

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.

❖ *Strategic plan changes*

None

General information

Stephen A. Reynolds, Director

Agency contact

Clint Beaver, Deputy Director
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122 West 25th St.
Cheyenne, WY 82002-0600
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Other locations

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

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

92 full-time

Organizational structure

Office of Director and five divisions: Financial Programs and Management Services, Real Estate Management and Farm 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 | \$5,450,518 |
| Federal funds | 744,723 |
| Other | 71,532 |
| Total | \$6,266,773 |

Financial Programs and Management Services Division and Office of Director

General information

Jeffrey V. Nieters, Assistant Director

Agency contact

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Year established

1984
Joint Powers Act Program, 1974; Mineral Royalty Grant Program, 1977; 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

Number of authorized personnel

15.5 full-time

Organizational structure

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

Clients served

Office of Director: agency personnel, state agencies, federal agencies, local governments, vendors, loan recipients, school districts, residents, 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 to the various permanent land funds, the land income funds and the general fund, which totaled \$53,520,452.

- 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 \$42,257,986 from 4.2 million acres of state-owned mineral estate.

- Accounted for proper distribution of \$11,262,466 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 \$19,184,578 from the mineral royalty capital construction account. Reviewed, processed and presented to the State Loan and Investment Board six 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 17 CWSRF loans, including disbursing \$1,080,446 to communities and \$8,458,014 to the Department of Environmental Quality (DEQ) for the cleanup of leaking underground storage tanks, and processing \$10,604,972 in loan repayments.

- Reviewed, processed and presented to the State Loan and Investment Board five new applications for loans totaling \$11,156,000 from the Drinking Water State Revolving Fund (DWSRF) (100 percent of applications received). These loans provide communities with funding for improvements to or construction of water treatment facilities. Provided loan servicing for one DWSRF loan, including disbursing \$177,764 to communities.

- Serviced accounts for Joint Powers Act loans and processed loan repayments totaling \$4,629,357.

- For FY00, the Omnibus Land Income Fund received two applications totaling \$193,250.

- Accounted for special loan program for Hot Springs State Park totaling \$165,417.

- Accounted for farm, irrigation and ASC contract payments totaling \$33,451,345.

- During FY00, the farm emergency loan program had no outstanding loans.
- There were no School District Capital Construction Account applications during FY00.
- Received, reviewed and presented to the State Loan and Investment Board four applications from school districts seeking bond guarantees totaling \$21,065,000 (100 percent of those received).
- Processed 135 mineral royalty grant applications, 104 of which were approved for funding totaling \$20,470,029.
- Processed two joint powers act loan applications representing \$529,787.
- Coordinated 20 abandoned mine land grant applications representing \$2,069,939.
- Processed 53 transportation enterprise fund grant applications, of which 42 were approved for total funding of \$2,457,354.
- Processed one aeronautics joint powers act loan totaling \$46,044.

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.

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, schoolchildren, governmental agencies, businesses, real estate developers, utility companies, mineral industry

❖ Results of outcomes

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

- Maintenance of more than 4,000 grazing and special use leases on 3.6 million acres of state surface.
- Conducted field reviews on 148 expiring grazing leases.
- Conducted field inspections on 27 reported problems.
- Conducted desk appraisals and field inspections on 20 special use lease applications.
- Processed and renewed 387 grazing lease applications.
- Processed 306 assignments.
- Processed 256 sublease agreements.
- Processed 34 improvement applications.
- Processed and renewed 23 special use lease applications.
- Processed 311 surface damage payments.
- Processed 139 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 12 land exchange proposals with public and private landowners; eliminated four proposals that did not meet the criteria for exchange.
- Continued progress on 23 land exchanges involving either private landowners or federal, county, state and local governmental agencies.
- Completed two land exchanges.
- Completed five land sales encompassing 1,183.83 acres.
- Received and processed 163 easement applications for \$558,586.
- A database for easements is in the implementation phase of development.

Pursuant to improving land management practices the following was accomplished:

- Implementation of Geographic Information System (GIS) system is ongoing.

- Established 73 treatment programs with the weed and pest control districts.
- Attended nine meetings with various districts.
- Treated 3,366 acres of state land at a cost of \$36.51 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 39 new farm loan applications totaling \$8.3 million.
- Serviced 1,069 farm loans and 33 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

16 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 985 operating subsurface mineral leases.
- Increased acreage under lease over the prior year for oil and gas by 5 percent and overall mineral acreage by 3.5 percent.
- Continued a process of reviewing potential royalty in-kind markets. Worked with industry and federal government on state/federal crude consolidation and royalty in-kind sales. Received uplifts over 100 percent of the then posted oil price in RIK program sales.
- Reviewed more than 100 offset well locations proximate to state land.
- Processed 1,171 mineral lease interest assignments with no backlog.
- Processed 44 oil and gas lease unitization initiations, contractions, and terminations involving state lands leases.
- Implemented new rules for Chapter 6 - Subsurface Resources and proposed and implemented new rules for Chapter 7 - Disposition of State In-Kind Royalty Oil and Gas.
- Reviewed or caused review of approximately 35 lease sites prior to approval of assignments of those leases.
- Oil royalties declined at a lesser percentage than the overall state rate of decline for the fiscal year.
- Oil and gas bonus bids were up 31 percent in total from prior fiscal year.
- Gas royalties increased from prior fiscal year.
- Began negotiation process for settlements of numerous oil valuation disputes culminating in the hiring of special counsel.
- Increased mineral acreage rental for certain long-term lease minerals (solids, e.g., sodium/trona).

