

Office of State Lands and Investments

❖ *Mission and philosophy*

The mission of the Office of State Lands and Investments is to manage land, mineral and forest resources under the jurisdiction of the Board of Land Commissioners to enhance value and optimize economic return in the interest of the state's schools and institutions, consistent with business management principles in a manner that promotes socio-economic growth and stability in Wyoming; to establish a decisive role in the management of Wyoming's federal lands; to provide grants, loans and technical assistance to strengthen community and rural infrastructure; and to enhance the financial management of state investments through investment policy analysis and implementation of legislatively directed investment programs under the jurisdiction of the State Loan and Investment Board.

The philosophy of the Office of State Lands and Investments is to accomplish this mission in a timely, consistent and cooperative manner with consideration for fairness and equity for all beneficiaries, clients and employees. As a state agency that actually markets commodities, this office resembles a free enterprise business and, therefore, must react quickly to ever-changing business opportunities in Wyoming and around the world for the state's resources. Within the statutory framework, the agency strives to optimize income from state lands in a manner that prevents waste and utilizes the best land management practices.

❖ *Results of outcomes*

During FY99, the office continued to review and revise its procedures to provide more efficient and cost-effective program management and improved customer services. Public awareness of the need, purpose and value of the management provided by the Office of State Lands and Investments was a priority. Other major agency accomplishments and activities are detailed in division reports.

❖ *Strategic plan changes*

Please refer to the agency strategic plan submitted Sept. 1, 1998.

General information

Stephen A. Reynolds, Director

Agency contact

Clint Beaver, Associate Director
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slfmail@missc.state.wy.us

Other locations

Farm Loan Section: Lander
State Forestry Division: Newcastle, Buffalo,
Riverton, Lyman, Douglas

Year established and reorganized.

Established 1890; reorganized 1921, 1992, 1998

Statutory references

W.S. 36-1-101 through 36-9-120, W.S. 11-34-101
through 11-34-305

Number of authorized personnel

91 full-time

Organizational structure

Office of Director and six agency divisions:
Financial Programs and Management Services,
Real Estate Management and Farm Loans,
Grants and Loans, Mineral Leasing and Royalty
Compliance, Federal Land Policy, State Forestry

Clients served

Agriculture, mineral, timber,
transportation/communication/public utility;
recreation/tourism and other Wyoming industries;
local government entities; state and federal agencies;
school districts; resident and non-resident general public

Budget information

(includes appropriated funds only)

General funds	\$4,430,079
Federal funds	548,471
Other	36,050
Total	\$5,014,600

Financial Programs and Management Services Division and Office of Director

General information

Sharon S. Garland, Assistant Director

Agency contact

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Year established

1984

Statutory references

W.S. 9-4-307; W.S. 9-4-606; W.S. 9-4-709; W.S. 9-4-1001;
W.S. 9-4-1002; W.S. 16-1-203; W.S. 21-15-106;
W.S. 27-14-704

Number of authorized personnel

12 full-time

Organizational structure

Financial Programs and Management Services -
Assistant Director: Accounting Section, Information
Technology Section and Investment Management
Section
Office of Director - Director, Associate Director,
Executive Assistant and Attorney

Clients served

Office of Director; agency personnel, state agencies,
federal agencies, local governments, vendors, loan
recipients, school districts and general public

❖ *Results of outcomes*

Pursuant to all goals and objectives, the following was accomplished:

Provided the administrative and fiscal support necessary to accomplish each goal and objective by monitoring all divisions within the agency to ensure compliance with management directives, policies, procedures, regulations and statutory requirements.

Provided payroll and personnel management, procurement services, contract administration, grant administration, WOLFS document processing, audit operations, annual report preparation, budget formation and execution, strategic planning preparation

and financial reporting and analysis.

Provided coordination, management and administration of all aspects of automated information technology.

Transmitted all revenue collected by the agency and assured proper distribution of \$46,699,269 to the various permanent land funds, the land income funds and the general fund.

Continued automation of various GAAP accounting reports submitted to State Auditor's Office.

Pursuant to optimizing the economic return from state land resources, the following was accomplished:

Accounted for proper distribution of \$34,384,600 from 4.2 million acres of state-owned mineral estate.

Accounted for proper distribution of \$12,310,149 from 3.6 million acres of state-owned surface estate.

Pursuant to promoting socio-economic growth and stability, the following was accomplished:

Processed disbursements totaling \$19,957,367.94 from the mineral royalty capital construction account. Reviewed, processed and presented to the State Loan and Investment Board four new applications for loans from the Clean Water State Revolving Fund (CWSRF) (100 percent of applications received) from communities for improvements to or construction of wastewater treatment facilities. Provided loan servicing for 12 CWSRF loans, including disbursing \$1,221,433 to communities and \$5,429,530 to the Department of Environmental Quality (DEQ) for the cleanup of leaking underground storage tanks and processing \$16,110,331 in loan repayments.

