

Office of the
Legislative Fiscal Analyst

FY 2005 Budget Recommendations

Joint Appropriations Subcommittee for
Natural Resources

School and Institutional Trust Lands Administration

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1.0 Summary: School and Institutional Trust Lands Administration (SITLA)

The state is divided into townships that are six miles square. Each of these township squares is divided into 36 sections, each being one mile square. Under the terms of the Enabling Act, as part of Congress' granting Utah statehood, the federal government awarded sections 2, 16, 32, and 36 in each thirty-six section township of Utah for the support of the common schools. The state was also given 1.6 million acres to fund higher and special education needs within the state.

It is important to understand that these lands are not like other state lands but are granted to the state in trust for the benefit of the various beneficiaries (primarily public education). State law says that “As trustee, the state must manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interests of the trust beneficiaries... The beneficiaries do not include other governmental institutions or agencies, the public at large, or the general welfare of this state” (UCA 53C-1-102).

SITLA was established under UCA 53C-1-201 as a quasi-governmental independent state agency to manage all school and institutional trust lands and associated assets. A seven-member Board of Trustees establishes the agency's policies.

Administrative expenditures are funded from the various beneficiary land use revenues as allocated based on the beneficiary's pro-rata share of mineral, surface, and miscellaneous income.

Funding for SITLA operations is provided through the Land Grant Management Fund (an enterprise fund), which consists of:

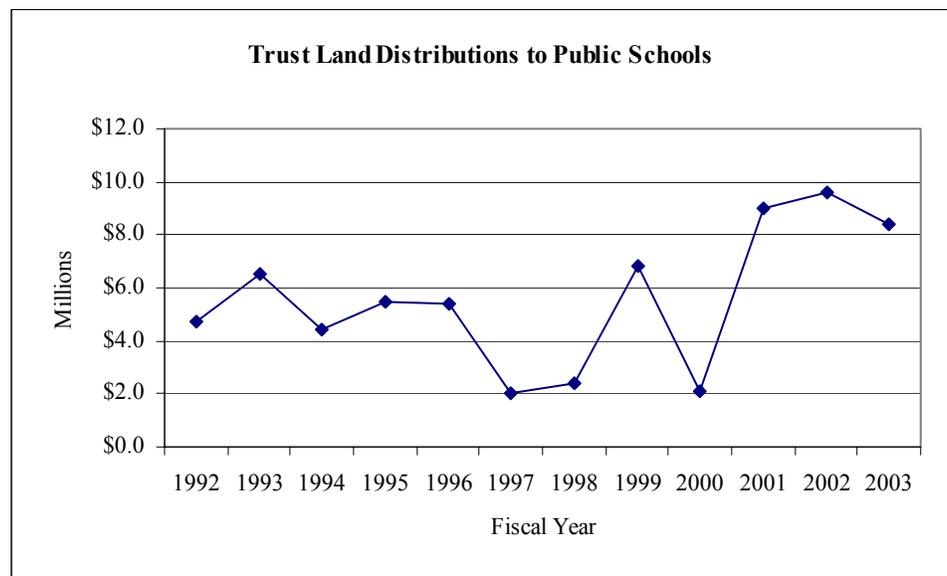
- Revenues provided from trust land activities other than land sales. (Revenues from land sales go directly to the nonexpendable trust fund of the land's designated beneficiary).
- Revenues from other activities of the Administration.

Land use revenues include licenses, permit fees, royalties, and lease revenues charged for the use of trust lands. In exchange for these revenues, SITLA allows the use of selected trust lands for activities such as grazing, logging, mineral extraction, and development.

