



101 E. Wilson Street  
2nd Floor  
PO Box 8943  
Madison, WI 53708-8943

608 266-1370 INFORMATION  
608 266-0034 LOANS  
608 267-2787 FAX  
bcpl.wisconsin.gov

Tia Nelson, *Executive Secretary*

## AGENDA

June 2, 2015

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 – May 19, 2015 (Attachment)
- 3) Approve Loans (Attachment)
- 4) Agency Expenses Over \$5,000 Approved by Board Chair (Attachment)

### **Old Business:**

- 5) Discuss and Vote on Tom German's Attendance at WSLCA Summer Conference

### **New Business:**

- 6) Motion Requiring that BCPL Staff Member be Present to Take Meeting Minutes
- 7) Discuss Executive Secretary Nelson's Press Comments (Attachment)
- 8) Discuss BCPL Staff Work
- 9) Discuss Board Recordings
- 10) Discuss BCPL Flyer vs. Staff Time (Attachment)

### **Routine Business:**

- 11) Future Agenda Items
- 12) Executive Secretary's Report
- 13) Adjourn

**BOARD MEETING  
JUNE 2, 2015**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the May 19, 2015, board meeting.

Board Meeting Minutes  
May 19, 2015

Present were:

Doug La Follette, Commissioner  
 Matt Adamczyk, Commissioner  
 Brad Schimel, Board Chair  
 Tia Nelson, Executive Secretary  
 Tom German, Deputy Secretary  
 Richard Sneider, Loan Analyst  
 Vicki Halverson, Office Manager  
 Randy Bixby, Land Records Archivist  
 John Schwarzmann, Forestry Supervisor

Secretary of State  
 State Treasurer  
 Attorney General  
 Board of Commissioners of Public Lands  
 Board of Commissioners of Public Lands

**ITEM 1. CALL TO ORDER**

Board Chair Schimel called the meeting to order at 2:00 p.m.

**ITEM 2. APPROVE MINUTES – MAY 5, 2015**

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

**DISCUSSION:** Commissioner Adamczyk raised objections to the amount of time it took a BCPL staff member to transcribe and interpret the meeting proceedings and prepare the minutes. Executive Secretary Nelson replied that she would work with the employee to develop a more efficient process.

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

**ITEM 3. APPROVE LOANS**

Board Chair Schimel asked if the loans had been reviewed for legal purpose. Executive Secretary Nelson said that they had received legal review.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Mount Morris Waushara County Application #: 02015141 Purpose: Construct park pavilion	Town Rate: 3.75% Term: 20 years	General Obligation	\$80,000.00
2. New Glarus Green County Application #: 02015142 Purpose: Improve storm sewer system	Village Rate: 3.50% Term: 10 years	Utility Revenue	\$232,053.00
<b>TOTAL</b>			<b>\$312,053.00</b>

**MOTION AND VOTE:** Commissioner La Follette moved to approve the loans; Board Chair Schimel seconded the motion. The motion passed 3-0.

#### **ITEM 4. DISCUSS STAFF COMMENTS TO PRESS**

The Board discussed comments that were attributed to Executive Secretary Nelson, which appeared in an alternative weekly news source in Minneapolis. Commissioner Adamczyk said he found the remarks to be unacceptable. Executive Secretary Nelson replied that she was unfamiliar with the article and asked that he send her a copy of it.

#### **ITEM 5. DISCUSS NORMAL SCHOOL FUND**

Commissioner Adamczyk questioned why the Normal School Fund earnings were being distributed to the UW System to support environmental scholarships and programs. He said his preference would be for the earnings to be deposited into the State's GPR fund or given to the UW as a whole rather than to targeted programs. Executive Secretary Nelson explained the history behind the distribution. She said that the distribution of the funds to those specific programs is determined by the Governor and the Legislature.

#### **ITEM 6. DISCUSS INVESTMENT OPTIONS**

Commissioner Adamczyk compared investment earnings between SWIB and BCPL, stating that SWIB earnings were 1% higher than BCPL's. He thought the Board should consider having SWIB invest some of BCPL's funds. Executive Secretary Nelson replied that the Board can delegate certain investment authority to SWIB. She said she worked for many years to obtain this authority from the Legislature and the Governor's office. She has been actively engaged in negotiations with SWIB, which is now under new leadership. Richard Sneider, the Board's portfolio manager, added that Commissioner Adamczyk's comparison was "apples-to-oranges" because the reported income at SWIB includes unrealized capital gains, while the income reported by BCPL includes only interest earned. Mr. Sneider said that the BCPL report referred to by Commissioner Adamczyk does not include over \$17 million in unrealized capital gains in BCPL's portfolio.

