ILLINOIS FINANCE AUTHORITY

CONDUIT FINANCING COMMITTEE MEETING

REPORT OF PROCEEDINGS of the Special Meeting of the Illinois Finance Authority Conduit Financing Committee HELD IN PERSON and VIA AUDIO and VIDEO CONFERENCE on Tuesday, June 8, 2021 at 8:30 a.m., pursuant to notice.

PRESENT VIA AUDIO AND VIDEO CONFERENCE:

COMMITTEE CHAIR JEFFREY WRIGHT
MEMBER ARLENE JURACEK
MEMBER JOSÉ RESTITUYO
MEMBER EDUARDO TOBON
MEMBER BRAD ZELLER
CHAIRMAN WILL HOBERT, ex-officio, non-voting

ALSO PRESENT:

BRAD FLETCHER, Vice President
RICH FRAMPTON, Executive Vice President
CHRISTOPHER MEISTER, Executive Director
(in person and via audio and video conference)
SARA PERUGINI, Vice President, Healthcare/CCRC
ELIZABETH WEBER, General Counsel and Legal
Advisor to the Board

CHAIRMAN WRIGHT: Good morning. This is Jeffrey Wright. Thank you everyone for joining today. I would like to call the committee meeting to order.

MR. FLETCHER: Good morning. This is Brad Fletcher. Today's date is June 8, 2021 and this special meeting of the Authority's Conduit Financing Committee has been called to order by Committee Chair Wright at the time of 8:30 a.m.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Thank you, Brad.

The Governor of the State of Illinois has issued a Gubernatorial Disaster Proclamation on May 28, 2021, finding that pursuant to the provisions of the Illinois Emergency Management Agency Act, a disaster exists within the State of Illinois related to public health concerns caused by COVID-19 and declaring all counties in the State of Illinois as a disaster area, which proclamation remains in effect for 30 days from its issuance date.

In accordance with the provisions of Section 7(e) of the Open Meetings Act, as amended, the Chair of the Authority, Will Hobert, has determined that an in-person meeting of the Authority and any of its committees today, June 8, 2021, is not practical or prudent because of the disaster declared. Therefore, this Conduit Financing Committee meeting is being conducted via video and audio conference without the physical presence of a quorum of the Members.

Executive Director Meister is currently in the Authority's Chicago office at the location of the meeting and also participating via video and audio conference. All members will attend this meeting via video or audio conference.

As we take the roll, the response of the Members will be taken as an indication that they can hear all other members, discussion, and testimony.

Will the Assistant Secretary please call the roll?

MR. FLETCHER: Certainly. This is Brad Fletcher. I'll call the roll.

Ms. Juracek?

MEMBER JURACEK: Here.

MR. FLETCHER: Mr. Restituyo?

MEMBER RESTITUYO: Here.

MR. FLETCHER: Mr. Tobon?

MEMBER TOBON: Here.

MR. FLETCHER: Mr. Zeller?

MEMBER ZELLER: Here.

MR. FLETCHER: Committee Chair Wright?

CHAIRMAN WRIGHT: Here.

MR. FLETCHER: And Chair Hobert, ex-officio non-voting?

CHAIR HOBERT: Here.

MR. FLETCHER: Again, this is Brad Fletcher. Committee Wright, in accordance with Section 7(e) of the Open Meetings Act, as amended, a quorum of the Members has been constituted.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Thank you, Brad.

Before we begin making our way through today's agenda, I would like to request that each Member mute their audio when possible to eliminate any background noise, unless you're making or seconding a motion, voting, or otherwise providing any comments for the record.

If you are participating via video, please use your mute button found on your task bar on the bottom of your screen. You will be able to see the control bar by moving your mouse or touching the screen of your tablet.

For any Member or anyone from the public participating via phone, to mute and unmute your line, you may press *6 on your keypad if you do not have that feature on your phone.

As a reminder, we are being recorded and a court reporter is transcribing today's proceedings. For the consideration of the court reporter, I would also like to ask that each Member state their name before making or seconding a motion or otherwise providing any comments for the record.

