

# Office of State Lands & Investments

## Mission and philosophy

To provide timely, accurate and cost effective service to the Board of Land Commissioners, the State Loan and Investment Board, policymakers and the citizens of Wyoming to facilitate wise and reasonable analytical decision making that will maximize the State's assets and resources in accordance with mandated authorities.

The philosophy of the Office of State Lands and Investments is to accomplish this mission through a commitment to fairness, integrity and accountability as we manage surface, mineral and forest resource issues under the jurisdiction of the Board of Land Commissioners in a timely manner to enhance trust land values for the State's beneficiaries; augment 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; provide grants, loans and technical assistance to strengthen community and rural infrastructures; encourage public participation in our actions and decisions; use technology to increase efficiency and accuracy; and Use the expertise of our staff and provide a work environment in which they can grow professionally.

## Strategic plan changes

Effective July 1, 2005, this agency will report in compliance with the state's new strategic planning effort. The agency's strategic plan has been revised to provide for the following:

### Agency mission:

To support the Board of Land Commissioners in applying total asset management principles in order to optimize and diversify trust asset revenue and preserve and enhance trust asset values. To support the State Loan and Investment Board in applying sound investment policies and in optimally utilizing grant and loan program funding in order to strengthen local government infrastructures.

### Agency performance measures:

- Performance Measure #1: Optimization and Diversification of Trust Asset Revenue
- Performance Measure #2: Preservation, Enhancement and Appreciation of Trust Asset Values
- Performance Measure #3: Utilization of Forestry Assistance Programs
- Performance Measure #4: Grant and Loan Program Funding Utilization

### General information

Lynne Boomgaarden, Director

### Agency contact

Susan Child  
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122 West 25th Street  
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schild@state.wy.us

### Other locations

Lander, Newcastle, Buffalo, Riverton, Lyman, Casper, Douglas, Pinedale

### Year established and reorganized

Established 1890; reorganized in 1921, 1992 and 1998

### Statutory references

W.S. 36-1-101 through 36-3-111; W.S. 36-5-101 through 36-7-510; W.S. 36-9-101 through 36-9-120; W.S. 11-34-101 through 11-34-305  
Number of authorized personnel  
98 full-time, 4 Seasonal part-time

### Organizational structure

Office of the Director and four divisions: Financial Programs and Management Services, Real Estate Management and Farm Loans, Mineral Leasing and Royalty Compliance, 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

(Appropriated funds only)

General funds .....	\$23,917,263
Federal funds .....	17,833,984
Other .....	21,370,686
<b>Total .....</b>	<b>\$63,121,933</b>

# Financial Programs & Management Services Division & Office of Director

## General information

Jeanne Norman, Assistant Director

## Agency contact

Jeanne Norman  
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122 West 25th Street  
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## Year established

1984  
Joint Powers Act Program, 1974; Mineral Royalty Grant Program, 1977; Clean Water State Revolving Fund, 1990; Drinking Water State Revolving Fund, 1998; Transportation Enterprise Fund Grant Program, 1999

## Statutory references

W.S. 9-4-307; W.S. 9-4-601 through 9-4-604; W.S. 9-4-606, W.S. 9-4-607, W.S. 9-4-709, W.S. 9-4-1001, W.S. 9-4-1002, W.S. 11-34-301 through 11-34-303, W.S. 16-1-109, W.S. 21-15-106, W.S. 27-14-704, W.S. 16-1-301, W.S. 16-1-201

## Authorized personnel

19 full-time

## Organizational structure

Financial Programs and Management Services: Assistant Director; Accounting Section; Information Technology Section; Investment Management Section; Government Grants and Loans Section  
Office of the Director: Director, Deputy Director, Executive Assistant,

## Clients served

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

## Results of outcomes

To maximize the return on the investment of state funds the Board measures its investments against market, established indices or benchmarks. The Board is required to review and evaluate the policy at least annually and each year the Board reviews changes and updates. The investment policy statement was reviewed and approved at the December 2, 2004 Board meeting. Investment per-

formance reports and quarterly compliance audits were prepared by R. V. Kuhns, investment manager, and were reviewed by the Board for quarters ending September 30, 2004, December 31, 2004, March 31, 2005 and June 30, 2005. With respect to capital facility bonds, there were no new bonds issued this year.

