

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508

County of Cook and State of Illinois

RESOLUTION

Transfer of Escrow Account Balance
OFFICE OF FINANCE

THE CHANCELLOR

REPORTS

that the District previously entered into a lease agreement with the Public Building Commission of Chicago (PBCC) for the use of Wright College, Kennedy-King College, Malcolm X College, West Side Learning Center, Truman College, Lakeview Learning Center, West Side Technical Institute, Chicago Police Academy, Humboldt Parking Learning Center, South Chicago Learning Center, Harold Washington College, District Office, and Dawson Technical Institute; and

that pursuant to the abovementioned Lease Agreement the District entered into an Escrow Agreement with U.S. Bank for the purpose of holding funds for the payment of PBCC rental payments and designated as the special escrow account for the payment of the Public Building Commission of Chicago Lease Rentals (PBC Bonds – Series B of 1987 and 1990 Certificate of Participation); and

that the Escrow agreement provides that upon payment of all the PBC rental payments, the Escrow Agent shall transfer any balance remaining in the Escrow Account to the District and such Escrow agreement shall terminate; and

that all of the PBC rental payments are paid as of January 1, 2007; and

that the balance remaining in the Escrow Account should be transferred to the District; and

that it is recommended the District use the remaining Escrow Account balance of approximately \$5 million, net of an estimated \$2.5 million reserve for future tax refunds, for unfunded capital projects;

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorizes the use of the net remaining Escrow Account balance in the amount of approximately \$2.5 million for the cost of the new Kennedy-King College, demolition of the old Kennedy-King College and any other capital projects approved by the Chancellor.

FINANCIAL

1987B Rental Fund to O & M Restricted (Capital Fund)

Respectfully Submitted,

Wayne Watson
Chancellor

June 20, 2007