



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*

AGENDA

July 25, 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 – July 5, 2017 (Attachment)
- 3) Approve Loans (Attachment)

Old Business:

None

New Business:

- 4) Proposed Land Bank Sales to the Public (S1702, S1703 and S1707) (Attachment)
- 5) Proposed Land Bank Sale – Dept. of Military Affairs, Volk Field Property, Juneau County (S1704) (Attachment)
- 6) Proposed Land Bank Purchase – American Timberland, LLC, Oneida County (P1702) (Attachment)

Routine Business:

- 7) Future Agenda Items - LRB draft # 17-3986/P1
- 8) Executive Secretary's Report (Attachment)
 - Investment Transaction Report – July 20, 2017
- 9) Adjourn

AUDIO ACCESS INFORMATION

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

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the July 5, 2017, board meeting.

Board Meeting Minutes
July 5, 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
Richard Sneider, Loan Analyst and Chief Investment Officer	Board of Commissioners of Public Lands
Vicki Halverson, Office Manager	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 – JUNE 22, 2017

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

DISCUSSION: None.

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

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. Christiana Vernon County Application #: 02017209 Purpose: Finance roadwork	Town Rate: 3.50% Term: 10 years	General Obligation	\$150,000.00
2. Clintonville Waupaca County Application #: 02017206 Purpose: Finance sewer projects	City Rate: 3.00% Term: 1 year	General Obligation	\$396,000.00
3. Omro Winnebago County Application #: 02017210 Purpose: Refinance BCPL loan #2005085	City Rate: 3.50% Term: 7 years	General Obligation	\$378,983.00
4. Omro Winnebago County Application #: 02017211 Purpose: Finance water and sewer system improvements	City Rate: 3.50% Term: 10 years	General Obligation	\$497,884.00

5.	Pensaukee Oconto County Application #: 02017201 Purpose: Finance building and lighting projects	Town Rate: 4.00% Term: 15 years	General Obligation	\$68,000.00
6.	Round Lake Sawyer County Application #: 02017205 Purpose: Construct fire station addition	Town Rate: 3.00% Term: 5 years	General Obligation	\$150,000.00
7.	Sheboygan Sheboygan County Application #: 02017208 Purpose: Finance road projects	Town Rate: 3.00% Term: 5 years	General Obligation	\$1,500,000.00
8.	Sun Prairie Dane County Application #: 02017207 Purpose: Finance land purchase	City Rate: 3.50% Term: 10 years	General Obligation	\$4,931,000.00
9.	Suring Oconto County Application #: 02017202 Purpose: Refinance TID #1 debt	Village Rate: 4.00% Term: 14 years	General Obligation	\$291,600.00
10.	Suring Oconto County Application #: 02017203 Purpose: Refinance municipal building debt	Village Rate: 3.50% Term: 10 years	General Obligation	\$172,988.00
11.	Wyocena Columbia County Application #: 02017204 Purpose: Finance roadwork	Town Rate: 3.50% Term: 10 years	General Obligation	\$352,000.00
TOTAL				\$8,888,455.00

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

DISCUSSION: None.

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

ITEM 4. FUTURE AGENDA ITEMS

None.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

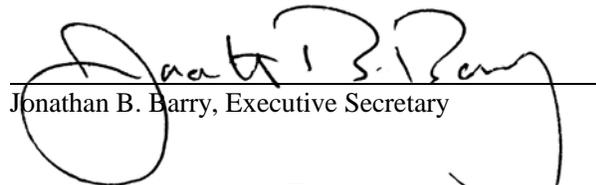
Executive Secretary Barry reported that, including the recent sale of \$10 million in bonds since the June 22 board meeting, the Board has realized long-term capital gains of \$7.66 million and \$300,000 in short-term capital gains. The \$10 million in bonds sales yielded an average annual return of 6.6% during the holding period.

Deputy Secretary German reported that a segregated "Common School Fund Income Account" had recently been authorized by the State Controller's Office. The account will hold income earned on the Common School Fund and allow staff to invest the funds in risk-free securities, which will yield significantly more than the State Investment Fund. The investments are short-term to allow for distribution of the earnings to the K-12 public school library beneficiaries in the spring.

ITEM 6. ADJOURN

MOTION: Commissioner La Follette moved to adjourn; Commissioner Adamczyk seconded the motion.

The meeting adjourned at approximately 2:07 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/2017-07-05_BCPL-BoardMtgRecording.mp3

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Christmas Mountain Sanitary Dist Sauk County Application #: 02017212 Purpose: Finance sanitary sewer projects	Sanitary District Rate: 4.00% Term: 20 years	General Obligation	\$650,000.00
2. Clayton Polk County Application #: 02018003 Purpose: Purchase dump truck	Village Rate: 3.50% Term: 10 years	General Obligation	\$160,000.00
3. Janesville Rock County Application #: 02018009 Purpose: Finance fire protection	Town Rate: 3.00% Term: 1 years	General Obligation	\$300,000.00
4. Johnson Marathon County Application #: 02018014 Purpose: Refinance grader loan	Town Rate: 3.00% Term: 5 years	General Obligation	\$220,000.00
5. Maxville Buffalo County Application #: 02018011 Purpose: Finance roadwork	Town Rate: 3.00% Term: 5 years	General Obligation	\$45,000.00
6. Phelps Vilas County Application #: 02018012 Purpose: Finance road projects	Town Rate: 4.00% Term: 15 years	General Obligation	\$700,000.00
7. Phelps Vilas County Application #: 02018013 Purpose: Refinance BCPL loan #2009255	Town Rate: 3.50% Term: 10 years	General Obligation	\$354,039.93
8. Richland Richland County Application #: 02018001 Purpose: Purchase squad cars	County Rate: 3.00% Term: 4 years	General Obligation	\$120,000.00