This division recorded all cash received by the agency and distributed revenue to various permanent land income funds, land income funds and the general fund which totaled \$123,168,741. Of this amount, \$114,375,145 was distributed revenue from the 4.2 million acres of state-owned mineral estate and \$7,958,587 was distributed revenue from the 3.6 million acres of state-owned surface estate. In addition, this division processed \$15,716,377 in loan repayments for the Joint Powers Act loans, Farm & Irrigation loans and ASC contracts.

This division also facilitates the Board's processes to provide financial assistance to incorporated communities, counties, school districts, special governmental entities and eligible private enterprises to maximize the use of state's resources to benefit the citizens of Wyoming. The division processed 371 Mineral Royalty Grant applications, 118 of which were approved for funding totaling \$51,689,966. Seven Joint Powers Act Loan applications were processed by the division with three approved totaling \$1,576,756. In addition, the division processed 32 Transportation Enterprise Fund Grant applications, of which 18 were funded totaling \$886,576. No project grants were funded from the Abandoned Mine Land program during this fiscal year. The Aeronautics Joint Powers Act Loans are currently administered by the Department of Transportation.

This year, thirteen Clean Water State Revolving Fund (CWSRF) loan applications were reviewed, processed and presented to the Board totaling \$38,434,332. One hundred percent of the applications received were from communities for improvements to or construction of wastewater treatment facilities. Loan servicing was provided to 63 CWSRF loans including disbursing \$39,785,806 to communities and \$7,545,935 to the Department of Environmental Quality (DEQ) for the cleanup of leaking underground storage tanks. A total of \$1,618,366 in loan repayments was processed in the CWSRF. Also during this period eleven new loan applications were reviewed, processed and presented to the Board for loans totaling \$31,118,968 from the Drinking Water State Revolving Fund (DWSRF). One hundred percent of the applications received were from communities to fund improvements to or construction of water treatment facilities. Loan servicing was provided for 52 DWSRF loans, including disbursing \$6,830,397 in loan funds to communities and receiving \$2,264,067 in loan repayments.

The Board approved one refunding issue applications for the School District Bond Guarantee program in the amount of \$3,845,000.

## Real Estate Management & Farm Loan Division

### General information

James M. Whalen, Assistant Director

### Agency contact

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(307) 777-6638  
Herschler Building, 3rd Floor West  
122 West 25th Street  
Cheyenne, WY 82002-0600  
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### Other locations

Lander District Office

### Year established

Real Estate Management, 1890; Farm Loan Program, 1921; Irrigation Loan Program, 1955; Beginning Agricultural Producers Loan Program, 2002; Replacement of Breeding Livestock Program, 2003

### Statutory reference

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

### Authorized personnel

15 full-time

### Organizational structure

Assistant Director; Real Estate Management; Farm Loan Section; Lander Field Office, Land Inventory Section

### Clients served

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

## Results of outcomes

It is the division's responsibility to provide income/revenue for the Land Income Fund and Permanent Land Fund. By leasing land for multiple purposes, the division derived \$5,130,457 from grazing, agricultural and special use leasing programs, \$542,835 from temporary use permits issued, and \$1,440,167 from surface impact payments. Issuance of grants of easement on state land also generated an additional \$829,248 and land sale contracts

generated \$394,393. The division processed 467 grazing lease renewal applications, 27 special use lease applications, 289 assignments, 120 sublease agreements, 33 improvement applications, 756 surface impact payments, 183 temporary use permits, and 237 easements applications.

Development of current lease rates and permit fees requires an annual update of the grazing and agricultural fee formula. Through research provided by the Agricultural Statistics Service, new figures regarding parity ratio and private land lease rates are inserted into the formula and a new AUM (animal unit month) rate established. The AUM rate for the 2005 grazing lease renewals was \$4.42. Verification of land type and conditions was accomplished this year in conjunction with placement of signs on all readily identifiable state land in accordance with W.S. 36-1-120 which was adopted by the 2003 Legislature. The appraisal staff posted signs on 174 tracts of state trust land, conducted 71 inspections and/or appraisals relative to commercial, industrial, residential or other non-agricultural uses of trust land and 206 inspections of state grazing leases relative to carrying capacity, complaints, etc. (including inspections done while posting signs).

