BCPL Board Meeting
August 4, 2026
Start time: 2:03 pm

SG: So I'm going to call our meeting to order on this August 4th of 2026. It's good to see everybody and we're going to move right along with our agenda. And so the first item is approving the minutes. I move to approve the minutes. Is there a second?

JK: I second.

SG: Any friendly amendments, discussions, concerns, see none, all those in favor of approving the minutes say aye. Aye Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: Minutes are approved. The next item on the agenda is we have 5 loans at a little over $900,000. I move to approve the loan portfolio. Is there a second?

JL: I will second.

SG: Thank you, John. The we'll move it over to Rich to walk us through the loans we are reviewing today.

RS: Thanks, Sarah. Today you know we have five fairly routine loans. You know, loan #1 is to the town of Cutler in Juneau County to finance some bridge repairs. Loan #2 to the Town of Highland in Douglas County is to finance the purchase of the grater. Loans 3 and 4 are to the City of Mosinee in Marathon County. And the loan #4 is to finance roadwork. And loan #3 is to finance 2026 capital equipment purchases with the majority of that loan going to for police squads and related equipment. And then loan #5 is to the Town of Rock Elm in Pierce County to finance purchase of a tractor. And that's all I have on the loans today. Are there any questions?

SG: Thanks, Rich. Josh, John, are there any questions on these loans? They seem pretty, pretty standard when I looked at them.

JK: None for me.

JL: None here.

SG: All right. Seeing that there are no more questions, all those in favor of approving our loan portfolio today say aye, Aye, Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: The loans are approved and we are moving now to routine business, so we're switching things up a little bit. So Rich, we're going to give it back to you with the Chief Investment Officers report. Thanks, Sarah.

RS: You know, the Q2 investment report that I had been promising has been delayed due to an additional accounting reconciliations that are normally required at the end of the fiscal year. So I hope to have that report available soon. At the most recent investment committee meeting, the investment committee agreed to make commitments to both real estate and infrastructure asset classes to bring us a little closer to the target ranges for each of those in asset classes that had been approved by the board. These commitments were to open-ended funds in which BCPL is already invested, open-ended funds add a source of future liquidity that allows BCPL to redeem some or all of our investments in the future. Adding to our existing fund investments is good in two separate ways. First, it reduces the workload on our back office. And 2nd, it reduces risk to the portfolio because we are familiar with the operations of the asset manager and are confident in their strategy. These commitments included $50 million across 4 real estate funds. Real estate is an asset class that we believe has reached bottom following the transition to higher interest rates and should be adding significant value over the next several years. The other commitment by the investment committee was $25 million to the KKR Diversified Core Infrastructure Fund. Infrastructure adds to the diversification of the overall portfolio because returns are not necessarily correlated to the returns of other asset classes. The underlying infrastructure investments generally have long term contracts with revenue that adjusts for inflation. This KKR fund focuses on energy transition, critical networks including energy and electricity transmission, digitization including fiber networks and towers and towers, and partnering with local governments on transportation and other projects. The fund provides access to a global portfolio with thousands of underlying customers and contracts that support a predictable cash yield and modest capital appreciation. Another action by the Investment Committee's state trust fund loan interest rates were increased by 1/4 of 1% across the board to reflect current market conditions in the interest rate market. That's all I have for today. Does anybody have any questions?

SG: I mean, investing 10s of millions of dollars, it's just, that's not just, you know, Rich, that's a laundry list of things that we've done over the past few weeks and months. So what was it? Was it over 50 million, I think, we've reinvested.

RS: At this most recent meeting it was 75,000,000. But yeah, it's interesting, Sarah. You know, when I first joined the agency, I was really pretty awed by the size of the numbers. And as we work together on investing all of this money, at some point it just becomes additional zeros. You know, you'll no longer see just the size of the investments that we're making, right? Which is why I want to take a moment just to pause.

SG: Because 75,000,000 is, I mean, that's still a good chunk of change that we're putting to work. So thanks for the update, Rich. I don't know if there's any questions for the commissioners, but I do think when you share the Q2 financial report, maybe we can also share a little bit more of the back office work that we've been talking about too with the investment committee. You know, something we've been talking about with the commissioners is how we are ensuring a sustainable investment capability, especially Rich, where we know eventually you want to retire and not have to, you know, worry about us all the time in your future. And so I do think maybe we could address that a little bit about some of those things that we've been making happen and working on even through the retreat during your update next time.

