

**MONTANA FACILITY FINANCE AUTHORITY**  
**Board Meeting (Helena, MT)**  
**August 20, 2019**  
**9:30 A.M.**

**MINUTES**

**BOARD MEMBERS**  
**PRESENT:** Larry Putnam, Chair  
Bill Kearns, Vice-Chair  
Jan Bastian  
Paul Komlosi  
John Rogers  
Matt Thiel

**BOARD MEMBERS**  
**ABSENT:** Kim Rickard

**STAFF PRESENT:** Adam Gill, Executive Director  
Seth Lutter, Associate Director  
Colin Gunstream, Financial Specialist

**GUESTS:** Donja Erdman, CFO – Marcus Daly Memorial Hospital  
Ben Johnson, Bond Counsel – Ballard Spahr LLP (via phone)  
Nathan Bilyeu, Authority Counsel – Jackson, Murdo & Grant  
Jim Kerins, Managing Consultant - CMS

**BOARD MEETING**

**CALL TO ORDER**

Chair Putnam called the August 20, 2019 board meeting of the Montana Facility Finance Authority (the “Authority”) to order at 9:30 A.M. The meeting convened with six members of the Board present and one member absent.

Minutes

Member Bastian moved for approval of the meeting minutes for June 19, 2019. Vice-Chair Kearns seconded the motion which passed unanimously.

**PUBLIC COMMENT**

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

**FINANCINGS**

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

### Marcus Daly Memorial Hospital

Mr. Gill introduced Donja Erdman, CFO for Marcus Daly Memorial Hospital. Mr. Gill described the financing which is a Trust Fund Loan for up to \$1,500,000 with the proceeds being used to reimburse the purchase of a new building that will be used for administrative space and a new dermatology clinic.

Vice Chair Kearns asked about the Hospital's past three years financial performance and why Marcus Daly incurred a loss in FY 2016. Ms. Erdman offered her thoughts on the financial performance of the Hospital. Member Komlosi asked about the increase in operating expenses in FY 2018. Ms. Erdman explained the cause for the increase in operating expenses.

Nathan Bilyeu, Authority Counsel – Jackson, Murdo & Grant, described and explained Resolution 19-06. Vice Chair Kearns called for question of adoption of Resolution 19-06. The Resolution passed unanimously.

### Montana Whiskey Company, LLC

Mr. Gill introduced Ben Johnson, Bond Counsel for Ballard Spahr LLP. Mr. Johnson described the financing, which is an Industrial Development Bond with the proceeds being used for eligible equipment and facility costs to build a whiskey manufacturing facility in Bonner, MT.

Mr. Johnson described and explained Resolution 19-07, which provides up to \$10,000,000 for eligible facility costs. The Resolution is not a commitment to lend, but rather is an "Inducement Resolution" to evidence the Authority's official intent to issue private activity bonds.

Member Rogers called for question of adoption of Resolution 19-07. The Resolution passed unanimously.

## **GENERAL ADMINISTRATIVE**

### Financials

Mr. Gill presented the Budget-v-Actual results and the Reserve Balances. Mr. Gunstream presented the Revenue Graph and Mr. Lutter discussed Staff Approved Loans and Grants.

## **DISCUSSION TOPICS**

### Strategic Planning

Jim Kerins, Managing Consultant for CMS reviewed the strategic planning document with the Board. The Board reviewed the document and made specific edit requests.

### NAHEFFA

The September NAHEFFA conference in Portland, ME was discussed. Travel for conferences in general was also discussed.

## MISCELLANEOUS

### Anticipated Financings and Related Matters

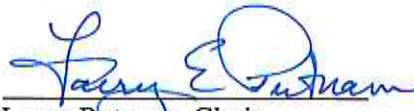
Mr. Gill discussed potential financings for the upcoming year and the anticipated dates of those financings.

## BOARD MEETING CALENDAR

BOARD MEETINGS	CONVENTIONS
October 22, 2019, Billings	September 23, 2019 NAHEFFA, Portland, ME
December 10, 2019, Helena	September 18-20, 2019 MHA, Billings, MT
	November 14-15, 2019 BLX, Austin, TX

## ADJOURN

Chair Putnam adjourned the meeting at 12:15 P.M.

APPROVE:   
Larry Putnam, Chair

ATTEST:   
Adam Gill, Executive Director

APPROVAL DATE: 10/23/19