



Douglas La Follette, *Secretary of State*
Matt Adamczyk, *State Treasurer*
Brad D. Schimel, *Attorney General*

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2nd Floor
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608 266-1370 INFORMATION
608 266-0034 LOANS
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Jonathan Barry, *Executive Secretary*

AGENDA

December 5, 2017

2:00 P.M.

Board of Commissioners of Public Lands
101 E. Wilson Street, 2nd Floor
Madison, Wisconsin

Routine Business:

- 1) Call to Order
- 2) Approve Minutes – November 20, 2017 (Attachment)
- 3) Approve Loans (Attachment)

Old Business: None

New Business:

- 4) Proposed Land Bank Sales to the Public
 - a. S1803 – Jack Pine Tower, Oneida County (Attachment)
 - b. S1805 – Reimer Creek, Iron County (Attachment)

Routine Business:

- 5) Future Agenda Items
- 6) Executive Secretary's Report (Attachment)
 - Investment Transaction Report – December 1, 2017
- 7) Adjourn

AUDIO ACCESS INFORMATION

Toll Free Number: **(888) 291-0079**
Passcode: **6363690#**

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the November 20, 2017, board meeting.

Board Meeting Minutes
November 20, 2017

Present via teleconference were:

- | | |
|---|--|
| Doug La Follette, Commissioner | Secretary of State |
| Matt Adamczyk, Commissioner | State Treasurer |
| Brad Schimel, Board Chair | Attorney General |
| Jonathan Barry, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Vicki Halverson, Office Manager | Board of Commissioners of Public Lands |
| Richard Sneider, Loan Analyst and
Chief Investment Officer | Board of Commissioners of Public Lands |

ITEM 1. CALL TO ORDER

Board Chair Schimel called the meeting to order at 2:00 p.m.

ITEM 2. APPROVE MINUTES – NOVEMBER 7, 2017

MOTION: Commissioner La Follette moved to approve the minutes; Board Chair Schimel seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

Executive Secretary Barry reported that the loans had been reviewed for proper public purpose.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Catawba Price County Application #: 02018066 Purpose: Finance sewer project	Village Rate: 3.00% Term: 10 years	General Obligation	\$25,000.00
2. Kennan Price County Application #: 02018064 Purpose: Finance sewer project	Village Rate: 3.50% Term: 10 years	General Obligation	\$25,000.00
3. Lawrence Brown County Application #: 02018069 Purpose: Finance TID #1 land acquisition	Town Rate: 4.00% Term: 20 years	General Obligation	\$4,229,642.00
4. Mentor Clark County Application #: 02018068 Purpose: Purchase dump and pickup trucks	Town Rate: 4.00% Term: 15 years	General Obligation	\$220,000.00

5.	Oregon Dane County Application #: 02018067 Purpose: Purchase property	Village Rate: 4.00% Term: 20 years	General Obligation	\$600,000.00
6.	Sheboygan Falls Sheboygan County Application #: 02018065 Purpose: Finance infrastructure projects	City Rate: 3.50% Term: 10 years	General Obligation	\$161,672.70
TOTAL				\$5,261,314.70

MOTION: Commissioner La Follette moved to approve the loans; Board Chair Schimel seconded the motion.

DISCUSSION: Commissioner Adamczyk asked if the loan to the town of Lawrence was a pass-through loan. Staff replied that it was not.

VOTE: The motion passed 2-1. Commissioner La Follette and Board Chair Schimel voted aye; Commissioner Adamczyk voted no.

ITEM 4. DISCUSS DRAFT LEGISLATION

Staff provided the Board with an analysis of draft legislation that would modify when appraisals may be conducted on Trust Lands which are offered for sale; modify how the proceeds from Trust Land sales can be used; and modify how the UW Board of Regents funds the UW-Stevens Point’s environmental programs and awards scholarships from the income earned on the Normal School Fund.

Executive Secretary Barry said he did not see an issue with the proposed legislation relating to how the UW Board of Regents distributes the Normal School Fund earnings.

