

Board Meeting
Minutes
May 18, 2021

Present were:

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| Sarah Godlewski, Board Chair | State Treasurer |
| Josh Kaul, Commissioner | Attorney General |
| Doug LaFollette, Commissioner | Secretary of State |
| Tom German, Executive Secretary | Board of Commissioners of Public Lands |
| Jim DiUlio, Deputy Secretary | Board of Commissioners of Public Lands |
| Richard Sneider, Chief Investment Officer | Board of Commissioners of Public Lands |
| Mike Krueger, IT Manager | Board of Commissioners of Public Lands |
| Denise Nechvatal, Senior Accountant | Board of Commissioners of Public Lands |
| Thuy Nguyen, Office Manager | Board of Commissioners of Public Lands |
| Julie Benkoske, Chief of Staff | State Treasurer |

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:02 p.m.

ITEM 2. APPROVE MINUTES – May 4, 2021

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

DISCUSSION: None

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION: Commissioner LaFollette moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: Mr. Sneider mentioned there were two loans for roadwork, one for capital equipment and one to finance operations. He explained that the loan to Town of Dexter for the purpose of financing operations is to replenish the town accounts for funds spent on road work done last year.

VOTE: The motion passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$850,667.00** in State Trust Fund Loans to support **4** community projects in Wisconsin.

1. City of Marshfield / Marathon and Wood Counties / Finance 2021 capital equipment / \$320,667.00
2. Town of Pleasant Springs / Dane County / Finance roadwork / \$300,000.00
3. Town of Dexter / Wood County / Finance operations / \$75,000.00
4. Town of Unity / Trempealeau County / Finance roadwork / \$155,000.00

ITEM 4. OLD BUSINESS

None

ITEMS 5 NEW BUSINESS

NONE

ITEM 6. CHIEF INVESTMENT OFFICER'S REPORT

NONE

ITEM 7. EXECUTIVE SECRETARY'S REPORT

Executive Secretary German shared that BCPL will be closing on land transactions with The Forestland Group and the Northwoods Land Trust. These transactions were approved by the Board at the April 6th meeting. Kevin Burns, manager of BCPL's Lake Tomahawk Office, is planning to offer a timber sale on the incoming property this fiscal year because timber was already marked by The Forestland Group.

The Joint Finance Committee had an executive session last week for a number of agencies, including BCPL. BCPL requested a program revenue appropriation for payments in lieu of taxes. After adoption of the last budget, BCPL had a statutory requirement to make certain payments in lieu of taxes from program revenue but had no program revenue appropriation. Therefore, BCPL could only make those payments out of GPR. The request for a program revenue appropriation was to bring the statutes into alignment. The Joint Finance Committee instead gave BCPL a GPR appropriation for payments in lieu of taxes and adopted a statutory amendment authorizing PILT payments from GPR.

BCPL also asked for a new gifts and grants appropriation. Recently, the Roughed Grouse Society offered BCPL a grant to fund the mapping of interior roads on our School Trust Lands, but we didn't have a gifts and grants appropriation to spend such grant. The Joint Finance Committee approved this request.

The last thing BCPL asked for was an adjustment to our salary and fringe line to provide full funding for salaries and benefits for our staff because at the time the base budget was established, we had a couple of open positions. The Joint Finance Committee rejected that request and instead increased our salary and fringe lines by taking money from the goods and services line of our appropriation.

Commissioner Kaul acknowledged that there are pros and cons with the budget. He asked what Executive Secretary German's assessment is to how things net out for BCPL.

Executive Secretary German replied that the net hit to the agency would be about \$50,000. He is exploring the possibility of obtaining a line item veto for what the Joint Finance Committee did with respect to the salary and fringe line. He expressed his disappointment of the budget outcome after spending a considerable amount of time with the members of Joint Finance Committee.

Commissioner LaFollette asked for clarification of the impact the new budget has on the agency.

Executive Secretary German explained that the net impact of the new budget would, in essence, result in BCPL having approximately \$50,000 less in spending authority.

Commissioner LaFollette asked about what the ramifications are of these changes.

Executive Secretary German commented that BCPL did a lapse of \$108,000 this year. That means we would be able to spend \$50 some thousand more next year than we could this year because of the Covid spending restrictions.

Board Chair Godlewski asked if there is an opportunity for a line item veto to rectify the changes.

