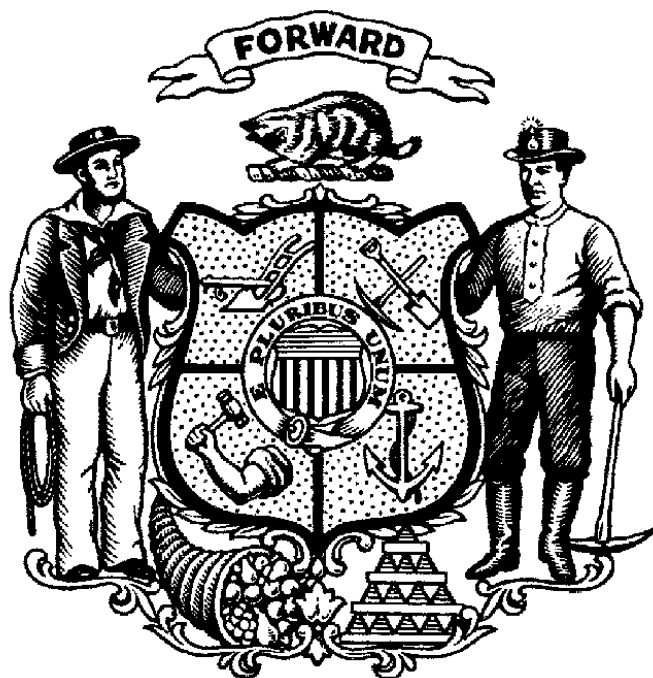


State of Wisconsin

Board of Commissioners of Public Lands



Agency Budget Request
2015 – 2017 Biennium
September 15, 2014

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Managing Wisconsin's trust assets for public education

September 15, 2014

The Honorable Scott Walker, Governor
Honorable Members of the Joint Committee on Finance
Honorable Members of the Wisconsin Legislature

Gentlemen and Mesdames:

I am pleased to submit the 2015-2017 Biennial Budget Request of the Board of Commissioners of Public Lands. The agency is entirely funded by program revenue from investment earnings; therefore no General Purpose Revenues are required for agency operations. Our budget request reflects a "cost to continue" for current agency operations and includes no additional programs or personnel. The 3.9% increase over the prior biennial budget is due to standard budget adjustments.

The Board of Commissioners of Public Lands (BCPL) was created pursuant to Article X, Section 7 of the Wisconsin Constitution in 1848 to support public education. The Board is comprised of the Attorney General, State Treasurer and Secretary of State. With the assistance of the agency's professional staff, the BCPL manages four school trust funds, approximately 77,000 acres of school trust lands, and Wisconsin's original land records.

A majority of the assets of the school trust funds are held in the Common School Fund and invested in loans to Wisconsin municipalities and school districts through the State Trust Fund Loan Program, one of the largest public lending programs in the state. Other school trust assets are invested in state and municipal bonds and the State Investment Fund. The earnings from the Common School Fund are distributed annually as aid to K-12 public school libraries. These monies are the sole source of state funding for public school libraries and for many school districts is the only money available to them for library books, newspapers and periodicals, web-based resources, and computer hardware and software.

The BCPL also manages what remain of school trust lands, the majority of which are located in the northern part of the State. These lands are administered primarily for revenue generation through sustainable timber management. The lands are open to the public for hunting, fishing, and trapping, and other forms of public recreation.

We are proud to accomplish so much for Wisconsin citizens with a staff of 9.5 FTE positions, not a penny of tax payer monies, and overall agency expenses that are less than 0.2% of the value of the school trust funds the BCPL manages. We have increased operational efficiencies and held the line on agency expenses while managing more trust fund investments than at any time in agency history.

We respectfully request your consideration and approval of our 2015-17 biennial budgets. We look forward to working with you to ensure this agency continues to accomplish its goals in an effective and efficient manner. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Tia Nelson
Executive Secretary

AGENCY DESCRIPTION

The Board of Commissioners of Public Lands (BCPL) was created pursuant to Article X, Section 7 of the Wisconsin Constitution in 1848 to support public education. The Board is comprised of the Attorney General, State Treasurer and Secretary of State. With the assistance of the 9.5 FTE of the agency's professional staff in the Division of Trust Lands and Investments, the BCPL manages four school trust funds, approximately 77,000 acres of school trust lands, and the collection of Wisconsin's original land records. The board administers one of the largest public lending programs in the state. BCPL is a program revenue agency which is funded from a portion of the earnings of the investments managed by the Board.