Municipality	Municipal Type	Loan Type	Loan Amount
9. Richland Richland County Application #: 02018002 Purpose: Finance capital projects	County Rate: 3.50% Term: 10 years	General Obligation	\$1,390,421.00
10. Salem Pierce County Application #: 02018010 Purpose: Finance bridge replacement	Town Rate: 3.00% Term: 5 years	General Obligation	\$270,000.00
11. Sheboygan Sheboygan County Application #: 02017213 Purpose: Finance TID #16 development incentive	City Rate: 3.50% Term: 10 years	General Obligation	\$400,000.00
12. Sugar Camp Oneida County Application #: 02018005 Purpose: Purchase land; construct ambulance building	Town Rate: 3.50% Term: 10 years	General Obligation	\$300,000.00
13. Verona Area Dane County Application #: 02018007 Purpose: Finance school projects	School Rate: 3.00% Term: 5 years	General Obligation	\$5,000,000.00
14. Wautoma Waushara County Application #: 02018008 Purpose: Finance roadwork	Town Rate: 3.00% Term: 2 years	General Obligation	\$60,000.00
15. Whitelaw Manitowoc County Application #: 02018006 Purpose: Finance roadwork	Village Rate: 4.00% Term: 15 years	General Obligation	\$170,000.00
16. Winchester Winnebago County Application #: 02018004 Purpose: Finance roadwork	Town Rate: 3.00% Term: 4 years	General Obligation	\$100,000.00
17. Wisconsin Rapids Portage and Wood Counties Application #: 02018015 Purpose: Finance energy efficiency and capital improvement projects	School Rate: 3.50% Term: 10 years	General Obligation	\$11,500,000.00
TOTAL			\$21,739,460.93

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 4
PROPOSED LAND BANK SALES TO THE PUBLIC
(S1702 – Gander Lake Rd, S1703 – Rocky Lake Rd and S1707 – Leola Ditch)**

BCPL owns three parcels of land in Douglas and Adams Counties totaling approximately 120 acres (collectively the “Properties”).

BCPL staff recommends the sale of the Properties to the public via the sealed bid process for the following reasons:

- S1702 (Gander Lake Rd) property is isolated and outside the consolidation zone;
- S1703 (Rocky Lake Rd) and S1707 (Leola Ditch) properties are isolated, outside of the consolidation zone, unproductive and have no legal access;
- The Properties do not provide access to other BCPL lands;
- Sale of the Properties 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 any of the Properties are required for their respective use; and
- Sale of the Properties via sealed bid process is expected to be the best method for maximizing the sales proceeds from the Properties.

Attachments:

Resolution w/Exhibits

Exhibits A – C: Appraisal Certifications

Exhibits D – F: BCPL Sales Analyses

BCPL Project Maps

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 4
PROPOSED LAND BANK SALES TO THE PUBLIC
(S1702 – Gander Lake Rd, S1703 – Rocky Lake Rd and S1707 – Leola Ditch)**

RECITALS

- A. The Board of Commissioners currently holds title to three parcels of property located in Douglas and Adams Counties that together comprise approximately 120 acres (collectively, the “Properties”). The three Properties are further described as follows:
- a. **Property A (S1702 – Gander Lake Rd)** is the Northwest Quarter of the Southwest Quarter of Section Twenty-Two (S22), Township Forty-Six North (T46N), Range Eleven West (R11W) in Douglas County. Property A was independently appraised by Valhalla Management Services and has been determined to have a value of Fifty-Nine Thousand Dollars (\$59,000.00). A copy of the certification page of the appraisal of Property A is attached as Exhibit A.
 - b. **Property B (S1703 – Rocky Lake Rd)** is the Southeast Quarter of the Southwest Quarter of Section Twenty-Seven (S27), Township Forty-Five North (T45N), Range Ten West (R10W) in Douglas County. Property B was independently appraised by Valhalla Management Services and has been determined to have a value of Fourteen Thousand Dollars (\$14,000.00). A copy of the certification page of the appraisal of Property B is attached as Exhibit B.
 - c. **Property C (S1707 – Leola Ditch)** is the Southwest Quarter of the Northeast Quarter of Section Thirteen (S13), Township Twenty North (T20N), Range Six East (R6E) in Adams County. Property C was independently appraised by Stone Appraisals, LLC and has been determined to have a value of Thirty-Two Thousand Dollars (\$32,000.00). A copy of the certification page of the appraisal of Property C is attached as Exhibit C.
- B. All of the above Properties have been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Properties have been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis for each of the respective Properties is attached to this resolution as Exhibits D, E, and F.
- C. The Wisconsin Department of Natural Resources has determined that none of the Properties are required for their purposes.
- D. BCPL staff members assert that, to the best of their knowledge, none of the Properties are required by any other governmental unit in Wisconsin.
- E. BCPL staff recommends that the Board authorize the sale of the Properties 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 Properties pursuant to a sealed bid process. The minimum acceptable bid for each Property shall be the appraised value for such respective Property determined by the independent appraisers as set forth above. Such sales 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.

APPRAISER'S CERTIFICATION

In completing this appraisal report, the appraiser, certifies the following:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and legal instructions, and are the personal, unbiased professional analysis, opinions, and conclusions of the appraiser;
3. The appraiser has no present or prospective interest in the property appraised, and no personal interest or bias with respect to the parties involved;
4. The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported;
5. The appraisal was made in the appraisal report prepared in conformity with the "Uniform Appraisal Standards for Federal Land Acquisitions;"
6. The appraisal was made in the appraisal report prepared, in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP's Jurisdictional Exception Rule, as described in section D – 1 of the Uniform Appraisal Standards for Federal Land Acquisitions.
7. The appraiser has made a personal inspection of the property appraised, and that the property owner, or his/her designated representative, was given the opportunity to accompany the appraiser on the property inspection;
8. This appraisal has been developed by Larry W. Foltz with assistance provided by Gregory Foltz. Gregory has completed and passed all basic appraisal education courses and is in the process of attaining his experience hours for licensing and certification. Gregory is fully qualified to assist in the preparation of this appraisal assignment under the direct supervision of the Certified General Appraiser preparing and signing this report.

The appraised current market value of the subject property, in fee simple interest, as of the effective date of this appraisal, June 2, 2017 is \$59,000.