Deputy Secretary German said that draft legislation relating to when appraisals are conducted would be problematic. Current legislation requires an appraisal be conducted on Trust Lands *prior* to the Board offering them for sale via the sealed bid process. The proposed legislation states that the appraisal may be conducted after the land is offered for sale and before the sale is final. This would invite offers on Trust Lands without any idea of the value of those lands. It also injects uncertainty into the process for both the potential buyer and BCPL because neither party knows the value of the land until an appraisal is obtained.

Commissioner Adamczyk stated that the proposed change to the Normal School Fund distributions was a “top priority” of UW System President Ray Cross and a “key priority” of Rep. Tyler August. He added that the remainder of the proposed legislation provided the Board with options. He then compared the Board’s process of selling Trust Lands to that of an individual receiving an offer on their home. Rather than the Board spending money for appraisals before the land is offered for sale, the appraisal could be conducted after an offer is received. Executive Secretary Barry countered that the Board is a public entity and is required to have transparency.

Board Chair Schimel asked why the current legislation requires an appraisal prior to the land being offered for sale. Deputy Secretary German replied that in the past many Trust Lands had been sold below market value and then resold at a higher value by the purchaser, which benefited the speculators and not the Trust Funds.

Board Chair Schimel noted that the proposed legislation would not reduce expenses associated with land sales because an appraisal would still need to be conducted prior to the sale being finalized. Commissioner Adamczyk questioned why staff would not conduct the appraisal rather than paying an appraisal company. Board Chair Schimel questioned whether this would constitute a conflict of interest. Executive Secretary Barry added that

having an appraiser on staff would likely be more expensive than the cost of the appraisals and would constitute a conflict.

Commissioner Adamczyk referred to the recent land sales highlighted in the Board's meeting packet and the cost of the appraisals associated with them. Executive Secretary Barry pointed out that all of those properties sold for an amount higher than the appraised value.

Commissioner Adamczyk offered a scenario whereby an interested party makes an offer to purchase Trust Lands that have not yet been offered for public sale by the Board. At that time, an appraisal would be conducted in this scenario. Deputy Secretary German replied that an appraisal and public notice of the sale would still need to be conducted, which is no different than the current process. In addition, there would be no guarantee that the individual making that initial offer would still be interested. Commissioner Adamczyk then referred to the Board's website listing surplus property and the minimum bid on each. He questioned why the minimum bid was published. Executive Secretary Barry replied that all the properties had been appraised in prior years and there were no bids submitted, which then makes them available for private sale.

Commissioner Adamczyk directed the discussion towards the current legislation requiring that any land sales proceeds "may only" be invested in purchasing other land. The proposed legislation would eliminate the word "only" so the funds would not be limited to land purchases. Board Chair Schimel expressed concern about the potential loss of the tax-exempt status of Stewardship bonds being used to purchase BCPL lands. Deputy Secretary German replied that DOA's bond counsel insisted that the tax-exempt status be included in the legislation. Executive Secretary Barry also questioned whether funds from land sales deposited into the Trust Fund could be withdrawn later for a land purchase if the legislation is passed. He added that other states with programs similar to BCPL's Land Bank Authority establish a specific timeframe for those proceeds to be used for land purchases. If the funds are not used within the timeframe, they remain in the trust fund.

Commissioner Adamczyk understood the argument regarding the tax-exempt status but said he would prefer the Board have more options for investing the land sale proceeds. Executive Secretary Barry said the purpose of the analysis was to alert the Board to mechanical issues that relate to the appraisal language and the "may" and "shall" language on Stewardship bonds used to purchase BCPL lands. Commissioner Adamczyk offered that the language could be amended to retain the tax-exempt status of the Stewardship bonds for BCPL land purchases. Deputy Secretary German replied the language would have to be included, at a minimum, to address that issue. Commissioner Adamczyk said he would relay that to Rep. August.

ITEM 5. FUTURE AGENDA ITEMS

Commissioner La Follette requested that the next meeting agenda include a discussion by the Board to request an audit of the unclaimed property program. Commissioner Adamczyk thought that the Department of Revenue was to provide staff with information on the expenses associated with the program. He added that he "was not auditing Governor Walker's agency." He questioned whether the Board had any audit authority. Commissioner La Follette replied that the Board could request an audit by the Legislative Audit Bureau. Executive Secretary Barry said he would contact DOR on the matter and report back to the Board.

