

MONTANA FACILITY FINANCE AUTHORITY
Board Meeting

Shodair Children's Hospital
2755 Colonial Drive, Helena, MT 59601

October 18, 2022

“Enhance Montana healthcare and community capabilities through access to cost-effective capital financing and development services.”



MONTANA FACILITY FINANCE AUTHORITY

Board Meeting

**Shodair Children's Hospital
2755 Colonial Dr, Helena, MT 59601
October 18, 2022**

MEETING AGENDA

- 10:00** **I. CALL TO ORDER**
 A. Roll Call
 B. Approval of Meeting Minutes (8/16)
- II. PUBLIC COMMENT** on Board Related Items
- III. GENERAL ADMINISTRATIVE**
A. Financials
 1. Budget -v- Actual
 2. Reserve Balances
 3. Staff Approved Loans & Grants
 4. Revenue Chart
B. Legislative Update
C. Executive Director Development
D. Miscellaneous
 1. Outreach & Marketing Report
 2. Anticipated Financings
- V. CALENDAR**
- 11:45** **DISMISS**

***** Tour of the new Shodair Children's Hospital to follow the meeting ******

ZOOM INSTRUCTIONS

<https://mt-gov.zoom.us/j/4064440259?pwd=Q3hESVo0d0NpTEk1bHA2eXVHdTRsdz09>

Meeting ID: 406 444 0259

Password: 845632

OR

Dial by Telephone: +1 (406) 444-9999

Meeting ID: 406 444 0259

Password: 845632

MONTANA FACILITY FINANCE AUTHORITY
Board Meeting (Conference Call)
August 16, 2022
11:00 A.M.

MINUTES

BOARD MEMBERS

PRESENT:

Vu Pham (via phone)
Paul Komlosi
Matt Thiel
Kim Rickard
Mel Reinhardt (via phone)
John Iverson

BOARD MEMBERS

ABSENT:

Jade Goroski

STAFF PRESENT:

Adam Gill, Executive Director
Seth Lutter, Associate Director

GUESTS:

Nathan Bilyeu, Authority Counsel – Jackson, Murdo & Grant
Lennette Kosovich, CEO – Rimrock Foundation
Burke Kufeld, CFO – Rimrock Foundation
Erin McCrady, Bond Counsel – Dorsey & Whitney (via phone)
John Henningsgard, Managing Director – Piper Sandler & Co. (via phone)
Jacob Roth, C-PACE Manager – Dividend Finance (via phone)

BOARD MEETING

CALL TO ORDER

Board Chair Vu Pham called the August 16, 2022, board meeting of the Montana Facility Finance Authority (the “Authority”) to order at 11:00 A.M. The meeting convened with all but one member of the Board present. Board Chair Pham disclosed a potential conflict of interest on the financing before the Rimrock presentation.

Minutes

Board Member Matt Thiel motioned to approve the June 7, 2022, board meeting minutes. Board Member Mel Reinhardt 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:

Rimrock Foundation

Mr. Gill introduced Lennette Kosovich, CEO – Rimrock Foundation, Burke Kufeld, CFO – Rimrock Foundation, Erin McCrady, Bond Counsel – Dorsey & Whitney (via phone), and John Henningsgard, Managing Director – Piper Sandler & Co. (via phone). Board Chair Pham requested a motion for approval of the financing resolution. Member Thiel motioned for approval of the financing Resolution 22-04. Member Rickard seconded the motioned. Mr. Gill described the project which is a stand-alone bond issuance to finance the construction of a new centralized campus in Billings.

Ms. Kosovich described the project, market, and scope of the project and Mr. Kufeld described the financials and payor mix. John Henningsgard described the financing structure of the project and Erin McCrady described Resolution 22-04. At the conclusion of discussion, Board Chair Pham called for the vote on the motion, which passed unanimously.