By:



Larry W Foltz

State of Wisconsin, Certified General Appraiser number 507-10

Date Signed: June 26, 2017

APPRAISER'S CERTIFICATION

In completing this appraisal report, the appraiser, certifies the following:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and legal instructions, and are the personal, unbiased professional analysis, opinions, and conclusions of the appraiser;
3. The appraiser has no present or prospective interest in the property appraised, and no personal interest or bias with respect to the parties involved;
4. The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported;
5. The appraisal was made in the appraisal report prepared in conformity with the "Uniform Appraisal Standards for Federal Land Acquisitions;"
6. The appraisal was made in the appraisal report prepared, in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP's Jurisdictional Exception Rule, as described in section D – 1 of the Uniform Appraisal Standards for Federal Land Acquisitions;
7. The appraiser has made a personal inspection of the property appraised, and that the property owner, or his/her designated representative, was given the opportunity to accompany the appraiser on the property inspection;
8. This appraisal has been developed by Larry W. Foltz with assistance provided by Gregory Foltz. Gregory has completed and passed all basic appraisal education courses and is in the process of attaining his experience hours for licensing and certification. Gregory is fully qualified to assist in the preparation of this appraisal assignment under the direct supervision of the Certified General Appraiser preparing and signing this report.

The appraised current market value of the subject property, in fee simple interest, as of the effective date of this appraisal, June 2, 2017 is \$14,000.

By:



Larry W Foltz

State of Wisconsin, Certified General Appraiser number 507-10

Date Signed: June 26, 2017

CERTIFICATION OF APPRAISER

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

- I have no present or contemplated future interest in the property appraised or in the parties involved. My compensation is not contingent on any action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- I have no personal interest or bias with respect to the subject matter of this appraisal or the parties involved.
- To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions and conclusions expressed herein are based, are true and correct.
- This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analysis, opinions and conclusions contained in this report.
- No one other than the undersigned assisted in the preparation of the analysis, opinions, and conclusions concerning real estate that are set forth in this appraisal report.
- This appraisal assignment was not based on a requested minimum valuation or specific valuation.
- This appraisal report has been made in conformity with and is subject to the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have not appraised nor performed any services on the subject property during the last three years.
- I personally inspected the appraised property on June 6, 2017.

It is my opinion that the market value of the fee simple estate interests in the 40 acre m/l subject property, as of 40, 2017, is \$32,000.



Michael W. Stone
Wisconsin Certified General Appraiser No. 1338-10

June 13, 2017

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S 1702

Common Name for Land Parcel: Gander Lake Road
County: Douglas Township: Bennett
Legal Description: NW/SW, Sec. 22, T46N, R11 W
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.

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

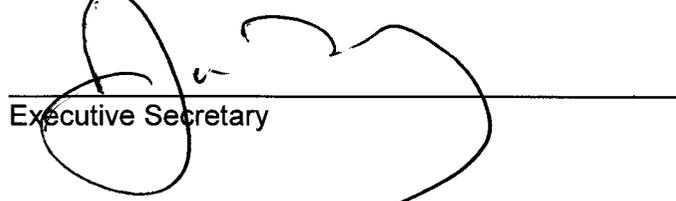
- Yes
- No


Trust Lands Forestry Supervisor

4-11-17
Date

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

- Yes
- No


Executive Secretary

4/17/17
Date

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S 1703

Item 4
Exhibit E
Property B
Rocky Lake Rd

Common Name for Land Parcel: Rocky
County: Douglas Township: Highland
Legal Description: SESW, Sec. 27, T45N, R10W
GLO Acres: 40

Sale Criteria

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

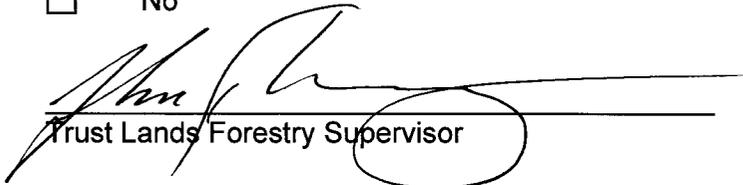
- 2. Timber Management**
 - Parcel is located outside of Consolidation Zone.
 - Parcel is an isolated or unproductive parcel within the Consolidation Zone.

- 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.

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

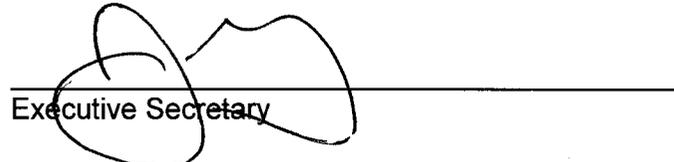
- Yes
- No


Trust Lands Forestry Supervisor

4-24-17
Date

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

- Yes
- No


Executive Secretary

4/17/17
Date

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S S1707

Item 4
Exhibit F
Property C
Leola Ditch

Common Name for Land Parcel: Leola Ditch

County: Adams Township: Rome

Legal Description: SWNE, Section 13, Township 20 North, Range 6 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: _____

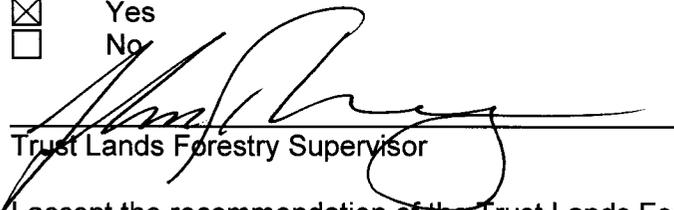
- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

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:

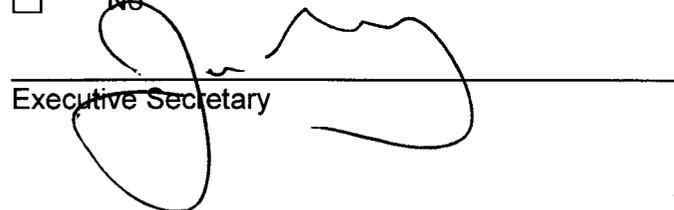
- Yes
- No


Trust Lands Forestry Supervisor

5/26/17
Date

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

- Yes
- No


Executive Secretary

6-1-17
Date

RECEIVED JUN - 1 2017

GANDER LAKE ROAD SALE



BCPL Project #:
 S1702

County: Douglas

Town: Bennett

Common Name:
 Gander Lake Road

Acres - 40.0

Fund 745



 Parcel being Sold

0 0.05 0.1
 Miles

INTERNAL USE ONLY

ROCKY LAKE ROAD SALE



BCPL Project #:
S1703

County: Douglas

Town: Highland

Common Name:
Rocky Lake Road

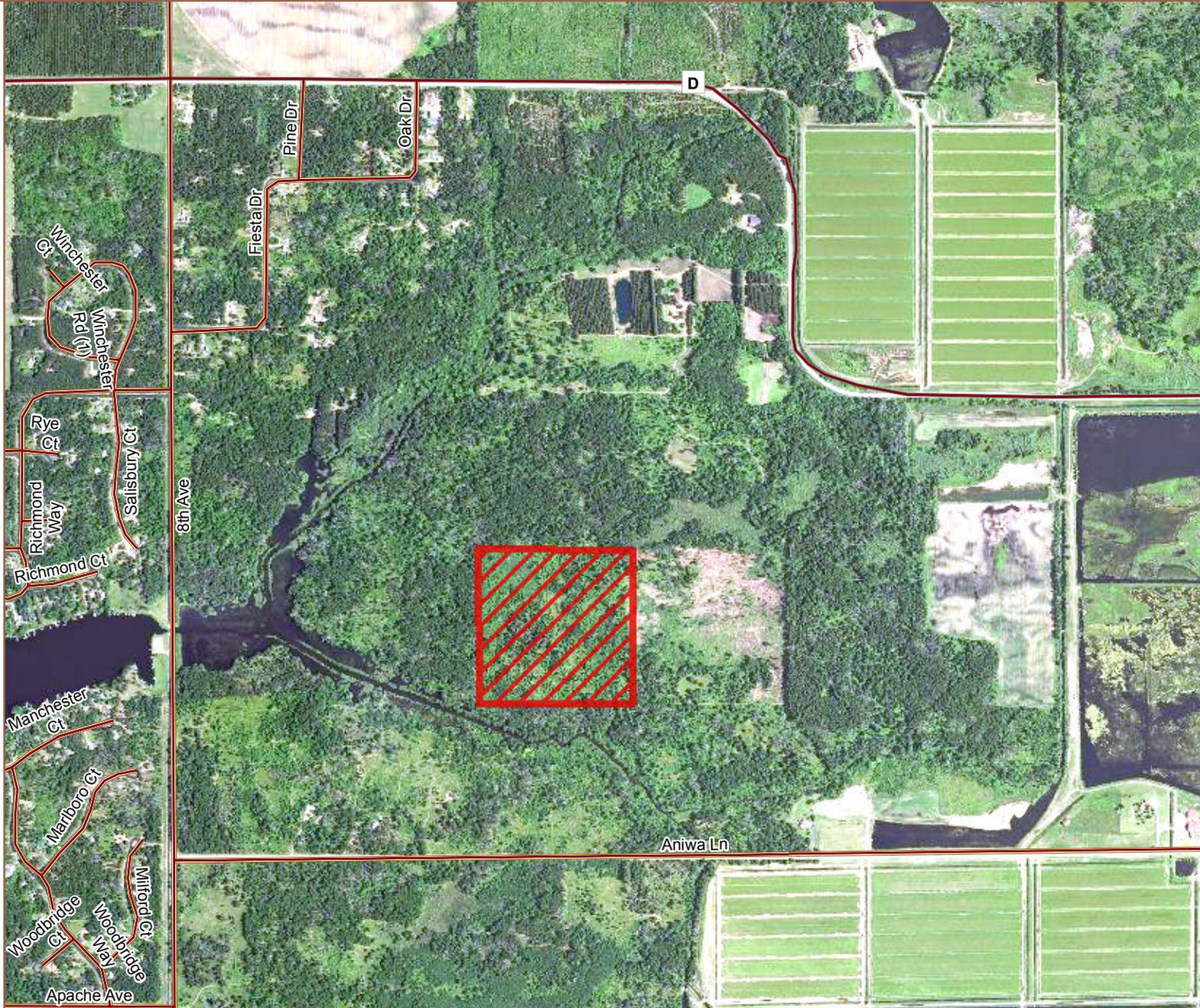
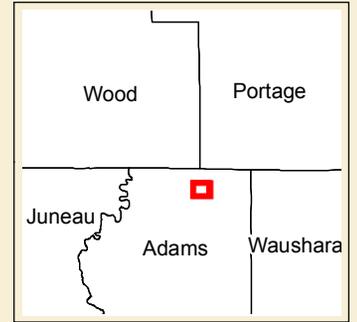
Acres - 40.0

Fund 745



INTERNAL USE ONLY

LEOLA DITCH SALE



BCPL Project #:
S1707

County: Adams

Town: Rome

Common Name:
Leola Ditch

Acres - 40

Fund 745



Parcels being Sold



INTERNAL USE ONLY

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 5
PROPOSED LAND BANK SALE – DEPARTMENT OF MILITARY AFFAIRS
(S1704 – Volk Field)**

The Wisconsin Department of Military Affairs has determined that a 40-acre parcel of BCPL School Trust Land located in Juneau County is required for State use (the “Property”).

BCPL staff recommends the sale of the Property to the Department of Military Affairs for the following reasons:

- The Property is isolated and located outside the Consolidation Zone;
- 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 existing BCPL lands, produce timber revenue, improve management efficiency, or all of the above; and
- Sale of the Property to the Department of Military Affairs would improve management efficiencies for the Department of Military Affairs by adding a parcel that blocks well with existing Department of Military Affairs lands.