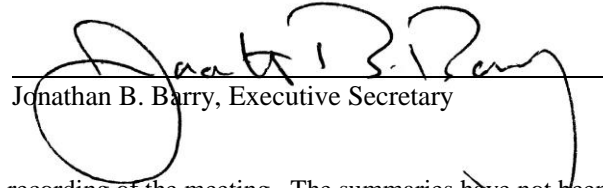
ITEM 6. EXECUTIVE SECRETARY'S REPORT

Chief Investment Officer Sneider reported that possible changes to federal tax law could affect the sale of tax-exempt bonds in the portfolio so that is being monitored.

Executive Secretary Barry reported that three recent sealed bid land sales resulted in bids that exceeded each of the appraised value for the properties.

ITEM 7. ADJOURN

The meeting adjourned at approximately 2:40 p.m.



Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim.
Link to audio recording: ftp://doafpt1380.wi.gov/doadocs/BCPL/2017-11-20_BCPL-BoardMtgRecording.mp3

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 3
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Baraboo Columbia and Sauk Counties Application #: 02018076 Purpose: Finance high school renovation and construction	School Rate: 3.00% Term: 3 years	General Obligation	\$1,960,000.00
2. Chimney Rock Trempealeau County Application #: 02018073 Purpose: Finance 2016 and 2017 flood repairs	Town Rate: 3.50% Term: 10 years	General Obligation	\$300,000.00
3. Clark Clark County Application #: 02018083 Purpose: Finance road construction	County Rate: 3.00% Term: 2 years	General Obligation	\$1,800,000.00
4. Green Bay Brown County Application #: 02018077 Purpose: Finance neighborhood redevelopment	City Rate: 3.50% Term: 10 years	General Obligation	\$500,000.00
5. Harrison Grant County Application #: 02018074 Purpose: Finance roadwork	Town Rate: 3.50% Term: 10 years	General Obligation	\$350,000.00
6. Kohler Sheboygan County Application #: 02018082 Purpose: Finance capital equipment and street projects	Village Rate: 3.50% Term: 10 years	General Obligation	\$610,000.00
7. Menomonie Dunn County Application #: 02018078 Purpose: Finance TID #15 development expenses	City Rate: 3.00% Term: 5 years	General Obligation	\$500,000.00
8. Monroe Green County Application #: 02018079 Purpose: Finance TID #9 land acquisition	City Rate: 4.00% Term: 20 years	General Obligation	\$1,850,000.00

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
9. Pewaukee Waukesha County Application #: 02018080 Purpose: Purchase dump/plow truck	Village Rate: 3.50% Term: 10 years	General Obligation	\$195,000.00
10. Sun Prairie Dane County Application #: 02018081 Purpose: Finance infrastructure projects	City Rate: 3.00% Term: 2 years	General Obligation	\$3,700,000.00
11. Trempealeau Trempealeau County Application #: 02018070 Purpose: Finance road construction	County Rate: 3.00% Term: 2 years	General Obligation	\$1,840,600.00
12. Trempealeau Trempealeau County Application #: 02018071 Purpose: Purchase squad vehicles	County Rate: 3.00% Term: 2 years	General Obligation	\$132,000.00
13. Trempealeau Trempealeau County Application #: 02018072 Purpose: Finance courthouse upgrades	County Rate: 3.00% Term: 2 years	General Obligation	\$757,760.00
14. Whiting Portage County Application #: 02018075 Purpose: Finance roadwork and associated utility costs	Village Rate: 4.00% Term: 20 years	General Obligation	\$350,000.00
TOTAL			\$14,845,360.00

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 4A
PROPOSED LAND BANK SALE TO THE PUBLIC – JACK PINE TOWER (S1803)**

BCPL staff recommends the sale of a 40 acre parcel located in Oneida County to the public via sealed bid process for the following reasons:

- The property is inside the consolidation zone but has no legal access and is unproductive;
- The property does not provide access to other BCPL lands;
- Sale of the property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above;
- No governmental entities in Wisconsin have determined that the property is required for their respective use; and
- Sale of the property via sealed bid process is expected to be the best method for maximizing the sales proceeds from the property.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sales Analysis

