

Board Meeting Minutes
February 7, 2017

Present via teleconference were:

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| Doug La Follette, Commissioner | Secretary of State |
| Matt Adamczyk, Commissioner | State Treasurer |
| Brad Schimel, Board Chair | Attorney General |
| Jonathan Barry, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Richard Sneider, Loan Analyst and
Chief Investment Officer | Board of Commissioners of Public Lands |
| Vicki Halverson, Office Manager | Board of Commissioners of Public Lands |

ITEM 1. CALL TO ORDER

Board Chair Schimel called the meeting to order at 2:04 pm. He noted that all Commissioners were present.

ITEM 2. APPROVE MINUTES – JANUARY 17, 2017

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

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Blair Trempealeau County Application #: 02017126 Purpose: Refinance BCPL loan #2009060.01	City Rate: 4.00% Term: 12 years	General Obligation	\$142,000.00
2. Blair Trempealeau County Application #: 02017127 Purpose: Refinance BCPL loan #2009060.02	City Rate: 4.00% Term: 13 years	General Obligation	\$50,000.00
3. Blair Trempealeau County Application #: 02017128 Purpose: Refinance BCPL loan #2009060.03	City Rate: 4.00% Term: 13 years	General Obligation	\$282,000.00
4. Egg Harbor Door County Application #: 02017136 Purpose: Construct new library/community center	Village Rate: 3.00% Term: 3 years	General Obligation	\$1,507,500.00

5.	Ironton Sauk County Application #: 02017135 Purpose: Purchase truck and equipment	Town Rate: 3.00% Term: 5 years	General Obligation	\$159,000.00
6.	Manawa Waupaca County Application #: 02017137 Purpose: Finance TID #2 development incentive	City Rate: 4.00% Term: 20 years	General Obligation	\$430,000.00
7.	Mattoon Shawano County Application #: 02017134 Purpose: Purchase fire truck	Village Rate: 2.50% Term: 5 years	General Obligation	\$113,000.00
8.	Racine Racine County Application #: 02017141 Purpose: Refinance BCPL loan #2016166	School Rate: 4.00% Term: 20 years	General Obligation	\$5,225,000.00
9.	Rusk Rusk County Application #: 02017140 Purpose: Purchase property	County Rate: 3.50% Term: 10 years	General Obligation	\$1,270,000.00
10.	Two Rivers Manitowoc County Application #: 02017138 Purpose: Finance 2017 capital projects and equipment purchases	City Rate: 3.50% Term: 10 years	General Obligation	\$1,772,340.00
11.	Two Rivers Manitowoc County Application #: 02017139 Purpose: Refinance April 2, 2007, General Obligation Refunding Bonds	City Rate: 3.50% Term: 10 years	General Obligation	\$1,300,000.00
		TOTAL		\$12,250,840.00

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

DISCUSSION: Commissioner La Follette inquired about the policy for refinancing current BCPL State Trust Fund Loans. Staff replied that if a customer wants to refinance an existing loan in order take advantage of lower interest rates, they are required to borrow an additional 25% of the balance remaining on that loan to fund a new project. On the other hand, if the existing customer wants to simply extend the term of the loan at a higher interest rate, the 25% requirement is waived. He added that this was the case with the loan for the Racine School District (i.e., loan number eight in the list above).

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 5. EXECUTIVE SECRETARY'S REPORT

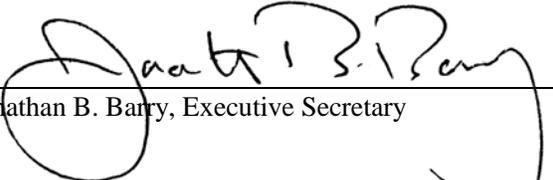
Executive Secretary Barry reported that approximately \$135 million in bonds on the secondary market had been purchased over the last several weeks. These bond rates have a higher yield (i.e., interest rate) and offer a better return compared to other investment options. He also stated that staff has not made any equity investments but they continue to monitor and research those securities.

Commissioner Adamczyk inquired about the issuer of the FHLB and FFCB bonds. Staff replied that the FHLB is Federal Home Loan Banks and FFCB is Federal Farm Credit Banks. The FHLB is a system of regional banks from which local lending institutions can borrow funds to finance housing and economic development. The FFCB is part of the Farm Credit System and provides loans, leases and services focused on the agricultural industry. The bonds are all triple-a rated.

ITEM 6. ADJOURN

MOTION: Board Chair Schimel moved to adjourn the meeting; Commissioner Adamczyk seconded the motion.

The meeting adjourned at approximately 2:16 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://doaftp1380.wi.gov/doadocs/BCPL/2017-02-07_BCPL-BoardMtgRecording.mp3