Attachments:

Resolution w/Exhibits

Exhibit A – Appraisal Certification

Exhibits B – BCPL Sale Analysis

BCPL Project Map

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 5
PROPOSED LAND BANK SALE – DEPARTMENT OF MILITARY AFFAIRS
(S1704 – Volk Field)**

RECITALS

- A. The Wisconsin Department of Military Affairs has determined that a parcel of School Trust Land currently owned by the Board of Commissioners of Public Lands (“BCPL”), totaling approximately 40 acres in size, is required for use at the Volk Field Air National Guard Base. The land is more particularly described as:

the Southwest Quarter of the Southeast Quarter (SWSE) of Section Twenty-Two (S22), Township Seventeen North (T17N), Range Two East (R2E), Orange Township, Juneau County, Wisconsin (the “Property”).
- B. The Property has been independently appraised by Stone Appraisals, LLC and has been determined to have a value of Thirty Thousand Dollars (\$30,000). A copy of the certification page of the appraisal is attached as Exhibit A.
- C. 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 B.
- D. BCPL staff recommends that the Board authorize the sale of the Property to the Department of Military Affairs at the appraised value of \$30,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Property to the Department of Military Affairs at the price of Thirty Thousand Dollars (\$30,000) 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 transaction.

CERTIFICATION OF APPRAISER

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

- I have no present or contemplated future interest in the property appraised or in the parties involved. My compensation is not contingent on any action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- I have no personal interest or bias with respect to the subject matter of this appraisal or the parties involved.
- To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions and conclusions expressed herein are based, are true and correct.
- This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analysis, opinions and conclusions contained in this report.
- No one other than the undersigned assisted in the preparation of the analysis, opinions, and conclusions concerning real estate that are set forth in this appraisal report.
- This appraisal assignment was not based on a requested minimum valuation or specific valuation.
- This appraisal report has been made in conformity with and is subject to the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have not appraised nor performed any services on the subject property during the last three years.
- I personally inspected the appraised property on June 6, 2017. Edwin Walter (Volk Field Real Estate Specialist).

It is my opinion that the market value of the fee simple estate interests in the 40 acre m/l subject property, as of June 6, 2017, is \$30,000.



Michael W. Stone
Wisconsin Certified General Appraiser No. 1338-10

June 10, 2017

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S 1704

Item 5
Exhibit B
Volk Field

Common Name for Land Parcel: Volk Field
County: Juneau Township: Orange
Legal Description: SWSE of Section 22, Township 17 North, Range 2 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.

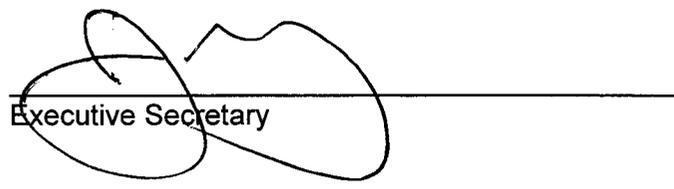
I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes
- No

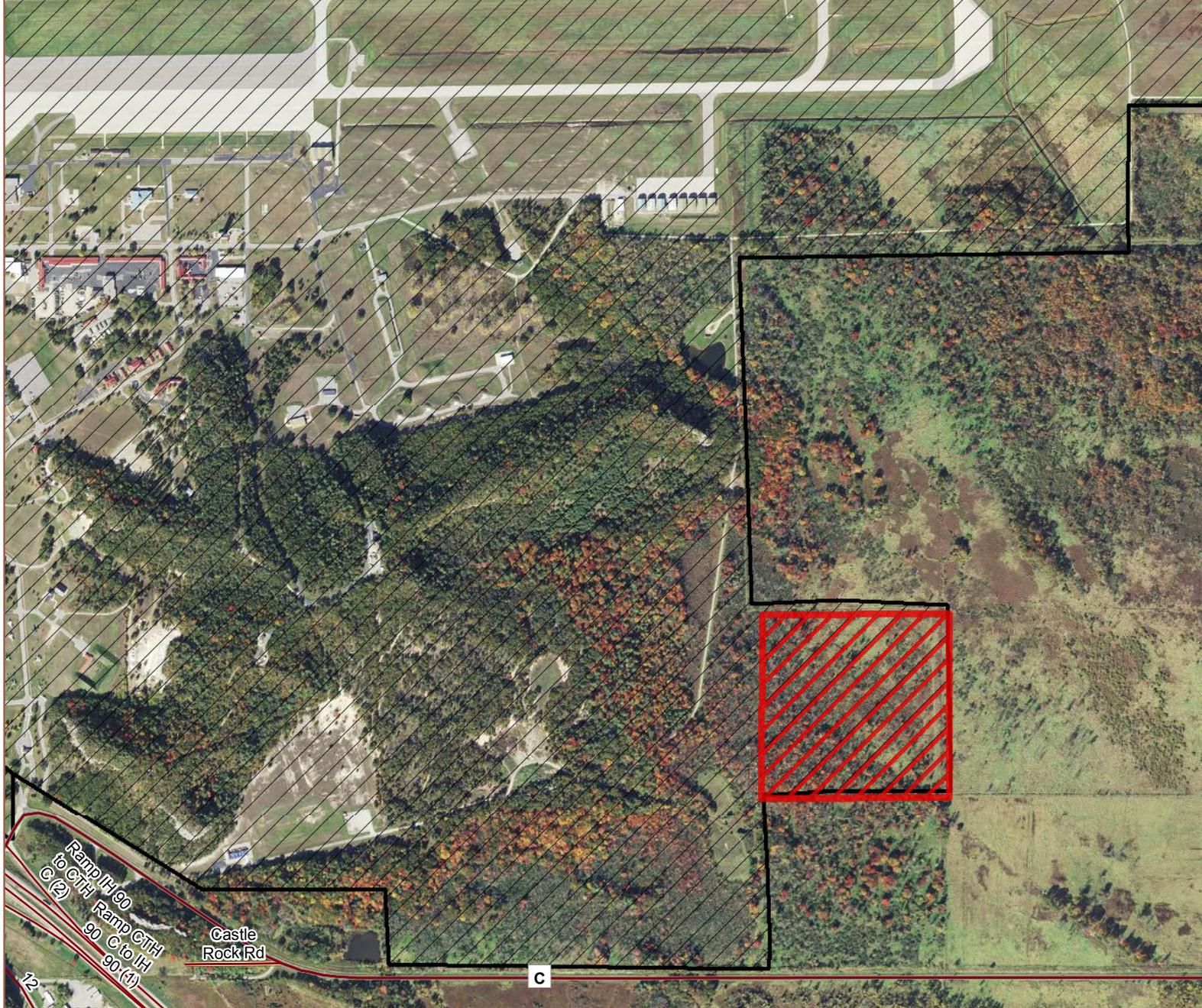
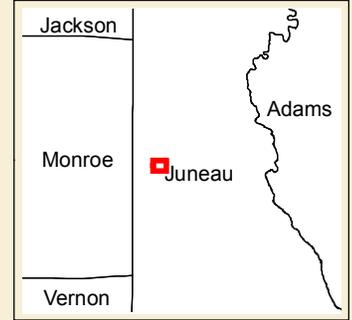