Finally, I would like to confirm that that all members of the public attending in person or via video or audio conference can hear this meeting clearly.

Chris, can you confirm that this video and audio conference is clearly heard at the physical location of the meeting?

EXECUTIVE DIRECTOR MEISTER: This is Executive Director Chris Meister. Thank you, Committee Chair Wright.

I'm physically present in the conference room on the 10th floor of 160 North

LaSalle, Chicago, Illinois, the main offices of the Illinois Finance Authority.

I can confirm that I can hear all discussions, presentations, and votes at this morning's committee meeting location. I have advised the security guards on the first floor that we have two public meetings today, of which this is one. The agendas for both meetings have already been posted both on this floor, on the first floor of the building, and on the Authority's website as of last Thursday, June 3, 2021.

The building security has been advised that any members of the public who choose to do so, and who choose to comply with the building's public health and safety requirements, may come into this room and listen to this morning's proceedings.

At the moment, I am alone, and there are no members of the public physically present.

Back to you, Chair Wright.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Thank you, Chris.

If any member of the public participating via video or audio conference find that they cannot hear these proceedings clearly, please call 312-651-1300 or write info@il-fa.com immediately to let us know and we will endeavor to solve the audio issue.

If anyone from the public participating via video wishes to make a comment, please indicate your desire to do so by using the "raise hand" function. Click on the "raise hand" option located at the center of your control bar at the bottom of the screen. You will be able to see the task bar by moving your mouse or touching the screen of your tablet.

If anyone from the public participating via phone wishes to make a comment, please indicate your desire to do so by using the "raise hand" function by pressing *9.

Is there any public comment for the Committee?

(No response.)

Hearing none, I would now like to ask for the Members to consider New Business Items 1, 2, 3, 4, 5, and 6. If there is a reason a Member would need to recuse or abstain from the vote, please so advise.

(No response.)

Hearing no need of a recusal, we will continue with New Business Item 1.

Mr. Frampton.

MS. PERUGINI: Hi, Committee Chair Wright. This is Sara Perugini, and Item No. 1 is Edward-Elmhurst Healthcare. It starts on page 45 of the PDF, which is 8 of your book, and it is a Final Resolution for a not-to-exceed amount of $44 million for Edward-Elmhurst Healthcare, who is the Borrower. Bond proceeds will be used to refund all or a portion of the Series 2017B Bonds outstanding in the approximate amount of $42.8 million and for cost of issuance. This is the first time this has been presented to the Members, and it is a one-time Final Resolution.

Under Borrower description, there are details about the Borrower and the Edward-Elmhurst Health System it was organized to coordinate. The system includes three hospitals: Edward Hospital and Linden Oaks Hospital, which are located in Naperville, and Elmhurst Memorial Hospital located in Elmhurst. The system has a total 8,750 employees.

The Bonds will be secured by an

obligation of the members of the Obligated Group listed in the report and issued under a Master Trust Indenture. Such obligation will include a pledge of unrestricted receivables that secures all obligations issued under the Master Indenture.

Under structure and credit indicators, you will see that the Bonds, as contemplated, will be a direct purchase by Banc of America Public Capital Corp. Initial sale and secondary market resale of the Bonds will be limited to accredited investors and qualified institutional buyers in minimum denominations of $100,000 and would thereby be sold in accordance with existing Authority Bond handbook provisions applicable to the sale of non-rated bonds.

The Bonds will not carry a rating due to the bank purchase structure, but the Borrower has underlying ratings of A stable outlook by Fitch, effective as of June 3, 2020, and A negative outlook by S&P effective as of April 24, 2020.

The Bonds will mature no later than 2040, which is 19 years from the date of issuance, and at the bottom of this page, you will see the estimated sources and uses.

