal

year? Director Miller responded that in the commercial category the Department issued new leases that were not anticipated; there is a lot of interest in the energy sector, renewables, on endowment land. There was higher than anticipated increases in CPI as well, based on rents and gross receipts. Director Miller indicated the Department is seeing more income in those categories given the interest in utilizing endowment lands for various purposes and the increase in CPI based rent and is doing its best to continue pushing that number up for the endowments, in the non-timber category. Superintendent Critchfield asked if the Department's expected revenue takes into account additional revenue based on changes with leasing, as will be discussed in a later agenda item. Director Miller answered that any future discussions and the likelihood of getting projects under lease will be factored into the Department's expected revenue forecast moving forward.

#### **Status Update**

##### C. Fire Season

**Discussion:** Governor Little remarked that there are fixed costs and variable costs with aviation contracts and requested that the Department provide at the next Board meeting the amount and percentage that the fixed costs have gone up since last year. Director Miller affirmed the request. Secretary of State McGrane commented for clarification that the aviation and prepositioned engines costs, as listed in the second table on page 2, are existing contracts to have the resources available, and the variability of costs is based on fire occurrence. Director Miller confirmed that those are just the costs for having resources available for Department use.

##### D. Land Bank Fund

**Discussion:** Controller Woolf asked when the University of Idaho plans to use their \$17 million from the Land Bank Fund. Director Miller replied that the Department will find out when the Ag College is going to be drawing on that.

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

### A. Manager's Report

### B. Investment Report

#### **Discussion:**

**Chris Anton:** Governor, members of the Land Board, good morning. The fund ended the fiscal year strong. The portfolio was up 4.1% during the month of June which left it up 10.9% for the fiscal year. Financial markets were up during the month of June as Congress reached an agreement to raise the debt ceiling. Technology stocks were bolstered by emerging applications for artificial intelligence and, most significantly, inflation continued to moderate. Investors seemed increasingly optimistic that the Federal Reserve will tame inflation without pushing the economy into a serious recession. Headline inflation peaked at 9.1% last spring and through June now is declined to 3%, while keeping the labor markets strong. In May employers added 339,000 jobs, well above the estimate of 195,000. Investors believe the U.S. is going to get through this inflation challenge without having a serious recession and that kept the financial markets healthy.

Reserves are in a healthy place at year end. For those members who are new to the Land Board, by statute one of the things EFIB does is move earnings above inflation from the permanent fund

into reserve funds. The calculated inflation for the year is a 12-month average and was about 6.5%. Given that the fund was up 10.9%, that difference moved from the permanent fund into the reserve funds at fiscal year-end. EFIB has not yet closed the books and started the audit, but preliminary calculations are that the years of reserves will be healthy at the end of the year. The Public School Fund will be about 6.8 years, slightly below the 7-year target. A couple of the smaller funds may have reserves slightly above their targets.

Thanks to the Governor, EFIB has a new Investment Board member, Mary Pat Thompson. She will be replacing Richelle Sugiyama, who is CIO at PERSI and who has served on the Investment Board for the last 17 years. The Investment Board and staff greatly appreciate her service. EFIB had an orientation for Mary Pat, and she will be at the August Land Board meeting. EFIB will also recognize Richelle for her service during that meeting.

**Secretary of State McGrane:** For clarity and education sake, if there was a bad year in terms of the Endowment Fund, in terms of timber revenue, or other, that is when the Land Board would tap into the reserve funds to keep public education whole in terms of distributions.

**Mr. Anton:** Governor, Secretary McGrane, for each beneficiary there is a permanent fund and a reserve fund. The permanent funds cannot be tapped into, and they have to grow at least at inflation. All the revenue that the Department of Lands generates comes into the reserve funds and out of the reserve funds EFIB makes beneficiary payments, pays Lands' expenses, and pays EFIB expenses. That is the operating account. The two buckets are invested the same way but there is flexibility on the reserves. Why seven years for Public School reserves? EFIB did a lot of modeling with Callan and determined based on the asset allocation the fund has, based on the investment strategy the Investment Board has, which is fairly aggressive, seven years of reserves is needed for the reasons mentioned: one is volatility in the financial markets, there could be a 20-30% drop; the other is there could be a year where Lands' revenue was soft, for whatever reason, perhaps the housing market was soft. The goal is to maintain steady and consistent distributions to the beneficiaries.

**Attorney General Labrador:** Your report was pretty rosy about the economy. I read a couple of articles yesterday that said in spite of inflation being down, prices are well above what they should be, and there was thought that there is going to be a recession this year. Many experts believe there is that possibility. What is EFIB doing to keep on top of things like that?

**Mr. Anton:** People are asking why the Federal Reserve is still talking about another one, maybe two, interest rate increases; it is because the goal is to bring inflation down to 2%. There are different inflation measures; some areas are still growing at a higher rate. Inflation is going up at a slower rate but, relative to where it was, it is still very elevated which has impacted people's standard of living, particularly people on the lower end of the pay scale. Inflation is very real; costs are still very high. The Federal Reserve has work to do. The Federal Reserve is concerned if it cuts rates too fast, there could be rebound in inflation and the rates could pick up. There is concern that if the Federal Reserve keeps rates high to make sure inflation comes down to the 2% target that eventually there will be a recession. Certain interest rate sensitive sectors like housing and automobiles have slowed down because most automobiles are financed, and manufacturing is somewhat slow right now. The markets are fairly optimistic there will not be a recession. I think there is a chance there will be a slowdown.

## Consent—Action Item(s)

### 3. Approval of Draft Minutes – June 20, 2023 Regular Meeting (Boise)

**Consent Agenda Board Action:** A motion was made by Superintendent Critchfield that the Land Board approve the minutes as written. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

## Regular—Action Item(s)

### 4. Ohio Gulch Commercial Ground Lease Request for Proposal (RFP) – Presented by Roger Hall-Bureau Chief, Real Estate Services

**Recommendation:** Direct the Department to enter into negotiations for a ground lease of the Ohio Gulch property with CZ LLC, followed by the Department's Conflict Auction Process.

**Discussion:**

**Controller Woolf:** Thank you for that background. When I first became Controller, there was a storage unit that was a hot topic. To clarify, the difference with this one is that the Department will only own the dirt, CZ LLC will own the structure and will manage it and handle everything, is that correct?

**Mr. Hall:** That is correct. The Department will not be operating the business at all, just collecting rent for the dirt.

**Controller Woolf:** What type of work has the Department done, or will we be doing, with neighbors and other stakeholders in the area of these three parcels?

**Mr. Hall:** Thank you for the question. The immediate surrounding area does not have a lot of infrastructure. There is a shooting range across the street that is also a tenant of the Department, and a landfill and compost operation down the road. There has not been much outreach with members of the different towns for this lease.

**Controller Woolf:** There is mention about fencing around this. Would these be privacy, especially in parcels 2 and 3 where the memo listed those being more of a construction place?

**Mr. Hall:** The fencing primarily would be for parcels 2 and 3 to separate the different companies who will be leasing from CZ. If needed, slats will be provided in the chain link, if that is the type of fencing CZ is providing, to give more privacy and kind of cover up the look of what is in there.

**Controller Woolf:** What is the expected timeline between now and negotiation and then to bring this back before the Land Board again.

**Mr. Hall:** That timeline would be determined by the negotiations and how many redlines the parties have. Typically, it is a few months before a final lease product.

**Governor Little:** It seems a little peculiar that you are going to have an auction, but there is one preferred person that is going to write the contract, obviously to their betterment, rather than having the auction first and then have the winner of the auction work out the lease. It is good for the Board to look at the last item because it is kind of a chicken and egg: if there are five

potential buyers and one of them writes the contract for the way that they want it, that buyer obviously has advantage over everyone else bidding on it. Why is it an auction if one party stipulates what happens in it. That is my analysis of it. It is unique; having a shooting range next to it that is leased from the Department, that means that someone is not going to put a childcare facility or residential facility there. As we get to the last item on the agenda, the Board has to figure out how to do these things, complying with the constitutional obligation to maximize yield and not make it where one vendor in particular has an advantage over everybody else.

**Secretary of State McGrane:** To echo on the commentary, what is the process for the Board to have time, aside from regular monthly meetings, to philosophically discuss how the Board wants to approach things.

**Governor Little:** The last item does a good job of providing a continuum of things that the Department does and how the Board looks at it. I appreciate the Department and the senior staff coming up with that proposal.

**Director Miller:** Governor, Jim will be up here for item 8 and talk a little more about the process. A few years ago, the Department went back to the drawing board to ensure that its leasing procedures were even more transparent, that we were following a set process to make sure the Department is complying with statute, rule, and the constitution, as well as how leases are advertised: go through the RFP process, advertise leases, make sure that there is an auction if there is interest other than just the applicant.

**Attorney General Labrador:** The AG's office requests that we get this material a week before the staff gets together. We have an attorney who looks at the overall picture of how this affects the Land Board, how it affects the constitutionality, whether there is anything that is proper or improper in the deals that the Board is doing. We need the time to assess because there are two different kinds of assessments that are being done. One is more legally specific: is the contract well written; that is what the DAGs are doing sometimes. The other one is whether this is something that is good for the Land Board and whether the Land Board should be voting yea or nay. In order for our office to give that legal assessment of the broader picture, we need the documents well ahead of the staff meeting. I think all of the members would like to have that.

**Secretary of State McGrane:** One thing in particular from my interest as the Department enters those negotiations is the revenue sharing piece, trying to make sure we maintain that. That is where some of the tension rises with the Board's goal to maximize things is to make sure we are not stuck in a lease that with time, as the value of the property increases, we are not receiving that increase.

**Governor Little:** One more question, does the Department do a liability analysis. If they are going to store a bunch of vehicles on it, battery acid, antifreeze, compared to a grazing lease or a timber lease, do we factor into these leases the potential liability or do we put that in the lease that the person who is leasing has to have a multiple million dollar liability policy and name the State as the beneficiary?

**Mr. Hall:** In addition to insurance requirements that are typically in the lease template, the Department also requires some bonding should any of those issues arise.

**Board Action:** A motion was made by Secretary of State McGrane to follow the recommendation to enter negotiations on the lease on the Ohio Gulch property. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

## Information

### 5. Proposed Rule IDAPA 20.03.01, Rules Governing Dredge and Placer Mining Operations in Idaho – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

#### Discussion:

**Superintendent Critchfield:** I am supportive of making the fees reflective of more than 30 years ago. Is there a long-term plan so that we do not wait 30 years to make adjustments.

**Governor Little:** We were informed that the funds that we have for abandoned properties is not going to be sufficient over time. Where is the Department in the pathway to not having to use either general fund money or the reserve fund? You mentioned in your opening remarks that there is not enough to cover the rehab after mining.

**Mr. Wilson:** For clarification, if a mine has been regulated under the Dredge and Placer Protection Act or the Mined Land Reclamation Act, it is not going to be covered by the Abandoned Mine Land Reclamation Fund. The Department has a couple of other dedicated accounts to supplement if there are shortfalls in the bonding. There is also litigation we could pursue if there is a shortfall in dredge and placer bond forfeiture. The number one reason the Department does a bond forfeiture and cancels a permit is due to bankruptcy; we are at the end of the line in bankruptcy; we are not a secured creditor. The best answer for that issue is to change the statute and get the rules updated.

**Superintendent Critchfield:** The broad question is what is the overall management plan? Is it every 30 years the Board is going to take a look at the permitting fee or is there a plan to look at that differently?

**Mr. Wilson:** Under the executive order, these rules will come up every 5 years for review. There is currently a built in mechanism for reviewing these at least every 5 years.

**Governor Little:** Do I understand that there are only 30 of these permits right now?

**Mr. Wilson:** There are approximately 30, yes.

### 6. Proposed Rule IDAPA 20.03.03, Rules Governing Administration of the Reclamation Fund – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

**Discussion:** None.

### 7. Proposed Rule IDAPA 20.03.05, Riverbed Mineral Leasing in Idaho – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

**Discussion:** None.

**8. Endowment Land Leasing Continuum** – Presented by Jim Elbin, Division Administrator-Trust Land Management

**Discussion:**

**Governor Little:** I appreciate this; it is what the new Board members have been asking for because this is complex. The fact that the Department has less residential income is because the Board took a position years ago to get rid of the residential and commercial; that was a Board policy, maybe not done from a 30,000 foot view as proposed here. Director Miller and Jim, how do you want the Board to proceed, how would you have us operate this?

**Mr. Elbin:** We are all happy to answer any questions you may have today. The Department needs to improve this program to not miss opportunities to do what we can do. We have a process, and it has been sound. The Department needs to start taking advantage of opportunities, getting a comfort level from Board members' perspective on what opportunities to consider. Is the vertical, hypothetical line in the right place, or does the Department need to go back to the drawing board and really explore everything, work with our advisors and our legal team.

