

Office of State Lands and Investments

General information

Bridget Hill, Director

Agency Contact

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Field Office Locations

Newcastle, Buffalo, Riverton, Lander, Lyman, Casper, Laramie, Pinedale, Meeteetse

Statutory Authority

Organic Act, Sec. 14; Act of Admission, Sec. 4 through 14; Wyo. Const. Art. 7, Sec. 2, Sec. 6 through 8, Sec. 18, 19 and 22; Wyo. Const. Art. 18, Sec. 1, 2, 3, 4, 5, 6; W.S. 7-16-202; W.S. 8-4-102; W.S. 9-2-2005 through 2006; W.S. 9-2-2012; W.S. 9-4-305, W.S. 9-4-307 through 311; W.S. 9-4-601 through 607; W.S. 9-4-714 through 719; W.S. 9-4-801 through 815; W.S. 9-4-1001 through 1003; W.S. 9-16-101 through 103; W.S. 9-12-703; W.S. 10-3-101; W.S. 10-3-601 through 602; W.S. 11-5-101 through 303; W.S. 11-34-101 through 302; W.S. 16-1-109 and 110; W.S. 16-1-201 through 207; W.S. 16-1-301 through 308; W.S. 27-14-701 through 704; W.S. 30-5-301 through 305; W.S. 35-11-528 through 532; W.S. 35-11-1201 through 1203; W.S. 36-1-101 through 36-3-111; W.S. 36-5-101 through 36-7-510; W.S. 36-9-101 through 120; W.S. 36-12-102, 106 and 107; W.S. 41-6-203 through 209.

Number of Employees

95 full time employees (48 full time, 4 seasonal and 1 AWEC in the Forestry Division; and 47 full time positions in the remaining divisions).

Clients Served

The trust beneficiaries - Wyoming’s school children and state institutions; numerous clients in agriculture, mineral, timber, transportation, communication, public utility, recreation, tourism and other Wyoming industries; local government entities; state and federal agencies; and the resident and non-resident general public.

FY17 Budget Information (Expenditures)

(Appropriated funds only)

General funds	\$ 9,887,266
Federal funds	18,618,255
Other	<u>59,567,845</u>
Total	\$ 88,073,366

**Office of State Lands and Investments
Strategic Plan
2019-2022**

Agency

Office of State Lands and Investments

Report Period

2019-2022 (July 1, 2018 through June 30, 2022)

Wyoming Quality of Life Result

Wyoming natural resources are managed to optimize the economic, environmental, and social prosperity of current and future generations.

Wyoming communities are sustaining the quality of life for families and individuals living in their communities by providing a safe and healthy environment.

Contribution to Wyoming Quality of Life

Wyoming School trust assets are managed, preserved and enhanced through responsible stewardship to contribute directly to the economic, social and environmental wellbeing of Wyoming's public school children, local communities and natural resources.

Basic Facts

The Wyoming State Land Trust consists of three assets: State Trust Land, State Trust Minerals and the State Permanent Land Fund. All three assets derive from those lands granted by the federal government to the State of Wyoming at the time of statehood under various acts of the U.S. Congress and accepted and governed under Article 18 of the Wyoming Constitution. The revenues generated by trust lands and minerals are reserved for the exclusive benefit of the beneficiaries designated in the congressional acts. The beneficiaries are the common (public) schools and certain other designated public institutions in Wyoming such as the Wyoming State Hospital. Though some of the original lands have been sold or exchanged, the state owns approximately 3.5 million surface acres and 3.9 million mineral acres. Approximately 86% of the surface and mineral estate are managed for the benefit of the public schools. In addition, there are approximately 9,000 acres of non-trust acquired land within the State allocated to various state agencies that benefit specific institutions and the public. Examples of these lands include Boys School, Girls School, Wyoming Training School, Wyoming State Hospital, Ranch A and Beartooth Ranch.

The Wyoming State Constitution and the Wyoming State Legislature direct the Board of Land Commissioners, consisting of the State's five elected officials, to manage trust assets for two key purposes consistent with traditional trust principles: (1) long-term growth in value, and (2) optimum, sustainable revenue production. Similar principles guide the allocation of resources and management practices that will preserve and enhance the value of non-trust acquired and institutional lands. As directed by the Wyoming State Legislature, the State Loan and Investment Board, consisting of the same five elected officials, manage the permanent land funds in accordance with the State's Investment Policy. The State Loan and Investment Board also administers various statutorily created grant and loan programs that provide funding and financial assistance in the form of grants and/or loans to cities, towns, counties, and special districts to finance capital construction and other infrastructure projects necessary for the health, safety and general welfare of the residents of Wyoming. The Office of State Lands and Investments (OSLI) is the administrative arm of these Boards and it is the statutory responsibility of the Office of State Lands and Investments to carry out the policy directives and decisions of the Boards.