GENERAL ADMINISTRATIVE

C-PACE Update

Jacob Roth, C-PACE Manager – Dividend Finance presented a current C-PACE update including market expectations for the future.

Financials

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

Anticipated Financings

Mr. Gill presented the anticipated financings including C-PACE financings and potential C-PACE county districts.

BOARD MEETING CALENDAR

BOARD MEETINGS
October 18, 2022
December 12-13, 2022

ADJOURN

Chair Pham adjourned the meeting at 1:00 P.M.

APPROVE: _____
Vu Pham, Chair

ATTEST: _____
Adam Gill, Executive Director

APPROVAL DATE: _____

Montana Facility Finance Authority
Budget v. Actual Expenses
09/30/22
25% Expended

Legislative Budget	Category	Year to Date		
		Budget	Actual	\$ Variance % Variance
\$799,694	A) INCOME	\$200,781	229,225	28,444 14%
120,000	Application Fees	30,000	37,444	7,444 25%
554,694	Annual Fees	139,531	155,023	15,492 11%
125,000	Investment Income	31,250	36,757	5,507 18%
\$399,024	B) PERSONAL SERVICES EXPENSE	\$99,756	77,163	(22,593) -23%
392,024	Salaries & benefits	98,006	76,513	(21,493)
7,000	Board Per Diem	1,750	650	(1,100)
\$376,282	C) OPERATING EXPENSES**	\$69,306	44,841	(24,466) -35%
94,462	Contracted & Other Services	23,615	7,302	(16,313) -69%
	Misc. Other Services		4,746	
	Legal Services		2,494	
	Legislative Audit		0	
	ITSD		62	
15,072	Supplies/Materials/Equipment	3,768	305	(3,463) -92%
7,587	Communications	1,897	269	(1,627) -86%
24,344	Travel	6,086	6,999	913 15%
4,789	Equipment Lease	1,197	139	(1,058) -88%
	Building Lease	7,264	6,997	(267) -4%
156	Repairs & Maintenance	39	59	20 50%
95,816	Miscellaneous	23,954	22,771	(1,183) -5%
	Commerce Department Services		11,391	
	Administration (statewide) Indirect Costs		3,016	
	Education		4,350	
	Other Miscellaneous		4,014	
35,000	BOI Administrative Support**	8,750	0	(8,750) -100%
\$24,388	REVENUES IN EXCESS OF EXPENSES (A-B-C)	31,719	107,221	75,502 238%
150,000	Grants-Obligated/Paid	25,000	0	
(\$125,612)	Current Year Increase in Net Assets		107,221	
	INCREASE (DECREASE) IN NET ASSETS		107,221	

* Income presented on CASH basis. GAAP accrual accounting would reflect approximately \$4,634 less income annually, or < 0.8%

RESERVE BALANCES AS OF OCTOBER 3, 2022

A/E 06015	Operating Account Summary	Current Balance	Policy Guideline
	Total Fund Balance Available Net Capital Reserve "B" Balance	4,055,700	
	Less: Working Capital Reserve Requirement	1,448,686	1,297,656 (a)
	Available for Restricted Capital Reserve "A"	2,607,014	11,583,840 (b)
	Transferred to Capital reserve "B" Fund Balance	(800,000)	
	Fund Balance: Sub-Total	3,255,700	12,881,496
A/E 06015	Trust Fund Loan Pool		
	RC 710300, Accounts 521190	15,642	
	Plus: Prior Year End Capital Reserve "B" Fund Balance Sub Total	368,549	
	Transferred from Capital Reserve "A" Fund Balance	800,000	
	Capital Reserve "B" Fund Balance	1,184,191	1,265,668 (d)
A/E 06012	Direct Loan Program		
	Current Program Fund Balance	4,932,112	
	Less: Outstanding Loan Balance	2,991,747	
	Funds Available to Loan from Direct Loan Program	1,940,365	
	Fund Balance: Sub-Total	4,932,112	4,932,112 (c)
	Total Projected Fund Balance	9,372,003	19,079,276

