Meeting of the Board STATE PUBLIC SCHOOL BUILDING AUTHORITY December 19, 2024 Room 515 North Office Building 2:31 p.m. Prevailing Time

MINUTES

1. Call to Order

- A. Filing of Proof of the Sunshine Notice and of Sending Notice of the Meeting
- 2. Roll Call and Announcement of Quorum
- 3. Adoption of the Agenda
- 4. Approval of Projects
 - A. Resolution Authorizing the Undertaking of a Project on Behalf of Montgomery County Community College
- 5. Approval of the Minutes of the Meeting of September 19, 2024
- 6. Financial Reports for the Months of August October 2024
- 7. Loan Fund
- 8. Old Business
- 9. New Business
 - A. Bylaws
 - B. Authority Counsel
 - C. Board Member Update
- 10. Adjournment

1. CALL TO ORDER, FILING OF PROOF OF THE SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING

- A. Chairperson Dominguez Buckley called the public meeting of the State Public School Building Authority Board to order at 2:31 p.m. in Room 515 of the North Office Building in Harrisburg, PA. She said that the meeting was being recorded and that by staying in the meeting, attendees were consenting to the recording and retention of the meeting. Although it included the option for Teams or Conference Call, the meeting was a live in person meeting open to the public in accordance with the Sunshine Act.
- B. The proof of the Sunshine Advertisement and certification regarding sending of the notice of the meeting are attached to these minutes.

2. ROLL CALL AND ANNOUNCEMENT OF A QUORUM

A quorum of board members was present. There were no members of the public on the call.

Board Members Present

Natalia Dominguez Buckley, Proxy for Governor Josh Shapiro Leo Knepper, Proxy for Senator Jarrett Coleman (via Teams) Senator Lindsey M. Williams (via Teams) Representative Jesse Topper (via Teams) Jennifer Langan, Proxy for Treasurer Stacy Garrity (via Teams) Christal Pike-Nase, Proxy for Auditor General Timothy L. DeFoor Secretary of General Services Reggie McNeil (via Teams) Patrick Lord, Proxy for Secretary of Education Angela P. Fitterer (via Teams)

Members Absent

Representative Peter Schweyer

Authority Personnel Present

Jennifer Sheffield, Executive Director David Player, Comptroller & Director of Financial Management

Also Attending

Melissa Hughes, PFM Financial Advisors, LLC Qadim Ghani, VP for Finance, Montgomery County Community College (via Teams) Shana Weinzierl, Controller, Montgomery County Community College (via Teams) Teri Kropp, Executive Assistant Finance, Montgomery County Community College (via Teams)

3. ADOPTION OF THE AGENDA

Chairperson Dominguez Buckley asked if the agenda for the meeting was posted on the Authority's website at least 24 hours in advance in accordance with Section 709 of the Sunshine Act.

Ms. Sheffield said that, yes, the agenda was posted on the website in accordance with the Sunshine Act.

A copy of the agenda for the meeting was distributed to Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

Upon **MOTION** by **Ms. Pike-Nase**, **SECONDED** by **Senator Williams**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of December 19, 2024.

4. APPROVAL OF PROJECTS

A. Resolution Authorizing the Undertaking of a Project on Behalf of Montgomery County Community College

Ms. Sheffield explained that Montgomery County Community College (the "College") has requested that Pennsylvania's State Public School Building Authority (the "Authority") issue a maximum of \$25,000,000 aggregate principal amount of revenue bonds (exclusive of any original issue discount) (the "Bonds") in one or more series to finance all of the following project in the following approximate, estimated amounts:

\$24,970,000 ¹	(ii) the current refunding of all or a portion of the Authority's Montgomery County Community College Revenue Bonds, Series of 2015 (the "2015 Bonds"); and	
\$336,4891	(iii) the payment of certain costs of issuing the Bonds (including bond insurance or other forms of credit enhancement if advantageous to the College).	