Trust Lands Forestry Supervisor
4-25-17
Date

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

- Yes
- No


Executive Secretary
4-26-17
Date

VOLK FIELD SALE



BCPL Project #:
S1704

County: Juneau

Town: Orange

Common Name:
Volk Field

Acres - 40

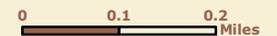
Fund 745



Parcel being Sold



WI Military Affairs



INTERNAL USE ONLY

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 6
PROPOSED LAND BANK PURCHASE – AMERICAN TIMBERLAND (P1702)**

American Timberland, LLC is offering to sell 953.68 acres of land in Oneida County.

BCPL staff recommends the purchase of the property from American Timberland, LLC for the following reasons:

- Purchase of the Property would improve and protect public access on a sizeable block of forestland. The purchase would provide permanent, legal access to BCPL parcels that previously had no such access;
- Purchase of the Property would result in improved management efficiencies as the size of BCPL's block of land would increase and the boundary line work associated with that block would decrease;
- Purchase of the Property would provide BCPL with productive timberland that can be expected to produce significant revenue for the Trust Funds through future timber harvests;
- Purchase of the Property would increase the percentage of upland on BCPL property; and
- Purchase of the Property would reduce forest fragmentation.

Attachments:

Resolution w/Exhibits

Exhibit A – BCPL Purchase Criteria

Exhibit B – Opinion of Value

BCPL Project Map

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 6
PROPOSED LAND BANK PURCHASE – AMERICAN TIMBERLAND (P1702)**

RECITALS

- A. BCPL staff is requesting authority to purchase Nine Hundred Fifty-Three and Sixty-Eight One-hundredths (953.68) acres of land from American Timberland, LLC more particularly described as the Southeast Quarter of the Southwest Quarter (SESW), the Northwest Quarter of the Southeast Quarter (NWSE), the Southwest Quarter of the Southeast Quarter (SWSE), and the Southeast Quarter of the Southeast Quarter (SESE) of Section Thirty (30), the entire Section Thirty-one (31), and the Northwest Quarter of the Northwest Quarter (NWNW), the Southwest Quarter of the Northwest Quarter (SOWNW), the Southeast Quarter of the Northwest Quarter (SESNW), and the Northwest Quarter of the Southwest Quarter (NWSW) of Section Thirty-two (32), Township Thirty-eight (38) North, Range Four (4) East, Town of Minocqua, Oneida County Wisconsin, totaling approximately 953.68 acres in size (the “Property”).
- B. The Property is contiguous to land currently owned by the Board of Commissioners of Public Lands.
- C. The Property has been evaluated by BCPL staff against purchase criteria previously adopted by the Board. The Property has been determined by BCPL staff to be appropriate for purchase according to such criteria. A copy of the purchase analysis is attached to this resolution as Exhibit A.
- D. The Property was independently appraised by Compass Land Consultants, Inc. at a value of One Thousand Two Hundred Fifty Dollars (\$1,250) per acre for a total of One Million One Hundred Ninety-One Thousand Dollars (\$1,191,000). A copy of the Opinion of Value has been attached to this resolution as Exhibit B.
- E. American Timberland, LLC has agreed to sell the Property for One Thousand Two Hundred Twenty-Eight Dollars (\$1,238) per acre for a total of One Million One Hundred Eighty Thousand Dollars (\$1,180,000).
- F. BCPL staff recommends the purchase of the Property because purchase of the Property would:
 - a. Improve public access to an existing block of BCPL forestland and provide permanent, legal access to previously landlocked BCPL parcels;

- b. Improve management efficiencies by increasing the tract size of an existing block of School Trust Lands while reducing per acre boundary line work associated with that block.
 - c. Add productive timberland that can be expected to produce significant revenue for the School Trust Funds through future timber harvests;
 - d. Increase the percentage of upland on BCPL properties; and
 - e. Reduce forest fragmentation.
- G. BCPL staff recommends that the Board authorize the purchase of the Property from American Timberland, LLC at the price of \$1,180,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the purchase of the Property from American Timberland, LLC at the price of One Million One Hundred Eighty Thousand Dollars (\$1,180,000) in accordance with Chapter 24 of the Wisconsin Statutes on such other 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 transaction.

Summary Analysis of Potential Property Purchase
Transaction ID#: P 1702

Common Name: American Timberland LLC, Stony Creek

County: Oneida Township: Minocqua

Legal Description: T38N-R4E Section 30, SESW, NWSE, SWSE, SESE, Section 31, Section 32, NWSW, NWNW, SWNW, SENW

Acres: 953

Purchase Criteria

1. Forest Fragmentation

- Average tract size increases.
- The ratio of perimeter to area decreases.
- There is a clear reduction of the threat for conversion from forest to non-forest use.

2. Access

- Management access to our existing timber tracts is improved.
- There is an increase in the number of BCPL acres open to the public.

3. Management Efficiency

- The percentage of upland on BCPL properties increases.
- The amount of line work per acre decreases.
- The average distance from the tracts to the BCPL field office decreases.

4. Timber Character and Value

- The average site index of forest soils on BCPL property increases.
- Within one cutting cycle there is an increase in the potential high-value sawlog volume and growth on the tract
- There is an increase in the forest types and species that diversify the BCPL's timber portfolio.
- There is an increase in the number of acres and size of tracts where the BCPL has summer logging opportunities.

