

**SOUTH DAKOTA HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY**

MINUTES OF THE AUGUST 27, 2013 SPECIAL MEETING

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Tuesday, August 27, 2013 at 2:00 p.m., CDT, via telephone conference call. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present: Alan "Dick" Dempster
 Dave Fleck
 Gene Lebrun
 William Lynch
 Norbert Sebade
 Dave Timpe
 Mack Wyly

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

Dan Bacastow, Jones Day
Vance Goldammer, Murphy, Goldammer & Prendergast, LLP
Donald Templeton, Executive Director
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 August 23, 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 July 18, 2013 special meeting. Gene Lebrun moved to approve the minutes, seconded by Bill Lynch. All members present voted aye, motion carried.

Evangelical Lutheran Good Samaritan Society Series 2013 Bonds

Don Templeton reviewed that no one attended or sent comments for the TEFRA hearing held on August 7th for the Evangelical Lutheran Good Samaritan Society Series 2013 bond issuance through the Colorado Health Facilities Authority. The bonds fund 50 twin homes, 42 congregate living units, 32 assisted living units for a bond amount not to exceed \$28.5 million for the South Dakota projects. Dan Bacastow reviewed the approving resolution to approve the bond issuance and to request approval of the Governor. (*see Attachment #2*). Dave Timpe moved to approve the resolution and Mack Wyly seconded. Ayes were Dempster, Fleck, Lebrun, Lynch, Sebade, Timpe and Wyly; nays: none; abstain: none.

Adjournment

The Chairman stated there being no further business at this meeting, the meeting adjourned at 2:16 p.m.



SOUTH DAKOTA
HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY

Date: August 23, 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, August 27, 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 2:00 p.m. CDT (1:00 p.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:

Dick Dempster	Gene Lebrun (Uncertain)	Dave Timpe	Mack Wyly
Dave Fleck	William Lynch	Norbert Sebade	

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

Cc: Dan Bacastow
Vance Goldammer

RESOLUTION pursuant to Section 1-16A-15.1 of the South Dakota Codified Laws authorizing a financing by the Colorado Health Facilities Authority to proceed with respect to the financing of certain facilities of The Evangelical Lutheran Good Samaritan Society in South Dakota, and requesting the approval of the Governor of the State of South Dakota under Section 147(f) of the Internal Revenue Code of 1986.

WHEREAS, the South Dakota Health and Educational Facilities Authority (the “*Authority*”) has been created by the South Dakota Health and Educational Facilities Authority Act, as amended (the “*Act*”); and

WHEREAS, The Evangelical Lutheran Good Samaritan Society (the “*Society*”), has advised the Authority of its desire (i) to finance and refinance the cost of the acquisition, construction, improvement and equipping of certain skilled nursing facility and other health care, assisted living and senior living facility improvements in various locations outside of the State of South Dakota, (ii) to finance the acquisition, construction, improvement and equipping of an assisted living facility, senior apartments and related infrastructure, including, but not limited to up to approximately 50 twinhomes, approximately 42 housing with services apartments, and an approximately 32-bed assisted living community at the Good Samaritan Society—St. Martin Village, to be located at 1304 through 1765 City Springs Road, 4929 through 4950 Grace Way, 4808 through 4965 Good Shepherd Way and 4964 through 4905 Jericho Way, all in Rapid City, South Dakota 57702, in the case of the twinhomes, at 4811 St. Martin Drive, Rapid City, South Dakota 57702, in the case of the assisted living facilities, and at 4825 Jericho Way, Rapid City, South Dakota 57702, in the case of the senior housing and independent living facilities (collectively the “*South Dakota Project*”), owned, managed and operated by the Society, (iii) to establish a reserve fund for the hereinafter referred to Bonds, and (iv) to pay certain costs of issuing the Bonds, all through the issuance by the Colorado Health Facilities Authority (the “*Colorado Authority*”) of its Health Facilities Revenue Bonds (The Evangelical Lutheran Good

Samaritan Society Project), Series 2013 (the “*Bonds*”), in a principal amount not to exceed \$115,000,000, of which an amount not to exceed \$28,500,000 will be applied to finance the South Dakota Project and certain related costs described above; and

WHEREAS, because a portion of the facilities proposed to be financed by the Bonds of the Colorado Authority are or will be located in South Dakota, and because the Colorado Authority is an “*out-of-state issuer*” for purposes of Section 1-16A-15.1 of the South Dakota Codified Laws, said Section 1-16A-15.1 requires that the Authority determine whether the financing by the Colorado Authority shall proceed with respect to the South Dakota Project and requires the approval of the Governor of the State of South Dakota pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “*Code*”) following a public hearing required by said Section 147(f); and

WHEREAS, in connection with any financing under Section 1-16A-15.1 by an out-of-state issuer, the Authority is designated by Section 1-16A-15.1 as the only entity in the State of South Dakota which may conduct the public hearing required by said Section 147(f); and

WHEREAS, the public hearing required by Section 147(f) of the Code was held on August 7, 2013, after notice duly provided in compliance with said Section 147(f); and

WHEREAS, the Authority will not issue the Bonds, nor will the Authority or the State of South Dakota have any liability with respect to the Bonds which will be issued by the Colorado Authority; and

WHEREAS, the Authority has not reviewed, passed upon, or approved, and will not review, pass upon or approve, among other matters: (i) the financial feasibility of the plan of finance described in this resolution, (ii) the feasibility or advisability of the financing of the

South Dakota Project, (iii) the adequacy or operations of the South Dakota Project financed with the proceeds of the Bonds or (iv) the validity, credit or feasibility of the Bonds or the status of interest on the Bonds themselves, nor will the South Dakota Authority approve or pass upon, the sufficiency of any official statement or other offering document with respect to the Bonds;

NOW, THEREFORE, Be It Resolved by the South Dakota Health and Educational Facilities Authority as follows:

Section 1. Determination with respect to Financing by an Out-of-State Issuer. The Authority hereby finds and determines pursuant to Section 1-16A-15.1 of the South Dakota Codified Laws that the financing with respect to the South Dakota Project by the Colorado Authority should proceed in an aggregate amount not to exceed \$28,500,000, subject to the authorization and approval of the Bonds by the Society and the Colorado Authority. The Authority has been informed by the Society that the Bonds will constitute special limited obligations of the Colorado Health Facilities Authority payable solely from amounts received by the Colorado Authority pursuant to a Loan Agreement between the Colorado Authority and the Society. The Authority shall not issue the Bonds, nor shall the Authority or the State of South Dakota have any liability with respect to the Bonds or the sale or offering thereof. The Authority has not reviewed, passed upon, or approved, and will not review, pass upon or approve, among other matters: (i) the financial feasibility of the plan of finance described in this resolution, (ii) the feasibility or advisability of the financing of the South Dakota Project, (iii) the adequacy or operations of the South Dakota Project financed with the proceeds of the Bonds or (iv) the validity, credit or feasibility of the Bonds or the status of interest on the Bonds themselves, nor will the South Dakota Authority approve or pass upon, the sufficiency of any official statement or other offering document with respect to the Bonds.

Section 2. Governor's Approval. The Authority hereby authorizes and directs the Executive Director of the Authority to request the approval of the Governor of the State of South Dakota of the issuance of Bonds in an aggregate amount not to exceed \$28,500,000 by the Colorado Authority for the South Dakota Project and related costs described above as required by Section 147(f) of the Code and Section 1-16A-15.1 of the South Dakota Codified Laws.

Section 3. Authorization and Ratification of Subsequent Acts. The Members, Executive Director, agents and employees of the Authority are hereby authorized and directed to do all such acts and things, to cooperate with the Colorado Authority with respect to the South Dakota Project, and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions, and all of the acts and doings of the Members, Executive Director, officers, agents and employees of the Authority which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Adopted this 27th day of August, 2013.