Now skipping to the top of page 4 of the report, which is 48 of the PDF, you will see interest rate information. The interest rate will be fixed for an initial ten-year term and will be determined the week of June 21. While the Final Bond Resolution establishes an initial rate of not-to-exceed 5 percent, as of May 25, the financial advisors have told me the rate is anticipated to be .60 percent. The transaction is expected to close June 24, 2021.

On page 49 of the PDF, you will see the Board members and professional and financial teams.

On page 50, you will see the service area map with primary coverage being in DuPage, Will, and Cook counties.

Beginning on page 51 of the PDF, you will find the confidential information section which starts with the Authority's fee. Following are the audited financials for the fiscal years ended June 30, 2019, and 2020, as prepared by KPMG LLP as auditors for the Borrower. Also provided are the unaudited financials for the nine months ended March 31, 2021.

In recent years overall revenues and operating income have been on the rise, except for fiscal year 2020, which results were driven by the COVID-19 pandemic. Relief funds and a rebound in volumes are helping to mitigate the overall impact of COVID-19 on operating results. Days cash on hand continues to increase.

On page 52 of the PDF, there is some narrative on the impact of COVID-19 on the borrower's operations.

There will be a net present value savings for the refunding of the Bonds, but it cannot be determined at this time given the variable rate bond structure.

Concurrently with the issuance of the Bonds, it is anticipated that the Series 2017C Bonds will be extended out to maturity with the current holder also Banc of America Public Corp and will remain in the existing mode.

Does any Member have any comments or questions?

(No response.)

Thank you.

MR. FLETCHER: Next is Tab 2 in our Board

Books. Tab 2 is a one-time Final Bond Resolution for Acero Charter Schools, Inc., an Illinois not-for-profit corporation in an not-to-exceed amount of $40 million.

Acero was established in 1997 to provide educational and community opportunities for youths in kindergarten through eighth grade. In 2008, Acero's charter with Chicago Public Schools was amended to include high school education as well. Acero enrolled approximately 7,100 students for the 2019 -- or 2020 academic year among its network of 15 tuition-free public charter schools within the City of Chicago.

By way of background, Acero was founded originally as Uno Charter School Network, Inc. and opened its first charter school in 1998. By 2013, Acero had developed a network of charter schools that included 14 additional schools throughout the City of Chicago. Between 1998 and 2015, United Neighborhood Organization of Chicago, the former parent entity of Acero, managed the operation of the charter schools pursuant to a management agreement.

While managed by UNO, Acero's board

of directors continued to oversee the organization of the charter schools, however, many the directors of the Acero Board were often affiliated with the UNO Board. In 2015, therefore, Acero decided to transition away from UNO's management and any affiliation with the UNO Board. Also in 2015, Acero did not renew the UNO management agreement, began developing its own model for operations and management of the charter schools, and even elected new directors to the Acero Board. By 2017, Acero had decided to change its name to Acero Charter Schools, which is still current today, and that commenced the 2017-2018 school year.

Thus since 2015, Acero has operated and managed its 15 charter schools independent of UNO. Acero continues to offer a quality education to its students, but it has distinguished its management style from UNO's since that time. The Acero board of directors as currently compromised -- I should say comprised has no affiliation with UNO.

Prior thereto, while operating under the prior management with UNO, which is why we have given this background today, UNO had received an appropriation in 2009 of $98 million from the State of Illinois for the purpose of the acquisition, construction, rehabilitation, renovation of school facilities to Silver Leed specifications. However, it in September of 2013, the State of Illinois had suspended the remaining unused $15 million appropriation balance and therefore only $83 million was awarded. Schools dealt with the appropriation from the State of Illinois were formerly known as UNO Roberto Clemente, UNO Soccer Academy, and UNO Soccer High School.

Thereafter, in June 2014, some longer tenured Members may remember, that the SEC, in fact, filed a complaint against UNO and UNO Charter School Network alleging various violations of federal securities laws pursuant to its issuance of Illinois Finance Authority Series 2011A Bonds. The SEC alleged that defendants misled investors by failing to disclose the defendants' breach of conflict of interest provision with two grant agreements with the Illinois Department of Commerce and Economic Opportunity, which we formerly called DCEO.

