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Jonathan Barry, *Executive Secretary*

## AGENDA

April 20, 2016  
2:00 P.M.

Board of Commissioners of Public Lands  
101 E. Wilson Street, 2<sup>nd</sup> Floor  
Madison, Wisconsin

### Routine Business:

- 1) Call to Order
- 2) Approve Minutes – April 5, 2016 (Attachment)
- 3) Approve Loans (Attachment)

### Old Business:

None

### New Business:

- 4) Agency Expenses Over \$5,000 Approved by Board Chair (Attachment)
- 5) Discuss and Vote on WSLCA Summer Conference Attendance (Attachment)

### Routine Business:

- 6) Future Agenda Items
- 7) Executive Secretary's Report
- 8) Adjourn

### AUDIO ACCESS INFORMATION

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Toll Free Number: **(888) 291-0079**  
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**BOARD MEETING  
APRIL 20, 2016**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the April 5, 2016, board meeting.

Board Meeting Minutes  
April 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

Secretary of State  
State Treasurer  
Attorney General  
Board of Commissioners of Public Lands  
Board of Commissioners of Public Lands  
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**ITEM 1. CALL TO ORDER**

Board Chair Schimel called the meeting to order at 1:45 p.m.

**ITEM 2. APPROVE MINUTES – MARCH 15, 2016**

**MOTION:** Commissioner La Follette moved to approve the minutes; Board Chair Schimel 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. Executive Secretary Barry confirmed they had.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Balsam Lake Pro & Rehab Dist. Polk County Application #: 02016142 Purpose: Purchase aquatic plant harvester and support equipment	Lake District Rate: 3.00% Term: 10 years	General Obligation	\$167,645.00
2. Brooklyn Green County Application #: 02016141 Purpose: Refinance fire district building loan	Town Rate: 3.50% Term: 19 years	General Obligation	\$381,350.00
3. Greenfield Milwaukee County Application #: 02016145 Purpose: Install fiber optic network	City Rate: 3.00% Term: 10 years	General Obligation	\$700,000.00
4. Lafayette Walworth County Application #: 02016140 Purpose: Construct town garage and salt shed	Town Rate: 3.50% Term: 20 years	General Obligation	\$600,000.00

5.	Montreal Iron County Application #: 02016135 Purpose: Refinance WRS unfunded pension liability	City Rate: 3.50% Term: 20 years	General Obligation	\$609,789.00
6.	Navarino Shawano County Application #: 02016143 Purpose: Refinance BCPL loan #2009150	Town Rate: 2.50% Term: 3 years	General Obligation	\$25,496.10
7.	Navarino Shawano County Application #: 02016144 Purpose: Purchase used rescue vehicle	Town Rate: 2.50% Term: 3 years	General Obligation	\$6,500.00
8.	Onalaska La Crosse County Application #: 02016136 Purpose: Finance public works projects	City Rate: 2.50% Term: 5 years	General Obligation	\$134,190.00
9.	Oneida Oneida County Application #: 02016138 Purpose: Refinance G.O. Bonds dated December 30, 2002	County Rate: 2.50% Term: 5 years	General Obligation	\$360,000.00
10.	Owen-Withee Clark and Taylor Counties Application #: 02016139 Purpose: Refinance WRS liability and finance building projects	School Rate: 3.00% Term: 10 years	General Obligation	\$900,000.00
11.	Tomah Monroe County Application #: 02016137 Purpose: Purchase garbage/recycling vehicle	City Rate: 2.50% Term: 5 years	General Obligation	\$247,659.00
<b>TOTAL</b>				<b>\$4,132,629.10</b>

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

**DISCUSSION:** Executive Secretary Barry explained that there is an opportunity for those municipalities and school districts with unfunded pension liabilities with the Wisconsin Retirement System (WRS) to save a considerable sum of money by refinancing that obligation through a State Trust Fund Loan. At issue is the fact that WRS prior service pension obligations do not appear as general obligation debt on a municipality's balance sheet but once that obligation is refinanced with another entity (such as BCPL), the obligation is considered G.O. debt. Some municipalities may be reluctant to refinance because of this. Staff has been in contact with the League of Wisconsin Municipalities and the Wisconsin Towns Association to enlist their assistance in explaining to their members the benefits of refinancing that obligation with a State Trust Fund Loan.

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

#### **ITEM 4. FUTURE AGENDA ITEMS**

None.

#### **ITEM 6. EXECUTIVE SECRETARY'S REPORT**

Executive Secretary Barry reported that staff completed a draft investment policy that will be shared with the UW Business School to obtain their feedback and suggestions. It is anticipated that a draft policy could possibly be presented to the Board at one of the May board meetings.

