
Board Meeting Minutes
November 19, 2024

Present were:

Sarah Godlewski, Board Chair	Secretary of State
John Leiber, Commissioner	State Treasurer
Josh Kaul, Commissioner	Attorney General
Nicole Pegram, Deputy Chief of Staff	Secretary of State
Tom German, Executive Secretary	Board of Commissioners of Public Lands
Rich Sneider, Chief Investment Officer	Board of Commissioners of Public Lands
Denise Nechvatal, Controller	Board of Commissioners of Public Lands
Chuck Failing, IT Manager	Board of Commissioners of Public Lands
Thuy Nguyen, Office Manager	Board of Commissioners of Public Lands

ITEM 1. CALL TO ORDER

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

ITEM 2. APPROVE MINUTES

MOTION: Commissioner Kaul moved to approve the minutes; Commissioner Leiber seconded the motion.

DISCUSSION: None

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION: Board Chair Godlewski moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: Mr. Sneider explained that four of the loans are what we consider bread and butter purposes: loans #1 and #5 are for roadwork, loan #3 is to purchase a grater and loan #6 is for a variety of improvement projects including roadwork and the acquisition of vehicles.

Loan #2 is a little more unusual. It's to finance replenishment of fund balances. The City of Horicon spent money on TIF #5 infrastructure projects that occurred in 2023 and 2024. They found that their fund balances were a little lower than they would like, so they're borrowing money to replenish their general fund.

Loan #4 to the Village of Elkhart Lake is to finance an incentive for the Van Horn development, which is 77 market rate rental townhouses in 11 separate buildings.

Loan #7 for \$600,000 is to the School District of Raymond 14, which is located a little northwest of Racine. This loan is to finance operations. There have been a number of school district referendums in recent elections, School districts in Wisconsin have been under some pretty extreme financial stress. According to the Dept of Instruction, at least 192 school districts out of 421, almost half, posed 241 referenda questions to district residents in 2024. School district financing is complicated, but one of the procedures allowed under current statutes is for districts to borrow a

total of \$1 million exempt from referendum or other forms of elector approval. It is a bit unusual for a school district to borrow under this \$1,000,000 exemption for operations, but it's likely that the speed and certainty of the State Trust Fund Loan Program played a significant role in the Raymond #14 School District's decision to go with BCPL for this application. The Raymond 14's recent referendum to exceed levy limits by \$750,000 per year for four years failed at the local level. This loan is a temporary solution. The school district will not be able to borrow additional funds through this procedure in following years because they will be at their limit. However, the loan provides the district with operational funding until a more permanent solution is utilized.

Board Chair Godlewski asked for clarification about the Raymond 14 School District and the exemption limit of \$1million in loans.

Mr. Sneider responded that he believes the District has another smaller loan outstanding under this exemption. But the District's total amount of debt outstanding under this exemption (including the proposed trust fund loan of \$600,000) will still be under the \$1 million exemption.

VOTE: The motion to approve the loans passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$4,815,747.00** in State Trust Fund Loans to support 7 community projects in Wisconsin.

1. Town of Freedom / Outagamie County / Finance roadwork / \$395,121.00
2. City of Horicon / Dodge County / Finance replenishment of fund balances / \$1,500,000.00
3. Town of Maple / Douglas County / Finance purchase of grader / \$220,626.00
4. Village of Elkhart Lake / Sheboygan County / Finance Van Horn development incentive / \$1,000,000.00
5. Town of Knowlton / Marathon County / Finance roadwork / \$350,000.00
6. Village of Summit / Waukesha County / Finance capital improvement projects / \$750,000.00
7. Raymond School District #14 / Racine County / Finance operations / \$600,000.00

ITEM 4. OLD BUSINESS

None

ITEM 5. NEW BUSINESS

None

ITEM 6. CHIEF INVESTMENT OFFICER'S REPORT

None

ITEM 7. EXECUTIVE SECRETARY'S REPORT

Executive Secretary German reported that he, Mr. Sneider and Denise, are currently at the Schwab IMPACT conference for the next couple days. It's a great opportunity to hear some well regarded speakers offer their views on developments in the investment world, where the economy is headed and how to make sure we're in the right place at the right time. We appreciate this learning opportunity.

ITEM 8. BOARD CHAIR'S REPORT

Board Chair Godlewski reported that the investment committee met last week to review fund performance and the upcoming Common School Fund (CSF) distribution. The CSF continues to perform well as we are seeing earnings distribution growth above inflation. For 2025 the investment committee approved a distribution of \$70 million for WI school districts. Last year we distributed \$65 million. That's about a 7% increase for 2025. We know how important these funds are for our communities, especially as we are seeing referenda across the state. One thing we learned a few years ago is to communicate with the school districts earlier about the distribution amount so they have more time to plan and truly optimize the use of these funds. It's great to include our beneficiaries at the announcement event. Last year we announced the distribution in November. This year we will likely make the announcement in December. We may be doing that event somewhere outside of Madison, whether it's Green Bay, Wausau or western Wisconsin, a request has been put out to school librarians to let us know what region would be best to make the announcement.

Commissioner Leiber asked about what type of event she had in mind.

Board Chair Godlewski explained that it would be similar previous announcements, a press conference which will include our beneficiaries. We will talk about the difference these distribution have made for Wisconsin schools. It will be very similar to what was done before, but instead of Madison it will be somewhere outside of Madison.

Commissioner Lieber asked if the event might be held in a school library.

Board Chair Godlewski replied, yes. She is waiting to hear from the leadership team at WEMTA who are working on this now and will be getting back to her next week or this week. She will keep the board updated.

Mr. Sneider mentioned that we anticipate continued growth in the following years too. This isn't a one-time increase. The portfolio is performing well and we can we expect distributions to continue to grow over the foreseeable future.

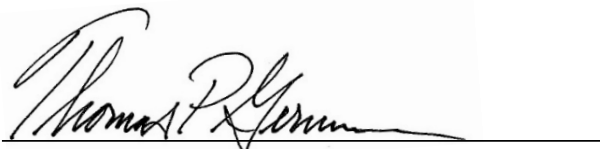
Board Chair Godlewski added that that's always welcome news for our school librarians, kids and all people in public schools.

ITEM 9. FUTURE AGENDA ITEMS

None

ITEM 10. ADJOURN

Commissioner Kaul moved to adjourn the meeting; Commissioner Leiber seconded the motion. The motion passed 3-0; the meeting adjourned at 2:12 p.m.



Thomas P. German, Executive Secretary

Link to audio recording:

[https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2024/2024-11-19/BoardMtgRecording.mp3](https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2024/2024-11-19/BoardMtgRecording.mp3)