

Board Meeting Minutes
February 3, 2015

ITEM 1. CALL TO ORDER

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 4:20 p.m. He said Commissioner Schimel was not on the call but was expected.

Board Chair La Follette thanked Loan Analyst Richard Sneider for the comprehensive bond report.

Present were:

Doug La Follette, Board Chair	Secretary of State
Matt Adamczyk, Commissioner	State Treasurer
Tia Nelson, Executive Secretary	Board of Commissioners of Public Lands
Tom German, Deputy Secretary	Board of Commissioners of Public Lands
Richard Sneider, Loan Analyst	Board of Commissioners of Public Lands
Randy Bixby, Land Records Archivist	Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – JANUARY 20, 2015

MOTION: Commissioner Adamczyk moved to approve the minutes; Board Chair La Follette seconded the motion. The motion passed 2-0.

ITEM 3. APPROVE LOANS

Executive Secretary said that the loans had received legal review.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Beaver Dam Dodge County Application #: 02015088 Purpose: Refinance water utility debt	City Rate: 2.50% Term: 2 years	General Obligation	\$1,115,000
2. Clyman Dodge County Application #: 02015086 Purpose: Refinance bank loan	Town Rate: 3.25% Term: 8 years	General Obligation	\$37,641.33
3. Eagle Waukesha County Application #: 02015087 Purpose: Finance road construction	Town Rate: 3.00% Term: 5 years	General Obligation	\$110,000.00
4. Lakeside Douglas County Application #: 02015089 Purpose: Refinance backhoe loan	Town Rate: 3.25% Term: 9 years	General Obligation	\$83,555.95

5.	Lakeside Douglas County Application #: 02015090 Purpose: Refinance BCPL loan #2014026	Town Rate: 3.00% Term: 2 years	General Obligation	\$44,659.98
TOTAL				\$1,390,857.26

MOTION: Commissioner Adamczyk moved to approve the loans; Board Chair La Follette seconded the motion. The motion passed 2-0.

ITEM 4. DISCUSS TRUST LAND OPTIONS WITH POSSIBLE COUNTY PARTNERSHIPS

Board Chair La Follette said that the staff provided a report summarizing real estate transactions with various counties and the outcome of those interactions. The report shows that a total of approximately 2,000 acres of School Trust Lands has been sold to various counties. He said that Commissioner Adamczyk had requested the discussion and asked if he had questions for the staff.

Commissioner Adamczyk replied that he had no specific questions but wanted to discuss possible opportunities to earn revenue from the School Trust Lands.

Board La Follette said that staff are working on an overall review of the Trust Lands and would present a report to the Commissioners in the coming months.

(Commissioner Schimel joined the teleconference.)

Executive Secretary said staff have been invited to make a presentation at the WI County Forest Association’s annual spring meeting in Minocqua. She and staff will also be meeting with individuals at the Oneida County Forest Department at the end of February.

Executive Secretary Nelson said Oneida County is an important partner because of the volume of School Trust Lands within their county forest boundaries. A proposed land sale to Oneida County in 2009 was voted down by the Oneida County Forestry Committee. Since then, the Oneida County Board has changed their position on land acquisitions because matching grants can be obtained from the Knowles-Nelson Stewardship Fund. The county has asked BCPL to provide a proposal. She offered Commissioner Adamczyk the opportunity to participate in a meeting with the Oneida County Forest Department on February 27. Commissioner Adamczyk asked her to send him information and said he may attend if he is available.

ITEM 5. DISCUSS PROMOTION OF THE BCPL STATE TRUST FUND LOAN PROGRAM

Board Chair La Follette said marketing of the State Trust Fund Loan Program has increased over the last several years.

Commissioner Adamczyk suggested that an “email blast” be used to promote the program. He also suggested that staff work with various municipal advocacy organizations.

Executive Secretary Nelson replied that staff regularly attend and make presentations at numerous municipal and school district conferences throughout the year. She and other staff will be making formal presentations at all thirteen Wisconsin Towns Association district meetings in the next two months.

ITEM 6. FUTURE AGENDA ITEMS

Board Chair La Follette said this was a formal acknowledgement that “Future Agenda Items” would be a regular item for future board meetings.