RS: Absolutely. You know, Tia and I will both provide some updates in the in that regard. And I'll let you know that I'm looking forward to a lot fewer zeros in my future.

SG: Thank you, Rich. Any questions from the commissioners for Rich? OK, moving on to the Executive Secretary's report, Tia, I'll turn it over to you.

TN: Just catching the thread. Thank you, Sarah. Catching the thread of the back office to just mention and I'll talk to Denise about it after the call. She's been doing a lot of work related to the investment committee retreat risk abatement efforts and working with Baker Tilly and I'd like her to be able to share some of our progress there. It's really important. I'm proud of her and I know she's we're we all should be celebrating the progress we've made in that regard. Quick, last week I went up to Lake Tomahawk, had an excellent, spent most of the morning in the office with the entire team, the forestry team and Micah, who is our real estate team member. We then I went out into the field and looked at challenges, questions, opportunities in terms of how we're doing on the ground, timber management.

We went to a stand that's being harvested and to discuss different treatment options, challenges, opportunities. Talked a bit about pretty significant challenges in the timber markets with another mill closing and an oversaturation of timber products at the mills and its impact on prices and so on. So very productive. I learned a lot the team at like Tomahawk, kudos to each and every one of them. They did a great job. The only other update which Micah sent in to me a few days ago and we talked about when I was up there last week, Micah, since he's onboarded again with us, has been writing letters to adjacent landowners for properties which we've had the board approved for sale, and have been advertised in newspapers and there's signage on the property. And previously owners were contacted. Micah's reaching out and contacting these owners again. In some cases it's a new owner, in some cases folks potentially weren't aware the property was for sale. But in any case, with his sort of more hands on effort, we have several private sales that'll be coming through because adjacent landowners once receiving Micah's letter that the properties on the market are responding and making offers that are equal to the appraised value that we originally advertised at. So we'll be bringing forward some more land sales thanks to Micah.

SG: Tia, that's great news because we've been trying to sell those some of those properties for a while. And so that's…really appreciate the work Micah's doing on the ground to build awareness and look forward to that.

TN: Nothing like the personal touch, you know, and these letters are paying off, which is great.

SG: Great idea.

TN: Yeah, that's my report.

SG: Tia, do you think in the future, it doesn't have to necessarily be next meeting, but I would love to know the status of the maple syrup endeavors up north. So if you could maybe share with us a timeline what that looks like, I think that's an exciting new revenue stream for our overall Up North portfolio. And so I just would love to hear how it's going.

TN: Yep, no problem. I'll have one for you next time.

SG: Great. Thank you, Josh and John, any questions for Tia?

JK: None for me.

JL: Me neither.

SG: OK, thanks. Tia. I don't have anything to report at this time. So, any future agenda items besides what was discussed earlier in our meeting. OK, there are seeing none. We have old business which we don't have any old business. And so moving on to new business, I move to go into closed session, which is pursuant of Wisconsin Statue 19 .851 C, which is considering an employment promotion, compensation or performance evaluation. This is particularly with regards to the Executive secretary. Is there a second?

JL: I'll second.

SG: Any discussion or debate seeing none, all those in favor of moving into closed session say aye. Aye, Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: So we will move into session. Thanks, everybody.

JK: All right. So, I move to authorize the board chair to move forward with obtaining ADMC for the executive secretary.

JL: And I will second that.

SG: Great. Is there any discussion? See none. All those in favor of approving the motion say aye. Aye, Sarah.

JK: Aye, Josh.

JL: Aye, John.

TN: Am I allowed to vote?

JL: Nope.

SG: No, you're not Tia. Nice try. All right. Well, seeing that that we have no other items on our agenda, I move to adjourn. Is there a second?

JL: I'll second

SG: Great. All those in favor of adjourning our meeting say aye, Aye, Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: Our BCPL meeting is adjourned. Under protest, John, I'm sure. But yeah, we'll wrap it up.

JL: I'm fine with adjourning.

JK: Have a good week, everybody.

SG: All right. Thanks, everybody. Bye-Bye.

JL: Bye.

TN: Thanks, everybody.

End Time: 3:13 pm