

Board Meeting Minutes  
October 3, 2023

Present were:

Sarah Godlewski, Board Chair	Secretary of State
Josh Kaul, Commissioner	Attorney General
John Leiber, Commissioner	State Treasurer
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
Hannah Menchhoff, Communications Director	Secretary of State
Micah Zeitler, Real Estate Specialist	Board of Commissioners or Public Lands
Kevin Burns, Forestry Supervisor	Board of Commissioners or Public Lands
Thuy Nguyen, Office Manager	Board of Commissioners or 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:** Board Chair Godlewski moved to approve the minutes; Commissioner Kaul 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 Leiber seconded the motion.

**DISCUSSION:** Executive Secretary German reported that there are 12 loans, all under \$1 million. The loans are for financing road projects, vehicle purchases, equipment purchases or capital improvements. Loan #5 to the Village of Rock Springs is for financing TID infrastructure projects.

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

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$4,041,000.00** in State Trust Fund Loans to support **12** community projects in Wisconsin.

1. Town of Onalaska / La Crosse County / Finance park improvements / \$50,000.00
2. Town of Red Cedar / Dunn County / Finance building repairs, equipment and roadwork / \$100,000.00
3. Town of Pine River / Lincoln County / Finance purchase of plow truck and gravel / \$200,000.00
4. Town of Spider Lake / Sawyer County / Finance Town Garage/Fire Building / \$550,000.00
5. Village of Rock Springs / Sauk County / Finance TID infrastructure projects / \$150,000.00
6. City of Eagle River / Vilas County / Finance road project engineering and design / \$315,000.00
7. Town of Townsend / Oconto County / Finance purchase of grader / \$307,000.00
8. Town of Lucas / Dunn County / Finance purchase of brush fire truck / \$70,000.00
9. Town of Sharon / Walworth County / Finance roadwork / \$717,000.00

10. Village of Francis Creek / Manitowoc County / Finance roadwork / \$800,000.00
11. Town of Albion / Jackson County / Finance roadwork / \$655,000.00
12. Town of Calamus / Dodge County / Finance purchase of snowplow truck / \$127,000.00

#### **ITEM 4. OLD BUSINESS**

None

#### **NEW BUSINESS**

Meeting rules are suspended so that details about these items can be discussed before a motion is made.

#### **ITEM 5. Land Bank Purchase – Meteor Timber, Town of Caswell, Forest County**

**DISCUSSION:** Executive Secretary German shared that BCPL staff have presented very few purchase proposals to the board over the last couple years. This is not because BCPL staff are not actively looking to purchase land. We are very picky, we have a limited budget, and we have strict parameters. This purchase is being presented because it fits the criteria and strict parameters required by BCPL. We are looking to purchase approximately 330 acres in Forest County. This land is contiguous to acreage that BCPL owns just to the north of it. This land blocks well with the property we have and contains a lot of upland. Over 80% of it is upland which is unusual in this part of the state. To find a parcel that has this much upland is quite remarkable. It is also stocked with mature timber which we will be able to start harvesting immediately. It fronts on the road to the south, which is a benefit. This purchase is part of a two-part transaction recommendation– the purchase of this land and an easement from the property to the west of our current existing property.

**MOTION:** Board Chair Godlewski moved to approve the purchase of the property not to exceed \$638,000 as outlined in the resolution set out in the board materials; Commissioner Kaul seconded the motion.

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

#### **ITEM 6. Access Easement Purchase – Newbury, Town of Caswell, Forest County**

**DISCUSSION:** Executive Secretary German explained that the best way to access the property would be across this proposed easement area. The property owner is willing to sell us an easement but not a wide open full public access easement. The proposed easement is for timber management purposes only, hence the reduced price of \$1500 for access. The easement will provide BCPL with the access we need to manage the property. Up until this point, in order to access our property, we have been relying on making arrangements with the adjacent owner on a regular basis. If the property were to change hands, we would have to negotiate with the future owner of the property to have access so, to have permanent access is important. Acquiring the property to the south and acquiring this access easement will make the entire area more productive and accessible for us.

**MOTION:** Board Chair Godlewski moved to approve the access easement purchase from Mr. Newberry for a fee of \$1500 as outlined in the proposed resolution; Commissioner Leiber seconded the motion.

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

#### **ITEM 7. Land Bank Sale – Totagatic Hemlocks, Town of Barnes, Bayfield County**

**DISCUSSION:** Executive Secretary German reported we have one small parcel located in southwestern Bayfield County that Bayfield County is interested in acquiring from us. Southwest Bayfield County is a long way from our Lake Tomahawk office. The parcel is difficult to manage and is not the greatest parcel for producing revenue for our trust portfolio. It would be beneficial to sell the property to Bayfield County and use the proceeds to invest in

other timberland that improves management efficiencies, improves public access, addresses forest fragmentation or any combination of these things. For these reasons, we're recommending to the board that the sale is approved to Bayfield County at the appraised value.

**MOTION:** Board Chair Godlewski moved to approve the sale of the property to Bayfield County as outlined in the resolution; Commissioner Leiber seconded the motion.

