



Douglas La Follette, *Secretary of State*  
Dawn Marie Sass, *State Treasurer*  
J.B. Van Hollen, *Attorney General*  
Tia Nelson, *Executive Secretary*

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**Managing Wisconsin's trust assets for public education.**

## AGENDA

May 20, 2008

4:00 P.M.

Board of Commissioners of Public Lands  
125 S. Webster Street, Room 200  
Madison, Wisconsin

1. Call to Order
2. Approve Minutes – May 6, 2008
3. Approve Loans
4. Purchase of State of Wisconsin General Obligation Bonds
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING  
MAY 20, 2008**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the May 6, 2008, board meeting.

Board Meeting Minutes  
May 6, 2008

**ITEM 1. CALL TO ORDER**

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m.

Present were:

- |                                 |  |
|---------------------------------|--|
| Doug La Follette, Board Chair   | Secretary of State                     |
| Dawn Marie Sass, Commissioner   | State Treasurer                        |
| Tia Nelson, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary    | Board of Commissioners of Public Lands |
| Coletta DeMuth, Loan Analyst    | Board of Commissioners of Public Lands |

**ITEM 2. APPROVE MINUTES – April 15, 2008**

**MOTION:** Commissioner Sass moved to approve the minutes; Board Chair La Follette seconded the motion. The motion passed 2-0.

**ITEM 3. APPROVE LOANS**

Board Chair La Follette asked if the loans had received legal review; Deputy Secretary German replied that they had.

| Municipality   | Municipal Type                              | Loan Amount    |
|--|---|----------------|
| 1. Blooming Grove<br>County of Dane<br>Application #: 02008092<br>Purpose: Reconstruct Siggelkow Road                    | Town<br>Rate: 4.75<br>Filed: April 28, 2008 | \$250,000.00   |
| 2. Green Bay<br>County of Brown<br>Application #: 02008087<br>Purpose: Finance land acquisition                          | City<br>Rate: 4.75<br>Filed: April 21, 2008 | \$1,000,000.00 |
| 3. Green Bay<br>County of Brown<br>Application #: 02008088<br>Purpose: Finance economic development in the downtown area | City<br>Rate: 4.75<br>Filed: April 21, 2008 | \$3,850,000.00 |
| 4. Green Bay<br>County of Brown<br>Application #: 02008089<br>Purpose: Finance downtown waterfront development           | City<br>Rate: 4.75<br>Filed: April 21, 2008 | \$3,500,000.00 |
| 5. La Crosse<br>County of La Crosse<br>Application #: 02008086<br>Purpose: Finance municipal transit exchange center     | City<br>Rate: 4.25<br>Filed: April 21, 2008 | \$6,500,000.00 |

|    |  |  |                        |
|----|--|--|------------------------|
| 6. | Lake Altoona Rehabilitation District<br>County of Eau Claire<br>Application #: 02008091<br>Purpose: Dredge Lake Altoona            | Lake District<br>Rate: 4.25<br>Filed: April 25, 2008 | \$2,000,000.00         |
| 7. | Mosinee<br>County of Marathon<br>Application #: 02008090<br>Purpose: Purchase two patrol trucks                                    | City<br>Rate: 4.75<br>Filed: April 21, 2008          | \$230,000.00           |
| 8. | Raymond<br>County of Racine<br>Application #: 02008084<br>Purpose: Purchase of sewer capacity                                      | Town<br>Rate: 4.75<br>Filed: April 10, 2008          | \$350,922.94           |
| 9. | West Bend<br>County of Washington<br>Application #: 02008085<br>Purpose: Finance design, engineering and property purchase in TIFs | City<br>Rate: 4.75<br>Filed: April 15, 2008          | \$729,080.00           |
|    |  | <b>TOTAL</b>   | <b>\$18,410,002.94</b> |

**MOTION:** Commissioner Sass moved to approve the loans; Board Chair La Follette seconded the motion. The motion passed, 2-0.

#### **ITEM 4. LOAN LIMIT EXCEPTION – CITY OF LA CROSSE**

Board Chair La Follette explained that funds are currently available for the city of La Crosse's \$14 million loan limit exception request.

**MOTION:** Commissioner Sass moved to approve the city of La Crosse's exception request; Board Chair La Follette seconded the motion. The motion passed, 2-0.

#### **ITEM 5. EXECUTIVE SECRETARY'S REPORT**

Executive Secretary Nelson reported that she was meeting with the U.S. Forest Service to discuss each agency's consolidation goals. There are approximately 20,000 acres of Trust Lands within the Forest Service boundaries, a portion of which BCPL hopes to sell to the Forest Service. She will also be meeting with Wausau Papers to begin negotiations on possible land acquisitions with the company. Finally, she will be meeting with staff from the State Investment Board to discuss investment strategies for Trust Funds that are unencumbered. When those strategies are determined, they would be presented to the Board for discussion.

#### **ITEM 6. ADJOURN**

**MOTION:** Commissioner Sass moved to adjourn the meeting; Board Chair La Follette seconded the motion. The motion passed; 2-0.



Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 125 S. Webster Street, Suite 200, Madison, Wisconsin.

**BOARD MEETING  
MAY 20, 2008**

**AGENDA ITEM 3  
APPROVE LOANS**

| <u>Municipality</u>  | <u>Municipal Type</u>                     | <u>Loan Amount</u>  |
|--|---|---------------------|
| 1. Algoma<br>County of Kewaunee<br>Application #: 02008094<br>Purpose: Finance public works projects<br>(storm and sanitary sewers, streets and curbs) | City<br>Rate: 4.75<br>Filed: May 13, 2008 | \$300,000.00        |
| 2. Barnes<br>County of Bayfield<br>Application #: 02008093<br>Purpose: Purchase new tanker truck   | Town<br>Rate: 3.25<br>Filed: May 12, 2008 | \$103,000.00        |
|  | <b>TOTAL</b>                              | <b>\$403,000.00</b> |

**BOARD MEETING  
MAY 20, 2008**

**AGENDA ITEM 4  
PURCHASE OF STATE OF WISCONSIN GENERAL OBLIGATION BONDS**

The State of Wisconsin has offered to sell to the Board of Commissioners of Public Lands, State of Wisconsin General Obligation Bonds totaling \$4,445,000. The bonds are backed by the full faith and credit of the State of Wisconsin and are being issued to refinance general obligation commercial paper which was used to provide funding for veterans home mortgage loans. The bonds have a thirty-year term but may be “called” or prepaid earlier than 30 years as veterans prepay their mortgages. The bonds will carry an interest rate of 4.9%.

Currently, unencumbered funds in the State Investment Fund are earning less than 3.00%. Therefore, the bonds would provide significantly more trust fund income than if the money were left in the State Investment Fund. This bond offering gives the Board a good opportunity to make a prudent investment with a good rate of return.

BCPL staff recommends that the Board of Commissioners of Public Lands approve the purchase of \$4,445,000 in State of Wisconsin General Obligation Bonds.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes and approves the purchase of \$4,445,000 in State of Wisconsin General Obligation Bonds 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.