

**SOUTH DAKOTA HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY**

MINUTES OF THE AUGUST 31, 2016 SPECIAL MEETING

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Wednesday, August 31, 2016 at 9:00 a.m. CDT (8:00 a.m. MDT) via telephone conference call. Mr. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present: Mr. Dave Fleck
 Mr. Gene Lebrun
 Mr. William Lynch
 Mr. Don Scott
 Mr. Jim Scull
 Mr. Norbert Sebade
 Mr. Dave Timpe

Absent: None

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

Mr. Donald Templeton, Executive Director
Mr. Vance Goldammer, General Legal Counsel
Mr. Dustin Christopherson, Associate Director
Mr. Steve Corbin, Finance Officer
Mr. Jack Arnold, Dougherty and Company
Mr. Toby Morris, Dougherty and Company
Mr. Tom Grimmond, Dougherty and Company

The Chairman declared a quorum and called the meeting to order. The notice of the meeting dated August 26, 2016 was posted on the Authority doors, on the state website and the Authority's website prior to the meeting and is on file at the Authority office.

The Chairman asked for consideration of the minutes for the August 17, 2016 special meeting. Mr. Jim Scull moved to approve the minutes as presented, seconded by Mr. Gene Lebrun and upon roll call, the ayes were Lebrun, Lynch, Scott, Scull and Sebade; nays: none; abstain: Fleck and Timpe. Motion carried.

Mr. Templeton asked if any Board Members had a Conflict of Interest with any of the meeting agenda items. No one expressed a conflict of interest.

Bridgewater-Emery School District 2016A Certificates

Mr. Templeton reviewed the State Aid Intercept Program as well as the Bridgewater-Emery School District Limited Tax General Obligation Certificates Series 2016A in the expected amount of \$4.7 million. These certificates will belong to the school district and not the Authority. The Authority will charge an application fee projected to be \$5,875. The certificates received an AA+ rating from Standard & Poor's. Mr. Templeton added that there is no current rating for Bridgewater-Emery School District. Mr. Morris reported that the expected saving from the higher rating may be in the \$60,000-\$90,000 range. The project is to construct, equip and furnish a gymnasium, football field stadium seating, a press box, and a permanent all-weather track, as well as pay costs of issuing the certificates. Mr. Templeton reviewed the Debt Service Coverage with a minimum projection of 2.8 times for state aid receipts and an additional 2.72 times for Capital Outlay receipts.

Mr. Templeton reviewed the Resolution on file at the Authority office. Mr. Bill Lynch moved to approve the Resolution seconded by Mr. Don Scott, and upon the roll call the ayes were Fleck, Lebrun, Lynch, Scott, Scull, Sebade and Timpe; nays: none; abstain: none

Harrisburg School District 2016A Certificates

Mr. Templeton reviewed the Harrisburg School District Limited Tax General Obligation Certificates Series 2016A in the expected amount of \$3,050,000. These certificates will belong to the school district and not the Authority. The Authority will charge an application fee projected to be \$3,812.50. The certificates received an AA+ rating from Standard & Poor's. Mr. Tom Grimmond reported that the expected savings from the higher rating may be in the \$35,000-\$40,000 range. The project is to purchase land and pay for costs of issuance. Mr. Templeton reviewed the Debt Service Coverage with a minimum projection of 42.09 times for state aid receipts and an additional 5.51 times for Capital Outlay receipts.

Mr. Templeton reviewed the Resolution on file at the Authority office. Mr. Gene Lebrun moved to approve the Resolution seconded by Mr. Bill Lynch, and upon the roll call the ayes were Fleck, Lebrun, Lynch, Scott, Scull, Sebade and Timpe; nays: none; abstain: none

Adjournment

The Chairman stated there being no further business at this meeting, the meeting adjourned at 9:26 a.m.