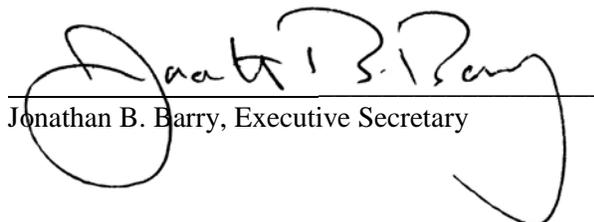
He also reported that he, Deputy Secretary German, and District Office staff would be meeting with realty specialists, leaders in the timber industry, and the Oneida County Forestry Commission in northern Wisconsin to discuss a variety of School Trust Land topics.

In an effort to sell unproductive School Trust Lands, Executive Secretary Barry and staff believe it may be beneficial for the agency to contract with regional real estate specialists who are familiar with local markets. Any proposals would be presented to the Board for discussion prior to staff taking action.

#### **ITEM 7. ADJOURN**

**MOTION:** Commissioner La Follette moved to adjourn the meeting; Commissioner Adamczyk seconded the motion.

The meeting adjourned at approximately 2:10 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/2016-04-05\\_BCPL-BoardMtgRecording.mp3](ftp://doafpt1380.wi.gov/doadocs/BCPL/2016-04-05_BCPL-BoardMtgRecording.mp3)

**BOARD MEETING  
APRIL 20, 2016**

**AGENDA ITEM 3  
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Brooklyn Dane and Green Counties Application #: 02016154 Purpose: Refinance fire/EMS building loan	Village Rate: 3.50% Term: 19 years	General Obligation	\$399,000.00
2. Cadott Chippewa County Application #: 02016155 Purpose: Finance street projects	Village Rate: 3.50% Term: 20 years	General Obligation	\$295,000.00
3. Cadott Chippewa County Application #: 02016156 Purpose: Refinance BCPL loan #2014165	Village Rate: 3.50% Term: 18 years	General Obligation	\$308,375.67
4. Mondovi Buffalo County Application #: 02016152 Purpose: Purchase vehicles and equipment	City Rate: 2.50% Term: 5 years	General Obligation	\$52,300.00
5. Two Rivers Manitowoc County Application #: 02016146 Purpose: Finance 2016 capital projects	City Rate: 3.00% Term: 10 years	General Obligation	\$1,420,000.00
6. Two Rivers Manitowoc County Application #: 02016147 Purpose: Refinance BCPL loan #2015115	City Rate: 2.50% Term: 3 years	General Obligation	\$765,000.00
7. Two Rivers Manitowoc County Application #: 02016148 Purpose: Refinance BCPL loan #2015116	City Rate: 3.00% Term: 9 years	General Obligation	\$367,000.00
8. Two Rivers Manitowoc County Application #: 02016149 Purpose: Refinance BCPL loan #2015117	City Rate: 3.00% Term: 8 years	General Obligation	\$1,941,374.00

Municipality	Municipal Type	Loan Type	Loan Amount
9. Vandenbroek Outagamie County Application #: 02016153 Purpose: Purchase rescue truck	Town Rate: 2.50% Term: 5 years	General Obligation	\$55,000.00
10. West Milwaukee Milwaukee County Application #: 02016151 Purpose: Finance TID #2 development incentive	Village Rate: 2.50% Term: 4 years	General Obligation	\$1,010,000.00
	<b>TOTAL</b>		<b>\$6,613,049.67</b>

**BOARD MEETING  
APRIL 20, 2016**

**AGENDA ITEM 4  
AGENCY EXPENSES OVER \$5,000 APPROVED BY BOARD CHAIR**

Vendor Name	Amount	Description
Reyco Forestry	\$7,235.72	Contract for timber stand inventory to determine timber values on incoming parcels included in a potential land exchange with the U.S. Forest Service (E1502). The Board approved obtaining appraisals for this potential land exchange at the December 16, 2014.

**BOARD MEETING  
APRIL 20, 2016**

**AGENDA ITEM 5  
DISCUSS AND VOTE ON WSLCA SUMMER CONFERENCE ATTENDANCE**

Agenda topics to be presented and discussed at this conference include asset management, asset allocation, timber management and public trust land management.

The conference is hosted by the Idaho Department of Lands, which itself holds significant timberland assets in its permanent School Trust Fund.

The conference will provide BCPL staff an opportunity to collaborate with Idaho staff on best practices related to timber management and real estate transactions. Building working relationships with Idaho and other states' timber management staff may be expected to assist BCPL in the future.

Additional sessions focus on submerged lands, asset management and asset allocation strategies. The Board's Executive Secretary, Deputy Secretary, and investment officer will participate in these sessions as well.

The registration fee is \$400 per person and includes most meals. Travel expenses are projected to be around \$450 and lodging costs are \$125 per night for a total cost anticipated to be approximately \$1,600 per BCPL employee, plus one rental car at \$250.