

# **MONTANA FACILITY FINANCE AUTHORITY**

## **Board Meeting**

**February 1, 2018**

11:00 A.M.

### **MINUTES**

**BOARD MEMBERS PRESENT:** Larry Putnam, Chair  
Bill Kearns, Vice Chair (Joining by Phone)  
Kent Burgess  
Paul Komlosi  
Kim Rickard  
John Rogers  
Matt Thiel (Joining by Phone)

**BOARD MEMBERS ABSENT:** None

**STAFF PRESENT:** Adam Gill, Executive Director  
Seth Lutter, Associate Director

**GUESTS:** Bob Murdo, Authority Counsel - Jackson, Murdo & Grant  
Nathan Bilyeu - Jackson, Murdo & Grant  
Dr. Gregory Hanson, CEO - Clark Fork Valley Hospital  
Carla Neiman, CFO - Clark Fork Valley Hospital  
Gordon Davidson, CFO - Bozeman Health Services  
Kreg Jones, Underwriter - DA Davidson  
Erin McCrady, Bond Counsel - Dorsey & Whitney (Joining by Phone)

### **BOARD MEETING**

#### **CALL TO ORDER**

Chair Putnam called the February 1, 2018 board meeting of the Montana Facility Finance Authority (the "Authority") to order at 11:00 A.M. The meeting convened with seven members of the Board present.

#### **Minutes**

Member Thiel moved for approval of the meeting minutes for December 8, 2017. Member Kearns seconded the motion which passed unanimously.

#### **PUBLIC COMMENT**

The meeting was opened for public comment. *No comments were received.*

#### **FINANCINGS**

Executive Director, Adam Gill, provided information on the following financings for board deliberation:

### Clark Fork Valley Hospital

Mr. Gill introduced Dr. Gregory Hanson and Carla Neiman from Clark Fork Valley Hospital. Mr. Gill described the financing which will refinance the Hospital's existing 2007 loan held by Whitefish Credit Union (WFCU) and guaranteed by Rural Development. The financing is estimated to provide a net present value savings of \$1.2 million and cash savings of \$1.8 million. The financing would be a stand-alone private placement with First Security Bank of Missoula.

Bond Counsel, Bob Murdo, described the Resolution 18-01 which is an intent of the Authority to issue the revenue bond to refinance the WFCU financing above. Bob indicated the principal will not exceed \$6,325,000.

Member Komlosi moved for motion of Resolution 18-01. Member Burgess seconded the motion which passed unanimously.

### Bozeman Health Services

Mr. Gill introduced Gordon Davidson from Bozeman Health Services, Kreg Jones from DA Davidson, and Erin McCrady from Dorsey & Whitney. Mr. Davidson described the project which will construct a three-story hospital-grade building attached to the main facility. The new building will have a 20-bed combined Intensive Care and Pediatric Care Units, the third floor of the building will be shelled out for future use. In addition, funds will renovate space in two of the Hospital's medical office buildings to expand administrative space and ambulatory services space, and remodel its cafeteria. The project is estimated to cost \$75,000,000.

Underwriter Kreg Jones explained that Bozeman Health Services is in the rating process and anticipates closing by the end of April. The bonds will be sold publicly with DA Davidson serving as underwriter.

Bond Counsel Erin McCrady described the Resolution 18-02 which is an intent of the Authority to issue the revenue bond and execution of finance agreements. This resolution authorizes the project to issue revenue bond with a maximum \$72,500,000.

Member Rogers moved for motion of Resolution 18-02. Member Komlosi seconded the motion which passed unanimously.

## **CURRENT PROJECTS**

### Programs

Mr. Gill described the 1984 Pooled Loan Program funds. Counsel Murdo wrote a memo describing the pooled funds and uses. Mr. Gill opened a motion to recognize the funds, to terminate the custody agreement, and transfer funds to the Authority's accounts. Member Komlosi moved for motion and Member Rickard seconded the motion which passed unanimously.

### Energy Efficiency Audits

Mr. Gill described an energy efficiency grant program and brought to the floor for general approval. Member Burgess put forth a motion for the Authority to move towards the grant program and construct an outline. Member Komlosi seconded the motion which passed unanimously.

### Anticipated Financings

Mr. Gill discussed potential financings for the upcoming calendar year and the anticipated dates of those financings.

### Survey

MFFA sent a short survey to Montana hospital CEOs via the Montana Hospital Association. The survey results have informed the outreach work of the Authority, including the CEO roundtables with MHA.

## **GENERAL ADMINISTRATIVE**

### Financials

Mr. Gill presented the Budget-v-Actual results and the Reserve Balances while Mr. Lutter presented on the Annual Service Fees and Staff Approved Loans.

## **MISC**

### Strategic Plan


Mr. Gill reviewed Strategic Plan with the board and noted areas where the Authority was on track.

## **BOARD MEETING CALENDAR**

Date	Location	Time
April 12th	TBD	TBD
June 21st	TBD	TBD
September 19th	Billings	TBD
December 11 th-12th	Helena	Board Dinner 11th, Meeting the 12th

## **ADJOURN**

Chair Putnam adjourned the meeting at 2:50 P.M.

APPROVE:   
Larry Putnam, Chair

ATTEST   
Adam Gill, Executive Director

APPROVAL DATE: 4/12/18