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

## **ITEM 8. CHIEF INVESTMENT OFFICER'S REPORT**

Executive Secretary German reported that BCPL has raised the interest rates for the State Trust Fund Loan Program to 6.25%. Loan demand is still very strong. Rates are increased in accordance with changes in the market.

Board Chair Godlewski shared that at the last investment meeting on Friday we talked about staying within 100 to 150 basis points from where the corresponding treasury notes or bonds are. She believes BCPL is still within that range.

Commissioner Leiber shared that BCPL will earn more income with the higher interest rates which is great.

## **ITEM 9. EXECUTIVE SECRETARY'S REPORT**

Executive Secretary German updated the board about his travels last week. He had a meeting with the Northwest Regional Planning Commission in Spooner. It was a great meeting as he does not get the opportunity to meet with their entire staff very often. He explained a little more about what BCPL does, how we do it and how our loan program works. Northwest Regional Planning Commission manages its own portfolio of revolving loan funds, but they don't have enough to be all things to all people. He spoke about how our program works and how our program might work in conjunction with theirs in situations where they may be able to finance part of a project but not all of it. It also allows them to put a face with the program so that they can reach out more easily.

He traveled to Superior to discuss a potential submerged land lease which will be presented to the board sometime in the next month or two. Superior is looking at placing dredge material on the bed of Lake Superior near a spit of land called Wisconsin Point. They would like to do this to reinforce that point because storms coming in off Lake Superior are chewing into it. The DNR has already issued findings that a submerged land lease for the purpose of placing dredge material to protect that point is consistent with the public interest of the navigable waters there.

He then traveled to Hayward for the Wisconsin County Forest Association Conference. Although we are not a county forest, we manage our lands in similar ways and face similar issues. It was great to hear some of their presentations and talk to them about problem solving. Kevin Burns from our Lake Tomahawk office also attended the conference. It was a good meeting.

He also traveled to Green Bay for the Wisconsin Government Financial Officers Association Conference. The attendees were mostly municipalities, finance and debt management officers and debt issuance officers. It was a great chance to connect with some of our customers to learn about some of the things developing in the markets.

Board Chair Godlewski thanked Executive Secretary German for his travels. It is valuable to meet with stakeholders in their own backyard to get a sense of what's going on, answer questions they have, share opportunities and address their concerns. People in northwestern and northeastern Wisconsin always appreciate the visits.

Commissioner Leiber asked about future travels and conferences.

Executive Secretary German shared he will be attending the League of Municipalities in Green Bay later this month. He will be attending the Wisconsin Towns Association Conference but only part of it as he will be attending

the Charles Schwab IMPACT conference. He will also be traveling to Finland for six days to see his daughter, son in-law and grandchild.

Commissioner Leiber thanked Executive Secretary German for traveling all over the state. It's important work and it's good to reach out to people up north to let them know we know they exist, especially because sometimes they feel like Madison folks forget about them.

Executive Secretary German agreed. In some parts of the state, you do not exist unless you show up in person. He reiterated that it is important to connect with stakeholders on a personal level.

## **ITEM 10. BOARD CHAIR'S REPORT**

Board Chair Godlewski reported that one of the things we have heard from stakeholders is that it is helpful to them if we make the library aid distribution announcement earlier because it provides districts more time to effectively plan for the use of these funds. This ensures that they are truly optimizing every dollar. This is something we will be publicly announcing in November as we did last year. She and staff will coordinate with the commissioners and BCPL to make that announcement. The distribution for the upcoming year to K-12 schools is going to be another record breaker, which we are very excited about. We will be talking more about that at our next meeting. It is always good news to know that we are helping local districts provide books and technology, which otherwise would be paid for with property taxes.

Commissioner Leiber asked about the timeline of events surrounding the announcement.

Board Chair Godlewski responded that last year we made the announcement the week before Thanksgiving. Our stakeholders really appreciated the news in November. It was a good way to kick things off, so we plan to do that again. There are, of course, other opportunities. We have talked about doing something in Stevens Point. We also always do a presentation for the school librarians at their conference in February. This is where we present the librarians the big check. We can add a few more events if that makes sense.

Commissioner Leiber added that he would like to promote the news of the distribution more.

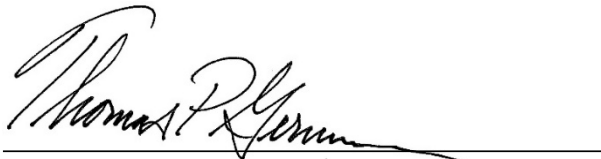
Executive Secretary German shared that the distribution will be 25% more this year than last year.

## **ITEM 11. FUTURE AGENDA ITEMS**

None.

## **ITEM 12. ADJOURN**

Board Chair Godlewski moved to adjourn the meeting; Commissioners Kaul seconded the motion. The motion passed 3-0; the meeting adjourned at 2:23 p.m.



Thomas P. German, Executive Secretary

Link to audio recording:

[https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2023/2023-10-03/BoardMtgRecording.mp3](https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2023/2023-10-03/BoardMtgRecording.mp3)