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\$3,750,000

Public Finance Authority
Revenue Bond (St. John's Evangelical Lutheran Church), Series 2020

BOND FINANCING, TIMELINE AND BACKGROUND

Project: Public Finance Authority Revenue Bond (St. John's Evangelical Lutheran Church),
Series 2020

Issuer: Public Finance Authority

Bank: National Exchange Bank and Trust

Why are we requesting approval from the City of Milwaukee AND Milwaukee County?

In order to issue the Bond, approval must be given by the local jurisdiction. In this case, approval must be given by the City of Milwaukee and Milwaukee Board of Supervisors. The rules that control this are found below:

Wisconsin Statutory Local Approval:

Section 66.0304(11)(a) of the PFA statute provides that PFA may not issue bonds to finance a "capital improvement project" unless a "political subdivision" in which the Project is located "approves the financing of the project."

"Capital improvement project" is not defined in the Statute. The PFA Board generally considers a financing where any bond proceeds are used to pay the costs of the construction, demolition, expansion, rehabilitation, renovation, upgrading, addition to or remodeling of a facility being acquired or refinanced.

"Political subdivision" is broadly defined (see §66.0304(1)(f)) and includes the municipality and county in which the project is located. If approval by any other governmental unit is desired, it should be confirmed by issuer's counsel before such approval is sought. Generally, the approving political subdivision, if other than the applicable municipality and county, should have a reasonable nexus to the type of facility being financed.

Milwaukee County has set forth procedures for PFA Conduit Review of Bond requests, please see the attached copy of the procedures as Exhibit A.

Does Milwaukee County have any liability with regards to the Issuance of the Bonds by the Public Finance Authority?

The County does not have any liability with regards to the Issuance of the Bond, nor does it count against any bonding limits the County may have. The following language was pulled directly from the Bond Agreement:

THIS BOND IS NOT A DEBT OF THE STATE OF WISCONSIN OR ANY MEMBER AND DOES NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE, IN ANY MANNER, ANY MEMBER, THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF OR ANY POLITICAL SUBDIVISION APPROVING THE ISSUANCE OF THIS BOND

What process has St. John's gone through prior to bringing this request to the Milwaukee County Board?

The Bond Attorney has worked with the Bond Attorney working with Milwaukee County and Bond Counsel for the Public Financing Authority to satisfy the necessary documents for the issuance of the Bond. Below is a list of the items that have already been accomplished.

Marathon County TEFRA Hearing on the approval of tax-exempt bonds was held on November 18, 2019. Attached as Exhibit B.

City of Milwaukee TEFRA hearing on the Resolution and approval of tax-exempt bonds was held on November 26, 2019. Attached as Exhibit C.

City of Milwaukee public hearing on the Approval the Mayor for the Issuance by the Public Financing Authority was held on December 11, 2019. Approval of the Mayor Tom Barrett is attached as Exhibit D.

The Public Financing Authority Resolution approving the Tax-exempt bond was approved on January 22, 2020. Approval and release of the Bond in contingent on final approval by Milwaukee County. Attached as Exhibit E.

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: February 27, 2017

TO: Supervisor Steve Taylor, Chair, Economic & Community Development Committee

FROM: James Tarantino, Economic Development Director, Department of Administrative Services

SUBJECT: A written informational update regarding Milwaukee County's conduit bonding authority and standards of approval in regards to Public Finance Authority requests per adopted policies in File No. 16-418.

REQUEST

An informational report related to procedures and standards of approval for conduit revenue bonding.

BACKGROUND

Previous legislation –

- File 13-744 "A resolution approving the revenue bond financing by the Public Finance Authority of projects located in Milwaukee County for the benefit of Hope Christian Schools."
- File 14-247 "A resolution approving the revenue bond financing by the Public Finance Authority of projects located in Milwaukee County for the benefit of Crown Court Prairie Haven, LLC."
- File 16-418 "From the Director of Economic Development, Department of Administrative Services, requesting approval of revenue bond financing in an amount not-to-exceed \$8,300,000 by the Public Finance Authority for the benefit of BHP, Inc., doing business as Global Power Components for the acquisition, construction, renovation, and equipping and/or equipment of land and a building located at 2300 South 51st Street in the City of Milwaukee."

