

1 ILLINOIS FINANCE AUTHORITY
2 SPECIAL MEETING OF THE CONDUIT FINANCING COMMITTEE
3 July 9, 2019, at 9:00 a.m.
4

5 REPORT OF PROCEEDINGS had at the Special
6 Meeting of the Conduit Financing Committee Members
7 on July 9, 2019, at the hour of 9:00 a.m., pursuant
8 to notice, at 160 North LaSalle Street, Suite S-1000,
9 Chicago, Illinois.

10 APPEARANCES:

11 COMMITTEE CHAIR E. LYLE McCOY

MR. GEORGE OBERNAGEL

12 MR. WILLIAM HOBERT

MR. JEFFREY WRIGHT

13 MS. ROXANNE NAVA

MR. J. RANDAL WEXLER

14 MR. MIKE GOETZ

MS. ARLENE A. JURACEK

15 MR. ERIC R. ANDERBERG, *ex officio*, non-voting

16 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS:

17 MS. SARA PERUGINI, Vice President

MR. BRAD FLETCHER, Vice President

18 MR. RYAN OECHSLER, Associate General Counsel

MS. ELIZABETH WEBER, General Counsel and Legal

19 Adviser to the Board

MS. LORRIE KARCHER, Agricultural Program

20 Coordinator (via audio conference)

MR. RICH FRAMPTON, Vice President

21 MR. CAMERON WILSON, Legal Fellow

22 MS. PAMELA LENANE, Executive Vice President, Healthcare

MR. JACOB STUCKEY, Deputy Executive Director

23 MR. MALCOLM SIMMONS, Intern
24
25

1 CHAIRMAN McCOY: I'd like to call the
2 meeting to order. Would the Assistant Secretary
3 please call the role?

4 OECHSLER: Certainly. The time is 9:03
5 a.m.

6 Mr. Goetz?

7 GOETZ: Here.

8 OECHSLER: Mr. Hobert?

9 HOBERT: Here.

10 OECHSLER: Ms. Juracek?

11 JURACEK: Here.

12 OECHSLER: Mr. Wright?

13 WRIGHT: Here.

14 OECHSLER: Committee Chair McCoy?

15 CHAIR McCOY: Here.

16 OECHSLER: Chair Anderberg, ex officio,
17 non-voting?

18 ANDERBERG: Here.

19 OECHSLER: Committee Chair McCoy, a quorum
20 of Committee Members has been constituted.

21 CHAIR McCOY: Thank you very much.

22 Before we get going, I'd just like to
23 note that Members Nava and Wexler are sitting in on
24 this meeting as well. So welcome.

1 And perhaps before -- since we have
2 three new members here, perhaps we should go around
3 the room and have the IFA folks introduce yourselves.
4 It might make some sense.

5 Why don't we start with Erin all the
6 way in the corner?

7 WHITE: Erin White.

8 FRAMPTON: Rich Frampton.

9 WEBER: Elizabeth Weber, General Counsel.

10 MEISTER: Chris Meister, Executive
11 Director.

12 MYART: Charles Myart, Vice President of
13 Loans and Guarantees.

14 SIMMONS: Malcolm Simmons, Intern.

15 ATWOOD: Bill Atwood, Vice President for
16 Infrastructure.

17 MS.LENANE: Pam Lenane,
18 semi-retired.

19 CHAIR McCOY: That means semi working.

20 MS.LENANE: Executive Vice President,
21 Health Care. I'm staffing the Long Island office.
22 Our reach is far.

23 PERUGINI: Sara Perugini, Vice President,
24 Health Care.

1 STUCKEY: Jacob Stuckey, Deputy
2 Executive Director.

3 WILSON: Cameron Wilson, legal fellow.

4 FLETCHER: Brad Fletcher, Vice President.

5 OECHSLER: Ryan Oechsler, Associate
6 General Counsel.

7

8 CHAIR McCOY: Thank you very much.

9 Moving forward, I have Review
10 and Adoption of the Conduit Financing Committee
11 Meeting Minutes from our last meeting of June 11,
12 2019.

13 Does anybody wish to make any
14 additions, edits, or corrections to the
15 Minutes of that meeting?

16 (No response.)