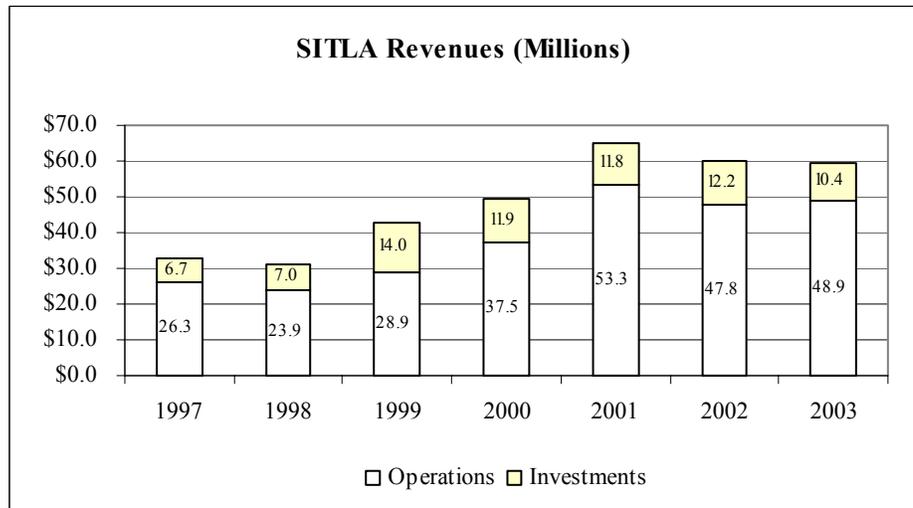
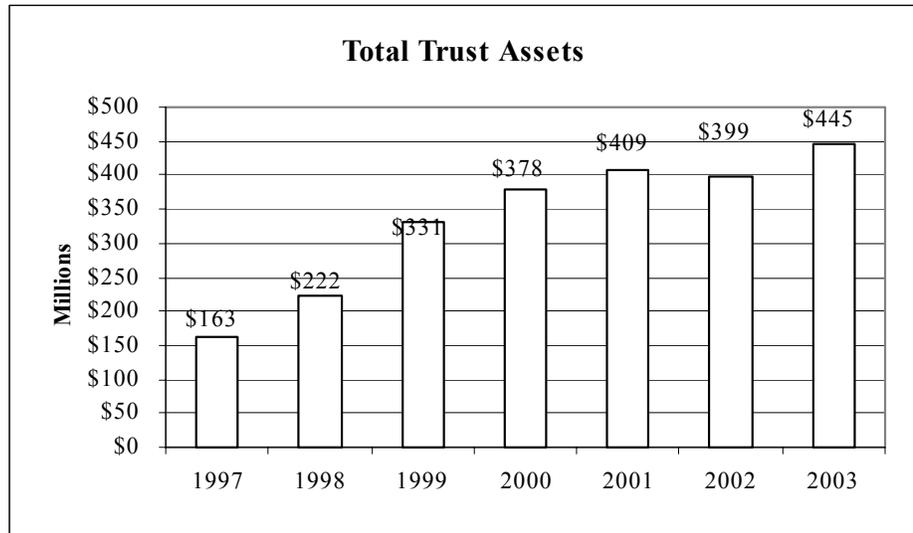
Revenues that have not been appropriated for use by SITLA are distributed directly to the beneficiaries or the Permanent School Fund. Unexpended appropriations to SITLA are also distributed to the beneficiaries or to their trust funds.

In 1999 SITLA traded 377,000 acres of trust lands isolated within federal lands for \$50 million cash, \$13 million in future coal revenue, coal and coalbed methane, and 139,000 acres of land or surface/mineral rights with readily developable commercial and mineral value. Today those acquired lands are the base of the agency’s single largest revenue source, natural gas royalties.

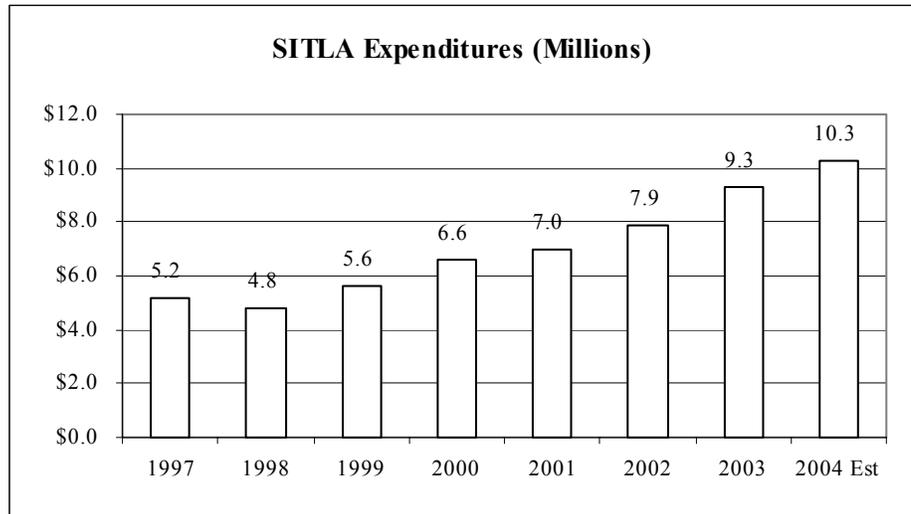
The State Treasurer handles SITLA’s investments. Interest income from the Permanent School Fund is directly distributed to individual schools. Passage of Constitutional Amendment Number One (effective January 1, 2003), eliminated the requirement that a portion of interest earnings be held back as a protection against inflation, and clarified that stock dividends are part of the “interest” earnings that may be distributed.



