

Board Meeting Minutes
June 7, 2016

Present via teleconference were:
Doug La Follette, Commissioner
Matt Adamczyk, Commissioner
Brad Schimel, Board Chair
Jonathan Barry, Executive Secretary
Tom German, Deputy Secretary
Richard Sneider, Loan Analyst
Vicki Halverson, Office Manager
Aleks Granchalek

Secretary of State
State Treasurer
Attorney General
Board of Commissioners of Public Lands
Fifth Third Securities

ITEM 1. CALL TO ORDER

Board Chair Schimel called the meeting to order at 2:06 p.m.

ITEM 2. APPROVE MINUTES – MAY 18, 2016

MOTION: Board Chair Schimel moved to approve the minutes; Commissioner Adamczyk seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

Executive Secretary Barry reported that the loans had been reviewed for proper public purpose.

Municipality	Municipal Type	Loan Type	Loan Amount
1. Amnicon Douglas County Application #: 02016180 Purpose: Refinance John Deere grader loan	Town Rate: 3.00% Term: 10 years	General Obligation	\$220,000.00
2. Amnicon Douglas County Application #: 02016181 Purpose: Purchase pickup truck	Town Rate: 2.50% Term: 5 years	General Obligation	\$25,000.00
3. Amnicon Douglas County Application #: 02016182 Purpose: Refinance BCPL loan #2013119	Town Rate: 3.00% Term: 10 years	General Obligation	\$378,055.30
4. Baldwin St Croix County Application #: 02016184 Purpose: Finance TID #7 projects	Village Rate: 3.50% Term: 20 years	General Obligation	\$414,000.00

5.	Black Creek Outagamie County Application #: 02016190 Purpose: Purchase fire truck	Town Rate: 2.50% Term: 5 years	General Obligation	\$285,536.00
6.	Brown Deer Milwaukee County Application #: 02016192 Purpose: Renovate elementary school	School Rate: 2.50% Term: 5 years	General Obligation	\$300,000.00
7.	Brown Deer Milwaukee County Application #: 02016193 Purpose: Refinance BCPL loan #2010200	School Rate: 2.50% Term: 4 years	General Obligation	\$333,363.00
8.	Brown Deer Milwaukee County Application #: 02016194 Purpose: Refinance BCPL loan #2014100	School Rate: 3.00% Term: 7 years	General Obligation	\$607,631.34
9.	Concord Jefferson County Application #: 02016187 Purpose: Purchase snow plow truck	Town Rate: 3.00% Term: 10 years	General Obligation	\$220,000.00
10.	Gillett Oconto County Application #: 02016197 Purpose: Purchase machinery and equipment	City Rate: 2.50% Term: 5 years	General Obligation	\$26,000.00
11.	Herman-Neosho-Rubicon Dodge and Washington Counties Application #: 02016175 Purpose: Refinance Rubicon BCPL loan #2005175	School Rate: 3.00% Term: 9 years	General Obligation	\$97,922.40
12.	Herman-Neosho-Rubicon Dodge and Washington Counties Application #: 02016176 Purpose: Refinance WRS prior service pension liability	School Rate: 3.00% Term: 10 years	General Obligation	\$410,000.00
13.	Independence Buffalo and Trempealeau Counties Application #: 02016195 Purpose: Finance energy efficiency building upgrades	School Rate: 3.00% Term: 10 years	General Obligation	\$870,000.00