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 4A
PROPOSED LAND BANK SALE TO THE PUBLIC – JACK PINE TOWER (S1803)**

RECITALS

- A. The Board of Commissioners currently holds title to the following property, consisting of approximately 40 acres:

SE¼ of the NE¼, Section 24, Township 37 North, Range 5 East, Town of Little Rice, Oneida County, Wisconsin (the “Property”).
- B. The Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- C. The Property was independently appraised by Compass Land Consultants, Inc. at a value of \$775 per acre for a total of \$31,000. A copy of the Certification of the Appraisal is attached to this resolution as Exhibit B.
- D. BCPL staff members assert that, to the best of their knowledge, the Property is not required by any other governmental unit in Wisconsin.
- E. BCPL staff recommends that the Board authorize the sale of the Property at public sale pursuant to the sealed bid process set forth in Wisconsin Statutes Chapter 24.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes the sale of the Property pursuant to a sealed bid process. The minimum acceptable bid for the Property shall be the appraised value as determined by the independent appraiser as set forth above. Such sale shall be conducted in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transactions.

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S 1803

Item 4A
Exhibit A

Common Name for Land Parcel: Jack Pine Tower

County: Oneida Township: Little Rice

Legal Description: SE/NE, Section 24, Township 37 North, Range 5 East

GLO Acres: 40

Sale Criteria

1. Title

- Ownership verified with Register of Deeds.
- Title appears merchantable.

2. Timber Management

- Parcel is located outside of Consolidation Zone.
- Parcel is an isolated or unproductive parcel within the Consolidation Zone.

3. Access

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access.

4. Parcel Required By Other Government Entity: _____


- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

5. Recommend Selling via Public Auction or Sealed Bid

- Parcel is not otherwise required by another unit of government and will be sold via public auction or sealed bid.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

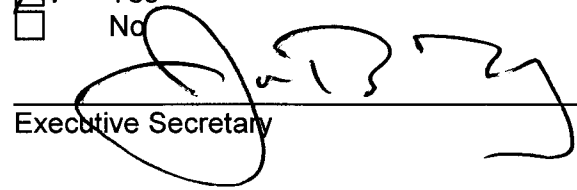
- Yes
- No


Trust Lands Forestry Supervisor

8/9/17
Date

I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes
- No


Executive Secretary

8/14/17
Date

RECEIVED AUG 14 2017

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias or personal interest with respect to the property and parties involved in the assignment.
- I have had no previous appraisal experience on the subject property within three years of the effective date of value.
- My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the "Uniform Standards of Professional Appraisal Practice."
- I personally inspected the subject property on October 12, 2017. The comparable sales were field inspected by Erik Barttelt, Appraisal Assistant with Compass Land Consultants, Inc. on September 15, 2017.
- Erik Barttelt provided assistance to the appraiser in the preparation of this report, development of the approaches to value, inspection of the subject property, comparable sales research, and inspection.
- It is my opinion that the subject property has a value of \$31,000 as of October 12, 2017.