**Director Miller:** Time spent with the Board's respective staff members on these concepts and ideas to boost revenue on the non-timber side of things while ensuring a level of comfort for each individual Land Board member is needed. Individual meetings that I hold regularly with Land Board members is helpful, as well as getting feedback on potential ideas for endowment leasing. More communication, more ideas brought to Land Board staff members, regular communication to keep moving the ball forward here is what it is going to take.

**Attorney General Labrador:** On the spectrum, the first chart, it shows really green to really red. I suppose it is not based on returns; it is just based on ease. Is there one particular thing the Department does that is the most cost effective and brings the most returns to the state? Tell me what you think about it and why we do not do it more.

**Mr. Elbin:** It is residential leasing. If that had been structured properly, that is one of the Department's opportunities for the highest rates of return. We do not want to be in the business of owning commercial buildings, but the Department could lease the land; that would be the other one. We should lease the land and allow the private sector to develop on it. Both of those are big opportunities and if the state's growth continues, the endowments own some prime real estate there. The other side of it is having an idea of what the comfort level of this is: advertise, if there is no interest, then that helps the Department know where we can start disposing of lands. We have statutory limitations on how much disposition we can do. It is in the Department's best interest as an agency for long-term management to get ahead of this, be proactive, see what opportunities are out there. Those first two I mentioned are highest opportunity for good return.

**Attorney General Labrador:** Looking at the Ohio Gulch commercial ground, there was a huge discrepancy in the return; that is what you are talking about.

**Mr. Elbin:** Yes, sir.

**Superintendent Critchfield:** Board members and staff will have the discussions as mentioned; do you have an overall timeline? Is there something the Department is trying to back up against so that the Board has an idea of how quickly to set something up with you.

**Mr. Elbin:** Department staff can be available whenever. The clock is not ticking on anything other than missing opportunities; we really do not know how many of them are out there, but I would rather build a mature process that is going to stand up, be fair, open, and transparent so everyone coming to the bidding table knows what they are getting into and move into this much quicker when the Department goes into a leasing process. To move the needle on income, we do not have to get thousands of acres under lease. If we get a couple hundred under lease, we are going to move the needle on the revenue and perfect the process as we go.

**Governor Little:** This Ohio Gulch lease is either overtly or covertly going to send a message and the Department is going to get more applications for something similar as a result. How many diverse residential leases do we have like Ohio Gulch?

**Mr. Elbin:** I will have to get back to you on the exact number.

**Controller Woolf:** In the sense of constitutional or statutory, we are dealing with the 320-acre issue or blocking up other parcels to make it more valuable, are those expectations included in this review?

**Mr. Elbin:** The Department did not really address that here; we have more dispositions that we are going to do in Land Bank funds, then we not only look at our current asset class, do we now look at investing beyond that, and does it make sense to do some privatization and sell endowment land to pick up endowment land elsewhere and secure more revenue. It is all part of the whole asset management portfolio.

**Secretary of State McGrane:** I appreciate us having these conversations; I look forward to meeting and chatting more. Regarding one of the issues that you articulated well, especially around some of our resort communities, land appreciation has been significant over the last decade and trying to hold on to the land is one of the best things the Board can do. Use the Land Bank and purchase additional land. As we explore the opportunities for recreation, including some of the forest land, because along with the population growth it is not only the resort communities, finding camping sites in some instances is hard. We do not need glamping, just a dirt spot and someone will put a tent there. The value of the land is becoming such that the Board has to confront the leasing opportunities. What the Governor said earlier, and what Jim pointed out, is that the Department is better positioned if it is putting out solicitations for anybody, rather than a first come, first served approach which seems to be where we are right now. If we can start to foresee, like any other developer or anybody else with land in an area, what is headed, we can be strategic about that; that is important. The Department is always going to have a portfolio with undesirable land versus some of the coveted land. Looking back, some of that land we had around the lake sites would be nice if we had that land. I think now it is just the risk profile, having those conversations, how do we manage that risk appropriately.

**Governor Little:** Reference this Ohio Gulch lease about how we want to do that. Two things that come to mind to me: one, we compare these to an appraisal. We have not done a great job of appraising real estate in some instances recently; we need to talk about that. The other thing is the hurdle rate. You just heard the EFIB tell us that their rate is 6%. Our hurdle rate is two?

**Mr. Elbin:** I think we are 3.15% now.



**Governor Little:** When you are trying to do a present value analysis, if you do not have accurate inflation data, you are not doing the right analysis. The hurdle rate, looking at the appraisal, and how you do the discounted net present value going forward is part of the process.

**Mr. Elbin:** To that point, I can do the financial analysis and look at lease terms. It is not only exploring these other opportunities that are outside the Department's usual strengths but being a good steward of that resource as well. The Department does a really good job of that. It is looking at where we can expound, find the common good, where we can do multiple uses, and then identify places where it makes sense to move this land into a new asset class that gets much higher returns than the usual. I appreciate the comments on that.

**Secretary of State McGrane:** A couple of other thoughts that are indirectly related that I want to look at as we take this 30,000-foot view. Timberland is where the Department is getting the money, as you highlighted really well. How are we calculating the risk of wildfires into that. On a 40-year rotation that means that every year there is the opportunity to lose your entire asset class. Making sure that we are appropriately valuing that land versus some of these alternative approaches in terms of how we manage that land. The other piece, and this one is particularly sticky and complicated, is looking at local governments. What the Board hears about every time we buy land is the tax revenue. Benewah County, in particular, where they have a lot of valuable resources but a very small tax base. We have limitations as a Land Board, but I think we also can be voices at the legislature to try and find ways; even the legislature benefits when the Board is making distributions to the beneficiaries. What can the Board do to help make those communities whole as we look at some of these opportunities.

**Governor Little:** When we take a whole bunch of state ground in Valley County and Bonner County, put it on their tax rolls, the Board does not get any calls from those guys. *[laughter]*

**Director Miller:** Those are things the Department is very aware of and looking at certain parcels that maybe do not make sense for us to own anymore. Maybe we are not making much income off that ground, it may be in the path of development, it is better suited to be reclassified. Those are things we look at when we make these acquisitions. The point about recreation is spot on. We are getting overrun on endowment lands. It is no secret why people want to be here and to really focus on how the Department monetizes recreation through leasing or other opportunities while still maintaining that ground for traditional ground use activities is a huge priority for us. We are working closely with the Parks Department on various concepts and ideas. As Mr. Elbin mentioned, the Department is working on a more comprehensive recreation plan that we will bring to the Land Board later this year.

## Executive Session

None

There being no further business before the Land Board, at 10:20 a.m. a motion to adjourn was made by Controller Woolf. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.



Thomas J. Wilford :: Chairman  
Jerry F. Aldape            Irving Littman  
Bob Donaldson            Richelle A. Sugiyama  
Joseph Forney            Chuck Winder  
Steven C. Harris           Brian Yeargain  
  
Chris J. Anton :: Manager of Investments

## Monthly Report to the Board of Land Commissioners

### Investment performance through July 31, 2023

**Month: 2.2%      Fiscal year: 2.2%**

Financial markets were bolstered by strong macro-economic trends in July. The Fed and other central banks are nearing the peak of the interest rate hiking cycle, inflation continues to gradually moderate and economic growth and labor markets remain resilient. As expected, the Fed raised interest rates by 0.25% in July, bringing the fed funds target range to 5.25% - 5.50%. Fed Chair Jerome Powell was careful not to declare “mission accomplished” but he made it clear they were approaching the peak rate and any future increases would be moderate. Headline inflation declined from 9.1% in June 2022 to 3.0% in June 2023. Core inflation, however, is still elevated at 4.8% as demand for services remained robust and wage growth has yet to ease meaningfully. Second quarter U.S. GDP reflected annualized growth of 2.4%, well above estimates of 1.8%.

### Status of endowment fund reserves

Distributions for FY2022 and FY2023 are well secured.

### Significant actions of the Endowment Fund Investment Board

None.

### Compliance/legal issues, areas of concern

**Material deviations from Investment Policy:** None.

**Material legal issues:** None.

**Changes in board membership or agency staffing:**

### Upcoming issues/events

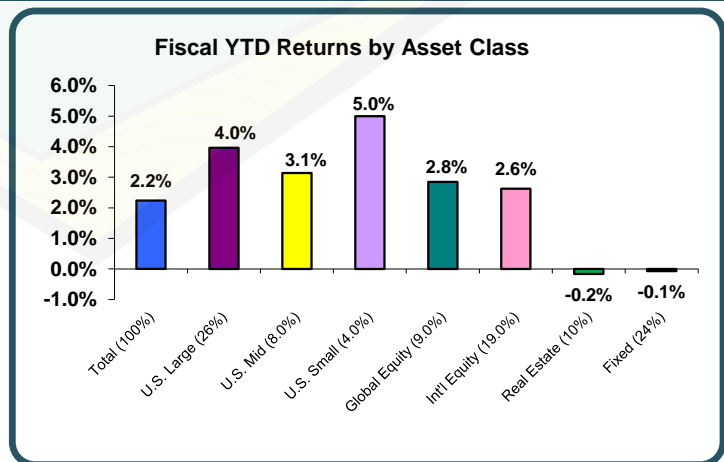
Board Meeting – November 21, 2023 (joint meeting)

	<u>Month</u>	<u>FYTD</u>
<b>Beginning Value of Fund</b>	2,947,604,447	\$ 2,947,604,447
Distributions to Beneficiaries	(8,359,583)	(8,359,583)
Land Revenue net of IDL Expenses (will post in August)	-	-
Change in Market Value net of Investment Mgt. Expenses	74,091,162	74,091,162
<b>Current Value of Fund</b>	<b>\$ 3,013,336,026</b>	<b>\$ 3,013,336,026</b>

	<u>Current Month</u>	<u>Calendar Y-T-D</u>	<u>Fiscal Y-T-D</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
<b>Gross Returns</b>							
<b>Total Fund</b>	2.2%	10.3%	2.2%	7.0%	7.2%	7.3%	7.8%
<i>Total Fund Benchmark*</i>	2.4%	11.4%	2.4%	7.5%	6.9%	6.9%	7.5%
<b>Total Fixed</b>	-0.1%	2.5%	-0.1%	-2.7%	-3.5%	1.1%	1.6%
<i>BBG U.S. Agg. (Ag)</i>	-0.1%	2.0%	-0.1%	-3.4%	-3.9%	1.1%	1.6%
<b>Total Equity</b>	3.4%	16.7%	3.4%	13.4%	11.5%	9.7%	10.2%
<i>57% R3 29% Ax 14% AC</i>	3.7%	18.2%	3.7%	13.0%	11.1%	8.9%	9.7%
<b>Domestic Equity</b>	3.9%	17.7%	3.9%	13.4%	13.2%	10.9%	11.8%
<i>Russell 3000 (R3)</i>	3.6%	20.3%	3.6%	12.6%	13.1%	11.4%	12.1%
<b>Global Equity</b>	2.8%	17.3%	2.8%	15.6%	10.5%	10.2%	8.6%
<i>MSCI ACWI (AC)</i>	3.7%	18.1%	3.7%	12.9%	10.4%	8.2%	8.6%
<b>Int'l. Equity</b>	2.6%	14.5%	2.6%	12.2%	8.7%	7.2%	6.8%
<i>MSCI ACWI ex-US (Ax)</i>	4.1%	13.9%	4.1%	13.4%	7.1%	3.9%	4.7%
<b>Real Estate</b>			-0.2%	-8.9%	6.3%	5.9%	

\* Benchmark: 38% Russell 3000 19% ACWI ex-US 9% AC 24% BB Agg. 10% OD

	<u>Mkt Value</u>	<u>Allocation</u>
<b>Domestic Equity</b>	\$ 1,123.4	37.3%
Large Cap	790.6	26.2%
Mid Cap	210.1	7.0%
Small Cap	122.7	4.1%
<b>Global Equity</b>	272.6	9.0%
<b>Int'l Equity</b>	612.8	20.3%
<b>Fixed Income</b>	714.5	23.7%
<b>Real Estate</b>	274.7	9.1%
Cash	15.7	0.5%
<b>Total Fund</b>	<b>\$ 3,013.3</b>	<b>100.0%</b>

