

Board Meeting Minutes
February 1, 2011

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
Kurt Schuller, Commissioner
J.B. Van Hollen, Commissioner
Anthony Rallo
Tia Nelson, Executive Secretary
Tom German, Deputy Secretary
Richard Sneider, Loan Analyst

Secretary of State
State Treasurer
Attorney General
Senator Dale Schultz’s Office
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – January 18, 2011

MOTION: Commissioner Schuller moved to approve the minutes; Commissioner Van Hollen seconded the motion. The motion passed, 3-0.

ITEM 3. APPROVE LOANS

Executive Secretary Nelson said the loans had received legal review.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Burlington County of Racine and Walworth Application #: 02011105 Purpose: Finance environmental remediation TID#1 projects	City Rate: 3.75% Term: 10 years	\$815,000.00
2. Manawa County of Waupaca Application #: 02011103 Purpose: Finance street improvements, replace water meters, and construct park shelter	City Rate: 3.75% Term: 10 years	\$500,000.00
3. Mellen County of Ashland Application #: 02011102 Purpose: Finance wastewater feasibility study and emergency sewer repairs	City Rate: 3.75% Term: 10 years	\$50,000.00
4. Somerset County of St. Croix Application #: 02011104 Purpose: Refinance TIF #4 land purchase	Village Rate: 5.00% Term: 20 years	\$2,030,000.00
5. Union Grove County of Racine Application #: 02011101 Purpose: Purchase building	Village Rate: 3.75% Term: 10 years	\$900,000.00
TOTAL		\$4,295,000.00

MOTION: Commissioner Van Hollen moved to approve the loans; Commissioner Schuller seconded the motion. The motion passed, 3-0.

ITEM 4. CONSIDERATION OF DRAFT LETTER REGARDING PROPOSAL ON NEW TRUST FUND LOAN

Board Chair La Follette said staff had drafted a letter in response to Senator Schultz's and Representative Brooks' letter discussing the possibility of legislation authorizing a new type of Trust Fund Loan that would not be a general obligation of the borrower. The reason for the suggested legislation is that the Village of Necedah, a municipality in the legislators' respective districts, needed financing and their current financial situation left the community unable to use general obligation borrowing to meet their needs. Board Chair La Follette asked if staff wanted a motion to approve the letter. Executive Secretary Nelson replied yes and that edits could be made during the discussion if need be.

MOTION: Commissioner Van Hollen moved to approve sending the letter; Commissioner Schuller seconded the motion.

Commissioner Van Hollen asked if the letter in the Board packet included some recommended editorial changes provided by his office on January 31. Executive Secretary Nelson said that it did not. The board discussed whether the letter could be modified and sent by staff without approving those modifications at a future board meeting. Deputy Secretary German said the motion would be to approve the letter substantially in the form previously submitted to the Commissioners with a caveat that final delivery of the letter would be subject to the Commissioners signing off on the exact language changes. The Board's action would be approval of the concept with the changes to the letter being stylistic in nature and not substantive.

MOTION WITHDRAWAL: Commissioner Van Hollen withdrew his first motion; Commissioner Schuller seconded the motion withdrawal.

MOTION: Commission Van Hollen moved to approve staff to send a letter equal in substance to that which was distributed in the board packet but with slight, non-substantive edits which would be further approved by the Commissioners upon circulation by Executive Secretary Nelson; Commissioner Schuller seconded the motion. The motion passed with Commissioners Van Hollen and Schuller voting aye and Board Chair La Follette abstaining.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that staff has invested in State of Wisconsin General Obligation Bonds, which will earn substantially more than if those funds were to remain in the State Investment Fund. She said that the Commissioners had previously authorized staff to purchase up to \$50 million in those types of bonds. Staff had purchased \$7.5 million and the yield on the bonds is 5.14%.

ITEM 6. ADJOURN

MOTION: Commissioner Schuller moved to adjourn the meeting; Commissioner Van Hollen seconded the motion. The motion passed, 3-0.



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.