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

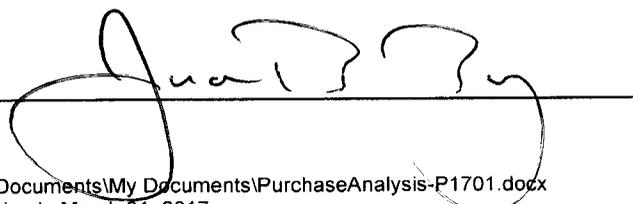
- Yes
- No


Trust Lands Forestry Supervisor

3/31/2017
Date

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

- Yes
- No



4-4-17

Executive Secretary

Date

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Purchase
Transaction ID#: P 1702

Common Name: American Timberlands-Stony Creek

County: Oneida Township: Minocqua

Legal Description: T38N-R4E - Section 30, SESW, NWSE, SESE, SESE, Section 31, Section 32, NWSW, NWNW, SWNW, SENW

Acres: 953

Parcel ID Number: MI-492, multiple others

Previous Year Tax Levy: \$ 753.40

Name(s) of Seller(s): American Timberland, LLC.

Address of Seller(s): 1180 Peachtree St. NE, Suite 1810
Atlanta, GA. 30309

Seller Phone #: _____

Seller's Attorney or Agent: Ryan Hanson

Contact Information: Lakeland Realty

9768 W. Lake Drive

P.O. Box 1104 (mail)

Minocqua, WI 54548

Seller's Attorney or Agent Phone Number(s): 715-358-5263

Asking Price: \$ \$1,280,000

Summary Analysis of Potential Property Purchase
Transaction ID#: P 1702

Common Name: American Timberland, LLC-Stony Creek

County: Oneida Township: Minocqua

Legal Description: T38N-R4E - Section 30, SESW, NWSE, SESE, SESE, Section 31, Section 32, NWSW, NWNW, SWNW, SENW

Acres: 953

Acres of productive forest land in parcel(s): 800 acres

Acres of timber base in parcel(s): 660 acres

Acres of non-productive land in parcel(s): 153 acres

Acres of land with public access in parcel(s): 953 acres

Acres of land without public access in parcel(s): 0 acres

Acres of current BCPL land that will become accessible to the public through parcel(s): 40 acres

Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s): 105 acres

Comments (parcel cover type or other attributes of parcel or transaction):

Parcel fulfills all three criteria of the Land Bank: Improved access, blocking and timberlands.

Parcel provides access to 105 acres of BCPL upland timber.

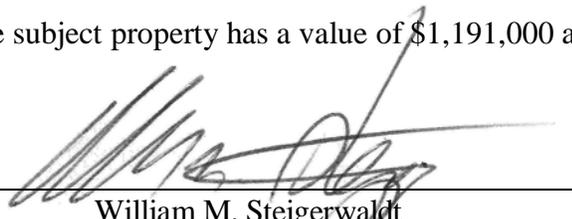
The parcel contains timber in sufficient quantities to provide a significant near-term and long-term revenue stream. Staff estimates at least three timber sales could be sold within seven years of acquisition.

The Parcel blocks with 1,160 acres of three existing BCPL tracts to form a 2,113-acre tract. In addition BCPL is in the process of acquiring 360 adjacent acres from the US Forest Service in an exchange, thereby forming a 2,473-acre block.

CERTIFICATION

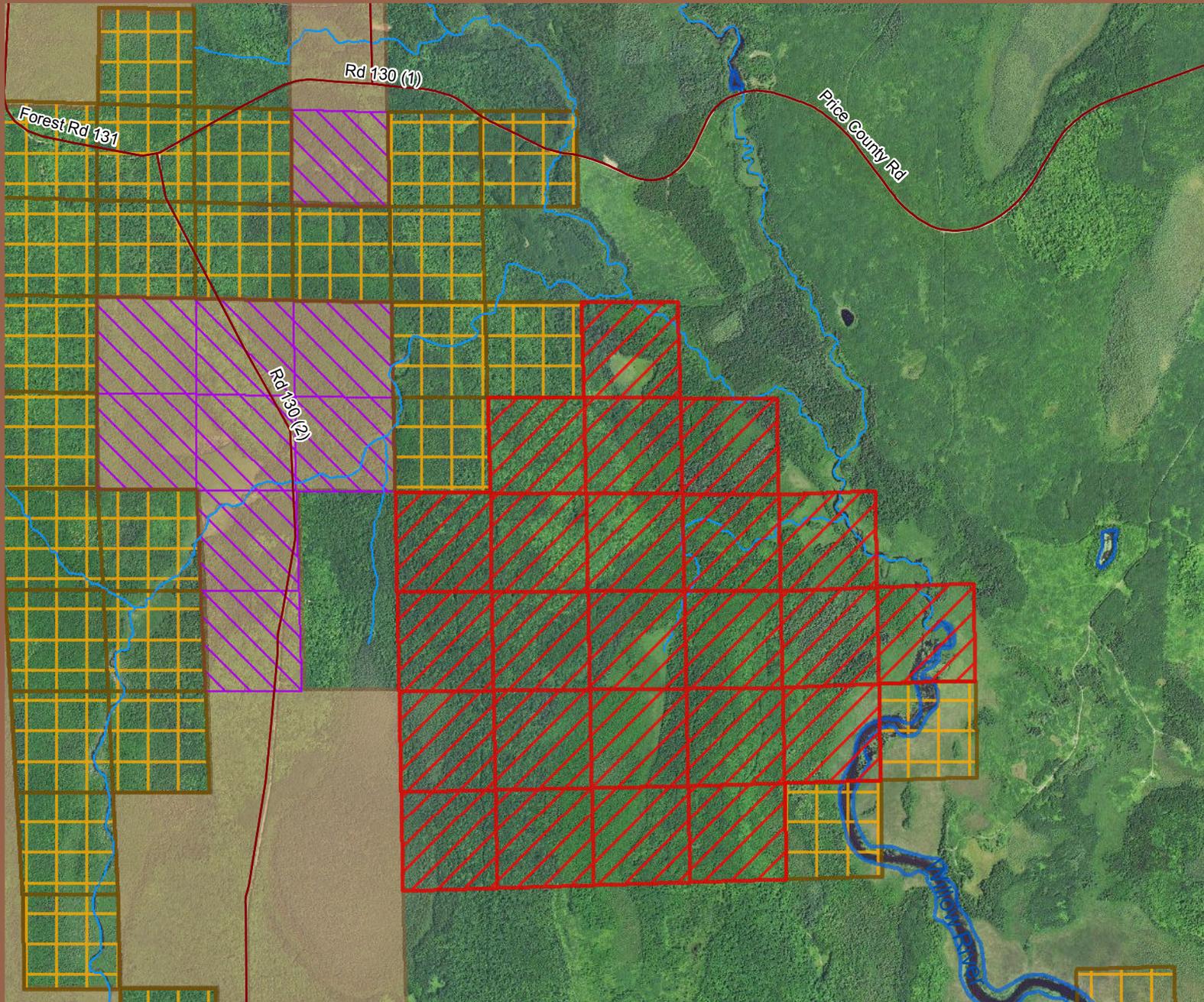
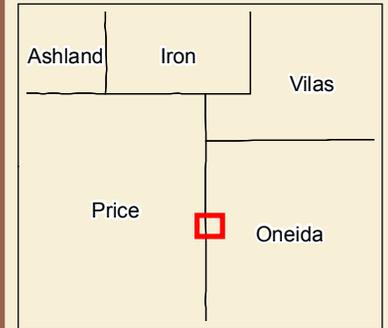
I certify that, to the best of my knowledge and belief:

- 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 previous appraisal experience on the entire American Timberland 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, William M. Steigerwaldt, personally inspected the subject property on May 17, 2017. The comparable sales were field inspected by the appraiser or qualified assistants in the period 2012 to 2017.
- It is my opinion that the subject property has a value of \$1,191,000 as of May 17, 2017.



William M. Steigerwaldt
Real Estate Specialist
Wisconsin Certified General Appraiser #394-10
(Expires 12/14/2017)

PROPOSED LAND BANK PURCHASE FROM AMERICAN TIMBERLANDS



P1702

County: Oneida

Town: Minocqua

**Common Name:
American Timberlands**

Acres - 953.00

Fund 745



 **Proposed Purchase**

 **Current BCPL Land**

 **Chequamegon NF**

 **Proposed USFS Exchange**

0 0.2 0.4 Miles

INTERNAL USE ONLY

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 7
FUTURE AGENDA ITEMS**

LRB Draft #17-3986/P1 – Submitted by Commissioner Adamczyk



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT to amend** 24.605 of the statutes; **relating to:** permitted uses of the
2 proceeds from the sale of public lands owned by the Board of Commissioners of
3 Public Lands.

Analysis by the Legislative Reference Bureau

This bill removes a limitation on the purposes for which the Board of Commissioners of Public Lands may use the proceeds of the sale of public lands.

Under current law, BCPL manages the common school fund, the normal school fund, the university fund, and the agricultural college fund (trust funds). The trust funds were established from the proceeds of the sale of most of the land granted to this state by the federal government at the time of statehood. BCPL manages the remaining lands granted by the federal government to this state and also administers a state trust fund loan program under which it makes loans, from moneys belonging to the trust funds, to school districts, local governments, and certain other public entities for certain public purposes.

Under current law, BCPL may use the proceeds from the sale of public lands that are required by law to be deposited in the trust funds only to invest in land and to pay expenses necessarily related to investing in land. Under this bill, the use of these proceeds is not limited to these purposes.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**BOARD MEETING
JULY 25, 2017**

**AGENDA ITEM 8
EXECUTIVE SECRETARY'S REPORT**

Attached for review is the following report:

- Investment Transaction Report – July 19, 2017

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 July 19, 2017

Bond Purchases

Issuer	Credit Rating	Trade Date	Par Value	Price Paid	Coupon	Call Date	Yield to Call	Maturity Date	Yield to Maturity
FHLB	Aaa	07/07	\$5,000,000	\$5,000,000	3.75%	07/17/18	3.75%	06/27/42	3.75%
FFCB	Aaa	07/11	\$5,000,000	\$5,000,000	3.30%	07/24/18	3.30%	01/24/31	3.30%
FFCB	Aaa	07/17	\$5,000,000	\$5,000,000	3.57%	07/24/18	3.57%	07/24/37	3.57%
FFCB	Aaa	07/18	\$1,950,000	\$1,942,962	3.34%	09/22/17	5.51%	12/22/31	3.37%
FHLB	Aaa	07/19	\$5,000,000	\$5,000,000	3.50%	07/24/18	3.50%	07/24/37	3.50%
Oak Creek	Aa2	07/19	\$195,000	\$195,770	3.85%	03/01/27	3.80%	03/01/37	3.82%
FHLB	Aaa	07/19	<u>\$5,000,000</u>	\$5,000,000	3.05%	07/27/18	3.05%	07/27/28	3.05%
			\$27,145,000						

Bond Sales

Since the last report, staff has not sold any bonds.

To date in 2017, net profit realized on the sale of bonds totals \$8 million. As provided in the IPS, 75% of long-term capital gains (\$7.7 million) are retained in the CSF smoothing fund. The remaining 25% of long-term capital gains and all short-term capital gains (\$330,000) are distributed to Trust Fund beneficiaries in the following year.

Current Holdings

Combined Trust Fund Bond Portfolios

Investment Type	7/19/17	6/27/17
Wisconsin and State Agency Bonds	\$162,628,631	\$168,395,735
Wisconsin Municipal and School Bonds	\$185,489,305	\$185,294,305
Treasury and Federal Agency Bonds	<u>\$178,030,110</u>	<u>\$135,682,574</u>
Total Bond Investments (at cost)	\$526,148,046	\$489,372,614
(at market value)	<u>\$536,017,432</u>	<u>\$502,052,782</u>
Unrealized Gains	\$9,869,386	\$12,680,168