

Railsplitter Tobacco Settlement Authority
Minutes
Meeting

William G. Stratton Building, Room 601 and via Cisco Webex
Springfield, Illinois
December 2, 2022

I. Call to Order

The Railsplitter Tobacco Settlement Authority Board Meeting was called to order at 2:01 PM by Chairman Alexis Sturm. Based on the Governor’s November 10, 2022, Gubernatorial Disaster Proclamation related to Covid 19 and Chairman Sturm’s determination that an in-person meeting would not be practical or prudent, the meeting was held virtually via WebEx videoconference pursuant to notice properly posted on the Governor’s Office of Management and Budget Capital Markets website.

II. Roll Call

Secretary Alexander Smith conducted a roll call of the members of the Railsplitter Tobacco Settlement Authority Board for attendance purposes. The following Board Members were present: Chairman Alexis Sturm (physically present in Room 601 of the Stratton Building), Board Member Elizabeth Weber (present via video conference link), Board Member William O’Connell (present via video conference link).

III. **Approval of the minutes of the October 4, 2021 meeting** Elizabeth Weber made a motion to approve the minutes of the October 4, 2021, meeting as written, William O’Connell seconded the motion. On a roll call vote, the motion carried unanimously.

IV. **Approval of the minutes of the June 24, 2022 special meeting** Elizabeth Weber made a motion to approve the minutes of the June 24, 2022, meeting as written, William O’Connell seconded the motion. On a roll call vote, the motion carried unanimously.

V. Board acknowledgement of receipt of BLX Fiscal Year 2022 Working Capital Analysis

The Board acknowledged receipt of the BLX Fiscal Year 2022 Working Capital Analysis.

VI. Update regarding the Attorney General’s settlement of disputes related to Nonparticipating Manufacturer Adjustments under the Tobacco Master Settlement Agreement

David Buysse, Assistant Attorney General, provided a summary of the Nonparticipating Manufacturer Adjustments to the State’s tobacco moneys for the Railsplitter Tobacco Settlement Authority, highlighting the key points of the recent Settlement related to nonparticipating manufacturers.

VII. Review and Approval of Financial Statements for Fiscal Year 2022. Presented by Brandon Reed of Crowe LLP

Brandon Reed presented a summary of the financial statements for the Railsplitter Tobacco Settlement Authority, highlighting the key points. Ms. Sturm requested a motion to approve the financial statements for fiscal year 2022.

William O'Connell moved to approve the Fiscal Year 2022 Financial Statements. Elizabeth Weber seconded the motion. On a roll call vote, the board unanimously approved the Fiscal Year 2022 Financial Statements

VIII. Update regarding the Directors and Officers insurance policy for calendar year 2023.

Discussion occurred regarding the updates on acquiring Director and Officer liability insurance coverage for 2023. The Authority is in communication with Alliant Insurance Services, Inc about the renewal process for Directors and Officers insurance policy. Upon receipt of the offer, a Special Meeting will be called to address the insurance issue.

IX. Approval of a Resolution Amending Section 3.3 of the By-Laws of the Railsplitter Tobacco Settlement Authority

Chairman Alexis Sturm noted it would be desirable to allow the most efficient communication to Members of the Authority Board for notices of meetings. As a result, it is necessary to amend Section 3.3 of the By-Laws to allow electronic mail for Board member notification of meetings. Elizabeth Weber moved to amend Section 3.3 of the By-Laws to allow for electronic meeting notices. William O'Connell seconded the motion. On a roll call vote, the motion carried unanimously.

X. Other Matters

Chairman Alexis Sturm noted the Governor's Office of Management and Budget recently released its 5-year economic report outlining the Governor's current priorities and projections. Within the plan, interest was shown in a cash defeasance of the Railsplitter bonds, which would require action by the General Assembly and State appropriations. An escrow agent and bond counsel may also be required. The issue may be discussed at future meetings.

XI. Public Comment

Chairman Sturm asked if there were any comments from the public. There were no comments from the public.

XII. Adjournment

Elizabeth Weber moved to adjourn the meeting, William O'Connell seconded the motion. On a roll call vote, the motion carried unanimously. The meeting was adjourned at 2:54 PM.

Respectfully submitted,

X
Secretary