Reviewed, processed and presented to the State Loan and Investment Board one new application for a loan from the Drinking Water State Revolving Fund (DWSRF) (100 percent of applications received) from communities for improvements to or construction of water treatment facilities. Provided loan servicing for one DWSRF loan including disbursing \$4 million to communities.

Serviced accounts for Joint Powers Act loans and processed loan repayments totaling \$7,435,756.

During FY99 there were no applications from state institutions to the State Loan and Investment Board for grants from the Omnibus Land Income Fund.

Accounted for farm, irrigation, farm emergency loan and ASC contract payments totaling \$41,591,382.

Received, reviewed and presented one application from a school district to the State Loan and Investment Board (100 percent of those received) for a grant totaling \$4.7 million from anticipated revenues within the School District Capital Construction Account.

Received, reviewed and presented to the State Loan and Investment Board four applications from school districts seeking bond guarantees totaling \$13,075,000 (100 percent of those received).

Pursuant to optimizing return of state's assets through coordination of fiscal management the following was accomplished:

Provided coordination and administration to the State Loan and Investment Board for the oversight of investment policy of state funds and issuance of indebtedness for designated agencies. This included review and change to the investment policy by the board and quarterly investment manager performance analysis.

Grants and Loans Division

General information

Sharon Garland, Assistant Director

Agency contact

Brad Miskimins, Program Manager
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Year established

Joint Powers Act Program, 1974
Mineral Royalty Grant Program, 1977
Transportation Enterprise Fund Grant Program, 1999

Statutory reference

W.S. 9-4-601 through 9-4-604, W.S. 9-4-607, W.S. 16-1-109, W.S. 11-34-301 through 11-34-303

Number of authorized personnel

3.5 full-time

Organizational structure

Assistant Director and staff of the division

Clients served

Local governmental entities, state agencies, residents and the general public

❖ *Results of outcomes*

Pursuant to promoting socio-economic growth and stability, the following was accomplished:

Processed 154 mineral royalty grant applications, 115 of which were approved for funding totaling \$17,554,071.

Processed 20 joint powers act loan applications representing \$2,137,676.

Coordinated 27 abandoned mine land grant applications representing \$3,609,648.

Processed one transportation enterprise fund grant, which was approved for total funding of \$1.5 million.

Processed two aeronautics joint powers act loans totaling \$618,588.

Real Estate Management and Farm Loan Division

General information

James M. Whalen, Assistant Director

Agency contact

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Other locations

Lander District Office

Year established

Real Estate Management, 1890
Farm Loan Program, 1921
Irrigation Loan Program, 1955

Statutory references

W.S. 11-5-101 through 11-5-119
W.S. 11-34-101 through 11-34-130
W.S. 11-34-301 through 11-34-303
W.S. 36-5-101 through 36-5-117
W.S. 36-9-101 through 36-9-120

Number of authorized personnel

18 full-time

Organizational structure

Assistant Director, Surface Leasing and Use Section, Farm Loan and Real Estate Appraisal Section, Land Inventory Section

Clients served

Wyoming residents including farmers, ranchers, school children, governmental agencies, businesses, real estate developers, utility companies and mineral industry

❖ *Results of outcomes*

Pursuant to optimizing the economic return from state land resources, the following was accomplished:

Maintained more than 4,000 grazing and special use leases on 3.6 million acres of state surface.

Conducted field reviews on 153 expiring grazing leases.

Conducted field inspections on 25 reported problems.

Conducted desk appraisals and field inspections on 35 special use lease applications.

Processed and renewed 560 grazing lease applications.

Processed 303 assignments.

Processed 282 sublease agreements.

Processed 53 improvement applications.

Processed and renewed 27 special use lease applications.

Processed 407 surface damage payments.

Processed 85 temporary use permits.

Database for temporary use permits is in the implementation phase of development.

Grazing fee formula adopted by the Board of Land Commissioners.

No new parcels were identified by the office for special use leases.

Initiated reviews and negotiations on 16 land exchange proposals with public and private landowners; eliminated 12 proposals that did not meet the criteria for exchange.

Continued progress on 18 land exchanges involving either private landowners or federal, county, state and local governmental agencies.

Completed five land sales encompassing 932.65 acres.

Received and processed 125 easement applications for \$1.71 million.

A database for easements is in the design phase of development.

