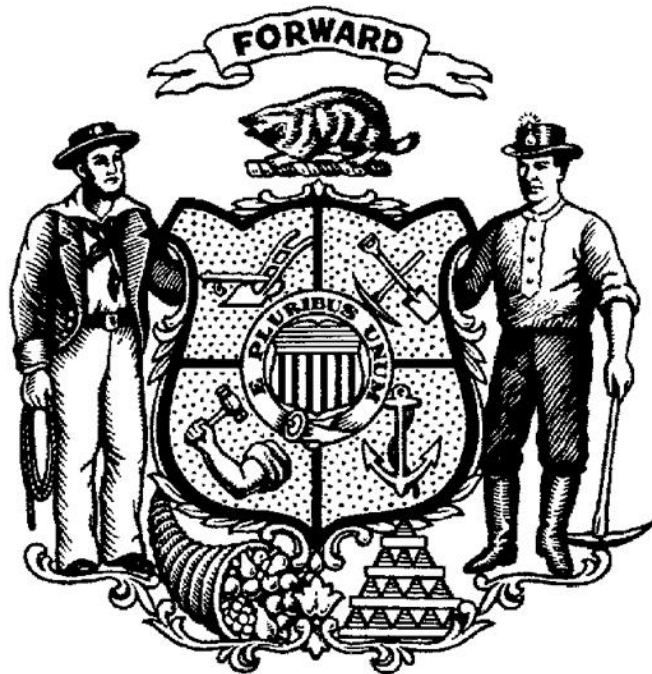


# State of Wisconsin

## Board of Commissioners of Public Lands



Agency Budget Request

2023 – 2025 Biennium

September 15, 2022

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Thomas P. German, *Executive Secretary*

September 15, 2022

The Honorable Tony Evers, Governor  
Honorable Members of the Joint Committee on Finance  
Honorable Members of the Wisconsin Legislature

Gentlemen and Mesdames:

I am pleased to submit the 2023-2025 Biennial Budget Request of the Board of Commissioners of Public Lands. For the first time in many years, we are asking for additional funding for personnel and goods and services. We have demonstrated a great track record of living within our means. We have adhered to the mantra of spending what you need, not what you want to spend. As we had not used our entire appropriation previously, BCPL's goods and services budget appropriation in the FY 2022-23 biennium was reduced from the prior biennium. That reduced appropriation level now impairs the agency's ability to carry out its mission to produce trust fund revenue at the new higher levels.

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.

BCPL has used its expanded investment authority to diversify trust fund holdings into Exchange Traded Funds (ETFs), bonds, real estate funds, private debt, venture capital and other private equity funds. A significant portion of the school trust funds are still invested in loans to Wisconsin municipalities and school districts through the State Trust Fund Loan Program. 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. This year, our record-breaking distribution will be in excess of \$50 million.

The BCPL also manages the remaining school trust lands, the majority of which are in the northern part of the State. These lands are administered primarily for timber 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 pleased to be able to accomplish so much with a small, highly specialized staff and total agency expenses that are 0.13% of the value of the school trust funds managed by BCPL. We have increased operational efficiencies and held the line on agency expenses while managing more trust assets than at any time in agency history.

We respectfully request your consideration and approval of our 2023-2025 biennial budget. 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,

Tom German,  
Executive Secretary

## **AGENCY DESCRIPTION**

The board 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 professional staff positions in the Division of Trust Lands and Investments, the board 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.

## **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 \$1.3 billion. The assets of the school trust funds are invested in a diversified portfolio with a significant investment in loans to Wisconsin municipalities and school districts through the State Trust Fund Loan Program. The earnings from the common school fund are distributed annually as aid to K-12 public school libraries. The earnings from the other three school trust funds are distributed annually to the University of Wisconsin.

The board also manages the remaining 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, trapping and other forms of public recreation.

The board 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 two business days after receipt of payments.

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

Objective/Activity: Recent changes in timber industry protocols have increased the complexity and time demands for scaling and invoicing. We plan to reduce the number of hours required to scale timber and prepare invoices for timber sales by further automating the process and using outside vendors to produce scale tickets.