MISSION

The primary mission of the board is to manage school trust funds and school trust lands for the benefit of public education.

The board invests the principal of four trust funds that currently total over \$986 million. A majority of the assets of the school trust funds are held in the Common School Fund and invested in loans to Wisconsin municipalities and school districts through the State Trust Fund Loan Program, one of the largest public lending programs in the state. Other school trust assets are invested in state and municipal bonds and the State Investment Fund. The earnings from the Common School Fund are distributed annually as aid to K-12 public school libraries. These monies are the sole source of state funding for public school libraries and for many school districts is the only money available to them for library books, newspapers and periodicals, web-based resources, and computer hardware and software.

The BCPL also manages what remain of school trust lands, the majority of which are located in the northern part of the State. These lands are administered primarily for revenue generation through sustainable timber management. The lands are open to the public for hunting, fishing, and trapping, and other forms of public recreation.

The BCPL also manages the collection of Wisconsin's original land records which include field survey notes, plat maps and sale records.

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 2 business days after receipt of payments.

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

2013 AND 2014 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2013	Actual 2013	Goal 2014	Actual 2014
1.	Number of loans to post.	1,200	1,221	1,200	1,171
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

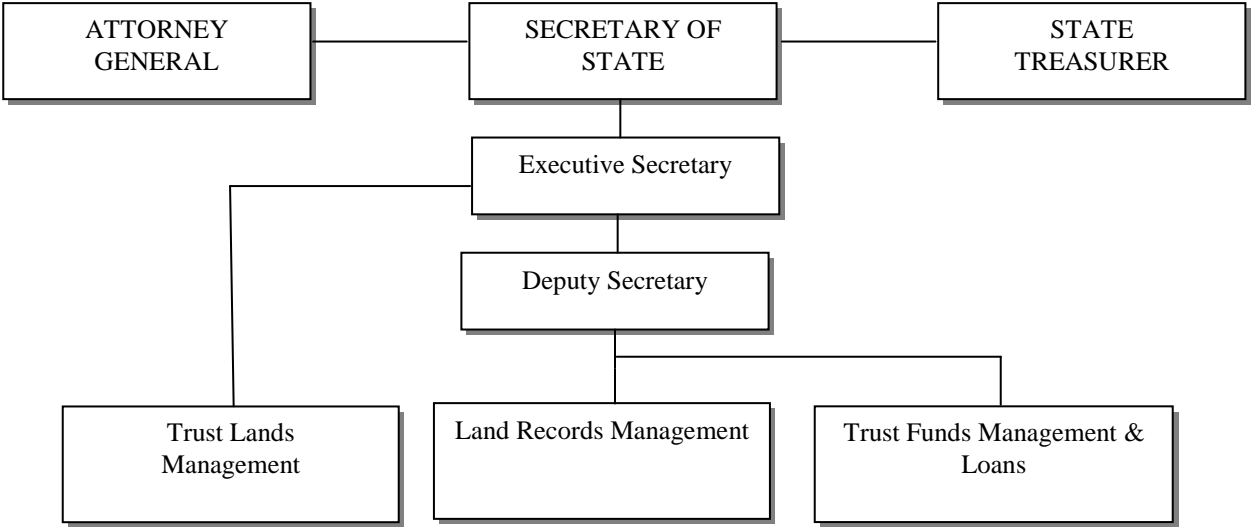
Note: Based on fiscal year.