Notes:

Policy Guidelines - Minimum Funding Requirements

(a) Twice the current Fiscal Year annual budget.	648,828
(b) 10% of the outstanding BOI enhanced bond balance as of 7/1/22	115,838,401
(c) \$4,905,556 as of 7/1/22 plus YTD loan payments, account investment earnings.	4,905,556
(d) 10% of the Trust Fund Loan Pool Balance as of 7/1/22	12,656,678

MONTANA FACILITY FINANCE AUTHORITY

Staff Approved Loans

8/1/2022-9/30/2022

Submitted Applications

Borrower

<u>Location</u>	<u>Date Submitted</u>	<u>Term</u>	<u>Interest</u>	<u>Amount</u>	<u>Project</u>
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Total Pending Direct Loans:

\$ -

Approved Applications

Borrower

<u>Location</u>	<u>Date Approved</u>	<u>Term</u>	<u>Interest</u>	<u>Amount</u>	<u>Project</u>
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Central Montana Medical Center

Lewistown

06/07/22

8

2.15%

\$ 375,000

MRI Machine

Big Sandy Medical Center

Big Sandy

10/03/22

5

3.35%

\$ 85,000

Land and mobile home purchase

Total Approved Direct Loans:

\$ 375,000

Funds Available Under

Direct Loan Program:

Loan Fund: (9/30/2022)

4,932,112

Total Outstanding Loans: (9/30/2022)

2,991,747

Approved Applications from above:

(375,000)

Total Available to Loan at 9/30/2022

\$ 1,565,365

Funded Applications from 7/1/22:

Borrower

<u>Location</u>	<u>Date Funded</u>	<u>Term</u>	<u>Interest</u>	<u>Amount</u>	<u>Project</u>
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Central Montana Medical Center

Lewistown

07/15/22

8

2.15%

\$ 375,000

Refinance TFL & DL

Total Loans Funded since 7/1/22

\$ 375,000

MONTANA FACILITY FINANCE AUTHORITY

Staff Approved Grants

8/1/2022-9/30/2022

Commitments Pending

<u>Facility</u>	<u>Location</u>	<u>Date Submitted</u>	<u>Date Approved</u>	<u>Date Paid</u>	<u>Amount</u>	<u>Project</u>	<u>Program</u>
Roosevelt Medical Center	Culbertson	09/02/22	9/2/2022		\$ 25,000	Scope of service review	MCAP
Total Pending Grants:					<u>\$ 25,000</u>		

Grants Paid since 7/1/2022

<u>Grantee</u>	<u>Location</u>	<u>Date</u>	<u>Approved</u>	<u>Paid</u>	<u>Amount</u>	<u>Project</u>	<u>Program</u>
Total Grants:					<u>\$ -</u>		

