

**Permanent School Fund Advisory Committee
November 17, 2011
State Office Building – Room 200**

Minutes

Present: Carol McFarlane (Chair), Steve Betzler, John Carlson, Keith Downey, Denise Dittrich, Daron Korte, John Herman, Mark Johnson, Robert Krepps, Denny McNamara, Patty Phillips, Claire Robling, Joe Silko, Ron Nargang

Absent: Grace Keliher, Gene Merriam, Gen Olson

Chair McFarlane called the meeting to order at 8:37 AM, November 17, 2011, in Room 200.

Executive Council and Mineral Leases

Kathy Lewis, DNR, gave an update on the Executive Council meeting and nonferrous mineral leases. The DNR is currently reviewing leasing programs in other states, changes in notification, and reevaluating communication plans. They are looking at the implications of separating trust leases and changing the rental rates.

Minutes

A quorum was present and Ron Nargang moved that the minutes from the meeting on September 30, 2011, be adopted. **THE MOTION PREVAILED AND THE MINUTES WERE ADOPTED.**

School Trust Related FTEs

Kathy Lewis and Dave Schueller, DNR, presented on the DNR FTEs charged to the school trust account.

BWCA Sale/Exchange

Dan Roark, DNR, presented on the BWCA Sale/Exchange. The next steps are looking at parcels inside the BWCA, 41,000 of which are school trust lands. They must also look at titles and bring endorsement of the plan to the PSFAC committee and BWCA subcommittee.

Ron Nargang motioned to recommend to the PSFAC 41,000 acres to eliminate trust ownership. Bob Krepps seconded the motion. **The motion prevailed.**

Cost Certification

Dave Schueller and Bob Tomlinson, DNR, presented on the cost certification process for the school trust lands.

The committee adjourned at 10:28 AM.

The committee re-adjourned at 10:38 AM.

Revenue producing land

Dave Schueller and Kathy Lewis, DNR, presented on revenue producing and non-revenue producing school trust land. Mineral producing land has a much higher revenue potential than timber producing land.

Operational Order

Mary McConnell, DNR, presented an update on the operational order. It is currently going through internal review, and they will provide the full job description at the next meeting.

Upcoming meeting

The next two meetings will be held on December 9th, 2011, and January 27th, 2011.

The committee adjourned at 12:07 PM.

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 fun 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