The organizational structure of OS LI consists of the Office of the Director and four divisions: Financial Programs and Management Services, Trust Land Management, Field Services and Wyoming State Forestry. The Field Services Division has field offices located in Lander, Buffalo and Meeteetse. The Wyoming State Forestry Division has seven district offices located in Newcastle, Buffalo, Riverton, Lyman, Pinedale, Casper and Laramie. In FY17 the agency was supported by 95 full time employees (48 full-time, 4 seasonal positions in the Forestry Division and 47 full-time positions in the remaining divisions). The amount of funding appropriated in the 2017/2018 Biennium Budget for this agency was \$208,114,452, of which \$23,156,035 is general funds. Of the total agency appropriation,

\$174,915,837 is designated for distribution to local governments in the form of grants/loans and other direct distributions and \$10,559,317 is designated for fire. The agency's net operating budget is \$22,639,298.

The functions most important to our agency are:

Optimization and diversification of trust asset revenue:

- effective mineral, agricultural and special use lease compliance, collection and fund distribution functions;
- proactive commercial leasing;
- optimizing benefits gained through easement conveyances, forest product sales and trust land sales, exchanges and acquisitions; and
- effective fire management on trust lands.

Preservation and enhancement of trust asset values for current and future beneficiaries:

- efficient, effective and proactive land management practices, including the pursuit of land sale, acquisition and exchange opportunities that will provide enhanced revenue generation opportunities and access to contiguous land parcels to facilitate efficient trust land management practices;
- adequate inspection, bonding and reclamation programs;
- lease stipulations to protect surface and subsurface resources; and
- the control and eradication of noxious weeds and designated pests.

Forestry assistance:

- provide a combination of technical assistance, training, and support to local governments, cooperating agencies, and citizens through optimum utilization of state funding to leverage federal and local funds to attain sustainable management and protection of the state's natural resources.

Grant and loan program administration:

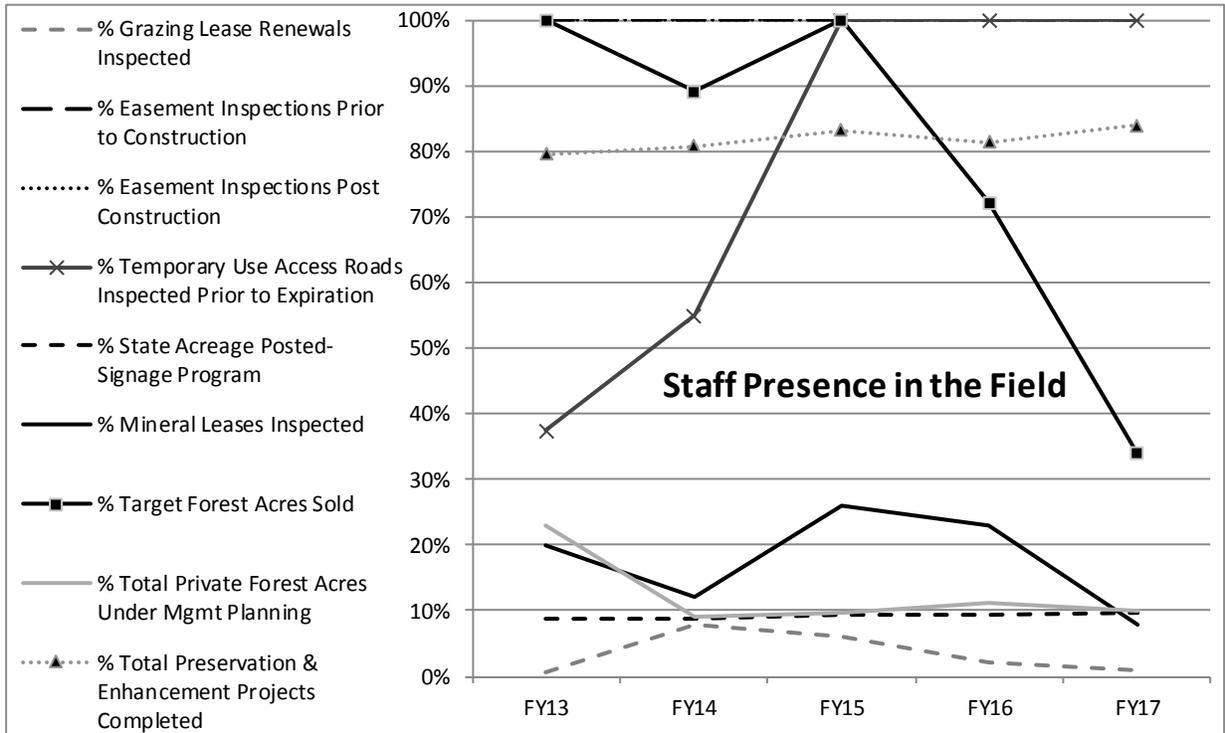
- assist the State Loan and Investment Board in optimum utilization of program funding through timely, accurate project eligibility evaluations and analysis to address the specific needs of local communities; and
- explore and utilize opportunities to partner with similar state and/or federal programs to maximize funding availability to benefit local communities.

