

## BOARD OF COMMISSIONERS OF PUBLIC LANDS

### GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY11 Adjusted Base	FY12 Recommended	% Change Over FY11	FY13 Recommended	% Change Over FY12
PR-F	52,700	52,700	0.0	52,700	0.0
PR-S	1,503,700	1,494,500	-0.6	1,494,500	0.0
<b>TOTAL</b>	<b>1,556,400</b>	<b>1,547,200</b>	<b>-0.6</b>	<b>1,547,200</b>	<b>0.0</b>

### FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY11 Adjusted Base	FY12 Recommended	FTE Change From FY11	FY13 Recommended	FTE Change From FY12
PR-S	8.50	8.50	0.00	8.50	0.00
<b>TOTAL</b>	<b>8.50</b>	<b>8.50</b>	<b>0.00</b>	<b>8.50</b>	<b>0.00</b>

### AGENCY DESCRIPTION

The board is Wisconsin's oldest state agency, created by Article X of the state constitution in 1848. The board is comprised of the Attorney General, State Treasurer and Secretary of State. It is a program revenue agency with revenues derived from loans and other fixed income investments. The board is supported by 8.5 full-time employees. The board manages four trust funds, the remaining trust lands and Wisconsin's original land records. The board administers one of the largest public lending programs in the state.

### MISSION

The primary mission of the board is to invest the principal of four trust funds that currently total over \$834 million for the benefit of public education, and manage, primarily for timber production, approximately 76,000 acres of trust lands. The board operates the popular State Trust Fund Loan Program, which makes loans to school districts and municipalities throughout the state. The agency is funded entirely by income earned on loans and fixed income investments (program revenue). After payment of agency expenses, the net income of each trust is distributed to the respective trust fund beneficiaries. Each year, the common school fund income is transferred to the Department of Public Instruction for distribution to public school districts throughout the state to support public school libraries. Normal school fund income is distributed to provide scholarships for University of Wisconsin-Madison and University of Wisconsin-Extension students and also provide funding to the Department of Public Instruction to assist schools in fulfilling their environmental education requirements. Income from the university fund and the agriculture college fund is distributed to the University of Wisconsin. In fiscal years 2008-09 and 2009-10, \$67.5 million of trust fund income was distributed to support these activities.

## PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

### Program 1: Trust Lands and Investments

Goal: Reduce the amount of time required to post annual state trust fund loan payments.

Objective/Activity: Post all payments within 30 days after the close of the annual payment period, which is March 15 to April 1.

Goal: Ensure the efficient, accurate and timely timber scaling (measuring) and invoicing of all timber sales.

Objective/Activity: Reduce the number of hours required to scale timber and prepare invoices for timber sales by automating the process to allow data entry on-site.

## PERFORMANCE MEASURES

### 2009 AND 2010 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010
1.	Number of loans to post.	1,300	1,575	1,300	1,659
1.	Days required to post.	2	2	2	2
1.	Annual number of hours required to prepare scale tickets and invoices.	65	65	65	65

Note: Based on fiscal year.

### 2011, 2012 AND 2013 GOALS

Prog. No.	Performance Measure	Goal 2011	Goal 2012	Goal 2013
1.	Number of loans to post.	1,300	1,300	1,300
1.	Days required to post.	2	2	2
1.	Annual number of hours required to prepare scale tickets and invoices.	65	65	65

Note: Based on fiscal year.

## **BOARD OF COMMISSIONERS OF PUBLIC LANDS**

### **GOVERNOR'S BUDGET RECOMMENDATIONS**

#### **RECOMMENDATIONS**

1. Increase Employee Contributions to Pension and Health Insurance
2. Standard Budget Adjustments

**Table 1**  
**Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
FEDERAL REVENUE (1)	\$39.3	\$52.7	\$52.7	\$52.7	\$52.7	\$52.7
Local Assistance	39.3	52.7	52.7	52.7	52.7	52.7
PROGRAM REVENUE (2)	\$1,408.9	\$1,503.7	\$1,539.5	\$1,539.5	\$1,494.5	\$1,494.5
State Operations	1,408.9	1,503.7	1,539.5	1,539.5	1,494.5	1,494.5
TOTALS - ANNUAL	\$1,448.2	\$1,556.4	\$1,592.2	\$1,592.2	\$1,547.2	\$1,547.2
State Operations	1,408.9	1,503.7	1,539.5	1,539.5	1,494.5	1,494.5
Local Assistance	39.3	52.7	52.7	52.7	52.7	52.7

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2**  
**Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
PROGRAM REVENUE (2)	8.50	8.50	8.50	8.50	8.50
TOTALS - ANNUAL	8.50	8.50	8.50	8.50	8.50

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

**Table 3**  
**Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST FY12      FY13		GOVERNOR'S RECOMMENDATION FY12      FY13	
1. Trust lands and investments	\$1,448.2	\$1,556.4	\$1,592.2	\$1,592.2	\$1,547.2	\$1,547.2
<b>TOTALS</b>	\$1,448.2	\$1,556.4	\$1,592.2	\$1,592.2	\$1,547.2	\$1,547.2

**Table 4**  
**Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY11	AGENCY REQUEST FY12      FY13		GOVERNOR'S RECOMMENDATION FY12      FY13	
1. Trust lands and investments	8.50	8.50	8.50	8.50	8.50
<b>TOTALS</b>	8.50	8.50	8.50	8.50	8.50

(4) All positions are State Operations unless otherwise specified

**1. Increase Employee Contributions to Pension and Health Insurance**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	-45,000	0.00	-45,000	0.00
TOTAL	0	0.00	0	0.00	-45,000	0.00	-45,000	0.00

The Governor recommends increasing state employee contributions towards pension and health insurance costs. Employees will generally pay 50 percent of the total required retirement contribution, which for calendar year 2011 equals 5.8 percent of salary. The Governor further recommends increasing employee contributions for health insurance from approximately 6 percent of the premium to 12.6 percent of the premium. These modifications are necessary to bring state employee compensation in line with private sector employment and reduce compensation costs.

**2. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	35,800	0.00	35,800	0.00	35,800	0.00	35,800	0.00
TOTAL	35,800	0.00	35,800	0.00	35,800	0.00	35,800	0.00

The Governor recommends adjusting the board's base budget for: (a) full funding of continuing position salaries and fringe benefits (\$18,400 in each year); (b) reclassifications and semiautomatic pay progression (\$15,000 in each year); and (c) full funding of lease and directed moves costs (\$2,400 in each year).