SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION

NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
STAFF: IVAN DJAMBOV

BUDGET BRIEF

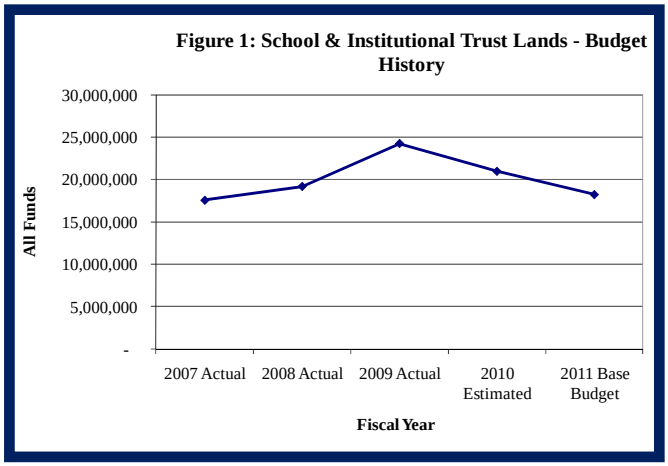
SUMMARY

School and Institutional Trust Land Administration (SITLA) was established as a quasi-governmental independent state agency in 1994 to manage all school and institutional trust lands. A part of the generated revenue is used for SITLA's capital and operating expenses, and the rest is distributed to the beneficiaries. All the funding for SITLA comes from the Land Grant Management restricted account.

ISSUES AND RECOMMENDATIONS

Temporary RS 2477 Resource Specialist

SITLA is working with the Public Lands Coordinating Council to help counties resolve the RS 2477 claims involving trust lands. The data must be analyzed and determinations made on each claim. SITLA is requesting funding to utilize the temporary Resource Specialist hired with one-time funding appropriated in the 2008 General Session to continue to help with the RS 2477 process. The Analyst recommends the Subcommittee provide for FY 2011 a one-time appropriation of $46,300.

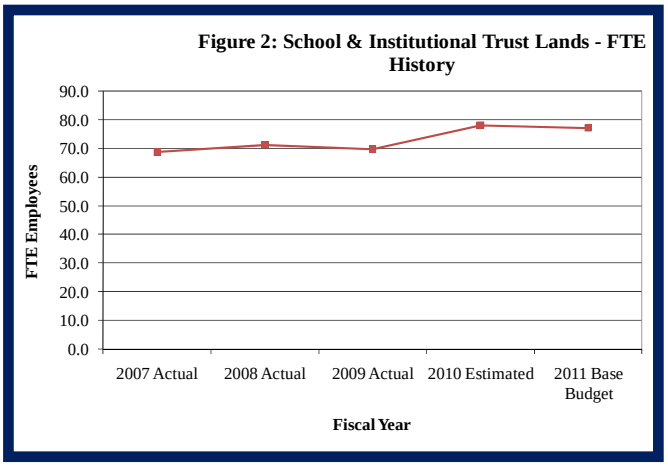


Eagle Mountain Water Acquisition

SITLA needs to acquire additional water for the future development needs of its Eagle Mountain Mid-Valley project. For FY 2010, the agency is requesting $3.5 million supplemental appropriation, which they intend to combine with the $2.5 million currently in their budget, for the acquisition of approximately 1,250 acre-feet of water banked with Eagle Mountain City.

For FY 2011, SITLA is requesting a one-time appropriation of $3.4 million for the acquisition of additional water to be banked with Eagle Mountain City (approximately 500 acre-feet, depending on the pricing at the time of purchase).

The Analyst recommends the Subcommittee fund both of these requests.