## PERFORMANCE MEASURES

### 2019 AND 2020 GOALS AND ACTUALS

<b>Prog. No.</b>	<b>Performance Measure</b>	<b>Goal 2021</b>	<b>Actual 2021</b>	<b>Goal 2022</b>	<b>Actual 2022</b>
1.	Number of loans to post.	1,100	1,047	1,100	941
1.	Days required to post.	2	2	2	2
1.	Annual number of hours required to prepare scale tickets and invoices.	65	100	65	120

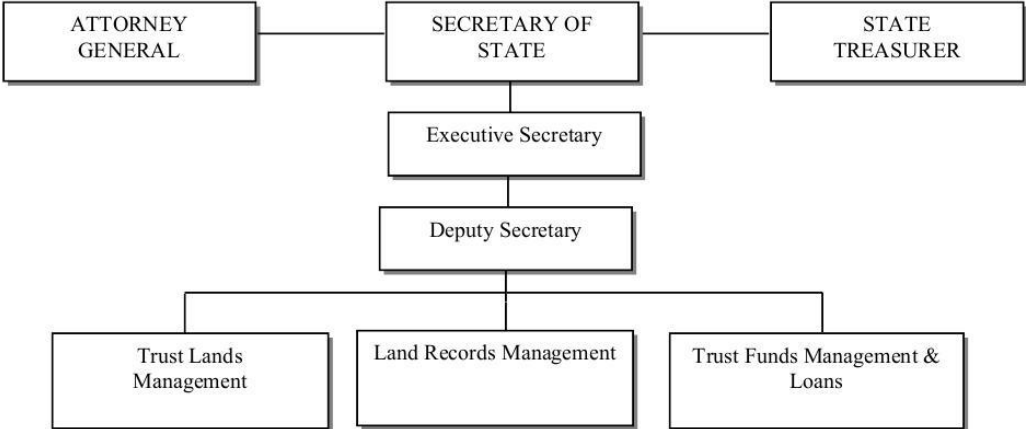
Note: Based on fiscal year.

### 2023, 2024 AND 2025 GOALS

<b>Prog. No.</b>	<b>Performance Measure</b>	<b>Goal 2023</b>	<b>Goal 2024</b>	<b>Goal 2025</b>
1.	Number of loans to post.	900	925	950
1.	Days required to post.	2	2	2
1.	Annual number of hours required to prepare scale tickets and invoices.	65	65	50

Note: Based on fiscal year.

**BOARD OF COMMISSIONERS OF PUBLIC LANDS**





# Agency Total by Fund Source

Board of Commissioners of Public Lands

2325 Biennial

		ANNUAL SUMMARY					BIENNIAL SUMMARY				
Source of Funds		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 %
GPR	L	\$0	\$25,000	\$25,000	\$25,000	0.00	0.00	\$50,000	\$50,000	\$0	0.00%
GPR	S	\$1,476,839	\$1,622,100	\$1,783,100	\$1,800,400	10.50	10.50	\$3,244,200	\$3,583,500	\$339,300	10.50%
<b>Total</b>		\$1,476,839	\$1,647,100	\$1,808,100	\$1,825,400	10.50	10.50	\$3,294,200	\$3,633,500	\$339,300	10.30%
PR	L	\$0	\$0	\$0	\$0	0.00	0.00	\$0	\$0	\$0	0.00%
<b>Total</b>		\$0	\$0	\$0	\$0	0.00	0.00	\$0	\$0	\$0	0.00%
PR Federal	L	\$60,331	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
<b>Total</b>		\$60,331	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
<b>Grand Total</b>		\$1,537,170	\$1,699,800	\$1,860,800	\$1,878,100	10.50	10.50	\$3,399,600	\$3,738,900	\$339,300	10.00%