Specifically, the SEC had alleged that defendants breached the DCEO grant agreements by entering into conflicting transactions with vendors who were owned by family members of UNO's former chief operating officer. Defendants later consented to an entry of final judgment on the claim asserted in the complaint without admitting or denying any substantive allegations.

Importantly, at this time, all compliance items set forth in the SEC's final judgment have been satisfied, which brings us back to the Series 2011A Bonds and to the transaction before us today.

The plan of finance contemplates the tax-exempt Bonds will be issued by the Authority and sold in a limited public offering by B.C. Ziegler and Cabrera Capital Markets as the underwriters to accredited investors and qualified institutional buyers in minimum denominations of $100,000 in order to refund those outstanding tax-exempt Series 2011A Bonds and refinance certain taxable indebtedness on a tax-exempt basis going forward.

The Borrower has applied to S&P Global Ratings for a rating in connection with the contemplated issuance of the tax-exempt Series 2021 Bonds and as of yesterday was assigned a rating of BB+ with a stable outlook.

While the assigned long-term rating is considered speculative on the -- on the S&P rating scale, this proposed refinancing for an existing Authority Borrower is anticipated to not only result in the smoothing of requisite principal payments going forward for Acero, but also to facilitate a reduction in interest expense per annum, thereby, improving cash flows and related debt service coverage metrics, each of which is considered a credit positive for an existing Authority Borrower.

Acero is not financing any capital expenditures at this time. This contemplated transaction is solely for refinancing purposes under Acero's new management team, which, again, is not the same management team as under UNO and under the UNO prior management agreement.

If I could turn your attention to the confidential section of the report, which begins on page 9, we provided a summary of our financial forecast, which demonstrates the improved financial results as a result of this proposed refinancing. Notably, the forecast does not anticipate any enrollment growth and escalates operating expenses at a greater rate than revenue. Even so, the smoothing of debt service payments in connection with Acero's outstanding indebtedness and the interest rate savings attained will be sufficient to cover debt service payments and other fixed charges by multiples of 2.27 times or better over the next three years following the contemplated refinancing of Acero's two taxable conventional loans with PNC Bank and its outstanding tax-exempt Series 2011A Bonds.

Turning to page 12, we provided detailed information related to Acero's outstanding long-term indebtedness beginning in the middle of the page. Acero management reports that it is in compliance with all covenants related to the outstanding tax-exempt Series 2011A Bonds, the 2017 taxable loan, and the 2019 taxable loan. Cumulatively, Acero's outstanding indebtedness was approximately $53.91 million as of June 1, 2021.

With respect to structuring the proposed Series 2021 Bonds for sale by the underwriters, a range of fixed interest rates on serial and term bonds will be determined at pricing, currently estimated to be between approximately 2.5

percent and 3.5 percent based on current market conditions. Interest will be payable semi-annually on each April 1st and October 1st, commencing October 1st of this year. The tax-exempt Series 2021 Bonds will be structured with an initial seven-year principal deferral, with principal payable thereafter each October 1st as applicable.

The seven-year principal deferral is important. It is contemporaneously with the issuance of the tax-exempt Series 2021 Bonds, Acero will also enter into a taxable conventional loan with PNC Bank in an amount not-to-exceed $13.7 million in order to refinance or restructure the remaining balances of the 2017 and 2019 taxable loans as described in the middle of page 12 that cannot be refinanced by the tax-exempt bonds in the opinion of bond counsel.

The taxable conventional loan will bear a fixed rate of interest for a seven-year term, currently estimated to be between approximately 2 percent and 3 percent, based on current market conditions. Principal and interest on the taxable conventional loan with PNC Bank will be payable quarterly commencing October 1st of this year and due to loan's maturity of October 1, 2028.

Lastly, the final maturity date of the proposed Series 2021 Bonds will not exceed 22 years from the date of issuance as stated in the Bond Resolution that will before us today.