CONDUIT REVENUE BONDING

Conduit financing is a funding mechanism for private companies, non-profits and public authorities to fund projects through the issuance of tax-exempt municipal bonds. These are essentially revenue bonds and are also known as conduit, private activity or pass-through bonds. Conduit financing can support a wide variety of projects including public works projects and private development.

Conduit bonds are issued by a public governmental entity, which is known as the conduit issuer. The taxes, fees and revenues that secure the bond are collected by the conduit issuer from the borrower and then paid to the bondholders through the conduit issuer. The conduit issuer is not responsible for repayment. With conduit financing, the borrowing organization is obligated to repay interest and principal on the bonds.

Conduit bonds can be attractive to investors due to higher yields than general obligation municipal bonds, while also having the same benefit of federal interest income



tax exemption. The tax-free benefit from any municipal bond applies only to the interest income from the bond, and any capital gains must be reported to the Internal Revenue Service and are subject to the capital gains tax. Higher returns come with a higher degree of risk, and unlike general obligation bonds, conduit bonds are not backed by the full faith and credit of the issuing government or agency. In addition to a project's probability of success, the credit quality of the bond is important. The credit rating must always be considered with any bond investment. Ratings for a prospective bond investment can be checked with the bond rating agencies.

Public Finance Authority description

The Public Finance Authority (PFA) is a unit of government and body corporate and politic of the State of Wisconsin created pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes that is authorized to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of, projects located inside and outside of the State of Wisconsin. Section 66.0304(11)(a) of the Wisconsin Statutes provides that the Public Finance Authority may not issue bonds to finance a capital improvement project in the State of Wisconsin unless all of the political subdivisions within whose boundaries the project is to be located have approved the financing of the project. The Milwaukee County Board of Supervisors must pass a resolution supporting such bond issuance, as referenced in the previous legislation above.

The Bonds, when and if issued, do not constitute a debt or pecuniary liability, or a legal or moral obligation of Milwaukee County for any reason whatsoever.

PFA Process

The following is the process and criteria that the PFA follows when issuing conduit revenue bonds¹.

- Economic Development/Public Benefit - The project to be financed or applicant requesting financing must promote economic development and demonstrate tangible public benefits to the community in which it resides.
- Local Approval - The proposed financing shall be subject to a public hearing and must receive approval by the political subdivision in the jurisdiction in which the project resides in accordance with the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") and Section 4 of PFA's Joint Exercise of Powers Agreement.
- Bond Counsel review - PFA will consider an applicant's recommendation of bond counsel for the financing; however, PFA shall reserve the right to select bond counsel for any particular financing.
- Issuer Counsel - PFA will engage legal counsel to review each proposed financing transaction on its behalf.
- Management review – A PFA Program Manager reviews the proposed bond financing in order to ensure that it meets all applicable PFA policies and procedures. The Program Manager may also conduct a site visit and/or meet with the Borrower prior to PFA's consideration of approval of the financing.

¹ <http://www.pfauthority.org/policies-and-fees/general-policies/>, accessed 2/21/17

- Financial underwriting approval - PFA approves each finance team member proposed by the Borrower and reserves the right to require an independent study of the project.
- Indemnity review - The bond documents will contain provisions requiring the Borrower to defend and indemnify PFA, the Members, the Sponsors and their respective affiliated persons and organizations for all costs, expenses and attorney fees, as well as any claim, judgment or settlement costs arising out of or involved in the financing, or in any documentation related thereto.
- MBE and WBE Participation - PFA encourages minority and women-owned business participation in all aspects of a financing including legal, trustee and underwriting services. PFA encourages all senior underwriters to provide the opportunity for minority and women-owned underwriting firms to sell a portion of the bonds. Selection of minority and women-owned underwriting firms shall be left to the senior managing underwriter.

