

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION
MINUTES OF THE MEETING OF THE COMMISSION

December 13, 2023

The Ohio Higher Educational Facility Commission (the “Commission”) met on Wednesday, December 13, 2023, at 11:00 a.m. at the Ohio Department of Education Building, 25 S. Front Street, Columbus, Ohio, due written notice of which had been given to all members of the Commission.

The following members attended: Thomas Needles, Chair; Frederick Church, Vice Chair; John Martin, Secretary; Mike Gonsiorowski; Patricia Jackson; John Adams; John Rozic; and Susan Tate. Also present were: Kevin Holtsberry of the Ohio Department of Higher Education; Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; and representatives of the institutions appearing before the Commission.

The meeting was called to order by the Chair. Upon call of the roll, the Secretary declared that a quorum was present. He also stated that the notice of this meeting had been given to all media, organizations or other persons who requested that information in accordance, and in full compliance, with Section 121.22 of the Revised Code. The Chair welcomed Patricia Jackson to the Commission.

The Chair noted that the minutes of the Commission meeting of November 15, 2023 were sent to each member prior to this meeting. Upon a motion by Mr. Adams that was seconded by Mr. Gonsiorowski, the Commission members present unanimously approved those minutes.

ELIZA JENNINGS SENIOR CARE NETWORK

The Chair next called on Rich Boyson, Chief Executive Officer, to speak to the Commission members regarding Eliza Jennings Senior Care Network’s financing request. Mr. Boyson thanked the Commission members, noting that the financing remains on track for a December closing. Northwest Bank will be purchasing the Bonds. The Network received preliminary approval at the Commission’s November meeting. Mr. Needles commended Mr. Boyson on the quality of the November presentation.

Eliza Jennings, Inc. will be the borrower under the financing documents. Mr. Burlingame stated that the bond documents have been prepared and are presented in substantially final form. The resolution under consideration approves the issuance of the bonds and related documents.

Mr. Martin moved and Mr. Adams seconded the motion that Resolution No. 2023-15 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Gonsiorowski; Jackson Martin; Needles; Rozic; Tate

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-15 adopted.

Resolution No. 2023-15 is as follows:

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OHIO WESLEYAN UNIVERSITY

The Chair next called on Maura Donahue, Vice President for Finance and Administration and Treasurer, to update the Commission members in respect of Ohio Wesleyan University's financing request. Ms. Donahue was joined by Bob Oehler, Senior Director of Facilities. The University received preliminary approval at the Commission's September meeting. Ms. Donahue confirmed that the plan of finance remains unchanged and the University will be financing campus improvements, including campus utility improvements. Mr. Needles noted the good work of the University's Board Chair.

Mr. Burlingame stated that the bond documents have been prepared and are presented in substantially final form. The resolution under consideration approves the issuance of the bonds and related documents.

Ms. Tate moved and Mr. Gonsiorowski seconded the motion that Resolution No. 2023-16 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Jackson; Gonsiorowski; Martin; Needles; Rozic; Tate

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-16 adopted.

Resolution No. 2023-16 is as follows:

UNIVERSITY HOSPITALS HEALTH SYSTEM

The Chair next called on Tricia Bires, Director, Treasury, to speak to the Commission members regarding University Hospitals Health System's refinancing request. Mr. Bires noted that the Health System is seeking to refund interim debt used to refund its 2018D Bonds issued through the Commission. The bonds will be privately placed. In response to a question from Mr. Gonsiorowski, Ms. Bires noted that the health System is expected to have a 2023 operating loss lower than what it was in 2022. The Health System is implementing its Epic medical records system. This is not being financed and impacts budget. The Health System also is developing Phase II improvements at its Ahuja Medical Center. These include emergency department and sports medicine improvements. These will not be financed by the bonds. The Health System is working to address the impact of inflation and labor challenges. The final implementation of Epic should have a favorable budget impact of \$70 to \$80 million. The Health System is working to better utilize operating rooms. Moody's affirmed the Health System's rating this fall.

In response to further questions from Mr. Gonsiorowski and Mr. Adams, Ms. Bires noted that 2024 budget goal will be to break even if possible. The Health System is looking to smooth-out debt service. In response to questions from Mr. Rozic, Mr. Needles and Mr. Gonsiorowski, Ms. Bires noted that there are no new projects to be bond financed. The proposed bonds are for refinance only. The health system used programs such as Allscripts prior to Epic. There have been no major issues with the Epic implantation. There's an annual cost of \$5 million a year or more but that does not include expenses for upgrades. Brad Bond will become Health System Chief Financial Officer at the beginning of 2024 and Ms. Bires will become Vice President, Treasury.

Mr. Burlingame stated that the bond documents have been prepared and are presented in substantially final form. The resolution under consideration approves the issuance of the bonds and related documents.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2023-17 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Gonsiorowski; Jackson; Martin; Needles; Rozic; Tate

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-17 adopted.

Resolution No. 2023-17 is as follows:

BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

The Commission received an additional notice confirming Notre Dame College’s default status. After discussion among the Members, it is now expected that the Commission will next meet on January 17, 2024, if necessary, or upon the call of the Chair. The Members discussed and agreed that in 2024 the Commission would continue to meet at 11am on the third Wednesday of each month. On a motion duly made and seconded, the meeting was adjourned.

Secretary