

**Permanent School Fund Advisory Committee
January 27, 2011
State Office Building –Room 200**

Minutes

Present: Carol McFarlane (Chair), John Carlson, Keith Downey, Denise Dittrich, Daron Korte, John Herman, Grace Keliher, Gene Merriam, Ron Nargang, Joe Silko, Steve Betzler, Robert Krepps, Denny McNamara, Gen Olson, Patty Phillips

Absent: Mark Johnson, Claire Robling

Chair McFarlane called the meeting to order at 9:05 AM, January 27, 2011 in Room 200.

Minutes

A quorum was present Chair McFarlane moved that the minutes from the meeting on December 9, 2011, be adopted. **THE MOTION PREVAILED AND THE MINUTES WERE ADOPTED.**

BWCA

Dan Roark, and Bob Meier (DNR) gave an update on the BWCA land exchange and the St. Mary's Lake auction. They gave an update on the financial costs associated with the BWCA land deal, and potential stumbling blocks.

DNR School Trust Administrator Position

Commissioner Landwehr and Mary McConnell (DNR) gave an update on the operational order to create a new DNR position to manage the School Trust Lands. They provided further clarification on the position and answered questions.

Representative Downey Presentation

Representative Keith Downey presented on lost opportunity costs to the Permanent School Trust Fund. Representative Downey presented on how these losses could have been avoided had an independent manager been in charge of the trust fund.

Motion

Chair McFarlane moved the following:

“That the Permanent School Fund Advisory Committee recommend and endorse efforts by the Minnesota State Legislature and Minnesota Department of Natural Resources to proceed and execute the proposed land exchange and land sale with the United States Government, and that the DNR is recommended to execute either a land swap or land sale exclusive of the other.”

THE MOTION PREVAILED.

Legislation

The committee reviewed pending legislation.

The meeting was adjourned at 11:14 AM.

Charge of the PSFAC:

The Permanent School Fund Advisory Committee shall review the policies of the Department of Natural Resources and current statutes on management of school trust fund lands at least annually and shall recommend the necessary changes in statutes, policy, and implementation in order to ensure provident utilization of the permanent school fund lands. (Minnesota Statutes § 127A.30, Subd. 2)

Representative Carol McFarlane, Chair

Committee Legislative Assistant

Melissa Hackenmueller