Proposed Standards and Review Process for PFA Conduit Revenue Bond Requests of Milwaukee County:

In order to issue conduit revenue bonds for projects located within Milwaukee County, the PFA must first seek the support of Milwaukee County in addition to the local municipality where the project is located. Milwaukee County seeks to outline standards for reviewing such requests, the following is a recommended set of procedures and criteria to apply to that review.

The procedures and criteria for review that are applied by the PFA and listed above is illustrative of the scrutiny that is already applied to bond requests before projects are presented to Milwaukee County for consideration. In order to provide certainty to the process for requesters, and in order to ensure that adequate information is provided with a request in a timely manner, the procedures outlined on the following page are recommended for adoption.

Recommended Procedures for Milwaukee County Review of PFA Conduit Revenue Bonding Requests –

1. The PFA or bond counsel representing a conduit revenue bond transaction will contact Milwaukee County's Economic Development Director at least sixty (60) days prior to when the County's consent is required. This initial communication will contain at least -
 - a. A project description and economic impact analysis as described in 4(a) and 4(b) below, and
 - b. A written request for County Board consent of bond issuance.
 - c. Evidence of support from the local municipality as described in 4(e) below.
2. A copy of this request will be sent to the Director of the Department of Administrative Services, the Comptroller, and the County Board Chairperson
3. The Economic Development Director will acknowledge receipt of a request by providing a written response within seven (7) days of receiving such a request. In that acknowledgment, the ED Director will describe the procedures and criteria for review prior to the County issuing its consent.
4. The Economic Development Director and Office of the Comptroller will review requests within thirty (30) days of acknowledging receipt. The following criteria will be applied to that review –
 - a. Project description
 - i. A description of the project including the borrower, municipality where the issuance will occur, project end use, and
 - ii. A description of the type of bond being issued.
 - b. Economic Impact –
 - i. Estimated total jobs created in the project and induced through construction.
 - ii. Anticipated tax base created.
 - c. Project viability
 - d. No County Liability
 - i. Bond counsel must confirm as a condition of Milwaukee County's consent that the bonds, when and if issued, do not constitute a debt or pecuniary liability, or a legal or moral obligation of Milwaukee County for any reason whatsoever. A written statement or other similar contract from the requesting entity declaring the same shall be submitted with the request for consent to the County Board.
 - e. Municipal Support
 - i. Milwaukee County will begin its review after receiving written consent from the local municipality where the bonds will be issued. A certified resolution of this support shall be submitted with the initial request.
5. If it is determined that the project and request for consent of conduit revenue bonding is sufficient, the request will be sent to the Milwaukee County Board of Supervisors for action along with the (1) Project Description, (2) Economic Impact Analysis, (3) statement of no liability, and (4) Resolution indicating municipal approval.

RECOMMENDATION

This report is for informational purposes only, though future action is recommended to memorialize the set of procedures described in this report.

A handwritten signature in black ink, appearing to read 'James Tarantino', written over a horizontal line.

James Tarantino
Economic Development Director, Department of Administrative Services

cc: Chris Abele, County Executive
Sup. Theodore Lipscomb, County Board Chair
Economic and Community Development Committee Members
Teig Whaley-Smith, Director, Department of Administrative Services
Raisa Koltun, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Eric Peterson, Government Affairs, Office of the County Executive
Steve Cady, Research & Policy Director
Shanin Brown, Committee Coordinator
Scott Manske, Comptroller
Pam Bryant, Capital Finance Manager

MARATHON COUNTY, WISCONSIN

**RESOLUTION APPROVING
NOT TO EXCEED \$3,750,000 PUBLIC FINANCE AUTHORITY
REVENUE BONDS (ST. JOHN'S EVANGELICAL LUTHERAN CHURCH), SERIES
2019
(the "Bonds")
FOR PURPOSES OF
SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986**