In Fiscal Year 2003 the balance of trust assets grew by \$46 million, or 11.5 percent, due to revenues generated from land use, sales of trust lands, and investment income. The permanent school fund also generated \$8.4 million in interest earnings for the Uniform School Fund earmarked for distribution directly to schools. The distribution represented approximately four-tenths of one percent of the total FY 2003 Public Education Budget (\$2.3 billion). This distribution may grow to \$20M per year by 2011 SITLA is able to reach its goal of \$1 billion in the Permanent School Fund. Yet the overall state budget for public education is also likely to grow, thus flattening the percentage of public education’s money coming from permanent fund distributions.



Total revenues generated in FY 2003 were \$59.3 million. Of this amount, \$30.6 million came from mineral lease rentals/royalties, \$10.5 million came from gains on sales of developed land, \$4.6 million came from land surface sales, and \$10.4 million came from investments.



Revenues have flattened out over the past three years while expenditures have consistently risen. Much of the expenditure growth is due to increasing capital investments that may pay off later. The ratio of money earned from operations to dollar spent (including capital expenses) is still very good at \$5.24.

At the time of statehood, Congress designated twelve beneficiaries of Utah trust lands. The following chart shows the beneficiaries, original surface grant, surface land sold since statehood, and current surface holdings.

TRUST LAND HOLDINGS

Beneficiary	Original Grant	Sold Since Statehood	Current Holding
Public Schools	5,855,217	2,528,433	3,326,784
Reservoir Fund	500,000	454,426	45,574
Utah State University	200,000	171,844	28,156
University of Utah	156,080	139,520	16,560
School of Mines	100,000	92,651	7,349
Miners Hospital	100,000	93,040	6,960
Normal School	100,000	93,812	6,188
School for Deaf	100,000	94,422	5,578
Public Buildings	64,000	63,745	255
Utah State Hospital	100,000	99,575	425
School for Blind	100,000	99,344	656
Youth Development Center	100,000	99,981	19
Total	7,475,297	4,030,793	3,444,504

Almost 97 percent of the current holding is for public schools. In FY 2003 approximately 3,300 acres of Public Buildings land was sold to help finance Capitol Hill construction. This freed up other funds for general government purposes.

Interest revenue from the Reservoir Fund is deposited in the Water Resources Construction Fund. The amount deposited in FY 2003 was \$225,100, down from \$333,900 in FY 2002.

	Analyst FY 2005 Base	Analyst FY 2005 Changes	Analyst FY 2005 Total
Financing			
Land Grant Mgt Fund	10,328,800	1,040,000	11,368,800
Total	\$10,328,800	\$1,040,000	\$11,368,800
Programs			
Board	199,300		199,300
Director	690,200		690,200
Public Relations	200,900		200,900
Administration	798,900		798,900
Accounting	271,300		271,300
Royalty	181,200	40,000	221,200
Minerals	1,141,800		1,141,800
Surface	1,267,900		1,267,900
Development - Operating	1,065,700		1,065,700
Legal/Contracts	438,200		438,200
Data Processing	717,500		717,500
Forestry and Grazing	355,900		355,900
Development - Capital	3,000,000	1,000,000	4,000,000
Total	\$10,328,800	\$1,040,000	\$11,368,800
FTE/Other			
Total FTE	62.0	0.0	62.0

2.0 Issues: School and Institutional Trust Lands Administration

2.1 Auditing Services

Auditing to check for contract compliance is critical to SITLA's ability to generate revenues. The number of contracts is growing compared to the number of personnel to manage them. The Analyst recommends additional funds be appropriated to allow the agency to outsource some of its audit functions. Outsourcing will allow flexibility to make adjustments as necessary.

