



Douglas La Follette, *Secretary of State*  
Matt Adamczyk, *State Treasurer*  
Brad D. Schimel, *Attorney General*

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Jonathan Barry, *Executive Secretary*

## AGENDA

October 2, 2018  
2:00 P.M.

Board of Commissioners of Public Lands  
101 E. Wilson Street, 2<sup>nd</sup> Floor  
Madison, Wisconsin

### Routine Business:

- 1) Call to Order
- 2) Approve Minutes - September 18, 2018 (Attachment)
- 3) Approve Loans (Attachment)

**Old Business:** None

### New Business:

- 4) Proposed Land Bank Sale - Three Lakes School District, Oneida County (\$1812) (Attachments)

### Routine Business:

- 5) Executive Secretary's Report (Attachment)
  - Investment Transaction Report – September 28, 2018
- 6) Future Agenda Items
- 7) Adjourn

### AUDIO ACCESS INFORMATION

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

**BOARD MEETING  
OCTOBER 2, 2018**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the September 18, 2018, board meeting.

Board Meeting Minutes  
September 18, 2018

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, 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 2:02 p.m.

**ITEM 2. APPROVE MINUTES – SEPTEMBER 4, 2018**

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

**DISCUSSION:** None.

**VOTE:** The motion passed 3-0.

**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. Horicon Dodge County Application #: 02019028 Purpose: Finance road reconstruction	City Rate: 4.50% Term: 15 years	General Obligation	\$1,775,000.00
2. Kewaunee Kewaunee County Application #: 02019029 Purpose: Finance sewer and water main projects	City Rate: 4.00% Term: 5 years	General Obligation	\$340,000.00
3. Legend Lake Pro & Rehab District Menominee County Application #: 02019026 Purpose: Purchase weed harvester	Lake District Rate: 4.00% Term: 2 years	General Obligation	\$100,000.00
4. Trempealeau Trempealeau County Application #: 02019027 Purpose: Improve wastewater treatment plant	Village Rate: 4.25% Term: 10 years	General Obligation	\$174,000.00
<b>TOTAL</b>			<b>\$2,389,000.00</b>

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

**DISCUSSION:** Commissioner La Follette asked if staff have reached out to communities affected by the recent floods. Executive Secretary Barry replied that staff has done that. They will be attending an upcoming WI Towns Association meeting to discuss the State Trust Fund Loan Program.

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

**ITEM 4. EXECUTIVE SECRETARY’S REPORT**

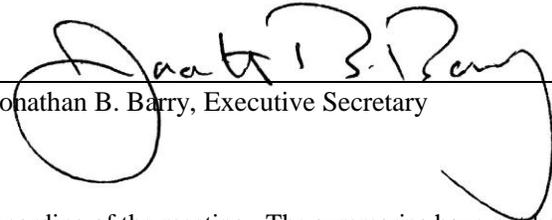
Nothing to report beyond what was included in the board packet.

**ITEM 5. FUTURE AGENDA ITEMS**

None.

**ITEM 6. ADJOURN**

The meeting adjourned at 2:05 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: [http://doafpt1380.wi.gov/doadocs/BCPL/2018-09-18\\_BCPL-BoardMtgRecording.mp3](http://doafpt1380.wi.gov/doadocs/BCPL/2018-09-18_BCPL-BoardMtgRecording.mp3).