WHEREAS, St. John's Evangelical Lutheran Church, a/k/a St. John Evangelical Lutheran Church of Milwaukee, Wisconsin, (the "Borrower"), as a member of the Wisconsin Evangelical Lutheran Synod, a Wisconsin nonstock, nonprofit corporation (the "Borrower"), has requested the Public Finance Authority (the "Authority"), a Wisconsin bond issuing commission created under Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes (the "Act") to issue revenue bonds to finance eligible project costs relating to (i) the rehabilitation and remodeling of an existing 37,136 square foot school facility located at 4001 South 68th Street in the City of Milwaukee, Wisconsin (the "Existing Facility"), (ii) the addition and new construction of an approximately 23,500 square foot facility that will connect to the Existing Facility (the "New Facility," and, together with the Existing Facility, the "Facility"), (iii) for the purchase and installation of furniture fixtures and equipment at the Facility, and (iv) the payment of certain eligible professional costs, paying capitalized interest on the Bonds, and paying all or a portion of the costs of issuance of the Bonds (collectively, the "Project"). The Project is to be initially owned and operated by the Borrower, as described in the notice of public hearing (the "TEFRA Notice") attached hereto as EXHIBIT A; and

WHEREAS, in order for interest on the Bonds to be excludable from gross income for federal income tax purposes, the issuance of the Bonds must, among other things, be approved by the governmental unit issuing the Bonds, in compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, in Resolution No. 10-02, the Authority appointed representatives of HB Consulting, LLC and of WCA Services, Inc. to coordinate and conduct public hearings on behalf of the Authority and its members in compliance with the requirements of Section 147(f) of the Code and to provide minutes of the hearings; and

WHEREAS, in Resolution No. 11-01, the Authority authorized any initial member of the Authority to approve bond issuances by the Authority for purposes of Section 147(f) of the Code and the Act and to establish rules or processes therefore; and

WHEREAS, Marathon County, Wisconsin (the "County") is a political subdivision and one of the initial members of the Authority that contracted to form the Authority and is therefore authorized pursuant to Resolution No. 11-01 to approve bonds issued by the Authority for purposes of Section 147(f) of the Code; and



WHEREAS, the County Clerk and the County Treasurer are officials of the County that are popularly elected at-large by voters of the County, and the official actions of the County Board, including its resolutions, constitute local law applicable to the County; and

WHEREAS, by Resolution #R-57-10, adopted on August 24, 2010 the County Board authorized the County Clerk and the County Treasurer, or either of them, on behalf of the County and the County Board, to approve revenue bond issues to be issued by the Authority for purposes of Section 147(f) of the Code; and

WHEREAS, the TEFRA Notice was published in the *Wisconsin State Journal* not less than 7 days prior to the date of the public hearing; and

WHEREAS, on November 18, 2019 a public hearing was held on behalf of the Authority by representatives of WCA Services, Inc. at the time and place set forth in the TEFRA Notice with respect to the issuance by the Authority of the above-referenced Bonds for the purpose of providing financing for the Project; and

WHEREAS, such public hearing was conducted in a manner that provided a reasonable opportunity to be heard for persons with differing views on both the issuance of the Bonds and the location and the nature of the Project which is to be financed by the Bonds; and

WHEREAS, attached hereto as EXHIBIT B are the minutes of the public hearing prepared by WCA Services, Inc.; and

WHEREAS, the undersigned is the Treasurer or Clerk (as indicated below) of the County as of the date hereof.

NOW, THEREFORE, BE IT RESOLVED that:

For the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, the undersigned, on behalf of the County, the County Board and the Authority, hereby approves the Project and the financing thereof through the issuance of the Bonds by the Authority in an aggregate principal amount not to exceed the amount set forth in the TEFRA Notice attached hereto as EXHIBIT A.

