

Board Meeting Minutes
April 4, 2024

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
Thuy Nguyen, Office Manager	Board of Commissioners of Public Lands

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:31 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: Commissioner Kaul moved to approve the loans; Commissioner Leiber seconded the motion.

DISCUSSION: Mr. Sneider reported that loan #1 is to the East Troy Sanitary District, which is borrowing \$500,000.00 to finance a main pump station project. Loan #2 for \$475,000 is to the Village of Shiocton for roadwork. Loan #3 for \$225,000.00 is to the Granton Area School District to finance a smart lab. Loan #4 is to the Village of Baldwin for \$480,000 to finance improvements to their Civic Center.

VOTE: The motion passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$1,680,000.00** in State Trust Fund Loans to support 4 community projects in Wisconsin.

1. East Troy Sanitary District #2 /Walworth County / Finance Main Pump Station Project / \$500,000.00
2. Village of Shiocton / Outagamie County / Finance roadwork / \$472,000.00
3. Granton Area School District / Clark County / Finance SmartLab / \$220,000.00
4. Village of Baldwin / St Croix County / Finance Civic Center Improvements / \$480,000.00

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 trust fund loan payments are due on March 15th of each year. Last year over 50 municipal borrowers paid late. Most were late due to slow postal service. This year, the number of late payments was down over 20% likely due to a combination of our communication outreach efforts, we let our customers know that if they intend to mail a payment, they need to factor in a longer delivery time to ensure timely receipt on our end and it appears the post office worked out a few of its bugs as well. However, we still have two loan payments from Dane County Drainage Districts that have not yet been made. Officials with those drainage districts have assured us they are in the process of collecting the proper assessments and we should receive those payments in the next couple of months. These were very unusual and extenuating circumstances. Two members of the Drainage Board passed away in the last year and the remaining board member was not aware of the mechanical steps needed to make the assessments and loan payments. As a result, the annual assessments were not made or collected in time to make the annual payments on their outstanding trust fund loans. The attorney and remaining board member for the district were contacted by BCPL staff on March 15th when payments were due. Upon realizing the problem, the Districts took action to appoint another board member, issue the proper assessments and communicate with BCPL regarding payment expectations. We have a reasonable degree of certainty that the payments will be forthcoming in the near future.

Board Chair Godlewski asked about what the policy was for intercepting funds.

Executive Secretary German explained this can happen when the payment is considered delinquent. As of April 1, penalties kick in. So, every month it remains unpaid, there is an additional 1% assessment added on the balance owed. If the loan remains unpaid into the next fiscal year, the borrower is considered to be in default. At this time, there is no reason for us to be overly concerned. Staff acted quickly, the borrower is actively working on resolving the issue and we are in communication with the borrower. It is an unfortunate situation. The remaining board member was the brother of the one of the members that passed away. He's picking up the slack while grieving the loss of a family member.

Executive Secretary German shared that he and Mr. Sneider will be doing some traveling to Chicago next week for a two day conference with folks from Pension and Investments (P&I) which will focus on private investment funds. P&I puts on conferences all over the world. The nice thing about the conference is they do not charge investors for attending it. If you are an investment fund and attend, it costs several thousand dollars. He and Mr. Sneider have found the presentations to be pretty good, the speakers to be very well qualified, thoughtful individuals and they generally come away from the conference with new insights.

From Chicago he will go directly to Stevens Point for the Wisconsin Lakes Conference on Thursday. BCPL makes loans to Lake Protection districts and so that's a chance for us again to spread the word about our loan

program and our agency among some stakeholders. After that he will be heading to Rhinelander to inspect some of The Conservation Fund's timberlands that we may recommend for acquisition to the board in the foreseeable future. The following week, he will be meeting with officials from the US Forest Service regarding the potential land sale purchase brought up recently, followed by a trip to Florence for a short forestry conference and then on to Ashland to make a presentation on our loan program for local officials in northern Wisconsin.

Finally, we are working on plans to plant up to 26,000+ trees this fiscal year. We're in the timber business so sometimes you need to replant trees. Our budget is pretty tight, and we don't have a lot of room, but it looks like we have enough to purchase and plant a number of seedlings on some of our red pine plantations. While it's a necessary thing to do to restock our forest lands, it's also an environmentally friendly thing to do as we head to Earth Day 2024.

Commissioner Leiber asked if we highlight the number of trees we replant on promotional material. He wants to make sure that the agency is recognized and credited for its accomplishments.

Executive Secretary German responded yes, but in this last biennium, we did not do any replanting so there was nothing to note in the biennial report.

ITEM 8. BOARD CHAIR'S REPORT

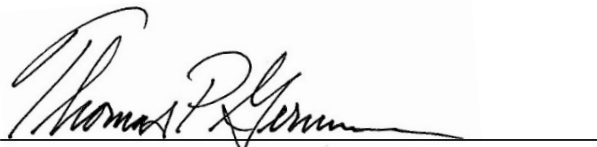
None

ITEM 9. FUTURE AGENDA ITEMS

None

ITEM 10. ADJOURN

Board Chair Godlewski moved to adjourn the meeting; Commissioner Kaul seconded the motion. The motion passed 3-0; the meeting adjourned at 2:43 p.m.



Thomas P. German, Executive Secretary

Link to audio recording:

[https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2024/2024-04-04/BoardMtgRecording audio.mp3](https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2024/2024-04-04/BoardMtgRecording%20audio.mp3)