17 CHAIR McCOY: Hearing none, I'd like to
18 request a motion to approve the Minutes. Is there
19 such a motion?

20 GOETZ: So moved.

21 JURACEK: Second.

22 CHAIR McCOY: Thank you. All those in favor?

23 (Chorus of ayes.)

24 CHAIR McCOY: Opposed?

25 (No response.)

1 CHAIR McCOY: The ayes have it.

2 Presentation and Consideration of New
3 Business.

4 I'd like to ask for the general
5 consent of the Members to consider each of the
6 new business items collectively and have the
7 subsequent recorded vote applied to each respective
8 individual item unless there's any specific new
9 business items that a Member would like to consider
10 separately.

11 GOETZ: Mr. Chairman, I would like to
12 recuse myself from any deliberations and votes with
13 respect to Item Number 5 related to Northwestern
14 Memorial Health Clinic [sic] of the new business items
15 because I have a family member who works for the
16 financial advisor in the transaction.

17 CHAIR McCOY: Okay. I'd like to consider
18 Items 1, 2, 3, 4, and 6 first, take a roll call vote,
19 and then consider Item 5 and take a second roll call
20 vote.

21 Lorrie, I think it's over to you.

22 KARCHER: Thank you.

23 Item Number 1 is a one-time final
24 Board Bond Resolution requesting the approval for a

1 Beginning Farmer Bond for Kevin M. Hinds, who is purchasing 32.29
2 acres of farmland located in Coles County not to
3 exceed the amount of 180,000.

4 First Mid Bank and Trust is the
5 purchasing bank for the conduit transaction. That's
6 the Beginning Farmer Bond for July.

7 Does any Member have any questions?

8 (No response.)

9 CHAIR McCOY: No, I think we're good.
10 Thank you, Lorrie.

11 FLETCHER: Next is Tab Number 2 in your
12 board books and Number 2 on today's agenda.

13 This is a final bond resolution on
14 behalf of School District Number 205 in DuPage and
15 Cook Counties in a not-to-exceed amount of
16 \$60 million.

17 The Illinois Public School District
18 provides education for students in grades
19 kindergarten through 12 with students attending eight
20 elementary schools, three middle schools, York
21 Community High School, and a transition program in
22 the Madison Early Childhood Education Center.

23 Enrollment districtwide total is
24 8,519 students during this last school year with

1 approximately 90 percent of the students enrolled
2 from residences located in Elmhurst, while the
3 remaining 10 percent of students reside in Oak Brook,
4 Bensonville, Addison, and Villa Park.

5 The district currently forecasts
6 increasing enrollment over the next five years, and
7 accordingly has embarked on an ambitious \$168 million
8 Match Facility Improvement Plan.

9 In November 2018, voters of the
10 district approved a referendum to issue approximately
11 \$168 million of General Obligation Bonds to finance
12 this Match Improvement Plan, which includes two new
13 elementary schools replacing the Field and Lincoln
14 Elementaries, providing security updates to each of the
15 campuses, creating science, technology, engineering,
16 and math oriented classroom spaces at each of the
17 campuses, renovating facilities provided for all-day
18 kindergarten at six elementary schools still in use,
19 adding air conditioning and other HVAC upgrades at
20 the Jackson and Jefferson Elementary schools, and
21 finally, making further campus renovations throughout
22 the district to meet parents' expectations.

23 To the transaction before you, the
24 district is seeking to issue bonds through the authority

1 for the first \$60 million tranche in order for
2 construction to begin this August. The proposed
3 bonds will be publicly authored and underwritten by
4 Raymond James & Associates. The bonds are expected
5 to be assigned a AA-plus rating by S&P later this
6 month.

7 As with all conduit Local Government
8 Transactions with the Authority, proceeds of the IFA
9 bond transaction and terms of purchase of Local
10 Government Securities are issued by the district. As a
11 result, bondholders benefit from both state tax
12 exemption as well as federal tax exemption on any
13 interest earnings for the bonds.