**BOARD OF SUPERVISORS OF
MARATHON COUNTY, WISCONSIN**

Dated this 18th day of November, 2019.

By: _____

Kim Trueblood, County Clerk

Pursuant to County Board Resolution #R-57-10

City of Milwaukee

Office of the City Clerk

200 E. Wells Street

Milwaukee, Wisconsin 53202

Certified Copy of Resolution

FILE NO: 191220

Title:

Resolution approving the issuance of revenue bonds by the Public Finance Authority for the benefit of St. John's Evangelical Lutheran Church, a/k/a St. John Evangelical Lutheran Church of Milwaukee, Wisconsin to finance the rehabilitation, expansion, and equipping of an existing school located at 4001 South 68th Street, in the 11th Aldermanic District.

Body:

Whereas, The Public Finance Authority ("PFA") is a unit of government and body corporate and politic of the State of Wisconsin created pursuant to the provisions of ss. 66.0303 and 66.0304, Wis. Stats., commonly known as the "Joint Exercise of Powers Law" (as amended, the "Act") and an Amended and Restated Joint Exercise of Powers Agreement, dated September 28, 2010, (the "Joint Exercise Agreement"); and

Whereas, The PFA is authorized and empowered under the Act and by the Joint Exercise Agreement to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of, "projects" located inside and outside of the State of Wisconsin; and

Whereas, St. John's Evangelical Lutheran Church, a/k/a St. John Evangelical Lutheran Church of Milwaukee, Wisconsin (collectively the "Borrower") wishes to finance rehabilitation, expansion, and equipping of an existing school located at 4001 South 68th Street in the City of Milwaukee (the "Project"), which land and buildings are owned by the Borrower and will be operated as a school; and

Whereas, The Borrower is requesting the assistance of the PFA in financing the Project through the issuance by the PFA of its bonds in an amount not to exceed \$3,750,000 (the "Bonds"); and

Whereas, Section 66.0304(11)(a) of the Act provides that the PFA may not issue bonds to finance a capital improvement project in the State of Wisconsin unless all of the political subdivisions within whose boundaries the project is to be located have approved the financing of the project, and further provides that in cities of the 1st class, such approval may only be given by the governing body of such city; and

Whereas, The Borrower has requested this approval from the Common Council; and

Whereas, Pursuant to the Act and the Joint Exercise Agreement, bonds issued by the PFA are limited



obligations of the PFA payable solely from funds pledged for their payment in accordance with the related bond indenture, and neither the members of the PFA nor the State of Wisconsin or any political subdivision thereof or any political subdivision approving the issuance of the bonds, including the City of Milwaukee, shall be obligated to pay the principal of, premium, if any, or interest thereon or any costs incidental thereto; and

Whereas, The Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and pursuant to Code Section 147(f), prior to their issuance, the Bonds are required to be approved by (i) the PFA as the governmental unit issuing the Bonds; and (ii) the "applicable elected representative" of a governmental unit having jurisdiction over the area in which the Project is located, in each case after a public hearing regarding the financing of the Project and the issuance of the Bonds (commonly known as a "TEFRA Hearing ") held following reasonable public notice (commonly known as a "TEFRA Notice"); and

Whereas, City staff will administratively undertake the issuance of a TEFRA Notice, in a form to be approved by the Office of the City Attorney, and then conduct a TEFRA Hearing; and

Whereas, Subject to satisfactory completion of the TEFRA Hearing and a report of the proceedings thereto, the Borrower expects to request the Mayor, as the "applicable elected representative" of the City of Milwaukee, to approve the Bonds and the financing of the Project for purposes of Code s. 147(f); and

Resolved, By the Common Council of the City of Milwaukee, that:

1. The financing of the Project by the PFA through the issuance of the Bonds is approved for purposes of s. 66.0304(1)(a) of the Act.
2. The conduct of the TEFRA Hearing is approved
3. The publication of the TEFRA Notice, as described above in a form approved by the Office of the City Attorney, is approved.
4. The Bonds, when and if issued, shall not constitute a debt or pecuniary liability or a legal or moral obligation of the City of Milwaukee for any reason whatsoever.



