

1 ILLINOIS FINANCE AUTHORITY  
2 SPECIAL MEETING OF THE MEMBERS  
3 February 14, 2019, at 9:36 a.m.

4 REPORT OF PROCEEDINGS had at the Special  
5 Meeting of the Illinois Finance Authority on  
6 February 14, 2019, at the hour of 9:30 a.m., pursuant  
7 to notice, at 160 North LaSalle Street, Suite S-1000,  
8 Chicago, Illinois.

9 APPEARANCES:

10 CHAIRMAN ERIC ANDERBERG

MR. JAMES J. FUENTES

11 MR. MIKE GOETZ

MS. ARLENE A. JURACEK

12 MR. E. LYLE McCOY

MR. GEORGE OBERNAGEL

13 MS. BETH SMOOTS

MR. BRADLEY A. ZELLER

14 MR. ROGER POOLE

15 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

16 MR. CHRISTOPHER B. MEISTER, Executive Director

MR. RICH FRAMPTON, Vice President

17 MR. BRAD FLETCHER, Vice President

MR. RYAN OECHSLER, IFA Associate General Counsel

18 MR. TERRY FRANZEN, Procurement

Ms. XIMENA GRANDA, Controller

19 MS. ELIZABETH WEBER, General Counsel and Legal

Adviser to the Board

20 GUESTS:

21 Mr. David Schmitz, Executive Director, Steppenwolf  
Theater Company

22 Ms. Laura Bilas, Chair of Finance and Public Finance  
Practices, Foley & Lardner

23 SULLIVAN REPORTING COMPANY, by

24 Brad Benjamin, CSR

1           CHAIRMAN ANDERBERG: I'd like to call the  
2 meeting to order. Will the Assistant Secretary  
3 please call the roll.

4           FLETCHER: Certainly. The time is 9:36 a.m.  
5                           Mr. Fuentes?

6           FUENTES: Here.

7           FLETCHER: Mr. Goetz?

8           GOETZ: Here.

9           FLETCHER: Ms. Juracek?

10          JURACEK: Here.

11          FLETCHER: Mr. McCoy?

12          MCCOY: Here.

13          FLETCHER: Mr. Obernagel?

14          OBERNAGEL: Here.

15          FLETCHER: Ms. Smoots?

16          SMOOTS: Here.

17          FLETCHER: Mr. Zeller?

18          ZELLER: Here.

19          FLETCHER: And Mr. Chairman?

20          CHAIRMAN ANDERBERG: Here.

21          FLETCHER: Is Shaun here today?

22          CHAIRMAN ANDERBERG: He's not here.

23          FLETCHER: Mr. Chairman, a quorum of Members  
24 physically present in the room has been constituted.

1                   At this time, I'd like to ask if any  
2 Members wish to attend via audio conference.

3           POOLE: Yes. Good morning. Roger Poole. I'm  
4 requesting to attend via the audio conference for  
5 employment purposes.

6           CHAIRMAN ANDERBERG: Okay. Is there a motion  
7 to approve this request pursuant to the bylaws and  
8 policies of the Authority?

9           FUENTES: So moved.

10          GOETZ: Second.

11          CHAIRMAN ANDERBERG: We have a motion and a  
12 second.

13                   All those in favor?

14                   (Chorus of ayes.)

15          CHAIRMAN ANDERBERG: Opposed?

16                   (No response.)

17          CHAIRMAN ANDERBERG: The ayes have it.

18          POOLE: Thank you.

19          FLETCHER: Mr. Chairman, Member Poole has been  
20 added to the initial quorum roll call.

21          CHAIRMAN ANDERBERG: Okay. Thank you.

22          POOLE: Thank you, Mr. Chairman.

23          CHAIRMAN ANDERBERG: My pleasure, Roger.

24                   I'd like to note that one agenda item

1 has been withdrawn in advance of today's meeting, and  
2 we have been presented with a revised Agenda.

3 Does anyone wish to make any  
4 additions, edits or corrections to today's revised  
5 Agenda?

6 (No response.)

7 CHAIRMAN ANDERBERG: Okay. I'd like to request  
8 a motion to approve the revised Agenda.

9 Is there such a motion?

10 OBERNAGEL: I'll make a motion, Mr. Chairman.

11 CHAIRMAN ANDERBERG: A motion, and a second?

12 GOETZ: Second.

13 CHAIRMAN ANDERBERG: And a second.

14 All those in favor?

15 (Chorus of ayes.)

