

Board Meeting Minutes
January 5, 2010

ITEM 1. CALL TO ORDER

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m.

Present were:

Doug La Follette, Board Chair	Secretary of State
Dawn Marie Sass, Commissioner	State Treasurer
J.B. Van Hollen, Commissioner	Attorney General
Tia Nelson, Executive Secretary	Board of Commissioners of Public Lands
Tom German, Deputy Secretary	Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – December 15, 2009

MOTION: Commissioner Van Hollen moved to approve the minutes; Commissioner Sass seconded the motion. The motion passed, 3-0.

ITEM 3. APPROVE LOANS

Deputy Secretary German said that the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Cross Plains County of Dane Application #: 02010123 Purpose: Finance TIF district project	Village Rate: 5.50 Filed: December 16, 2009	\$60,457.00
2. Juneau County of Dodge Application #: 02010119 Purpose: Finance public works project	City Rate: 3.50 Filed: December 11, 2009	\$150,000.00
3. La Crosse County of La Crosse Application #: 02010121 Purpose: Finance public works project	County Rate: 4.50 Filed: December 11, 2009	\$6,500,000.00
4. Mondovi County of Buffalo, Dunn, Eau Claire and Pepin Application #: 02010124 Purpose: Refinance prior service pension liability	School Rate: 5.25 Filed: December 16, 2009	\$560,000.00
5. Oconto Falls County of Oconto Application #: 02010122 Purpose: Finance the purchase of capital equipment and vehicles	City Rate: 4.50 Filed: December 14, 2009	\$822,000.00

6.	Ozaukee County of Ozaukee Application #: 02010118 Purpose: Finance public works project	County Rate: 4.50 Filed: December 11, 2009	\$1,000,000.00
7.	Pewaukee County of Waukesha Application #: 02010120 Purpose: Finance public works project	Village Rate: 4.50 Filed: December 11, 2009	\$50,000.00
TOTAL			\$9,142,457.00

MOTION: Commissioner Van Hollen moved to approve the loans; Commissioner Sass seconded the motion. The motion passed, 3-0.

ITEM 4. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that staff would be providing to the Department of Public Instruction (DPI) the estimated earnings from the Common School Fund, which DPI will then distribute as library aid in April 2010. The library aid distribution will be less than last year. This decrease is due largely to the following factors:

- o Lower earnings on State Investment Fund (SIF) balances. Trust Fund principal not invested in loans or bonds is held in a SIF account, which is managed by the State Investment Board. SIF earnings have been dropping for two years from 5.27% in FY07 to the current rate of 0.27%.
- o Timing of loan disbursements and projected loan payments. A significant number of loans were disbursed after September 1, 2009. These loans do not require a payment until March 15, 2011 and, thus, will not produce distributable earnings for FY2010 but will for FY2011 and beyond.

She also reported that staff will be recommending to the Board that the agency exercise its authority to invest unencumbered Common School Fund monies in investments other than the State Investment Fund. Staff will be preparing materials with their recommendation and present it to the Commissioners at the next board meeting.

ITEM 5. ADJOURN

MOTION: Commissioner Van Hollen moved to adjourn the meeting; Commissioner Sass seconded the motion. The motion passed, 3-0.



Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 125 S. Webster Street, Suite 200, Madison, Wisconsin.