I, James R. Owczarski, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Resolution Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on November 26, 2019.

James R. Owczarski

December 04, 2019

Date Certified

\$3,750,000
Public Finance Authority
Revenue Bond (St. John's Evangelical Lutheran Church), Series 2019

APPROVAL OF THE MAYOR
OF THE CITY OF MILWAUKEE

The City of Milwaukee, Wisconsin held a public hearing on December 11, 2019 with respect to the proposed issuance of the above-captioned bonds by the Public Finance Authority. I am informed that the public hearing was (1) properly noticed; (2) open to electors of the City of Milwaukee; and (3) no persons objected to the project or the issuance of the bonds or otherwise responded to the notice of the public hearing.

The undersigned, Tom Barrett, Mayor of the City of Milwaukee, Wisconsin, hereby approves the issuance of Public Finance Authority Revenue Bonds (St. John's Evangelical Lutheran Church), Series 2019 in an amount not to exceed \$3,750,000 for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Dated: December 18, 2019

CITY OF MILWAUKEE, WISCONSIN

By: Tom Barrett
Tom Barrett, Mayor



**RESOLUTION NO. 20-04A
PUBLIC FINANCE AUTHORITY**

A RESOLUTION AUTHORIZING THE ISSUANCE OF A REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,750,000 TO FINANCE THE COSTS OF CONSTRUCTING, INSTALLING, RENOVATING, REHABILITATING, EQUIPPING, AND IMPROVING EDUCATIONAL FACILITIES FOR ST. JOHN'S EVANGELICAL LUTHERAN CHURCH AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 (in each case as in effect on the date hereof) of the Wisconsin Statutes, commonly known as the "Joint Exercise of Powers Law" (the "Act"), two or more municipalities may by contract create a commission for the joint exercise of any power or duty required or authorized by law;

WHEREAS, the Public Finance Authority (together with its successors and assigns, the "Authority"), was organized as a commission under and pursuant to the Act and exists by virtue of that certain Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated September 28, 2010 (the "Joint Exercise Agreement"), by and among Adams County, Wisconsin; Bayfield County, Wisconsin; Marathon County, Wisconsin; Waupaca County, Wisconsin; and the City of Lancaster, Wisconsin, together with any other political subdivision that may from time to time be designated as a "Member" of the Authority pursuant to the Joint Exercise Agreement (collectively, the "Members");

WHEREAS, the Authority is authorized and empowered under the Act and by the Joint Exercise Agreement to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing or refinancing of, "projects" located inside and outside of the State of Wisconsin (the "State");

WHEREAS, the Authority has received no appropriations or other funds from the State; any bonds issued by the Authority shall be special limited obligations of the Authority, shall be payable solely from funds pledged by the Authority for their payment, shall not be a debt of the State, any political subdivision or agency thereof or any Member and shall not obligate the State, any political subdivision or agency thereof or any Member to levy any tax or make any appropriations for payment of the bonds; and the State and the Members are not liable on the bonds or other contract entered into under the Act, or for any other debt, obligation, or liability of the Authority, whether in tort, contract or otherwise;

WHEREAS, St. John's Evangelical Lutheran Church, a/k/a St. John Evangelical Lutheran Church of Milwaukee, Wisconsin, as a member of the Wisconsin Evangelical Lutheran Synod, a Wisconsin nonstock, nonprofit corporation (the "Borrower"), wishes to finance (i) the rehabilitation and remodeling of an existing approximately 37,136 square foot school facility (the "Existing Facility") located at 4001 South 68th Street in the City of Milwaukee, Milwaukee