16 CHAIRMAN ANDERBERG: Opposed?

17 (No response.)

18 CHAIRMAN ANDERBERG: The ayes have it.

19 Is there any public comment for the  
20 Members today?

21 (No response.)

22 CHAIRMAN ANDERBERG: Okay. Remarks: Today  
23 is -- first, Happy Valentine's Day. Happy New Year.  
24 Not to you -- all of you. Roger.

1                   We are absent two people from the  
2 Board that had to resign due to employment purposes,  
3 and that is Rob Horne and Gila Bronner. I'd like to  
4 thank on the record -- put that on the record to  
5 thank them for their service to the State of Illinois  
6 and the IFA. They'll be sorely missed.

7                   And with that, I will hand it over to  
8 Mr. Meister.

9                   MEISTER: Thank you very much, Mr. Chairman.

10                   Again, I'd like to second Chairman  
11 Anderberg's recognition of Gila Bronner and Bob  
12 Horne. They've both provided exemplary volunteer  
13 public service to the Authority and to the people of  
14 Illinois, and they were very helpful to me in moving  
15 the Authority forward. More detailed remarks are  
16 contained in my February 14th message from the  
17 Executive Director in the board books that are also  
18 posted online.

19                   But I do want to really take a moment  
20 to set the stage here for the types of projects that  
21 the Authority members are considering today, because  
22 it really crystalized in the earlier Joint Committee  
23 Meeting for Direct & Alternative and for Conduit.

24                   We have three rather extraordinary

1 structures that demonstrate the need for public  
2 financing tools to improve the economy and improve  
3 everybody's lives in our state. The first is the  
4 2019 Clean Water Initiative State Revolving Fund,  
5 which uses federal grant dollars to lower the cost of  
6 capital for essential surface water and sewer public  
7 infrastructure that reduces the tax and rate burden  
8 on Illinois residents. We will speak to that, and  
9 there will be some decisions.

10 But we're very happy that the former  
11 IEPA director, Lisa Bonnett, has joined us. And  
12 she's going to be leading that transaction on behalf  
13 of the Authority.

14 Lisa, not only being a former CFO of  
15 IEPA but also the former director, was involved in  
16 the very first 2002 State of Illinois State Revolving  
17 Fund and drew the road map for the 2013, 2016, 2017,  
18 and now 2019, which we -- the '19's, which we  
19 anticipate being as successful as the '13's, the  
20 '16's and 17's.

21 Number two, Property Assessed Clean  
22 Energy financing is something that this state has  
23 been discussing since 2009 or so. And it has only  
24 been within the last 18 months that one of our team,

1 Brad Fletcher, we have been able to assign him  
2 virtually full-time to developing out of thin air a  
3 statute and a contractual framework that we think  
4 will not only move the needle on climate issues in  
5 this state but also move the needle on economic  
6 development issues in this state. And we will be  
7 doing it without any state tax dollars, without any  
8 federal tax dollars, and without any federal or state  
9 tax exemption, but on execution, structuring, and  
10 framework.

11 PACE, at its heart, is a voluntary  
12 surcharge that property owners choose to add to their  
13 own property taxes in order to get longer-term debt  
14 at a lower rate of interest generally for what --  
15 energy efficiency, renewable energy, and some water  
16 efficiency projects. We think it's very  
17 well-constructed. We think it's learns -- learns  
18 lessons from other states. And we think and we hope  
19 and we project that in the next several months we  
20 will be operating a best-in-class program on behalf  
21 of private property owners in partnership with county  
22 and local governments in this state. It is a real  
23 needle-mover.

24 And, again, we're very pleased we've

1 got a team, a leadership team, from one of our  
2 longest long-term relationships in the Conduit space:  
3 Steppenwolf Theater, which is a major contributor to  
4 the cultural riches of this state and this city and  
5 this region. They have chosen to work with the  
6 Authority. We are also pleased to have a very long  
7 tenured member of our team, who all of you know, Rich  
8 Frampton, who has been with this particular borrower  
9 since their first time with the Authority's  
10 predecessors.

11 So Conduit tax-exemption, whether it's  
12 a nonprofit theater like Steppenwolf; nonprofit  
13 hospitals; nonprofit colleges, universities, schools;  
14 or nonprofit cultural institutions or farmers or  
15 certain categories of factories is an economic  
16 benefit that is founded in the federal tax code. It  
17 is a benefit that this nation almost lost in the last  
18 two months of 2017, and we're very fortunate to still  
19 be stewards of it.