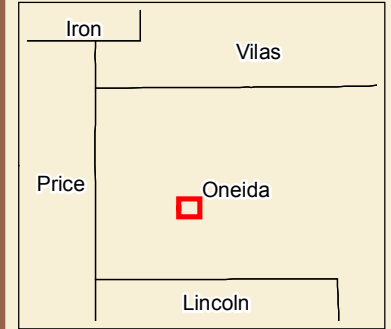
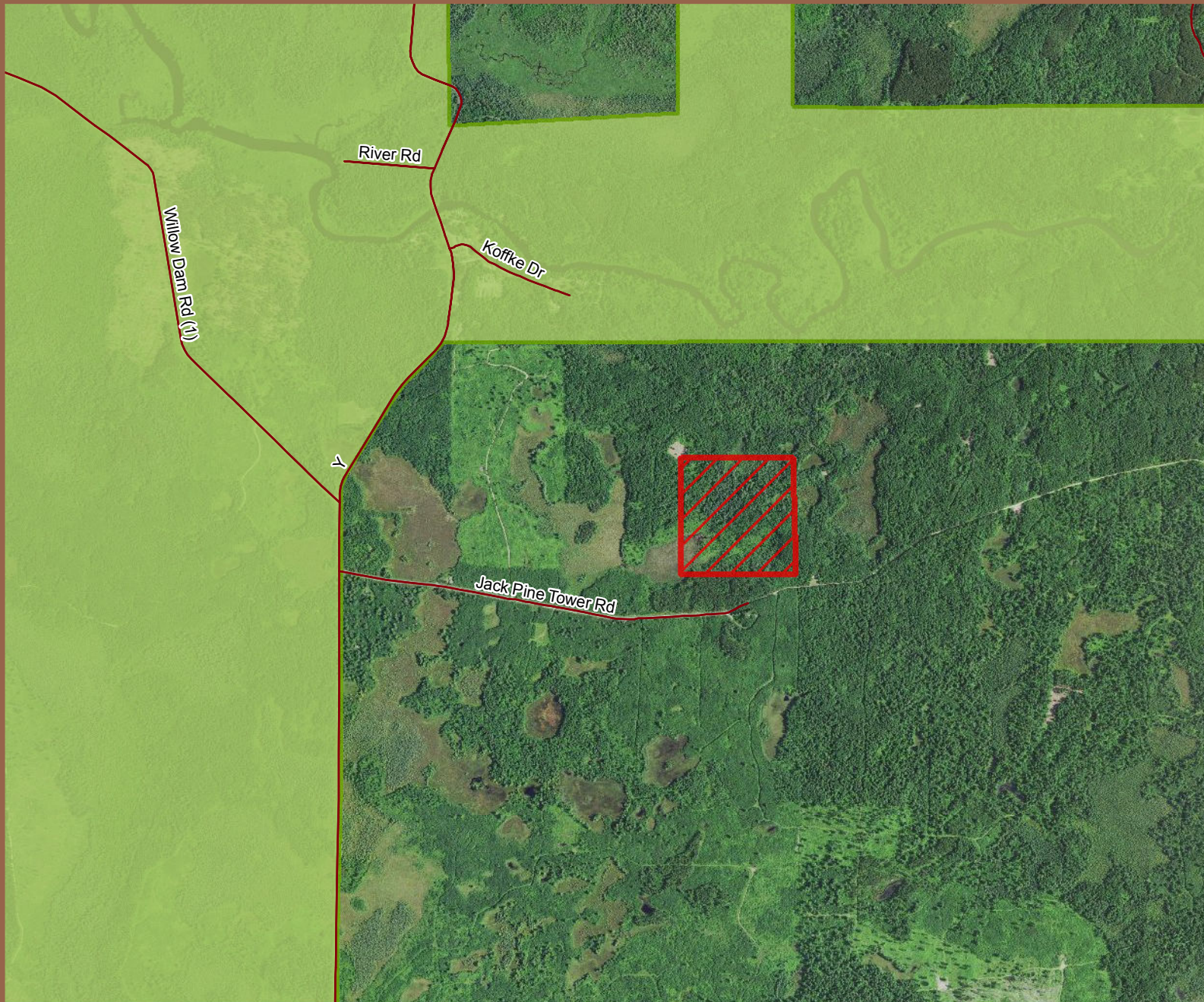


Daniel T. Schummer
Real Estate Specialist/Appraiser
WI CGA #2145-10
(Expires 12/14/2017)



Erik Barttelt
Appraisal Assistant

JACK PINE TOWER SALE



S1803

County: Oneida

Town: Little Rice

**Common Name:
Jack Pine Tower**

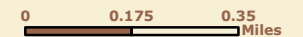
Acres - 40.0

Fund 745



 **Parcel being Sold**

 **DNR Land**



INTERNAL USE ONLY

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 4B
PROPOSED LAND BANK SALE TO THE PUBLIC – REIMER CREEK (\$1805)**

BCPL staff recommends the sale of a 40-acre parcel located in Iron County to the public via sealed bid process for the following reasons:

- The property is inside the consolidation zone but has no legal access and is unproductive;
- The property does not provide access to other BCPL lands;
- Sale of the property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all the above;
- No governmental entities in Wisconsin have determined that the property is required for their respective use; and
- Sale of the property via sealed bid process is expected to be the best method for maximizing the sales proceeds from the property.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sales Analysis

