

MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY

A public meeting of the Maryland Health and Higher Educational Facilities Authority was convened at 10:00 a.m., Tuesday, September 1, 2020, with Mr. Arnold Williams, Chairman, presiding. The meeting was conducted remotely via an open conference line available to the public.

Present: Arnold Williams, Chairman
 Sheila K. Riggs, Vice Chairman
 James P. Daly, Jr., Member
 Frederick W. Meier, Jr., Member
 Mamie Johns Perkins, Member
 John Phelps, Member
 Bonnie Phipps, Member
 W. Daniel White, Member
 Bernadette Benik, Chief Deputy Treasurer, Designee of Treasurer
 Bart Savidge, Executive Director
 Lynn Gorman-Lepson, Chief Financial Officer
 John Bennett, Accounting & Compliance Officer
 Elizabeth A. McKennon, Bond Counsel
 David W. Gregory, Bond Counsel
 Errol Brick, Financial Advisor
 Brenda DeGoias, Financial Advisor

Absent: None

Special Guests: See attached.

Mr. Williams convened the meeting. Mr. Savidge announced the names of the Members, staff, counsel, and advisors in attendance.

APPROVAL OF MINUTES

The minutes of the July 7, 2020 regular meeting of the Authority were unanimously approved.

AUDIT COMMITTEE UPDATE

Mr. Meier stated that the Authority's Audit Committee met just prior to this meeting of the Authority to consider the Authority's FY 2020 Annual Report and Agreed Upon Procedures Report as presented by CohnReznick. The Authority's Audit Committee accepted the FY 2020 Annual Report as presented. Mr. Meier reported that the Authority received an unqualified opinion on the financial statements from the auditors, that no material weaknesses or significant deficiencies were noted and that, accordingly, there were no comments or adjustments noted in the management letter. Mr. Meier noted that the Agreed Upon Procedures performed by CohnReznick

LLP also indicated no issues. Mr. Meier further stated that the Authority will be requested to accept the audit at the October 6, 2020 meeting of the Authority when the final printed report will be presented.

EMPLOYEE HANDBOOK – ANNUAL ACKNOWLEDGEMENT

Mr. Savidge presented to the Members the Employee Handbook for acknowledgement. He stated that all employees have acknowledged the Employee Handbook and only minor edits have been made to the Handbook since the last annual review by the Authority. These edits included reinforcing confidentiality with respect to information obtained in all work settings, changing work hours from 8 am – 4 pm, allowing an alternative holiday for the Good Friday holiday and changing the inclement weather policy to allow employees to work remotely instead of taking a vacation day.

On motion by Ms. Benik, seconded by Ms. Perkins, the Members acknowledged receipt of the Employee Handbook (Affirmative – Williams, Riggs, Daly, Meier, Perkins, Phelps, Phipps, White, and Benik; Negative – none; Abstain – none).

FINANCIAL ADVISOR'S REPORT

Mr. Brick reported on the current overall economic condition, including global outlook, details on the significant economic impact of the COVID-19 pandemic and the overall impact these conditions have on interest rates and the bond market.

Mr. Brick reported on the St. John's College bond sale. He provided an analysis on the marketing, pricing structure and the investor participation in this issuance, highlighting that T. Rowe Price and Goldman Sachs Asset Management were the two largest institutional investors. Mr. Brick stated that this was the first time that the Authority has worked with Stifel, Nicolaus and Co. as an underwriter. He commented on their effective team approach and the fact that the transaction was successfully priced at spreads to the benchmark more in line with "A" rated colleges than colleges such as St. John's, which is rated "BBB" with a stable outlook.

Mr. Brick reported on the University of Maryland Medical System (UMMS) bond sale. He provided an overview of the offering and an analysis on the pricing structure and the investor participation in this issuance. He stated that this issuance was also priced well in the market. Mr. Savidge highlighted that the structure of UMMS deal, which included taxable and tax-exempt bonds, certain maturities of which were index eligible and required a T+5 settlement, allowed UMMS to achieve its financing goals.

EXECUTIVE DIRECTOR'S REPORT

Mr. Savidge provided updates on transactions that have closed and reissuances in connection with extensions of bank commitments and amendments of terms. He highlighted the

role of MHHEFA in facilitating communication and advocacy between Odenton Christian School and PNC Bank to secure a one-year letter of credit extension during a challenging time for educational institutions.


Mr. Savidge also provided updates on operations and outreach activities. He highlighted his site visit to Legends Charter School. He stated that the school received its temporary certificate of occupancy and that the school will be opening remotely with planed enrollment for grades K-5 of 600 students. Mr. Savidge also provided details on a lease agreement that was entered into between St. John's College (SJC) and the U.S. Naval Academy to temporarily house some cadets on the SJC's campus. SJC had dorm space available, as they will be completely remote for the fall semester.

With no further business, on motion by Ms. Perkins, seconded by Mr. Daly, the meeting was adjourned at approximately 10:40 a.m. (Affirmative – Williams, Riggs, Daly, Meier, Perkins, Phelps, Phipps, White, and Benik; Negative – none; Abstain – none).

The next meeting of the Authority is scheduled for October 6, 2020.


Barlow T. Savidge
Executive Director

Approved:


Arnold Williams
Chairman
November 10, 2020

September 1, 2020 Authority Meeting
Guests participating remotely via conference line

Community Outreach Consultant
Annette Anselmi