

Board Meeting Minutes  
June 21, 2011

**ITEM 1. CALL TO ORDER**

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m. Commissioner Van Hollen was not present at the start of the meeting.

Present were:

Doug La Follette, Board Chair

Kurt Schuller, Commissioner

Tom German, Deputy Secretary

Richard Sneider, Loan Analyst

Secretary of State

State Treasurer

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

**ITEM 2. APPROVE MINUTES – June 7, 2011**

**MOTION:** Commissioner Schuller moved to approve the minutes; Board Chair La Follette seconded the motion. The motion passed 2-0.

**ITEM 3. APPROVE LOANS**

Deputy Secretary German said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Menasha Calumet And Winnebago County Application #: 02011157 Purpose: Finance street construction	City Rate: 3.75% Term: 10 years	\$350,000.00
2. Shorewood Milwaukee County Application #: 02011155 Purpose: Refinance prior service pension liability	School Rate: 5.50% Term: 15 years	\$3,600,000.00
3. Shorewood Milwaukee County Application #: 02011156 Purpose: Fund trust for OPEB expenditures	School Rate: 5.00% Term: 20 years	\$6,000,000.00
<b>TOTAL</b>		<b>\$9,950,000.00</b>

**MOTION:** Commissioner Schuller moved to approve the loans; Board Chair La Follette seconded the motion. The motion passed 2-0.

**ITEM 4. REQUEST FOR AUTHORITY TO PURCHASE ADDITIONAL STATE OF WISCONSIN G.O.BONDS**

Board Chair La Follette asked Deputy Secretary German what interest rate the state bonds were earning. He replied the average rate was 4.67 percent. Board Chair La Follette asked what the terms were on the bonds. Mr. German replied that the terms varied; the longest term being 30 years while others were shorter term. He added that the longer term bonds had a higher yield than the shorter term bonds.

Commissioner Van Hollen joined the meeting.

**MOTION:** Commissioner Schuller moved to authorize the purchase of additional State of Wisconsin G.O. Bonds; Commissioner Van Hollen seconded the motion. The motion passed 3-0.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes the purchase of up to Forty Million Dollars (\$40,000,000) of State of Wisconsin General Obligation Bonds in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. This purchase authority shall be in addition to any previous authority granted by the Board of Commissioners of Public Lands. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

**ITEM 5. REQUEST FOR AUTHORITY TO SELL BONDS**

**MOTION:** Commissioner Schuller moved to authorize the sale of previously acquired bonds; Commissioner Van Hollen seconded the motion.

Deputy Secretary noted that selling bonds with a shorter term and then reinvesting in longer term bonds with a higher yield would be an example of why bonds might be sold before maturity.

**VOTE:** The motion passed 3-0.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes BCPL staff to sell previously acquired state and municipal bonds in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

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

Nothing to report.

**ITEM 7. ADJOURN**

**MOTION:** Commissioner Schuller moved to adjourn the meeting; Commissioner Van Hollen seconded the motion. The motion passed 3-0.



Thomas P. German, Deputy Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 125 S. Webster Street, Suite 200, Madison, Wisconsin.