The 2015 Bonds were issued in an original principal amount of \$51,640,000, \$25,785,000 of which is expected to be outstanding on the date of issuance of the Bonds, with

RESOLVED That the agenda of the SPSBA meeting of December 19, 2024, be adopted as presented.

¹ Assumes original issue premium added to bond proceeds to meet escrow and issuance costs requirements.

a final maturity date of May 1, 2035. The proposed current refunding of the 2015 Bonds will take place only if the College is able to reduce debt service payments.

As of December 31, 2024, the College will have approximately \$58,450,000 of debt outstanding, \$25,785,000 of which is College Revenue Bonds issued by the Authority. The College currently has a bond rating of "A1" by Moody's Investor Services, Inc.

The College has selected RBC Capital Markets, LLC as Underwriter. At the request of the College, the Office of General Counsel has appointed Saul Ewing LLP, Andre C. Dasent, P.C. and Nathaniel M. Holmes, LLC as Co-Bond Counsel.

The resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds.

Melissa Hughes from PFM Financial Advisors LLC and Qadim Ghani, Shana Weinzierl and Teri Kropp of the College were available to answer questions.

Ms. Hughes explained that this is a high to low refinancing. They are taking old higher interest rates and replacing them with new lower interest rates. Ms. Hughes said that she updated the analysis this morning and the savings appeared to be about \$1,000,000. The market isn't very happy today so it may not be that high now. But the savings target is about \$750,000 which is 2%.

Chairperson Dominguez Buckley asked if that included the quarter percentage reduction that the Fed announced yesterday.

Ms. Hughes said that was not taken into account. She said that they cannot price the bonds until January because of the call date on the bonds. They are targeting a mid-January pricing.

Chairperson Dominguez Buckley opened the floor for any other questions about the project, and hearing none, she asked for a motion to approve the project.

RESOLUTION OF THE STATE PUBLIC SCHOOL BUILDING AUTHORITY AUTHORIZING THE UNDERTAKING OF A PROJECT ON BEHALF OF MONTGOMERY COUNTY COMMUNITY COLLEGE

DOCKET NO. 2519

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The State Public School Building Authority (the "Authority") shall undertake the financing of a project (the "Project") on behalf of the Montgomery County Community College (the "College") generally anticipated to consist of the following: (i) the current refunding of all or a portion of the Authority's Montgomery County Community College Revenue Bonds, Series of 2015 (the "2015 Bonds") and (ii) the payment of certain costs of issuing the Bonds (hereinafter defined) (including bond insurance or other forms of credit enhancement if advantageous to the College).

2. In order to finance the Project the Authority will enter into either (i) a supplement (the "Supplemental Indenture") to that certain Trust Indenture dated as of August 1, 2015 with the Bank of New York Mellon Trust Company, N.A. (the "Trustee") (the "Original Trust Indenture" together with the Supplemental Indenture, the "Existing Indenture") or, (ii) a new trust indenture between the Authority and the Trustee (the "New Trust Indenture," or the Existing Indenture is hereinafter referred to as the "Indenture") and in either case shall issue up to \$25,000,000 (exclusive of any original issue discount) in aggregate principal amount of bonds to be in one or more series as either taxable or tax-exempt (which may be issued on the same or different dates) to be designated "State Public School Building Authority, College Revenue Bonds (Montgomery County Community College Project), Series of 2025" (or such other designation, as appropriate) with the appropriate alphabetical series designation, as applicable (the "Bonds"). The Bonds shall have a term not to exceed eleven (11) years and shall bear interest at a fixed rate acceptable to the College, shall mature in such principal amounts and at such times, and shall be subject to redemption and purchase, as applicable, all as approved by the Executive Director of the Authority in consultation with the College and further provided in one or more Bond Purchase Agreements (as hereinafter defined).