Land Grant Management Fund\$40,000

2.2 Capital Improvements

The Development – Capital program has seen steady growth in revenue potential. Some raw land needs to have improvements made in order to be in position to generate revenue. In the 2002 General Session, the Legislature added \$1M to this program, increasing it from a total of \$2M to \$3M. This year the agency requests another \$1M to increase the program to \$4M. The Analyst supports the request but has reservations about increasing it in the future, as it is not desirable for SITLA to become known as a possible financing source for speculative interests.

Land Grant Management Fund\$1,000,000

2.3 Intent Language

The following language was inserted in Senate Bill 3, Supplemental Appropriations Act II (affecting FY 2003) during the 2003 General Session. The Analyst does **not recommend** keeping it in the future.

It is the intent of the Legislature that funds from the sale of Public Building Lands shall be provided to the Capital Preservation Board for use in the construction and restoration of the Utah State Capitol.

3.0 Programs: School and Institutional Trust Lands Administration

3.1 Board

Recommendation

The Analyst recommends a budget of **\$199,300**. The single largest expenditure in this program is the Board’s incentive award package for senior management, which totals \$150,000 in potential annual awards.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	241,900	199,300	199,300	
Total	\$241,900	\$199,300	\$199,300	\$0
Expenditures				
Personal Services	187,800	163,500	163,400	(100)
In-State Travel	400	4,300	4,300	
Out of State Travel	6,500	2,800	2,800	
Current Expense	47,200	28,700	28,800	100
Total	\$241,900	\$199,300	\$199,300	\$0
FTE/Other				
Total FTE	0.0	0.5	0.5	0.0

*Non-state funds as estimated by agency

Purpose

The seven-member Board of Trustees is created in Utah Code 53C-1-202. Their purpose as stated in section 53C-1-204 of the code is to "...establish policies for the management of the School and Institutional Trust Lands Administration."

Utah law requires the policies to:

- be consistent with the Utah Enabling Act, the Utah Constitution, and state law;
- reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;
- require the return of not less than fair market value for the use, sale, or exchange of school and institutional trust assets;
- seek to optimize trust land revenues and increase the value of trust land holdings consistent with the balancing of short and long-term interests, so that long-term benefits are not lost in an effort to maximize short-term gains;
- maintain the integrity of the trust and prevent the misapplication of its lands and its revenues; and
- have regard for and seek General Fund appropriation compensation for the general public's use of natural and cultural resources consistent with the duties of the administration as trustee for the beneficiaries.

3.2 Director

Recommendation

The Analyst recommends a budget of **\$690,200**. Personal Services comprise 43 percent of the recommended budget. **The most significant Current Expense is \$316,700 for professional and technical services.**

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	500,800	703,400	690,200	(13,200)
Total	\$500,800	\$703,400	\$690,200	(\$13,200)
Expenditures				
Personal Services	298,300	299,500	298,800	(700)
In-State Travel	7,700	7,500	7,500	
Out of State Travel	22,100	10,000	10,000	
Current Expense	172,500	386,400	373,900	(12,500)
DP Current Expense	200			
Total	\$500,800	\$703,400	\$690,200	(\$13,200)
FTE/Other				
Total FTE	3.4	4.0	4.0	0.0

*Non-state funds as estimated by agency

Purpose

The Director of the School and Institutional Trust Lands Administration is required by statute to "...manage the School and Institutional Trust Lands Administration in fulfillment of its purpose." That purpose has been identified in UCA 53C-1-102 to "...manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interest of the trust beneficiaries."

The office consists of the Director, the public affairs officer, and an office technician. Aside from personal services, the largest costs consist of consulting contracts.

3.3 Administration

Recommendation

The Analyst recommends a budget of \$798,900. The most significant Current Expense is \$425,000 for rental costs.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	745,600	723,900	798,900	75,000
Total	\$745,600	\$723,900	\$798,900	\$75,000
Expenditures				
Personal Services	244,400	258,300	257,700	(600)
In-State Travel	200	3,100	3,100	
Out of State Travel		2,100	2,100	
Current Expense	486,600	454,400	530,000	75,600
DP Current Expense	8,200	6,000	6,000	
Capital Outlay	6,200			
Total	\$745,600	\$723,900	\$798,900	\$75,000
FTE/Other				
Total FTE	5.3	5.5	5.5	0.0

*Non-state funds as estimated by agency

Purpose

This program includes the department administrative assistant and the office staff that provide support for the rest of the agency. Costs for rent, office supplies, and insurance are paid out of this program. Staff in this program also supports the Board of Trustees.