In addition to its state trust land obligations, the division is responsible for maximizing the use of the Farm Loan Fund to benefit Wyoming citizens. Recent Legislation authorized two new farm loan programs, the Beginning Agricultural Producers Loan Program and the Breeding Livestock Loan Program. Beginning Agricultural Producer loans are intended to assist beginning farmers and ranchers in establishing a production agricultural business. The Breeding Livestock Program allows for the purchase of breeding livestock when the Governor has declared that drought conditions have existed in individual counties for not less than two immediate preceding years and if the Governor declares that the conditions have abated. The interest rates for both farm and irrigation loans remained the same. During the fiscal year eight Beginning Agricultural loan applications were received. There were four Beginning Agricultural loans and one farm loan closed during FY05.

# Mineral Leasing & Royalty Compliance Division

## General information

Harold D. Kemp, Assistant Director

## Agency contact

Harold D. Kemp, Assistant Director  
307-777-6643  
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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

## Authorized personnel

15 full-time

## Organizational structure

Divisional Assistant Director, Mineral Leasing Section & Royalty Compliance Section  
Clients served  
State residents, oil, gas & solid mineral industries, school and institutional funds, public and private industry.

## Results of outcomes

The Mineral Leasing and Royalty Compliance Division is in the throes of completing an electronic accounting system platform change from an in-house system to a new web-based, customer inter-active system using a web front end and a Windows operating system driven back end. The complexity of the writing, programming, implementing, testing and placing into production of this type system consumed all time normally devoted to audit review type activities. However, in populating data tables and fields within the system, a thorough review is being performed related to reporter and payer company references, leases and properties held and handled by each, unit and communitized area tract allocations, well counts on State lands and potential interest due on unpaid or unreported royalties. This data review will become quite beneficial related to the smoothness of future operability of the system.

To maximize the existing state-owned mineral estate under lease for prospecting and development of multiple mineral commodities, the division's on-going aggressive approach in a three tier fashion for mineral leasing resulted in 509 oil and gas lease issuances through holding

three oil and gas competitive lease auctions, and another 38 leases issued over the counter after two attempts to market at auction.

In an endeavor to closely adhere to sub-surface resource development and administrative cost containment for both the agency and the lessees, while avoiding unnecessary waste in compliance with State oil and gas statutes, the division avoided the costs to both the state and industry related to Reclamation issues surrounding off-channel reservoir placement for CBM water containment on State lands by requiring additional bonding of \$511,072.00.

Royalties collected for the FY total \$ 114,375,650.

# Forestry Division

## General information

Bill Crapser, State Forester

## Agency contact

Bill Crapser  
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## Other locations

Buffalo, Casper, Douglas, Lyman, Newcastle, Pinedale, Riverton

## Year established

1952

## Statutory references

W.S. 8-4-102, 36-1-112, 36-1-401 through 404, 36-2-1080, 36-3-109

## Authorized personnel

48 full-time, 4 Seasonal part-time

## Organizational structure

Fire Management, Rural and Urban Forest Management, Forest Health, Wyoming Conservation Camp Program

## Clients served

Wyoming citizenry, forest and agriculture landowners, rural wildfire organizations, communities, counties and local governments, other state agencies, forestry and associated industry.

## Results of outcomes

To manage forested state trust lands on a sustainable basis and maximize the long-term return to the trust, all forested trust lands are managed according to written prescription on a sustainable basis within identified forest product areas. Nine parcels of forested trust lands were inventoried and one management plan prepared on 621 acres. Pre-commercial thinning was completed on 208

acres while 802 acres were treated commercially generating \$299,319 in income. To maintain a forested trust land base within identified forest product market areas, the Division has identified 200 commercially forested parcels with legal access to the Land Board and its assignees. No land exchanges were finalized this year, however, exchanges that would be beneficial to the Trust continue to be pursued whenever possible.

To provide Wyoming's rural lands and communities with well-trained and equipped fire prevention, mitigation and suppression resources, 2,770 city, rural, state and federal firefighters were trained to Wyoming and National Wildfire Coordinating Group standards in 178 separate training sessions.