Data development and data sharing:

- utilize technology and improve systems to monitor all classes of trust assets and administer leases of all types to improve reporting capability for the evaluation of the physical condition, maintenance and productivity of trust assets; and
- coordinate, encourage uniformity, promote data sharing and gain efficiency in the agency's architecture and standards to ensure compatibility of information technology related projects with other state, federal and local agencies.

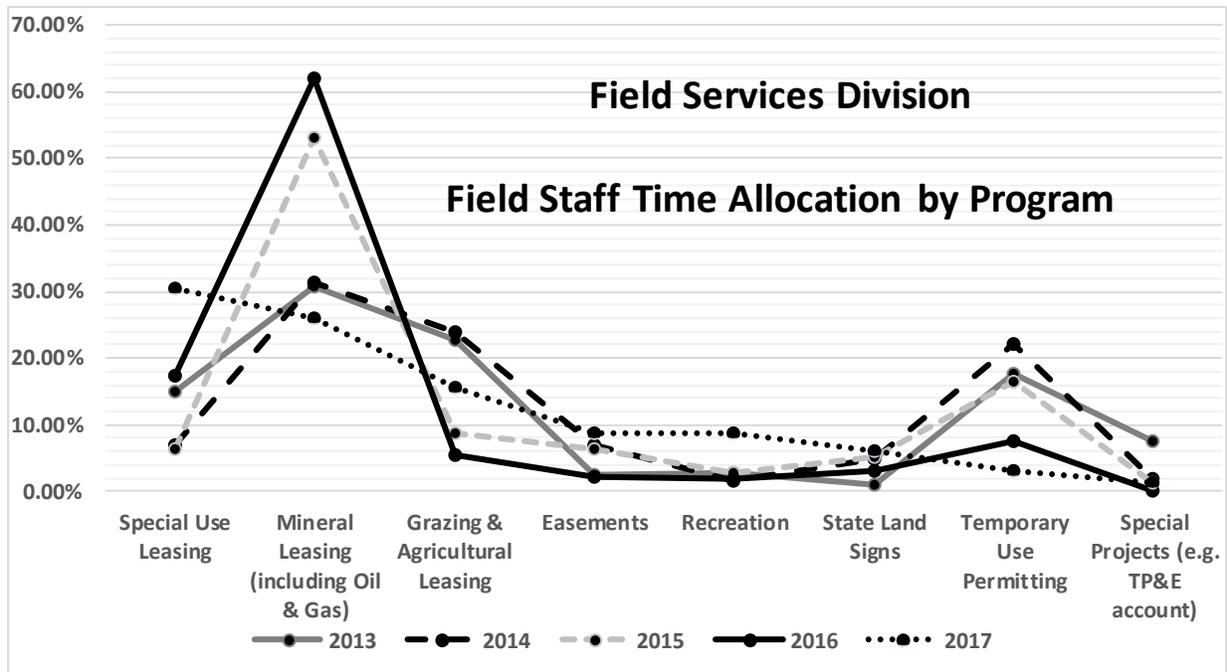
Collectively, these programs serve the trust beneficiaries - Wyoming's school children and state institutions; numerous clients in agriculture, mineral, timber, transportation, communication, public utility, recreation, tourism and other Wyoming industries; local government entities; state and federal agencies; and the resident and non-resident general public.

Performance Measure #1 – Staff Presence in the Field (Preservation and enhancement of trust asset values for current and future beneficiaries; Grant & loan administration; Forestry Assistance; Data development and data sharing)



Story Behind The Performance

The Field Services Division field staff compiles data related to its allocation of time, including travel time, to carry out various duties and responsibilities. The chart below represents a typical allocation of field staff time and the diversity of assignments.



When comparing time allocation for FY17 with previous years, two factors are critical to the interpretation of the data. Firstly, a significant enhancement to the Inspections module in the SLAMS (Surface Land Asset Management System) database system occurred in FY17, and continued into FY18. Through that process, existing and historic inspection data was normalized. At the time of this report, finalization of the SLAMS system was ongoing; inspection data does not reflect those inspections that were conducted in FY17 but have yet to be entered due to system development considerations. Secondly, the majority of field staff and appraiser positions turned over in FY16 and FY17, due to retirements and promotions. As a result, an inordinate amount of field time was expended on training exercises as part of an expected cycle related to the on-boarding of new field employees.

The Special Use Leasing Program accounted for the highest allocation of field time in FY17. This was due in part to a large backlog of special use lease five-year rental reviews related to the retirements of long-term appraisal staff members. Those inspections were given top priority to the new appraisers. Additionally, FY17 continued the trend of a large amount of new special use leases related to the oil and gas industry.