20 Because, again, the smaller items on  
21 the agenda but, by no means less important, are a  
22 series of Beginning Farmer Bonds, farmers starting  
23 out, acquiring land, and adding to their farms to  
24 help feed this nation by way of tax-exemption.

1                   So, thank you.

2           CHAIRMAN ANDERBERG: Thank you, Chris.

3                   Committee Reports. Lyle?

4           McCOY: Thank you, Mr. Chairman. Excuse me.

5                   The Tax-Exempt Conduit Transactions  
6           Committee met earlier this morning and voted to  
7           recommend for approval the following New Business  
8           Items on today's agenda: Steppenwolf Theatre  
9           Company; and four Beginning Farmer Bonds.

10                   Likewise, The Direct and Alternative  
11           Financing Committee also met this morning and voted  
12           to recommend for approval the following New Business  
13           items on the agenda: The State of Illinois Clean  
14           Water Initiative Revolving Fund Series 2019, or as  
15           it's known, 2019 SRF; Centerpoint [sic] Sustainable  
16           Real Estate LLC; and a resolution approving the  
17           updated Authority Bond Handbook and Fee Schedule in  
18           connection with issuing Commercial Property Assessed  
19           Clean Energy Bonds.

20                   Thank you.

21           CHAIRMAN ANDERBERG: Thank you, Lyle.

22                   Mike?

23           GOETZ: Yes. The Audit, Budget, Finance,  
24           Legislation, Investment and Procurement Committee met

1 earlier this morning. They voted to recommend for  
2 approval the following New Business items on today's  
3 agenda: a resolution approving and confirming the  
4 selection of underwriters for the 2019 SRF; and, two,  
5 a resolution accepting the Fiscal Year 2018 Financial  
6 Audit.

7 CHAIRMAN ANDERBERG: Thank you, Mike.

8 All right. I'd like to ask for the  
9 general consent of the Members to take separate votes  
10 on Items 8 and 6 first, and then to consider the  
11 remaining New Business items collectively and to have  
12 the subsequent recorded vote applied to each  
13 respective, individual item, unless there are any  
14 other specific New Business Items that a Member would  
15 like to consider separately.

16 Elizabeth, you want to speak now or  
17 later?

18 WEBER: Do the nomination first.

19 CHAIRMAN ANDERBERG: Okay. I'd like to request  
20 a motion to nominate a Member for the election of  
21 Vice Chair of the Authority.

22 Is there such a motion?

23 JURACEK: Mr. Chairman, I'd like to nominate  
24 Mr. Michael Goetz to be Vice Chair of the Authority.

1 FUENTES: Second.

2 CHAIRMAN ANDERBERG: We have a second -- a  
3 motion and a second. We'll -- we need -- we need to  
4 have -- there's a special situation here this  
5 morning. And our general counsel will describe.

6 WEBER: Certainly.

7 It has been our practice to ask anyone  
8 who has a reason to abstain to leave the room, but  
9 since we only have eight Members in the room and to  
10 make sure there's no question as to quorum, I ask  
11 Mr. Goetz to remain in the room for this vote and  
12 just abstain. Thank you.

13 CHAIRMAN ANDERBERG: Thank you, Elizabeth.

14 All right. Will the Assistant  
15 Secretary please call the roll?

16 FLETCHER: On the motion and second, I will  
17 call the roll to nominate Mike Goetz as the Vice  
18 Chair of the Authority.

19 Mr. Fuentes?

20 FUENTES: Yes.

21 FLETCHER: Mr. Goetz?

22 GOETZ: Abstain.

23 FLETCHER: And the reason for abstention, sir,  
24 subject to the nomination?

1 (Laughter.)

2 GOETZ: Uhm --

3 MEMBER: He's biased.

4 FLETCHER: Ms. Juracek?

5 JURACEK: Yes.

6 FLETCHER: Mr. McCoy?

7 McCOY: Yes.

8 FLETCHER: Mr. Obernagel?

9 OBERNAGEL: Yes.

10 FLETCHER: Mr. Poole via audio conference?

11 POOLE: Yes.

12 FLETCHER: Ms. Smoots?

13 SMOOTS: Yes.

14 FLETCHER: Mr. Zeller?

15 ZELLER: Yes.

16 FLETCHER: Mr. Chairman?

17 CHAIRMAN ANDERBERG: Yes.

18 FLETCHER: Chairman, the motion carried.

19 CHAIRMAN ANDERBERG: Okay. Thank you.

20 FLETCHER: Thank you.

21 CHAIRMAN ANDERBERG: Thank you, Mike.

22 GOETZ: Thank you.

23 FLETCHER: Chris?

24 MEISTER: Oh. Mr. Chairman, I think that we

1 have Item No. 6, the Audit, Budget, Finance,  
2 Legislation Procurement Committee Resolution.

