

Board Meeting Minutes
January 5, 2016

Present via teleconference were:

Doug La Follette, Commissioner
Matt Adamczyk, Commissioner
Brad Schimel, Board Chair
Jonathan Barry, Executive Secretary
Tom German, Deputy Secretary
Vicki Halverson, Office Manager
Richard Sneider, Loan Analyst
Mike Krueger, IT Specialist
Randy Bixby, Land Records Archivist
Denise Nechvatal, Accountant

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 2:11 p.m.

ITEM 2. APPROVE MINUTES – DECEMBER 15, 2015

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

Board Chair Schimel asked if the loans had been reviewed for public purpose. Deputy Secretary German confirmed they had.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Bloomfield Walworth County Application #: 02016113 Purpose: Purchase police vehicles	Village Rate: 3.00% Term: 3 years	General Obligation	\$86,000.00
2. Bloomfield Walworth County Application #: 02016114 Purpose: Finance operations	Village Rate: 2.50% Term: 2 years	General Obligation	\$40,000.00
3. Middleton Dane County Application #: 02016115 Purpose: Finance Meadow Ridge housing project	City Rate: 3.75% Term: 19 years	General Obligation	\$2,100,000.00

4.	Trout Lake District Juneau County Application #: 02016116 Purpose: Finance dam engineering study	Lake District Rate: 2.50% Term: 2 years	General Obligation	\$12,000.00
TOTAL				\$2,238,000.00

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

DISCUSSION: Commissioner Adamczyk expressed concern that the \$2 million, 20-year loan earning 3.75% may not be the best long-term investment for the Board.

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

ITEM 4. DISCUSS AND VOTE ON WSLCA SPRING CONFERENCE ATTENDANCE

Staff recommended skipping the WSLCA spring conference but sending a bigger team to the summer conference. Board Chair Schimel and Commissioner La Follette agreed with that recommendation.

ITEM 5. DISCUSS 2016 PROJECTED EARNINGS DISTRIBUTION FOR COMMON SCHOOL FUND

Deputy Secretary German reported that staff is projecting \$37.7 million in earnings distribution for 2016, a 6.2% increase over the previous year. He explained that the earnings are forwarded to the WI Department of Public Instruction for distribution to public school libraries. Executive Secretary Barry said he would contact State Superintendent Tony Evers and inform him of the amount. Board Chair Schimel and Commissioner La Follette commended staff on the accomplishment.

ITEM 6. DISCUSS AND APPROVE PROPOSED ASSIGNMENT OF SUBMERGED LANDS LEASE BY APPLETON PAPERS

Deputy Secretary German explained that the submerged lands lease has been in effect since 1971 and renegotiated and extended over the years. The proposed assignment would make the current riparian owner the lessee. The lease is for the purpose of improving navigation.

MOTION: Commissioner La Follette moved to approve and consent to the assignment of the lease; Board Chair Schimel seconded the motion.

DISCUSSION: Commissioner Adamczyk thought that submerged lands leases should be overseen by the WI DNR. Deputy Secretary German explained that the DNR conducts a regulatory review to determine if the proposed changes by the lessee to the riverbed are consistent with the public interest in the navigable waters. If the DNR makes such a finding, the Board may then consider and approve a lease. Executive Secretary Barry added that the leases generate a small amount of revenue.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves and consents to the assignment of the lessee's interest in Submerged Lands Lease #139 from Appvion, Inc. to Appleton Coated, LLC in accordance with Section 24.39 of the Wisconsin Statutes on such other 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. FUTURE AGENDA ITEMS

None.

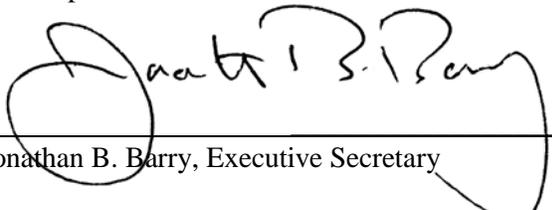
ITEM 8. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Barry reported that the Mud Lake meeting was scheduled for Friday, January 8, and included a representative group of timberland managers from northern Wisconsin.

Deputy Secretary German reported that 10-year Treasury bonds saw a slight increase in basis points from 2.22% to 2.23%.

ITEM 9. ADJOURN

The meeting adjourned at approximately 2:26 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://doafpt1380.wi.gov/doadocs/BCPL/2016-01-05_BCPL-BoardMtgRecording.mp3