

# STATE BOARD OF LAND COMMISSIONERS

September 16, 2025

Information Agenda

## Subject

Gross Revenue Record for Fiscal Year 2025

## Background

Fiscal Year 2025 was a record year for revenue from endowment land activities. The \$91,772,231 was \$2.2 million higher than the previous record of FY2014 which holds the record for net revenue but comes with a caveat. FY2014, along with FY2013 and FY2015, had higher harvest levels due to wildfire activity and subsequent salvage sales that went over and above the annual sales plan targets. FY2014 also saw an additional \$2 million in premium bids on oil and gas lease auctions.

This is more than a financial milestone; it is a reminder of the unique role endowment lands play in Idaho. The state of Idaho is blessed with vast public lands; however, it is important to remember that endowment trust lands are different from multiple-use public lands.

Public lands, managed by agencies like the Forest Service and Bureau of Land Management, are designed to balance many purposes: recreation, wildlife habitat, grazing, watershed protection, and more. They are managed broadly for the benefit of all.

Endowment lands, by contrast, are held in trust with a single mission: to maximize long-term revenue for the beneficiaries. That means every timber sale, grazing lease, or commercial project is managed with one goal: supporting and strengthening several of Idaho's state institutions.

The State Board of Land Commissioners' (Land Board) oversight, the Idaho Department of Lands' (Department) professional land management, and the Endowment Fund Investment Board's financial acumen has been hugely successful since implementation of endowment reform in the late 1990s and early 2000s. Due to these factors Idaho's total trust value is one of the highest among states with trust lands and trails only those with significant oil or natural gas influences.

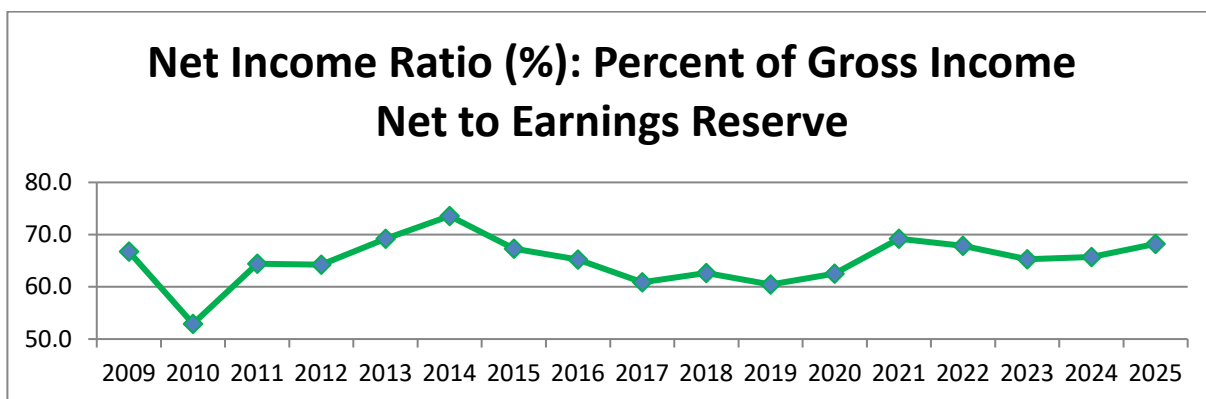
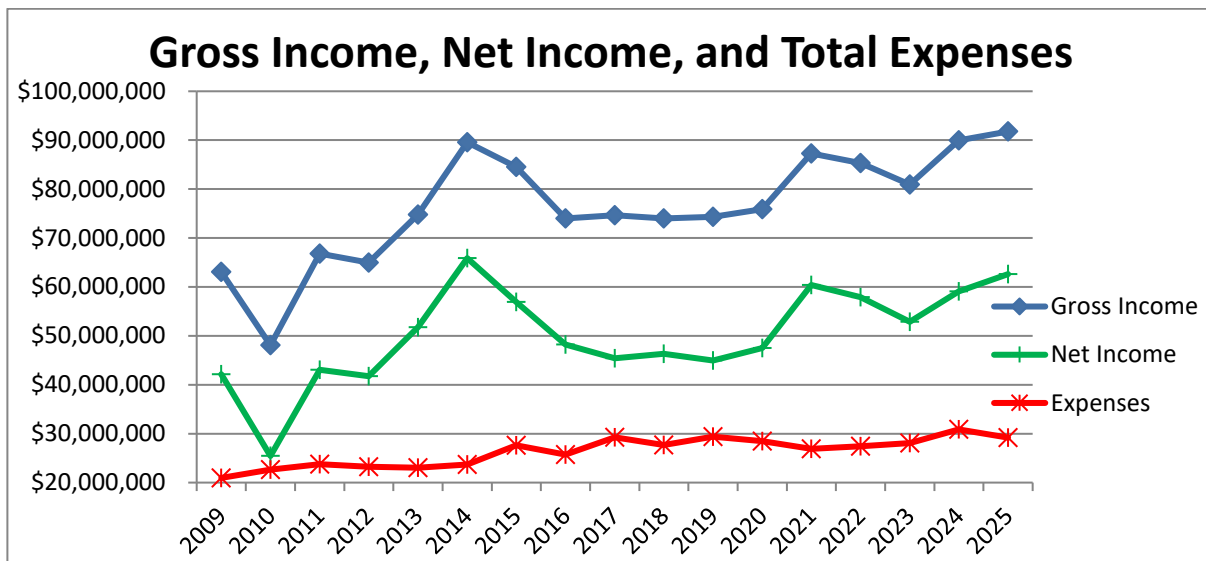
## Discussion

Several key factors have taken place to lead to the successes realized to this point. Within the last five years:

- Updated FAMP in FY2024 maintaining harvest levels of around 330 MMBF for next ten to twenty years

- Implementation of Delivered Log Sale program
- Gained efficiencies in land management through better planning tools in mapping and remote sensing
- Reallocation of six full-time positions to other programs and funding sources
- Increased investment in forest assets through early site treatments, genetically improved seed, etc.

The graphs below show the trends on income, expenses, and net income ratios since FY2009.



Regarding the increases in costs, around 2015, the Department reached full implementation of the first FAMP which increased harvest volumes from 212 MMBF to 247 MMBF (16.5% increase), then in 2019 another volume increase from 247 MMBF, with a tapered ramp up, to 328 MMBF (32.8% increase, 54.7%

increase from pre-2009). Both of those planning efforts recognized a need to invest more in early stand treatments and do more intensive management. The increase in harvest levels, commitment to do more intensive management, and significant increases in amount and cost of contracting has led to a 39.2% increase in costs compared to FY2009.

Since FY2009 there has been a 20% increase in gross income. Over the last ten years a 13% increase in income and over the last five years a 5% increase. In contrast, costs over the last five and ten years have remained fairly constant as shown in the graph above.

Finally, over the last couple of years, steps have been taken by the Department through guidance of the Land Board to put stronger commercial ground leasing policy in place. Early indications show high interest both in energy and some commercial retail leasing on endowment lands. This not only diversifies the endowment portfolio, but may replace and exceed income lost from commercial buildings and cottage site leasing moving into the future.

This record is not an end point; it is a milestone. It shows that Idaho's endowment lands are much more than just a legacy from statehood, but that they are a catalyst for better education and society, a basis for opportunity, and a promise to future generations.