Assuming a date of October 1, 2043, the proposed refinancing would thus only extend the final maturity date of the bonds being refunded by one year. The Peer Review Committee recommends approval, and I can take any questions.

(No response.)

Thank you.

MR. FRAMPTON: Thank you, Brad. This is Rich Frampton.

Next, I'll be presenting Item 3 from the Midwestern University Foundation. Item 3 is a Qualified Student Loan Revenue Bond request. Staff requests approval of a one-time Final Bond Resolution on behalf of Midwestern University Foundation, hereinafter the "Foundation," in an amount not-to-exceed $20 million. The anticipated issuance amount, however, is $15 million.

The Foundation was established as a supporting organization of Midwestern University, hereinafter "Midwestern" or the "University," in 1994. Among its key supporting functions has been financing and managing student loan programs on behalf of Midwestern University's graduate and professional students. The Foundation has managed certain of these programs since 2002.

Midwestern University is a graduate health sciences higher education institution headquartered in Downers Grove. They have two campuses, located in Downers Grove and an Arizona campus located in Glendale, Arizona. Overall, they have -- they currently have 6,932 students with 2,987 of those at the Downers Grove campus.

In late 2014, the Foundation established a new self-funded student loan program capitalized with an initial equity contribution to effectuate creation of asset-backed securities and a legal structure that would enable the Foundation to issue an ongoing series of AAA-rated senior bonds and, if needed, single A-rated subordinate bonds to continually fund its graduate and professional student loan program beginning in 2015.

The Authority issued $15 million of Student Loan Revenue Bonds in 2015, followed by an additional $14.2 million Bond issue in 2019. The Foundation undertakes separate Student Loan Bond Financing for its Arizona campus students as required by the Internal Revenue Code.

The Final Bond Resolution presented for your consideration today would be the third for the Foundation through the Authority and authorizes issuance of up to $20 million of Series 2021 Graduate and Professional Student Loan Revenue Bonds to (1) fund additional Illinois campus student loans; (2) pay interest on the Bonds during the loan origination period; (3) fund the debt service reserve fund contribution; and (4) pay a portion of the cost of issuance on the Series 2021 Bonds.

Again, although the Resolution authorizes the issuance of multiple series of Bonds, the financing team anticipates the program's pledged assets, the strong repayment history of Midwestern students and related factors will be sufficient for S&P Global Ratings to assign a AAA structured finance rating to the entire contemplated $15 million Series 2021 Senior Bond issue.

There is additional safety in this structure in that according to the draft preliminary official statement under the Indenture, S&P must assign an AAA structured finance rating to the proposed $15 million Series 2021A Bonds as a condition precedent to issuance.

The Foundation's Bond finance student loan program enables the University to offer superior loan terms to the University's Illinois graduate and professional students featuring, (1) no origination fees; and (2) an interest rate that is over 1.1 percent lower than the Federal Grad Plus Program. The Federal Grad Plus Program is the primary loan program that is used by approximately 70 percent of the Midwestern students.

The Foundation also estimates that borrowings under the program result in over a one and a half percent APR -- one and a half percent savings on an APR basis for their students.

Based on these superior terms, student demand is again expected to substantially exceed Foundation loan availability; thereby, presumably assuring that the Series 2021 proceeds will be loaned within the three-year IRS required origination period.

The Authority already has set aside

sufficient prior year carryforward volume cap to issue the Series 2021 Bonds. Volume cap is required for the issuance of these Bonds since the underlying student loan borrowers are each private taxpayers. The Authority's Bonds will be issued pursuant to both the Higher Education Loan Act and the Illinois Finance Authority Act.

Turning next to the confidential section of the report, the confidential section presents some of the key indicators that S&P looks at when they assign the rating for these asset-backed securities. The primary indicator is -- under the Indenture is a test that's called the parity percentage test. Basically, that is a ratio of the assets under the program compared to the payment liabilities under the program, and at the time of the projected asset coverage test for the Series 2021A Bonds at 124.2 percent assets over liabilities compares favorably to the initial senior bond parity percentage back in 2015. Again, both the series -- Senior Series 2015 and 2019 Bonds were each rated AAA.