Pursuant to improving land management practices the following was accomplished:

Implementation of GIS system is ongoing.

Established 62 treatment programs with the weed and pest control districts.

Attended nine meetings with various districts.

Treated 1,252 acres of state land at a cost of \$17.76 per acre.

Conducted six field inspections of infested sites.

Treated two cases using biological control.

Goats were used as an alternative treatment of leafy spurge on state land in Crook County.

Pursuant to promoting socio-economic growth and stability, specifically the farm loan program, the following was accomplished:

Processed 55 new farm loan applications totaling \$10 million.

Serviced 1,157 farm loans and 35 irrigation loans.

Mineral Leasing and Royalty Compliance Division

General information

Harold D. Kemp, Assistant Director

Agency contact

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Year established and reorganized

Established 1890, reorganized 1985

Statutory references

W.S. Title 36, Chapters 1,2,3,5 and 6 and W.S. 11-34-120

Number of authorized personnel

17.5 full-time

Organizational structure

Assistant Director, Royalty Compliance Section,
Mineral Leasing Section

Clients served

State residents; oil, gas and solid mineral industries; school and institutional funds; public and private industry

❖ *Results of outcomes*

Pursuant to optimizing the economic return from state land resources, the following was accomplished:

Processed monthly royalty desk audit reviews (manual and electronic) for more than 900 operating subsurface mineral leases.

Increased acreage under lease over the prior year for oil and gas by 1 percent and metallic and non-metallic rocks and minerals by 3 percent.

Continued a process of reviewing other potential royalty in-kind markets. Worked with federal government on state/federal crude consolidation and royalty in-kind sales.

Reviewed over 100 offset well locations proximate to state land.

Processed 1,551 mineral lease interest assignments with no backlog.

Processed 19 oil and gas lease unitization initiations, contractions and terminations involving state lands leases.

Proposed new rules for Chapter 6 - Subsurface Resources.

Reviewed or caused review of approximately 30 lease sites prior to approval of assignments of those leases

Oil royalties declined only about 82 percent of the state rate of decline for fiscal year.

Oil and gas bonus bids were up 35 percent in total from prior fiscal year.

Gas royalties increased from prior fiscal year.

Negotiated \$37,000 settlement for state lease hydro-carbon cleanup.

Forestry Division

General information

Thomas W. Ostermann, State Forester

Agency contact

Thomas W. Ostermann, State Forester
307/777-7586
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Cheyenne, WY 82002

Other locations

Newcastle, Riverton, Buffalo, Lyman, Douglas

Year established

1952

Statutory references

W.S. 8-4-102; W.S. 36-1-112, W.S. 36-1-401 through 404; W.S. 36-2-108; W.S. 36-3-109

Number of authorized personnel

37 full-time, two contract

Organizational structure

Fire Management, Forest Management, Wyoming Honor Camp Forestry Program

Clients served

Forest landowners, fire organizations, communities, forest industry, other state agencies, ranching and agriculture

❖ *Results of outcomes*

Pursuant to optimizing the economic return from state land resources, the following was accomplished:

Conducted four meetings with the Fire Advisory Board and one meeting with the Rural Fire Association.

Maintained and coordinated the availability of 550 federal excess fire engines and support equipment.

Maintained 23 cooperative fire protection agreements and executed 23 annual operating plans, one

state fire mobilization plan and one mini-mobilization plan.

Processed 2,546 reportable incidents, of which 619 were fires.

Maintained and made available 30 fire engines for national dispatch.

Maintained one statewide forestry conservation radio system.

Determined premiums and collected payments for the emergency fire suppression account; deposited \$50,222.53 for a balance of \$741,158.98.

Acted as the Governor's authorized representative for the Federal Emergency Management Agency.

Due to low fire dangers and fire occurrence, there were no fire closures during the year.

Trained 2,214 volunteer firemen in 89 separate sessions.

Provided two annual schools at the Wyoming Fire Academy for 172 departments.

Maintained NWCG 310-1 wildland firefighter qualifications for 1,074 firefighters.

Performed railroad right-of-way inspections in 23 counties for the Wyoming Department of Transportation.

Distributed \$3,500 of Smokey Bear material.

Sponsored Smokey Bear coloring contest for 805 third-grade students.

Processed two reimbursement payments to each cooperating county, totaling \$274,425.

Processed seven consolidated payments for national fire mobilization.

Recommended award of 12 mineral royalty grants to the State Loan and Investment Board for National Fire Protection Association approved fire engines and fire hall construction for a total of \$1.1 million.