14 I brought with me today a recent debt
15 service prepared by the underwriter that shows
16 expected interest rates for the district's offering
17 that I'd like to pass around. Assuming similar
18 market conditions approximately a month from now the
19 district will be looking at a true interest cost of
20 approximately 3 percent.

21 Turning to Page 9 in the
22 confidential section of the report, we provided
23 various summaries of financial information as
24 derivative of our review of the District's Audited

1 Financial Statements. Additionally, various experts
2 from the Preliminary Offering Statement, which
3 will be shared with potential investors, are provided
4 as well.

5 Notably, Table 10 in the middle of
6 Page 11 calculates the District's available legal
7 debt margin of which there's currently sufficient
8 capacity. It's not only issued proposed IFA Series
9 2019 bonds, but also additional tranches in the
10 future to complete the overall \$168 million Match for
11 Facility Improvement Plan.

12 We recommend approval. I could take
13 any questions.

14 GOETZ: The one thing that jumps out at me
15 about this particular deal is they're creating 350
16 construction jobs, all of which will be covered by
17 prevailing wage. This is kind of exactly what we're
18 supposed to be doing.

19 FLETCHER: Moving on, next is for this
20 Committee the first time we've reviewed in Committee
21 a PACE bond resolution. Unlike our typical
22 traditional private activity bonds, with PACE bond
23 resolutions, we are approving the capital provider
24 for a three-year window. That is, we're offering an

1 allocation of authority to purchase PACE bond issued
2 by the Authority in the future.

3 The first capital provider on the
4 agenda is Greenworks Lending, LLC. Greenworks
5 Lending, LLC, is a national leader throughout the
6 country on PACE bond transactions. The reason they
7 are before us today importantly is the city of
8 Chicago's PACE program, which is currently launched
9 and operating, carved out two specific projects for
10 specific capital providers.

11 Greenworks is a capital provider for
12 Congress Theater. So we will be seeing that project
13 in the next two-to-three months, approximately
14 \$12-to-13 million in PACE bonds.

15 So that is why they are on today's
16 agenda. Again, this is for a three-year window.
17 They demonstrated a pipeline of projects, which is
18 why we are allocating \$125 million of authority.

19 MEISTER: Brad, would you mind just giving
20 a bit of an overview of PACE as a concept and how far
21 you have brought this working with the General
22 Assembly and with the Authority and with the other
23 jurisdictions?

24 FLETCHER: In two minutes or less?

1 MEISTER: You can have five.

2 FLETCHER: No, that's okay.

3 Chris and I took the first PACE
4 meeting in November 2017. At that time, the statute
5 was advanced, if you will, by a private stakeholder.
6 We are not a party to that statute.

7 At the time, it was enabled in
8 Illinois, and PACE throughout the country is state
9 based. It's not a product of Congress. Illinois
10 was a little behind the eight ball. We were probably
11 the 20th state to bring PACE online. However, at the
12 end of 2017, the last quarter, we were dealing with
13 federal tax reform, which threatened our issuance of
14 private activity bonds.

15 So at the same time, people started
16 knocking on our door asking for help with the PACE
17 statute in financing these projects because it was so
18 locally driven, and it was a very fractured market.

19 Chris and I took some meetings. The
20 Authority as a whole, quite frankly, developed a plan
21 to provide a strategic support model, if you will,
22 for local governments, standardized a somewhat
23 fractured market. We implemented some minor
24 legislative improvements, if you will, in an election

1 year -- this was 2018 -- advanced by a democratic
2 General Assembly, signed by a republican governor.

3 The minor improvements gave the
4 Authority a seat at the table, if you will, to issue
5 these conduit bonds for local governments. As you
6 can imagine, it diminishes capital provider operating
7 costs. They don't have boots on the ground running
8 around all over the state and making sure each and
9 every little bond deal gets approved, educating each
10 and every council member, county board member. We
11 offer kind of a one-stop, turnkey solution here at
12 the Authority.

13 We made those improvements. We began
14 to see local governments take the initial steps. As
15 they took those initial steps, as we began drafting
16 standardized legal documents, standardized bond
17 documents, we decided to take a comprehensive review
18 of the statute with a few different law firms. We
19 advanced a comprehensive technical rewrite of the
20 PACE Act just a few months ago. Those changes were
21 well-received in the General Assembly, a unanimous
22 approval in both chambers. We're awaiting the
23 Governor's signature of those proposed changes.