Just in terms of other trends, both applications have increased substantially, growing from 25,000 -- over 25,400 between Arizona and Illinois campuses in 2011-2012 to over 30,000 in 2020-2021, and again, the total enrollment for the current academic year is just below 6,900 across the two campuses.

Turning next to page 14 of the report, which is PDF page 81 in the conduit packet, figure 2 shows how enrollment has increased, that's demonstrated by the solid bar and the aggregate student loan borrowings are demonstrated by the bar chart. So student loan growth has been absolutely correlated to enrollment growth.

Point No. 2, historical defaults. Although, the program history of the student loan program has been limited, the program has not posted any defaults either for the Illinois program or the Arizona program. The average monthly delinquency rate has only been 0.26 percent, both of those are clearly very strong.

Moving on next to page 15 and figure 3A, figure 3A shows how Midwestern's cohort default rate on graduate Stafford loans is lower than any other graduate institution in the United States, that includes several higher education institutions with national reputations, including Carnegie Mellon, Notre Dame, Stanford, and Duke. So out of all the graduate programs nationally, under the Graduate Stafford Program, the U.S. Department of Education has Midwestern at No. 1 for their three-year average cohort default rate over the last three years.

Next moving on to page 16, this is a similar chart that rates Midwestern compared to their peers that offer standalone health science graduate degrees. Again, Midwestern is at the top over the last three years. Mayo Clinic is No. 2.

Just in terms of recent developments, as of Friday, Fitch upgraded Midwestern University's long-term credit rating to AA from AA-, S&P upgrade -- had upgraded Midwestern University from single A to single A+ in January of 2020. Both of those upgrades indicate the improving financial condition and strength that Midwestern has as an institution.

Joining us at the 9:30 meeting will be Mr. Greg Gaus, who is senior vice president, chief financial officer, and assistant treasurer of Midwestern University Foundation. He is also senior vice president and chief financial officer of Midwestern University. He will also have three colleagues joining him, and they have requested to make a brief statement to the Board.

So with that, I will conclude my remarks. Does any Member have any comments or questions?

(No response.)

Thank you.

MR. FLETCHER: Hearing none, next is Item 4. This is -- Item 4 is a PACE Bond Resolution authorizing the issuance from time to time of one or more series and/or subseries of PACE Bonds to be purchased by CastleGreen Finance, LLC, or its designated transferee in an aggregate amount not-to-exceed $100 million for a period of three years.

This is a boilerplate PACE Bond Resolution for a new capital provider. We have adopted just under a dozen of these resolutions over the last few years. This latest resolution comes to us from the principles of what used to be Counterpointe Sustainable Real Estate. CSRE is one of the premier originators in the PACE Bond market and accordingly we're happy to continue this relationship with those principles as they have moved on to start their own firm.

The impetus here of today's adoption of the PACE Bond Resolution is there is a project located within Cook County of which CastleGreen Finance would like to finance in part through a PACE Bond Resolution issued by the Authority. This is part and parcel, if you will, a product of our result -- our ongoing work with Cook County because the project will be situated within the Cook County program administered by the Illinois Energy Conservation Authority, NFP.

So I respectfully request your approval, and I can take any questions for this delegation resolution.

(No response.)

Thank you.

MS. PERUGINI: Thanks, Brad. This is Sara Perugini.

Item No. 5 in your packet which starts on page 97 of the PDF is a Memo and a Resolution for Edward-Elmhurst Healthcare, the Borrower, detailing amendments it would like to make to its Series 2017C Bonds and accompanying documents. The Series 2017C Bonds currently bear interest at a Private Placement Floating Rate based on LIBOR. Banc of America Public Capital Corp, or BofA, purchased and agreed to hold all the 2017C Bonds until the end of the current Private Placement Floating Rate period, which is February 1st, 2020. In order to take advantage of current market conditions, the Borrower is converting the interest rate on the Series 2017C Bonds to bear interest at a new Private Placement Floating Rate based on LIBOR or other comparable index for a new Private Placement Floating Rate period that is currently expected to run until the maturity of the Series 2017C Bonds on January 1, 2034.