# Agency Total by Program

## Board of Commissioners of Public Lands

## 2325 Biennial Budget

Source of Funds	Prior Year Total	ANNUAL SUMMARY					BIENNIAL SUMMARY			
		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 %
<b>01 Trust lands and investments</b>										
<b>Non Federal</b>										
<b>GPR</b>	<b>\$1,476,839</b>	<b>\$1,647,100</b>	<b>\$1,808,100</b>	<b>\$1,825,400</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,294,200</b>	<b>\$3,633,500</b>	<b>\$339,300</b>	<b>10.30%</b>
L	\$0	\$25,000	\$25,000	\$25,000	0.00	0.00	\$50,000	\$50,000	\$0	0.00%
S	\$1,476,839	\$1,622,100	\$1,783,100	\$1,800,400	10.50	10.50	\$3,244,200	\$3,583,500	\$339,300	10.46%
<b>PR</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
L	\$0	\$0	\$0	\$0	0.00	0.00	\$0	\$0	\$0	0.00%
<b>Total - Non Federal</b>	<b>\$1,476,839</b>	<b>\$1,647,100</b>	<b>\$1,808,100</b>	<b>\$1,825,400</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,294,200</b>	<b>\$3,633,500</b>	<b>\$339,300</b>	<b>10.30%</b>
L	\$0	\$25,000	\$25,000	\$25,000	0.00	0.00	\$50,000	\$50,000	\$0	0.00%
S	\$1,476,839	\$1,622,100	\$1,783,100	\$1,800,400	10.50	10.50	\$3,244,200	\$3,583,500	\$339,300	10.46%
<b>Federal</b>										
<b>PR</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$105,400</b>	<b>\$105,400</b>	<b>\$0</b>	<b>0.00%</b>
L	\$60,331	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
<b>Total - Federal</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$105,400</b>	<b>\$105,400</b>	<b>\$0</b>	<b>0.00%</b>
L	\$60,331	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%

# Agency Total by Program

## Board of Commissioners of Public Lands

## 2325 Biennial Budget

Source of Funds	Prior Year Total	ANNUAL SUMMARY					BIENNIAL SUMMARY			
		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 %
<b>01 Trust lands and investments</b>										
<b>PGM 01 Total</b>	<b>\$1,537,170</b>	<b>\$1,699,800</b>	<b>\$1,860,800</b>	<b>\$1,878,100</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,399,600</b>	<b>\$3,738,900</b>	<b>\$339,300</b>	<b>9.98%</b>
<b>GPR</b>	<b>\$1,476,839</b>	<b>\$1,647,100</b>	<b>\$1,808,100</b>	<b>\$1,825,400</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,294,200</b>	<b>\$3,633,500</b>	<b>\$339,300</b>	<b>10.30%</b>
L	\$0	\$25,000	\$25,000	\$25,000	0.00	0.00	\$50,000	\$50,000	\$0	0.00%
S	\$1,476,839	\$1,622,100	\$1,783,100	\$1,800,400	10.50	10.50	\$3,244,200	\$3,583,500	\$339,300	10.46%
<b>PR</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$105,400</b>	<b>\$105,400</b>	<b>\$0</b>	<b>0.00%</b>
L	\$60,331	\$52,700	\$52,700	\$52,700	0.00	0.00	\$105,400	\$105,400	\$0	0.00%
<b>TOTAL 01</b>	<b>\$1,537,170</b>	<b>\$1,699,800</b>	<b>\$1,860,800</b>	<b>\$1,878,100</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,399,600</b>	<b>\$3,738,900</b>	<b>\$339,300</b>	<b>9.98%</b>
L	\$60,331	\$77,700	\$77,700	\$77,700	0.00	0.00	\$155,400	\$155,400	\$0	0.00%
S	\$1,476,839	\$1,622,100	\$1,783,100	\$1,800,400	10.50	10.50	\$3,244,200	\$3,583,500	\$339,300	10.46%
<b>AGENCY TOTAL</b>	<b>\$1,537,170</b>	<b>\$1,699,800</b>	<b>\$1,860,800</b>	<b>\$1,878,100</b>	<b>10.50</b>	<b>10.50</b>	<b>\$3,399,600</b>	<b>\$3,738,900</b>	<b>\$339,300</b>	<b>9.98%</b>

