BCPL Board Meeting
August 18, 2026
Start Time: 2:00 pm

SG: So, I'm going to start our August 18th, 2026, call it our board meeting call to order and the first item is approving our minutes from the August 4th meeting. I move to approve the minutes. Is there a second?

JL: I'll second.

AG: Any friendly amendments, questions or comments about the minutes? See none, all those in favor of approving the agenda say or minutes say aye. Aye Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: The minutes are approved. The next item on the agenda is our loan portfolio. And today we have 4 loans that are a little over $1.9 million. I move to approve the loan portfolio. Is there a second?

JK: I second.

SG: Thank you, Josh. Rich will turn it over to you to walk us through the four loans that we are reviewing today.

RS: Thanks, Sarah. A loan number one is to the Town of Tripp in Bayfield County. They are borrowing to finance roadwork and a building addition. The Town of Bristol in Dane County is borrowing to finance roadwork and repairing some equipment. Loan number three to the City of Bloomer in Chippewa County is to finance site and utility improvements in their tax incremental district #5. Then the largest loan is to the Town of Shelby in Lacrosse County who are buying a building for their fire department. A pretty standard fare for a BCPL. Does anybody have any questions?

SG: I don't have any questions on my end. Any of the commissioners have any questions for Rich?
JK: None for me.

JL: None here.

SG: All right? Seeing none. All those in favor of approving the loan portfolio today say aye. Aye, Sarah.

JK: Aye, Josh.

JL: Aye, John.

SG: The loans are approved and we have no new business. So we're moving into a routine business where Rich, I'll turn it over back to you where we can go over our quarterly investment report.

RS: Thanks, again, Sarah. I plan on keeping my remarks very limited today. So let's get started and take a quick look at the portfolio report which is on Page 6 of today's pack up. And as you know, you know, I like to focus on the bottom line, which today shows a projected income of about 74,000,000 over the next 12 months. That number is only slightly higher than the amount that we distributed earlier this year, but this projection is on track with expectations. We've discussed how distributions will be leveling off following a period of fantastic growth over the past five years or so. The transition to a lower growth percentage in distributions is being offset by our expectation for higher growth in asset values. As you might recall, the target allocations approved by the board in 2025 included slightly increased allocations to asset classes that improve opportunities for future growth, infrastructure TIPS or Treasury inflation, protected securities and private equity venture capital. And as these new growth opportunities take shape, we will better be able to meet the expectations of our beneficiaries well into the future. In the meantime, our smoothing fund continues to be fully funded and available to supplement annual distributions if needed. Are there any questions before we move on to the allocation report on Page 7?

SG: None from me.

RS: Oh, thanks, Sarah. If not, I don't have much to say on about Page 7, except that the investment committee is working hard to increase commitments to asset classes that remain below target levels. As you'll, note towards the bottom of the table, recent allocations to infrastructure and real estate are bringing these asset classes very near their target allocations. Our cash available for investment remains strong even when these new commitments are included in the calculations. Recent projections show cash available for investment remaining well above $65 million over the next year. The Investment Committee will soon consider additional commitments to close in on additional target allocations. And as always, the Investment Committee will remain prudent in our actions on behalf of the Board and our beneficiaries. Are there any questions about the allocation report?

JK: None for me.

RS: Then moving on to page 8 to the packet, during the second quarter report each year have updated. I've been updating the board on our progress versus inflation. On this page you'll see that this year I have again included both the principal of the Common School Fund along with growth in our annual distributions. The long term goal of our investment policy is to increase fund principal and annual distributions at or above the appropriate long term rate of inflation. To measure our progress against this long term goal, I've included two measures of inflation. The standard measure generally reported by the Fed and the press includes the prices of all items for all urban consumers. But there's another measure that may be more important for our purpose, given that the common school fund distributions are currently directed to provide the sole state aid for the purchase of public school library materials and resources. That definition of CPI includes only the prices of educational books and supplies. I think that these tables show that we've been doing a great job of increasing fund principal and annual distributions when compared to either of these inflation measures. And our performance has improved since the implementation of approved investor standard of about 10 years ago. That's really all I have for today. Any final questions or comments?

SG: No, I think it's always just good, Rich, to look at how the fund is growing in relation to inflation. And so it's really nice to see this.

RS: Yeah, I think it's been a little trickier over the last few years since inflation has spiked a little bit, but we continue to outperform very well.

JK: Yeah, thanks for the update, Rich.

RS: Thank you.

SG: The next report is the Executive Secretary's report, so Tia I'll turn it over to you.

TN: Yeah, Thanks Sarah. Thanks everybody, especially Rich for your diligence and performance with the fund. I am away from the office. I've been took a little time off, but I've also been engaging in a little bit of work, including following the bouncing ball of the lawsuit against Milwaukee County for the diversion of fine fees and forfeitures. The judge signed a ruling last week calling the statutory language unconstitutional. He withdrew that yesterday and said that he had signed it by mistake it he also indicated that he is accepting law forward filing of an amicus briefs in support of WILL's lawsuit and he will hear oral arguments on September 1st. So that was sort of rapidly evolving, but that's where we're at to the best of my knowledge, understanding I'm not at the office and knowing everything in real time. But that was a surprise yesterday and I had been contacted by Wisconsin Public Radio, as I indicated to all the board members, and that story's been pulled down. I never heard it because by the time they figured out what was going on, I guess they pulled it down themselves. But in any case, what it's important to hear, I think from my perspective is that Law Forward and it has amicus brief has been accepted and the arguments occur on September 1st and other than that, I don't have any updates.

SG: Well, thank you, Tia and we appreciate you keeping us posted as things further develop.

TN: Sure.

SG: My report is next and I'm also going to keep it brief. I don't have much to report, so we'll move on to future agenda items. Are there any future agenda items board members would like to like to see?

JK: None for me.

JL: None here.

SG: OK. And we have no old business, so I move to adjourn our meeting today. 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: Thanks everybody and have a good rest of your week.

JK: Have a good week everyone.

End Time: 2:10 pm