*[Commissioner La Follette excused himself from the meeting.]*

#### **ITEM 7. DISCUSS AND VOTE ON TOM GERMAN'S ATTENDANCE AT WSLCA SUMMER CONFERENCE**

The Board did not discuss this topic.

#### **ITEM 8. FUTURE AGENDA ITEMS**

Board Chair Schimel said the board would revisit the vote on climate change per Commissioner La Follette's request.

#### **ITEM 9. EXECUTIVE SECRETARY'S REPORT**

Executive Secretary Nelson updated the Board on her presentation to the Oneida County Forestry Committee and said the Committee expressed interest in approximately 700 acres of School Trust Lands that are located within the Oneida County Forest boundaries. She also reported that the Governor's errata budget request for BCPL was approved by the Joint Finance Committee. She also reported that discussions continue on the Milwaukee Bucks Arena financing options.

#### **ITEM 10. ADJOURN**

The Board adjourned at 2:40 PM.



Tia Nelson, Executive Secretary

**BOARD MEETING  
JUNE 2, 2015**

**AGENDA ITEM 3  
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Arrowhead UHS Waukesha County Application #: 02015151 Purpose: Finance classroom remodeling	School Rate: 3.25% Term: 10 years	General Obligation	\$1,000,000.00
2. Brookfield Waukesha County Application #: 02015150 Purpose: Finance fiber optics network	City Rate: 3.75% Term: 20 years	General Obligation	\$910,000.00
3. Clinton Rock County Application #: 02015149 Purpose: Purchase road maintenance equipment	Town Rate: 3.25% Term: 10 years	General Obligation	\$250,000.00
4. Elmwood Pierce County Application #: 02015144 Purpose: Finance street paving projects	Village Rate: 3.75% Term: 20 years	General Obligation	\$190,000.00
5. Juda Green County Application #: 02015147 Purpose: Purchase capital equipment	School Rate: 3.25% Term: 10 years	General Obligation	\$200,000.00
6. Molitor Taylor County Application #: 02015145 Purpose: Finance roadwork	Town Rate: 3.25% Term: 10 years	General Obligation	\$250,000.00
7. Mount Morris Waushara County Application #: 02015146 Purpose: Construct park pavilion	Town Rate: 3.75% Term: 20 years	General Obligation	\$20,000.00
8. River Falls Pierce and St Croix Counties Application #: 02015143 Purpose: Refinance BCPL Loan #2015072	City Rate: 3.75% Term: 19 years	General Obligation	\$1,600,000.00

Municipality	Municipal Type	Loan Type	Loan Amount
9. Waupaca Waupaca County Application #: 02015148 Purpose: Purchase equipment; repair streets and buildings	City Rate: 3.25% Term: 10 years	General Obligation	\$841,200.00
	<b>TOTAL</b>		<b>\$5,261,200.00</b>

**BOARD MEETING  
JUNE 2, 2015**

**AGENDA ITEM 7  
DISCUSS EXECUTIVE SECRETARY NELSON'S PRESS COMMENTS**

Attached for discussion purposes is a four-page email exchange between Commissioner Adamczyk and Executive Secretary Nelson.

**Adamczyk, Matt - OST**

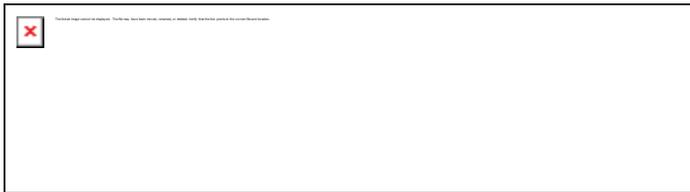
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**From:** Nelson, Tia - BCPL  
**Sent:** Thursday, May 21, 2015 3:58 PM  
**To:** Adamczyk, Matt - OST  
**Subject:** Re: Yes or No to the quote in Citypages.com

I don't recall speaking to her. Like I said I spoke with dozens of reporters and declined to speak on the record. I do believe you are hurting this agency. I would happy to document how and present it to the board. Would you like me to do that?

Sent from my iPad

Tia Nelson, Executive Secretary  
Board of Commissioners of Public Lands  
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[tia.nelson@wisconsin.gov](mailto:tia.nelson@wisconsin.gov)  
<http://bcpl.wisconsin.gov>



On May 21, 2015, at 3:40 PM, Adamczyk, Matt - OST <[Matt.Adamczyk@wisconsin.gov](mailto:Matt.Adamczyk@wisconsin.gov)> wrote:

Tia,

For the third time, I will ask you the same question:

Did you say the below quote to Ms. Du when you did speak to her?