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 4B
PROPOSED LAND BANK SALE TO THE PUBLIC – REIMER CREEK (\$1805)**

RECITALS

- A. The Board of Commissioners currently holds title to the following property, consisting of approximately 40 acres:

SW¹/₄ of the NE¹/₄, Section 6, Township 41 North, Range 4 East, Town of Sherman, Iron County, Wisconsin (the “Property”).
- B. The Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- C. The Property was independently appraised by Valhalla Management Services at a value of \$150 per acre for a total of \$6,000. A copy of the Certification of the Appraisal is attached to this resolution as Exhibit B.
- D. BCPL staff members assert that, to the best of their knowledge, the Property is not required by any other governmental unit in Wisconsin.
- E. BCPL staff recommends that the Board authorize the sale of the Property at public sale pursuant to the sealed bid process set forth in Wisconsin Statutes Chapter 24.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes the sale of the Property pursuant to a sealed bid process. The minimum acceptable bid for the Property shall be the appraised value as determined by the independent appraiser as set forth above. Such sale shall be conducted in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transactions.

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S 1805

Item 4B
Exhibit A

Common Name for Land Parcel: Reimer Creek

County: Iron Township: Sherman

Legal Description: SWNE, Sec. 6, T41N, R4E

GLO Acres: 40

Sale Criteria

1. Title

- Ownership verified with Register of Deeds.
- Title appears merchantable.

2. Timber Management

- Parcel is located outside of Consolidation Zone.
- Parcel is an isolated or unproductive parcel within the Consolidation Zone.

3. Access

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access.

4. Parcel Required By Other Government Entity: _____

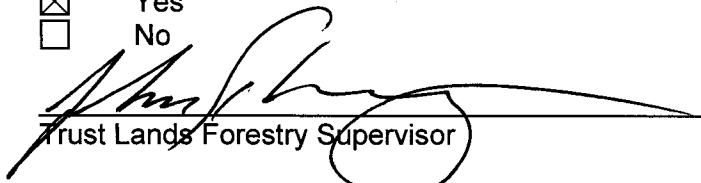
- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

5. Recommend Selling via Public Auction or Sealed Bid

- Parcel is not otherwise required by another unit of government and will be sold via public auction or sealed bid.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

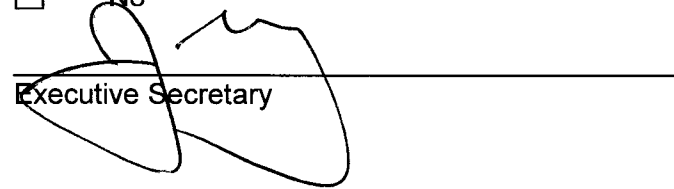
- Yes
- No


Trust Lands Forestry Supervisor

8/22/17
Date

I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes
- No


Executive Secretary

8/29/17
Date

**VALHALLA MANAGEMENT SERVICES
LAND APPRAISAL REPORT**

**Item 4B
Exhibit B
Page 1**

PRODUCT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s): Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project: _____

Total number of phases: _____ Total number of units: _____ Total number of units sold: _____

Total number of units rented: _____ Total number of units for sale: _____ Data source(s): _____

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion: _____

Does the project contain any multi-dwelling units? Yes No Data Source: _____

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion: _____

Describe common elements and recreational facilities: _____

CERTIFICATIONS AND LIMITING CONDITIONS

This report form is designed to report an appraisal of a parcel of land which may have some minor improvements but is not considered to be an "improved site". All improvements are considered to be of relatively minor value impact on the overall value of the site. This report form is not designed to report on an "improved site" where significant value is derived from the improvements. This appraisal report form may be used for single family, multi-family sites and may be included within a PUD development.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions and certifications. The appraiser must, at a minimum; (1) perform a complete visual inspection of the subject site and any limited improvements, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions and conclusions in this appraisal report.