The Borrower expects that BofA or one of its affiliates, hereinafter the "Purchaser," will hold the 2017C Bonds for the new Private Placement Floating Rate period. In connection with the conversion, the Borrower and the Purchaser may wish to amend and add in certain definitions to the Bond Indenture, including amending the definition of LIBOR and to provide for alternate indexes or methods of calculating the interest rate on the

Series 2017C Bonds in the event that LIBOR is no longer an index and also to make other amendments necessary.

The proposed Resolution approves the supplement to the Bond Indenture and the execution by the Authority of any additional documents necessary in order to implement the amendments and to evidence the approval of the amendments.

The supplement to the Bond Indenture is authorized by the existing terms of the Bond Indenture. The Purchaser will approve the amendments by executing the amendment agreements. These amendments may result in the Series 2017C Bonds being treated as reissued for federal income tax purposes, but Chapman and Cutler LLP is expected to provide an opinion that the amendments will not adversely affect the tax-exempt status of any of the Series 2017C Bonds.

The Authority's estimated fee is included, and the Borrower's financials are also included in Item 1 of the PDF, in connection with the Borrower's concurrent Bond issuance.

Authority staff recommends approval. Does any Member have any questions or comments?

(No response.)

Thank you.

MR. FLETCHER: Okay. And next and lastly for new business items today is Tab 6 in your Board books. Tab 6 in your Board books is a Resolution on behalf of North Central College and its outstanding tax-exempt bonds issued by the Authority in May of last year.

As a 501(c)(3) non-profit entity, the college issued its Series 2020 Bonds through the Authority on May 8, 2020, in order to debt finance the construction and equipping of a new academic building to house, among other things, engineering labs and health sciences programs to be located on the college's main campus in Naperville.

The Authority issued the Series 2020 Bonds in the principal amount of $21,524,000 last year, which was purchased in whole by BMO Harris Investment Company LLC, as an affiliate of BMO Harris Bank. The Series 2020 Bond continues to be held by the bank bearing a fixed rate of interest payable monthly for an initial term of approximately 7 years, otherwise ending June 1, 2027.

Now, at this time, the Authority is

being asked to provide its consent to a change in use for the remaining proceeds of the Series 2020 Bond. Construction is complete, and Bulley & Andrews LLC as the general contractor is approximately $4 million under budget. Accordingly, the college and the bank have agreed to apply the excess funds remaining in the project escrow agreement for the financing of all or a portion of the costs of the renovation, construction, improvement, and equipping of the college's Oesterle Library building, including without limitation, both interior and exterior facility improvements or related landscaping, signage, and similar improvements.

Saul Ewing Arnstein & Lehr has been engaged by the Authority as issuance counsel for this change in use, and Chapman and Cutler, as bond counsel, will be delivering the necessary tax documentation for execution by the Authority.

Our fee is listed on the top of page 7 of the report in the confidential section. The Peer Review Committee recommends approval, and I can take any questions.

(No response.)

Thank you.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Thank you, Brad. I would like to request a motion to recommend for approval New Business Items 1, 2, 3, 4, 5, and 6. Is there such a motion?

MEMBER ZELLER: This is Brad Zeller. So moved.

MEMBER RESTITUYO: This is José Restituyo. Second.

CHAIRMAN WRIGHT: Will the Assistant Secretary please call the roll?

MR. FLETCHER: Certainly. This is Brad Fletcher. On the motion by Member Zeller and second by Member Juracek, I'll call the roll.

Ms. Juracek?

MEMBER JURACEK: Yes.

MR. FLETCHER: Thank you. Mr. Restituyo?

MEMBER RESTITUYO: Yes.

MR. FLETCHER: Thank you. Mr. Tobon?