**BOARD MEETING  
OCTOBER 2, 2018**

**AGENDA ITEM 3  
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Clover Bayfield County Application #: 02019038 Purpose: Finance storm damage repairs	Town Rate: 4.00% Term: 3 years	General Obligation	\$250,000.00
2. Delafield Waukesha County Application #: 02019036 Purpose: Finance 2018 capital projects	City Rate: 4.00% Term: 2 years	General Obligation	\$311,000.00
3. Kellnersville Manitowoc County Application #: 02019031 Purpose: Finance water main replacement	Village Rate: 4.25% Term: 10 years	General Obligation	\$80,000.00
4. Niagara Marinette County Application #: 02019035 Purpose: Upgrade water meter reading system	City Rate: 4.25% Term: 10 years	General Obligation	\$100,000.00
5. Pigeon Trempealeau County Application #: 02019033 Purpose: Finance roadwork	Town Rate: 4.25% Term: 6 years	General Obligation	\$440,000.00
6. Plover Portage County Application #: 02019030 Purpose: Purchase fire truck and refinance GO bonds	Village Rate: 4.25% Term: 10 years	General Obligation	\$1,900,000.00
7. Port Washington Ozaukee County Application #: 02019037 Purpose: Finance business development loan	City Rate: 4.50% Term: 19 years	General Obligation	\$330,000.00
8. Sheboygan Falls Sheboygan County Application #: 02019034 Purpose: Finance subdivision infrastructure	City Rate: 4.25% Term: 10 years	General Obligation	\$760,000.00
9. Tomah Monroe County Application #: 02019032 Purpose: Purchase vehicles	City Rate: 4.00% Term: 3 years	General Obligation	\$200,000.00
<b>TOTAL</b>			<b>\$4,371,000.00</b>

**BOARD MEETING  
OCTOBER 2, 2018**

**AGENDA ITEM 4  
PROPOSED LAND BANK SALE  
THREE LAKES SCHOOL DISTRICT, ONEIDA COUNTY – (S1812)**

The Three Lakes School District (“the School”) has determined that 39.36 acres of BCPL land in Oneida County is required for school use.

Although the property has frontage on a public road and the property is part of a consolidated block of productive land, BCPL staff recommends the sale of the property to the School for the following reasons:

- Sale of the property would provide BCPL with funds to purchase other lands that would provide better access to its other existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above.
- Sale of the property to the School would allow the School to meet its stated objectives.

Attachments:

*Resolution w/Exhibits*

*Exhibit A - BCPL SALE Criteria*

*Exhibit B - Appraisal Certification*

*BCPL Project Map*

**BOARD MEETING  
OCTOBER 2, 2018**

**AGENDA ITEM 4  
PROPOSED LAND BANK SALE  
THREE LAKES SCHOOL DISTRICT, ONEIDA COUNTY – (S1812)**

**RECITALS**

- A. The Three Lakes School District (“the School”) has determined that certain property described as the Northeast ¼ of the Southeast ¼ (NESE) of Section Seventeen (17), Township Thirty-eight (38) North, Range Ten (10) East of the Fourth Principal Meridian Extended, Town of Sugar Camp, Oneida County, Wisconsin, (“the Property”), consisting of approximately 39.36 acres, is required for school use.
- B. The Property is currently owned by the Board of Commissioners of Public Lands (“BCPL”).
- 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 A.
- D. The Property has been independently appraised by Compass Land Consultants, Inc. at a value of Sixteen Hundred Dollars (\$1,600) per acre for a total of Sixty-three Thousand Dollars (\$63,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The School has offered to pay the sum of Sixty-three Thousand Dollars (\$63,000) to acquire the Property.
- F. The offered price is equal to the appraised value.
- G. Although the property has frontage on a public road and the Property is part of a consolidated block of productive land, sale of the Property would allow the School to meet its stated objectives.
- H. During preliminary discussions, the school superintendent offered to sell the Property back to BCPL if the Property was no longer needed by the school for its stated objectives.
- I. BCPL staff recommends that the Board authorize the sale of the Property to the School at the appraised value of \$63,000, retaining right of first refusal.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands approves the sale of the Property to the Three Lakes School District at the price of Sixty-three Thousand Dollars (\$63,000), retaining right of first refusal, 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.