# Agency Total by Decision Item

Board of Commissioners of Public Lands

2325 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$1,699,800	\$1,699,800	9.50	9.50
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	(\$25,600)	(\$25,600)	0.00	0.00
4010 Funding adjustment due to vacant positions	\$69,400	\$69,400	0.00	0.00
4020 Trust Asset Management Expenses	\$65,000	\$65,000	0.00	0.00
4030 New Forester Position	\$52,200	\$69,500	1.00	1.00
<b>TOTAL</b>	<b>\$1,860,800</b>	<b>\$1,878,100</b>	<b>10.50</b>	<b>10.50</b>

# GPR Earned

## 2325 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
PROGRAM	01	Trust lands and investments

DATE

Revenue	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$0	\$0	\$0	\$0
Revenue	\$64,178	\$60,000	\$60,000	\$60,000
<b>TOTAL</b>	<b>\$64,178</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>

# Program Revenue

2325 Biennial Budget

	CODES	TITLES
DEPARTMENT	507	Board of Commissioners of Public Lands
PROGRAM	01	Trust lands and investments
SUBPROGRAM		
NUMERIC APPROPRIATION	30	Federal aid -- flood control

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
<b>Opening Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Revenue	\$60,331	\$52,700	\$52,700	\$52,700
<b>Total Revenue</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>\$52,700</b>
<b>Expenditures</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$0</b>	<b>\$0</b>
2000 Adjusted Base Funding Level	\$0	\$0	\$52,700	\$52,700
<b>Total Expenditures</b>	<b>\$60,331</b>	<b>\$52,700</b>	<b>\$52,700</b>	<b>\$52,700</b>
<b>Closing Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Decision Item (DIN) - 2000**

**Decision Item (DIN) Title - Adjusted Base Funding Level**

**NARRATIVE**

Adjusted Base Funding Level

# Decision Item by Line

## 2325 Biennial Budget

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

	<b>Expenditure Items</b>	<b>1st Year Cost</b>	<b>2nd Year Cost</b>
01	Permanent Position Salaries	\$844,200	\$844,200
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$30,200	\$30,200
05	Fringe Benefits	\$297,300	\$297,300
06	Supplies and Services	\$441,500	\$441,500
07	Permanent Property	\$8,900	\$8,900
08	Unallotted Reserve	\$0	\$0
09	Aids to Individuals & Organizations	\$0	\$0
10	Local Assistance	\$77,700	\$77,700
11	One-time Financing	\$0	\$0
12	Debt service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
<b>17</b>	<b>TOTAL</b>	<b>\$1,699,800</b>	<b>\$1,699,800</b>
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

2325 Biennial Budget

## Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>2000 Adjusted Base Funding Level</b>				
01	Trust lands and investments				
	01 General program operations	\$1,622,100	\$1,622,100	9.50	9.50
	03 Payments in lieu of taxes	\$25,000	\$25,000	0.00	0.00
	30 Federal aid -- flood control	\$52,700	\$52,700	0.00	0.00
	<b>Trust lands and investments Sub Total</b>	<b>\$1,699,800</b>	<b>\$1,699,800</b>	<b>9.50</b>	<b>9.50</b>
	<b>Adjusted Base Funding Level Sub Total</b>	<b>\$1,699,800</b>	<b>\$1,699,800</b>	<b>9.50</b>	<b>9.50</b>
	<b>Agency Total</b>	<b>\$1,699,800</b>	<b>\$1,699,800</b>	<b>9.50</b>	<b>9.50</b>

# Decision Item by Fund Source

2325 Biennial Budget

## Board of Commissioners of Public Lands

Decision Item/Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>2000 Adjusted Base Funding Level</b>					
GPR	L	\$25,000	\$25,000	0.00	0.00
GPR	S	\$1,622,100	\$1,622,100	9.50	9.50
PR	L	\$0	\$0	0.00	0.00
PR Federal	L	\$52,700	\$52,700	0.00	0.00
<b>Adjusted Base Funding Level Total</b>		<b>\$1,699,800</b>	<b>\$1,699,800</b>	<b>9.50</b>	<b>9.50</b>
<b>Agency Total</b>		<b>\$1,699,800</b>	<b>\$1,699,800</b>	<b>9.50</b>	<b>9.50</b>