MEMBER TOBON: Yes.

MR. FLETCHER: Thank you. Mr. Zeller?

MEMBER ZELLER: Yes.

MR. FLETCHER: Thank you. And Committee Chair Wright?

CHAIRMAN WRIGHT: Yes.

MR. FLETCHER: Again, this is Brad Fletcher. Committee Chair Wright, the motion carries.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Thank you, Brad. Does anyone wish to make any additions, edits, or corrections to the minutes from April 13, 2021?

(No response.)

Hearing none, I would like to request a motion to approve the minutes. Is there such a motion?

MEMBER TOBON: This is Eduardo Tobon. So moved.

MEMBER JURACEK: This is Arlene Juracek. Second.

CHAIRMAN WRIGHT: This is Jeffrey Wright. Will the Assistant Secretary please call the roll?

MR. FLETCHER: Certainly. This is Brad Fletcher. On the motion by Member Tobon and second by Member Juracek, I call the roll.

Ms. Juracek?

MEMBER JURACEK: Yes.

MR. FLETCHER: Mr. Restituyo?

MEMBER RESTITUYO: Yes.
MR. FLETCHER: Mr. Tobon?
MEMBER TOBON: Yes.
MR. FLETCHER: Mr. Zeller?
MEMBER ZELLER: Yes.
MR. FLETCHER: And Committee Chair Wright?
CHAIRMAN WRIGHT: Yes.
MR. FLETCHER: Again, this is Brad Fletcher. Committee Chair Wright, the motion carries.
CHAIRMAN WRIGHT: This is Jeffrey Wright. Is there any other business to come before the Committee?
(No response.)
Hearing none, I would like to request a motion to adjourn. Additionally, when responding to the roll call for this motion, I would ask each Member to confirm that they were able to hear the participants, discussions, and testimony of this proceeding. Is there such a motion?
MEMBER ZELLER: This is Brad Zeller. So moved.
MEMBER JURACEK: This is Arlene Juracek.

Second.

CHAIRMAN WRIGHT: Will the Assistant Secretary please call the roll?

MR. FLETCHER: Certainly. This is Brad Fletcher. On the motion by Member Zeller and second by Member Juracek, I will call.

Ms. Juracek?

MEMBER JURACEK: Aye, and I confirm I could hear all participants, discussion, and testimony.

MR. FLETCHER: Thank you. Mr. Restituyo?

MEMBER RESTITUYO: Aye, and I confirm that I could hear all participants, discussions, and testimony.

MR. FLETCHER: Thank you. Mr. Tobon?

MEMBER TOBON: Aye, and I confirm that I could hear all participants, discussion, and testimony.

MR. FLETCHER: Thank you. Mr. Zeller?

MEMBER ZELLER: Aye, and I confirm that I could hear all participants, discussion, and testimony.

MR. FLETCHER: Thank you. Committee Chair Wright?

CHAIRMAN WRIGHT: Aye, and I confirm that I could hear all participants, discussion, and testimony.

MR. FLETCHER: Thank you. And finally Chair Hobert, ex-officio non-voting?

CHAIR HOBERT: I confirm that I could hear all participants, discussions, and testimony.

MR. FLETCHER: Thank you. Again, this is Brad Fletcher. Committee Chair Wright, the motion carries. The time is currently 9:09 a.m. and this Committee meeting can be adjourned. Thank you.

(Meeting adjourned at 9:09 a.m.)

REPORTER CERTIFICATION.

I, JO ANN LOSOYA, a Certified Shorthand Reporter of the State of Illinois, do hereby certify that I reported in shorthand the proceedings had at the meeting aforesaid, and that the foregoing is a true, complete and correct transcript of the proceedings of said meeting as appears from my stenographic notes so taken and transcribed under my personal direction.

IN WITNESS WHEREOF, I do hereunto set my hand at Chicago, Illinois, this June 22, 2021.

JO ANN LOSOYA, CSR, RPR, CRR
C.S.R. No. 084-002437

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