• K-12: 2021 School Year Enrollment: 145,632 public school children
• OPI Budget: $904 million
• OPI Pupil Budget: average state share per student $6,209

• Trust Lands Common Schools Distribution: $47.7 million or $327 per student
• Trust Lands Contribution to the OPI Budget: 5.3%
• School Facility & Technology Fund: $4.5 million
Agriculture & Grazing Management

Agriculture Lease Revenues: $16.8 million
• 9.2 million bushels of wheat
• 1.3 millions bushels of barley
• 117 thousand tons of hay

Grazing Revenues: $13.7 million
• An increase in beef cattle prices resulted in an increase of the grazing rate from $12.92 AUM to $13.41/AUM
Ag & Grazing Revenues
FY 2017 - FY 2021

FY 2017 FY 2018 FY 2019 FY 2020 FY 2021

MILLIONS

FY 2017 FY 2018 FY 2019 FY 2020 FY 2021

Agriculture Grazing
Recreational Use/Public Access

In FY 2021, DNRC elevated recreational use as a standalone program within the Trust Lands Management Division. In response to increased use and demand for trust land for both dispersed and concentrated recreational use, the department is focusing on program development and broad range solutions to balance Montana’s outdoor recreation heritage with the fiduciary duty of trust land management.
Recreational Use/Public Access
FY 2017 – FY 2021
Minerals Management

- In FY 2021, revenue from mineral activities totaled $20.2 million
- Average price per barrel: $47.18
- Oil & Gas royalty revenue: $6 million
- Coal royalty revenue: $13.1 million
- Oil & Gas rentals & bonus revenue: $729 thousand
During FY 2021:

- 429,535 acres under 1,126 lease agreements for Oil & Gas:
  - 608 leases are producing from 229,225 acres
  - 908 thousand barrels of oil
  - 2 million mcf (thousand cubic feet) of gas
- 14,692 acres under 31 lease agreements for Coal:
  - 6 leases are producing from 2,520 acres.
  - 6.7 million tons of coal
Oil & Gas Lease Auctions

- Four quarterly auctions per year.

- Generated $101 thousand in bonus revenue in FY 2021.

- 91% decrease over the previous 3-year average.

- However, wide fluctuations in quarterly lease auction revenues.
Mineral Revenues
FY 2017 – FY 2021

Oil & Gas
Gravel
Coal
Other
Forest Management

- 57.7 million board feet sold of the 59 offered
  - Value of $10.5 million
  - Average stumpage price increased 5% to $180 per MBF.
- 64.1 million board feet harvested
  - Value of $12.8 million
- 363,739 seedlings planted
• Implemented an updated Sustainable Yield Calculation to increase harvest to 60.0 MMBF with additional opportunity volume of 8.3 MMBF

• Adopted new comprehensive Forest Management Administrative Rule revisions

• Next Gen Data and Data Systems fully integrated into other TLMD Bureaus and programs establishing a stable platform for enhanced mobile technology and Remote Sensing applications as well as eventual public facing data portals
Forest Management Bureau
FY 2017 - FY 2021

<table>
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<tr>
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MILLIONS
Real Estate Management

- FY 2021 Revenue by Program
- ROW/Easement: $10.7 million
- Residential Leasing: $2.24 million
- Commercial Leasing and Licensing: $2.46 million
- Hydro Lease: $5.09 million* undistributed
  $24.5+ million in hydro revenue currently (held in escrow)
Land Banking Sales FY 2021

• Sold: 33 Cabin Sites for $2.9M
• Sold: 16 Land Sales of 2,153 acres for $1.4M
• Total Land Banking Sales: 49 parcels for $4.3M
Cabin Site Sales Highlights

- 2020/2021 sale program in progress
  - 31 sold to date
  - 56 sites being processed
  - 75+ expected to sell
- Solicitation for 2022/2023 sale program began in September

Plains Remote cabin site

Olney cabin site

Placid Lake cabin site
Rights-of-Way/Easements

- 135 rights-of-way/easement applications approved by the Land Board
- 20 cabin site sale legal access easements issued
- Completed two significant reciprocal access agreements with SPP Montana resulting in legal access being acquired to 6,200 acres of Trust Land in western Montana and two private reciprocal agreements providing access to 1,150 acres of Trust Land in eastern Montana
Property Management
Commercial Leasing

• Bozeman/Belgrade area is receiving heavy Commercial interest as property values soar and land availability decreases.

• Several projects in Gallatin County are at different stages of development – from Request for Proposals to planning and infrastructure installation to building construction.
Property Management
Alternative Energy Leasing

- Wind development lease on 2,560 acres in Garfield & Rosebud Counties signed on July 1, 2021.
- First wind project lease since Judith Gap Wind Farm in September 2004.
- First year base rent begins at $35,700 with anticipated increase at full operations date to exceed $100,000 annually.
Section 36 in Kalispell continues to enjoy strong development with several projects currently under construction.

FY 2021 Section 36 revenues - $940,340
Real Estate Revenues

FY 2017 - FY 2021

Millions

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<th>Commercial Leases</th>
<th>Cabin Site Leases</th>
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This concludes the presentation
Happy to answer any questions