"Every day he gets up and tries to figure out another way to embarrass me, sully my name, or hurt this agency."

Yes or No?

Sincerely,  
Matt Adamczyk  
Wisconsin State Treasurer  
(608) 266-1714

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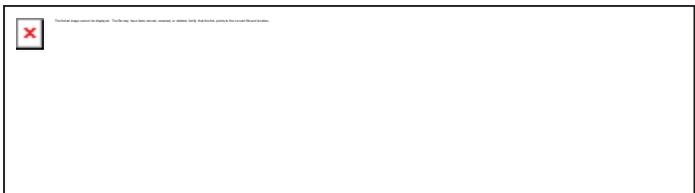
**From:** Nelson, Tia - BCPL  
**Sent:** Thursday, May 21, 2015 2:44 PM

**To:** Adamczyk, Matt - OST  
**Cc:** Halverson, Vicki - BCPL; German, Tom - BCPL; Schimel, Brad - DOJ; La Follette, Doug J - SOS  
**Subject:** Re: Yes or No to the quote in [Citypages.com](http://Citypages.com)

Yes I spoke to her. I declined to speak on the record.  
Her quotes are incorrect in various ways as I explained in my previous email.

Sent from my iPad

Tia Nelson, Executive Secretary  
Board of Commissioners of Public Lands  
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<http://bcpl.wisconsin.gov>



On May 21, 2015, at 2:26 PM, Adamczyk, Matt - OST <[Matt.Adamczyk@wisconsin.gov](mailto:Matt.Adamczyk@wisconsin.gov)> wrote:

Tia,

**Please forward this email to my fellow commissioners.**

In your long reply to me, you did not answer my two simple questions. Please answer my two simple questions and copy my fellow commissioners. I just want a yes or no answer.

1. Did you speak to Ms. Susan Du from [Citypages.com](http://Citypages.com)? Yes/No
2. Did Ms. Du make up this quote attributed to you? Yes/No

The quote is, "Every day he gets up and tries to figure out another way to embarrass me, sully my name, or hurt this agency."

Either you said the above statement or you didn't, this is pretty simple.

The quotes in the article attributed to me are 100% accurate. It seems odd to me that I would be accurately quoted and you would not be.

In our meeting you said this is not something you said. If that is true, then Ms. Du made up the quote.

Sincerely,  
Matt Adamczyk  
Wisconsin State Treasurer  
(608) 266-1714

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**From:** Nelson, Tia - BCPL  
**Sent:** Wednesday, May 20, 2015 11:00 AM  
**To:** Adamczyk, Matt - OST  
**Cc:** Schimel, Brad - DOJ; La Follette, Doug J - SOS; Cook, Andrew C - DOJ; German, Tom - BCPL; Halverson, Vicki - BCPL  
**Subject:** RE: Article I referenced today

Matt,

Due to the increasing amount of press interest in BCPL meetings, I have been contacted by dozens of reporters from across the country in the last several months. **I routinely declined to speak on the record.** I am proud of the fact that despite the substantial news coverage, my statements were not the primary focus of articles written about BCPL in the press. Mostly I repeatedly asked to be judge on my performance. I find it strange that one of the few articles that includes a direct quote from me includes inaccuracies and is an out of state publication that I barely recall talking to. **I would not have agreed to be quoted in the manner of this article.**

Further, the article below is clearly wrong in that it attributes a quote to me in which I supposedly stated that your motion to remove my name from BCPL stationery was made before you and I had met. As you know, I have kept meticulous records of our meetings and conversations, as well as your demands since long before you were sworn in. Most of these have been subject to open records requests. It would make no sense for me to misrepresent when we met and when you moved to modify BCPL stationery.

I do hold the belief and have stated publicly in a Board meeting that your advocacy of amending current law to delete an investment authority from the Board will hurt BCPL. In the 10 years since I garnered unanimous support for bipartisan legislation to grant the BCPL " Land Bank" investment authority the value of school trust land assets and timber revenue receipts have substantially improved. This is indisputable. I have made these comments, or words to this affect, in public meetings.

Tia

Tia Nelson, Executive Secretary  
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<http://bcpl.wisconsin.gov>

<image001.gif>

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**From:** Adamczyk, Matt - OST  
**Sent:** Tuesday, May 19, 2015 4:58 PM  
**To:** Nelson, Tia - BCPL  
**Cc:** Halverson, Vicki - BCPL; German, Tom - BCPL  
**Subject:** Article I referenced today

Tia,

**Please forward this email to the other commissioners.**

As you asked in the meeting, here is a link to the article I referenced regarding BCPL staff comments to the press.