24 Based on all of those steps that we

1 have taken, we have gone from Illinois having zero
2 PACE activity to we're about to kick the door open
3 and have a lot of multi-million dollar transactions
4 throughout the state.

5 Later today, I'm traveling down to
6 Madison County for a \$5 million project, which I'll
7 get to in a second. Chicago has a pipeline of
8 projects upwards of \$100-to-200 million just in the
9 next 12-to-16 months.

10 We are a permissive option is the
11 best way to summarize this. Local governments do not
12 need to use the Authority for PACE bond financing,
13 but our subject matter expertise, our
14 professionalism, our ability to standardize these
15 documents, our ability to diminish operating and
16 legal costs really provide a benefit here in what
17 would otherwise be a conventional taxable
18 transaction.

19 Three minutes, three and a half?

20 CHAIR McCOY: Thank you.

21 FLETCHER: Sticking with PACE, this is Tab
22 Number 4 in the board books, and also Item 4 on
23 today's Committee Agenda. This is for Lever Capital.

24 As I mentioned, I'm traveling later

1 today to St. Louis to be in Alton -- excuse me --
2 Edwardsville tomorrow morning for their Ways and
3 Means Committee.

4 Lever Capital has a \$5 million
5 project in Glen Carbon for a CCRC. We will be
6 financing the \$5 million PACE portion of the capital
7 stack. SWIDA will be issuing taxes on bonds on the
8 tax exempt side. Nevertheless, they also
9 demonstrated to me they have a pipeline of projects.
10 We wanted to get them on today's agenda and ready to
11 go for when that project is ready for execution.

12 MEISTER: And SWIDA, just for the newer
13 members, the Finance Authority operates on a
14 competitive market. Our core product of
15 federally-tax-exempt conduit bonds, any home-rule
16 unit in the state can issue those bonds. It happens
17 to be our primary purpose; whereas, many other
18 home-rule units have a multitude of other things to
19 do.

20 But the General Assembly also created
21 a number of these regional authorities. Southwest
22 Illinois Economic Development Authority is perhaps
23 the oldest of these. The regional authorities,
24 including SWIDA, also have the power on their core

1 conduit issuance to issue double tax exemption,
2 federal plus state, on behalf of for profit companies
3 and non for profits.

4 The Authority has that power to issue
5 on behalf of local governments as what was just
6 demonstrated by the Elmhurst School District Project.

7 You know, I think in the coming
8 months and years, I think that we will recommend to
9 the Board that we'll go back to the General Assembly
10 and look to level this playing field, because they do
11 have -- they do have an advantage that can lead to
12 material cost savings on the part of the borrower
13 sort of for the same reason that the Elmhurst School
14 District is coming before us to issue the state tax
15 exempt bonds.

16 In addition to that, I think with
17 recent increases in state income tax and the federal
18 \$10,000 cap on the state and local tax deduction, we
19 think the double tax exemption is going to be
20 increasingly working for the Authority in the coming
21 years; particularly, in light of some of the
22 proposed changes that are being discussed by the
23 Governor and the General Assembly as to the overall
24 tax structure.

1 So that's a little bit of background
2 and context.

3 CHAIR McCOY: Thanks Chris. Next item?

4 FLETCHER: Certainly.

5 So the next is Item 6 on today's
6 agenda. This was a late arrival to our board book.
7 Accordingly, it's clipped on the inside cover if
8 you're following along in the board book. We
9 apologize for that. This was a rush for a client of
10 the Authority, a borrower.

11 In 2010, as a product of the American
12 Recovery and Reinvestment Act, the Authority was able
13 to issue Recovery Zone Facility Bonds. The Authority
14 issued a Series 2010, a Recovery Zone Facility Bond
15 on behalf of Mayo Moran Transportation in the
16 approximate amount of \$4,100,000.