At the time of this report, there are a total of 1,316 producing oil and gas leases on state trust lands, of which 100 (8%) were inspected in FY17, a decrease from FY16. The primary reason for the decrease in the number of oil and gas leases inspected from the previous year was due to staff turnover and diversification of assignments. However, the total field time allocation for mineral leasing of approximately 26% reflects a continued priority of reclamation and bonding on oil and gas leases in FY17. Oil and gas industry-related inspections have resulted in a significant number of lease site clean-ups, proper well bore abandonment and site restorations, requirements to line water disposal pits and the meeting of statutory, lease contract and rule requirements related to operating oil and gas properties in Wyoming and on state lands. The field inspection program has set procedure for idle wells and/or temporarily abandoned wells on State leases and requests either plugging or abandonment of same, or additional bonding on a footage basis, to protect the State's interest. In FY17, bonding for non-hydrocarbon producing wells totaled over \$30 million.

The Grazing & Agricultural Leasing Program historically consumed a large percentage of staff time, primarily due to the fact that an average of 10 percent of the leases expire annually (approximately 400). Time allocated to the Grazing & Agricultural Leasing Program in FY17 increased due to diversification of field staff assignments, and prioritization of vacant lease inspections. It is anticipated that this trend will continue as the division continues to increase efficiency and enhances the abilities of new inspectors. Other programs that show slight increases in time

allocation over past year are Easements and Recreation. A continued decrease in the inspection of Temporary Use Permits is related to the overall decrease in the number of new and/or expiring permits.

Although not as much time was spent in FY17 as in previous years, field staff devote time to special projects due to continued funding for the Trust Preservation and Enhancement Program provided by the Legislature. In addition to preservation and enhancement projects on state trust lands, field staff time is also dedicated to management of the acquired properties X Bar Ranch, Moriah Ranch, Duncan Ranch, and Bull Creek Ranch.

Other program areas not specifically discussed remain relatively constant from previous years and are anticipated to remain near current levels as staff spends time necessary to meet identified goals. The posting of State Trust Land signs on state trust land parcels, although important, will remain secondary to other priorities. In FY17, a continued increase in activity in this program was an effect of total time spent in the field, which has increased significantly as a result of the implementation of field offices in FY13.

The Forestry Division calculates target forest acres from existing state forest inventory and harvest data and assumes that time and money is available to allow them to be achieved. Timber sales are considered sold when the contract is signed by all parties. Often the timber sale preparation is completed and the auction conducted in one fiscal year and the contract signed in the following fiscal year. Therefore, sale performance shown by fiscal year may be somewhat skewed by one to two years. However, over time, performance should even out. While lumber markets in Wyoming have improved due to the re-establishment of sawmills in the southeast part of the state, resulting in increased demand for timber, the western half of the state needs additional forest products industry infrastructure. The 2016 fire season was the second most active on record, and resulted in a shift of Forestry Division staff time and resources to fire suppression; which has affected the timber sale preparation "pipeline". This could continue to affect output from the timber sale program through FY20. Active fire seasons in FY19-20 could continue to affect output from the timber sale program.

Percent of target acres sold are actual acres of timber sold as a percentage of the target acres (1800 ac.). The acres of timber sold affects forest health and productivity on state trust lands. More acres of timber sold leaves fewer acres susceptible to insects, diseases, and stand replacing wildfire and leaves state lands with young, fast growing timber stands. This is beneficial to all of the customers of the Trust Land Management Program. Acres of timber sold helps maintain the long term value of the trust asset and generates income that is credited to a number of trust accounts, primarily the common school account.

Through FY17, the Forestry Division prepared management plans on 171,126 acres of private forestland over the previous 10 years. Plans older than 10 years are considered expired. Currently 10% of Wyoming's private forest has received current professional forest management guidance. This slight reduction from FY16 was due to several large plans expiring. The Forestry Division's goal for stewardship plan development is 8,000 acres per year. In FY17, eight (8) plans were completed on 25,738 acres.

Trust preservation and enhancement projects (TP&E projects) are those projects undertaken pursuant to Chapter 85, 2005 Session Laws that established the State Land Preservation and Enhancement Account. In 2005, the Legislature directed that \$750,000.00 be appropriated from the School Foundation Program Account to OSLI to be deposited in this account and that funds from the account only be expended by OSLI on projects as approved by the Board of Land Commissioners. The Legislature intended that funds from this account be used by the OSLI to fund projects that will preserve and/or enhance the asset value of all surface and mineral lands held in trust by the State. Since 2005, the Legislature has continued to appropriate funds through the budget process to allow the Board to continue to pursue projects that will preserve and/or enhance the value of state trust land or mineral assets or improve the revenue generating capacity from those assets.

Since inception, 229 projects totaling \$6,824,405.37 (of which \$3,084,362.07 has been expended on the Tin Can Alley dump cleanup project located in Big Horn County) have been approved by the Board of Land Commissioners leveraging \$1,921,744.97 in other funding to accomplish projects on state trust lands. To-date, 192 of the 229 projects have been completed. Historically, a one-year lag time between Board approval and the completion of a particular project is common as most projects are weather and contractor dependent and field seasons are time-limited, particularly for reclamation projects.

