

Board Meeting
Minutes
March 15, 2022

Present were:

Sarah Godlewski, Board Chair
Doug LaFollette, Commissioner
Tom German, Executive Secretary
Richard Sneider, Chief Investment Officer
Denise Nechvatal, Senior Accountant
Mike Krueger, IT Manager
Thuy Nguyen, Office Manager
Emma Stutzman, Chief of Staff

State Treasurer
Secretary of State
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands
State Treasurer

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:01 p.m.

ITEM 2. APPROVE MINUTES – March 1, 2022

MOTION: Commissioner LaFollette moved to approve the minutes; Board Chair Godlewski seconded the motion.

DISCUSSION: None

VOTE: The motion passed 2-0.

ITEM 3. APPROVE LOANS

MOTION: Commissioner LaFollette moved to approve the minutes; Board Chair Godlewski seconded the motion.

DISCUSSION: Mr. Sneider shared that loan number one is to the Town of Cutler for deck replacement on two bridges to remove the potential for weight restrictions and keep those bridges functional for fire trucks and other heavier vehicles. Loans number two and three are for standard vehicle purchases. Loans number four and five are to the City of La Crosse. Loan number four is for various projects, including park improvements and loan number five is for a flood plain housing replacement program and residential energy efficiency improvements.

VOTE: The motion passed 2-0

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$1,677,200.00** in State Trust Fund Loans to support **5** community projects in Wisconsin.

1. Town of Cutler / Juneau County / Finance bridge repairs / \$250,000.00
2. Town of Gordon / Douglas County / Finance purchase of tractor with boom mover / \$117,000.00
3. Town of Gordon / Douglas County / Finance purchase of snowplow / \$190,000.00
4. City of La Crosse / La Crosse County / Finance neighborhood improvement projects / \$650,000.00
5. City of La Crosse / La Crosse County / Finance floodplain and energy efficiency projects / \$470,200.00

ITEM 4. OLD BUSINESS

None

ITEMS 5. NEW BUSINESS – Board Chair’s proposal to review direct trust fund investments in Russian entities

Board Chair Godlewski began by explaining the letter she had sent and her call to divest from Russian markets.

Mr. Sneider explained that he had performed an analysis and concluded that BCPL does not have any direct Russian investments and he does not believe that we ever have. BCPL’s only investment exposure to Russia was through some exchange traded funds, some index funds that we had acquired through Vanguard and iShares. The indices that those funds are based on have recently declared that they will be deleting Russia from the indices. This means that the fund manager has disposed of or will dispose of those shares in short order. The Russian markets have been closed for a couple of weeks so that means that those funds may be writing those investments off, or they’ll need to be patient and wait for a counterparty to trade those shares with. It is fair to say that we no longer have exposure to Russian assets or we will no longer have exposure once Vanguard and iShares write off those investments or finds a counterparty to purchase shares that had been previously held through those ETF’s that BCPL owned.

Board Chair Godlewski shared that she read recently that Morgan Stanley Capital International (MSCI) has cleared everything. And as Mr. Sneider earlier, it appears that the Financial Times Stock Exchange (FTSE) is working towards that as well.

Mr. Sneider commented that at this point both have deleted Russia from their indices. It is just a matter of time before our funds are able to complete those transactions.

Board Chair Godlewski emphasized that BCPL does not have any direct Russian investments, but it is good to know that even with the indices there is a transition. She thanked Mr. Sneider for the report and the good news.

ITEM 6. CHIEF INVESTMENT OFFICER’S REPORT

None

ITEM 7. EXECUTIVE SECRETARY’S REPORT

None

ITEM 8. BOARD CHAIR’S REPORT

Board Chair Godlewski commented on the annual Wisconsin Educational Media & Technology Association (WEMTA) conference held last week. The \$40 million plus check was presented and everybody was incredibly appreciative. There was good energy in the crowd especially knowing that 2019 was the last time everyone was together in person. One of the bigger takeaways from the conference was how much librarians and media specialists appreciate the work BCPL does. She thanked Executive Secretary German, Mr. Sneider and the entire BCPL team for their work.

Board Chair Godlewski shared that she spoke with the new WEMTA president, Raquel Rand. She will follow up with Raquel on that conversation. She asked that she and Executive Secretary German touch base on the discussions she had at the conference and then report back to the board.

Commissioner LaFollette shared that he is sorry he missed the conference.

Board Chair Godlewski mentioned that she and the Department of Public Instruction (DPI) created an info cartoon video about how the Common School Fund is helping Wisconsin’s public schools. The video will be released soon and she will make sure to share it with the commissioners as well as posting it on social media.

ITEM 9. FUTURE AGENDA ITEMS

None

ITEM 10. ADJOURN

Board Chair Godlewski moved to adjourn the meeting; Commissioner LaFollette seconded the motion. The motion passed 2-0; the meeting adjourned at 2:11 p.m.

A handwritten signature in black ink, appearing to read "Thomas P. German", written over a horizontal line.

Thomas P. German, Executive Secretary

Link to audio recording:

<https://bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2022/2022-03-15 BoardMtgRecording.mp3>