



Board of Directors, Meeting Notes
September 22, 2017

Location: 11 East Ave, Suite 600 • Chicago, IL 60603
Time: 11:00 AM – 11:45 AM

- I. Introduction
 - a. Board Members: Laura Thonn, David Blinderman, Daniel Anello, Alberta Johnson, Tom Nieman (Conference call), Kate Gottfred, and Brian Novelline
 - b. CICS Staff: Kathleen Clarke, Jennifer Rocha, Stephen Mclain, Elizabeth Shaw, and David Gershenson

- II. Context- Outstanding Debt
 - a. CICS Issued \$49M of tax exempt bonds in 2007. Primarily used to purchase Northtown, Ellison, and Loomis.
 - b. Current outstanding balance is \$42M
 - 30 year amortization
 - 5% Interest rate
 - Collateral = owed facilities and revenues

- III. Updates on Issuance
 - a. Refinance
 - Interest rates in this market are at historic lows.
 - Until fall 2016, in “negative arbitrage” period.
 - Illinois and CPS budgetary challenges.
 - b. Milestones
 - Significant amount of data collected and analyzed.
 - Standard and Poor’s rating meeting held.
 - IL Finance Authority application submitted.
 - Moody’s credit rating presentation.
 - First draft of most documents reviewed.
 - c. Upcoming Milestones
 - BOD Resolution passed.
 - Environmental reports and missing property surveys completed.
 - Covenant and financing structure finalized.
 - Preliminary Official Statement distributed to investors.
 - Pre-marketing period occurs.
 - Documents finalized.
 - Pricing.
 - Closing and redemption of 2007 bonds.

Committed to Greatness



- IV. Plan of Finance
- a. 2017 Financing Structure
 - Mirror the 2007 deal with some changes due to shifts in the market.
 - Covenants- Days Cash on Hand, Debt Service Coverage, and Additional Indebtedness.
 - b. Plan of Finance
 - CICS will issues a fixed-rate, tax-exempt and taxable bonds issued by the Illinois Finance Authority to be utilized by the Borrower to (1) refund certain indebtedness and (2) provide up to \$11.6 million in capital improvement to various campuses.
 - Bonds secured by a mortgage on 5 owned facilities (Basil, Longwood, Loomis, Northtown, and Ralph Ellison) a Debt Service Fund, and a pledge of revenues from the entire CICS system.
 - 30 year final maturity.
 - 10 year par call.
- V. Upcoming Deadlines
- a. Bond Resolution- Broad Language that gives Kathleen Clarke, Laura Thonn, or Elizabeth Shaw the power to sell bonds up to certain caps.
 - Interest rates will continue to move.
 - Review highlighted language.
 - b. Kate Gottfred made a motion to pass a resolution for Plan Finance. Alberta Johnson seconded the motion. Approved by all.
- VI. Adjourn
- a. Laura Thonn made a motion to adjourn the meeting. Alberta Johnson seconded the motion. Approved by all. CICS Board meeting adjourns.