3 May I proceed?

4 CHAIRMAN ANDERBERG: Sure.

5 MEISTER: Item 6 is the Resolution approving  
6 and confirming the selection of Underwriters for the  
7 Illinois Clean Water Initiative State Revolving Fund  
8 Series 2019 Bonds. This selection was objective; it  
9 was transparent; it is consistent with Illinois  
10 procurement laws, the practices of the Authority, and  
11 sound contract administration. It was discussed in  
12 some detail in the earlier Audit and Procurement  
13 Committee.

14 Members, as a result of the vote of  
15 the Audit and Procurement Committee, we recommend  
16 senior managers, senior book-runner and co-senior  
17 manager Merrill Lynch, Pierce, Fenner Smith,  
18 Incorporated, also known as Bank of America Merrill  
19 Lynch, or BAML; and for the co-senior Citigroup  
20 Global Capital Markets. BAML, under this  
21 recommendation, would appear as senior book-runner to  
22 the bottom-left of the underwriters on the first page  
23 of the official statement. And next to it on the  
24 right, Citigroup would appear for co-managers. And,

1 again, as we noted in some detail in the earlier  
2 committee, it is representative of the practices and  
3 objective analysis that we just mentioned.

4           It also represents our goals to make  
5 sure that our vendor teams represent the diversity of  
6 our state. Academy Securities is a veteran-owned  
7 firm; Cabera Capital Markets is located here in  
8 Chicago and Latino-owned and led; Janney Montgomery  
9 Scott; Loop Capital Markets, located here in Chicago  
10 and led by African Americans; and Mesirow Financial  
11 located here in Chicago.

12           We are challenging this team on this  
13 new 2019 transaction not only to deliver best  
14 execution but fast execution, and most importantly in  
15 the Resolution that you will later consider for the  
16 first time, a State of Illinois IEPA State Revolving  
17 Fund Clean Water Initiative will be self-labeled as  
18 green bonds. And the sta- -- and our -- the  
19 Authority's challenge to this team is to deliver  
20 something that capital markets have to date been  
21 unable to deliver, which is securities labeled "green  
22 bonds" delivering a lower interest rate, lower cost  
23 of funds for the program due to the designation of  
24 green.

1                   That is something that has not been  
2                   quantified to date although everything that we've  
3                   heard on topic of green bonds notes that -- notes  
4                   that it does expand the number of potential buyers.  
5                   We believe that the green bond designation in this  
6                   challenge to this team is consistent with Governor  
7                   Pritzker's recent executive orders on climate and the  
8                   environment.

9                   I'll take any questions.

10                   (No response.)

11                   CHAIRMAN ANDERBERG: No? Okay. I'd like to  
12                   request a motion to pass and adopt the following New  
13                   Business Item No. 6.

14                   Is there such a motion?

15                   GOETZ: So moved.

16                   CHAIRMAN ANDERBERG: We have a motion.

17                   And a second?

18                   McCOY: Second.

19                   CHAIRMAN ANDERBERG: A motion and a second.

20                   All those -- oh. Will the Assistant  
21                   Secretary please call the roll?

22                   FLETCHER: On the motion and second, I'll call  
23                   the roll.

24                   Mr. Fuentes?

1 FUENTES: Yes.

2 FLETCHER: Mr. Goetz?

3 GOETZ: Yes.

4 FLETCHER: Ms. Juracek?

5 JURACEK: Yes.

6 FLETCHER: Mr. McCoy?

7 McCOY: Yes.

8 FLETCHER: Mr. Obernagel?

9 OBERNAGEL: Yes.

10 FLETCHER: Mr. Poole?

11 POOLE: Yes.

12 FLETCHER: Ms. Smoots?

13 SMOOTS: Yes.

14 FLETCHER: Mr. Zeller?

15 ZELLER: Yes.

16 FLETCHER: Mr. Chairman?

17 CHAIRMAN ANDERBERG: Yes.

18 FLETCHER: Chairman, the motion carried.

19 CHAIRMAN ANDERBERG: Thank you.

20 Okay, Brad.

21 FLETCHER: Next will be Tax-Exempt Conduit

22 Transaction projects on the agenda.

23 At this time, I'd like to note that

24 for each Conduit New Business Item presented on

1 today's Agenda, including Items 1, 2A, 2B, 2C, and  
2 2D, the Members are considering approval only of the  
3 Resolution and the not-to-exceed amount contained  
4 therein.