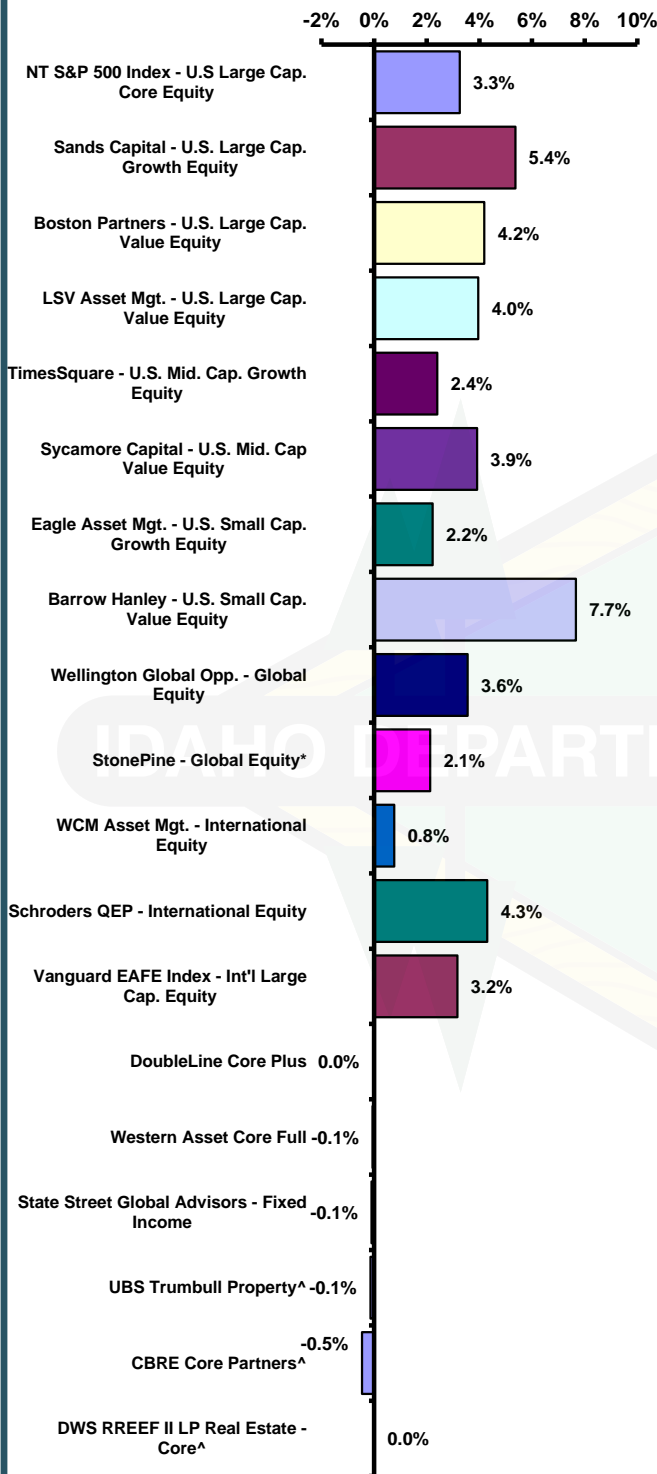


### Endowment Fund Staff Comments:

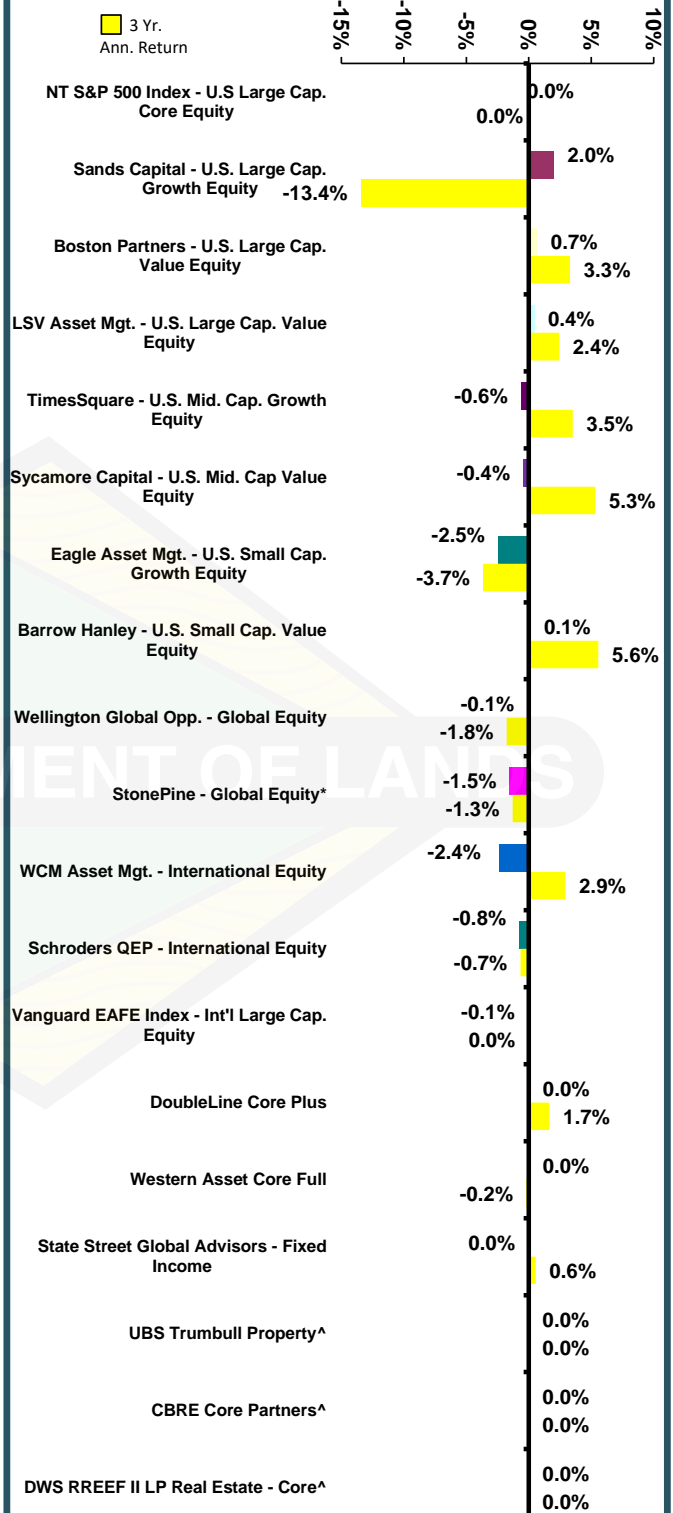
Financial markets were bolstered by strong macro-economic trends in July. The Fed and other central banks are nearing the peak of the interest rate hiking cycle, inflation continues to gradually moderate and economic growth and labor markets remain resilient. As expected, the Fed raised interest rates by 0.25% in July, bringing the fed funds target range to 5.25% - 5.50%. Fed Chair Jerome Powell was careful not to declare "mission accomplished" but he made it clear they were approaching the peak rate and any future increases would be moderate. Headline inflation declined from 9.1% in June 2022 to 3.0% in June 2023. Core inflation, however, is still elevated at 4.8% as demand for services remained robust and wage growth has yet to ease meaningfully. Second quarter U.S. GDP reflected annualized growth of 2.4%, well above estimates of 1.8%.

# INVESTMENT REPORT

## FYTD Manager Returns



## Manager Relative Returns Fiscal YTD and 3-Yr Ave\*



^ Most recent valuation. \* I-T-D

# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

## Subject

Fiscal Year 2025 Beneficiary Distributions

## Question Presented

Shall the Land Board approve FY2025 beneficiary distributions of \$103,221,600?

## Discussion

The Endowment Fund generated investment returns of 10.9% (4.6% real return, net of 6.3% inflation) during fiscal year 2023. Idaho Department of Lands generated \$52.3 million in net revenue in fiscal year 2023 and \$167 million of timber was presold as of June 30, 2023. Earnings Reserves exceed target levels with the exceptions of Public School and State Hospital South.

## Recommendation

The Endowment Fund Investment Board recommends that the Land Board approve FY2025 beneficiary distributions of \$103,221,600 and transfers to the Permanent Fund of \$28,070,000. The transfers to the Permanent Fund will not be included in the Gain Benchmark.

## Board Action

## Attachments

1. Proposed FY2025 Distributions

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# Proposed Fiscal Year 2025 Distributions and Transfers

IDAHO DEPARTMENT OF LANDS

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*Land Board Meeting  
August 15, 2023*

ATTACHMENT 1



# Distribution Policy Summary

The Land Board has adopted the following principles:

- Distribute 5% of the 3-year average value of each Permanent Fund annually (7% for State Hospital)
  - Adjusted for reserves, transfers and any other relevant factors
- Maintain Earnings Reserves at target levels based on years of beneficiary distributions
- Consider transferring any excess Earnings Reserves back to the Permanent Fund

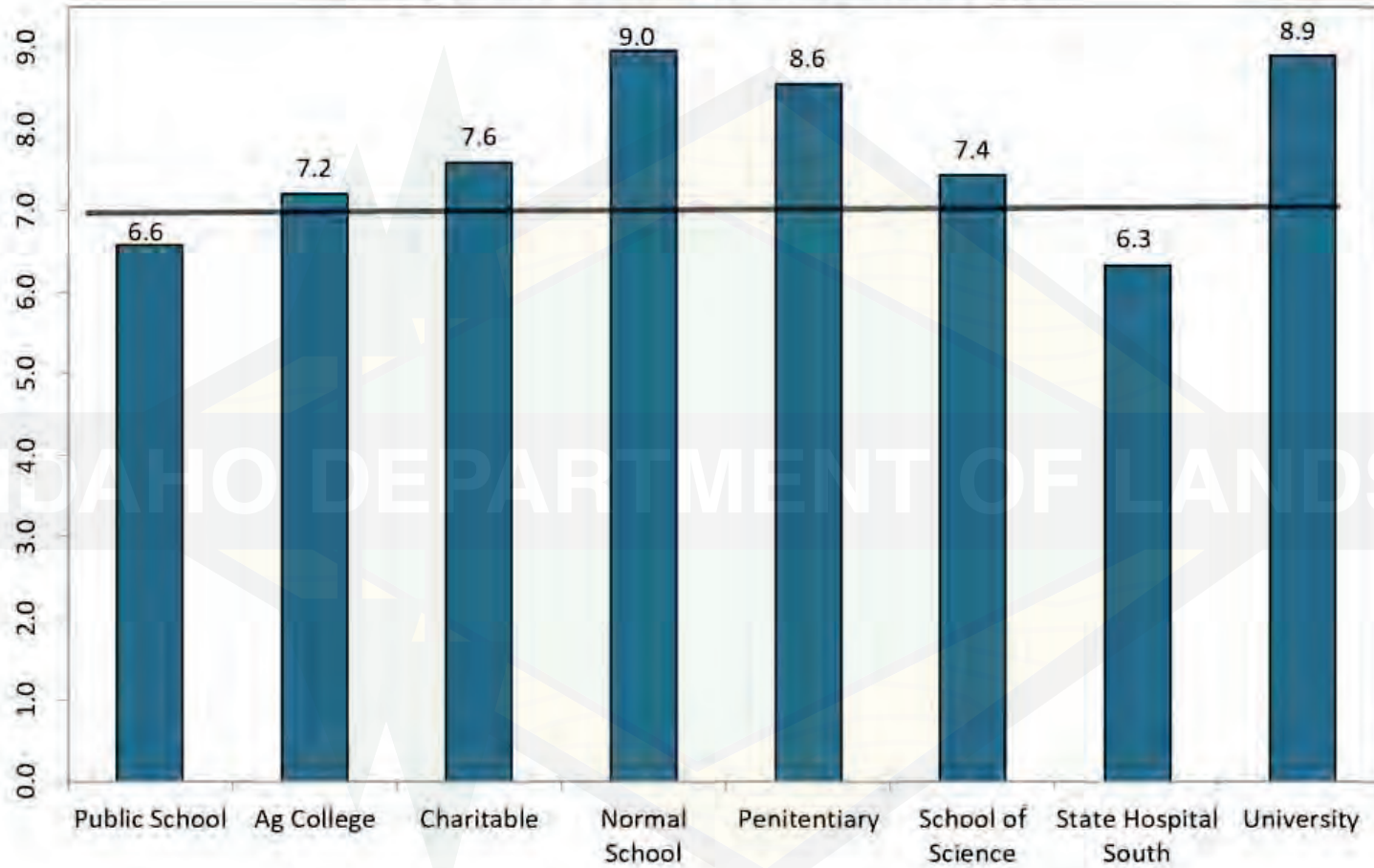
Source: Land Board Investment Policy

## Current Situation

- The Endowment Fund generated a 10.9% return (4.6% real return, net of 6.3% inflation) in FY 2023.
- IDL generated \$52.3 million in net revenue in FY 2023 and \$167 million of timber was presold as of June 30, 2023.
- Earnings reserve levels exceed target levels with the exceptions of Public School and State Hospital South.