The Bonds shall be issued in such denominations and form and under such terms as shall be set forth in the Indenture used in connection with the issuance of the Bonds and approved by the Executive Director. The execution of the Bonds with the manual or facsimile signature of the President of the Authority and the Treasurer of the Authority together with a manual or facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized and directed to deliver the Bonds to the trustee under the Indenture for authentication and to execute and deliver instructions to the trustee to deliver the Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture. 3. The proceeds from the sale of the Bonds shall be loaned to the College pursuant to the terms of either (i) a supplement (the "Supplemental Loan Agreement") to that certain Loan Agreement dated as of August 1, 2015 between the College and the Authority (the "Original Loan Agreement" together with the Supplemental Loan Agreement, the "Existing Loan Agreement") or (ii) a new loan agreement between the College and the Authority (the "New Loan Agreement," or the Existing Loan Agreement is hereinafter referred to as the "Loan Agreement") and in either case shall be applied by the College for and towards the costs of the Project including, without limitation, printing and reproduction costs, fees and expenses of cobond counsel and underwriter's counsel, fees and expenses of the trustee, and administrative costs and expenses of the College and the Authority, all upon submission of the proper documentation thereof; the payment of the premium for a policy of municipal bond insurance if determined to be advantageous by the College; and the funding of funds established under the Indenture, to the extent necessary.

4. The President, any Vice President or the Executive Director is hereby authorized to negotiate with the underwriter hereinafter appointed for an acceptable proposal for the purchase of the Bonds issued hereunder, to enter into one or more purchase agreements (each, a "Bond Purchase Agreement") for such purpose in accordance with the terms of this resolution and the President, any Vice President or the Executive Director is hereby authorized to execute and deliver each Bond Purchase Agreement on behalf of the Authority and to take such further action as may be required or proper to carry out the obligations of the Authority thereunder.

5. The appropriate officers of the Authority, including the President, the Vice President and the Executive Director are, and each of them is hereby authorized and directed to execute such further documents and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

6. The appropriate officers of the Authority, including the President, the Vice President, the Executive Director are, and each of them is, hereby authorized to approve, execute and deliver in connection with the Project and the issuance of the Bonds authorized hereunder, including but not limited to, the Indenture, Loan Agreement, the Bond Purchase Agreement, any escrow agreement(s), an Intercreditor Agreement or any supplement to such existing documents required in connection with this refunding provided that all such documents shall be in such form as shall be acceptable to Co-Bond Counsel, the Office of General Counsel, the Attorney General of the Commonwealth and Authority Counsel and as shall be approved by the Executive Director of the Authority.

Additionally, the appropriate officers of the Authority, including the President, the Vice President, the Executive Director, the Secretary or any Assistant Secretary are, and each is, hereby authorized to approve, execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, escrow agreement, loan agreement, bond, instrument, bond purchase agreement, or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by the College and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such

officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation, if applicable.

7. The President, any Vice President or the Executive Director of the Authority shall be, and each of them is hereby, authorized and directed to execute, acknowledge and deliver in the name of and on behalf of the Authority, and the Secretary or Assistant Secretary of the Authority shall be and each of them is hereby authorized and directed to attest and affix the official seal of the Authority (if any) to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of the forms of said documents.

8. The form of any preliminary official statements, reoffering circulars and/or final official statements (collectively, the "Offering Documents") which may be used in connection with the sale and issuance of the Bonds shall be approved, solely as to and for purposes of distribution, by the Executive Director with the advice of Co-Bond Counsel and Authority Counsel. The Executive Director shall be and hereby is authorized and directed to execute any such final Offering Documents, and such execution by the Executive Director shall constitute conclusive evidence of the Authority's approval, solely as to and for purposes of distribution, of the form of such documents. The Authority is hereby authorized to approve circulation and distribution of copies of any such Offering Documents in connection with the Project.

9. RBC Capital Markets, LLC is hereby appointed Underwriter for the Bonds (the "Underwriter"). The Underwriter has selected Eckert Seamans Cherin & Mellott, LLC as Underwriter's Counsel.

