

**MICHIGAN FINANCE AUTHORITY**  
**BOARD MEETING MINUTES**  
**June 16, 2020**

A meeting of the Michigan Finance Authority (“MFA” or the “Authority”) was held on June 16, 2020 electronically by Microsoft Teams and telephonic conference due to COVID-19 health concerns and in accordance with Executive Order No. 2020-75.

**MEMBERS PRESENT:** Rachael Eubanks, Chair  
Bill Beekman  
Luke Forrest  
Timothy Hoffman  
Travis Jones  
Murray D. Wikol

**MEMBERS ABSENT:** Anna Heaton

**CALL TO ORDER/ROLL CALL**

Rachael Eubanks, Chair, called the meeting of the Michigan Finance Authority to order at 10:01 a.m. with Rachael Eubanks, Bill Beekman, Luke Forrest, Timothy Hoffman, Travis Jones and Murray D. Wikol in attendance. Ms. Eubanks noted that a quorum was present.

**PUBLIC COMMENT**

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

**APPROVAL OF MINUTES**

Rachael Eubanks asked if there were any corrections, comments, or additions to the minutes as presented dated May 27, 2020. A motion was made by Timothy Hoffman and supported by Bill Beekman to approve the minutes. A voice vote was taken and the motion passed unanimously.

**RESOLUTION 2020-12**

**RESOLUTION TO AUTHORIZE THE ISSUANCE OF THE  
MICHIGAN FINANCE AUTHORITY  
HOSPITAL REVENUE BONDS  
(MEMORIAL HEALTHCARE), SERIES 2020A**

Patrick Price, Bureau of State and Authority Finance, discussed the financing and use of proceeds in the amount not to exceed \$10 million and indicated proceeds will be used to finance the acquisition and installation of Meditech Expanse medical records system computer hardware and software, portable x-ray machines, vaccine storage units, a navigation system for image guided surgery and to pay cost of issuance of the bonds.

Colleen Koppenhaver, Memorial Healthcare, further discussed the Meditech Expanse medical records system indicating it will provide one platform for the hospital and physician practices, serve as the revenue and billing system, financial system and medical records system for the entire organization.

Kester So, Dickinson Wright, presented and discussed the resolution and indicated it was in the appropriate form for the board's consideration.

Rachael Eubanks asked if there were any questions, comments, or additions to the resolution. Hearing none, she then requested a motion. Timothy Hoffman made a motion to approve the resolution supported by Bill Beekman. A roll call vote was taken and the following members voted affirmatively: Rachael Eubanks, Bill Beekman, Luke Forrest, Timothy Hoffman, Travis Jones, and Murray D. Wikol.

**RESOLUTION 2020-13**

**RESOLUTION TO AUTHORIZE THE ISSUANCE OF THE  
MICHIGAN FINANCE AUTHORITY  
PUBLIC SCHOOL ACADEMY  
LIMITED OBLIGATION REVENUE REFUNDING BONDS  
(BRADFORD ACADEMY PROJECT), SERIES 2020**

David Boyne, Bureau of State and Authority Finance, discussed the financing and use of proceeds in the amount not to exceed \$19.5 million. Mr. Boyne indicated proceeds from the 2020 restructuring bonds will fund escrow accounts to fully payoff the unknown holders of the 2007 and 2009 bonds and restructure the existing debt into three term bonds. Annual debt service is expected to be reduced to approximately \$1.25 million which will allow the Academy to achieve compliance with the 20% limitation on its foundation allowance for facility costs.

Joe Urban, Clark Hill, discussed working with bond holders and the Authority on a structure that is acceptable for the State regarding debt service.

Adam Holcomb, Choice Schools – Bradford Academy, further discussed their work with bond holders on a financial and operational analysis to stabilize the academy financially both monetary and budgetary.

Paula Permenter, Choice Advisors, discussed negotiating with current bond holders on new bonds with coupons between 4.3% and 5% for a \$1.1 million savings in annual debt service and \$5 million write-down by the institutional holders with the restructuring.

Mr. Hoffman inquired on what is done differently at the school today. Mr. Holcomb responded the Academy is redirecting funds to their academic programs and the proposed restructuring allows them to continue to do so.

Ann Fillingham, Dykema Gossett, presented and discussed the resolution and indicated it was ready for the board’s consideration.

Mr. Jones inquired if the \$1 million grant transaction is costing the State or the Authority money. Ms. Fillingham responded the Authority reserves came from the Michigan legislative appropriated dollars and a U.S. federal grant and there is no new money from the Authority going into the reserves for this transaction.

William Pettit, Attorney General’s Office, commented that the resolution is ready for the board’s consideration and approval.

Rachael Eubanks asked if there were any questions, comments, or additions to the resolution. Hearing none, she then requested a motion. Timothy Hoffman made a motion to approve the resolution supported by Travis Jones. A roll call vote was taken and the following members voted affirmatively: Rachael Eubanks, Bill Beekman, Luke Forrest, Timothy Hoffman, Travis Jones, and Murray D. Wikol.

### **RESOLUTION 2020-14**

#### **REAUTHORIZATION OF AND AMENDMENT TO RESOLUTION AUTHORIZING THE ISSUANCE OF THE MICHIGAN FINANCE AUTHORITY PUBLIC SCHOOL ACADEMY LIMITED OBLIGATION REVENUE AND REFUNDING BONDS (LANDMARK ACADEMY PROJECT), SERIES 2020**

Graham Davidson, Bureau of State and Authority Finance, discussed the refinancing transaction for Landmark Academy. Mr. Davidson indicated that due to market interruptions, Landmark Academy was unable to execute the transaction prior to the resolution lapse of May 31, 2020. The amendment establishes a new lapse date of September 30, 2020.

Ms. Eubanks inquired what the present value savings for the academy will be. Mr. Davidson responded the expected present value savings is \$1 million. Mr. Barton also responded the Academy expected approximately \$2.0 million or 17% in savings originally and the current expectation is \$1 million or 7%.

William Pettit, Attorney General's Office, commented that the resolution is ready for the board's consideration and approval.

Rachael Eubanks asked if there were any questions, comments, or additions to the resolution. Hearing none, she then requested a motion. Bill Beekman made a motion to approve the resolution supported by Murray D. Wikol. A roll call vote was taken and the following members voted affirmatively: Rachael Eubanks, Bill Beekman, Luke Forrest, Timothy Hoffman, Travis Jones, and Murray D. Wikol.

### **ADMINISTRATIVE MATTERS**

#### **Next Meeting**

The next meeting date is scheduled for July 8, 2020, at 10:00 a.m.

### **ADJOURNMENT**

Timothy Hoffman made a motion for adjournment supported by Bill Beekman. The meeting was adjourned at 10:45 a.m.