

**MINUTES OF CORPORATION MEETING**

**April 16, 2015**

**Hotel Monaco**

**Alexandria, VA**

President Michael Stanard called the meeting to order on Thursday, April 16, 2015, at 9:02 AM EDT.

**1. Roll Call of Members**

Secretary Rebecca Floyd called the roll of the following voting members in attendance as follows:

AZ Health Facilities Authority: X	MT Facility Finance: X
CO Health Facilities Authority: X	Pennsylvania Higher Ed Facilities Authority: X
CO Educational & Cultural Facilities Authority X	Rhode Island Health & Ed Building Corp: X
CT Health & Ed Facilities Authority X	South Carolina Jobs-Eco Develop Authority
	South Dakota Health & Ed Facilities Authority: X
	Vermont Ed & Health Buildings Financing Agency: X
Escambia Co, FL Health Facilities Authority: X	WA Higher Ed Facilities Authority: X
	WA Health Care Facilities Authority: X
	Wisconsin Health & Ed Facilities Authority: X
ID Health Facilities Authority: X	
IL Finance Authority: X	
IA Higher Ed Loan Authority: X	
KS Dev Finance Authority: X	
KS Independent College Finance Authority: X	
LA Public Facilities Authority: X	
Health Ed Authority LA: X	
MO Health & Ed Facilities: X	

President Stanard confirmed the quorum, (22 members of 40) and asked if there were any changes or additions to the minutes of the Corporation Meeting of September 11, 2014. With no comments, the minutes were unanimously approved.

**2. Advocacy Committee Report**

Mike Stanard reported that after 30 years of service, Bob Donovan was stepping down as Chair of the Advocacy Committee and that Martin Walke from Louisiana Public Facilities Authority had agreed to take over as Chair. Mike thanked Bob for his years of service. Members applauded Bob in appreciation.

Chuck Samuels also acknowledged Bob for his incredible commitment of time and services both as Chair of the Advocacy Committee and for his assistance with regulatory issues. Chuck noted that Martin will step seamlessly into the position as he has also been significantly engaged with these matters.

Chuck advised members to watch tax reform initiatives carefully, as this was still a subject garnering significant attention in Washington. He noted that the MSRB issued the final Municipal Advisor rules on April 15, but that there are still opportunities to comment to the SEC and MSRB.

He also advised that the SEC is working on MCDC settlements and that it is probable that the SEC will use the MCDC findings to argue for increased direct regulatory authority over the municipal market.

### **3. Committee & Membership Report**

Mike informed the group that the Kansas Independent Colleges Finance Authority (“KICKFA”) had submitted an application for membership which was approved by the Board of Directors at their meeting earlier this morning. Members welcomed KICKFA as a NAHEFFA member.

### **4. Website and Branding**

Mike said that Nichole is still working on NAHEFFA branding and website design, and to watch for website changes post-conference.

Mike also let members know that long-time conference coordinator Doug Mitchell passed away two months ago, and noted Doug’s years of service to the organization.

### **5. Conference Committee**

Corinne Johnson reminded everyone that the fall conference would be held in Seattle, WA, and reminded members to please fill out the evaluation sheets and include suggestions for topics or other ideas.

### **6. Sponsorship Committee**

Shannon Govia reported that sponsorship and sponsorship revenue was slightly down for the Alexandria meeting, but that he was optimistic about sponsorship. Shannon thanked Ballard Spahr and Dinsmore Shohl for sponsoring the Welcome Reception on Tuesday evening. Shannon encouraged members to continue to reach out to potential sponsors.

Mike noted that Shannon would be stepping into the Chair of the Sponsorship Committee as Donna Murr was stepping out to focus time and attention to her role as Vice President and eventual President of NAHEFFA.

**7. Governance Committee**

Julie Arvo Mackenzie reported that she had been reaching out to members to identify individuals willing to serve on committees, and reported that the four incumbents on the Governing Committee (Paula Drummond, Corinne Johnson, Harry Huntley and Dennis Reilly) had agreed to continue serving.

Julie reminded members that all the committees are always looking for members.

**8. Strategic Implementation**

Maribeth Wright informed members that her committee had met to discuss strategic initiatives and were continuing to work with Nichole on branding and the website redesign. Maribeth also noted that they were working to develop spreadsheet tools for the website.

**9. Finance Committee/Treasurer's Report**

Steve Corbin delivered the report in Don's absence, advising members that the 2014 Audit had been presented to the Board of Directors and approved by them in January, 2015. Steve noted that the Audit contained one Significant Deficiency finding relating to the fact that too few people (Don, Steve and Dustin) handle all aspects of corporation financial transactions: receiving, reviewing, and depositing checks/writing checks. Steve acknowledged the Deficiency, but noted it was an inescapable problem given the small number of individuals willing to handle these responsibilities.

Mike asked for a motion to accept the 2014 Audit, and following a motion and second, the Audit was accepted without further discussion.

Steve then provided an overview of the Corporation finances, noting that the Finance Committee was continuing a conservative laddered CD investment strategy; that, as Shannon noted, sponsorship income was down slightly; that most payments and dues for FY 2015 had been received; and that the Committee was anticipating net income of approximately \$30,000. Steve and Dustin then responded to a few questions from members.

Dennis Reilly asked what the attendance numbers were for the Alexandria conference. Nichole responded that Alexandria registration totaled 80 individuals as compared to 110 for Big Sky.

Mike asked if there were any additional questions for Steve or Dustin. Hearing none, he called for a motion and a second; without further discussion members unanimously approved the Financial Report.

**10. Governance Committee: Board of Directors Slate**

Mike announced the proposed Board of Directors slate, to include the following members: Paula Drummond, Harry Huntley, Corinne Johnson and Dennis Reilly.

After a motion and second to approve the slate, without discussion, members unanimously approved the entire slate.

#### **11. Other Business**

Mike introduced the topic of taxable authority bonds, advising the group that MOHEFA has decided to waive fees on taxable bonds in order to remain engaged with certain borrowers who are electing to do some taxable transactions, and would likely not choose to utilize MOHEFA if additional fees were imposed in order for MOHEFA to facilitate the transaction as issuer. Mike noted the borrower in question pays fees comprising 17% of MOHEFA's revenues. He also said MOHEFA did not intend to waive fees for tax-exempt transactions.

He asked if other members had thoughts on this subject.

Corinne said COHFA has had a large borrower go to market with a large taxable deal, and couldn't identify what value COHFA would add to the transaction. She noted that they had discussed concerns relating to something going wrong with the transaction, and having no fee income to address the problems.

Harry Huntley shared that his Authority had facilitated some taxable transactions, but had not explored waiving or reducing fees.

Rebecca Floyd noted that KDFA facilitated both taxable and tax-exempt transactions, including a few completely taxable transactions for some private entities. She noted that while risk exposure was eliminated for purposes of tax-exempt bond compliance, the disclosure liability risks remained, and that KDFA might reduce fees for a taxable transaction, but so far had not considered eliminating fees completely. She also noted that the issuer is still often the primary contact for post-issuance queries, and the ongoing administrative engagement could warrant fee income.

Others shared thoughts and agreed that this topic was likely to continue to develop.

#### **12. Adjournment**

President Stanard asked if there was anything else for the body to discuss, and hearing nothing further, asked for a motion to adjourn the meeting. Martin Walke moved adjournment and Dennis Reilly seconded. Without further discussion the group voted unanimously to adjourn at 9:50 AM EDST.