

**NOTICE OF VOLUNTARY FILING
FOR CONTINUING DISCLOSURE PURPOSES**

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

CUSIP Prefix: 13035A, 04052F

Date: July 9, 2020

Equitable Facilities Fund, Inc., a Delaware nonstock, nonprofit corporation (the “Program Administrator”), was established in 2017 to operate a pooled revolving loan program for the benefit of a class of public charities that operate to support public charter school facilities. The Program Administrator originates loans to qualifying public charter schools across the country, including a nine-step lending process from loan sourcing to portfolio management (“School Loans”), for the purpose of financing and refinancing the costs of the acquisition, construction, improvement, equipping, and furnishing of public charter school facilities

Notice is hereby given that on June 30, 2020, the Program Administrator entered into a School Loan (the “Brookside Loan”) in the amount of \$5,655,705 with BSDS (doing business as Brookside Charter School), a Missouri charter school. Upon closing, the Brookside loan was sold to Equitable Revolving Fund LLC, a Delaware limited liability company (the “Revolving Fund”) for inclusion in the ESRF Loan Pool under the Master Trust Indenture. Capitalized terms used but not defined herein have the meanings set forth in the Official Statement relating to the Arizona Industrial Development Authority National Charter School Revolving Loan Fund Revenue Bonds, Series 2019A and the California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2019B, dated August 8, 2019.

Attached as Appendix A hereto is a summary of the Brookside loan, including a description of the obligor’s charter contract, management and governance, enrollment information, academic performance, financed project, and financial information. *None of the Revolving Fund, the Program Administrator, or their counsels has undertaken any responsibility for the accuracy or completeness of the information provided in Appendix A. Certain information may have changed since the Brookside Loan closing date and may be subject to future changes.*

BROOKSIDE CHARTER SCHOOL

Kansas City, Missouri

\$5,655,705.00 EFF Financing / Closed: June 30, 2020 / Final Maturity: July 1, 2050

Obligor Overview

BSDS, Inc. d/b/a Brookside Charter School (“Brookside”) was founded in 2002 and has a School Year 2019-2020 enrollment of 745 students in grades in PK–8 at a single campus in Kansas City, Missouri.

Brookside’s mission is : “We develop leaders who bravely make the world a more just place. We nurture the whole child, instill a growth mindset, and foster cultural competence.”

Charter Contract

Brookside operates under a charter contract with the Missouri Charter Public School Commission. Brookside’s current five-year charter contract expires on June 30, 2022.

Management & Governance

Brookside is governed by a Board of Directors (the “Brookside Board”) of at least five persons under its bylaws. Brookside currently has a seven-member board which has experience in education, law, business, and divinity. The Brookside Board has a formal conflict of interest policy and no Brookside Board member or senior staff member is considered a related party.

Senior staff includes the Superintendent, who has led Brookside for nine years and who oversees all principals and administrative staff. Additionally, there are two Principals with one who oversees the elementary school grades and the other who oversees the middle school grades. Since 2017, Brookside has engaged the consulting firm EdOps to perform financial services. EdOps brings strong, knowledgeable, and independent controls to Brookside’s operations.

Enrollment & Student Information

Brookside’s PK-8 student count for the past four fiscal years is as follows:

Brookside Charter School Historical Student Enrollment FY16 – FY19

<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
534	545	616	705

The Missouri Department of Elementary and Secondary Education (DESE) allows schools to claim PK enrollment into the average daily attendance for the funding formula so long as schools meet certain criteria, including PK enrollment not to exceed 4% of the total number of enrolled pupils who are eligible for free and reduced lunch between the ages of five and eighteen. In FY19, Brookside enrolled 30 PK students.

Brookside’s facility is at 92% capacity. For the past three years, student retention has been at least 69%, including 74% for the current year.

Brookside’s free and reduced lunch and English learner populations are approximately 100% and 3.3%, respectively and 97.9% of students identify as ethnic minorities.

Academic Program & Results

Brookside practices “The Leader in Me,” a school-wide philosophy that encourages individual leadership and positive character at school, home, and the community through the seven habits principles. On April 16, 2020, Brookside was affirmed as a Lighthouse School by the Leader in Me program. The Lighthouse certification is awarded to schools that produce outstanding results in school and student outcomes by implementing the Leader in Me philosophy. Brookside is the first charter school in Missouri to be awarded the Lighthouse certification.

In 2019, Brookside’s Superintendent was honored as Charter School Leader of the Year by the Missouri Charter Public School Association.

The Project

Brookside operates on a single campus located at 1815 E 63rd Street Kansas City, Missouri. The campus comprises one building (approximately 93,368 total square feet) on 3.39 acres of land.

The EFF financing was completed for the purpose of refinancing New Markets Tax Credit notes. Proceeds of the EFF loan refinanced all of Brookside’s existing debt.

Financial Information

Certain historical financial information for Brookside is listed below. These metrics will be updated and included in EFF’s continuing disclosure annual report.

Brookside Charter School Historical Financial Information

<u>Metric</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Total Revenue (TR)	\$6,974,832	\$7,844,939	\$9,318,458
DS Coverage Ratio ¹	(0.34)x	0.48x	1.81x
Debt Burden (% of TR)	6.3%	5.7%	4.6%
Days Cash on Hand	87.3	60.8	64.8

Ratings S&P: BB

Website <http://brooksidecharter.org/>

¹ In FY16, a new Superintendent was hired for Brookside. During the following two fiscal years, FY17 and FY18, a revamp of culture at Brookside was undertaken to address whole-child programs related to social-emotional learning. Additionally, during these years, no backfilling of enrollment occurred to preserve the integrity of the student body and the new culture. These steps resulted in weaker operating performance in FY17 and FY18, yet a stronger overall school as demonstrated by the significant improvement noted in FY18.

**Brookside Charter School
Security and Loan Covenants**

Security	Pledged revenues and a first lien mortgage on the land and real estate on which the school is located
Debt Service Coverage Ratio	1.10x
Additional Bonds Test	1.20x
Liquidity Covenant	45 days cash on hand for FY21, 50 days cash on hand for FY22, and 60 days cash on hand for each FY thereafter
Academic Covenant	Average proficiency rates a minimum ratio of 100% in 2020-21 and 2021-22 and then a minimum ratio of 125% thereafter of the Kansas City Public Schools District average or maintain at least “Approaching” within Status Expectations, for at least two consecutive years, in the State Annual Performance Summary Report.
Enrollment Covenant	Minimum of 720 students