2015, 2016 AND 2017 GOALS

Prog. No.	Performance Measure	Goal 2015	Goal 2015	Goal 2016
1.	Number of loans to post.	1,100	1,100	1,100
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



Agency Total by Fund Source

Board of Commissioners of Public Lands

1517 Biennial Budget

Source of Funds		ANNUAL SUMMARY				BIENNIAL SUMMARY					
		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PR	S	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	4.0%
Total		\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	4.0%
PR Federal	L	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.0%
Total		\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.0%
Grand Total		\$1,358,786	\$1,565,700	\$1,624,900	\$1,627,000	9.50	9.50	\$3,131,400	\$3,251,900	\$120,500	3.8%

Agency Total by Program

507 Board of Commissioners of Public Lands

1517 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
01 TRUST LANDS AND INVESTMENTS										
Non Federal										
PR	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
S	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
Total - Non Federal	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
S	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
Federal										
PR	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
L	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
Total - Federal	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
L	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
PGM 01 Total	\$1,358,786	\$1,565,700	\$1,624,900	\$1,627,000	9.50	9.50	\$3,131,400	\$3,251,900	\$120,500	3.85%
PR	\$1,358,786	\$1,565,700	\$1,624,900	\$1,627,000	9.50	9.50	\$3,131,400	\$3,251,900	\$120,500	3.85%
L	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
S	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
TOTAL 01	\$1,358,786	\$1,565,700	\$1,624,900	\$1,627,000	9.50	9.50	\$3,131,400	\$3,251,900	\$120,500	3.85%
L	\$0	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%

Agency Total by Program

507 Board of Commissioners of Public Lands

1517 Biennial Budget

S	\$1,358,786	\$1,513,000	\$1,572,200	\$1,574,300	9.50	9.50	\$3,026,000	\$3,146,500	\$120,500	3.98%
Agency Total	\$1,358,786	\$1,565,700	\$1,624,900	\$1,627,000	9.50	9.50	\$3,131,400	\$3,251,900	\$120,500	3.85%

Agency Total by Decision Item

Board of Commissioners of Public Lands

1517 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$1,565,700	\$1,565,700	9.50	9.50
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$45,300	\$45,300	0.00	0.00
3005 Reclassifications and Semiautomatic Pay Progression	\$12,000	\$12,000	0.00	0.00
3010 Full Funding of Lease and Directed Moves Costs	\$1,900	\$4,000	0.00	0.00
TOTAL	\$1,624,900	\$1,627,000	9.50	9.50

Program Revenue

1517 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
PROGRAM	01	Trust lands and investments
SUBPROGRAM		
NUMERIC APPROPRIATION	28	Trust lands and investments -- general program operations

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$0	\$0	\$0	\$0
Transfer from Earnings	\$1,358,800	\$1,513,000	\$1,572,200	\$1,574,300
Total Revenue	\$1,358,800	\$1,513,000	\$1,572,200	\$1,574,300
Expenditures	\$1,358,800	\$1,513,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$1,513,000	\$1,513,000
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$45,300	\$45,300
3010 Full Funding of Lease and Directed Moves Costs	\$0	\$0	\$1,900	\$4,000
3005 Reclassifications and Semiautomatic Pay Progression	\$0	\$0	\$12,000	\$12,000
Total Expenditures	\$1,358,800	\$1,513,000	\$1,572,200	\$1,574,300
Closing Balance	\$0	\$0	\$0	\$0

Decision Item (DIN) - 2000

Decision Item (DIN) Title - Adjusted Base Funding Level

NARRATIVE

Adjusted Base Funding Level

Decision Item by Line

1517 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
	CODES	TITLES
DECISION ITEM	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$650,900	\$650,900
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$30,200	\$30,200
05	Fringe Benefits	\$217,500	\$217,500
06	Supplies and Services	\$605,500	\$605,500
07	Permanent Property	\$8,900	\$8,900
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$52,700	\$52,700
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$1,565,700	\$1,565,700
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	8.50	8.50
20	Unclassified Positions Authorized	1.00	1.00

Decision Item by Numeric

Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	2000	Adjusted Base Funding Level			
01	Trust lands and investments				
	28 Trust lands and investments -- general program operations	\$1,513,000	\$1,513,000	9.50	9.50
	30 Federal aid -- flood control	\$52,700	\$52,700	0.00	0.00
	Trust lands and investments SubTotal	\$1,565,700	\$1,565,700	9.50	9.50
	Adjusted Base Funding Level SubTotal	\$1,565,700	\$1,565,700	9.50	9.50
	Agency Total	\$1,565,700	\$1,565,700	9.50	9.50

Decision Item by Fund Source

Board of Commissioners of Public Lands

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	2000	Adjusted Base Funding Level				
	PR	S	\$1,513,000	\$1,513,000	9.50	9.50
	PR Federal	L	\$52,700	\$52,700	0.00	0.00
	Total		\$1,565,700	\$1,565,700	9.50	9.50
Agency Total			\$1,565,700	\$1,565,700	9.50	9.50