County, State of Wisconsin (the "Project Jurisdiction"), (ii) the addition and new construction of an approximately 23,500 square foot facility that will connect to the Existing Facility (the "New Facility," and, together with the Existing Facility, the "Facility"), (iii) for the purchase and installation of furniture, fixtures and equipment at the Facility, and (iv) the payment of certain eligible professional costs, paying capitalized interest on the Bond, and paying all or a portion of the costs of issuance of the Bond (collectively, the "Project"); the Project is to be initially owned and operated by the Borrower and the Borrower is requesting the assistance of the Authority in financing the Project;

WHEREAS, pursuant to a Bond Agreement (the "Bond Agreement") between the Authority, the Borrower, and the National Exchange Bank and Trust, as original purchaser (the "Original Purchaser"), the Authority will issue its Revenue Bond (St. John's Evangelical Lutheran Church), Series 2020 (the "Bond") and loan the proceeds of the Bond to the Borrower for the purpose of, among other things, financing the Project;

WHEREAS, pursuant to the Bond Agreement, the Bond will be sold to the Original Purchaser, and the proceeds of such sale will be used as set forth in the Bond Agreement to finance the Project, pay capitalized interest on the Bond, and pay costs incurred in connection with the issuance of the Bond;

WHEREAS, the issuance of the Bond (i) has been or will be approved by the appropriate elected official of the Project Jurisdiction and (ii) was approved on behalf of the Authority by an appropriate elected official of Marathon County, a Member of the Authority duly authorized to give such approval on behalf of the Authority, on November 26, 2019, in each case after appropriate notice and a hearing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and the Authority has requested evidence of such approvals;

WHEREAS, the financing of the Project by the Authority has been or will be approved by the Milwaukee County Board of Supervisors and by the City Council for the City of Milwaukee, Wisconsin (which, together with the Project Jurisdiction, constitute all of the political subdivisions of the state in whose boundaries the Project is to be located) for the purposes of and in accordance with Section 66.0304(11)(a) of the Act, and the Authority has requested evidence of such approvals;

WHEREAS, in connection with the issuance of the Bond the Authority will deliver a No-Arbitrage Certificate setting forth certain representations, expectations and covenants of the Authority pertaining to the tax-exempt status of the Bond (the "No Arbitrage Certificate");

WHEREAS, the Board of Directors of the Authority (the "Board") finds and determines that issuance of the Bond and financing of the Project will further its public purposes, inside and outside of the State, by promoting economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity and the increase of the tax base; developing a financial center in Wisconsin; attracting capital, building a national brand and market access for Wisconsin borrowers together with borrowers from other states, supporting local programs, and contributing to the

quality of life in communities throughout the country; and, based on representations of the Borrower, without independent investigation, finds and determines that the financing of the Project will promote significant economic and community development opportunities, including the creation or retention of employment, the stimulation of economic activity and the promotion of improvements in the health, safety and welfare of persons in the political subdivisions constituting the Project Jurisdiction; and

WHEREAS, there has been made available to the Board a proposed form of the Bond Agreement (including the proposed form of Bond and the proposed form of Promissory Note from the Borrower to the Authority in the principal amount of the Bond to be assigned by the Authority to the Original Purchaser);

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Public Finance Authority, as follows:

Section 1. The Board hereby finds and declares that the issuance of the Bond to assist in the financing or refinancing of the Project is, as hereinabove recited, in furtherance of the public purposes of the Act and the Joint Exercise Agreement and is within the powers conferred upon the Authority by the Act and the Joint Exercise Agreement.

