

# MURRAY BARNES FINISTER LLP

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## MEMORANDUM

TO: Timothy E. Schroer, Finance Director

FROM: Teresa P. Finister

DATE: February 5, 2025

RE: Host Jurisdiction Public Hearing and Approval Under Section 147(f) of the Internal Revenue Code Regarding Tax-Exempt Bonds for Lindenwood Education System

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Our firm has been requested by Gilmore & Bell, Bond Counsel with respect to the Bonds described below, to assist their firm and the issuer of the Bonds with obtaining TEFRA approval in Augusta. Information concerning the Bond issue follows.

The Public Finance Authority (“PFA”) requests the assistance of Augusta, Georgia (the “Consolidated Government”) in providing “Host Approval” under Section 147(f) of the Internal Revenue Code in connection with the issuance of tax-exempt bonds on behalf of Lindenwood Education System, a Missouri nonprofit corporation headquartered in St. Charles, Missouri (the “Borrower”). PFA expects to issue tax-exempt bonds in an amount not to exceed \$175,000,000 (the “Bonds”) and a portion of this amount will be used to finance costs of the acquisition of educational assets and associated operations from STVT-AAI Education Inc.

In Augusta, the assets to be acquired by the tax-exempt bonds relate to, benefit, or are otherwise used in the integrated operation for educational services, including educational assets and associated operations for training and educational programs for Miller-Motte College and other Ancora training facilities located at 3128-A Deans Bridge Rd. in Augusta, Georgia (collectively, the “Augusta Assets”). The maximum stated principal amount of the Bonds expected to be issued for the Augusta Assets is \$7,000,000.

PFA is a governmental unit of the State of Wisconsin created for the purpose of issuing tax-exempt and taxable conduit bonds for public and private entities nationwide. PFA is sponsored by the National Association of Counties, the National League of Cities, the Wisconsin Counties Association, and the League of Wisconsin Municipalities. Debt issued by any entity under the auspices of PFA is not debt of the City or PFA, but rather is payable solely from debt service payments received from the Borrower.

Section 147(f) of the Internal Revenue Code requires that the PFA, as issuer of the tax-exempt bonds, obtain the approval of the governing body or chief elected representative of each

state or local government jurisdiction in which the financed assets are to be located following a public hearing by an authorized representative of the state or local jurisdiction. Notice of the public hearing must be published at least 7 days prior to the hearing date. Accordingly, PFA requests your assistance in this financing by conducting the public hearing and obtaining the host jurisdiction approval in accordance with the requirements of Section 147(f) of the Internal Revenue Code.

As Interim County Attorney and employee of the Consolidated Government, Jim Plunkett, is able to hold the public hearing, which is scheduled on Tuesday, February 11, 2025 at 9:00 a.m. so that it does not interfere with other matters. Enclosed is a copy, of the Notice of Public Hearing that was published on February 3, 2025, which is at least 7 days before the hearing date. In addition, we have prepared a resolution for the Augusta-Richmond County Commission approving the use of the proceeds of the tax-exempt bonds to finance the Augusta Assets. We ask that the Consolidated Government adopt the Resolution after the public hearing at its February 18, 2025 meeting.

I appreciate your assistance in this matter on behalf of PFA and the Borrower. If I can answer any questions or provide any additional information, please call me at 404-805-0932.