17 At the time, the first direct purchaser of that
18 bond was First Midwest Bank. Now, at this time, they
19 are moving all their secured lending facilities to
20 Byline Bank. Accordingly, we are treating this as an
21 amendment. This is a project that has been
22 constructed. They're simply moving to a new bank.

23 Bond counsel has determined that a
24 TEFRA hearing is not necessary. They are amending

1 the amortization schedule as well as extending the
2 initial term with Byline Bank five years.

3 By way of background, Rich and I see
4 this on many of our direct purchase transactions.
5 The banker at First Midwest moved to Byline, and
6 accordingly, is moving his business with him. So we
7 are treating this as an amendment. Our fee is
8 located in the confidential section of the last page
9 of the report, which is Page 6.

10 I can take any questions, however.

11 CHAIR McCOY: Is that a reduced fee?

12 FLETCHER: It is, yes.

13 WRIGHT: Who is the banker?

14 FLETCHER: Doug Clark?

15 FRAMPTON: Charles Dross,

16 on page 2, under New Bank, under

17 Professional and Financial.

18 MEISTER: And, Brad, just also, again,
19 we've got newer Board Members here, but if you could
20 just sort of draw the line between a public offering
21 like the Elmhurst School District deal and a bank
22 direct purchase and the sort of types of transactions
23 that they represent along with the TEFRA letter and
24 how that works in the intersection between federal
25 and state law.

1 FLETCHER: Aside from the state tax
2 exemption which is available for the Elmhurst
3 transaction, the Elmhurst transaction is being publicly offered to
4 institutional investors.

5 Accordingly, there's more disclosure documents, if
6 you will, preliminary offering statements, and so
7 on and so forth. Bond counsel opinions are more
8 robust.

9 On the flipside, on the middle market
10 side, banks generally -- and Rich can speak to this
11 more throughout his career. Banks have become more
12 portfolio vendors, if you will, and middle market
13 transactions, holding these transactions within their
14 portfolio, whether or not the federal tax exemption
15 benefits them. That is to say, depending on the
16 structure of the bank, they may not benefit from tax
17 exemptions on the interest earnings.

18 That being said, because they're
19 competitive banks offering these products, they offer
20 them as well as a benefit to the borrowers.

21 Documentation is much simpler on
22 these direct purchase transactions, and in the event
23 of a payment default, a workout situation, it's
24 really between the bank and the lender, and again, we
25 simply remain in our role as a conduit issuer.

1 MEISTER: And just by way of illustration,
2 I brought a couple of official statements on a public offering. This is
3 sort of what they look like.

4 They're available on the MSRP's EMMA website for
5 free, and it's a free public disclosure.

6 A public offering is -- you know,
7 it's a rather robust public disclosure; whereas, in
8 bank direct purchases, it's really a commercial loan
9 with -- private commercial loan with the additional
10 benefit of tax exemptions.

11 FLETCHER: That's right. And the publicly
12 offered bonds, they're publicly traded obviously, and
13 direct purchase transactions are really a
14 conventional loan with the tax exemption.

15 MEISTER: And then the TEFRA letter.

16 FLETCHER: TEFRA is a product of the Fiscal
17 Responsibility Act of 1986.

18 WEBER: '2.

19 FLETCHER: '2? Close. Tax Equity and
20 Fiscal Responsibility Act, that's right.

21 So we conduct TEFRA hearings as
22 required by Congress, federal tax law. When we do
23 provide a tax exemption for private activity bonds,
24 the rationale, although I wasn't there, is to provide
25 public comments --

1 FRAMPTON: You weren't born.

2 FLETCHER: That's right.

3 (Laughter.)

4 FLETCHER: The ability to provide a forum
5 for the public to comment. In theory, the U.S.

6 Treasury is marginally reduced by availing this tax
7 exemption to these private activity borrowers.

8 With that said, I have undertaken the
9 TEFRA process for the Authority for the last several
10 years after another staff member left. I'm aware of
11 one person showing up in the last nine years, so it's
12 rather perfunctory.

13 Nevertheless, it's a step that's
14 required before these tax note deals. A project like
15 Mayo Moran, when the weighed average maturity is
16 extended, bond counsel will typically opine, or tax
17 counsel, you need a new TEFRA hearing.