Section 2. Pursuant to the Act, the Joint Exercise Agreement and the Bond Agreement, the Authority is hereby authorized to issue its revenue bond designated as the "Public Finance Authority Revenue Bond (St. John's Evangelical Lutheran Church), Series 2020" in an aggregate principal amount not to exceed \$3,750,000. The Bond shall be issued and secured in accordance with the terms of the Bond Agreement and shall be in substantially the form in the Bond Agreement and presented at this meeting. The final maturity of the Bond shall not exceed ten (10) years from the date of their issuance, and the maximum interest rate to be borne by the Bond (including any "taxable," "penalty" or "default" rate) shall not exceed 10.75% per annum. The Bond shall be issuable as a fully registered bond without coupons in denominations of \$250,000 or any integral multiple thereof. The Bond and the interest thereon shall be transferable by and shall be payable to the registered owners thereof in the manner and with the effect provided in the Bond Agreement. The principal of and interest on the Bond shall be payable in lawful money of the United States of America at the principal office of the Original Purchaser, as paying agent and registrar, or at the office of any successor or additional paying agent and registrar in accordance with the Bond Agreement. The Bond shall be subject to mandatory and optional redemption prior to maturity as provided in the Bond Agreement, as finally executed.

Section 3. The Bond shall be executed on behalf of the Authority by the Chair, the Vice Chair, the Treasurer, the Secretary or any Assistant Secretary or any member of the Board (such officers and directors being referred to herein individually as an "Authorized Signatory" and collectively as the "Authorized Signatories"). The facsimile, electronic or digital signature of any Authorized Signatory shall be deemed to be the legal equivalent of a manual signature on specified documents or on all documents and valid and binding for all purposes. If any Authorized Signatory whose signature, countersignature or attestation appears on the Bond or Bond-related document ceases to be an officer or director before delivery of the Bond, his or her signature, countersignature or

attestation appearing on the Bond and any Bond-related document (regardless of whether any such Bond-related document is specifically identified in the within Resolutions) is valid and sufficient for all purposes to the same extent as if he or she had remained in office until delivery of the Bond.

Section 4. The proposed form of Bond Agreement, including the proposed form of Bond and proposed form of Promissory Note, as presented to this meeting, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Agreement in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, interest and principal payment date or dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bond shall be as provided in the Bond Agreement, as finally executed.

Section 5. The Bond shall be sold in a private sale as hereinabove recited.

Section 6. An Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the No Arbitrage Certificate, in such form as such Authorized Signatory, with the advice of Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The appropriate officers and agents of the Authority, including each Authorized Signatory, are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bond, and as may be required under the Code and the Act, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents. It is not necessary that the Bond and various documents authorized hereby or otherwise relating to the Bond all be signed by the same Authorized Signatory.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Treasurer, the Secretary or any Assistant Secretary and other appropriate officers and agents of the Authority with respect to the issuance of the Bond are hereby ratified, confirmed and approved.

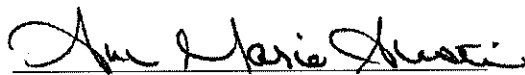
Section 9. Further, specifically but without limitation, in accordance with Section 66.0304(5)(am) of the Act, there is hereby delegated to the Chair, the Vice Chair, the Treasurer, the Secretary or any Assistant Secretary, or any member of the Board the authority to determine the matters specified under Section 66.0304(5)(a) of the Act and any and all other matters not inconsistent with these Resolutions, for inclusion in the Bond Agreement or any other document, certificate or instrument providing for issuance of the Bond as finally executed; *provided*, that the foregoing shall not constitute a grant of authority to modify or consent to the modification of the

maximum principal amount of the Bond to be issued, the maximum term of the Bond or the maximum interest rate to be borne by the Bond, each as stated in Section 2, above, without the further express resolution of this Board.

Section 10. This Resolution shall take effect from and after its adoption; provided, that no Bond authorized hereby shall be issued unless and until the Authority has been furnished with satisfactory evidence of the approvals by the Project Jurisdiction and Marathon County as hereinabove recited.

Passed and adopted this 22nd day of January, 2020

PUBLIC FINANCE AUTHORITY

A handwritten signature in black ink, appearing to read "Ann Marie Austin", written over a horizontal line.

Name: Ann Marie Austin

Title: Assistant Secretary