

MONTANA FACILITY FINANCE AUTHORITY
Board Meeting
August 1, 2017

Sacajawea Hotel
5 N. Main St., Three Forks, Montana
August 1, 2017 at 10:00 A.M.

MINUTES

**BOARD MEMBERS
PRESENT:** Larry Putnam, Chairman
Bill Kearns, Vice Chairman
Kent Burgess
Paul Komlosi
John Rogers
Matt Theil

**BOARD MEMBERS
ABSENT:** Kim Rickard (excused)

STAFF PRESENT: Adam Gill, Executive Director
Linda Wendling, Financial Specialist

GUESTS:

Angela Haas, CFO/Interim CEO-Glacier Community Health Center
Betsy Seglem, Operations Director-Glacier Community Health Center
Doug Hill, In-State Portfolio Manager, MT Board of Investments (via phone)
John Bartos, CEO-Marcus Daly Memorial Hospital
Donja Erdman, CFO-Marcus Daly Memorial Hospital
Kreg Jones, Placement Agent-DA Davidson (via phone)
Erin McCrady, Bond Counsel-Dorsey & Whitney (via phone)
Bob Murdo, Authority Counsel-Jackson, Murdo & Grant
Teri Juneau, Accounting Manager-MT Department of Commerce (via phone)
Julie Salvitti-incoming Associate Director-MFFA (via phone)

BOARD MEETING

CALL TO ORDER

Chairman Putnam called the August 1, 2017 board meeting of the Montana Facility Finance Authority (the "Authority") to order at 10:04 A.M. The meeting convened with six members of the Board present.

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:

Glacier Community Health Center

Mr. Gill introduced Angela Haas, CFO/Interim CEO-Glacier Community Health Center; Betsy Seglem, Operations Director-Glacier Community Health and Doug Hill, In-State Portfolio Manager-MT Board of Investments. Mr. Gill described the financing which is a Trust Fund loan for up to \$800,000 to expand the Health Center and refinance the existing Trust Fund Loan issued in 2006.

Glacier Community Health Center CFO/Interim CEO, Haas, described the expansion which will add 2,700 sq. ft. for behavioral health services. The loan also includes refinancing the existing Trust Fund loan which has a 6.82% interest rate. She indicated the Health Center has received a Federal grant for nearly \$1 million for the building renovation which is expected to cost \$1.75 million.

Authority Counsel, Murdo, described Resolution 17-07 which is a Trust Fund Loan not to exceed \$800,000. He indicated the renovation work must be done at the prevailing wage rate.

Member Theil moved for adoption of Resolution 17-07. Member Komlosi seconded the motion which passed unanimously.

Marcus Daly Memorial Hospital

Mr. Gill introduced John Bartos, CEO-Marcus Daly Memorial Hospital; Donja Erdman, CFO-Marcus Daly Memorial Hospital; Kreg Jones, Placement Agent-DA Davidson and Erin McCrady, Bond Counsel-Dorsey & Whitney. Mr. Gill described the financing which is a new Master Loan Program bond for up to \$15 million to build a new Operating Room suite.

Marcus Daly Memorial Hospital CEO, Bartos, described the project to expand the Operating Room suite which will increase the number of operating rooms and better accommodate high-tech surgeries.

Placement Agent, Jones, provided additional background on the bond financing, indicating it was helped by the recent debt restructuring that the Hospital completed.

Bond Counsel, McCrady, described Resolution 17-08 which is a Master Loan Project bond, not to exceed \$15,000,000 for the expansion of Marcus Daly Memorial Hospital's Operating Room suite. She indicated that the Resolution should be amended to add another clause to Section 1.04 to describe the deposit of debt service reserve funds out of bond proceeds. She indicated a TEFRA Hearing will be scheduled.

Member Burgess moved for adoption of the amended Resolution 17-08. Member Komlosi seconded the motion which passed unanimously.

GENERAL ADMINISTRATIVE

Minutes

Member Theil moved for approval of the meeting minutes for May 17, 2017. Member Kearns seconded the motion which passed unanimously.

Financials

Mr. Gill presented the Budget-v-Actual results, the Annual Service Fees Summary and the Reserve Balances.

Ms. Wendling presented the Staff Approved Loans.

MISCELLANEOUS

FY 2015 & 2016 Audit

Mr. Gill introduced Teri Juneau, Accounting Manager-MT Department of Commerce. He indicated the FY 2015 & 2016 Audit was completed and the Audit Committee hearing occurred in June. He indicated that there were two internal control findings and he is working with MT Board of Investments, MT Board of Housing and Wipfli to address the findings.

Accounting Manager, Juneau, provided further information on the findings and the process for addressing the findings.

Anticipated Financings

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

NAHEFFA and other Trade Meetings

Mr. Gill provided an update on upcoming meetings.

Personnel

Mr. Gill indicated that Julie Salvitti was offered the position as Associate Director and she accepted.

CALENDAR

BOARD MEETINGS	CONVENTIONS
October 3 (Helena)	September 5-8 NAHEFFA (Boise, ID)
December 8 (Helena); dinner December 7	September 20-22 MHA (Billings, MT)

ADJOURN

Chairman Putnam adjourned the meeting at 11:57 A.M.

APPROVE: 
Larry Putnam, Chairman

ATTEST: 
Adam Gill, Executive Director

APPROVAL DATE: 10/3/2017