Pursuant to promoting socio-economic growth and stability the following was accomplished:

Commercially treated 2,897 acres of state land, resulting in the harvest of 5 million board feet, with trust income of \$928,383 and the regeneration of new forest on 1,755 acres.

Treated 299 acres non-commercially with needed management practices. Planned prescribed burns did not occur due to weather and funding.

Four hundred ninety-one acres of plans were prepared. Did not complete any reinventory. Inventory and written management plan criteria were re-evaluated and tested to determine future direction for forest state land management planning.

Treated 1,048 acres of logging slash.

Provided technical assistance to 131 private forest landowners.

Prepared forest stewardship plans on 11,651 acres.

Reforested 1,292 acres of private land.

Qualified 23 communities as "Tree City USA".

Planted 798 trees in communities through matching grants.

No community forestry plans were completed during the year.

Facilitated one interagency/cooperator meeting to gather and exchange information concerning forest insect and disease issues and status in Wyoming.

In cooperation with the Wyoming Timber Industry Association and the Wyoming Department of Environmental Quality, conducted two silviculture and best management practice training sessions resulting in 63 individuals being trained.

No new tree farms were certified, and no existing tree farms were re-certified.

Cooperated with the Department of Employment to survey primary processing, secondary manufacturing and logging industries and initiated data bases for each.

Compiled preliminary information pertaining to the forest industry's economic contribution to Wyoming's economy.

Commented on 31 proposed federal land actions pertaining to forest management, protection and/or harvest of forest products.

Proposed land exchanges are ongoing.

No national forest reviews were attended.

Co-sponsored Project Learning Tree and Tree Farm program in Wyoming.

Presented "Forestry" programs to four adult groups.

Six "positive" Wyoming forestry articles were published.

Provided forestry information to three federal legislators and all state legislators (newsletter).

Pursuant to intergovernmental coordination among federal, state, county and local entities, the following was accomplished:

Completed 118 projects for 21 special district, community, county, state and federal agencies resulting in a labor savings to those agencies of \$253,819.

Generated \$21,376 of income from Wyoming Honor Conservation Camp (WHCC) work projects.

WHCC crews completed marking on four U.S. Forest Service (USFS) timber sales with estimated volume of 10.2 million board feet being made available to Wyoming industries.

Generated \$17,000 of income from marking projects.

Completed 159 acres of thinning on state land.

Trained and qualified 42 inmates as wildland firefighters available for dispatch as members of the "Smoke Buster" WHCC fire crew.

WHCC Smoke Busters participated in 13 wildland fire suppression projects and eight prescribed burns.

Office of Federal Land Policy

General information

Con Lass, Assistant Director

Agency Contact

Con Lass, Assistant Director

307/777-3697

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Year established

1995

Statutory reference

W.S. 9-1-207 et seq

Wyo. Executive Order 1995-1

Number of authorized personnel

Three full-time

Organizational structure

Assistant Director; State Clearinghouse on natural resource issues

Clients served

State and local government agencies, state congressional offices, natural resource users

❖ Results of outcomes

Pursuant to intergovernmental coordination among federal, state, county and local entities, the following was accomplished:

Provided staff support for Governor's activities on the Interstate Oil and Gas Compact Commission, including drafting of letters in support of energy research and development.

Set up Governor's Kitchen Table Conference with federal decision makers. The director chaired the event. The meeting was attended by different agency representatives.

Presented testimony and/or comments regarding federal legislative proposals or drafted language on federal legislation.

Made congressional visits; wrote letters to members of Congress that solicited support of Wyoming's position.

Identified interagency conflicts in comments submitted as part of the clearinghouse process and convened the appropriate officials to resolve them so that a unified position could be written that had the support of State of Wyoming officials.

Analyzed, proposed and/or wrote substantive state responses regarding regulatory proposals affecting federal lands in Wyoming 66 times.

Identified and circulated 99 new decision documents, drafts and final environmental assessments (EA)/environmental impact statements (EIS) and findings of no significant impact (FONSI) affecting federal lands in Wyoming.

Gave various speeches, formal/informal presentations and wrote letters informing and educating federal policy makers and the general public regarding proposed actions and what the office's or the state's policy is regarding federal lands or specific actions on these lands.

Attended conferences and meetings regarding state/office policy on federal lands issues.

Reviewed and distributed daily federal register and other information sources to state agencies.

Coordinated and facilitated the state's role as a cooperating agency on the Yellowstone Winter Use EIS, the Pinedale Anticline Natural Gas Field Exploration and Development EIS, the Wyodak Coal Bed Methane EIS and the Medicine Bow National Forest Plan Revision and EIS.

Coordinated state agency review of BLM grazing EA's and permit renewals.

Office of State Lands and Investments organization chart

