

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

**Resolution No. 2024.10/60
Authorization to Issue
Certificates of Participation
Series 2024**

Resolution

Whereas, the Board of Trustees of Illinois State University (the “Board”) approved on May 7, 2021 (Item 2021.05/09) for Illinois State University (the “University”) the establishment of a College of Engineering and authorized the University to request that the Illinois Board of Higher Education (the “IBHE”) provide approval for the University for a new Unit of Instruction in Engineering; and

Whereas, the University has identified and will be purchasing the property located on 1709 and 1711 General Electric (GE) Road in Bloomington, Illinois as the preferred location for the the College of Engineering;

Whereas, the College of Engineering will acquire through purchase of the GE Road property, renovate the property which will include planning, designing, and producing the required documents to renovate the building as the future home of the College of Engineering (the “College of Engineering Improvements”); and

Whereas, additional property renovations in support of Academic Programs, including Engineering, have been identified and are included in the current financing. These projects are:

- Milner library elevator repairs;
- Fell Hall roof replacement; and
- Renovation of former fire station on Adelaide Drive (and all together with the College of Engineering Improvements, the “Improvements”); and

Whereas, the Board issued Certificates of Participation (Capital Improvement Projects), Series 2014A-2 (the “2014A-2 Certificates”) in the aggregate principal amount of \$15,800,000, of which \$14,635,000 is currently outstanding, for the purpose of financing the upgrade and replacement of obsolete academic and student information systems and renovations and other improvements to academic facilities around the campus including animal care facilities, research and sponsored programs, the Milner Library, the Honors Program, Felmley Hall, Family and Consumer Sciences, and the University Farm (collectively, the “Prior Improvements”); and

Whereas, the Board desires to obtain funds for the purpose of refinancing the Prior Improvements by refunding the 2014A-2 Certificates; and

Whereas, current interest rates provide the Board an opportunity to realize savings by issuing Certificates of Participation (Capital Improvement Projects), Series 2024 (the “2024 Certificates”) to refund the currently outstanding 2014A-2 Certificates; and

Whereas, the Board has authority pursuant to the Illinois State University Law (110 ILCS 675/20-1) to sell certificates of participation and enter into related financing agreements in connection with the (i) financing of the Improvements and (ii) refinancing of the Prior Improvements; and

Whereas, the Board hereby determines that it is desirable to grant approval for the (i) financing of the Improvements and (ii) refinancing of the Prior Improvements through the issuance of the 2024 Certificates; and

Whereas, current interest rates provide the Board with an opportunity to finance the Improvements and refinance the Prior Improvements with the issuance of the 2024 Certificates at competitive rates:

Therefore, be it resolved by the Board of Trustees of Illinois State University in regular meeting assembled, that

1. It is hereby determined to be desirable that the Board authorize the execution and delivery of an Acquisition Agreement, an Installment Purchase Contract, an Indenture of Trust, and the issuance of the 2024 Certificates in connection therewith, in order to provide funds to (i) finance the Improvements, (ii) refinance the Prior Improvements, and (iii) pay related costs of issuance.
2. The Board approves a sale of one or more series of Certificates on a tax-exempt or taxable basis, or a combination thereof pursuant to a negotiated sale to J.P. Morgan Securities LLC, Cabrera Capital Markets, LLC and Huntington Securities, Inc. d/b/a Huntington Capital Markets (collectively, the "Underwriters"), subject to the following conditions: (a) the 2024 Certificates to be issued shall not exceed an aggregate principal amount of \$82,000,000; (b) the 2024 Certificates will have a final maturity of no later than April 1, 2054; (c) the price at which the 2024 Certificates will be sold will not be less than 97% of the par amount thereof (exclusive of any original issue discount or premium); and (d) the true interest cost of the Certificates of any series shall not exceed 6.00%. The final terms of the 2024 Certificates shall be approved by the Treasurer of the Board (or his or her designee) within the parameters set forth in this Resolution and said approval shall be evidenced by the Treasurer of the Board's (or his or her designees) execution of the Certificate Purchase Agreement.
3. The Board approves the preparation and distribution of a Preliminary Official Statement all in connection with the sale of the 2024 Certificates. The Board approves the form of the Preliminary Official Statement in substantially the form presented to this meeting a copy of which is on file with the Secretary of the Board for recording. The Treasurer of the Board (or his or her designee) is hereby authorized and directed to execute the Certificate Purchase Agreement in the name of and on behalf of the Board in substantially the form presented to this meeting, or with such changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board's approval of all changes from the form thereof presented to this meeting. The Treasurer of the Board is further authorized and directed to execute a final Official Statement in the name of and on behalf of the Board in substantially the form of the Preliminary Official Statement presented to this meeting but with final terms of the 2024 Certificates set forth therein, and with such other changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board's approval of all changes from the form thereof presented to this meeting.
4. The Board approves of the form of Continuing Disclosure Agreement, in substantially the same form presented to this meeting.
5. The Board approves of the form of Escrow Agreement, in substantially the same form presented to this meeting, for the deposit of proceeds of any series of the 2024 Certificates and such other funds of the Board as shall be deemed necessary by the Treasurer of the Board to provide for the refunding of the 2014A-2 Certificates.
6. U.S. Bank Trust Company, National Association is hereby authorized to serve as Trustee for the 2024 Certificates.
7. Pursuant to the Board's existing contract, the law firm of Chapman and Cutler LLP is hereby retained as Special Counsel to the Board.