State Vehicle Report

Statute (63A-9-402) requires the office of the Legislative Fiscal Analyst to submit information from the state-owned vehicle report to the appropriation subcommittee that has jurisdiction. As of October 28, 2003 the State Vehicle Report shows SITLA with the following vehicles:

<u>Description</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Sedans	1	1	1
-1 Ton 4x2 Trucks	0	0	0
1+ Ton 4x2 Trucks	0	0	0
4x2 Vans	0	0	0
-1 Ton 4x4 Trucks	5	5	5
1+ Ton 4x4 Trucks	0	0	0
4x4 SUVs	8	8	8
Total	<u>14</u>	<u>14</u>	<u>14</u>

3.4 Accounting

Recommendation

The Analyst recommends a budget of **\$271,300**. Personal Services account for **95** percent of expenditures.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	279,500	271,300	271,300	
Total	\$279,500	\$271,300	\$271,300	\$0
Expenditures				
Personal Services	262,500	258,800	258,100	(700)
Current Expense	13,200	8,700	9,400	700
DP Current Expense	3,800	3,800	3,800	
Total	\$279,500	\$271,300	\$271,300	\$0
FTE/Other				
Total FTE	4.2	5.0	5.0	0.0

*Non-state funds as estimated by agency

Purpose

This program accounts for all revenue and expenditures of the agency from trust lands. It is responsible for developing and coordinating the budget and the review process before the Board of Trustees and other committees. Additional responsibilities include setting up, creating and maintaining financial data, payroll, coordinating investments with the State Treasurer, and managing the business system for the agency.

3.5 Royalty

Recommendation

The Analyst recommends a budget of **\$221,200**.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	152,200	181,200	221,200	40,000
Total	\$152,200	\$181,200	\$221,200	\$40,000
Expenditures				
Personal Services	145,100	151,700	151,200	(500)
In-State Travel	500	1,100	600	(500)
Out of State Travel	1,600	7,700	7,700	
Current Expense	4,300	20,000	61,000	41,000
DP Current Expense	700	700	700	
Total	\$152,200	\$181,200	\$221,200	\$40,000
FTE/Other				
Total FTE	2.0	2.0	2.0	0.0

*Non-state funds as estimated by agency

Auditing Services

Auditing to check for contract compliance is critical to SITLA’s ability to generate revenues. The number of contracts is growing compared to the number of personnel to manage them. The Analyst recommends additional funds be appropriated to allow the agency to outsource some of its audit functions. Outsourcing will allow flexibility to make adjustments as necessary.

Land Grant Management Fund\$40,000

Purpose

This program consists of two auditors who ensure compliance with lease terms, contracts, rules, and statutes. If inconsistencies are found, the program issues assessments, recommends solutions to the director and board, and works with the agency attorneys in collecting the assessments.

3.6 Minerals

Recommendation

The Analyst recommends a budget of \$1,141,800. The most significant Current Expense is \$468,700 for professional and technical services, some of which goes to divisions in the Department of Natural Resources.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	664,500	1,181,200	1,141,800	(39,400)
Total	\$664,500	\$1,181,200	\$1,141,800	(\$39,400)
Expenditures				
Personal Services	503,500	578,300	576,600	(1,700)
In-State Travel	5,600	8,000	8,000	
Out of State Travel	4,300	24,800	24,800	
Current Expense	148,200	567,200	529,500	(37,700)
DP Current Expense	2,900	2,900	2,900	
Total	\$664,500	\$1,181,200	\$1,141,800	(\$39,400)
FTE/Other				
Total FTE	7.2	8.0	8.0	0.0

*Non-state funds as estimated by agency

Purpose

This program manages and administers approximately 4.6 million acres of subsurface mineral rights held in trust lands. Mineral assets must be managed under strict fiduciary guidelines with focus on generating revenue today and protecting long term assets for the future. The program engages in marketing its mineral assets, enforcing existing contractual rights, leasing, and attracting industry to trust lands for exploration and development. This program generates approximately 55 percent of the non-interest revenue for the trust.