ITEM 7. DISCUSS DEADLINE FOR BOARD MEETING MATERIALS

Executive Secretary Nelson said if the board agenda is routine in nature (i.e., approval of the minutes and loans), then the board packet is typically sent the Thursday prior to the Tuesday board meeting. If the agenda is more extensive (i.e., land transactions and other matters), the packet is typically sent on Wednesday. She asked that if the Commissioners have agenda items they want included in an upcoming board meeting, it would be helpful if the materials were provided to staff by noon on Monday of the week prior to the meeting, if possible. This would allow staff ample time to scan and organize the documents for inclusion in the board packet.

ITEM 8. PERFORMANCE EVALUATION PROCESS FOR EXECUTIVE SECRETARY

Board Chair La Follette said this agenda item is a follow-up to the January 20 meeting discussion. He suggested that a performance evaluation of the Board's Executive Secretary be conducted annually in June. The Executive Secretary would prepare and present to the Commissioners a report outlining their accomplishments and goals. He asked the Commissioners if they were in agreement with the suggested policy.

Commissioner Schimel and Commissioner Adamczyk agreed to the policy.

Executive Secretary Nelson said she has begun to prepare for that report in June.

ITEM 9. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson said that the 10-year anniversary of the Board's Land Bank Authority is approaching and maintaining earnings in the coming year will be challenging due to the interest rate environment. Because of this, she said now is the opportune time to update the agency's strategic plan. She invited the Board's participation and/or input. The process would begin in April. Board Chair La Follette asked if the other Commissioners had questions or comments. There was no further discussion.

Executive Secretary Nelson reported that staff met with the US Forest Service to discuss proposed land exchanges. In a separate meeting, she and staff met with Steigerwaldt Land Services. They manage approximately 400,000 acres of industrial timber land in northern Wisconsin and provide services that help their clients make decisions about land investments. They evaluate and analyze the value of land and project timber revenues using specialized modeling tools, and the results are used to guide land investment decisions. She said the services they provide would assist staff in preparing the comprehensive land evaluation report, which the Board requested at its January 20 meeting. She asked Steigerwaldt to prepare a proposal for this service, and when she receives it, she will present it to the Board for their consideration.

She reported that she and staff also met with the director of the Oneida County Economic Development Corporation and Jane Severt of the Wisconsin County Forest Association.

Executive Secretary Nelson gave an update on legislation that will likely affect the agency: Payment in Lieu of Taxes (PILT) made by BCPL and changes in federal forfeiture policy. She said that the agency currently makes PILT payments on Land Bank purchases but it does not on land exchanges. She said that staff has been working with the US Forest service on a large land exchange project and the current legislation would not require BCPL to make a PILT payment on the incoming property. It is her opinion that the legislation should be modified so that BCPL makes PILT payments on land acquired in exchanges. She wanted the Board's input before beginning this lobbying effort.

Board Chair La Follette asked if the other Commissioners had any questions or comments. There was no further discussion.

Executive Secretary Nelson said US Attorney General Eric Holder recently issued an order that limits state and local law enforcement agencies use of a federal forfeiture program.

Deputy Secretary Tom German reported that currently law enforcement officials in Wisconsin have two systems under which they can seize and liquidate assets from alleged criminals. He explained that under the US Department of Justice's forfeiture program – equitable sharing – local law enforcement agencies receive a percentage of the liquidated assets. Under this program, none of the liquidated assets (i.e., money) is deposited into the Common School Fund.

Deputy Secretary German said the second option allows law enforcement officials to seize and liquidate property under Wisconsin state statutes; specifically, 961.55 or 973.075. If assets are seized under this law, 30 to 50% of the net forfeited proceeds are deposited into the Common School Fund. An average of approximately \$145,000 has been deposited to the Common School Fund over the last five years.

He said US Attorney General Holder's order could result in an increase in deposits to the Common School Fund because law enforcement agencies may end up using the state's asset forfeiture statutes more often. He said that staff would work with the agency's assigned lawyers at the Department of Justice to monitor the effects of this change.

ITEM 10. ADJOURN

MOTION: Commissioner Schimel moved to adjourn the meeting; Commissioner Adamczyk seconded the motion. The motion passed 3-0.



Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the recording may do so at the Board of Commissioners of Public Lands, 101 E. Wilson Street, 2nd Floor, Madison, Wisconsin.