14.	Janesville Rock County Application #: 02016178 Purpose: Finance fire protection payment	Town Rate: 2.50% Term: 1 years	General Obligation	\$300,000.00
15.	Maple Bayfield and Douglas Counties Application #: 02016196 Purpose: Purchase math and language arts curriculum	School Rate: 3.00% Term: 6 years	General Obligation	\$288,100.00
16.	Mosinee Marathon County Application #: 02016183 Purpose: Finance water main replacements	City Rate: 3.50% Term: 20 years	General Obligation	\$500,000.00
17.	Pensaukee Oconto County Application #: 02016179 Purpose: Refinance fire engine loan	Town Rate: 2.50% Term: 5 years	General Obligation	\$155,000.00
18.	Poplar Douglas County Application #: 02016188 Purpose: Finance fire department water source well	Village Rate: 3.50% Term: 15 years	General Obligation	\$86,354.00
19.	Stoddard Vernon County Application #: 02016191 Purpose: Finance Stoddard Park restroom addition and renovation	Village Rate: 3.50% Term: 20 years	General Obligation	\$128,500.00
20.	Whitnall Milwaukee County Application #: 02016177 Purpose: Install fiber optic network	School Rate: 2.50% Term: 5 years	General Obligation	\$440,000.00
21.	Woodville St Croix County Application #: 02016185 Purpose: Finance 2016 capital projects	Village Rate: 3.50% Term: 20 years	General Obligation	\$580,000.00
22.	Woodville St Croix County Application #: 02016186 Purpose: Refinance BCPL loan #2016046	Village Rate: 3.00% Term: 7 years	General Obligation	\$224,239.00
23.	Wrightstown Brown and Outagamie Counties Application #: 02016189 Purpose: Purchase land for industrial development	Village Rate: 3.50% Term: 20 years	General Obligation	\$565,000.00
TOTAL				\$7,454,701.04

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

DISCUSSION: Commissioner Adamczyk expressed additional concern regarding energy efficiency loans to school districts that are not approved in a referendum, even though the law allows this.

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

[At this point in the meeting Board Chair Schimel allowed Executive Secretary Barry to provide the Board with an update on the Wisconsin Center District negotiations, as part of his Executive Secretary Report.]

ITEM 8. EXECUTIVE SECRETARY REPORT

Executive Secretary Barry reported that negotiations regarding the Milwaukee Bucks Arena had been finalized with the Wisconsin Center District, the Department of Administration, and bond counsel. The BCPL's investment in the project will be \$35 million.

ITEM 4. DISCUSS HAVING AN IN-PERSON BOARD MEETING (CLOSED OR OPEN) REGARDING INVESTMENT STRATEGIES BEFORE STAFF GIVES RECOMMENDATIONS

The Commissioners and Executive Secretary Barry discussed scheduling an in-person board meeting the first week of July to examine investment strategies and whether a portion of the meeting would need to be held in closed session. Executive Secretary Barry said that staff would research the closed session requirement and make a recommendation to the Board. Board Chair Schimel noted that the Board could make a decision at its next meeting (June 20).

ITEM 5. DISCUSS POSSIBLE RFP OR RFI BY INVESTMENT ADVISORS TO MAKE BEST INVESTMENTS FOR BCPL FUNDS

Board Chair Schimel said the discussion could be delayed until after the Board meets in July to consider a proposed investment strategy that would be presented by BCPL staff and deans from the UW School of Business.

ITEM 6. DISCUSS INVESTMENT OPTIONS

Commissioner Adamczyk thought it was important for the Board to consider options beyond agency staff for managing the School Trust Lands and trust fund investments. He would like the Board to discuss those options at an upcoming meeting.

ITEM 7. FUTURE AGENDA ITEMS

None.

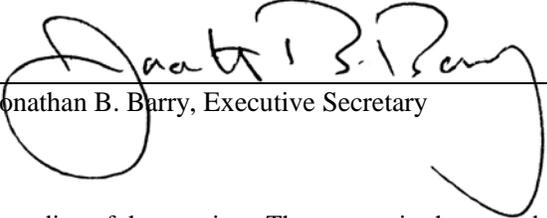
ITEM 8. EXECUTIVE SECRETARY'S REPORT (continued)

Executive Secretary Barry reported that staff is working on several Trust Land transactions; he would provide a written report the week of June 13.

ITEM 9. ADJOURN

MOTION: Board Chair Schimel moved to adjourn the meeting; Commissioner Adamczyk seconded the motion.

The meeting adjourned at approximately 2:33 p.m.



Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim.
Link to audio recording: ftp://doaftp1380.wi.gov/doadocs/BCPL/2016-06-07_BCPL-BoardMtgRecording.mp3