

Minutes  
of the  
Regular Meeting of the Board of Directors of  
The Industrial Development Authority of the County of Maricopa  
(the "Authority")

Date: June 8, 2021, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Maria Spelleri

Present: Maria Spelleri, Ronald L. Westad, Andrew M. Cohn, Lisa A. James, Ronald J. Castro, Jr., Rebecca Burnham, Jim Rounds and Jeremey Stawiecki

Absent: Steve Bales

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Kathleen Jakubowicz

Business Development Officer: Gregg Ghelfi

Attorney: William F. Wilder and John J. Fries of Ryley Carlock & Applewhite

Guests: Courtney LeVinus, Jake Hinman, Frank Yanez, Monika Calamita, William Fossil, Denyce Doubleday

Ms. Spelleri called the Regular Meeting of the Board of Directors of the Authority to order at 9:32 a.m., noting the presence of a quorum.

**1. APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON MAY 11, 2021.**

On motion made by Mr. Castro and seconded by Mr. Cohn, the minutes of the May 11, 2021 Regular Meeting were approved as written.

**The motion passed unanimously by a vote of (6-0).**

**2. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$22,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF ACADEMY DEL SOL, INC.**

The following persons were in attendance, virtually, in support of the proposed amendment for the benefit of Academy Del Sol (the "Applicant"): Frank Yanez of Academy Del Sol, William Fossel of Ziegler and Monika Calamita of Kutak Rock.

*Ms. James joined the meeting at 9:35 a.m.*

Mr. Fries explained that the application before the Board is for the benefit of the Applicant in an amount not to exceed \$22 million. The Applicant operates two charter schools in Tucson, Arizona – the Star Valley Campus and the Roger Campus.

The purpose of the financing is to repay bonds that were issued by the Pima IDA in 2016 to finance the Star Valley Campus and to exercise an option on the existing Roger Campus currently being leased from an unrelated third party. This will save the Applicant long term rental payments with escalation clauses each year.

After further discussion and upon motion made by Mr. Stawiecki and seconded by Mr. Westad, the following was adopted:

RESOLVED to adopt a Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$22,000,000 The Industrial Development Authority of the County of Maricopa Education Facility Revenue Bonds (Academy Del Sol Project), Series 2021.

**The motion passed unanimously by a vote of (6-0-1). Mr. Castro abstained from voting, noting the application lacked financial statements.**

**3. LEGISLATIVE REPORT, DISCUSSION AND ACTION AS DETERMINED.**

Ms. LeVinus and Mr. Hinman were in attendance to report on the current legislative session.

*Mr. Rounds joined the meeting at 9:42 a.m.*

Ms. LeVinus and Mr. Hinman reported on the Legislative session and the pending budget approval. Ms. LeVinus explained that if a budget is not approved by July 1st, there is a potential of the State going into a shut down mode or the Governor may have to use emergency funds to temporarily fund the State government.

**4. UPDATE, REPORT AND ACTION AS DETERMINED REGARDING RENEWAL OF INSURANCE.**

Ms. Scharbach reminded the Board that the Authority's insurance policies expire June 30<sup>th</sup>. Arizona Group has once again provided a quote for public officials' liability, general liability, commercial access and volunteer accident insurance. The general liability premium has been increased by \$99.00; however, all other premiums will remain the same as the previous year. The total premium will be \$23,601.

A motion was made by Mr. Castro and seconded by Mr. Stawiecki to renew the insurance policies as presented for the year July 1, 2021 to June 30, 2022.

**The motion passed unanimously by a vote of (8-0).**

**5. DISCUSSION AND ACTION AS DETERMINED REGARDING CONTRACTING WITH G & A CPAS AND ADVISORS TO PROVIDE ACCOUNTING SERVICES.**

Ms. Scharbach reminded the Board that in November 2020, the Authority's accounting firm of Wachterhauser & Jacobsen merged with G&A CPAs and Advisors, at which time the Authority entered into a contract for accounting services with G&A CPAs and Advisors for a period ending June 30, 2021. In the past, the Authority has paid an hourly fee for accounting services; however, this contract provides for a flat fee of \$2,400 per month. Ms. Scharbach explained that the proposed fee is an average of invoices over the past 16 months.

Ms. Scharbach said she would recommend approval of the proposed fee agreement.

A motion was made by Ms. Burnham and seconded by Mr. Westad to renew the fee agreement with G&A CPAs and Advisors as presented for the year July 1, 2021 to June 30, 2022.

**The motion passed unanimously by a vote of (8-0).**

**6. DISCUSSION AND ACTION AS DETERMINED REGARDING APPOINTMENT OF A PERSON TO INTERVIEW BOARD MEMBERS AS TO WILLINGNESS TO SERVE AS OFFICERS OF THE AUTHORITY FOR THE COMING YEAR TO BE ELECTED AT THE AUGUST 2021 BOARD MEETING.**

Ms. Scharbach explained that this is a request for a volunteer to poll other Board Members who are in rotation for officer positions to determine their willingness to serve in an officer position for the upcoming year, beginning in August 2021. That Board Member would then return to the full Board with their recommendation at the annual meeting in August.

Ms. Scharbach reminded the Board that Ms. Burnham has assisted in the process the past couple of years.

Mr. Westad volunteered to interview the Board Members.

**7. FINANCIAL REPORT.**

Ms. Scharbach referred to the unaudited financial statements for the period ended May 31, 2021; a copy of which is attached hereto. Ms. Scharbach reviewed the financial statements, and reported the Authority continues to maintain a very healthy net position.

Ms. Scharbach reminded the Board that the Grand Point Bank and Alliance Bank CDARs accounts have now been consolidated into the Authority's account with Bank of America.

**8. PAYMENT OF INVOICES.**

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended May 31, 2021.

Mr. Castro moved to approve the payment of invoices as submitted for the period ended May 31, 2021. Ms. Burnham seconded the motion.

**The motion passed unanimously by a vote of (8-0).**

**9. BUSINESS DEVELOPMENT OFFICER.**

Mr. Ghelfi reported that charter schools projects have been going very well; however, there have been a lack of multifamily projects.

Mr. Ghelfi reported on the Home in Five program, and said that May 2021 has been the best May the program has seen. Mr. Ghelfi noted the average FICO score for homebuyers in the Home in Five program is now 700.

**10. PRESIDENT'S REPORT.**

There was no president report.

**11. EXECUTIVE DIRECTOR'S REPORT.**

Ms. Scharbach said Ms. LeVinus has been assisting with setting up a meeting with Tom Simplot, the new Arizona Housing Director, to discuss opportunities to partner with the State.

12. **LEGAL COUNSEL REPORT.**

Mr. Fries reminded the Board of its 2019 financing for the benefit of Heritage Academy to construct a charter school in Maricopa. Heritage Academy has since returned to the Authority to request an extension of time in which to draw on the bonds through a modification of the Indenture. Mr. Fries said he recently learned that because of the escalation of construction costs, Heritage Academy has decided to postpone that draw until the fall, at which time they will reconsider moving forward.

Mr. Fries said the escalation of construction costs has also been challenging for other pending projects involving construction.

13. **COMMENTS FROM BOARD MEMBERS.**

There were no comments from the Board Members.

14. **CALL TO THE PUBLIC.**

No members of the public commented.

**ADJOURNMENT**

With no further business to come before the Authority, upon motion made and duly seconded, the Regular Meeting was adjourned at 10:08 a.m., without objection.

A handwritten signature in blue ink, appearing to read "Chonahly C. [unclear]", is written over a horizontal line.