

BOARD OF COMMISSIONERS OF PUBLIC LANDS

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY05 Adjusted Base	FY06 Recommended	% Change Over FY05	FY07 Recommended	% Change Over FY06
PR-F	52,700	52,700	0.0	52,700	0.0
PR-S	1,432,400	1,385,700	-3.3	1,385,700	0.0
TOTAL	1,485,100	1,438,400	-3.1	1,438,400	0.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY05 Adjusted Base	FY06 Recommended	FTE Change From FY05	FY07 Recommended	FTE Change From FY06
PR-S	7.50	7.50	0.00	7.50	0.00
TOTAL	7.50	7.50	0.00	7.50	0.00

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 loan and investment income. The board is supported by 7.5 full-time staff. The board administers a municipal loan program and has land management responsibilities for trust lands.

MISSION

The primary mission of the board is to invest the principal of four trust funds that currently total over \$579 million and manage, primarily for timber production, approximately 78,000 acres of trust lands. The board operates the popular State Trust Fund Loan Program, which made loans to school districts and municipalities totaling \$314,400,563 as of June 30, 2004. Interest earned from loans and cash deposits support the program activities of the board. The remainder is distributed to common schools for support of school media centers and to the University of Wisconsin System. Over \$37.7 million was distributed over the previous two fiscal years 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

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000	Actual 2001	Actual 2002
1.	Number of loans to post.	746	846	950
1.	Days required to post.	90	45	45
1.	Annual number of hours required to prepare scale tickets and invoices.	200	130	90

Note: Based on fiscal year.

2003 AND 2004 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2003	Actual 2003	Goal 2004	Actual 2004
1.	Number of loans to post.	1,050	1,532	1,050	1,393
1.	Days required to post.	30	30	30	20
1.	Annual number of hours required to prepare scale tickets and invoices.	80	N/A ¹	70	N/A ¹

Note: Based on fiscal year.

¹Actual numbers are not available. Although much of the invoicing process has been automated, the final phase of automation includes use of a portable data recorder to transmit data to and from a newly installed Oracle database. Due to programming conflicts with the Oracle database and unresolved network security issues, full implementation of the system and evaluation of the goals cannot be accomplished until the 2004-05 timber sale season.

2005, 2006 AND 2007 GOALS

Prog. No.	Performance Measure	Goal 2005	Goal 2006	Goal 2007
1.	Number of loans to post.	1,050	1,200	1,300
1.	Days required to post.	25	20	20
1.	Annual number of hours required to prepare scale tickets and invoices.	65	65	65

Note: Based on fiscal year.

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GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Budget Efficiency Measures
2. Program and Segregated Revenue Transfers
3. Expansion of Investment Authority
4. Standard Budget Adjustments

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

	ACTUAL FY04	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY06	FY07	FY06	FY07
FEDERAL REVENUE (1)	\$41.6	\$52.7	\$52.7	\$52.7	\$52.7	\$52.7
Local Assistance	41.6	52.7	52.7	52.7	52.7	52.7
PROGRAM REVENUE (2)	1,440.1	1,432.4	1,446.5	1,446.5	1,385.7	1,385.7
State Operations	1,440.1	1,432.4	1,446.5	1,446.5	1,385.7	1,385.7
TOTALS-ANNUAL	1,481.7	1,485.1	1,499.2	1,499.2	1,438.4	1,438.4
State Operations	1,440.1	1,432.4	1,446.5	1,446.5	1,385.7	1,385.7
Local Assistance	41.6	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 Funding Source (in FTE positions) (4)

	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY06	FY07	FY06	FY07
PROGRAM REVENUE (2)	7.50	7.50	7.50	7.50	7.50
TOTALS-ANNUAL	7.50	7.50	7.50	7.50	7.50

(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 FY04	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY06	FY07	FY06	FY07
1. Trust lands and investments	\$1,481.7	\$1,485.1	\$1,499.2	\$1,499.2	\$1,438.4	\$1,438.4
TOTALS	1,481.7	1,485.1	1,499.2	1,499.2	1,438.4	1,438.4

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

	ADJUSTED BASE FY05	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY06	FY07	FY06	FY07
1. Trust lands and investments	7.50	7.50	7.50	7.50	7.50
TOTALS	7.50	7.50	7.50	7.50	7.50

1. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	-60,800	0.00	-60,800	0.00
TOTAL	0	0.00	0	0.00	-60,800	0.00	-60,800	0.00

The Governor recommends reducing expenditure authority in the board's state operations appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) deferring information technology equipment purchases; and (b) reducing information technology support services.

2. Program and Segregated Revenue Transfers

The Governor recommends transferring balances to the general fund from the following appropriation: (a) \$60,800 PR-S in each year from s. 20.507(1)(h).

3. Expansion of Investment Authority

The Governor recommends authorizing the board to invest its trust funds with the State of Wisconsin Investment Board and to purchase land. This additional authority will increase the diversification and optimization of fund investments and improve the board's ability to make loans and grants to municipalities, school districts and the University of Wisconsin. Land acquisition would be focused on consolidating the board's holdings in a defined geographic area. This consolidation will increase the efficiency of the board in managing its land and timber holdings. Land purchases would be funded with the proceeds from the sale of land outside the board's defined consolidation area. The board would be required to pay aids in lieu of property taxes for newly acquired land in certain instances.

4. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY06		FY07		FY06		FY07	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	14,100	0.00	14,100	0.00	14,100	0.00	14,100	0.00
TOTAL	14,100	0.00	14,100	0.00	14,100	0.00	14,100	0.00

The Governor recommends adjusting the board's base budget for: (a) full funding of continuing position salaries and fringe benefits (\$14,100 in each year).