What We Propose To Do To Improve Performance in 2019-2022

Trust Land Management Division and Field Services Division

- 1) Maintain and improve accuracy of state land ownership and surface activity data including digitizing and formatting of state land records through the Surface Land and Management System and GIS.
- 2) Refine the approach to mineral inspections, taking into account those with the largest number of older and marginal producing properties and embracing the developmental “hot spots” in the state.
- 3) Proactively inspect and review construction adequacy, reclamation of lease site roads and pre-drilling lease site activities.
- 4) Increase overall subsurface lease inspections to ensure adequate reclamation, bonding and lease compliance.
- 5) Utilize district offices to ensure statewide presence and to be more proficient in services provided by the Field Services Division.
- 6) Increase staff coordination and collaboration across the agency and other state agencies.
- 7) Provide additional cross-training to ensure that staff resources are capable to conduct a wide-variety of inspections to optimize field time and limited travel resources.

Grazing & Agricultural Leasing Program

- 1) Continue to improve performance in this area by advertising and leasing 10% of the vacant land annually; or consider other real estate transaction options that would better serve the Trust Land Management Objectives.
- 2) Increase percentage of grazing leases inspected through the utilization of new technologies and training of staff. Inspections will allow staff to determine whether or not an adjustment in carrying capacity (AUMs) is necessary, make sure proper grazing practices are being implemented for the long term benefit of the State’s trust asset, and implement range management plans as necessary should overgrazing or surface condition problems exist.

Land Sale, Exchange & Acquisition Program

- 1) Continue to improve upon the coordination, preparation and review of land transaction proposals.
- 2) Improve GIS capability and utilization for detailed analyses and long-term planning efforts.
- 3) Automate real estate sales, exchange and disposal process by enhancing the Surface Land and Asset Management System to facilitate better review of applications as they pertain to the trust land management objectives and facilitate the transfer process of lands to and from State ownership.

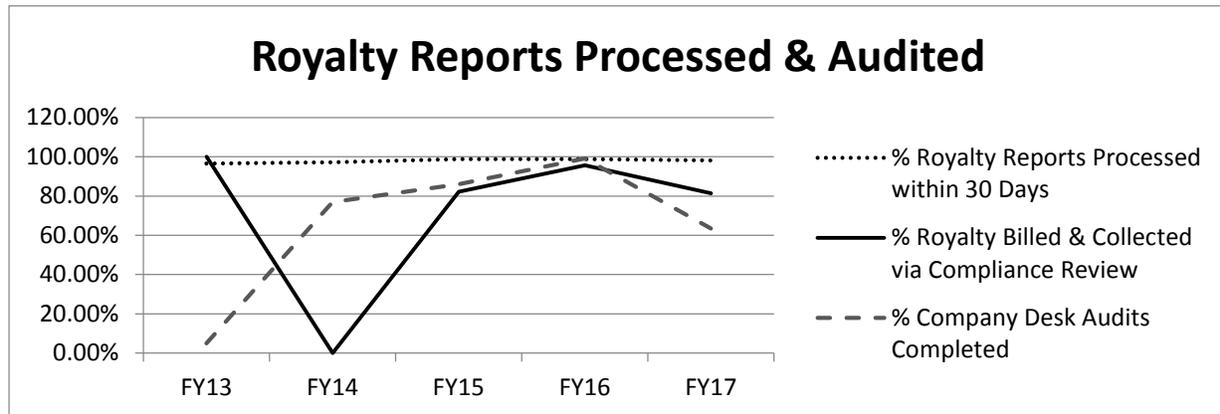
Forest Management/Timber Sales

- 1) Continue to improve use of GIS/GPS technology as a tool to help manage forested state lands.
- 2) Pursue legal access for management wherever possible.
- 3) Continue to develop management plans to improve management of the State’s forest resource.
- 4) Capitalize on the recent improvements to our data tracking, document management and internal accounting systems; utilizing modern business management techniques and technology.

Trust Land Preservation & Enhancement

- 1) Review team will meet quarterly to review account/project performance to determine if criteria are still relevant and whether it is necessary to modify criteria based on past performance and trends.
- 2) Measure and record how well criteria are being met, i.e. prepare cost benefit analysis for each project, identify and determine monetary value if possible, estimate costs to mitigate risks and/or exploit opportunities, determine ability to leverage other funds (i.e. federal, NGO, other state agency funding, etc.) and monitor/report data on project-specific basis.
- 3) Track types of projects, trends and emerging needs and/or opportunities by tracking cost per unit on project-by-project basis and readjust priorities and reallocate funding as appropriate.

