

Board Meeting Minutes  
December 20, 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	Secretary of State
Kurt Schuller, Commissioner	State Treasurer
J.B. Van Hollen, Commissioner	Attorney General
Tia Nelson, Executive Secretary	Board of Commissioners of Public Lands
Tom German, Deputy Secretary	Board of Commissioners of Public Lands
Richard Sneider, Loan Analyst	Board of Commissioners of Public Lands

**ITEM 2. APPROVE MINUTES – December 5, 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. Brown Deer Milwaukee County Application #: 02012066 Purpose: Purchase plow truck	Village Rate: 3.25% Term: 5 years	\$277,000.00
2. Combined Locks Outagamie County Application #: 02012065 Purpose: Purchase capital equipment and vehicles	Village Rate: 3.75% Term: 10 years	\$630,000.00
3. Menasha Calumet and Winnebago Counties Application #: 02012064 Purpose: Refinance other outstanding debt	City Rate: 3.75% Term: 10 years	\$900,000.00
4. Saukville Ozaukee County Application #: 02012063 Purpose: Purchase dump truck and HVAC equipment	Village Rate: 3.75% Term: 10 years	\$233,000.00
5. Sheboygan Falls Sheboygan County Application #: 02012062 Purpose: Refinance other outstanding debt	Town Rate: 3.25% Term: 5 years	\$533,922.04
<b>TOTAL</b>		<b>\$2,573,922.04</b>

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

#### **ITEM 4. REQUEST TO INCREASE BOND PURCHASE AUTHORITY**

**MOTION:** Commissioner Schuller moved to increase the bond purchase authority; Commissioner Van Hollen seconded the motion.

**DISCUSSION:** Commissioner Van Hollen asked about the Board's bond portfolio (i.e., maturity dates, asset liquidity, etc.). Richard Sneider, BCPL Loan Analyst, replied that projected loan demand is taken into consideration when purchasing bonds to ensure that sufficient funds are available for lending. He said the bonds have a range of maturity dates, which helps reduce interest rate risks when the bonds mature and also stabilizes the earnings. He added that bond portfolio analysis software is used to analyze the impact of bond purchases on the portfolio as a whole.

Commissioner Van Hollen asked about the maturity date of the bonds. Mr. Sneider said that the average State of Wisconsin bonds have a maturity date of 20 years with a call date of 10 years. Purchasing longer term bonds provides an additional interest rate premium. Commissioner Schuller asked if the portfolio included shorter term bonds. Mr. Sneider replied yes.

Executive Secretary Nelson said she would have staff prepare a document for the Board explaining the rationale for purchasing longer and shorter term bonds.

**VOTE:** The motion passed 3-0.

**NOW, THEREFORE BE IT RESOLVED,** that the Board of Commissioners of Public Lands authorizes the purchase of up to Twenty-Five Million Dollars (\$25,000,000) of additional State of Wisconsin General Obligation Bonds in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. This purchase authority shall be in addition to any previous authority granted by the Board of Commissioners of Public Lands and shall also include the authority to sell these bonds prior to maturity. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transactions.

#### **ITEM 5. PROPOSED LAND SALE TO GREG MISFELDT (S0937)**

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

**NOW, THEREFORE BE IT RESOLVED,** that the Board of Commissioners of Public Lands approves the sale of Parcel A to Mr. Greg Misfeldt at the price of \$44,000 in accordance with Chapter 24 of the Wisconsin Statutes 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.

#### **ITEM 6. PROPOSED PROPERTY GIFT FROM JUDITH AND DAVID ROBERTSON (G1201)**

**MOTION:** Commissioner Schuller moved to approve the property gift; Commissioner Van Hollen seconded the motion.

**DISCUSSION:** Deputy Secretary German noted that Wis. Stats. 24.02 states that "no such proffered donation shall be accepted until the title of the donor has been examined and approved by the attorney general." BCPL staff ordered a letter report from a title insurance company on the property and provided that report to the

Attorney General's office. The Attorney General acknowledged that his office had examined the report and approved the title of the property.

The Board asked Executive Secretary Nelson to send a thank you letter to the Robertsons.

**VOTE:** The motion passed 3-0.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands approves the gift of the Robertson Parcel from Judith and David Robertson to BCPL for the benefit of the Normal School Fund in accordance with Chapter 24 of the Wisconsin Statutes 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.

#### **ITEM 7. EXECUTIVE SECRETARY'S REPORT**

Executive Secretary Nelson reported that she had responded to Representative Tom Tiffany's concerns about BCPL's sale of Van Vliet Hemlocks to the DNR, which the Wisconsin Natural Resources Board approved unanimously on December 14, 2011. Board documents and additional information was sent to Representative Tiffany, including assurance that local tax receipts will increase as a result of this transaction. A follow-up meeting with Representative Tiffany is scheduled for January.

#### **ITEM 8. ADJOURN**

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



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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.