



101 E. Wilson Street
2nd Floor
PO Box 8943
Madison, WI 53708-8943

608 266-1370 INFORMATION
608 266-0034 LOANS
608 267-2787 FAX
bcpl.wisconsin.gov

Jonathan Barry, *Executive Secretary*

AGENDA

November 2, 2018
2:00 P.M.

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

Routine Business:

- 1) Call to Order
- 2) Approve Minutes - October 16, 2018 (Attachment)
- 3) Approve Loans (Attachment)

Old Business: None

New Business: None

Routine Business:

- 4) Executive Secretary's Report (Attachment)
 - Investment Transaction Report
- 5) Future Agenda Items
- 6) Adjourn

AUDIO ACCESS INFORMATION

Toll Free Number: **(888) 291-0079**
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**BOARD MEETING
NOVEMBER 2, 2018**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the October 16, 2018, board meeting.

Board Meeting Minutes
October 16, 2018

Present via teleconference were:

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, 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 3:31 p.m.

ITEM 2. APPROVE MINUTES – OCTOBER 2, 2018

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

Executive Secretary Barry reported that the loans had been reviewed for proper public purpose.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Amnicon Douglas County Application #: 02019039 Purpose: Purchase dump truck	Town Rate: 4.25% Term: 10 years	General Obligation	\$179,950.00
2. Green Bay Brown County Application #: 02019040 Purpose: Finance economic development projects	City Rate: 4.25% Term: 10 years	General Obligation	\$2,000,000.00
3. West Allis Milwaukee County Application #: 02019041 Purpose: Finance economic development projects	City Rate: 4.50% Term: 20 years	General Obligation	\$7,087,105.00
TOTAL			\$9,267,055.00

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

DISCUSSION: None.

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

ITEM 4. RATIFY ADJUSTMENTS TO LOAN PROGRAM INTEREST RATES

Executive Secretary Barry reported that the Federal Reserve has continued to raise short-term rates at a consistent pace, which is reflected in an increase in market yields. Staff recommended that State Trust Fund Loan interest rates be increased 0.25% across all loan terms.

The Board had previously authorized the Executive Secretary in consultation with the Board Chairman to adjust loan interest rates up to 1% in between board meetings. In accordance with that authority, Executive Secretary Barry and Board Chair Schimel approved the changes effective October 9, 2018.

MOTION: Commissioner La Follette moved to ratify the changes; Board Chair Schimel seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands ratifies the changes in BCPL State Trust Fund Loan Program, with annual interest rates to be set at 4.25% for 2-year loans; 4.25% for 3-5 year loans; 4.50% for 6-10 year loans; and 4.75% for 11-20 year loans.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

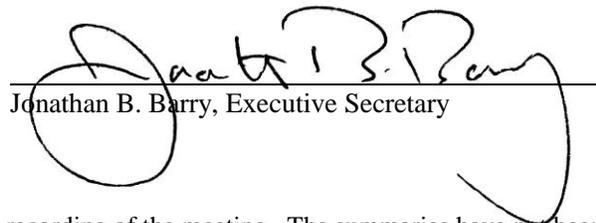
Executive Secretary Barry reported that the recent decline in equity prices had prompted re-entry into the market with \$3 million in ETF purchases. Investment in equities now totals approximately \$25 million.

ITEM 6. FUTURE AGENDA ITEMS

None.

ITEM 7. ADJOURN

The meeting adjourned at 3:36 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/2018-10-16_BCPL-BoardMtgRecording.mp3

**BOARD MEETING
NOVEMBER 2, 2018**

**AGENDA ITEM 3
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Ellington Outagamie County Application #: 02019043 Purpose: Finance roadwork	Town Rate: 4.00% Term: 2 years	General Obligation	\$100,000.00
2. Johnson Creek Jefferson County Application #: 02019042 Purpose: Finance Phase 2 athletic field project	School Rate: 4.25% Term: 10 years	General Obligation	\$750,000.00
3. Lake Marinette County Application #: 02019047 Purpose: Purchase service vehicle	Town Rate: 4.00% Term: 5 years	General Obligation	\$55,000.00
4. Marquette Green Lake County Application #: 02019048 Purpose: Purchase snowplow	Town Rate: 4.25% Term: 10 years	General Obligation	\$150,000.00
5. Saint Francis Milwaukee County Application #: 02019046 Purpose: Purchase public safety equipment and land	City Rate: 4.25% Term: 10 years	General Obligation	\$1,265,000.00
6. Wyocena Columbia County Application #: 02019045 Purpose: Purchase development land	Village Rate: 4.00% Term: 4 years	General Obligation	\$50,000.00
TOTAL			\$2,370,000.00

**BOARD MEETING
NOVEMBER 2, 2018**

**AGENDA ITEM 4
EXECUTIVE SECRETARY’S REPORT**

**Investment Transaction Report
October 25, 2018**

Bond Purchases

Issuer	Credit Rating	Trade Date	Par Value	Price Paid	Coupon	Call Date	Yield to Call	Maturity Date	Yield to Maturity
Sparta	AA-	10/17/18	\$520,000	\$520,000	4.25%	11/01/27	4.25%	11/01/32	4.25%
Sparta	AA-	10/17/18	\$615,000	\$615,000	4.45%	11/01/27	4.45%	11/01/36	4.35%
Sparta	AA-	10/17/18	\$675,000	\$675,000	4.55%	11/01/27	4.55%	11/01/38	4.55%
Ashwaubenon	Aa2	10/23/18	\$600,000	\$600,000	4.40%	06/01/26	4.40%	06/01/38	4.40%

Bond Sales

Staff has not sold bonds since the last Investment Transaction Report.

Public Equity Purchases

Staff purchased an additional \$4 million in ETF shares since the last Investment Transaction Report, and the CSF now holds approximately \$29 million in public equities.