10. The appropriate officers of the Authority are hereby authorized to take such further action and to execute any and all other documents and certificates, in addition to those specified above, as shall be required in connection with the issuance of the Bonds and the implementation of this resolution.

Upon **MOTION** made by **Ms. Pike-Nase**, **SECONDED** by **Secretary McNeil** and after full discussion, the above resolution was unanimously approved at the Authority Board meeting held on December 19, 2024.

EXHIBIT A

STATE PUBLIC SCHOOL BUILDING AUTHORITY MONTGOMERY COUNTY COMMUNITY COLLEGE REVENUE BONDS

Maximum

Docket			Aggregate Principal <u>Amount</u>
<u>Number</u>	<u>County</u>	Project Description	
2519	Montgomery	(i) financing the current refunding of all or a portion of the Authority's Montgomery County Community College Revenue Bonds, Series of 2015 (the "2015 Bonds") and (ii) the payment of certain costs of issuing the Bonds (including bond insurance or other forms of credit enhancement if advantageous to the College)	\$25,000,000*

Term: Not more than eleven (11) years

Rate: Fixed Rate not to exceed five percent (5%) per annum

Rating: "A1" (to be confirmed, underlying from Moody's Investor Services, Inc.)

Minority and/or female participation in this issue: Andre C. Dasent, P.C. (Co-Bond Counsel) and Law Office of Nathaniel M. Holmes, LLC (Co-Bond Counsel)

Underwriter: RBC Capital Markets, LLC

Co-Bond Counsel: At the request of the College, the Office of General Counsel has appointed Saul Ewing LLP, Andre C. Dasent, P.C. and Nathaniel M. Holmes, LLC as Co-Bond Counsel.

Trustee: The Bank of New York Mellon Trust Company, N.A.

Approved at the Authority Board meeting of December 19, 2024.

^{*} Exclusive of any original issue discount.

5. APPROVAL OF THE MINUTES OF THE MEETING OF SEPTEMBER 19, 2024

A copy of the minutes of the meeting of September 19, 2024, was distributed to Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the SPSBA meeting of September 19, 2024, be approved as presented.

Upon **MOTION** by **Ms. Pike-Nase**, **SECONDED** by **Ms. Langan**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of December 19, 2024.

6. FINANCIAL REPORTS FOR THE MONTHS OF AUGUST - NOVEMBER 2024

The Financial Reports for the months of August 2024 through November 2024 were emailed to Board Members prior to this meeting.

It is recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the Financial Reports of the State Public School Building Authority for the months of August 2024 through November 2024, as received by this Board, be accepted, and filed with the minutes of this meeting.

Upon **MOTION** by **Ms. Pike-Nase**, **SECONDED** by **Mr. Lord**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of December 19, 2024.

7. LOAN FUND

Chairperson Dominguez Buckley asked Ms. Sheffield to provide a loan fund update.

Ms. Sheffield said that Pennsylvania Highlands Community College has requested a loan of \$140,000. The funds will be used to purchase laptops, desktops and update computer hardware infrastructure including on-campus computer labs. Northampton County Community College has requested a loan of \$2,050,000. The funds will be used to finance a facilities deferred maintenance roofing and paving project. Butler County Community College has requested a loan of \$107,000. The funds will be used to purchase equipment and technology including, but not limited to, computer equipment, security equipment, professional services, and software.

Chairperson Dominguez Buckley asked if there were any questions or comments related to the loan fund.

Ms. Hughes shared that she loves the loan fund program. She said that these three community colleges are all PFM clients. Having a tool for these clients to be able to get small loans done very efficiently is extremely valuable especially for community colleges that can't do it on their own.

Mr. Player and Ms. Sheffield thanked Ms. Hughes for the feedback about the loan fund program.

Ms. Pike-Nase asked how schools are aware of the loans.

Ms. Hughes said they all know about the loans.

Mr. Player said that Ms. Hughes is great at finding low-cost financing options for her clients.

