

MINUTES OF BOARD OF DIRECTORS MEETING

Magnolia Hotel

Denver, Colorado

Thursday, September 13, 2018

Board President Harry Huntley called the conference call meeting to order on Thursday, September 13, 2018 at 8:21 MDST.

Directors present: Corinne Johnson, Vice President Dennis Reilly, Treasurer Don Templeton, Barry Fick, Carol Johnson, Ronald Washington and Secretary Rebecca Floyd. NAHEFFA counsel, Chuck Samuels was present for a portion of the meeting. Past President Donna Murr was unable to attend.

Members discussed the following items:

1. Approval of Minutes of the Board of Director Meeting

Harry asked for a motion to approve the meeting minutes from the May 10, 2018 spring conference Board meeting. Dennis moved approval, Don seconded, and without further discussion, the May minutes were unanimously approved.

2. Treasurer's Report

Don provided a brief overview of NAHEFFA's financials, noting that the balance sheet of mostly cash and investments results in total assets of \$574,956.35. He said the income statement looks pretty good, and is ahead of budget projections by almost \$31,000, even after pre-payment of some expenses for the spring 2019 conference in Austin. He reminded the group that he had budgeted conservatively for a \$9,000 loss, but now believes the Corporation will have a positive net revenue year very close to 2017.

Dennis inquired about non-payment of dues by certain entities, and Don confirmed there are still some non-payments, and that he does expect to receive some additional dues as indicated on the chart. Dennis observed that the Health Facilities of Authority of Louisiana no longer exists and Chuck said it would be nice to have some engagement from Florida, North Carolina and Texas. Harry said he will continue to make overtures to potential members. Corinne said that they plan to invite some of the large Texas county issuers to the Austin conference.

Some discussion ensued regarding membership past and present, and Harry asked for a 10-year retrospective of membership. Don said he believed they could generate such a report.

Don concluded by stating that the Denver conference bottom line would be positive, and Corinne agreed, saying she believes registration is over 100.

Miscellaneous Business

Economic Impact Study:

Dennis advised that the last NAHEFFA Economic Impact Study was performed five years ago. Corinne asked whether a future study could include additional data about economic benefits in addition to construction jobs, noting that the prior study placed much of the emphasis on construction jobs. She noted that other economic benefits such as jobs retained, additional employment created, ancillary and related development is also very significant information. Dennis said his recollection was that construction was characterized as direct impact, and indirect impacts involved materials, economic impact, non-construction jobs and so forth. He advised that IHS performed the study and that NAHEFFA paid \$35,000 for the national study and \$10,000 for individual states. Carol Johnson informed the group that Washington Higher Ed pays \$1,000 to \$1500 annually now for addendums to their initial study. Chuck agreed to try and negotiate a lower initial price for individual state studies.

Chuck then left the meeting so directors could discuss the Operations Director and Mintz Levin contracts.

Operations Director Contract

Directors agreed that that Nichole's last increase was in 2016, and that no bonus was paid in 2017. Dennis confirmed that she is being paid \$38,000 for providing an average of 20 hours a week of work. Directors agreed that Nichole is doing very good work for the Corporation and deserved a compensation increase of \$2,000, taking her pay to \$40,000 a year. Don moved to increase her independent contractor base compensation to \$40,000 a year and Ronald seconded the motion, which passed unanimously.

Mintz Levin Contract

Harry advised that Chuck is seeking another increase in his retainer, and that his time sheets do continue to reflect a significant level of pro bono work and hours. He would like to be paid \$10,000 a month which would effectively result in a reversion to the level he was paid a number of years ago, before he agreed to a reduction in his monthly retainer.

The group agreed that Chuck provides excellent work, guidance and counsel to NAHEFFA, and acknowledged that the pro bono work is significant. Members did not want to adjust the budget mid-cycle, however, so agreed to revisit the issue during development of the next budget in the spring.

Harry asked if anyone had any additional business for the Board, and hearing no requests, adjourned the meeting at 10:03 a.m. MDST

Rebecca E. Floyd

Secretary