Decision Item (DIN) - 3003

Decision Item (DIN) Title - Full Funding of Continuing Position Salaries and Fringe Benefits

NARRATIVE

Standard Budget Adjustment - Full Funding of Continuing Position Salaries and Fringe Benefits

Decision Item by Line

1517 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
	CODES	TITLES
DECISION ITEM	3003	Full Funding of Continuing Position Salaries and Fringe Benefits

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$7,100	\$7,100
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$38,200	\$38,200
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$45,300	\$45,300
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3003	Full Funding of Continuing Position Salaries and Fringe Benefits			
01	Trust lands and investments				
	28 Trust lands and investments -- general program operations	\$45,300	\$45,300	0.00	0.00
	Trust lands and investments SubTotal	\$45,300	\$45,300	0.00	0.00
	Full Funding of Continuing Position Salaries and Fringe Benefits SubTotal	\$45,300	\$45,300	0.00	0.00
	Agency Total	\$45,300	\$45,300	0.00	0.00

Decision Item by Fund Source

Board of Commissioners of Public Lands

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3003	Full Funding of Continuing Position Salaries and Fringe Benefits				
	PR	S	\$45,300	\$45,300	0.00	0.00
	Total		\$45,300	\$45,300	0.00	0.00
Agency Total			\$45,300	\$45,300	0.00	0.00

Decision Item (DIN) - 3005

Decision Item (DIN) Title - Reclassifications and Semiautomatic Pay Progression

NARRATIVE

Standard Budget Adjustment - Reclassifications and Semiautomatic Pay Progression The agency has very few staff members, most of which have specialized technical and professional training and skills that are critical to support the agency's missions. The agency is currently paying compensation that is marginally competitive with the marketplace for these positions. In order to prevent an exodus of agency staff members leaving for more lucrative employment positions, pay progression increases are needed for retention purposes.

Decision Item by Line

1517 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
	CODES	TITLES
DECISION ITEM	3005	Reclassifications and Semiautomatic Pay Progression

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$12,000	\$12,000
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$12,000	\$12,000
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3005	Reclassifications and Semiautomatic Pay Progression			
01	Trust lands and investments				
	28 Trust lands and investments -- general program operations	\$12,000	\$12,000	0.00	0.00
	Trust lands and investments SubTotal	\$12,000	\$12,000	0.00	0.00
	Reclassifications and Semiautomatic Pay Progression SubTotal	\$12,000	\$12,000	0.00	0.00
	Agency Total	\$12,000	\$12,000	0.00	0.00

Decision Item by Fund Source

Board of Commissioners of Public Lands

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3005	Reclassifications and Semiautomatic Pay Progression				
	PR	S	\$12,000	\$12,000	0.00	0.00
	Total		\$12,000	\$12,000	0.00	0.00
Agency Total			\$12,000	\$12,000	0.00	0.00

Decision Item (DIN) - 3010

Decision Item (DIN) Title - Full Funding of Lease and Directed Moves Costs

NARRATIVE

Standard Budget Adjustment - Full Funding of Lease and Directed Moves Costs

Decision Item by Line

1517 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
	CODES	TITLES
DECISION ITEM	3010	Full Funding of Lease and Directed Moves Costs

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$1,900	\$4,000
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$1,900	\$4,000
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3010	Full Funding of Lease and Directed Moves Costs			
01	Trust lands and investments				
	28 Trust lands and investments -- general program operations	\$1,900	\$4,000	0.00	0.00
	Trust lands and investments SubTotal	\$1,900	\$4,000	0.00	0.00
	Full Funding of Lease and Directed Moves Costs SubTotal	\$1,900	\$4,000	0.00	0.00
	Agency Total	\$1,900	\$4,000	0.00	0.00

Decision Item by Fund Source

Board of Commissioners of Public Lands

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3010	Full Funding of Lease and Directed Moves Costs				
	PR	S	\$1,900	\$4,000	0.00	0.00
	Total		\$1,900	\$4,000	0.00	0.00
Agency Total			\$1,900	\$4,000	0.00	0.00