Executive Secretary German responded that he believes so, but it is not a definite yes.

Board Chair Godlewski asked if BCPL had ever been a beneficiary to the supplements that are provided for DOA.

Executive Secretary German said yes and expressed that he was thinking about that possibility for the future as well. BCPL has usually not needed that in the past.

Board Chair Godlewski shared that for the State Treasurer's Office they do need those supplements from DOA and she sees that as an option for BCPL.

Executive Secretary German reported that there may be a submerged land lease coming before the board next meeting. The Town of Bell in northern Wisconsin had a submerged land lease for years, which recently expired, and would like to renew it.

Finally, Executive Secretary German shared that Commissioner LaFollette, Secretary of State, has asked the staff to start issuing press releases after board meetings. These press releases would announce loans that have been approved for local government projects. These press releases would begin after the next board meeting.

Commissioner LaFollette explained that these had been done for years. The Executive Secretary would put out a press release announcing the approved loans and it would include a quote from Commissioner LaFollette or other commissioners about how much BCPL enjoys lending through the State Trust Fund Loan Program. The press releases would then go out to the specific communities that were benefitted by the loans.

Board Chair Godlewski commented that the previous office manager of BCPL would put out press releases after each board meeting but the information was not being picked up and broadcasted by the media. She believes it was a lot of work for little return. She acknowledged that BCPL staff is already very busy and that is why she stepped up to do certain things.

Commissioner LaFollette asked about the success of press releases put out by Board Chair Godlewski's office.

Board Chair Godlewski replied that she did not have an analysis on that.

Commissioner LaFollette shared that he preferred the old method of how press releases were done and that the current method does not include the other two board members.

Board Chair Godlewski proposed that she will reach out to Commissioner LaFollette just as she does to Commissioner Kaul's communications staff.

Commissioner LaFollette commented that in the past local newspapers were more receptive to publishing information about loans in their communities. He acknowledged that reaching out to specific newspapers to publish for specific communities is a lot of work. He hopes whatever method is used going forward for press releases can include Commissioner Kaul and himself.

Board Chair Godlewski shared her disappointment about the downfall of local newspapers. She commented about the importance of being innovative and creative. She will continue doing what she and her staff have been doing, and will make sure to reach out to the other commissioners for input and quotes.

Commissioner LaFollette and Board Chair Godlewski discussed news alerts and notifications pertaining to keywords.

Board Chair Godlewski proposed that an overview of what made it into the press could be reported on quarterly at the same meetings that updates are provided on the goals and priorities.

Commissioner LaFollette commented about tracking the success of the press releases.

Board Chair Godlewski shared that she has been more strategic on which loans are worth highlighting and suggested that such process be continued.

Executive Secretary German asked for confirmation that the Board is suggesting BCPL staff to not produce press releases and that Board Chair Godlewski will continue doing so while reaching out to the other Commissioners.

Board Chair Godlewski replied, yes. She reiterated that Julie from her office will coordinate with Commissioner LaFollette as she does Commissioner Kaul's office when something is newsworthy.

ITEM 8. BOARD CHAIR'S REPORT

Board Chair Godlewski spoke about her role of working with the 1400 municipal treasurers in Wisconsin's 72 Counties. She commented about the importance of the State Trust Fund Loan Program and its relationship to the Common School Fund. She brought up the potential impact the American Rescue Plan might have on State Trust Fund Loan Program borrowing, as Wisconsin receives millions of dollars at the state and local level. She meets quarterly with municipal and county treasurers. Last month she connected with the municipal treasurers and they spoke about how valuable the State Trust Fund Loan Program is and how it can be used (e.g. bridge financing, gap financing). Gap financing may be helpful for communities that have shovel ready projects that need funding upfront before federal stimulus funding is disbursed. Later in the summer, early fall she plans to participate in a series of outreach events with Executive Secretary German. She will keep the board updated on those events.

ITEM 9. FUTURE AGENDA ITEMS

None

ITEM 10. ADJOURN

Commissioner LaFollette moved to adjourn the meeting; Board Chair Godlewski seconded the motion. The motion passed 3-0; the meeting adjourned at 2:25 p.m.



Thomas P. German, Executive Secretary

Link to audio recording:

<https://bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2021/2021-05-18 BoardMtgRecording.mp3>