**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

## 2325 Biennial Budget

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

	<b>Expenditure Items</b>	<b>1st Year Cost</b>	<b>2nd Year Cost</b>
01	Permanent Position Salaries	(\$17,100)	(\$17,100)
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	(\$8,500)	(\$8,500)
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unallotted 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
<b>17</b>	<b>TOTAL</b>	<b>(\$25,600)</b>	<b>(\$25,600)</b>
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

2325 Biennial Budget

## Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>3003 Full Funding of Continuing Position Salaries and Fringe Benefits</b>				
01	Trust lands and investments				
	01 General program operations	(\$25,600)	(\$25,600)	0.00	0.00
	<b>Trust lands and investments Sub Total</b>	<b>(\$25,600)</b>	<b>(\$25,600)</b>	<b>0.00</b>	<b>0.00</b>
	<b>Full Funding of Continuing Position Salaries and Fringe Benefits Sub Total</b>	<b>(\$25,600)</b>	<b>(\$25,600)</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>(\$25,600)</b>	<b>(\$25,600)</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

2325 Biennial Budget

## Board of Commissioners of Public Lands

Decision Item/Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>3003 Full Funding of Continuing Position Salaries and Fringe Benefits</b>					
GPR	S	(\$25,600)	(\$25,600)	0.00	0.00
<b>Full Funding of Continuing Position Salaries and Fringe Benefits Total</b>		<b>(\$25,600)</b>	<b>(\$25,600)</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>		<b>(\$25,600)</b>	<b>(\$25,600)</b>	<b>0.00</b>	<b>0.00</b>

**Decision Item (DIN) - 4010**

**Decision Item (DIN) Title - Funding adjustment due to vacant positions**

**NARRATIVE**

After completion of full funding DIN it is readily apparent that the agency will lack the necessary funding to meet staffing salary and fringe. This is due to vacant positions at the minimal range level being used in the position funding snapshot. As a small agency with only 9.5 positions any discrepancy in the snapshot will significantly impact our budget.

# Decision Item by Line

## 2325 Biennial Budget

<b>DEPARTMENT</b>	<b>CODES</b>	<b>TITLES</b>
	507	Board of Commissioners of Public Lands
<b>DECISION ITEM</b>	<b>CODES</b>	<b>TITLES</b>
	4010	Funding adjustment due to vacant positions

	<b>Expenditure Items</b>	<b>1st Year Cost</b>	<b>2nd Year Cost</b>
01	Permanent Position Salaries	\$51,500	\$51,500
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$17,900	\$17,900
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unallotted 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
<b>17</b>	<b>TOTAL</b>	<b>\$69,400</b>	<b>\$69,400</b>
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

2325 Biennial Budget

## Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>4010 Funding adjustment due to vacant positions</b>				
01	Trust lands and investments				
	01 General program operations	\$69,400	\$69,400	0.00	0.00
	<b>Trust lands and investments Sub Total</b>	<b>\$69,400</b>	<b>\$69,400</b>	<b>0.00</b>	<b>0.00</b>
	<b>Funding adjustment due to vacant positions Sub Total</b>	<b>\$69,400</b>	<b>\$69,400</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>\$69,400</b>	<b>\$69,400</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

2325 Biennial Budget

## Board of Commissioners of Public Lands

Decision Item/Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>4010 Funding adjustment due to vacant positions</b>					
GPR	S	\$69,400	\$69,400	0.00	0.00
<b>Funding adjustment due to vacant positions Total</b>		<b>\$69,400</b>	<b>\$69,400</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>		<b>\$69,400</b>	<b>\$69,400</b>	<b>0.00</b>	<b>0.00</b>

## **Decision Item (DIN) - 4020**

### **Decision Item (DIN) Title - Trust Asset Management Expenses**

#### **NARRATIVE**

BCPL is seeking an additional \$65,000 for services related to trust asset management.

Since 2016, BCPL has undergone significant changes in how it manages trust assets. For the better part of 160 years, BCPL invested in state and municipal bonds and loans to municipalities in order to provide a stream of funding revenue for public school libraries and the UW.

However, in an effort to diversify our portfolio, increase our distributions and make those distribution levels more sustainable, we sought and obtained expanded investment authority. We moved carefully and prudently to diversify our trust asset portfolio. Our changes in management have brought about the changes in performance we were seeking. Trust fund earning distributions have risen significantly to the public education beneficiaries of BCPL's trust funds. We will be making a record distribution to public school libraries in excess of \$50 million in FY2023. But such expanded investment activities come with higher costs in the form of due diligence, transaction accounting and reporting and investment information services.