Coverage Ratio June 30, 2023  
Years of Distributions based on FY2024 Distributions



## RECOMMENDED ENDOWMENT DISTRIBUTIONS - FY 2025

(Based On June 30, 2023 Balances - \$ Millions)

	Total	Public School	Ag College	Charitable	Normal Schools	Penitentiary	School of Science	State Hospital South	University
FY 2017 Distribution	\$ 63.2	\$ 36.7	\$ 1.3	\$ 5.5	\$ 4.3	\$ 2.0	\$ 4.7	\$ 4.6	\$ 4.0
FY 2018 Distribution	\$ 73.5	\$ 47.0	\$ 1.3	\$ 5.5	\$ 4.3	\$ 2.0	\$ 4.7	\$ 4.6	\$ 4.0
FY 2019 Distribution	\$ 78.2	\$ 50.3	\$ 1.4	\$ 5.8	\$ 4.4	\$ 2.2	\$ 4.8	\$ 5.0	\$ 4.2
FY 2020 Distribution	\$ 80.9	\$ 51.3	\$ 1.5	\$ 5.8	\$ 4.9	\$ 2.2	\$ 4.9	\$ 6.0	\$ 4.4
FY 2021 Distribution	\$ 84.5	\$ 52.6	\$ 1.6	\$ 6.0	\$ 5.3	\$ 2.5	\$ 5.4	\$ 6.4	\$ 4.8
FY 2022 Distribution	\$ 88.1	\$ 54.8	\$ 1.7	\$ 6.2	\$ 5.5	\$ 2.7	\$ 5.7	\$ 6.4	\$ 5.1
FY 2023 Distribution	\$ 100.3	\$ 61.5	\$ 1.9	\$ 7.0	\$ 6.6	\$ 3.1	\$ 6.7	\$ 7.6	\$ 5.9
FY 2024 Distribution	\$ 100.3	\$ 61.5	\$ 1.9	\$ 7.0	\$ 6.6	\$ 3.1	\$ 6.7	\$ 7.6	\$ 5.9
<b>FY 2025 Distribution</b>	<b>\$ 103.2</b>	<b>\$ 63.0</b>	<b>\$ 2.0</b>	<b>\$ 7.1</b>	<b>\$ 7.3</b>	<b>\$ 3.2</b>	<b>\$ 6.7</b>	<b>\$ 7.8</b>	<b>\$ 6.1</b>
% Change: 2025 vs. 2024 Distribution	2.9%	2.4%	3.4%	1.5%	10.7%	0.5%	0.7%	2.5%	4.5%

### **Earnings Reserves status (as of 6/30/23)**

Earnings Reserve Policy Target (in years)	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Years of reserves, before transfer	6.9	6.4	7.0	7.5	8.1	8.5	7.4	6.2	8.5
<b>Years of reserves, after transfer</b>	<b>6.6</b>	<b>6.4</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>6.2</b>	<b>7.0</b>

<b>Earnings Reserve Balance (6/30/23)</b>	<b>\$ 708.2</b>	<b>\$ 405.2</b>	<b>\$ 13.9</b>	<b>\$ 53.2</b>	<b>\$ 58.9</b>	<b>\$ 26.9</b>	<b>\$ 49.6</b>	<b>\$ 48.1</b>	<b>\$ 52.3</b>
<b>Recommended Transfer to Perm Fund</b>	<b>\$ 28.1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3.4</b>	<b>\$ 8.0</b>	<b>\$ 4.8</b>	<b>\$ 2.6</b>	<b>\$ -</b>	<b>\$ 9.3</b>
Earnings Reserve Balance After Transfer	\$ 680.1	\$ 405.2	\$ 13.9	\$ 49.8	\$ 50.9	\$ 22.1	\$ 40.2	\$ 48.1	\$ 43.0

# Land Board Recommendation

- Approve FY2025 beneficiary distributions of \$103,221,600 and transfers to the Permanent Fund of \$28,070,000. The transfers to the Permanent Fund will not be included in the Gain Benchmark.

	<i>Distributions To Beneficiaries</i>				<i>Transfer To Permanent Fund*</i>
	<i>Approved</i>	<i>Proposed</i>	<i>%</i>	<i>\$</i>	
	<i>FY2024</i>	<i>FY2025</i>	<i>Change</i>	<i>Change</i>	
Public School	61,532,200	63,039,600	2.4%	1,507,400	-
Ag College	1,927,500	1,993,200	3.4%	65,700	-
Charitable Institution	7,008,000	7,116,000	1.5%	108,000	3,400,000
Normal School	6,568,700	7,273,200	10.7%	704,500	8,000,000
Penitentiary	3,139,600	3,154,800	0.5%	15,200	4,800,000
School of Science	6,672,700	6,722,400	0.7%	49,700	2,570,000
State Hosp. South	7,586,400	7,776,000	2.5%	189,600	-
University	5,879,900	6,146,400	4.5%	266,500	9,300,000
	<b>100,315,000</b>	<b>103,221,600</b>	<b>2.9%</b>	<b>2,906,600</b>	<b>28,070,000</b>
<p>* Amount of Earnings Reserve in excess of what is deemed adequate relative to the 2025 distribution. The adequate reserve level for all endowments is set at seven years.</p> <p>** The Transfer is not to be added to the Gain Benchmark.</p>					
<p><i>All calculations subject to adjustment pending final audit of fiscal year 2023 results.</i></p>					

# Callan



August 15, 2023

## History of Endowment Reform and Callan's Work

Idaho State Board of Land  
Commissioners

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**Janet Becker-Wold, CFA**  
Senior Vice President & Manager

# Who is Callan?

Callan is a national investment consulting firm that provides a full suite of services to institutional investors. We have approximately \$3 trillion under advisement.

Callan works with land trusts, pension funds, defined contribution plans, cash pools, insurance funds as well as endowments and foundations.

We have provided services to the SIF, EFIB, IDL and the Board of Land Commissioners for over 10 years.

The team is Janet Becker-Wold, Senior Vice President and Manager, consultant to the EFIB and Sally Haskins, Senior Vice President and co-manager of Real Assets Consulting.

Client Policy Review Committee 13 Senior Professionals	Manager Search Committee 10 Senior Professionals	Defined Contribution Committee 12 Senior Professionals	Alternatives Review Committee 12 Senior Professionals
Strategic Planning	Plan Implementation	Monitoring & Evaluation	Education & Research
<b>Capital Markets Research</b> 9 dedicated professionals <i>(Also significantly contributes to our global manager research efforts.)</i>	<b>Dedicated Manager Research</b> 33 dedicated professionals <b>Defined Contribution Group</b> 5 dedicated professionals <b>Trust, Custody &amp; Securities Lending Group</b> 3 dedicated professionals	<b>Client Report Services Proprietary Database</b> 29 dedicated performance professionals <i>Supported by 20 database, programming and systems professionals.</i>	<b>Callan Institute and "Callan College"</b> 8 dedicated professionals <i>Most Callan professionals participate as instructors and research writers</i>

## Brief History of Idaho Endowment Reform

Endowment reform began in 1996 with the report and recommendations of the Governor's Committee on Endowment Fund Investment Reform.

*The state needs to shift its current policy from management of individual parts (the land trust separately from the financial assets) to management of the entire endowment. The entire integrated endowment needs to have its rules of overall operation clarified, reorganized, and reoriented towards providing a predictable and increasing stream of revenue to the beneficiaries while at least maintaining the purchasing power of the assets of the endowment. The endowment also needs to specifically set out its goals and investment policies, including the rules for setting the distribution and level of benefits to both the current beneficiaries and those of future generations.*

In 1997, the Idaho Legislature authorized the Legislative Council to appoint a committee to study the 1996 report and make recommendations.

In 1998, the following legislation passed:

1. *Endowment and earnings reserves for each of the endowments*
2. *Placed the EFIB under the direction of the Land Board (effectively making the Land Board a policy maker for both lands and investments)*
3. *Established a land bank to allow the deposit of proceeds of public school lands*

2013 Endowment Fund Reform Progress Report authored by Bob Maynard: introduced a “prudent expert” rule framework when the Land Board considers IDL issues that have investment components (land exchanges, disposition of Land Bank Assets, and commercial property transactions).

*Two key components, investment decisions are done either by experts or on the recommendations of experts and ensuring that independent monitoring systems are in place to ensure the process is meeting institutional expert standards.*

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## Advances Due to Endowment Reform

From 2013 progress report

1. Expansion of the investment of the financial assets to a professionally managed fully diversified portfolio
2. IDL shifted its orientation from a focus on biological management to incorporate return considerations in the management of timber and other lands
3. Distributions and payments of revenues from the Trust are in the hands of policymakers who can respond to ongoing market environments (as opposed to a statute that required distribution of income only)
4. Policy makers from the Land Board, EFIB and legislature can be involved in setting rules for distributions and the fair division of assets between future and current generations
5. The Land Board established an Asset Management Plan – written policy codifying the principles and procedures for Trust operations. This added consistency and transparency to the management of Trust assets.

**Outstanding issues noted:** “grey area” between financial assets and land assets: decisions regarding the investment and deployment of Land Bank Funds, procedures around land swaps, purchase and management of in-state property, asset allocation and distribution policies that do not expressly consider Land Trust assets and cash flows.

# Callan – History of Work for the Land Board

## 2014 Asset Allocation and Governance Review

- Review IDL valuation and revenue forecasting process
- Review governance structure and provide recommendations
- Review and develop investment policies and procedures

**2016 Strategic Reinvestment Plan** – assess options to guide Land Board decisions regarding prudent investment of Land Bank monies. Establishes a hurdle rate for new investments in timber and farmland. The hurdle rate is the rate of return required for new land investments. Hurdle rate set at 3.5% real for timber and 4.5% real for farmland. Policy Objective return is 3.0% real.

Callan views reinvestment of land proceeds as a capital allocation question – not as a mechanism to fill certain buckets or asset allocation targets.

- What is the best use of the marginal dollar for the total portfolio (the marginal dollar is the land bank proceeds)?
- Hurdle rates are established based on the underlying premise that any acquisition must be accretive.
- Considerations:
  1. Is the investment consistent with the overall asset allocation and objectives of the total portfolio as set forth in the Investment Policy Statement and in the Strategic and Annual Plans?
  2. Comparison of the risk adjusted return and the net return relative to other types of investments (e.g., stocks, bonds, other land types). Does it make a difference and move the needle from an overall portfolio perspective?
  3. Completion of a full underwriting of the potential investment including upside, base case, and downside scenarios with identification of assumptions and risks alongside of the returns (both the return gross of fees and net of all fees and costs);
  4. Detailed outline of the business plan for the investment and the plan for execution including consideration of the internal and external resources required to execute the plan and associated costs;
  5. Market fundamentals and availability of transactions; and
  6. Institutional investment trends, processes, and implementation for timberland and farmland.



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## Callan – History of Work for the Land Board (continued)

### 2018 Asset Allocation and Distribution Study -

Confirm for Public School, Agriculture College, Charitable Institutions, Normal School Penitentiary, School of Science, State Hospital South and University of Idaho the criteria to be used to evaluate the best and highest use of monetary assets in the Land Bank.

- Determine the appropriate earnings reserve levels of each endowment
- Assess the impact of cabin or cottage site sales for Public School, Normal Schools and State Hospital South
- Determine whether the asset allocation and distribution policies of the eight individual endowments should be changed
- Determine the best use of land sale proceeds for each endowment

#### Outcomes:

- **Callan presented three options for the deployment of land assets to the EFIB. They were subsequently reviewed by Land Board’s Investment Subcommittee and presented to the full Board. The Board approved the following:**

Consistent with the Reinvestment Plan, identify potential land transactions that meet established hurdle rates and set aside sufficient funds over an appropriate time horizon. Immediately move money that will either “mature” prior to the transaction or exceeds what is required. Board rationale for approving this option is documented in Land Board Regular Agenda (July 17, 2018).

- **Callan recommended increasing reserve levels for Public School and Charitable Institutions and to make permanent increases temporarily in place for State Hospital South.**

The EFIB approved and recommended approval to the Land Board. Land Board subsequently approved.

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## Callan – History of Work for the Land Board (continued)

**2020 Hurdle rate review** - Analysis considered current returns of the Endowment timber portfolio and trends; expected returns for the EFIB financial assets portfolio; and trends in expected and actual returns for institutional timber investments.

