



Mailing Address:
Room B38 West, State Capitol
Madison, WI 53701

MATT ADAMCZYK
State Treasurer of Wisconsin

Phone: 608.266.1714
Matt.Adamczyk@Wisconsin.gov
www.statetreasury.wi.gov

Public Education Loses out on Millions with BCPL Land Grabs
BCPL Must Stop Buying Private Lands—End Land Bank Authority

MADISON... Today State Treasurer Matt Adamczyk highlighted the loss of money for public education because a small state agency, the Board of Commissioners of Public Lands (BCPL), has bought private land.

Over the last 11 years the BCPL has bought private timberlands. These purchases were done in direct opposition to the simple constitutional mission of the BCPL, which is to sell land and use the proceeds to benefit public education.

Since 2006, the BCPL has bought \$14.6 million in land. Instead of buying more land, the BCPL could have invested in loans and bonds, which are very inexpensive to manage and have returned about four percent annually over the last decade. With new state laws, the BCPL can now utilize all prudent investments, including stocks.

Overtime the value of the land hasn't changed, and is estimated to be worth the same as its purchase price—\$14.6 million.

For comparison, instead of purchasing land, the land purchases could be worth much more today in other hypothetical situations if the \$14.6 million were instead invested in:

(See attached charts)
Bonds - \$18.6 million
Apple stock - \$91.2 million
Berkshire Hathaway stock - \$31 million
Johnson Controls stock - \$50.4 million
S & P Index fund - \$30 million

Using a conservative investment strategy, if the \$14.6 million was invested in bonds, public education would have earned an extra \$4 million.

In comparison, investing the \$14.6 million in Johnson Controls, the largest publicly traded company in Wisconsin, public education could have earned an extra \$35 million.

“The worst part about the BCPL buying private land is that our beneficiaries will continue to lose money every year going forward,” said Adamczyk. “If the \$14.6 million used for land purchases was instead available for BCPL trust fund loans and bonds, the BCPL could be earning about \$1.1 million every budget. I assume state legislators wished they had an extra \$1.1 million for public education.”

###

	A	B	E	F	G	H
1	Transaction #	Date	Land Purchases	Apple	Berkshire Hathaway	Johnson Controls
2	P0701	11/14/2006	\$393,000.00	\$5,195,460.00	\$911,760.00	\$1,304,760.00
3	P0702	10/17/2006	\$140,000.00	\$1,850,800.00	\$324,800.00	\$464,800.00
4	P0703	12/15/2006	\$1,467,000.00	\$19,393,740.00	\$3,403,440.00	\$4,621,050.00
5	P0704	6/29/2007	\$34,907.75	\$298,461.26	\$80,985.98	\$130,554.99
6	P0801	12/28/2007	\$228,000.00	\$1,411,320.00	\$426,360.00	\$845,880.00
7	P0802	10/24/2008	\$16,000.00	\$193,920.00	\$39,200.00	\$73,920.00
8	P0804	9/25/2008	\$2,250,596.00	\$21,808,275.24	\$4,951,311.20	\$12,558,325.68
9	P0805	11/17/2008	\$149,150.00	\$1,971,763.00	\$365,417.50	\$953,068.50
10	P0901	5/21/2009	\$630,000.00	\$5,090,400.00	\$1,751,400.00	\$2,293,200.00
11	P0901	8/5/2009	\$447,750.00	\$2,959,627.50	\$1,128,330.00	\$1,862,640.00
12	P0902	3/30/2009	\$1,501,110.00	\$13,434,934.50	\$4,068,008.10	\$10,883,047.50
13	P1001	12/21/2010	\$746,054.00	\$2,461,978.20	\$1,581,634.48	\$2,066,569.58
14	P1007	9/15/2010	\$1,263,600.00	\$4,713,228.00	\$3,247,452.00	\$4,131,972.00
15	P1101	11/29/2012	\$52,000.00	\$108,160.00	\$100,360.00	\$99,320.00
16	P1202	11/19/2013	\$1,225,000.00	\$2,376,500.00	\$1,751,750.00	\$1,592,500.00
17	P1203	11/5/2012	\$1,776,000.00	\$3,445,440.00	\$3,409,920.00	\$3,392,160.00
18	P1204	8/14/2012	\$240,000.00	\$405,600.00	\$460,800.00	\$487,200.00
19	P1301	12/28/2012	\$60,000.00	\$110,400.00	\$105,000.00	\$110,400.00
20	P1302	1/21/2014	\$1,874,240.00	\$3,879,676.80	\$2,755,132.80	\$2,361,542.40
21	P1501	1/30/2015	\$140,000.00	\$166,600.00	\$161,000.00	\$169,400.00
22	Total		\$14,634,407.75	\$91,276,284.50	\$31,024,062.06	\$50,402,310.65