Our trust land management has also undergone significant changes. BCPL's improved management of school trust lands resulted in a significant rise in timber revenue production (a record \$1 million in FY 2022) which in turn produces more distributable income for the trust beneficiaries. But such expanded timber management activities come at a cost of increased expenses for boundary line work, scaling other timber sale management activities and tree planting to replenish pine plantations that are harvested. BCPL has also continued to move forward in selling or exchanging surplus school trust lands to achieve more efficiencies in trust land management. Those real estate transactions also carry increased costs in the form of appraisals and due diligence.

BCPL has demonstrated a great track record of living within our means. We have adhered to the mantra of spending what you need to spend, not what you want to spend. As we had not used our entire appropriation previously, BCPL's goods and services budget appropriation in the FY 2022-2023 biennium was reduced from the prior biennium. That reduced appropriation level now impairs the agency's ability to carry out its mission to produce trust fund revenue at the new higher levels.

In order to properly and prudently carry out its trust asset management responsibilities, BCPL respectfully requests additional goods and services appropriation to cover the expenses associated with such management duties.

# Decision Item by Line

## 2325 Biennial Budget

<b>DEPARTMENT</b>	<b>CODES</b>	<b>TITLES</b>
	507	Board of Commissioners of Public Lands
<b>DECISION ITEM</b>	<b>CODES</b>	<b>TITLES</b>
	4020	Trust Asset Management Expenses

	<b>Expenditure Items</b>	<b>1st Year Cost</b>	<b>2nd Year Cost</b>
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	\$65,000	\$65,000
07	Permanent Property	\$0	\$0
08	Unallotted 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
<b>17</b>	<b>TOTAL</b>	<b>\$65,000</b>	<b>\$65,000</b>
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

2325 Biennial Budget

## Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>4020 Trust Asset Management Expenses</b>				
01	Trust lands and investments				
	01 General program operations	\$65,000	\$65,000	0.00	0.00
	<b>Trust lands and investments Sub Total</b>	<b>\$65,000</b>	<b>\$65,000</b>	<b>0.00</b>	<b>0.00</b>
	<b>Trust Asset Management Expenses Sub Total</b>	<b>\$65,000</b>	<b>\$65,000</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>\$65,000</b>	<b>\$65,000</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

2325 Biennial Budget

## Board of Commissioners of Public Lands

Decision Item/Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>4020 Trust Asset Management Expenses</b>					
GPR	S	\$65,000	\$65,000	0.00	0.00
<b>Trust Asset Management Expenses Total</b>		<b>\$65,000</b>	<b>\$65,000</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>		<b>\$65,000</b>	<b>\$65,000</b>	<b>0.00</b>	<b>0.00</b>

## **Decision Item (DIN) - 4030**

### **Decision Item (DIN) Title - New Forester Position**

#### **NARRATIVE**

BCPL is seeking an additional senior forester FTE position to manage school trust lands for the primary purpose of managing timber sales.

BCPL manages approximately 77,000 acres of school trust lands. Many of these lands were residual holdings from federal land grants received over 100 years ago. Although they were offered for sale to the public, they did not sell because they were generally inaccessible or undesirable.

Since 2006, BCPL has made significant progress in consolidating our lands into larger, more manageable and accessible tracts of productive lands, and our management efforts are starting to show a significant increase in timber revenue. In fiscal 2022, we recorded an all-time record of timber revenue in excess of \$1 million.

While we are proud of our revenue accomplishments and increase in efficiencies, it takes resources to manage our land resources. We currently have only one FTE forester on staff. Together with the manager of our Lake Tomahawk office, they manage a land base primarily for timber production, but also make such lands available for public recreation. For every timber sale, tree growth data must be analyzed, the land must be walked, the trees and boundaries marked, the timber harvest estimated, the sale advertised, the logging scaled and the revenue deposited and accounted. In order to fulfill our fiduciary duty and manage this resource to produce revenue, we need an additional forester FTE to provide the labor to do the work. Without the additional position, it will not be possible to manage all the timber sales and produce the timber revenue that our school trust lands can produce.