8. Pursuant to the Board's existing contract, the firm of Blue Rose Capital Advisers, LLC, is hereby retained as Municipal Advisor.
9. The Treasurer of the Board or his or her designee is hereby authorized to enter into a Certificate Purchase Agreement (or Certificate Purchase Agreements) for the sale of the 2024 Certificates.
10. The Board approves the forms of the Installment Purchase Contract, Indenture of Trust, Acquisition Agreement and Certificate Purchase Agreement. Copies of such documents are on file with the Secretary of the Board for recording. The Treasurer of the Board and Secretary of the Board or their respective designees are hereby authorized and directed to execute such documents in the name of and on behalf of the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same, his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the forms thereof presented to this meeting.
11. If required by the Underwriters, the Board agrees to comply with the terms and provisions of bond insurance for the 2024 Certificates if such terms are approved by the Treasurer of the Board.
12. The Chairperson, the Secretary and the Treasurer of the Board and the members, officers, agents and employees of the Board are hereby authorized and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and with the actions of the members, officers, agents, and employees of the Board which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, which actions shall be and are ratified, confirmed and approved.

Board Action on: _____ Motion by: _____ Second by: _____ Vote: Yeas: _____ Nays: _____	Postpone: _____ Amend: _____ Disapprove: _____ Approve: _____
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ATTEST: Board Action, October 11, 2024

Secretary / Chairperson

Board of Trustees
Illinois State University
Authorization to Issue Certificates of Participation Series 2024

In addition to the authority provided to the Board of Trustees by the State of Illinois to issue revenue bonds for the construction and operation of auxiliary facilities, the Illinois State University Law, 110 ILCS 675/20-1 *et seq.*, provides the Board with the authority to issue Certificates of Participation to finance or refinance other capital improvements. These Certificates of Participation evidence payments under an installment purchase agreement and are limited to a maximum thirty-year term. The installment payments made under an installment purchase agreement are payable both from State appropriated funds and from budgeted legally available funds of the Board derived from sources other than State appropriations on an annual basis.

The Certificates of Participation (Capital Improvement Projects), Series 2024 (the “2024 Certificates”) will be issued in an aggregate principal amount not to exceed \$82,000,000 to fund the total project costs associated with the School of Engineering construction project approved by the Board of Trustees at the May 7, 2021 meeting (Resolution 2021.05/09) additional Academic building projects identified above and to refund the Certificates of Participation (Capital Improvement Projects), Series 2014A-2.

The portion of the issuance of the 2024 Certificates used to finance the Improvements will result in annual payments that are not expected to exceed \$4,000,000 depending on the final interest rate secured at closing.

Issuance of the 2024 Certificates to refinance the Prior Improvements will decrease annual debt service payments as a result of the lower interest rates currently available in the market.

Funding Source – General Revenue funds, Foundation funds from private donors, Federal grant funds