18 In this case, that's not the
19 situation, so there was no TEFRA hearing. So we rely
20 on bond counsel to make that determination. Notices
21 must be published in the newspaper. Recent IRS
22 guidelines have said it's no longer necessary.

23 We are currently working with the
24 Governor's Office of Management and Budget with Jacob
25 on updating their policies and procedures to reflect

1 recent IRS guidance, which stipulates that we can
2 simply post a hearing notice online a few days --
3 seven days in advance as opposed to 14 days in
4 advance in the newspaper.

5 At this point, we engage a law firm
6 to conduct our TEFRA hearings at a very minimal fee.
7 A transcript is prepared. Quite frankly, the hearing
8 officer goes into a room, reads aloud the TEFRA
9 transcript to an empty room for a few minutes, waits
10 for anyone to show up, no one does, and then we
11 interact with the Governor's Office on providing
12 all that certification, the notices from the
13 newspaper, the transcript from the hearing officer,
14 interacting with bond counsel and the Governor's
15 approval letter, which is the ultimate result of the
16 TEFRA hearing.

17 The Governor has to provide an
18 approval letter, and that becomes part of the closing
19 transactions -- closing transcript, I should say, for
20 all of our tax exempt bond transactions.

21 CHAIR McCOY: All right. Thanks, Brad.

22 I'd like to request a motion to
23 recommend for approval the following New Business
24 Items: 1, 2, 3, 4, and 6. Is there such a motion?

1 GOETZ: So moved.

2 JURACEK: Second.

3 CHAIR McCOY: Thank you.

4 Will the Assistant Secretary please
5 call the roll?

6 OECHSLER: On the motion and second, I will
7 call the role.

8 Mr. Goetz?

9 MR. GOETZ: Yes.

10 OECHSLER: Mr. Hobert?

11 HOBERT: Here.

12 OECHSLER: Ms. Juracek?

13 JURACEK: Yes.

14 OECHSLER: Mr. Wright?

15 WRIGHT: Yes.

16 OECHSLER: Committee Chair McCoy?

17 CHAIR McCOY: Yes.

18 OECHSLER: Committee Chair McCoy, the
19 motion carries.

20 CHAIR McCOY: Thank you.

21 Mike's on his way out.

22 (Mr. Goetz exits the room.)

23 OECHSLER: Please let the record show that
24 Member Goetz has exited the room.

1 PERUGINI: Item Number 5 is a Resolution
2 and Memorandum on behalf of Northwestern Memorial
3 HealthCare. It's located in Tab Number 5 in your
4 board book.

5 Northwestern Memorial HealthCare or
6 MMHC undertakes regular review of its existing bank
7 relationships and its outstanding debt portfolio and
8 is identified by a series of IFA-issued bonds, the
9 Series 2007A bonds, the Series 2008A bonds, and the
10 Series 2011A, B, and C bonds that it would like to
11 make certain changes to.

12 Specifically, with respect to the
13 2007A-1 and A-3 bonds, it would like to extend the
14 expiration dates of the existing liquidity
15 facilities.

16 With respect to the Series 2007A-2
17 and A-4 bonds, it would like to provide substitute
18 liquidity facilities.

19 With respect to the 2007 and 8A-2
20 and 2007 A-4 bonds, it would like to appoint a
21 replacement for marketing agents.

22 With respect to the Series 2008A
23 bonds, it would like to terminate its existing
24 liquidity facility and provide for a self-liquidity

1 arrangement.

2 And with respect to 2008A bonds, it
3 would like to replace its remarketing agent.

4 And with respect to its 2011A, B,
5 and C bonds, it would like to create a new index rate
6 period for each of the series of bonds, and those
7 bonds would also be remarketed.

8 And this new index rate mode would
9 provide for a change from LIBOR in anticipation for
10 LIBOR going away, and it would provide for another
11 market-based index, which they are currently
12 anticipating SIFMA, and they would also with respect
13 to the 2011 C bonds, they would like to amend their
14 loan agreements to provide for MMHC to be the
15 borrower, and this will bring it into alignment with
16 the rest of their loan agreements they have
17 outstanding.

