

MINUTES OF BOARD OF DIRECTORS MEETING

By Teleconference

January 27, 2016

President Mike Stanard called the meeting to order on Wednesday, January 27, 2016 at 10:32 AM CST.

Board Members present: Mike Stanard, Dennis Reilly, Don Templeton, Paula Drummond, Harry Huntley, Donna Murr, and Rebecca Floyd. Corinne Johnson joined the call at 10:35, and Board Member Pam Lenane joined the call at 10:53

The following items were discussed:

1. Approval of Minutes of the Seattle, WA Meeting of September 17, 2015

Mike asked for a motion to approve the Seattle Board of Directors meeting minutes. Don moved to approve the minutes as amended to include Seattle in the caption, Donna Murr seconded, and without further discussion, the September 17, 2015 minutes were approved.

2. New Business: Proposed Future Conference Locations & Schedule

Nichole relayed that the consensus for the spring 2017 conference is that it should again be held in Alexandria to provide as many people as possible the opportunity to engage with legislators following the 2016 elections. Corinne explained that they looked at DC locations, but that they were prohibitively expensive so Alexandria again emerged as the preferred location. Chicago is set as the fall 2016 location. Corinne said Boise is the proposed fall 2017 location noting that Shelley has indicated a desire to host another conference prior to her impending retirement. Discussion included the possibility of spring 2018 in Denver and fall 2018 in Maine. Discussion regarding ease of travel to Boise followed and members recalled that it was relatively easy to travel to Boise for the conference held there in 2000, and that the advantages of a Boise conference hosted by the Idaho authority outweighed any perceived disadvantages. Mike called for a motion to approve Boise as the conference location for fall 2017; Donna moved to approve and Paula seconded the motion. Mike called for a vote and all directors voted in favor of the motion.

Mike asked Corinne or Nichole to discuss the single conference a year proposal. Nichole says she and the committee are still researching whether the membership favors one or two conferences a year; past polls have indicated about a 50/50 split on whether NAHEFFA should have one or two conferences a year. Dennis noted the potential advantage of being able to market one conference a year as an annual super conference. Members discussed options to make the conference more attractive to potential conferees, including the cost advantages to authorities and borrowers of having to plan for just one conference, and Paula suggested tailoring some of the panels to just higher ed or health care to appeal to the single purpose entities/borrowers.

Several members expressed the importance of going to DC on a regular basis to interact with legislators, but that it may make more sense to schedule these as coordinated authority trips rather than scheduling in conjunction with a conference. Members agreed this may be a better strategy.

Additional discussion about future conferences ensued, and the group agreed Denver should host sometime in 2018.

Financial Report

Don Templeton presented the Treasurer's Report, noting that the balance sheet balances, although checking may be a bit heavy, and it is probably time to move some cash into CDs. Donna asked if the \$250,000 FDIC limit was still in place and several members confirmed. Don said that the investments are still in laddered CDs and money market accounts. Dennis inquired about the accounting of future conference expenses vs. prepaid expenses and Don explained that this was already discussed, and the decision was made to account for prepaid expenses in this manner. Don said page 4 just reflects membership dues paid, which ties back to the presentation on page 3. Don explained pages 5, 6 & 7 just provide a history of the two conferences; page 7 reflects that Alexandria 2015 netted \$22,000 with sponsorship income, but that 2012 in D.C. lost money even with sponsorship income.

3. Discussion Items:

- a) **Advocacy:** Mike advised that we are currently paying Chuck \$100,000 a year give or take expenses; payment is down from the \$150,000 he was being paid prior to 2014. Mike said he and Martin Walke, Advocacy Chair, had discussed that we needed to have some form of annual agreement in place with Chuck. Mike noted Chuck grumbled a bit about the reduced compensation, but the group believes he is doing the same level of work. Martin sought an informal quote from another lobbying group (Cornerstone at \$180K) just for comparison's sake.

Members discussed that they are very satisfied with Chuck's services, and several people noted their belief that Chuck understands NAHEFFA could pay him more only if NAHEFFA raised fees, and that he did not want to be the underlying cause of that measure.

Mike advised that Martin Walke, who at one time worked on the hill, mentioned that it would be prudent to identify other groups or individuals who could step in if / when necessary to provide similar services to those currently provided by Chuck. Members agreed it would be smart to start exploring options for the future.

- b) **Communications:** Mike reported they are just getting ready to circulate the annual questionnaire. Nichole provided an update on the new website, saying that the new website will be finalized before the spring conference, and her goal is by March 1. Nichole confirmed that the spring conference materials are going out this week. Mike said the new logo is being used, and that people seem pleased with the logo.

Donna asked if a more current Membership Directory is available. Nichole responded she will distribute an updated version.

- c) **Governance:** Mike noted that the election of officers is coming up at the next conference, and that the Vice Chair position needs to be filled, so to please advise him or Julie Arvo MacKenzie, Governance Chair, if interested or if you know someone who might be interested in serving. If any of the directors are interested in moving into the Vice Chair spot, the Governance Committee may need to have a director spot open with the caveat it may not need to be filled if a current director does not move into the Vice Chair spot. Dennis inquired why the elections were staggered. Mike explained that the thinking was to prevent complete turnover of the Board at one time.
- d) **Sponsorship:** Nichole said documents were out to potential sponsors; and committee members would be reaching out to potential sponsors next week. Five sponsors have given early commitments.
- e) **New Business:** Mike asked if there were any other items for discussion prior to discussing the 2017 budget. Hearing no requests he asked Don to discuss the 2017 budget. While waiting for Don to dial back in, Donna mentioned that Steve Fillebrown is leaving the NJ Authority. Mike noted that both Marianne and Elaine from the Minnesota Authority are retiring.

- f) 2017 Budget: Don did not dial back in after the call was inadvertently cut off for a few minutes, Mike walked directors through the budget outline noting not much was changed from the FY 2016 budget. Dennis asked about the officer's insurance expense, and Mike said the Board carries a small D&O policy for officers. Dennis asked about the budgeted advocacy expense of less than \$100,000. Mike explained Chuck bills for services and expenses not to exceed \$100,000 which is why it may be slightly under. Mike reminded the Board that Nichole's payment was increased from \$36,200 to \$38,000 and asked if we should include a bonus budget line. Paula suggested maybe a contingent line, and changing Nichole's Agreement to reflect the calendar year. Mike said her contract now runs from November 1 to November 1 to coincide with conference dates and members agreed that seemed to work for now. Members discussed how to handle the nonpayment of fees by Ohio and Louisiana HEAL. Mike explained they've been reluctant to play hardball with late payers because they do not wish to run off members who want to pay, but struggle with administrative disbursement processes.

Mike asked if anyone had any additional business for the Board, and hearing none, requested a motion to adjourn. Corinne moved the motion and Paula seconded. The meeting adjourned just after 11:43 a.m. CST.

Secretary