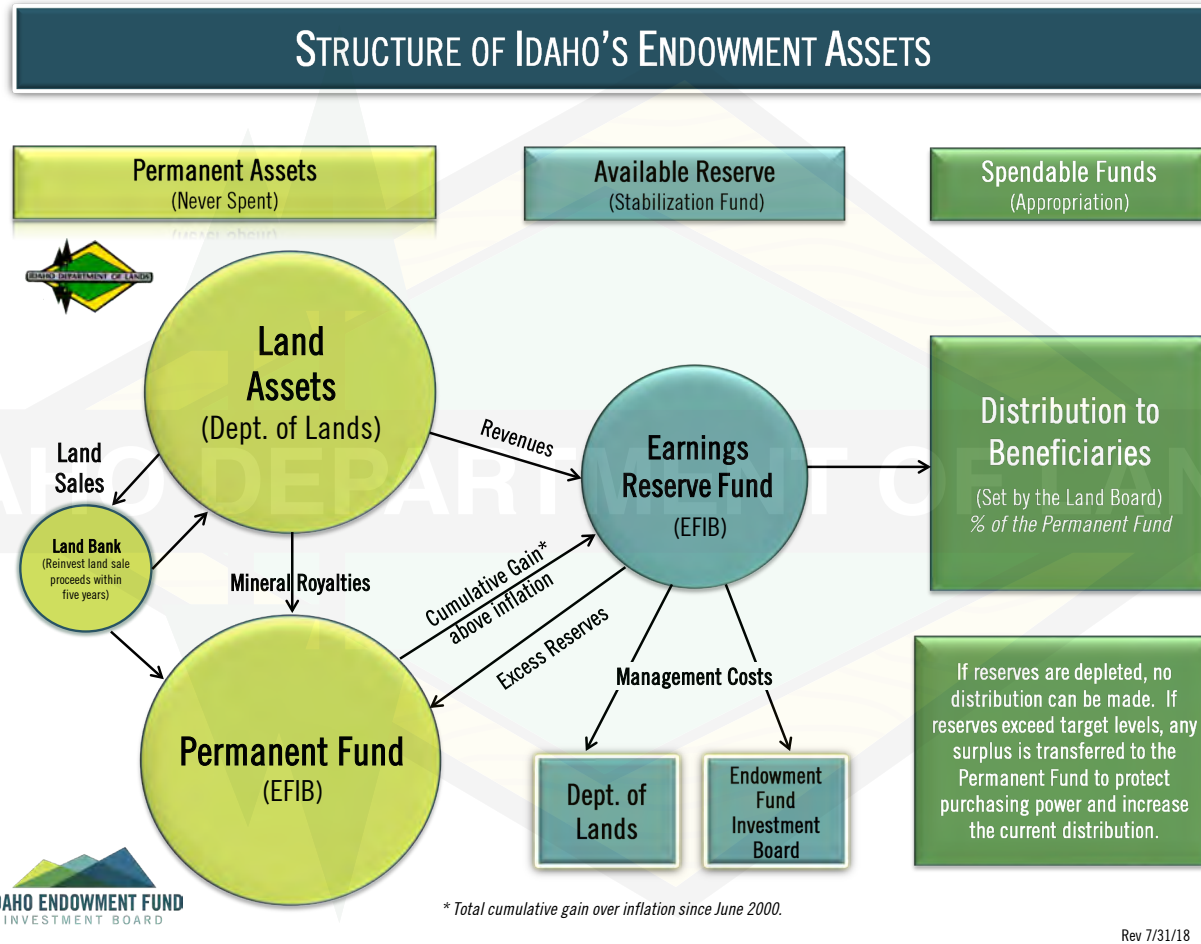
- As a result of the review, the hurdle rate for Timber was lowered to 3.25% real from 3.5%.

**2022 Asset Allocation** - Update risk, return and correlation assumptions used for IDL timber and rangeland as well as the financial assets. The forecasted return for IDL Timber was updated to 5.60% compounded over 10-year period (3.35% real, inflation 2.25%).

- As a result of the update, asset allocation ranges were removed, no changes in the overall asset allocation were recommended
- Hurdle rate for Timber increased to 3.35% net real. Investment policy was updated to reflect the changes. Hurdle rate consistent with expected real net returns for timber over a 10-year period.
- Expected return for Total Endowment Trust updated to 6.05% (10-year compounded return).

**2023 Strategic Reinvestment Plan and Investment Policy update**

# Structure of Total Endowment Assets



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## Disclaimers

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# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

## Subject

Fiscal Year 2025 Department of Lands Budget Enhancements

## Question Presented

Shall the Land Board direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2025 budget proposal due on September 1, 2023?

## Background

The Idaho Department of Lands (Department) is requesting concurrence on the proposed FY2025 Enhancement Decision Units. Pursuant to Idaho Code § 67-3502, agencies must submit their budget request to the Division of Financial Management (DFM) and the Legislative Services Office (LSO) by September 1, 2023. The Land Board briefing and meeting schedules prevent the Department from having the full budget request ready for the August meeting. The complete budget will be presented for Land Board approval at its September meeting.

## Discussion

The Department is asking for consideration of the attached decision units. The proposed decision units align with the strategic goals that are detailed in the Department's strategic plan document. The strategic plan is organized around four foundational Department-wide goals: (1) Financial Stewardship – Maximize returns through prudent management of resources and funds, (2) Customer Focus – Exemplary professional service to all customers, (3) People – A high performing workforce, and (4) Process – Effective policies, procedures, and systems to drive informed decision making. Additionally, the Department has outlined six future-proofing goals to include: (1) Classification & Compensation, (2) Office Facilities, (3) Seasonal Housing Facilities, (4) Fire Program Modernization, (5) Fund Integrity, and (6) Policy & Procedures.

The Department is developing a budget submission for FY2025 that will further efforts to meet these Department goals. In Attachment 1, the Department's proposed enhancements are listed in order of priority.

The enhancements in the Department's budget request reflect the following increases over the FY2024 ongoing appropriation:

Fund Type	Increase from FY2024 Base Budget	
	All Ongoing and One-Time Requests Total	All Ongoing Requests Total
General Fund	\$632,800 (6.18%)	\$157,800 (1.54%)
Earnings Reserve Fund	\$577,300 (1.66%)	\$4,200 (.01%)
Lands Dedicated Fund	\$2,815,630 (14.69%)	\$2,576,130 (13.44%)
Federal Funds	\$137,270 (.71%)	\$134,270 (.70%)

The Department has worked with the DFM Administrator and Governor's office contact in developing its budget request as outlined in the May 26, 2023 FY 2025 Budget Overview memo from DFM. As the Department moves through the rest of the budgeting submission process, staff will continue to follow DFM guidelines.

**Recommendation**

Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2025 budget proposal due on September 1, 2023.

**Board Action**

**Attachments**

1. FY2025 Enhancement Decision Unit Requests

**IDL DRAFT ENHANCEMENT BUDGET REQUESTS - FY2025**

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
1	LAAD: Fire	<b>Fire Equipment - Cottonwood District</b>	<b>\$500,000 TOTAL OF PRIORITY #1</b>			
		Four Type 5 Engines	\$475,000	CO - One Time	100% GF	0.00
		Engine Fuel + Maintenance	\$25,000	OE - Ongoing		
2	LAAD: Fire	<b>Fire Operating Increase</b>	<b>\$250,000 TOTAL OF PRIORITY #2</b>			
		Operating Expense Increase Due to Inflation/Cost of Goods & Services	\$250,000	OE - Ongoing	50% GF 50% DED	0.00
3	LAAC: Timber	<b>Timber Program Tree Coolers</b>	<b>\$506,600 TOTAL OF PRIORITY #3</b>			
		Seedling Tree Cooler - Pend Oreille Lake	\$345,600	CO - One Time	100% ER	0.00
		Seedling Tree Cooler - Mica	\$161,000			
4	LAAD: Fire	<b>Fire Program Staffing - Add FTP to PT Positions</b>	<b>\$51,900 TOTAL OF PRIORITY #4</b>			
		Lands Program Manager (Dispatch) - To 1.0 FTP	\$15,500	PC - Ongoing	15% GF	0.67
		Lands Program Specialist (FFP/FEPP) - To 1.0 FTP	\$27,000		59% DED	
		AA1 (Fire Bureau) - To .83 FTP	\$9,400		26% FED	
5	LAAB: GNA	<b>GNA Program Staffing</b>	<b>\$655,200 TOTAL OF PRIORITY #5</b>			
		Lands Program Manager	\$101,300	PC - Ongoing	90% DED 10% FED	3.00
		Lands Program Specialist	\$92,100			
		Lands Resource Specialist, Senior	\$83,700			
		Four Temporary Technicians (8-month with benefits)	\$184,600			
		Three 1/2 Ton 4WD Pickups with necessary options	\$147,000	CO - One Time	100% DED	0.00
		Three ATVs	\$36,000			
		Computer Equipment + Office Setup for New Staff	\$10,500			
6	LAAB: GNA	<b>GNA Operating Increase</b>	<b>\$2,000,000 TOTAL OF PRIORITY #6</b>			
		Operating Spending Authority	\$2,000,000	OE - Ongoing	100% DED	0.00

**IDL DRAFT ENHANCEMENT BUDGET REQUESTS - FY2025**

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
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7	LAAB: Asst	<b>Forestry Assistance Program Staffing</b>	<b>\$77,600 TOTAL OF PRIORITY #7</b>			
		Grants/Contracts Operations Analyst	\$74,600	PC - Ongoing	100% FED	1.00
		Computer Equipment + Office Setup	\$3,000	CO - One Time		

8	LAAD: Fire	<b>Fire Program Equipment</b>	<b>\$27,000 TOTAL OF PRIORITY #8</b>			
		Ten Laptops for Engine Boss Positions (High-end)	\$22,000	CO - One Time	100% DED	0.00
		Software Licenses for Laptops	\$5,000	OE - Ongoing		

9	LAAC: Rec	<b>Recreation Program Equipment</b>	<b>\$24,000 TOTAL OF PRIORITY #9</b>			
		One UTV	\$16,000	CO - One Time	100% DED	0.00
		One Enclosed UTV Trailer	\$8,000			

10	LAAC: Tech Serv	<b>Technical Services (GIS) Program Equipment</b>	<b>\$45,500 TOTAL OF PRIORITY #10</b>			
		One 1/2 Ton 4WD Pickup with necessary options	\$45,500	CO - One Time	100% ER	0.00

11	LAAC: Trustland	<b>Operations Equipment</b>	<b>\$25,200 TOTAL OF PRIORITY #11</b>			
		Fifteen Laptops (Standard)	\$21,000	CO - One Time	100% ER	0.00
		Software Licenses for Laptops	\$4,200	OE - Ongoing		

<b>SUMMARY DATA</b>			\$475,000	One Time GF Requested		
			\$157,800	Ongoing GF Requested		
			\$815,600	One Time "Other" Funds Requested		
			\$2,714,600	Ongoing "Other" Funds Requested		
			<b>\$4,163,000</b>	<b>Total Requested</b>		<b>4.67 New FTPs</b>



# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

## Subject

Negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*

## Question Presented

Shall the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*?

## Background

The Idaho Department of Lands (Department) is responsible for fire suppression on all private timberland and endowment timber and rangelands. IDAPA 20.04.01 identifies the persons responsible for and staffing for fire protection districts, as well as enforcement authorities for those individuals. The Forest Fire Protection rules also identify assessment rates levied on timberlands to fund fire protection district personnel and equipment. Furthermore, the rules provide instructions related to the use of deficiency warrants, as well as guidance for entering into fire protection agreements with other fire suppression entities.

## Discussion

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. The Department will review the rules with stakeholders to ensure it provides clarity in our processes. Preliminary research from the Department has not identified any major changes. The Department anticipates reducing the total word count by removing repetitive statements from the rule chapter.

A proposed timeline for the rulemaking process is provided as Attachment 1.

## Recommendation

Authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*.

## Board Action

## Attachments

1. Draft rulemaking timeline



## Draft Rulemaking Timeline

IDAPA 20.04.01

### Rules Pertaining to Forest Fire Protection

August 15, 2023	Approval from Land Board to start negotiated rulemaking (regular agenda)
September 1, 2023	Submit <i>Notice of Intent to Promulgate Rules</i> to the Office of the Administrative Rules Coordinator (OARC) for publication in October 2023
September 2023	Post information on IDL website about this rulemaking
October 4, 2023	<i>Notice of Intent to Promulgate Rules</i> publishes in the Idaho Administrative Bulletin; negotiated rulemaking and public comment period begins
Oct/Nov TBD, 2023	Negotiated rulemaking public meeting in location TBD and via Zoom
Jan/Feb TBD, 2024	Negotiated rulemaking public meeting in location TBD and via Zoom
Feb/Mar TBD, 2024	End of comment period for negotiated rulemaking.
March 8, 2024	Submit <i>Notice of Proposed Rule</i> to OAR for the 2025 Legislature
April 3, 2024	Proposed rule publishes in the Idaho Administrative Bulletin and 21-day written public comment period begins
April TBD, 2024	Public Hearing (OPTIONAL)
April 17, 2024	Deadline to request a public hearing on proposed rule
April 24, 2024	End of written public comment period on proposed rule
May 16, 2024	Request approval from Land Board to adopt pending rule (regular agenda)
June 7, 2024	Submit <i>Notice of Pending Rule</i> to OARC for publication on July 3, 2024
January 2025	Pending rule to be reviewed during the 2025 legislative session

*Note:* All dates are subject to change.

# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

## Subject

Negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

## Question Presented

Shall the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

## Background

The Idaho Department of Lands (Department) is responsible for ensuring the reduction of hazardous wildland fuels created by forest products removal. IDAPA 20.04.02 establishes a consistent process for ensuring the reduction of hazardous fuels, establishing bond rates for operators, as well as penalties for non-compliant contractors.

## Discussion

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. The Department will review the rules with stakeholders to ensure they provide clarity in our processes. Preliminary research from the Department has not identified any major changes. The Department anticipates reducing the total word count by removing repetitive statements from the rule chapter.

A proposed timeline for the rulemaking process is provided as Attachment 1.

## Recommendation

Authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

## Board Action

## Attachments

1. Draft rulemaking timeline



## Draft Rulemaking Timeline

IDAPA 20.04.02

### Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws

August 15, 2023	Approval from Land Board to start negotiated rulemaking (regular agenda)
September 1, 2023	Submit <i>Notice of Intent to Promulgate Rules</i> to the Office of the Administrative Rules Coordinator (OARC) for publication in October 2023
September 2023	Post information on IDL website about this rulemaking
October 4, 2023	<i>Notice of Intent to Promulgate Rules</i> publishes in the Idaho Administrative Bulletin; negotiated rulemaking and public comment period begins
Oct/Nov TBD, 2023	Negotiated rulemaking public meeting in location TBD and via Zoom
Jan/Feb TBD, 2024	Negotiated rulemaking public meeting in location TBD and via Zoom
Feb/Mar TBD, 2024	End of comment period for negotiated rulemaking.
March 8, 2024	Submit <i>Notice of Proposed Rule</i> to OAR for the 2025 Legislature
April 3, 2024	Proposed rule publishes in the Idaho Administrative Bulletin and 21-day written public comment period begins
April TBD, 2024	Public Hearing (OPTIONAL)
April 17, 2024	Deadline to request a public hearing on proposed rule
April 24, 2024	End of written public comment period on proposed rule
May 16, 2024	Request approval from Land Board to adopt pending rule (regular agenda)
June 7, 2024	Submit <i>Notice of Pending Rule</i> to OARC for publication on July 3, 2024
January 2025	Pending rule to be reviewed during the 2025 legislative session

*Note:* All dates are subject to change.

# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

## Subject

Use of Land Bank Funds for Employee Housing

## Question Presented

Shall the Land Board authorize potential investment of Land Bank funds in residential real estate for employee housing?

## Background

Article IX, Section 8 of the Idaho Constitution mandates that endowment lands shall be managed to secure the maximum long-term financial return for the endowment beneficiaries. The Idaho State Board of Land Commissioners (Land Board) utilizes the Idaho Department of Lands (Department) as its administrative arm for that purpose.

Funds in the Land Bank are the result of dispositions of land assets. To date, well over \$200 million in land assets have been disposed. Land Bank funds have been used for acquisition of timberland and legal access to endowment lands; funds have also been transferred to the permanent fund for investment in financial assets. Per statute, funds may remain in the Land Bank for five years.

To manage the 2.5 million acres of endowment land, the Department has ten supervisory areas and a workforce of 355 full-time and around 225 seasonal employees. Most of the employees work in rural communities and support timber and rangeland management, and seasonal fire suppression. The communities where employees live and work, both rural and urban, have experienced significant increases in real estate values in recent years. These rising costs have created issues for the Department to recruit and retain the employees necessary to manage and protect the resources to ensure they produce the maximum long-term financial return for the endowment beneficiaries. The employees implement land management and resource protection for land assets that have produced an average of over \$52.7 million of net income for the endowment beneficiaries over the past five years.

## Discussion

Escalating real estate values and rental rates have created a need for housing for certain Department staff. A recent study conducted by the City of McCall revealed that only 2% of homes in McCall are affordable for individuals working in the Accommodation and Food Services sector, while 23% of the workforce belongs to this sector. Although this study is for only one submarket in a specific labor market, the Department and other state agencies are competing within the same limited housing pool available to these workers.

To utilize Land Bank funds to acquire employee housing, the Department must carefully evaluate the long-term financial return to the endowments. As part of this review, the Department will analyze potential revenue streams, property values and appreciation, opportunities to capture increased value from the properties, the total cost versus benefit for each unique situation, and the opportunity cost for alternative investments. Additionally, the Department will coordinate with other state agencies where housing needs overlap.

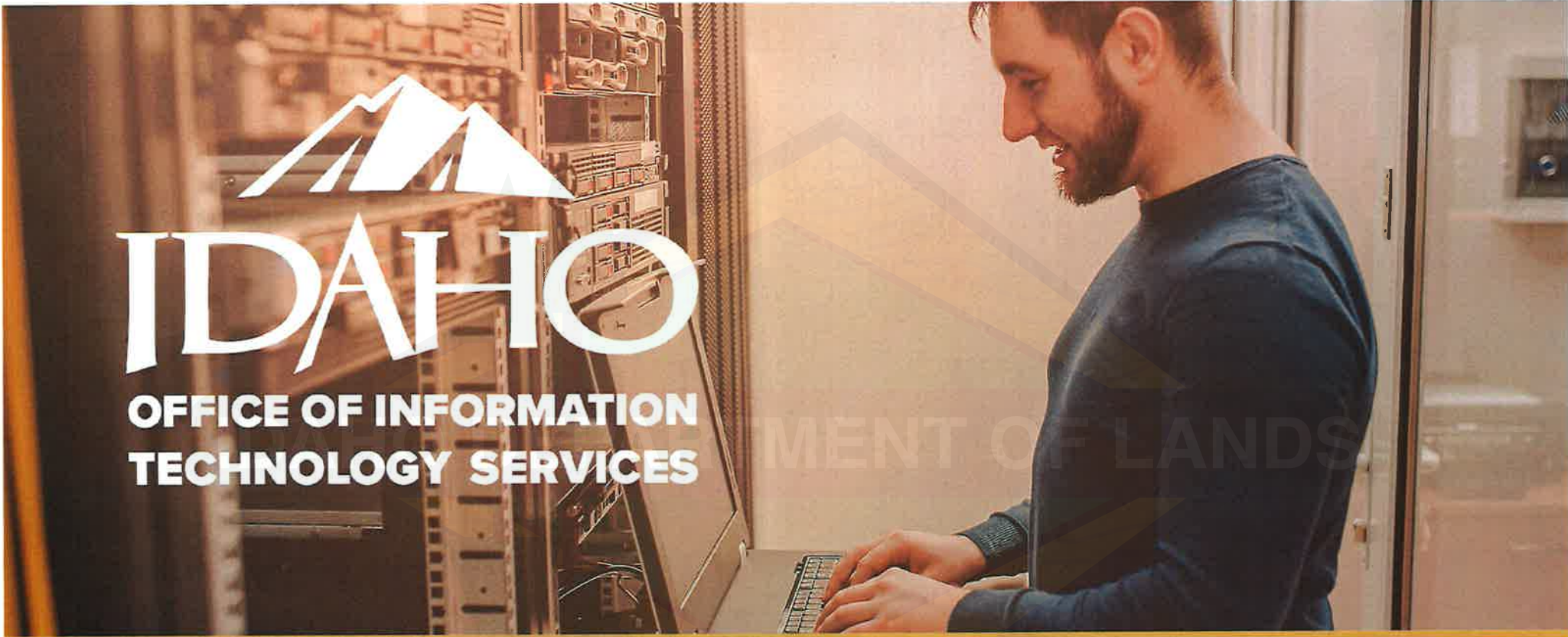
Use of Land Bank funds for acquisition of residential real estate for use as employee housing would be subject to the following conditions:

1. Confirmation from the Department's Counsel regarding legality of using Land Bank funds for acquisition of residential real estate for use as employee housing.
2. Thorough analysis of the financial aspects of each potential transaction consistent with the Land Board's fiduciary duty.
3. Potential acquisitions shall be limited to the minimum properties and locations necessary to provide employee housing essential to conducting land management and resource protection for the endowments.
4. In addition to existing staff, the Department may utilize third party experts to assist with sourcing and analysis of potential acquisitions.
5. All potential acquisitions shall be presented to the Land Board for approval prior to closing the transaction.

### **Recommendation**

Authorize potential investment of Land Bank funds in residential real estate for employee housing subject to thorough analysis and Land Board approval prior to closing of transactions.

### **Board Action**



# IDAHO

OFFICE OF INFORMATION  
TECHNOLOGY SERVICES



## Land Board Meeting Office of Information Technology Services

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

# ABOUT ITS



# IDAHO

**OFFICE OF INFORMATION  
TECHNOLOGY SERVICES**



PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR



# ITS Statutory Authority, Mission & Vision

The Statutory Authority for the Office of Information Technology can be found in **Title 67, Chapter 8**.

## **Our Mission:**

To connect citizens with their government.

## **Our Vision:**

To inspire trust and confidence in state government through modern solutions for technical services.

# Summary of Services

48 Agencies  
8,500+ Users

## Administration & Operations

- Computer Support Services
- Procurement, Inventory, Budget, Disposal

## Communications, Productivity & Collaboration

- Email, Messaging, Video, Telephone
- Mobile Devices, Licensing

## Security Management

- Cybersecurity, Incident Response
- Compliance, Policies & Standards

## Applications & Hosting

- Website & Application Hosting
- Database Administration

## Consulting, Training & Project Services

- Project Services, Agency Move Support
- Consulting, Application Training

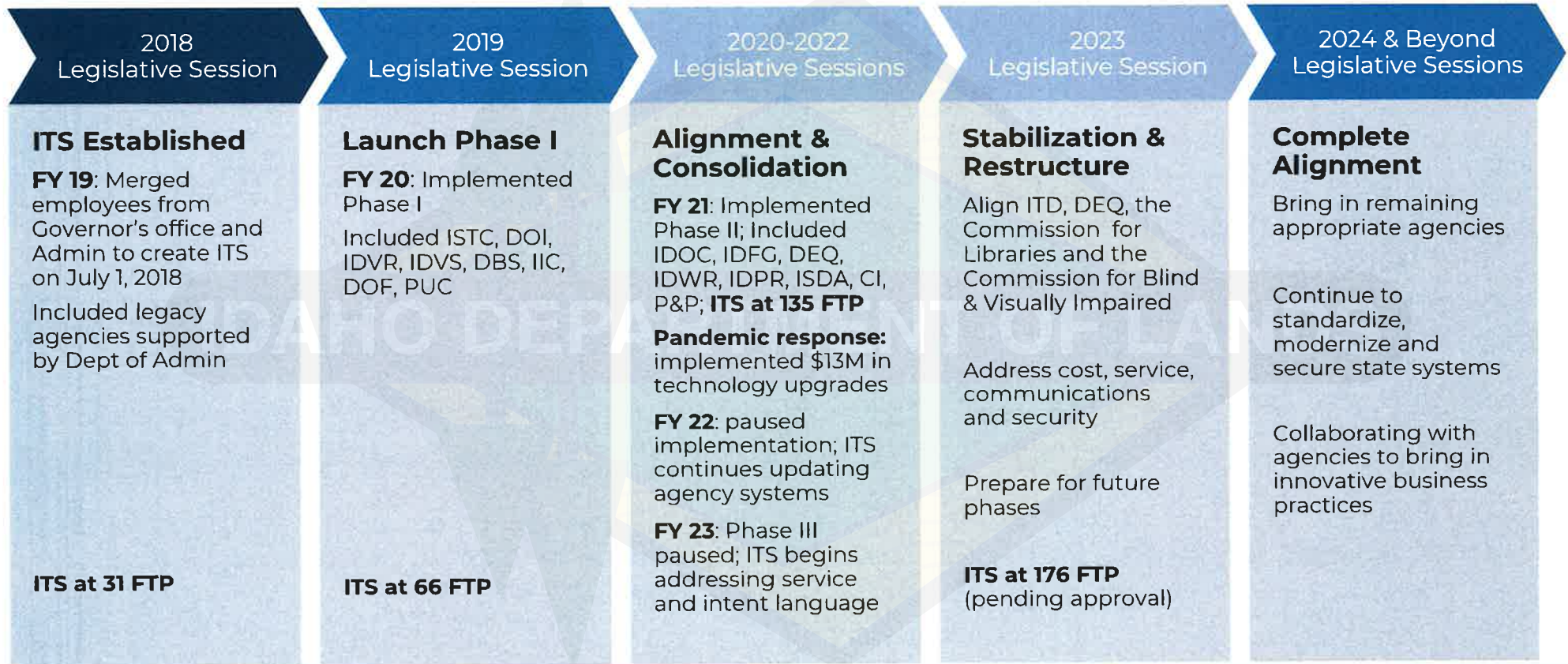
## Accounts & Access

- Identity & Access Management, Internet
- VPN Access, Active Directory

## Network, Telecom & Connectivity Services

- Network Operations, Telecom Services
- Datacenter Support

# Timeline



## Security Penetration Test

- Idaho National Guard conducted tests April 2022 and again in May-June 2023
- Weekly progress meetings continue with Idaho National Guard