**Board of Commissioners of Public Lands  
Summary Analysis of Potential Property Sale  
Transaction ID#: S 1812**

Common Name for Land Parcel: Three Lakes School District Shooting Range

County: Oneida Township: Sugar Camp

Legal Description: T38N-R10E, Sec. 17, NE/SE

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: Three Lakes School District**

- 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:

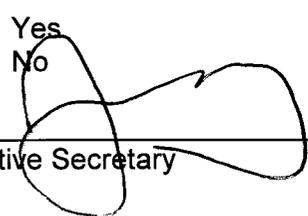
- Yes
- No

  
Trust Lands Forestry Supervisor

5-15-18  
Date

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

- Yes
- No

  
Executive Secretary

5/18/18  
Date

## 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 legal instructions, 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 performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was 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 Appraisal Standards for Federal Land Acquisitions."
- The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice.
- Mr. Schummer and Mr. Johnson personally field inspected the subject property, which is the subject of this report, on April 10, 2018. The comparable sales were field inspected by the qualified staff of Compass Land Consultants, Inc., on various dates in 2016 and 2018.
- The landowner's representative, Micah Zeitler, was contacted and invited to accompany the appraiser during the subject property's inspection. Mr. Zeitler was unable to join the appraiser during the property inspection.
- It is my opinion that the subject property has a value of \$63,000 as of April 10, 2018.

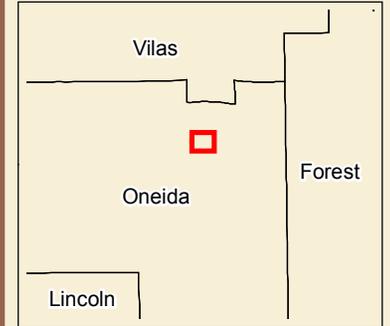
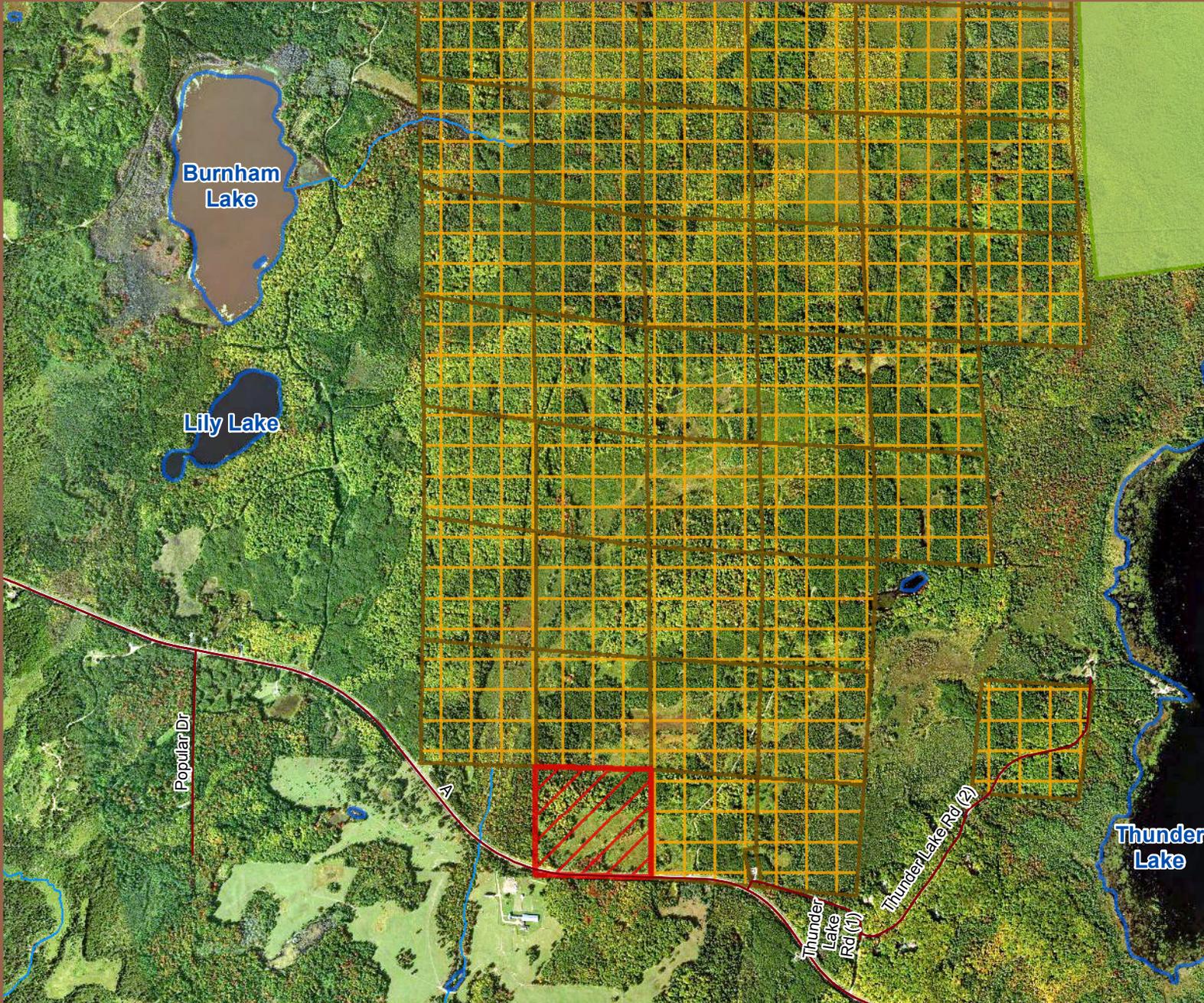