5 Item 1, Steppenwolf Theater Company:

6 Item 1 is a 501(c) (3) Bond request.

7 Staff requests approval of a one-time Final Bond  
8 Resolution for Steppenwolf Theatre Company in a  
9 amount not to exceed \$40 million.

10 Bond proceeds will be used by  
11 Steppenwolf to finance or reimburse itself for the  
12 costs of acquiring, constructing, improving,  
13 furnishing and equipping real property owned and  
14 operated by Steppenwolf, including capitalized  
15 interest. Proceeds will also be used to pay costs of  
16 issuance, including the costs of credit enhancement.

17

18 The Series 2019 Bonds will be secured  
19 by a direct pay letter of credit from Northern Trust  
20 Company, which has been assigned high  
21 investment-grade ratings of A+ long-term and A-1+  
22 short-term by S&P as of January 31st. Steppenwolf  
23 itself is also seeking a rating from S&P Global  
24 Ratings on the Bonds.

1                   The Bonds will be publicly  
2           underwritten and remarketed by PNC Capital Markets  
3           and will bear interest in a daily or weekly floating  
4           rate mode initially.

5                   At this time, Mr. Frampton has a guest  
6           he would like to introduce.

7           FRAMPTON:   Field goal.

8                   It's my pleasure to introduce to the  
9           board Mr. David Schmitz, who is the executive  
10          director of Steppenwolf.  We're just -- we're pleased  
11          to have Steppenwolf return and look forward to  
12          working with and close the transaction in the next 30  
13          days or so.

14          CHAIRMAN ANDERBERG:   Okay.

15          MR. DAVID SCHMITZ:   Thank you.  Hi, everyone.  
16          Happy Valentine's Day.

17                   I am David Schmitz, the executive  
18          director at Steppenwolf Theater.  I would love to  
19          just extend my thanks to the IFA, to the Board, to  
20          the staff, and to Rich.  You know, this relationship  
21          has really gone on for more than 30 years, and the  
22          success of Steppenwolf is directly correlated to the  
23          structure and the support of the IFA.  So I just --  
24          thank you for that.

1                   We will be having an event on  
2   March 5th in which details of what we are doing will  
3   be unfurled to the public, so I invite you all to  
4   that. And thank you again.

5           CHAIRMAN ANDERBERG: Thank you.

6           FLETCHER: Okay. Thank you.

7                   Does any Member have any questions or  
8   comments concerning the project?

9                   (No response.)

10           FLETCHER: Moving along to Item 2A, Shane A.  
11   and Donna M. Reymond.

12                   Item 2A is a one-time Final Bond  
13   Resolution requesting approval for a Beginning  
14   Farmer Bond for Shane A. and Donna M. Reymond, who  
15   are purchasing 120 acres of farmland located in Bond  
16   County, in the not-to-exceed amount of \$543,800.  
17   Bradford National Bank of Greenville is the  
18   purchasing bank for this conduit transaction.

19                   Does any Member have any questions or  
20   comments?

21                   (No response.)

22           FLETCHER: Next is Item 2B, Jason and Jessica  
23   Wenger.

24                   Item 2B is a one-time Final Bond

1 Resolution requesting approval for a Beginning  
2 Farmer Bond for Jason and Jessica Wenger, who are  
3 purchasing 46 acres of farmland located in McLean  
4 County, in the not-to-exceed amount of \$241,500.  
5 Bank of Pontiac is the purchasing bank for this  
6 conduit transaction.

7 Does any member have any questions or  
8 comments?

9 (No response.)

10 FLETCHER: Next is Item 2C, Mitchell D. and  
11 Melissa Wirth.

12 Item 2C is a one-time Final Bond  
13 Resolution requesting approval for a Beginning  
14 Farmer Bond for Mitchell D. and Melissa Wirth, who  
15 are purchasing 33.2 acres of farmland located in  
16 Shelby County, in the not-to-exceed amount of  
17 \$145,084. First Mid Bank & Trust is the purchasing  
18 bank for this conduit transaction.