Performance Measure #2 – Royalty Reports Processed & Audited (Optimization and diversification of trust asset revenue; Data development and data sharing)



Story Behind The Performance

The Royalty Compliance Section (RCS) receives operator reports from operators of leases, units, participating areas, and communitized areas establishing volumes produced and sold. It receives royalty reports reflecting the volumes and values attributable to the calculated royalty due; and, it receives acknowledgement of actual payment received which must be associated with the reported royalty obligation established by the aforementioned reports. The RCS requires purchaser statements/sales summaries that must be reconciled to the reports provided by operators and/or payers. Due to the increased efficiency of the Lease And Royalty Compliance System (LARCS), the percentage of reports processed within 30 days increased from 96.58% in FY13 to 97.18% in FY14 to 98.87% in FY15, remained constant at 98.85% during FY16, and decreased slightly to 98.08% in FY17.

The RCS staff conducted continual desk audits of operating oil and gas leases each month from July 2016 through February 2017. Desk audits are conducted to validate proper reporting of royalty obligations on state trust lands. Desk audits are in-depth reviews and reconciliation of production and sales volumes and values when compared to the required purchaser statements and volumes reported to the Wyoming Oil and Gas Conservation Commission. The RCS began the long and arduous process of revising desk audit procedures during FY13. As a result, only a small number of desk audits were conducted prior to November 2013 due to the new audit procedures being finalized. During FY14 staff completed 77% of the required desk audits with the newly implemented audit procedures. Due to increased efficiency of RCS staff, 86% of the required desk audits were completed during FY15. Ninety-nine percent (99%) of the required desk audits were completed during FY16 due to training and increased efficiency of RCS staff. During FY17 staff completed 63% of the assigned desk audits. This decrease in completion of desk audits is due to staff being required to complete quality control reviews of previously completed audits.

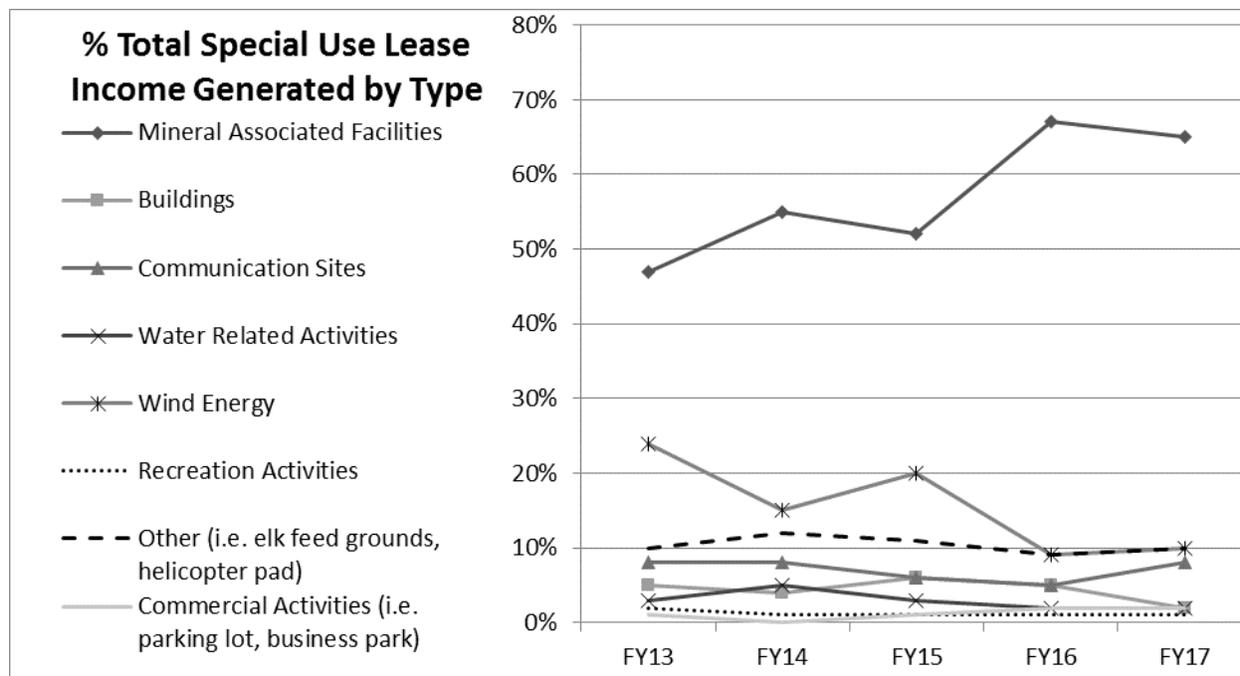
The RCS also processes both complex and comprehensive audits. Complex and comprehensive audits are conducted to ensure the collection of all royalties as well as determine the extent that deductions being taken are allowable by rules, state statutes, and lease terms. These audits, which may take up to two years to reach completion and settlement, facilitate resolution of royalty reporting and payment issues/problems on a “global” basis for any particular company or group of companies. The complex and comprehensive audits are for a set time period for several company leases, and also afford the ability to reach “settlement” agreements on certain litigious situations without going to court. The RCS staff currently has six (6) comprehensive audits and four (4) complex audits in progress.