Daniel T. Schummer  
Real Estate Specialist  
Wisconsin CGA #2145-10  
(Expires 12/14/2019)



Douglas L. Johnson  
Appraisal Assistant

# THREE LAKES SD SALE



S1812

County: Oneida

Town: Sugar Camp

Common Name:  
Three Lakes SD

Acres - 40.0

Fund 745



-  Parcel being Sold
-  Current BCPL Land
-  DNR Land



INTERNAL USE ONLY

**BOARD MEETING  
OCTOBER 2, 2018**

**AGENDA ITEM 7  
EXECUTIVE SECRETARY’S REPORT**

**Investment Transaction Report  
September 28, 2018**

**Bond Purchases**

Issuer	Credit Rating	Trade Date	Par Value	Price Paid	Coupon	Call Date	Yield to Call	Maturity Date	Yield to Maturity
TIPs	Aaa	9/19/18	\$5,109,500	\$5,037,697	1.00%	n/a	n/a	2/15/48	Inflation + 1.06%
TIPs	Aaa	9/19/18	\$5,317,700	\$5,245,413	1.00%	n/a	n/a	2/15/46	Inflation + 1.06%

Since the last Investment Transaction Report, staff has made two purchases totaling \$10 million in Treasury Inflation Protected Securities (TIPS). TIPS are Aaa-rated Treasury Bonds that provide significant advantages for endowments and other funds concerned with the effects of inflation on the purchasing power of future beneficiaries. TIPS pay interest on a semi-annual basis, with the face value of the bond increasing over time by the inflation rate. The yield available for distribution to beneficiaries is about 1%, and interest payments will increase over time as the coupon rate is applied to higher and higher principal values. TIPS are liquid securities, and BCPL will have the option to sell the bonds and capture the increase in value at any time prior to maturity. If held for longer than one year, the increase in value will be a long-term capital gain added to CSF principal rather than distributed to beneficiaries. The total return to BCPL is guaranteed at slightly more than 1% plus CPI, and CPI has increased 2.6% annually over the past 30 years and 4.1% over the past 50 years.

**Bond Sales** Staff has not sold bonds since the last Investment Transaction Report.

**Public Equity Purchases** Staff has not purchased public equities since the last Investment Transaction Report.