Financial assistance was provided to Wyoming counties and rural fire departments through the State Fire Assistance Program, Volunteer Fire Assistance Program and Mineral Royalty Grant Program and appropriated funds. Forty-seven applications were received for federal grants under the Volunteer Fire Assistance Program and all were funded for a total of \$163,840. Recommendations were provided for 41 mineral royalty grant applications for fire apparatus and stations. Of those, 19 applications, for a total of \$4,001,556 were approved by the Farm Loan Board. Twenty-three applications were received for \$231,870 of State Fire Assistance federal grant funds and an additional \$185,000 of State appropriated funds was passed through to the 23 Wyoming counties for fire preparedness, training and maintenance.

The Division provided assistance to 10 counties and communities to complete a Community Wildfire Protection Plan (CWPP). In addition, assistance was provided to 6 other counties that are in the process of completing CWPP plans. During FY05, 11 counties received NFP grants totaling \$928,150. There were 613 acres of fuel treatment and 80 defensible space projects completed. Fire hazard assessments were completed on 110 dwellings. National Fire Plan (NFP) coordinators continued to meet with landowners, home owner associations and cooperating partners to educate these individuals on fire prevention. During FY05, approximately 87 workshops and meetings were held. In addition, handouts and flyers continue to be distributed at landowner conventions, meetings, etc. to educate landowners on defensible space and homeowner actions to reduce fire susceptibility.

In order to maintain the values that Wyoming landowners, communities and state agencies identify with well-managed forests and trees in Wyoming, the Division continues to actively pursue practices to achieve those ideals. A total of 248 forest stewardship management plans covering 11,856 acres were prepared. Activity under the Forest Land Enhancement Program (FLEP) continued during FY05 although no additional funding was received from the Forest Service. During the period, 20 FLEP projects totaling \$41,644 were completed. An additional 9 projects, totaling \$14,485, were funded

from funds obtained from cancellations and slippage dollars. Practices completed during FY05 included:

- Agroforestry Implementation: 13 acres
- Forest Stand Improvement: 132 acres
- Fire and Catastrophic Event Rehabilitation: 5,300 feet fencing installed

There were approximately 272,592 conservation grade seedlings sold in Wyoming during FY05. These seedlings resulted in approximately 2,180,736 lineal feet of conservation tree plantings (901 acres, includes FLEP plantings above).

The Urban and Community Forestry Program of the Division provided technical and financial assistance to prepare tree inventories and comprehensive management plans for the communities of Douglas, Jackson and Cheyenne. The Wyoming Community Forestry Council approved 41 grants throughout the state for a total of \$136,000. These grants were used to plant larger trees on public property, education related to urban forests and production of various community forestry publications. Thirty-five communities met Tree City USA qualifications.

The Division continues to provide forest health technical assistance to cooperators and clients. Fifty-two projects on private forested land totaling \$74,081 were funded for insect and disease mitigation. Projects consisted of forest thinning, direct control for bark beetle abatement, preventive spraying, and anti-aggregate pheromone capsules. In addition, technical assistance was provided to 46 landowners and cooperators.

In cooperation with the Wyoming Department of Transportation and Wyoming Conservation Districts, seven living snow fence project grants for \$99,624 resulted in the planting of 28,149 linear feet of trees protecting 1.8 of state maintained roadway in five counties. An additional two county living snow fence demonstration projects were installed and resulted in 1,275 linear feet of living snow fence at a cost of \$8,411.

Inmates are trained in job skills that may provide potential job opportunities upon completion of their term while they complete conservation projects of value to Wyoming communities and residents during their incarceration in the Wyoming Honor Conservation Camp and the Wyoming Honor Farm. This year 270 inmates received training in chain saws use and fire fighting and were used for crew assignments. The inmates completed 171 community projects and they received 22 wild fires and 2 prescribed burn assignments. No federal contracts through this program were completed during this fiscal year. There were 381 cords of firewood, and 7,883 posts and poles sold for an income of \$36,910. Crews also completed a fuel break of 23 acres and treated 208 forested acres for improved timber growth and/or to retain aspen stands. In addition, crews produced 9,850 tree protectors to improve survivability of conservation plantings.

# Office of State Lands & Investments organizational chart