What We Propose To Do To Improve Performance in FY2019-2022

- 1) The RCS will continue to review and finalize procedures to develop more efficient auditing processes which will meet Generally Accepted Governmental Auditing Standards.
- 2) RCS staff will continue to work with the reporting companies in conjunction with the Total Program Compliance Program to drastically reduce the number of non-compliance issues over the next two years.

- 3) RCS will use risk ratios to determine companies and leases to be audited. These risk ratios will determine those companies and/or leases which will potentially have the highest risk of underpayment of royalties.
- 4) RCS staff will continue to work with industry to develop standardized support media which will aid in the efficiency of the auditing process.
- 5) RCS will implement new procedures that will allow staff rejection functionality as soon as the reports have been submitted which will open the dialog between staff and industry to resolve reporting issues in a more efficient and timely manner.

Performance Measure #3 – % Total Special Use Lease Income Generated by Type (Optimization and diversification of trust asset revenue; Data)



Story Behind The Performance

This graph illustrates the percentage of income received by type of lease. Even though this graph does not necessarily illustrate performance, it is important for planning purposes. One of the Agency’s goals is the optimization and diversification of the trust asset revenue. The graph demonstrates which types of leases generate the most revenue: oil and gas associated leases, wind energy, communication sites, and other uses. The “other” uses consists of a variety of uses, including but not limited to, elk feed grounds, helicopter pads and farm/ranch management leases. The farm/ranch management leases include the Duncan Ranch, the X Bar Ranch, and the Moriah Ranch. Income derived from just these three (3) leases exceeds \$131,000.00 per year. Since the Division has limited staff resources that are shared among eight major programs, it is important to manage time appropriately. This graph identifies the type of lease where a proactive approach would generate the most revenue for the trust.

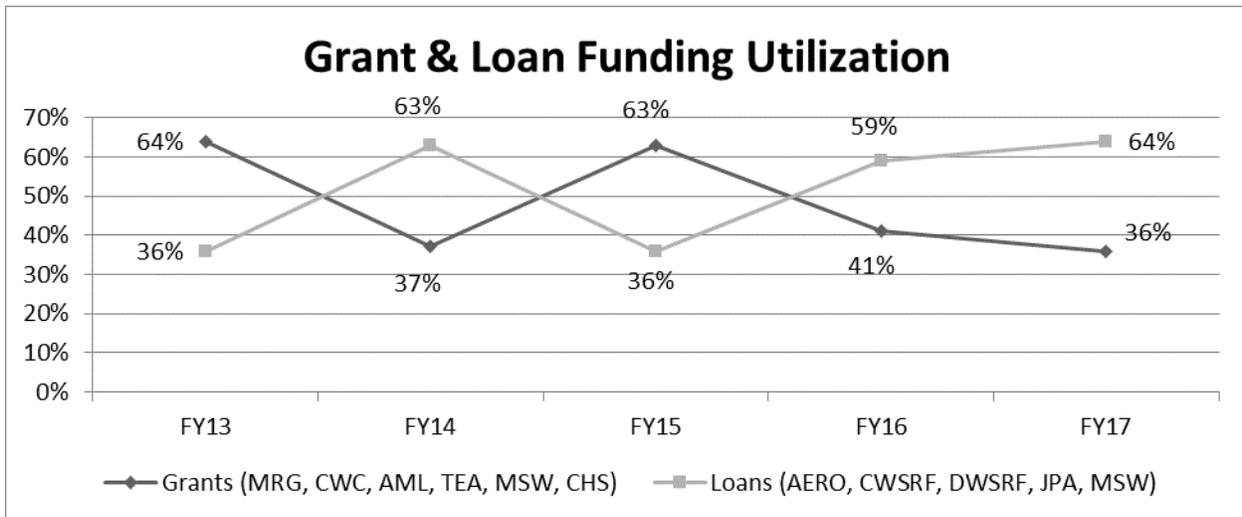
The Trust Land Management Division has seen an increased demand for wind energy leasing on state trust lands in FY17. This is primarily due to deadlines placed on federal tax credits and an opening in transmission capacity.

Staff believes that wind energy leasing, along with other renewable energy leasing such as solar and compressed air energy storage, will continue to increase following FY17. Federal tax credit incentives and an opening of transmission corridors may allow room for additional projects to come online, and promote complimentary energy production activities. Existing lease administration and royalty auditing will remain prominent.

What We Propose To Do To Improve Performance in FY2019-2022

- 1) Continue to inspect and/or review each Special Use Lease for compliance with lease terms and conditions, and ensure proper and market rates are assessed for annual consideration.
- 2) Continue to improve efficiency and accuracy by utilizing the Surface Land and Asset Management System. Staff has become more sophisticated and efficient by employing this system in terms of scheduling workload and aligning deadlines with staff across the agency. In this electronic, cloud-based medium, staff are able to quickly and accurately assess fair market rates to each special use lease while ensuring optimum returns to the State’s Trust Beneficiaries.