Properly managing our timber resources provides revenue for BCPL's public education trust funds and keeps working forests working. It also provides timber for loggers and mills and work opportunities in Northern Wisconsin.

We respectfully request an additional senior forester FTE position for the primary purpose of managing timber sales for BCPL.

# Decision Item by Line

## 2325 Biennial Budget

<b>DEPARTMENT</b>	<b>CODES</b>	<b>TITLES</b>
	507	Board of Commissioners of Public Lands
<b>DECISION ITEM</b>	<b>CODES</b>	<b>TITLES</b>
	4030	New Forester Position

	<b>Expenditure Items</b>	<b>1st Year Cost</b>	<b>2nd Year Cost</b>
01	Permanent Position Salaries	\$38,700	\$51,600
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$13,500	\$17,900
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unallotted 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
<b>17</b>	<b>TOTAL</b>	<b>\$52,200</b>	<b>\$69,500</b>
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	1.00	1.00
20	Unclassified Positions Authorized	0.00	0.00



# Decision Item by Numeric

2325 Biennial Budget

## Board of Commissioners of Public Lands

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>4030 New Forester Position</b>				
01	Trust lands and investments				
	01 General program operations	\$52,200	\$69,500	1.00	1.00
	<b>Trust lands and investments Sub Total</b>	<b>\$52,200</b>	<b>\$69,500</b>	<b>1.00</b>	<b>1.00</b>
	<b>New Forester Position Sub Total</b>	<b>\$52,200</b>	<b>\$69,500</b>	<b>1.00</b>	<b>1.00</b>
	<b>Agency Total</b>	<b>\$52,200</b>	<b>\$69,500</b>	<b>1.00</b>	<b>1.00</b>

# Decision Item by Fund Source

2325 Biennial Budget

## Board of Commissioners of Public Lands

Decision Item/Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>4030 New Forester Position</b>					
GPR	S	\$52,200	\$69,500	1.00	1.00
<b>New Forester Position Total</b>		<b>\$52,200</b>	<b>\$69,500</b>	<b>1.00</b>	<b>1.00</b>
<b>Agency Total</b>		<b>\$52,200</b>	<b>\$69,500</b>	<b>1.00</b>	<b>1.00</b>

## ACT 201

Proposal under s. 16.42(4)(b)2.: **0% change in each fiscal year**

FY: **FY24**

Agency: **BCPL - 507**

Exclusions: Federal  
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

**Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.**

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

**IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE "FY24" TO "FY24 AND 25".**

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1) 0% Change Target	Proposed Budget 2023-24		Item Ref.	Change from Adj Base		(See Note 2) Remove SBAs		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE		Proposed \$	Proposed FTE		\$	FTE	\$	FTE		
<b>507</b>	<b>1a</b>	101	GPR	\$1,622,100.00	9.50	0	1,596,500	9.50		(25,600)	0.00	25,600	(1.00)	0	(1.00)
<b>507</b>	<b>1h</b>	128	PR	\$0.00	0.00	0	0	0.00		0	0.00	0	0.00	0	0.00
<b>Totals</b>				<b>1,622,100</b>	<b>9.50</b>	<b>0</b>	<b>1,596,500</b>	<b>9.50</b>		<b>(25,600)</b>	<b>0.00</b>	<b>25,600</b>	<b>(1.00)</b>	<b>0</b>	<b>(1.00)</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Target Reduction = 0  
Difference = **0**  
Should equal \$0

**Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency**

- 1
- 2
- 3

# ACT 201

Proposal under s. 16.42(4)(b)1.: 5% change in each fiscal year

FY: **FY24**

Agency: **BCPL - 507**

Exclusions: Federal  
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

**Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.**

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

**IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE "FY24" TO "FY24 AND 25".**

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1)	Proposed Budget 2023-24		Item Ref.	Change from Adj Base		(See Note 2)		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE	5% Reduction Target	Proposed \$	Proposed FTE		\$	FTE	Remove SBAs \$	FTE	\$	FTE
<b>507</b>	<b>1a</b>	101	GPR	\$1,622,100.00	9.50	(81,100)	1,515,400	10.50		(106,700)	1.00	25,600	0.00	(81,100)	1.00
<b>507</b>	<b>1h</b>	128	PR	\$0.00	0.00	0	0	0.00		0	0.00	0	0.00	0	0.00
<b>Totals</b>				<b>1,622,100</b>	<b>9.50</b>	<b>(81,100)</b>	<b>1,515,400</b>	<b>10.50</b>		<b>(106,700)</b>	<b>1.00</b>	<b>25,600</b>	<b>0.00</b>	<b>(81,100)</b>	<b>1.00</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Target Reduction = (81,100)

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Difference = **0**  
Should equal \$0

**Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency**

- 1 Spend less on due diligence reports. This will limit the diversification of the trust funds which will increase the volatility and decrease fund performance.
- 2 Engage in fewer land sales & exchanges. This will reduce expenses on appraisals, surveys and other closing costs. This will result in lower revenue generation from trust fund land assets.
- 3 Reduce timber sales. This may negatively impact future timber sale revenue.
- 4 Restrict work on updating agency's legacy software. This may result in future service interruptions for agency loan program.
- 5

## ACT 201

Proposal under s. 16.42(4)(b)2.: **0% change in each fiscal year**

FY: **FY25**

Agency: **BCPL - 507**

**IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE "FY24" TO "FY24 AND 25".**

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1)	Proposed Budget 2024-25		Item Ref.	Change from Adj Base		(See Note 2)		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE	0% Change Target	Proposed \$	Proposed FTE		\$	FTE	Remove SBAs \$	FTE	\$	FTE
<b>507</b>	<b>1a</b>	101	GPR	\$1,622,100.00	9.50	0	1,596,500	0.00		(25,600)	(9.50)	25,600	0.00	0	(9.50)
<b>507</b>	<b>1h</b>	128	PR	\$0.00	0.00	0	0	0.00		0	0.00	0	0.00	0	0.00
<b>Totals</b>				<b>1,622,100</b>	<b>9.50</b>	<b>0</b>	<b>1,596,500</b>	<b>0.00</b>		<b>(25,600)</b>	<b>(9.50)</b>	<b>25,600</b>	<b>0.00</b>	<b>0</b>	<b>(9.50)</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Target Reduction = 0

**Difference = 0**

Should equal \$0

**Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency**

- 1
- 2
- 3

# ACT 201

Proposal under s. 16.42(4)(b)1.: 5% change in each fiscal year

FY: **FY25**

Agency: **BCPL - 507**

**IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE "FY24" TO "FY24 AND 25".**

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1)	Proposed Budget 2024-25			Change from Adj Base		(See Note 2)		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE	5% Reduction Target	Proposed \$	Proposed FTE	Item Ref.	\$	FTE	\$	FTE	\$	FTE
<b>507</b>	<b>1a</b>	101	GPR	\$1,622,100.00	9.50	(81,100)	1,515,400	0.00		(106,700)	(9.50)	25,600	0.00	(81,100)	(9.50)
<b>507</b>	<b>1h</b>	128	PR	\$0.00	0.00	0	0	0.00		0	0.00	0	0.00	0	0.00
<b>Totals</b>				<b>1,622,100</b>	<b>9.50</b>	<b>(81,100)</b>	<b>1,515,400</b>	<b>0.00</b>		<b>(106,700)</b>	<b>(9.50)</b>	<b>25,600</b>	<b>0.00</b>	<b>(81,100)</b>	<b>(9.50)</b>

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Target Reduction = (81,100)

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

**Difference = 0**  
Should equal \$0

**Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency**

- 1 Spend less on due diligence reports. This will limit the diversification of the trust funds which will increase the volatility and decrease fund performance.
- 2 Engage in fewer land sales & exchanges. This will reduce expenses on appraisals, surveys and other closing costs. This will result in lower revenue generation from trust fund land assets.
- 3 Reduce timber sales. This may negatively impact future timber sale revenue.
- 4 Restrict work on updating agency's legacy software. This may result in future service interruptions for agency loan program.
- 5