Here is the link:

[http://blogs.citypages.com/blotter/2015/04/wisconsin\\_treasurer\\_matt\\_adamczyk\\_gags\\_state\\_workers\\_on\\_climate\\_change.php](http://blogs.citypages.com/blotter/2015/04/wisconsin_treasurer_matt_adamczyk_gags_state_workers_on_climate_change.php)

In the article you are quoted as saying, "Every day he gets up and tries to figure out another way to embarrass me, sully my name, or hurt this agency."

You said in the meeting this was not something you said.

Did you speak to her?

Did she make up this quote?

The article was written by Susan Du. I remember speaking to her and she quoted me.

Sincerely,  
Matt Adamczyk  
Wisconsin State Treasurer  
(608) 266-1714

**BOARD MEETING  
JUNE 2, 2015**

**AGENDA ITEM 10  
DISCUSS BCPL FLYER vs. STAFF TIME**

See attached flyer.



# The Wisconsin Board of Commissioners of Public Lands Lends to Wisconsin Municipalities and School Districts



## Three simple criteria

The process of taking out a State Trust Fund loan is simple and transparent. You know the rate before you apply, and we require no complicated applications or underwriting fees – just a simple form and three qualifying questions:

1. Do you represent a Wisconsin municipality or school district?
2. Are you borrowing for a qualifying public purpose?
3. Is your community ready to take on this loan as a general obligation?



## That's all it takes

We know these loans are a prudent investment of our Trust Fund dollars. Put them to work for your community!

## The fine print

We're proud of our fine print, so we're not hiding it.

### Our rates

- Can be fixed for terms of up to 20 years
- Are competitive with the bond market
- Generally are the same whether your project is taxable or tax-exempt

### You also should know...

- We adjust loan interest rates and loan limits from time to time to ensure that the program stays healthy
- Unlike bonding, a State Trust Fund Loan has no upfront or additional fees.
- You can prepay without penalty at certain times of the year

Contact the BCPL Trust Fund Loan Program: 608-266-0034 [www.bcpl.wi.gov](http://www.bcpl.wi.gov)

## BCPL: Your Community Partner

If your municipality or school district is looking for a source to fund its next project, we invite you to consider the BCPL State Trust Fund Loan Program.

Our interest rates are competitive with the bond market and other financial institutions.

Finance managers from around the state tell us that BCPL State Trust Fund loans play an important role in their financing strategy.

### But what really sets us apart is this:

More than 96 percent of the interest paid on BCPL State Trust Fund loans is returned to Wisconsin communities to benefit public school libraries.

School libraries depend on our financial support. In many districts, these dollars are the only funding available for new books, periodicals, computers, software, web-based resources, and other library materials. Check our website for the amount contributed to your school district – you might be surprised!

The bottom line is that BCPL State Trust Fund Loan Program helps reduce local property taxes by providing funds to your public school district.

## Advantages

**Simple** – Our simple and transparent process takes 30-45 days from initial contact to funding. Start by taking five minutes to fill out the loan worksheet available on our website. We will mail you an application that includes the resolution your board needs to pass. No need for financial advisors or bond counsel to help with this easy paperwork.

**Prepayment** – Loan prepayment is allowed without penalty from January through August each year. This flexibility is extremely valuable, as future budget priorities are difficult to forecast. Many finance directors get stuck with higher rate bonds and are forced to wait years prior to refunding. Never a problem if you borrow from the BCPL.

**No Disclosures** – No continuing disclosures or material event disclosures are required. This policy is in stark contrast to the increasingly important and expensive disclosures required with every bond issue.

**No Fees** – No application fees, origination fees, or prepayment fees. No fees period!

**Payment Flexibility** – The BCPL can provide custom amortization schedules for projects that may take time to generate expected revenues, or that need coordination with other debt payment schedules.

**Rate Lock** – Interest rates are locked at the time of application at no cost to the borrower. This rate lock provides financial stability during the loan approval process.

## Our Current Rates General Obligation Loan Interest Rates

Loan Term	Interest Rate
1-2 Years	2.50%
3-5 Years	3.00%
6-10 Years	3.25%
11-20 Years	3.75%

**No prepayment penalty**  
**Call BCPL @ 608-266-0034**

WI BCPL  
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101 E Wilson St  
Madison, WI 53703

PRST  
STD  
PAID