3.7 Surface

Recommendation

The Analyst recommends a budget of \$1,267,900. Significant Current Expenses include \$255,200 for professional and technical services, and \$65,000 for attorney fees.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	1,204,000	1,239,000	1,267,900	28,900
Total	\$1,204,000	\$1,239,000	\$1,267,900	\$28,900
Expenditures				
Personal Services	865,400	806,300	804,000	(2,300)
In-State Travel	25,600	24,800	24,800	
Out of State Travel	2,400	2,400	2,400	
Current Expense	296,600	396,500	427,700	31,200
DP Current Expense	11,000	9,000	9,000	
Capital Outlay	3,000			
Total	\$1,204,000	\$1,239,000	\$1,267,900	\$28,900
FTE/Other				
Total FTE	17.4	12.0	12.0	0.0

*Non-state funds as estimated by agency

Purpose

This program administers the surface uses of the trust lands. Surface activities include leasing for such uses as telecommunications sites, industrial and commercial enterprises and residential purposes, as well as easements, permits, rights-of-way, and sales.

3.8 Public Relations

Recommendation

The Analyst recommends a budget of **\$200,900**.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	146,600	201,200	200,900	(300)
Total	\$146,600	\$201,200	\$200,900	(\$300)
Expenditures				
Personal Services	122,000	132,700	132,400	(300)
In-State Travel	500	5,100	5,100	
Out of State Travel		2,700	2,700	
Current Expense	24,100	60,700	60,700	
Total	\$146,600	\$201,200	\$200,900	(\$300)
FTE/Other				
Total FTE	2.2	2.0	2.0	0.0

*Non-state funds as estimated by agency

Purpose

This program creates and manages public communications with various stakeholders, including the beneficiaries, the education community, agency employees, the Legislature, counties, customers, the media, the Governor’s Office, the congressional delegation, and other target audiences.

3.9 Development (Operating)

Recommendation The Analyst recommends a budget of \$1,065,700. The most significant Current Expense is \$237,700 for professional and technical services.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	719,300	1,105,100	1,065,700	(39,400)
Total	\$719,300	\$1,105,100	\$1,065,700	(\$39,400)
Expenditures				
Personal Services	583,600	683,400	681,700	(1,700)
In-State Travel	21,100	20,300	35,900	15,600
Out of State Travel	5,100	6,800	8,800	2,000
Current Expense	94,600	383,300	328,000	(55,300)
DP Current Expense	11,400	11,300	11,300	
Capital Outlay	3,500			
Total	\$719,300	\$1,105,100	\$1,065,700	(\$39,400)
FTE/Other				
Total FTE	9.0	9.0	9.0	0.0

*Non-state funds as estimated by agency

Purpose

The objective of this program is to identify and facilitate real estate development opportunities on trust land parcels. Development activities add value to the lands, maximizing the trust assets. The agency found that by developing land before sale it was able to significantly increase revenue to the beneficiaries.

The budget reflected here represents the cost of operating the Development program.

3.10 Legal

Recommendation

The Analyst recommends a budget of **\$438,200**.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	362,100	408,200	438,200	30,000
Total	\$362,100	\$408,200	\$438,200	\$30,000
Expenditures				
Personal Services	290,200	322,800	322,000	(800)
In-State Travel	2,400	4,300	4,300	
Out of State Travel	6,600	7,500	7,500	
Current Expense	61,000	71,700	102,500	30,800
DP Current Expense	1,900	1,900	1,900	
Total	\$362,100	\$408,200	\$438,200	\$30,000
FTE/Other				
Total FTE	3.9	4.0	4.0	0.0

*Non-state funds as estimated by agency

Purpose

This program defends and prosecutes lawsuits and pursues administrative adjudication involving the agency, drafts and/or reviews regulations, and provides general legal advice to the agency. Although statute requires most agencies to use attorneys from the Attorney General's office, the Legislature has recognized the need for SITLA to keep a separate legal staff.

3.11 Data Processing

Recommendation

The Analyst recommends a budget of **\$717,500**. Aside from Personal Services, most of the money in this program is spent on computer equipment and supplies.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	807,800	718,500	717,500	(1,000)
Total	\$807,800	\$718,500	\$717,500	(\$1,000)
Expenditures				
Personal Services	411,700	510,900	509,200	(1,700)
In-State Travel	1,300	2,100	2,100	
Out of State Travel	1,000	2,700	2,700	
Current Expense	27,400	24,200	24,900	700
DP Current Expense	191,000	178,600	178,600	
DP Capital Outlay	175,400			
Total	\$807,800	\$718,500	\$717,500	(\$1,000)
FTE/Other				
Total FTE	5.9	7.0	7.0	0.0

*Non-state funds as estimated by agency

Purpose

This program is a support function. The agency depends heavily on the use of data processing to support its ability to maximize revenues. The program operates the agency's fiscal, budget, and Geographic Information System software.