19 Does any member have any questions or  
20 comments?

21 (No response.)

22 FLETCHER: Next is Item 2D, Rollin Wenger.

23 Item 2D is a one-time Final Bond  
24 Resolution requesting approval for a Beginning

1 Farmer Bond for Rollin Wenger, who is purchasing 40  
2 acres of farmland located in McLean County, in the  
3 not-to-exceed amount of \$131,000. Bank of Pontiac  
4 is the purchasing bank for this conduit transaction.

5 Please note that Jason and Rollin  
6 Wenger are brothers. However, the two conduit  
7 financings described in Items 2B and 2D are  
8 independent transactions.

9 Does any member have any questions or  
10 comments?

11 (No response.)

12 FLETCHER: Moving along to Direct & Alternative  
13 Financing projects on the Agenda.

14 Next is Item 3, State of Illinois  
15 Clean Water Initiative Revolving Fund Revenue Bond  
16 Series 2019.

17 Item 3 is a resolution authorizing the  
18 issuance of State of Illinois Revolving Fund Revenue  
19 Bonds on behalf of the Illinois Environmental  
20 Protection Agency in an amount not to exceed \$450  
21 million. Proceeds of the bonds will be used to fund  
22 loans to Illinois local government units for  
23 wastewater and drinking water infrastructure  
24 projects. A portion of the proceeds will be used to

1 fund the state match requirement necessary to obtain  
2 US EPA grants.

3 This will be the fourth series of  
4 bonds issued under a 2013 Master Trust Agreement.  
5 The Authority previously issued bonds in 2013, 2016  
6 and 2017 under that agreement. Like those bonds, the  
7 Series 2019 Bonds are expected to be rated AAA by  
8 both Fitch and S&P.

9 Does any member have any questions or  
10 comments?

11 (No response.)

12 FLETCHER: Moving to Item 4, Counterpointe  
13 Sustainable Real Estate LLC.

14 Item 4 is a Property Assessed Clean  
15 Energy, or PACE, Bond Resolution authorizing the  
16 issuance from time to time of one or more series  
17 and/or subseries of PACE Bonds to be purchased by  
18 Counterpointe Sustainable Real Estate LLC in an  
19 aggregate amount not to exceed \$200 million for a  
20 period of 3 years.

21 This PACE Bond Resolution approves the  
22 substantially final form of Master Indenture and  
23 related form of Issuance Certificate by which  
24 Counterpointe Sustainable Real Estate LLC as the bond

1 purchaser may obtain any of the Authority's PACE  
2 Bonds, subject to the stated interest rate and  
3 maturity limitations therein, and further delegates  
4 to Authorized Officers, as defined therein, the  
5 capacity to execute and deliver such Issuance  
6 Certificates for qualifying projects hereafter.  
7 Proceeds of each Issuance Certificate will be loaned  
8 to record owners of commercial properties to fund  
9 energy efficiency, renewable energy, and water  
10 conservation projects located throughout the state.

11 Again, this is the first PACE Bond  
12 Resolution to be presented to the Members.

13 At this time, I'd like to acknowledge  
14 Laura Bilas of Foley & Lardner. Laura is the Chair  
15 of Finance and Public Finance Practices and has been  
16 working with the Authority on spearheading our  
17 Commercial Property Assessed Clean Energy program.

18 MS. LAURA BILAS: Thank you.

19 FLETCHER: Does any member have any questions  
20 or comments?

21 (No response.)

22 FLETCHER: Next, on to Resolutions, Item No. 5.  
23 Item No. 5 is a resolution relating to bond financing  
24 for Commercial Property Assessed Clean Energy

1 projects.

2 Item 5 is a resolution authorizing  
3 various matters relating to bond financing by the  
4 Authority for Commercial Property Assessed Clean  
5 Energy projects.

6 Specifically, this resolution approves  
7 certain updates and additions to the Authority's Bond  
8 Handbook, primarily to set forth the Authority's  
9 requirements and policies applicable to PACE bonds  
10 issued by the Authority.

11 This resolution also approves a fee  
12 schedule for issuance of PACE bonds by the Authority.

13 Importantly, these updates will enable  
14 efficient and affordable bond issuance as  
15 contemplated in Item 4.

16 Does any member have any questions or  
17 comments?

18 (No response.)

