

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.

Municipality	Municipal Type	Loan Type	Loan Amount
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