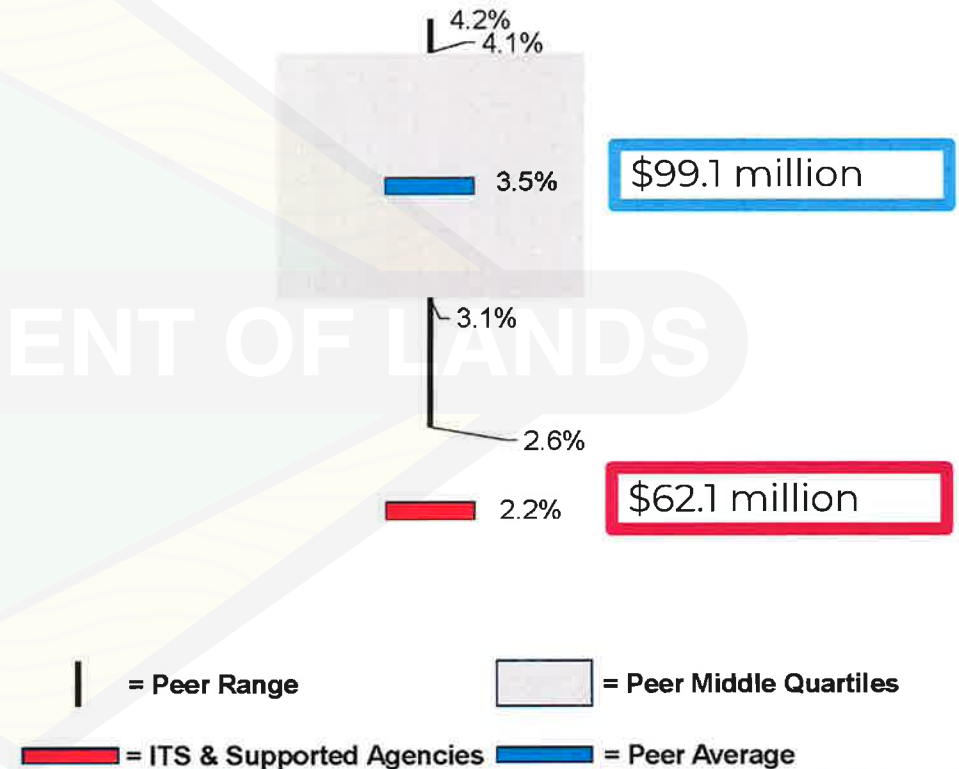
## Four Major Efforts Identified

- Threat Detection/Situational Awareness
- Network Segmentation
- Attack Surface Reduction
- Least Privilege Access Control Principle

## Key Takeaways from Gartner Assessment

- Customers support IT Alignment but demand better services
- Agency Budget and Billing need improvements and more transparency
- Develop a strategic plan for evolving IT services
- IT Spend in Idaho is lower than our peer groups

## IT Spending compared to peer groups



# Prioritized Action Plan



IDAHO DEPARTMENT OF LANDS

## Insight

As Idaho ITS proceeds with the modernization efforts, future activities should expand beyond the consolidation of IT resources and assets to prioritize enterprise IT initiatives. These initiatives should identify opportunities to increase business productivity within customer agencies while also improving customer engagement and satisfaction.

RESTRICTED

## SERVICE DELIVERY (ONSITE AND REMOTE)

- Need more valuable presence, faster response, end-point deployment

## ITS COSTS

- Utilization model, asset management, billing, and procurement

## COMMUNICATION

- Single points of contact, more communication to agencies, priorities and planning

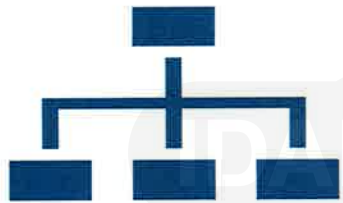
## SECURITY

- Ensure that citizen data and systems are protected and that ITS adapt to growing security threats

# FEEDBACK IS CLEAR



# Recent Actions



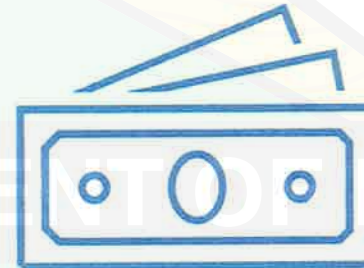
## Reorganization

Spans of control, clear areas of focus and filling vacancies



## Backlog

Prioritized and staffed to get this cleared up



## Cost Model

Collaboration has begun with agency fiscal staff, LSO & DFM



## Security

TikTok ban, Pen Test remediation, audits



# 2023 Focus Areas

## Stabilize & Restructure

- Service, Cost, Communications, Security

## IT Alignment

- Next iteration starts with focus on agency needs

## Agency Roadmaps

- Understanding their goals and priorities

## Technology Roadmaps

- Clear future with cloud, collaboration & application modernization

## Threat Detection

- Continue to adapt and be more proactive

# Why Lands:



1. Enhance Security of State Systems
  - a) Dedicated Cybersecurity professionals (17 FTP)
  - b) Advanced skills and tools (e.g. threat hunters, compliance)
  - c) Reduce attack surface (consolidated systems)
2. Enable Dept of Lands to focus on its primary mission

# Why Lands:



## 3. Economy of Scale for Commodity Tech

- a) Control costs through bulk purchases
- b) Control costs through software ELAs

## 4. Economy of Scale for Employees

- a) Focused capability in key system areas
- b) Deep expertise and accountability
- c) Creates a career path for technology employees



OFFICE OF INFORMATION  
TECHNOLOGY SERVICES



# How Department of Lands Could Prepare for Modernization

Task inventory & service validation

Identify impacts and services needed



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TECHNOLOGY SERVICES

# ITS Commitment to employees

Transparency and regular communication

Group (Town Hall) and One-on-One discussions

Support through the transition

Visibility to ITS jobs and culture

# Anticipated Timeline - 2024

**January-March** – Early posting of ITS positions

**February-March** – Legislative decisions

**July** – All affected positions transitioned to ITS

## Next Steps

1. Meet with agency leadership
2. Identify and work on issues and concerns

# Questions ?



IDAHO DEPARTMENT OF LANDS



PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR



# STATE BOARD OF LAND COMMISSIONERS

August 15, 2023  
Information Agenda

## Subject

Proposed Rule for IDAPA 20.05.01 *Rules Pertaining to the Recreational Use of Endowment Land*

## Background

The Idaho Department of Lands (Department) manages 2.5 million acres of state endowment trust land, with more than 96% of all endowment land accessible by foot, watercraft, or vehicle. About 2.3 million acres are available for recreation purposes, such as hunting, fishing, hiking, or camping. While not the primary purpose, recreation can occur on endowment lands so long as those activities do not degrade the land, interfere with management activities, or otherwise negatively affect the long-term financial return to beneficiaries. Unfortunately, there are several examples of public mistreatment of endowment lands, causing damage to rangelands and marketable timberlands. Destructive behaviors on endowment lands reduce revenue generation potential of the land and cost money to mitigate.

For those damaging endowment land, Idaho law provided only severe remedies - misdemeanor or felony criminal trespass charges - until the Legislature passed Senate Bill 1049, which became effective on July 1, 2023. The new law, Section 58-156, Idaho Code, allows POST certified Idaho law enforcement to issue warnings/citations for minor offenses and help deter destructive behaviors on endowment land. Rulemaking is required under the new law before a warning or infraction ticket may be written.

Negotiated rulemaking for a new rule chapter related to the recreational use of endowment land was approved by the Land Board on April 18, 2023 (Attachment 1).

## Discussion

The Department's outreach for negotiated rulemaking included the following:

- Published the Notice of Negotiated Rulemaking in the Idaho Administrative Bulletin.
- Created a rulemaking webpage to post the draft rule, scheduling information, and comments.
- Issued a press release: Help Be Part of the Solution in Keeping Endowment Land Open for Recreation.
- Posted rulemaking meeting notices and details on social media.
- Posted rulemaking notices to Townhall Idaho.
- Emailed 2,457 customers and other interested parties.

The Department held two negotiated rulemaking public meetings with options for in person or virtual participation. Eleven participants attended the June 22 meeting in Boise, and seven participants attended the July 10 meeting in Coeur d'Alene. The comment period ended on July 19, and the Department received written comments from 15 groups and individuals. Multiple responses expressed support for the rules, while some responses expressed specific concerns with the rule language as initially drafted. The Department made many changes to the draft rules based on comments received. A summary of negotiated rulemaking comments and the Department's responses is included in Attachment 2.

Attachment 3 is the draft text that will be submitted for publication in the Administrative Bulletin as a proposed rule. The proposed rule will be open for public comment upon publication on October 4, 2023.

After the proposed rulemaking public comment period, the Department will present the rule to the Land Board for adoption as a pending rule for review by the 2024 Idaho Legislature.

### **Attachments**

1. April 18, 2023 Approved Memo
2. Summary of Negotiated Rulemaking Comments
3. Proposed Rule Text

The logo for the Idaho Department of Lands is a large, stylized diamond shape. It features a light green background with a yellow border. Inside the diamond, there are white outlines of mountains and a river. A horizontal banner across the middle of the diamond contains the text "IDAHO DEPARTMENT OF LANDS" in white, uppercase letters.

IDAHO DEPARTMENT OF LANDS

# STATE BOARD OF LAND COMMISSIONERS

April 18, 2023  
Regular Agenda

## Subject

Negotiated rulemaking to promulgate a new rule chapter related to recreational use of endowment land and implement Senate Bill 1049

## Question Presented

Shall 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)?

## Background

The Idaho Department of Lands (Department) manages 2.5 million acres of state endowment trust land, with more than 96% of all endowment land accessible by foot, watercraft, or vehicle. About 2.3 million acres are available for hunting, fishing, hiking, camping, or other recreation.

State Board of Land Commissioners' (Land Board) policy allows for public recreation on endowment land, provided those activities do not degrade the land, interfere with management activities, or otherwise negatively affect the long-term financial return to beneficiaries (Attachment 1). The Land Board seeks to keep endowment land open for recreational use by the public when such use does not impede the Land Board's constitutional mandate to maximize long-term returns for the beneficiaries.

Unfortunately, bad actors sometimes damage endowment land and degrade its potential for making money for the beneficiaries. Repairing the land can be expensive. While most recreational users behave responsibly, occasionally members of the public cause substantial damage to gates, fences, timber, or areas closed to motorized vehicles. Currently, the only charges available for law enforcement to bring when there is abuse of endowment land are heavy-handed misdemeanor or felony charges.

## Discussion

During the 2023 regular session, the Idaho Legislature passed Senate Bill 1049, a stakeholder-sponsored bill designed to curb recreational impacts on endowment land (Attachment 2). A diverse group of stakeholders, including the Idaho State ATV Association, Idaho Sportsmen, Idaho Recreation Council, Idaho Farm Bureau Federation, and Idaho Outfitters and Guides Association developed the legislation.

Authored principally by David Claiborne of Idaho Recreation Council, Senate Bill 1049 seeks to disincentivize the abuse or misuse of endowment land, preserving its revenue-

generating potential for the beneficiaries. The legislation, which was signed into law by the Governor on March 20, 2023, creates a new section of Idaho Code that will become effective on July 1, 2023.

The legislation requires rulemaking to specify prohibited activities that are subject to a warning ticket for minor first offenses, with second violations under the statute being punished with an infraction and \$250 fine.

Citizens' due process rights are further protected by requiring the Department to post visible signage in the area where recreation use restrictions may apply, publish the restrictions on the agency's website, and make the information available at the Department's nearest Supervisory Area office.

If approved by the Land Board, the Department will engage stakeholders in the negotiated rulemaking process and post rule drafts on our website to keep participants well informed. The Department will seek to reach consensus on the rule text to meet deadlines for review by the 2024 Idaho Legislature. A proposed timeline for the rulemaking process is provided in Attachment 3.

## **Recommendation**

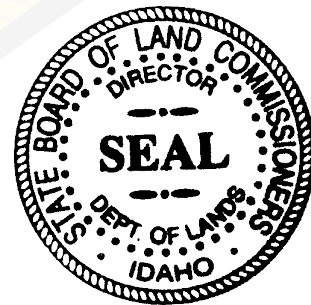
Authorize the Department to initiate negotiated rulemaking for a new rule chapter related to recreational use of endowment land (IDAPA 20.05.01).