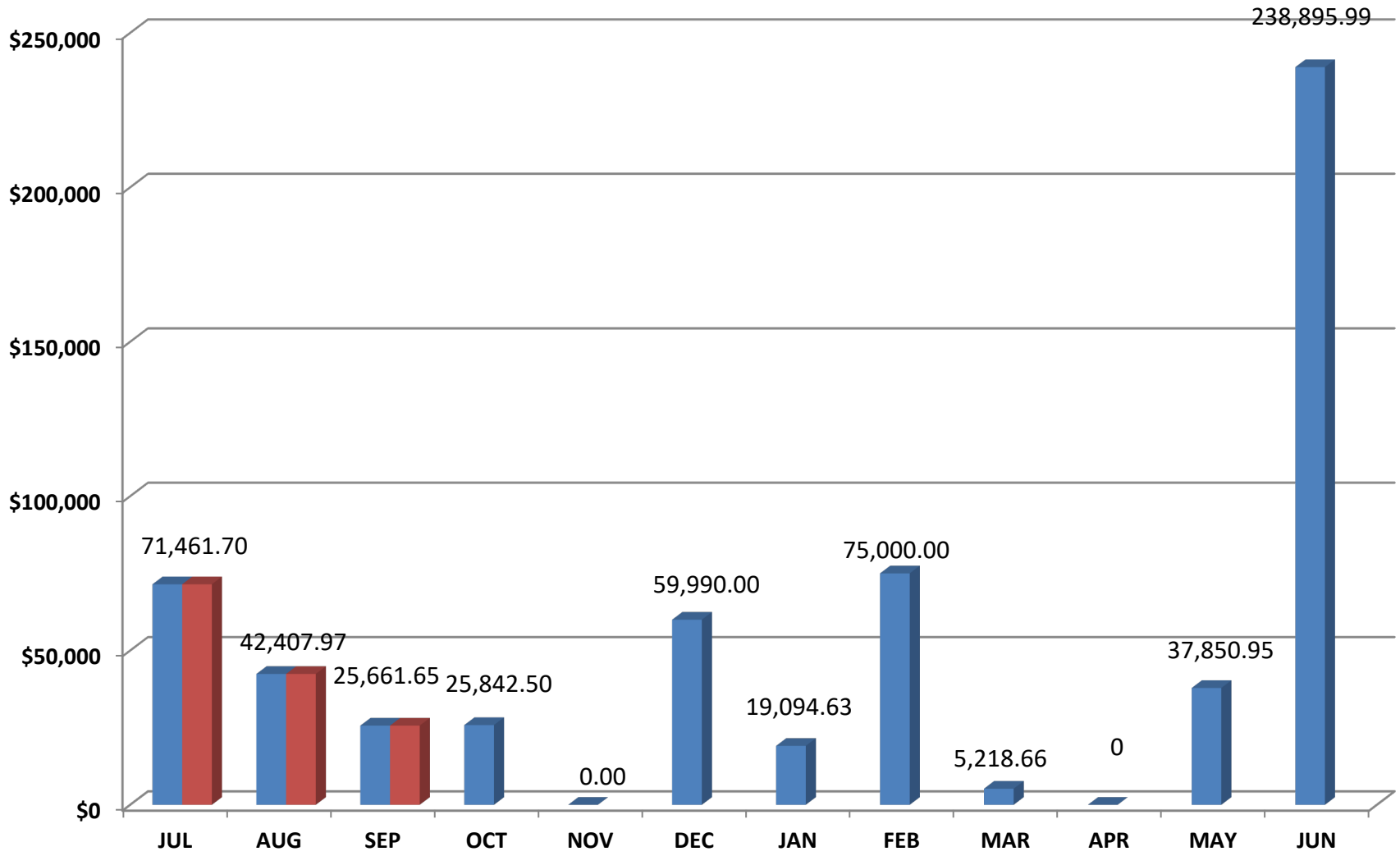
FY 2023 Annual Service Fees

As of October 3, 2022

Annual Projected: \$601,424

YTD Projected: \$139,531

YTD Collected: \$139,531



2022

OCTOBER

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	Board Mtg	19	20	21	22
23/30	24/31	25	26	27	28	29

NOVEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	Board Mtg	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

2023

JANUARY

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	28	28	29

MAY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

AUGUST

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SEPTEMBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

HOLIDAYS AND OBSERVANCES

1-Jan **New Year's Day**
16-Jan **MLK Day**
20-Feb **Presidents' Day**
29-May **Memorial Day**

4-Jul **Independence Day**
4-Sep **Labor Day**
11-Oct **Columbus Day**
11-Nov **Veterans Day Ob.**

24-Nov **Thanksgiving Day**
26-Dec **Christmas Day Ob.**

CONFERENCES

Oct 19-21, 2022 **HFMA, Billings**
Nov 14-16, 2022 **MEDA, Great Falls**

Nov 2-4, 2022 **CDFA, Denver, CO**
Apr 16-18, 2023 **NAHEFFA, Washington DC**