18 In order to effect these
19 transactions, MMHC has requested that the IFA
20 authorize and execute amendments and supplements to
21 existing bond indentures and loan agreements.
22 Specifically, with respect to the 2007A bonds and
23 2007B bonds, they would like to make the changes
24 that are required by the rating agencies currently

1 rating the bonds, which are S&P and Moody's, to
2 maintain the bonds' highest short-term rating and
3 also to take other required action necessary to
4 facilitate the liquidity facility substitution and
5 terminations and also the changes in remarketing
6 agents.

7 And with respect to the 2011A, B,
8 and C bond indentures and the 2011C loan agreements,
9 they would like any supplements and amendments
10 required to change the interest rate period and other
11 changes requested by the purchasers of those funds as
12 they are privately held.

13 And the amendments to the bond
14 indentures and loan agreements for the 2007A and
15 2008A bonds are authorized currently by the
16 documents in place, and the changes to the 2011A, B,
17 and C bonds will be consented to by the financial
18 institutions who will eventually hold those bonds.

19 The fee is located in the board book
20 in the confidential information section, and the IFA
21 staff recommends approval of the accompanying
22 resolution.

23 Does anyone have any questions?

24 HOBERT: I have a quick question.

1 PERUGINI: Sure.

2 HOBERT: You said that they wanted to
3 switch from LIBOR as an industry benchmark to what?

4 PERUGINI: SIFMA. It's Municipal --

5 FRAMPTON: It's Security Industries Financial
6 Markets Association.

7 LENANE: It's just another index. I think it will be similar to
8 LIBOR.

9 MEISTER: And actually, Deputy Executive
10 Director Stuckey, it came to us from the Treasurer's
11 Office where he dealt with both LIBOR and a proposed
12 replacement.

13 Do you have any additional context
14 for this switch, Jacob? I know you were dealing with
15 it in your investment contacts.

16 STUCKEY: Just that LIBOR's plan is going
17 away as I think the industry as a whole is -- both
18 the issuers and the investment community is
19 struggling with the replacement, because I think
20 whether you pick a different index, it has its pluses
21 and its minuses, and that as people go through this
22 transition, I think you'll have a little bit --
23 people kind of struggle through it. So LIBOR either
24 finally goes away or if there's any changes.

1 So I think this will be a continuing
2 issue for the Authority.

3 CHAIR McCOY: Okay. Any questions?

4 (No response.)

5 CHAIR McCOY: I'd like to request a motion
6 to recommend for approval the following new business
7 item, Item Number 5.

8 Is there such a motion?

9 JURACEK: So moved.

10 WRIGHT: Second.

11 CHAIR McCOY: Will the Assistant Secretary
12 please call the role?

13 OECHSLER: On the motion and second, I will
14 call the role.

15 Mr. Hobert?

16 HOBERT: Yes.

17 OECHSLER: Ms. Juracek?

18 JURACEK: Yes.

19 OECHSLER: Mr. Wright?

20 WRIGHT: Yes.

21 OECHSLER: Committee Chair McCoy?

22 CHAIR McCOY: Yes.

23 OECHSLER: Committee Chair McCoy, the
24 motion carries.

1 Member Goetz? Can you see if Mike is
2 out there?

3 (Member Goetz reenters the room.)

4 OECHSLER: Let the record show that Member
5 Goetz has reentered the room.

6 CHAIR McCOY: Moving on, Other Business.
7 Is there any other business to come before the
8 Committee?

9 (No response.)

10 CHAIR McCOY: Hearing none, is there any
11 public comment for the Committee?

12 (No response.)

13 CHAIR McCOY: Hearing none, I would like
14 to request a motion to adjourn. Is there such a
15 motion?

16 GOETZ: So moved.

17 Is that why you wanted me back in the
18 room?

19 (Laughter.)

20 JURACEK: Second.

21 CHAIR McCOY: All those in favor?

22 (Chorus of ayes.)

23 CHAIR McCOY: Opposed?

24 (No response.)

1 CHAIR McCOY: The ayes have it.

2 OECHSLER: The time is 9:31 a.m.

3 (WHEREUPON, the meeting was
4 adjourned.)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24