

MICHIGAN FINANCE AUTHORITY
BOARD MEETING MINUTES
September 12, 2017

A meeting of the Michigan Finance Authority ("MFA" or the "Authority") was held on September 12, 2017, at 10:00 a.m. in the Richard H. Austin Building, 1st Floor, State Treasurers' Board Room, 430 West Allegan Street, Lansing, Michigan.

MEMBERS PRESENT: Eric Scorsone, Chair, proxy for State Treasurer
Charlotte Edwards
Don Gilmer
Tim Hoffman
Travis Jones

MEMBERS ABSENT: Bill Beekman
JulieAnn Karkosak

CALL TO ORDER/ROLL CALL

Eric Scorsone, Chair, called the meeting of the Michigan Finance Authority to order at 10:00 a.m. with Eric Scorsone, Charlotte Edwards, Don Gilmer, Tim Hoffman, and Travis Jones in attendance. Mr. Scorsone noted that a quorum was present.

PUBLIC COMMENT

Eric Scorsone asked if there were any members of the audience who would like to speak. There were none.

REVIEW OF AGENDA

Mary Martin, Bureau of State and Authority Finance, provided an overview of items on the agenda.

APPROVAL OF MINUTES

Eric Scorsone asked if there were any corrections, comments, or additions to the minutes as presented dated July 11, 2017. A motion was made by Tim Hoffman and supported by Charlotte Edwards to approve the minutes. A voice vote was taken and the motion passed unanimously.

RESOLUTION 2017-12

**RESOLUTION TO AUTHORIZE THE ISSUANCE OF ONE OR MORE
SERIES OF MICHIGAN FINANCE AUTHORITY HOSPITAL REVENUE AND
REFUNDING BONDS (SPARROW OBLIGATED GROUP), SERIES 2017**

David Boyne, Bureau of State and Authority Finance, discussed the financing and use of proceeds in the amount of not to exceed \$110 million which will be used to provide approximately \$30 million of new money to finance a portion of the costs related to the construction and equipping of the Herbert-Herman Cancer Center in Lansing and a variety of projects at Sparrow Hospital in Lansing. Mr. Boyne further indicated that approximately \$80 million of the proceeds will be used to refund the Michigan State Hospital Finance Authority Hospital Revenue and Refunding Bonds, Series 2007 bonds, prepay the Michigan State Hospital Finance Authority Healthcare Equipment Loan for Sparrow Carson Hospital, and pay cost of issuance of the bonds.

Paula Reichle, Sparrow Health System, expressed appreciation to the Authority for supporting Sparrow Health System and the replacement of a 30-year old cancer center. Tim Hoffman further expressed appreciation for the cancer center upgrade in Lansing.

Travis Jones inquired whether it would be a fixed or variable interest rate financing. Ms. Reichle indicated the financing would be a combination fixed and variable interest rate.

Lisa Hagan, Hawkins Delafield & Wood, presented the resolution and indicated it is in similar format of healthcare resolutions the board has approved in the past.

William Pettit, Esq., Attorney General's Office, commented that the resolution was in order and in substantially final form for the board's consideration.

Eric Scorsone asked if there were any questions, comments, or additions to the resolution. Hearing none, he then requested a motion. Tim Hoffman made a motion to approve the resolution supported by Travis Jones. A roll call vote was taken and the following members voted affirmatively: Eric Scorsone, Charlotte Edwards, Don Gilmer, Tim Hoffman, and Travis Jones.

RESOLUTION 2017-13

**RESOLUTION TO AUTHORIZE THE ISSUANCE OF
MICHIGAN FINANCE AUTHORITY EDUCATION
FACILITIES LIMITED OBLIGATION REVENUE BONDS
(DETROIT COUNTRY DAY SCHOOL PROJECT), SERIES 2017**

David Boyne discussed the financing and the use of proceeds in the amount of not to exceed \$10 million which will be used to finance the costs for construction, renovation, and furnishing the existing middle school.

Patricia Brand, Detroit Country Day School, discussed the history of the Pre-K through 12 independent private school which was established in 1914 and currently has an enrollment of approximately 1,526 students. Additionally, Ms. Brand indicated the mission of the school is academics, arts, and athletics with 99% of the students furthering their education and pursuing college. Ms. Brand discussed the use of proceeds for construction at the middle school and indicated the project would allow for a 48,000 square foot building expansion and enhancement of the STEAM curriculum though the consolidation of buildings in the future.

Thomas Colis, Miller Canfield, presented the resolution stating that there is a single indenture and loan agreement document and no separate trust indenture.

Alan Lambert, Esq., Attorney General's Office, commented that the resolution was in order for the board's consideration.

Eric Scorsone asked if there were any questions, comments, or additions to the resolution. Hearing none, he then requested a motion. Charlotte Edwards made a motion to approve the resolution supported by Don Gilmer. A roll call vote was taken and the following members voted affirmatively: Eric Scorsone, Charlotte Edwards, Don Gilmer, Tim Hoffman, and Travis Jones.

RESOLUTION 2017-14

RESOLUTION TO AUTHORIZE THE ISSUANCE OF MICHIGAN FINANCE AUTHORITY EDUCATION FACILITIES LIMITED OBLIGATION REVENUE BONDS (RUDOLF STEINER SCHOOL OF ANN ARBOR PROJECT), SERIES 2017

Patrick Price, Bureau of State and Authority Finance, discussed the financing and use of proceeds in the amount of not to exceed \$4.5 million which will be used to finance the costs for improvements to the instructional facilities at the lower school and finance costs for improvements to the instructional facilities at the high school, including new classrooms, athletic facilities, and performance center.

Sian Owen-Cruise, Rudolf Steiner School of Ann Arbor, further discussed the independent non-profit private school founded in 1980 which currently has an enrollment of 350 students in grades Pre-K through 12 which takes an international approach to educating the students.

Thomas Colis presented the resolution stating that there is a single indenture and loan agreement document and no separate trust indenture.

Alan Lambert, Esq., commented that the resolution was in order for the board's consideration.

Eric Scorsone asked if there were any questions, comments, or additions to the resolution. Hearing none, he then requested a motion. Don Gilmer made a motion to approve the resolution supported by Charlotte Edwards. A roll call vote was taken and the following members voted affirmatively: Eric Scorsone, Charlotte Edwards, Don Gilmer, Tim Hoffman, and Travis Jones.

ADMINISTRATIVE MATTERS

John Barton provided a summary of bond issues that have been completed and upcoming projects.

Next Meeting

The next meeting scheduled for Tuesday, October 10, 2017, at 10:00 a.m. is cancelled and will be rescheduled.

ADJOURNMENT

Tim Hoffman made a motion for adjournment supported by Charlotte Edwards. The meeting was adjourned at 10:30 a.m.

APPROVED at the MFA Board Meeting on November 7, 2017