19 FLETCHER: Next is Item 7.

20 Item 7 is a resolution to accept the  
21 Fiscal Year 2018 Financial Audit, which was  
22 conducted by the Special Assistant Auditors for the  
23 Illinois Auditor General.

24 There were no findings for Fiscal Year

1 2018. The sole prior finding from Fiscal 2000- --  
2 Fiscal Year 2017, in fact, was not repeated.

3 Does any member have any questions or  
4 comments?

5 (No response.)

6 FLETCHER: Item 9.

7 Item 9 is a resolution honoring Gila  
8 Bronner, who recently resigned from her position as  
9 a Member of the Authority. Member Bronner served as  
10 a member since her initial appointment in 2010, and  
11 subsequently served as both Chairperson of the Audit  
12 Plus Committee and as Vice Chair of the Authority.  
13 We thank Member Bronner for her service to the  
14 Authority, the State, and the people of Illinois.

15 Does any member have any questions or  
16 comments?

17 (No response.)

18 FLETCHER: Next is Item 10.

19 Item 10 is a resolution honoring  
20 Robert Horne, who recently resigned from his  
21 position as a member of the Authority. Member Horne  
22 served as a Member since his initial appointment in  
23 2015, and subsequently served as Chairperson of the  
24 Tax-Exempt Conduit Transactions Committee. We thank

1 Member Horne for his service to the Authority, the  
2 State, and the people of Illinois.

3 Does any member have any questions or  
4 comment?

5 (No response.)

6 CHAIRMAN ANDERBERG: Okay. Thank you, Brad.

7 All right. I'd would like to request  
8 a motion to pass and adopt the following New Business  
9 Items: Items 1, 2A, 2B, 2C, 2D, 3, 4, 5, 7, 9 and 10.

10 Is there such a motion?

11 McCOY: So moved.

12 GOETZ: Second.

13 CHAIRMAN ANDERBERG: A motion and a second.

14 Will the Assistant Secretary please  
15 call the roll?

16 FLETCHER: On the motion by Mr. McCoy and a  
17 second by Mr. Goetz, I'll call the roll.

18 Mr. Fuentes?

19 FUENTES: Yes.

20 FLETCHER: Mr. Goetz?

21 GOETZ: Yes.

22 FLETCHER: Ms. Juracek?

23 JURACEK: Yes.

24 FLETCHER: Mr. McCoy?

1           McCOY:  Yes.

2           FLETCHER:  Mr. Obernagel?

3           OBERNAGEL:  Yes.

4           FLETCHER:  Mr. Poole?

5           POOLE:  Yes.

6           FLETCHER:  Ms. Smoots?

7           SMOOTS:  Yes.

8           FLETCHER:  Mr. Zeller?

9           ZELLER:  Yes.

10          FLETCHER:  Mr. Chairman?

11          CHAIRMAN ANDERBERG:  Yes.

12          FLETCHER:  Mr. Chairman, the motion carries.

13          CHAIRMAN ANDERBERG:  Thank you.

14                        Ms. Granda?

15          GRANDA:  Good morning, everyone.

16                        I will be presenting the financial  
17 information for period ending January 31st, 2019.

18 The Financial Statements can be -- are located in  
19 your board books under the Financial Statements tab.

20                        The General Fund financial  
21 highlighting are as follows: Our total annual  
22 revenues equals \$2.6 million and are \$294,000, or  
23 12.9 percent, higher than budget. This is primarily  
24 due to higher administrative fees and interest and

1 investment income.

2 Our total expenses equal \$2.5 million  
3 and are \$373,000, or 12.9 percent, lower than budget.  
4 This was driven by below budget spending on  
5 employee-related expenses due to vacancies.

6 In January, the Authority generated  
7 \$197,000 in closing fees, which is \$24,000 lower than  
8 the monthly budgeted amount of \$221,000.

9 In January, the Authority recorded  
10 nonoperating revenues of 106,000, which is \$83,000  
11 higher than the monthly budgeted amount of \$23,000.

12 As reported by the Authority's  
13 investment manager, the increase was attributable to  
14 changes in the federal economic policy beginning in  
15 January consistent with the market expectations,  
16 which resulted in a continuation of relatively low  
17 interest rates and positioning certain investment for  
18 a positive gain.