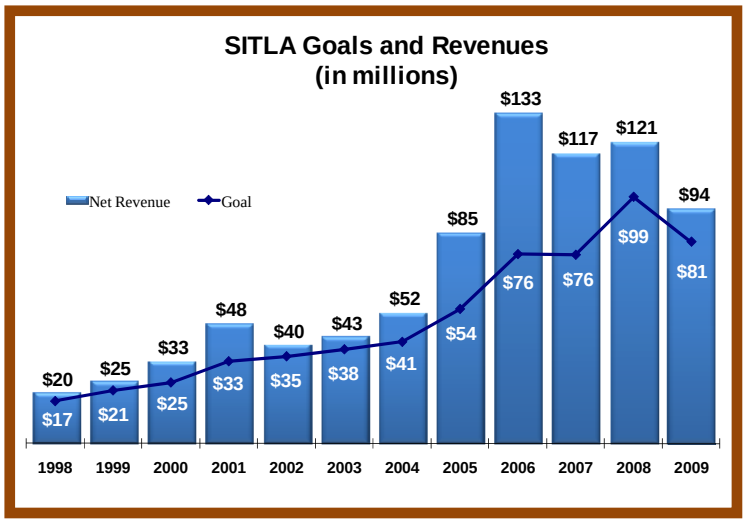


Federal Land Exchange

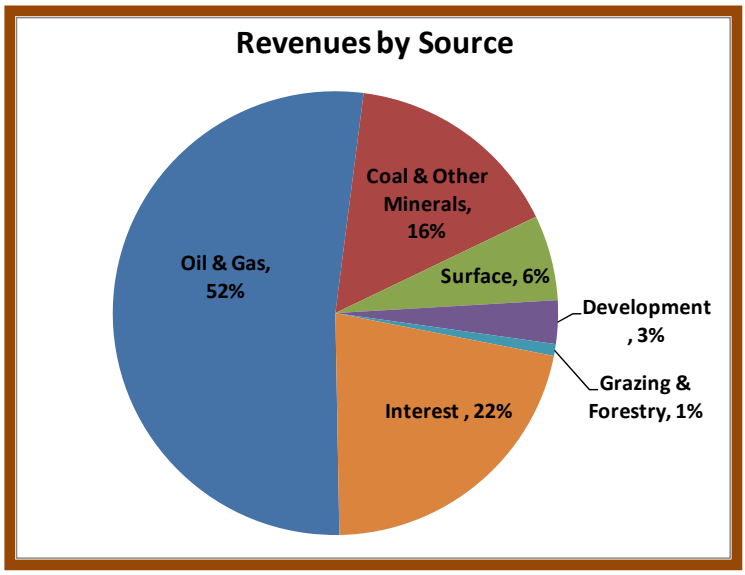
In working with BLM, SITLA has began the implementation of the Utah Recreational Land Exchange Act of 2009, which allows SITLA to exchange approximately 46,000 acres of trust lands (mostly in the Colorado River corridor) for BLM lands with high mineral values (in the Uintah Basin). The law requires that one half of all costs of the exchange to be paid by SITLA. The agency is requesting a one-time appropriation of $300,000 for FY 2011, and the Analyst recommends the Subcommittee fund this request.

ACCOUNTABILITY DETAIL

In FY 2009, SITLA generated $94 million in net revenues.



Over half of SITLA's revenues came from oil & gas related activities.



BUDGET DETAIL TABLE

School & Institutional Trust Lands						
Sources of Finance	**FY 2009 Actual**	**FY 2010 Appropriated**	**Changes**	**FY 2010 Revised**	**Changes**	**FY 2011* Base Budget**
Land Grant Mgt Fund	26,471,900	20,960,900	0	20,960,900	(2,741,300)	18,219,600
Lapsing Balance	(2,231,000)	0	0	0	0	0
Total	$24,240,900	$20,960,900	$0	$20,960,900	($2,741,300)	$18,219,600
Line Items						
School & Inst Trust Lands	9,385,200	9,915,900	0	9,915,900	(496,300)	9,419,600
SITLA Capital	14,855,700	11,045,000	0	11,045,000	(2,245,000)	8,800,000
Total	$24,240,900	$20,960,900	$0	$20,960,900	($2,741,300)	$18,219,600
Categories of Expenditure						
Personnel Services	6,963,600	6,891,500	(230,100)	6,661,400	(32,300)	6,629,100
In-state Travel	85,300	129,200	1,600	130,800	0	130,800
Out-of-state Travel	79,500	74,100	4,200	78,300	0	78,300
Current Expense	2,566,700	2,997,700	(203,300)	2,794,400	(464,000)	2,330,400
DP Current Expense	242,200	226,700	400	227,100	0	227,100
DP Capital Outlay	0	5,900	(5,900)	0	0	0
Capital Outlay	10,889,000	8,535,800	2,533,100	11,068,900	(2,245,000)	8,823,900
Other Charges/Pass Thru	3,414,600	2,100,000	(2,100,000)	0	0	0
Total	$24,240,900	$20,960,900	$0	$20,960,900	($2,741,300)	$18,219,600
Other Data						
Budgeted FTE	69.8	66.8	11.4	78.2	(1.0)	77.2
Vehicles	17.0	18.0	0.0	18.0	0.0	18.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal A