

SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY

MINUTES OF THE JUNE 18, 2013 SPECIAL MEETING

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Tuesday, June 18, 2013 at 10:00 a.m., CDT, via telephone conference call. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present:        Dave Fleck  
                  Gene Lebrun  
                  William Lynch  
                  Norbert Sebade  
                  Dave Timpe

Absent:         Alan "Dick" Dempster  
                  Mack Wyly

Other staff and representatives of the Authority and other parties present were:

Donald Templeton, Executive Director  
Vance Goldammer, General Legal Counsel  
Dustin Christopherson, Associate Director  
Steve Corbin, Finance Officer

A quorum was declared by the Chairman and the meeting was called to order. The notice of the meeting dated June 10, 2013 was posted at the entrance of the South Dakota Health and Educational Facility Authority prior to the meeting (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the May 22, 2013 special meeting. Gene Lebrun moved to approve the minutes as presented, seconded by Dave Fleck. All members present voted aye, motion carried.

## **South Dakota Health and Educational Facilities Authority FY-2014 Operating Budget**

The salary allocation between the South Dakota Health and Educational Facilities Authority and South Dakota Building Authority (*see Attachment #2*) were reviewed and discussed in detail.

The South Dakota Health and Educational Facilities Authority FY-2014 Operating Budget (*see Attachment #2*) was reviewed in detail. For FY-2014, annual service fees are projected to be \$520,285 (charged at .045% which was temporarily lowered from .06% of outstanding bonds), application fees are projected to be \$25,000 and other income is projected to be \$227,662 for a total of \$772,947 in FY-2014 receipts. The projected July 1, 2013 beginning cash balance of \$1,555,754, plus receipts in excess of disbursements of \$15,975 (total receipts of \$772,947 less total disbursements of \$756,972) results in an ending budgeted operating cash balance of \$1,571,729 at June 30, 2014.

Dave Timpe moved to approve the budget, William Lynch seconded and upon roll call the ayes were Dave Fleck, Gene Lebrun, William Lynch, Norbert Sebade and Dave Timpe; nays: none; abstain: none.

### **Contracts**

Vance Goldammer explained the Murphy, Goldammer & Prendergast FY-2014 contract on file with the South Dakota Health and Educational Facilities Authority. Gene Lebrun moved to approve the contract, William Lynch seconded and upon roll call the ayes were Dave Fleck, Gene Lebrun, William Lynch, Norbert Sebade and Dave Timpe; nays: none; abstain: none.

Vance Goldammer prepared, reviewed and discussed in detail the employment agreement of the Executive Director with the board members. The employment agreement is on file with the South Dakota Health and Educational Facilities Authority. William Lynch moved to approve the contract, Dave Timpe seconded and upon roll call the ayes were Dave Fleck, Gene Lebrun, William Lynch, Norbert Sebade and Dave Timpe; nays: none; abstain: none.

The South Dakota Health and Educational Facilities Authority/South Dakota Building Authority FY-2014 contract on file with the Authority was reviewed in detail. The salary allocations are based upon expected time worked on South Dakota Building Authority projects. The staff keeps track of actual time and year-end adjustments are made for actual time incurred on South Dakota Building Authority projects. Gene Lebrun moved to approve the contract, Dave Fleck seconded and upon roll call the ayes were Dave Fleck, Gene Lebrun, William Lynch, Norbert Sebade and Dave Timpe; nays: none; abstain: none.

The South Dakota Health and Educational Facilities Authority and Educational Enhancement Funding Corporation FY-2014 contract on file with the Authority was reviewed and discussed. Gene Lebrun moved to approve the contract, Dave Fleck seconded and upon roll call the ayes were Dave Fleck, Gene Lebrun, William Lynch, Norbert Sebade and Dave Timpe; nays: none; abstain: none.

### **Adjournment**

The Chairman stated there being no further business at this meeting, the meeting adjourned at 10:32 a.m.



**Date:** June 10, 2013

**To:** Members of the South Dakota Health and Educational Facilities Authority

**From:** Don A. Templeton, Executive Director

**Re:** Notice of Special Meeting

You are hereby notified that the Chairman has set Tuesday, June 18, 2013 as the meeting date for the special meeting of the South Dakota Health and Educational Facilities Authority to be held via telephone conference call at 10:00 a.m. CDT (9:00 a.m. MDT).

You may participate in the meeting by dialing **1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.**

The following members have indicated they will be available for the meeting:

David Fleck  
Gene Lebrun

William Lynch  
Norbert Sebade

Dave Timpe  
Mack Wyly (Uncertain)

Attached is an agenda. Information on agenda items will be sent via Federal Express.

Cc: Vance Goldammer

**SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
OPERATING BUDGET  
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

ATTACHMENT 2

		<u>Bonds/Notes Outstanding</u>	<u>Rate</u>	<u>FY - 14 Budget</u>	<u>ESTIMATED FINAL FY - 13</u>
<b>Cash Balance, July 1</b>				\$ 1,555,754	\$ 1,403,201
<b>Annual Service Fees:</b>					
Avera McKennan	Series 2007	4,990,978	0.00045	2,246	3,191
	Series 2008B	50,320,000	0.00045	22,644	30,192
	Series 2008C	45,335,000	0.00045	20,401	27,201
	Series 2012A	71,205,000	0.00045	32,042	42,723
	Series 2012B	130,690,000	0.00045	58,811	78,759
Avera Queen of Peace	Series 2008C	4,030,000	0.00045	1,814	2,418
Avera Sacred Heart	Series 2008C	3,120,000	0.00045	1,404	1,872
Avera St. Luke's	Series 2008C	9,010,000	0.00045	4,055	5,406
Children's Care Hospital and School	Series 2007	7,295,000	0.00045	3,283	4,548
Dakota Hospital	Series 1997	4,185,000	0.00045	1,883	2,622
Dells Area Health Center	Series 2000	3,275,000	0.00045	1,474	2,070
Huron Regional Medical Center	Series 1994	1,935,000	0.00045	871	1,497
	Series 2006	3,350,000	0.00045	1,508	2,019
Prairie Crossings	Series 2007	3,029,004	0.00045	1,363	2,006
Rapid City Regional Hospital	Series 2008	66,960,000	0.00045	30,132	40,176
	Series 2010	46,105,000	0.00045	20,747	30,189
	Series 2011	47,730,000	0.00045	21,479	30,276
Sanford Health	Series 1997-UP	2,680,000	0.00045	1,206	1,728
	Series 2001B	5,975,000	0.00045	2,689	3,585
	Series 2001C	30,000,000	0.00045	13,500	18,000
	Series 2001D	7,380,000	0.00045	3,321	7,194
	Series 2004A	52,000,000	0.00045	23,400	31,200
	Series 2004B	16,030,000	0.00045	7,214	9,786
	Series 2007	69,510,000	0.00045	31,280	42,387
	Series 2009	70,565,000	0.00045	31,754	42,339
	Series 2012A	31,630,000	0.00045	14,234	19,773
	Series 2012B	32,610,000	0.00045	14,675	19,938
	Series 2012C	9,880,000	0.00045	4,446	6,417
	Series 2012D	45,000,000	0.00045	20,250	27,000
	Series 2012E	120,000,000	0.00045	54,000	-
University of Sioux Falls	Series 2010	16,115,000	0.00045	7,252	10,059
Vocational Education Program	Series 1998A	240,000	0.00045	108	480
	Series 2004	1,745,000	0.00045	785	1,296
	Series 2007	6,540,000	0.00045	2,943	4,221
	Series 2008	19,465,000	0.00045	8,759	11,679
	Series 2010A	17,135,000	0.00045	7,711	10,281
	Series 2010B	6,455,000	0.00045	2,905	3,873
	Series 2010C	12,605,000	0.00045	5,672	7,563
	Series 2011A	20,140,000	0.00045	9,063	12,084
	Series 2012A	18,485,000	0.00045	8,318	11,286
Westhills Village	Series 2006	10,030,000	0.00045	4,514	6,195
Retirement Community	Series 2012	15,665,000	0.00045	7,049	9,399
Total bonds outstanding		<u>\$ 1,156,189,981</u>			
<b>Total annual service fees</b>				<u>\$ 520,285</u>	<u>\$ 635,512</u>

	FY - 14 Budget	ESTIMATED FINAL FY - 13
<b>Application fees:</b>		
Provision for FY 2014 Projects	\$ 25,000	-
Bethel Lutheran Home 2012 - Assisted	-	3,000
Sanford Health Series 2012	-	10,000
<b>Total application fees:</b>	<b>\$ 25,000</b>	<b>\$ 13,000</b>
<b>Other income:</b>		
Interest earned	\$ 15,300	\$ 20,048
Rebate computation reimbursement	27,900	23,400
Expense Reimbursement from SDBA	145,428	134,000
Expense Reimbursement from CREP	4,034	9,760
Expense Reimbursement from EEFC	35,000	35,000
<b>Total other income</b>	<b>\$ 227,662</b>	<b>\$ 222,208</b>
<b>Total receipts</b>	<b>\$ 772,947</b>	<b>\$ 870,720</b>
<b>Disbursements:</b>		
Executive Director	\$ 125,425	\$ 121,770
Associate Director	81,150	78,785
Administrative Assistant	31,830	30,900
Finance Officer	63,705	61,850
Accountant	54,327	51,740
Payroll taxes	27,405	26,342
Health insurance	64,041	61,037
Dental insurance	5,655	5,271
Group term life insurance	1,092	1,207
Disability income insurance	8,545	8,281
Retirement	35,644	34,505
Legal counsel	45,000	45,685
Special legal counsel	10,000	-
Rent	47,717	46,222
Utilities	7,500	7,500
Office expense	16,000	15,000
Telephone/internet	9,000	5,900
Travel	18,500	17,000
Dues and fees	5,500	5,000
Audit and annual report	26,250	25,590
Insurance	2,186	2,090
Miscellaneous and Trustee Fees	7,500	4,500
Equipment purchases	4,100	4,100
Director and officers insurance	31,000	29,992
<b>Total administrative disbursements</b>	<b>\$ 729,072</b>	<b>\$ 690,267</b>
Rebate computation fees advanced for projects	27,900	27,900
<b>Total disbursements</b>	<b>\$ 756,972</b>	<b>\$ 718,167</b>
<b>Fiscal year receipts less disbursements</b>	<b>15,975</b>	<b>152,553</b>
<b>Cash balance, June 30</b>	<b>\$ 1,571,729</b>	<b>\$ 1,555,754</b>
<b>Invested reserves, June 30</b>	<b>1,160,000</b>	<b>1,164,243</b>
<b>Total cash and invested reserves, June 30</b>	<b>\$ 2,731,729</b>	<b>\$ 2,719,997</b>

**SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
OPERATING BUDGET  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	FY-13 Annual <u>Salary</u>		FY-14 Annual <u>Salary</u>	Allocation			
					<u>0.7344144</u> SDHEFA		<u>0.265585643</u> SDBA
<b>Executive Director</b>							
Don Templeton	121,770	3%	125,425 *	85%	106,611	15%	18,814
* Don to receive an additional \$18,334 from SDBA per Tom Graham							
<b>Associate Director</b>							
Dustin Christopherson	78,785	3%	81,150	75%	60,863	25%	20,288
<b>Administrative Assistant</b>							
Deborah Piper	30,900	3%	31,830	90%	28,647	10%	3,183
<b>Finance Officer</b>							
Steve Corbin	61,850	3%	63,705	86%	54,786	14%	8,919
<b>Accountant</b>							
Mick Jost	51,740	5%	54,327	20%	10,865	80%	43,462
	<u>345,045</u>		<u>356,437</u>		<u>261,772</u>		<u>94,665</u>
			5.0 FTE		3.7		1.3
Payroll taxes			27,405		20,127		7,279
Employee benefits			79,332		58,263		21,069
Retirement			35,644		26,177		9,466
			<u>498,818</u>		<u>366,339</u>		<u>132,479</u>