3.12 Forestry and Grazing

Recommendation

The Analyst recommends a budget of **\$355,900**. The most significant Current Expense is \$146,100 for professional and technical services, most of which will go to the Division of Forestry, Fire and State Lands.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	282,200	409,800	355,900	(53,900)
Total	\$282,200	\$409,800	\$355,900	(\$53,900)
Expenditures				
Personal Services	121,300	174,300	174,000	(300)
In-State Travel	12,200	5,000	5,000	
Out of State Travel	900	2,100	2,100	
Current Expense	137,200	227,900	174,300	(53,600)
DP Current Expense	500	500	500	
Capital Outlay	10,100			
Total	\$282,200	\$409,800	\$355,900	(\$53,900)
FTE/Other				
Total FTE	2.2	3.0	3.0	0.0

*Non-state funds as estimated by agency

Purpose

This program administers the renewable resources of approximately 3.5 million acres of trust land. Activities include issuing permits for grazing, harvesting small forest products, holding timber sales, and special use leases for agricultural products. This need is met by staff and contract labor that receive and process applications, inventory vegetation production for grazing, and inventory and mark timber for sales.

3.13 Development (Capital)

Recommendation

The Analyst recommends a budget of **\$4,000,000**. The full appropriation may not be expended, but is recommended in case of good opportunities. FY 2003 expenditures of \$3.2M were the highest ever; the second-highest year was FY 2002 with expenditures of \$2.0M.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
Land Grant Mgt Fund	3,217,700	3,000,000	4,000,000	1,000,000
Total	\$3,217,700	\$3,000,000	\$4,000,000	\$1,000,000
Expenditures				
Current Expense	1,912,600	1,500,000	1,500,000	
Capital Outlay	1,242,700	1,500,000	2,500,000	1,000,000
Other Charges/Pass Thru	62,400			
Total	\$3,217,700	\$3,000,000	\$4,000,000	\$1,000,000

*Non-state funds as estimated by agency

Capital Improvements

The Development – Capital program has seen steady growth in revenue potential. Some raw land needs to have improvements made in order to be in position to generate revenue. In the 2002 General Session, the Legislature added \$1M to this program, increasing it from a total of \$2M to \$3M. This year the agency requests another \$1M to increase the program to \$4M. The Analyst supports the request but has reservations about increasing it in the future, as it is not desirable for SITLA to become known as a possible financing source for speculative interests.

Land Grant Management Fund\$1,000,000

Purpose

The objective of this program is to identify and facilitate real estate development opportunities on trust land parcels. Development activities add value to the lands, maximizing the trust assets. The agency found that by developing land before sale it was able to significantly increase revenue to the beneficiaries.

The spreadsheet on the following page describes capital expenditures made in Fiscal Year 2003.