Ms. Sheffield said that most of Pennsylvania's community colleges use the loan fund, but the ones that don't use the loan fund are aware of the program.

Mr. Player said that we have made schools aware of the program, but some community colleges stopped using the loan fund because they stopped issuing bonds through SPSBA due to the OGC Bond Counsel Policy. Typically, when clients don't issue bonds through us, they don't issue loans through us either.

Ms. Hughes said that another market is Career and Technical Center (CTC) financings. PFM Financial Advisors LLC issued a loan through SPSBA with one CTC client. But it is harder to make those loans work because CTC projects are typically bigger or need a longer term. Ms. Hughes reiterated what a great program it is and Ms. Pike-Nase and Chairperson Dominguez Buckley thanked her for her comments.

8. OLD BUSINESS

Chairperson Dominguez Buckley asked if there was any old business to come before the Board, and hearing none, she moved to new business.

9. NEW BUSINESS

Chairperson Dominguez Buckley asked if there was any new business to come before the Board. Ms. Sheffield said there were several items under new business.

A. Bylaws

Ms. Sheffield said she reviewed the Authority bylaws with Mr. Player. They found the bylaws were last revised in 2005 and very outdated. The bylaws use only male pronouns and should be updated to be gender neutral. They noticed some positions that are referred to no longer exist and some procedures are different now than they were decades ago. Ms. Sheffield asked if a few board members would volunteer to help review and update them. After they are updated, the bylaws will be emailed to the entire board for review before the next board meeting.

Ms. Pike-Nase and Ms. Langan volunteered to help with the review of the bylaws. Chairperson Dominguez Buckley asked Mr. Lord if he would also like to volunteer. He said he was willing to help if needed. Mr. Player said he thought that two board members would be excellent.

B. Authority Counsel

Ms. Sheffield mentioned that long time Authority Counsel, Bill McCarty, will be retiring at the end of this year. Bill started representing the Authority in 2000. Ms. Sheffield thanked Bill for his service to the Authority and wished him a well-deserved and happy retirement. Sean Frederick, the chair of Barley Snyder's public finance practice, will be taking over for Bill for the duration of the contract which ends in July of 2026.

Ms. Langan requested that the Authority check with Barley Snyder and Sean Frederick to make sure that he has no conflicts with serving as our counsel. She asked that the Authority get that conflict check in writing.

C. Board Member Update

Ms. Sheffield congratulated Representative Topper on being elected House Republican Leader and thanked him for his service to this board. Chairperson Dominguez Buckley also congratulated Representative Topper.

10. ADJOURNMENT

There being no further business to come before the Board at this time, and upon **MOTION** by **Ms. Pike-Nase**, **SECONDED** by **Ms. Langan**, the SPSBA Board Meeting was adjourned at 2:46 p.m.

SUNSHINE ACT PUBLIC MEETING NOTICES - Thursday, November 21, 2024

Please utilize the Contacts name/phone # listed in each notice for reasonable accommodation due to a disability; to check on the meeting status; to inquire about phone/online participation options; etc. Note: some mtgs. may be recorded.

State Board of Barber Examiners Meeting, 11/25/2024, 10:30 AM, CoPA HUB, 2525 N 7th St., Room Num: Eaton Room, Hbg., PA, Info: New call-in info: 1-267-332-8737 Conf. ID 656 589 906#, Contact: Molly Smith 717-214-1891.

State Board of Psychology Meeting, 12/2/2024, 10:30 AM, CoPA HUB, 2525 N 7th St., Room Num: Eaton Room, Hbg, PA, Info: Call in: 1-267-332-8737 Conf. ID 856 568 684#, Contact: Molly Smith 717-214-1891.

PDA Organic Center of Excellence Advisory Committee Meeting, 12/2/2024, 1 PM, Address: 2301 N. Cameron St., Room Num: Conf. Rm. 202, Hbg., PA, 17110, Contact: Kristen Markley 717-585-4427.