Performance Measure #4 – Grant & Loan Funding Utilization by Program Type (Grant and loan program administration)



Story Behind The Performance

This graph provides information relative to the utilization of funding resources available within the grant and loan programs administered by the office.

Legislative funding for BFY 2013/2014 for these programs was in excess of \$201.2 million: \$97 million in grant programs and \$104.2 million in loan programs. The 2013 Legislative session provided that beginning in FY14 the State Loan and Investment Board (SLIB) approve all new Aeronautic (AERO) Loans, \$5.4 million available, and created a new Municipal Solid Waste Cease & Transfer (MSW) Grant and Loan Program in the amounts of \$4 million and \$1.5 million respectively. During the 2014 Legislative session a new Court House Security (CHS) Grant program was created providing \$3 million for court house security in Fremont and Sweetwater counties.

Ninety-one percent (91%) of these appropriated grant funds were in the Mineral Royalty Grant (MRG) and CWC programs. The remaining 9% (nine percent) include the Transportation Enterprise Account (TEA) Grant Program at \$2 million, MSW Grant Program at \$4 million and the CHS Grant Program at \$3 million. Combined available funding for the Clean Water (CWSRF) and Drinking Water (DWSRF) State Revolving Fund Loan programs was \$47.2 million, Joint Powers Act Loan (JPA) funding was \$54.9 million, MSW Loan funding was \$1.5 million and AERO funding was \$5.4 million. FY14 total project funding from all sources was \$55.1 million, \$20.5 million from grant programs and \$34.6 million from loans.

For BFY 2015/2016, Legislative funding for these programs was in excess of \$244.2 million: \$122.3 million in grant programs and \$121.9 million in loan programs. During the 2015 General Session, the Wyoming Legislature increased the available funding for the CHS Grant Program by \$1.083 million and authorized the Board to award additional court security grants for the following eight counties: Platte, Goshen, Niobrara, Albany, Big Horn, Crook, Park, and Weston. (2015 Wyo. Sess. HEA 56, Section 328). Funding for the MSW Grant and Loan Program also increased during the past two legislative sessions, \$17 million for grants and \$4.3 million for loans.

The MRG and CWC programs make up seventy-six percent (76%) of appropriated grant funds in BFY 2015/2016. The remaining twenty-four percent (24%) include the TEA Grant program at \$2 million, MSW Grant Program at \$19.9 million and the CHS Grant Program at \$7 million. Combined available funding for the CWSRF and DWSRF Loan programs was \$57.1 million, JPA Loan funding was \$53.4 million, MSW Loan funding was \$5.8 million and AERO Loan funding was \$5.5 million.

FY16 total approved project funding from all sources decreased from \$154.6 million in FY15 to \$74.6. Approved project funding from the grant and loan programs decreased from \$97.2 million to \$30.8 million and \$57.4 million to \$43.8 million, respectively.

Total available program funding for the biennial period 2017/2018 was \$123.9 million; \$35.4 million in grant programs and \$88.5 million in loan programs. Funding for the MRG program was limited to \$27,775,000 by legislative action: the final payment of all congressionally sequestered monies received by the state from July 1, 2017 through June 30, 2018, from all bonus payments received from federal mineral leases subject to the act of congress of February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, shall be deposited in the school capital construction account created by W.S. 21-15-111(a)(i). Additionally, BFY 2017/2018 did not contain appropriations related to the CWC project funding.

Ninety-four percent (94%) of these appropriated grant funds were in the MRG. The remaining six percent (6%) includes the TEA Grant Program at \$2 million. Combined available funding for the CWSRF and DWSRF Loan programs was \$27.1 million, JPA funding was \$54.5 million and AERO funding was \$6.9 million.

Approved grant project funding decreased again in FY17 for a total of \$25.7 million and was limited to MRG, TEA, MSW, CHS and prior legislative appropriated CWC funding. The CWC funding is from prior legislative appropriations, specifically BFYs 2011/2012, 2013/2014 and 2015/2016, that can be carried forward until funds are fully expended (2012 Session Ch.26, Section 324 (e) and 2014 Session, Ch. 26, Section 316(e)). The continued decrease in the amount of approved grant project funding can be attributed to the lack of appropriations for the CWC program for the BFY 2017/2018. Due to the decreased appropriated grant funding, approved loan funding increased slightly to \$46.7 million during FY17.

What We Propose To Do To Improve Performance in FY2019-2022

- 1) Provide assistance to local communities in meeting their funding needs through the use of grant and loan program funding available within the agency.
- 2) Increase the allocation of program resources by exploring opportunities to partner with similar state or federal programs which are available for infrastructure and community development projects.

Office of State Lands & Investments Organizational Chart