Development Capital Expenditures - FY 2003				
County	Project	Acres	Expense	Description
Kane	Big Water - planning	45,000	\$44,495	SITLA owns 45,000 acres around Big Water. Money is spent on planning, zoning and engineering.
Kane	Big Water - Shelter Cove	31	\$270,306	Self-developed 18-lot subdivision with views of Lake Powell; 1 lot sold
Grand	Book Cliffs Re-Seeding	N/A	\$529,931	Restore fire damage
Grand	Castle Valley	4,200	\$22,724	Ongoing large planning effort in collaboration with community. So far resulted in two conservation sales.
Iron	Cedar City North Interchange	80	\$20,734	Commercial and residential planning effort. Exchange transactions have increased the value of the property.
Iron	Cedar City Golf Course	250	\$57,232	Residential development by golf course. SITLA invested in rerouting and improvement of the golf course in 2004. Money is for planning/engineering in preparation. The project yields 56 high value lots with 200 units fronting the golf course.
Iron	Cross Hollow Hills	1,480	\$39,325	Large planning effort of residential land is close to leading to transactions.
Washington	Dixie Downs	70	\$20,451	Planning costs for residential and commercial uses.
Summit	Deer Valley	10	\$13,609	Legal costs in connection with effort to entitle land.
Utah	Eagle Mountain - Planning	1,240	\$64,959	Residential project, SITLA will finance road in exchange for impact fee credits and entitlements from Eagle Mtn. City.
Utah	Eagle Mountain - Sweetwater Road	N/A	\$1,084,029	Road construction plus engineering costs
Wasatch	Little Pole Canyon - Water acquisition	N/A	\$152,500	Acquisition of 30 acre feet of water rights to serve residential development
Wasatch	Little Pole Canyon - entitlements	720	\$45,179	Legal and engineering costs for entitlements.
Iron	Westridge at Leigh Hills	40	\$63,153	Residential subdivision (self developed 1994-2003), sales commissions.
Washington	Mile Post 13	700	\$130,634	New planning area close to new I-15 interchange - planning and infrastructure costs.
Carbon	Price Industrial	200	\$67,044	Self-developed industrial park, road construction and engineering.
Utah	Saratoga Springs	1,125	\$18,585	Future residential - initial surveying and planning on a piece of land close to the town of Saratoga
Washington	South Block General	45,000	\$203,075	Large scale planning effort in connection with future southern corridor.
Washington	Mile Post 2	420	\$32,762	Traffic studies in southern corridor.
Grand	Spanish Valley Water	N/A	\$106,350	Helped finance water infrastructure improvements in the Moab area in exchange for impact fee credits.
Grand	Spanish Valley South		\$21,570	Future residential, survey and planning costs.
Tooele	Grantsville Industrial	500	\$14,565	Planning for industrial uses; wetlands study in progress.
Multiple	Surface sales archeology surveys	N/A	\$85,033	Archeological clearances for sales in the land auction program.
Multiple	Miscellaneous project expenses	N/A	\$113,355	Project expenses under \$10,000 for FY 2003.
Total			\$3,221,600	

4.0 Additional Information: School and Institutional Trust Lands Administration

4.1 Funding History

	2001	2002	2003	2004	2005
Financing	Actual	Actual	Actual	Estimated*	Analyst
Land Grant Mgt Fund	8,437,700	8,949,200	9,324,200	10,342,100	11,368,800
Lapsing Balance	(1,290,200)	(1,156,200)			
Total	\$7,147,500	\$7,793,000	\$9,324,200	\$10,342,100	\$11,368,800
Programs					
Board	178,600	177,700	241,900	199,300	199,300
Director	533,700	706,500	500,800	703,400	690,200
Public Relations			146,600	201,200	200,900
Administration	477,500	749,500	745,600	723,900	798,900
Accounting	276,400	263,100	279,500	271,300	271,300
Royalty	148,700	143,900	152,200	181,200	221,200
Minerals	548,500	783,800	664,500	1,181,200	1,141,800
Surface	985,000	961,400	1,204,000	1,239,000	1,267,900
Development - Operating	702,900	584,100	719,300	1,105,100	1,065,700
Legal/Contracts	412,000	322,800	362,100	408,200	438,200
Data Processing	841,200	818,100	807,800	718,500	717,500
Forestry and Grazing	345,100	262,800	282,200	409,800	355,900
Development - Capital	1,697,900	2,019,300	3,217,700	3,000,000	4,000,000
Total	\$7,147,500	\$7,793,000	\$9,324,200	\$10,342,100	\$11,368,800
Expenditures					
Personal Services	3,474,400	3,807,000	4,035,800	4,340,500	4,329,100
In-State Travel	59,100	74,200	77,500	85,600	100,700
Out of State Travel	50,700	69,000	50,500	71,600	73,600
Current Expense	1,447,600	1,551,900	3,425,500	4,129,700	4,150,700
DP Current Expense	227,300	247,800	231,600	214,700	214,700
DP Capital Outlay	183,900	143,100	175,400		
Capital Outlay	1,679,600	1,875,000	1,265,500	1,500,000	2,500,000
Other Charges/Pass Thru	24,900	25,000	62,400		
Total	\$7,147,500	\$7,793,000	\$9,324,200	\$10,342,100	\$11,368,800
FTE/Other					
Total FTE	55.5	56.0	62.7	62.0	62.0

*Non-state funds as estimated by agency.

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