## **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.

## **Attachments**

1. Land Board Recreation Policy (August 18, 2018)
2. Senate Bill 1049 with Statement of Purpose and Fiscal Note
3. Draft rulemaking timeline



**Response to Comments on Draft Rule – Negotiated Rulemaking**  
 IDAPA 20.05.01, Rules Pertaining to the Recreational Use of Endowment Land

The Idaho Department of Lands appreciates the written comments received on the draft rule and the public participation and discussion at the two public meetings. Oral comments from the June 22 and July 10 negotiated rulemaking meetings were also reflected in the written comments. The written comments are summarized in the table below with the Department's responses.

<b>Topic</b>	<b>Comment</b>	<b>Affiliation</b>	<b>Commentor</b>	<b>Response to comments</b>
<b>Letter of Support</b>	Letter of Support	Idaho Sportsmen	Benn Brocksome	Your support for the Department Recreation Rule is greatly appreciated.
<b>Letter of Support</b>	Letter of Support	Private Citizen	Brenda Stibal	Your support for the Department Recreation Rule is greatly appreciated.
<b>Letter of Support</b>	Letter of Support	Private Citizen	Jack Wassard	Your support for the Department Recreation Rule is greatly appreciated.
<b>Letter of Support</b>	Letter of concern/support for better regulation	Private Citizen	Jim Mclver	Your support for the Department Recreation Rule is greatly appreciated. Most of the regulations in your letter are already addressed in other statutes and IDAPA rules. Unauthorized trail construction is addressed in the Recreation Rules.
<b>Letter of Support</b>	Support 100%	Boise ATV /UTV Trail Riders	Jim Maxey	Your support for the Department Recreation Rule is greatly appreciated.

ATTACHMENT 2

<b>Topic</b>	<b>Comment</b>	<b>Affiliation</b>	<b>Commentor</b>	<b>Response to comments</b>
<b>Letter of Support</b>	Wants stronger violations and a reward for people turning others in	Idaho Chukar Foundation	Drew Wahlin	The new rule if passed will address your concerns with a graduated approach, by increasing penalties for repeat offenders.
<b>Add to definitions</b>	What is the understanding of what creating a trail is? What constitutes creating a trail? Is it cutting brush? Is it cutting dirt? Suggest a definition of what constitutes as creating a trail.	Inland Empire Paper	Paul Buckland	An additional definition was added to the document, defining what is considered constructing a road or trail travel way.
<b>Definition of Endowment Lands</b>	Does this definition include lands the state has traded? Is it limited to the lands granted at statehood? A better definition please.	Idaho Outfitter and Guides	Jeff Britton	The definition was modified to cover a broader definition of endowment lands.
<b>Camping</b>	In Section 020.02, the IDL should consider adding a specific statement that 'residing on endowment lands is not permitted'	Theodore Roosevelt Conservation Partnership	Rob Thornberry	Camping on endowment lands was clarified in the definitions and under <u>Regulated Uses of Endowment Land</u> , under 01. and 02.
<b>Camping Limits</b>	IDL should investigate rules for camping limits on nearby federally managed public lands and match its language for Camping limits with that of federal agencies.	Theodore Roosevelt Conservation Partnership	Rob Thornberry	Both camping limits and relocation distances vary from area to area for both federal and state land management. The rule was adjusted to reflect the most common time and distances.
<b>Camping</b>	IDL should investigate rules for camping limits on nearby federally managed public lands and match its language for Camping limits with that of federal agencies.	Idaho Wildlife Foundation and Trout Unlimited	Garrett Visser and Michael Gibson	Both camping limits and relocation distances vary from area to area for both federal and state land management. The rule

Topic	Comment	Affiliation	Commentor	Response to comments
				was adjusted to reflect the most common time and distances.
<b>Additional Camping Language</b>	Residing on IDL lands is not permitted, unless a lease permits such activity.	Idaho Wildlife Foundation and Trout Unlimited	Garrett Visser and Michael Gibson	The recreation rule scope was adjusted to identify that permits and leases are not regulated under this rule.
<b>Continued Camping</b>	Consider adding "or under permit" at the end. Many Outfitters will have a permit which allows for a longer period of use.	Idaho Outfitter and Guides	Jeff Bitton	The recreation rule scope was adjusted to identify that permits and leases are not regulated under this rule.
<b>Roads and Trails Additional Subsection</b>	It does not explicitly state that motorized and mechanized travel is <i>only</i> permitted on IDL-designated roads and trails, meaning that these forms of recreation are not permitted off any IDL-designated road or trail. We recommend the addition of a separate subsection that clarifies this, with language such as "Motorized/Mechanized Use: Motorized and mechanized travel is permitted only on Idaho Department of Lands designated roads and trails."	Idaho Wildlife Foundation and Trout Unlimited	Garrett Visser and Michael Gibson	An additional Subsection Motorized and Mechanized use was added to address use restrictions.
<b>Roads and Trails</b>	"Motorized/Mechanized Use: Motorized and mechanized travel is permitted only on Idaho Department of Lands designated roads and trails."	Idaho Wildlife Foundation and Trout Unlimited	Garrett Visser and Michael Gibson	An additional Subsection Motorized and Mechanized use was added to address use restrictions.

Topic	Comment	Affiliation	Commentor	Response to comments
<b>Roads and Trails</b>	In Section 020.03, the TRCP encourages IDL to be more direct, adding language that makes it clear motorized and mechanized travel is limited to designated routes.	Theodore Roosevelt Conservation Partnership	Rob Thornberry	An additional Subsection Motorized and Mechanized use was added to address use restrictions.
<b>Roads and Trails</b>	Consider adding "unless otherwise permitted" at the end. Many Outfitters will have a permit for the use of roads after the normal road closure time. IE cougar hunts, wolf hunting, over snow use.	Idaho Outfitter and Guides	Jeff Bitton	The recreation rule scope was adjusted to identify that permits and leases are not regulated under this rule.
<b>Roads and Trails</b>	Wants some sort of distance like 150' for off trail travel to retrieve game or camp during hunting season.	Idaho Recreation Council	David Claiborne	The recreation rule scope was adjusted to identify that permits and leases are not regulated under this rule.
<b>Gates and Fences</b>	Add livestock movement to 020.03(f) so as prevent livestock from freely moving down a trail or road. Obstructions will occur, but if a person is intentionally moving the livestock in the wrong direction, it can be a significant detriment. Additionally, IWGA would encourage either the word "corral" or "livestock handling equipment" to be added to 020.03 (Gates and Fences). This would clear any confusion if a recreator or user of endowment land parked a vehicle in front of a corral or damaged a corral	Idaho Wool Growers Association	John Peterson, Patxi Larrocea-Philips, and Liz Wilder	Gates and fences are addressed in statute 18-7012. This section of rule was modified to address the concern of blocking access.



Topic	Comment	Affiliation	Commentor	Response to comments
	or any other livestock handling equipment located on public lands.			
<b>Gates and Fences</b>	"Corral" or "livestock handling equipment" to be added to section 020.03 (Gates and Fences). This would clear any confusion if a recreator or user of endowment land parked a vehicle in front of a corral or damaged a corral or any other livestock handling equipment located on public lands.	Idaho Cattle Association	Kim Burton Brackett and Morgan Lutgen	Gates and fences are addressed in statute 18-7012. This section of rule was modified to address the concern of blocking access.
<b>Fire Additional Topic</b>	We recommend that IDAPA 20.05.01 include the following provision to incorporate by reference the Idaho Fire Restriction Plan and issue warnings or citations to those who engage in prohibited acts during Stage 1 and Stage 2 restrictions. Currently, Idaho law does not penalize those who engage in prohibited actions under the plan on endowment land.	Idaho Firewise	Ivy Dickenson	Fire restrictions were added to the draft for a proactive rather than reactive approach to unwanted fire related activities occurring during stage 1 and stage 2 fire restrictions.

Topic	Comment	Affiliation	Commentor	Response to comments
<p><b>Fire Additional Topic</b></p>	<p><b>07. Fire Restrictions.</b> Prohibited acts enumerated in the annual Idaho Fire Restrictions Plan for Stage 1 and Stage 2 fire restrictions apply to endowment land.</p>	<p>Idaho Fire Council</p>	<p>Heather Heward</p>	<p>Fire restrictions were added to the draft for a proactive rather than reactive approach to unwanted fire related activities occurring during stage 1 and stage 2 fire restrictions.</p>
<p><b>Addition/Comment</b></p>	<p>A monitoring system, so that these abuses of our lands CAN BE REPORTED.....EASILY.</p>	<p>Private Citizen</p>	<p>Georgene Moore</p>	<p>The recreation rule defines regulated recreation actions allowed on Idaho endowment lands. A system of reporting to monitor abuses will have to be developed outside of the rulemaking process.</p>
<p><b>Addition/Comment</b></p>	<p>Would like a system for easy reporting of endowment land abuse.</p>	<p>Private Citizen</p>	<p>Suzan Drumheller</p>	<p>The recreation rule defines regulated recreation actions allowed on Idaho endowment lands. A system of reporting to monitor abuses will have to be developed outside of the rule making process.</p>

## **IDAPA 20.05.01 – RULES PERTAINING TO THE RECREATIONAL USE OF ENDOWMENT LAND**

**000. LEGAL AUTHORITY.** Sections 58-104(6), 58-105, and 58-156, Idaho Code.

**001. SCOPE.** These rules govern the closure, restriction, regulation, or prohibition of certain regulated recreational uses on Idaho endowment lands, that are subject to a warning ticket, citation, or misdemeanor pursuant to Idaho Code Section 58-156. Nothing in these rules precludes enforcement under any other applicable state statutes, including enforcement under Sections 18-7031, 18-3906, 18-7012, 18-7001, 18-7008, and 31-4410, Idaho Code. Uses of endowment land authorized by lease or permit are not regulated under this rule.

### **010. DEFINITIONS**

**01. Camping.** To use a location as a temporary or with the intent to use as a permanent place of dwelling, lodging or living accommodation. Indicators of camping may include, but are not limited to, storing personal belongings, using tents or other temporary structures for storing personal belongings or for sleeping, carrying on cooking activities, laying out bedding or making any fire.

**02. Creation of a Trail or Road.** Modifying the natural condition of the landscape by manipulating rocks, vegetation, soils or other materials to purposely create a travel way.

**03. Department.** The Idaho Department of Lands.

**04. Endowment Lands.** Lands held in trust by the State of Idaho and managed for the benefit of specific endowment beneficiaries.

### **020. REGULATED USES OF ENDOWMENT LAND.**

**01. Camping.** Permanent camping is prohibited. Temporary camping on endowment land is allowed, provided:

**a.** Camping in one location is limited to a total of fourteen (14) days within a period of twenty-eight (28) consecutive days. Continued camping on endowment lands beyond fourteen (14) days is allowed if the camp, all camping equipment, and all personal belongings are moved outside of a five (5) mile radius of the prior site, and if the campers otherwise comply with the requirements of Subsection 20.01.

**b.** Campers must not leave any personal property unattended for more than forty-eight (48) hours;

**c.** The location is not posted as “closed to camping”; and

**d.** Campfires are contained within a ring no wider than three (3) feet in diameter.

**02. Roads and Trails.** Using roads and trails on endowment land is allowed, provided users:

**a.** May not create any roads or trails.

**b.** Follow vehicle width, weight, length, and type limitations.

- c. Comply with any posted road or trail closures.
- d. Follow road and trail limitations and closures posted at trailheads, gates, and local Department offices, as shown on maps and the Department website ([www.idl.idaho.gov](http://www.idl.idaho.gov)).
- e. May not block, obstruct, or interfere with vehicular or pedestrian traffic, with vehicles or by any other means.

**03. Motorized and Mechanized use.** Motorized and mechanized travel is permitted on department designated roads, trails, and cross-country travel areas.

**04. Gates and Fences.** Blocking gates, fence access points, or livestock handling equipment is prohibited.

**05. Litter.** Depositing any debris, paper, litter, glass bottles, glass, nails, tacks, hooks, hoops, cans, barbed wire, boards, trash, garbage, or other waste substances on endowment land is prohibited.

a. When toilet facilities are unavailable, solid human waste must be disposed of at least two hundred (200) feet from water sources, trails, parking areas and campsites. Waste can either be bagged and carried out or buried in a hole at least six (6) inches deep.

b. Any construction or placement of restroom facilities must be temporary in nature. All concentrations of solid human waste must be packed out.

**06. Signs.** Interfering with or damaging signs is prohibited.

**07. Fire Restrictions.** Prohibited acts enumerated in the annual Idaho Fire Restrictions Plan for Stage 1 and Stage 2 fire restrictions apply to endowment land.