State Board of Massage Therapy Meeting, 12/3/2024, 10:30 AM, CoPA HUB, 2525 N 7th St., Room Num: Eaton Room, Hbg., PA, Info: Call in 1- 267-332-8737 Conf. ID 866 690 402#, Contact: Molly Smith 717-214-1891.

STC (State Transportation Commission) Meeting, 12/18/2024, 10 AM, Link To Agency Website: <u>https://bit.ly/STCDec2024</u>, Keystone Bldg., 400 North St., Room Num: 8N1, Hbg., PA, Conf. Call: 267-332-8737, Access Code: 583 051 977#, Additional Info: MS Teams meeting Join on your computer, mobile app or room device Click here to join the Meeting ID: 231 978 149 284 Passcode: SwmFj6, Download Teams | Join on the web Or call in 1 267-332-8737, 583 051 977# U.S., Philadelphia, Phone Conf. ID: 583 051 977#, Contact: Lauryn Goshorn 717-787-2962.

Special, State Public School Building Authority & PA Higher Educational Facilities Authority Board Meeting, 12/19/2024, 2:30 PM, Link To Agency Website: <u>www.spsba.org</u>, State Capitol North Office Bldg., 401 North St., Room Num: Room 515, Hbg., PA, Contact: Jennifer Sheffield 717-975- 2209.

State Board of Optometry Meeting, 12/19/2024, 10:30 AM, CoPA HUB, 2525 N 7th St., Room Num: Eaton Room, Hbg., PA, Info: Call in 1-267- 332-8737 Conf. ID 534 786 714#, Contact: Molly Smith 717-214-1891.

PLCB Board Meeting, 1/15/2025, 11 AM, Link To Agency Website: https://www.lcb.pa.gov/About-Us/Board/Pages/Public, Northwest Office Bldg., 910 Capitol St., Room Num: 117, Hbg., PA, Conf. Call: 267-332-8737, Access Code: 240 679 670#, Additional Info: Additional Board Meeting Dates at the same location and time 11 AM: 02/05/25, 02/26/25, 03/19/25, 04/09/25, 04/30/25, 05/14/25, 06/04/25, 06/25/25, 07/16/25, 08/06/25, 08/27/25, 09/17/25, 10/01/25, 10/15/25, 11/06/25, 11/19/25, 12/17/25, Contact: Michael Vigoda 717-787-8896.

Pennsylvania Insurance Exchange Board of Directors Meeting, 3/12/2025, 10 AM, Link To Agency Website: <u>pennie.com</u>, Bowman Tower Strawberry Square, 312-318 MARKET ST., 3rd Fl., Room Num: Board Rm., Hbg., PA, Conf. Call: 267- 332-8737, Access Code: 307 843 434#, Info: 2025 Strategic Planning Session - In-Person for BOD members & Pennie staff only! Public attendance will be through Teams, Contact: Jean Bowman 717-787-8027.

Appeared in PennLive: on Thursday, 11/21/2024

https://classifieds.pennlive.com/pennlive/category/legals/legal-notice

STATE PUBLIC SCHOOL BUILDING AUTHORITY PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY Notice of the Meetings of the Boards to be Held

The State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will meet on **Thursday, December 19** at 2:30 p.m. in Room 515 North Office Building. If you prefer to participate by phone, the call-in number is 1-267-332-8737 and the conference ID is 378 908 641#. The meetings are to: (a) approve projects for financing; and (b) consider other matters as may properly come before the Board.

Please complete the attached response and return via e-mail.

Sincerely,

Jernifen Sheffield

Jennifer Sheffield Executive Director

Harrisburg, PA

I CERTIFY that the notice on the previous page for the December 19, 2024, meetings was dispatched to the following on November 25, 2024, at the addresses indicated, constituting all members of the Board of the Pennsylvania Higher Educational Facilities Authority.

GIVEN under my hand and seal this 25th day of November 2024.

Jennifer Sheffield Executive Director State Public School Building Authority Pennsylvania Higher Educational Facilities Authority