INTENDED USE: The intended use of the appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this report is the lender/client identified within the appraisal report.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what they consider their own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale. (Source: OCC, OTS, FRS, & FDIC joint regulations published June 7, 1994)

* Adjustments to the comparables must be made for special or creative concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect the subject property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the subject property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties express or implied. The appraiser will not be responsible for any such conditions that do exist or for the engineering or testing that might be required to discover whether such condition exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal must not be considered as an environmental assessment of the property.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject site and any limited improvements. I have reported the information in factual and specific terms. I identified and reported the deficiencies of the subject site that could affect the utility of the site and its usefulness as a building lot(s).
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of the Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them unless indicated elsewhere within this report as there are no or very limited improvements and these approaches to value are not deemed necessary for credible result and/or reliable indicators of value for this appraisal assignment.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of the sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining multiple transactions into reported sales
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I have verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

VALHALLA MANAGEMENT SERVICES
LAND APPRAISAL REPORT

Item 4B
 Exhibit B
 Page 2

CERTIFICATIONS AND LIMITING CONDITIONS (continued)

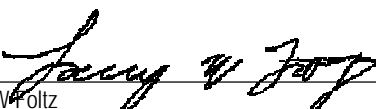
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believed to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SIGNATURES

APPRAISER

Signature 
 Name Larry W. Foltz
 Company Name Valhalla Management Services
 Company Address P.O. Box 166
Prentice, WI 54556
 Telephone Number 715-428-2350
 Email Address debra@vmsappraisals.com
 Date of Signature and Report 10/03/2017
 Effective Date of Appraisal September 11, 2017.
 State Certification # 507-10
 or State License # _____
 or Other (describe) _____ State # _____
 State WI
 Expiration Date of Certification or License 12/14/2017

ADDRESS OF PROPERTY APPRAISED

Township 41 N, Range 4 E, Sherman Township, Iron County, Wisconsin Section 6 SWNE
Park Falls, WI 54552

APPRAISED VALUE OF SUBJECT PROPERTY \$ _____ 6,000

LENDER/CLIENT

Name Micah Zeitler / Tom German
 Company Name State of WI Board of Commissioners of Public Lands
 Company Address P.O. Box 277
Lake Tomahawk, WI 54539-277
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

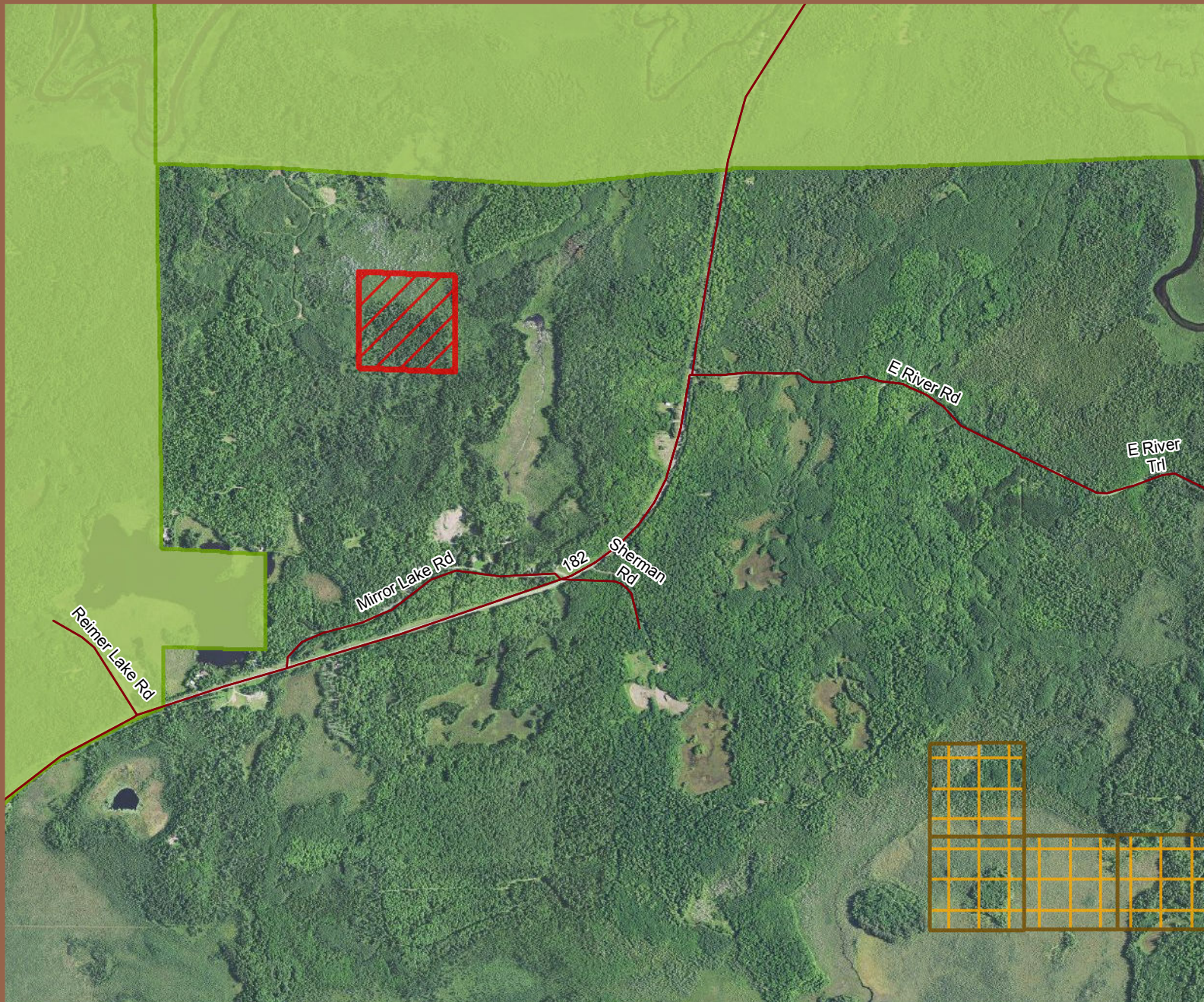
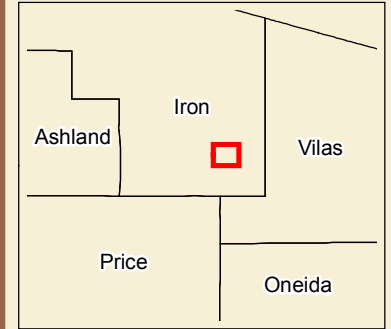
SUBJECT PROPERTY

Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

REIMER CREEK SALE



S1805

County: Iron

Town: Sherman


**Common Name:
 Reimer Creek**

Acres - 40

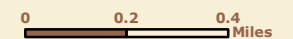
Fund 745



 **Parcel being Sold**

 **Current BCPL Land**

 **DNR Land**



INTERNAL USE ONLY

**BOARD MEETING
DECEMBER 5, 2017**

**AGENDA ITEM 6
EXECUTIVE SECRETARY'S REPORT**

Attached for review are the following reports:

- Investment Transaction Report – December 1, 2017



Douglas La Follette, *Secretary of State*

Matt Adamczyk, *State Treasurer*

Brad D. Schimel, *Attorney General*

101 E. Wilson Street
2nd Floor
PO Box 8943
Madison, WI 53708-8943

608 266-1370 INFORMATION
608 266-0034 LOANS
608 267-2787 FAX
bcpl.wisconsin.gov

Jonathan Barry, *Executive Secretary*

Investment Transaction Report December 1, 2017

Bond Purchases

Issuer	Credit Rating	Trade Date	Par Value	Price Paid	Coupon	Call Date	Yield to Call	Maturity Date	Yield to Maturity
FFCB	Aaa	11/16/17	\$5,000,000	\$5,000,000	3.42%	02/27/18	3.42%	05/27/31	3.42%
FFCB	Aaa	11/16/17	\$5,000,000	\$5,000,000	3.47%	02/22/18	3.47%	11/22/32	3.47%
FFCB	Aaa	11/20/17	\$5,000,000	\$5,000,000	3.55%	11/27/18	3.55%	11/27/38	3.55%

Bond Sales

Since the previous Investment Transaction Report, staff has sold a total of \$2,000,000 (par value) of bonds. **Total profits of \$107,520** were all classified as a short-term capital gains and will be partially distributed to beneficiaries in accordance with the IPS, with the remainder reserved in the CSF smoothing account.

Net profit realized on the sale of bonds now totals over \$10 million to date in 2017, and these gains will be allocated in accordance with the IPS.