19 In January, the Authority recorded  
20 operating expenses of \$342,000, which is \$70,000  
21 lower than the monthly budgeted amount of \$413,000.

22 Also, in January, the Authority  
23 received a total of \$155,000 from the prompt interest  
24 payment from the State Receivables Program.

1                   Our total monthly net income for  
2           January was up \$37,000. Our total annual net income  
3           is \$49,000, which is \$668,000 more than the  
4           forecasted budget loss of \$619,000.

5                   Are there any questions on the  
6           financial highlights?

7                   (No response.)

8           GRANDA: So moving on to Audit, our internal  
9           audit. We currently have two audits ongoing, which  
10          is the payroll personnel and personal information  
11          audit. It's ongoing. At this point, we have no  
12          comments on -- the audit is ongoing.

13                   On February 11th, the Authority  
14          received a draft report on the Statutory Mandates  
15          Audit. The Authority is currently reviewing the  
16          draft report. And, once it's final, it will be  
17          shared with the board.

18                   Is there any questions?

19                   (No response.)

20          CHAIRMAN ANDERBERG: Thank you, Six.

21          GRANDA: Thank you.

22                   CHAIRMAN ANDERBERG: I would like to request a  
23          motion to accept the Financial Reports.

24                   Is there such a motion?

1           OBERNAGEL: I'll make a motion, Mr. Chairman.

2           GOETZ: Second.

3           CHAIRMAN ANDERBERG: We have a motion and a  
4 second.

5                     All those in favor?

6                     (Chorus of ayes.)

7           CHAIRMAN ANDERBERG: Opposed?

8                     (No response.)

9           CHAIRMAN ANDERBERG: The ayes have it.

10                    Procurement?

11           FRANZEN: Good morning, Mr. Chairman and  
12 Members of the Board.

13                    The items on page 1 of the Procurement  
14 Report, they support the Authority operations. The  
15 remainder of the report are expiring projects through  
16 this fiscal year. And we are very close in getting  
17 the investment management RFP out. We have a very  
18 few minor things to clean up and do a final review.

19                    Any questions?

20                    (No response.)

21           FRANZEN: Thank you.

22           CHAIRMAN ANDERBERG: Thank you.

23                    Does anyone wish to make any  
24 additions, edits or corrections to the Minutes from

1 December 12th, 2018?

2 (No response.)

3 CHAIRMAN ANDERBERG: Hearing none, I'd like to  
4 request a motion to approve the Minutes.

5 Is there such a motion?

6 GOETZ: So moved.

7 JURACEK: Second.

8 CHAIRMAN ANDERBERG: A motion and a second.

9 All those in favor?

10 (Chorus of ayes.)

11 CHAIRMAN ANDERBERG: Opposed?

12 (No response.)

13 CHAIRMAN ANDERBERG: The ayes have it.

14 Is there any other business to come  
15 before the Members?

16 MEISTER: One quick item. I would ask the  
17 Members of the Authority not to depart immediately  
18 after the adjournment of the meeting. We have copies  
19 of the Resolution for Ms. Bronner and Mr. Horne that  
20 we would like you to sign and provide to them in  
21 recognition of their service.

22 CHAIRMAN ANDERBERG: Okay. Thank you, Chris.

23 All right. I'd like to request a  
24 motion to excuse the absences of Members unable to

1 participate today.

2 Is there such a motion?

3 FUENTES: So moved.

4 ANDERBERG: A motion. And a second?

5 GOETZ: Second.

6 MEISTER: All those this favor?

7 (Chorus of ayes.)

8 CHAIRMAN ANDERBERG: Opposed?

9 (No response.)

10 CHAIRMAN ANDERBERG: The ayes have it.

11 Is there any matter for discussion in  
12 closed session?

13 (No response.)

14 CHAIRMAN ANDERBERG: None? Good.

15 Hearing none, the next regularly  
16 scheduled meeting will be March 12th. I'd like to  
17 request a motion to adjourn today.

18 Is there such a motion?

19 GOETZ: So moved.

20 FUENTES: Second.

21 CHAIRMAN ANDERBERG: A motion and a second.

22 All those in favor?

23 (Chorus of ayes.)

24 CHAIRMAN ANDERBERG: Opposed?

1 (No response.)

2 CHAIRMAN ANDERBERG: The ayes have it.

3 Thank you, everybody.

4 FLETCHER: The time is 10:06 a.m.

5 (Whereupon the above  
6 matter was adjourned.)

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24