Office of Federal Land Policy

General information

Art Reese, Director

Agency contact

Art Reese, Director
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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

Five full-time

Organizational structure

Director, state clearinghouse on federal land policy issues, governor's policy staff on natural resource issues

Clients served

Governor, state and local government agencies, Legislature, state congressional offices, natural resource users

❖ *Results of outcomes*

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

- 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 and the governor.
 - Analyzed, proposed and/or wrote substantive state responses and state positions regarding regulatory proposals affecting federal lands in Wyoming 80 times.
 - Identified and circulated 168 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 and formal/informal presentations; wrote letters informing and educating federal policy makers and the general public regarding proposed actions and what the office's or the state's position is regarding federal lands or specific actions on these lands.
 - Attended conferences and meetings regarding state/office position 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 Pinedale Anticline Natural Gas Field Exploration and Development EIS, the Wyoak Coal Bed Methane EIS, the Medicine Bow National Forest Plan Revision and EIS, and the Powder River Coal Bed Methane EIS.
- Coordinated state agency review of BLM grazing EAs and permit renewals.

Forestry Division

General information

Thomas W. Ostermann, State Forester

Agency contact

Thomas W. Ostermann, State Forester
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1100 W. 22nd St.
Cheyenne, WY 82002

Other locations

Newcastle, Riverton, Buffalo, Lyman, Casper, 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 Conservation Camp

Clients served

Forest, ranching and agricultural landowners; rural wildfire organizations; communities, counties and local governments; other state agencies; forestry and associated industry

❖ *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 2,086 reportable incidents, of which 810 were wildfires.
- 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 \$51,563 for a balance of \$721,421.
- Served as the governor's wildfire authorized representative for the Federal Emergency Management Agency.

- Due to high fire danger, four counties had partial fire closures in place during portions of the year.
- Trained 3,007 volunteer firemen in 125 separate sessions.
- Provided two annual schools at the Wyoming Fire Academy for 172 departments.
- Maintained NWCG 310-1 wildland firefighter qualifications for 1,303 firefighters.
- Inspected railroad rights-of-way in 23 counties for the Wyoming Department of Transportation.
- Distributed \$3,500 of Smokey Bear material.
- Sponsored Smokey Bear coloring contest for 838 third grade students.
- Processed two reimbursement payments to each cooperating county, totaling \$281,695.
- Processed 22 consolidated payments for national fire mobilization.
- Recommended award of 18 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 \$1.3 million.

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

- Commercially treated 2,589 acres of state land, resulting in the harvest of 5.015 million board feet, with trust income of \$665,396 and the regeneration of new forest on 1,224 acres. Sold 3.8 million board feet for future harvest.
- Treated 1,834 acres non-commercially with needed management practices including prescribed fire.
- Inventoried 1,811 acres and prepared management plans.
- Treated 1,084 acres of logging slash.
- Assisted 139 private forest landowners with forestry issues.
- Prepared forest stewardship plans on 12,931 acres.
- Trees and shrubs were planted on 1,292 acres of private land.
- Qualified 27 communities as "Tree City USA".
- Planted 1,003 trees in Wyoming communities funded by matching grants.
- Two community forestry plans were completed during the year.
- Surveyed 147,300 acres of state and private forest land for insects and disease.
- Facilitated three interagency/cooperator meetings to gather and exchange information concerning forest insect and disease issues and status in Wyoming.
- Maintained primary processing, secondary manufacturing and logging industry databases and provided industry information to interested cooperators.
- Commented on 23 proposed federal land actions pertaining to forest management, protection, and/or harvest of forest products.
- Evaluated forests on four parcels proposed for land exchange.
- Co-sponsored Project Learning Tree and Tree Farm program in Wyoming.

- Presented general forestry programs to seven adult groups and 13 youth groups.
- Eight positive forestry articles were published in Wyoming papers.
- Provided forestry information to three federal legislators and 19 state legislators.

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

- Completed 134 projects for 21 special district, community, county, state and federal agencies resulting in a labor savings to those agencies of \$329,684.
- Generated \$12,605 of income from Wyoming Honor Conservation Camp (WHCC) work projects.
- Generated \$8,000 of income from U.S. Forest Service projects.
- Planted one new living snow fence and maintained seven existing living snow fences.
- Completed 504 acres of thinning on state land.
- Trained and qualified 75 inmates as wildland firefighters available for dispatch as members of the "Smokebuster" WHCC fire crew.
- WHCC Smokebusters participated in 23 wildland fire suppression projects and five prescribed burns.
- Manufactured 5,242 tree protectors.

Office of State Lands and Investments organization chart

