

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

February 18, 2026

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, February 18, 2026, at 11:00 a.m. at 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; Kelly Weir, Vice Chair; John Martin, Secretary; Michael Gonsiorowski; John Rozic; Richard Simpson; and Mary Grace Pattison. Absent: William Elliott; and John Adams. Also present were: Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; Kevin Holtsberry of the Department of Higher Education; 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 noted that the minutes of the Commission meeting of January 21, 2026 were sent to each member prior to this meeting. Upon a motion by Mr. Gonsiorowski that was seconded by Mr. Simpson, all Commission members present approved those minutes.

THE CLEVELAND CLINIC FOUNDATION

The Chair next called on Susan Nobile, Executive Director, Debt Management, to update Commission members regarding Cleveland Clinic's financing request. The Clinic is seeking final approval for up to \$900 million of bonds. The bonds will be issued for projects and potential refinancing. The bonds may include a combination of fixed and variable rate debt, with the fixed rate debt including serial maturities. The variable rate debt may include self-liquidity support by the Clinic, which Ms. Nobile noted was supported by the Clinic's balance sheet. The Clinic's Board gave its final approval earlier this month. The projects include the development of the Clinic's Neurological Institute at which brain, spine and nerve issues are addressed. The Clinic is working with technology, including digitization, for early detection purposes. Parkinsons, Alzheimer's and strokes are among the health issues addressed by the Institute. Bond proceeds will also be used for projects at Fairview Hospital, including cancer treatment, exam room and parking facilities. Addressing a prior question from Mr. Rozic, Ms. Nobile noted that a significant amount of patients come to the Clinic from outside its core Ohio geography. Approximately forty-percent of heart patients come from outside the core Ohio market. The Clinic is working with the rating agencies now to obtain ratings for the proposed fixed and variable rate bonds. The timeline calls for a closing by the end of March.

In response to questions from Ms. Pattison and Mr. Gonsiorowski, Ms. Nobileo noted that the Neurological Institute works cooperatively with its Las Vegas facility, supporting research and growth. The Neurological Institute will provide improved facilities that have been housed in an older building. The newer facilities will include facilities that will facilitate remote patient monitoring. In response to questions from Mr. Rozic and Mr. Simpson, Ms. Nobileo noted that Fairview Hospital is ranked among the top 250 hospitals in the world. The Clinic is ranked second, with the Mayo Clinic ranked first. The new Neurological Institute facility is now fully enclosed. The goal is for a January 2027 opening. The Fairview parking project is taking place at the same location as its existing parking facility. In response to further questions from Mr. Gonsiorowski and Mr. Rozic, Ms. Nobileo confirmed that the Clinic's rating is in the AA category from both Moody's and S&P. The Clinic has over \$5 billion of debt outstanding. A portion of that debt has been issued by the Commission for the State. Other debt includes debt issued to finance facilities in London.

Mr. Burlingame noted that the agenda includes the public hearing for the proposed financing for the Clinic as required by federal tax rules. Notice of the public hearing was posted in accordance with those rules. Mr. Holtsberry noted that the Commission did not receive questions or comments in the mail or by email prior to the hearing. There being no further questions or comments, the hearing was closed.

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. Rozic seconded the motion that Resolution No. 2026-04 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: Gonsiorowski; Martin; Needles; Pattison; Simpson; Rozic; Weir

Nay: None

The Secretary declared the motion passed and Resolution No. 2026-04 adopted.

Resolution No. 2026-04 is as follows:

DENISON UNIVERSITY

The Chair next called upon David English, Vice President for Finance and Management, to speak to the Commission members regarding Denison University's financing request. Mr. English was joined by Luke Flintoff, Assistant Controller. Ms. Pattison was not present for this portion of the meeting. Mr. English confirmed that the University was seeking preliminary approval for an up to \$35 million bond issue to finance University projects. The schedule calls for a closing in the April/May timeframe. Projects to be financed with proceeds of the bonds include a new computer center and residence hall improvements. Donors are financing a portion of projects too. Residence hall improvements are part of an eight-year University process to update its student residence facilities. The University is developing a Center for Business and Finance and a new program for Finance. Building renovations accommodate this. Proceeds may be used to make other campus improvements.

In response to a question from Ms. Gonsiorowski, Mr. English noted that instructional expenses did increase as a result of faculty raises. The expense amounts also were impacted by increased healthcare costs and some depreciation expenses. Higher faculty costs go with the University maintaining its status as a top-quality institution. In response to a question from Mr. Rozic, Mr. English noted that the University has over 2,300 students, with approximately 100 students studying abroad. The University has a 95% occupancy rate for its student housing. In response to a question from Mr. Gonsiorowski, Mr. English further confirmed that it received over twelve thousand applications for its freshman class, including applications from prospective students in Sub Saharin Africa. The University benefits from the geographic diversity of its student body. To the extent it has the resources, the University grants aid to students with financial need. In response to questions from Mr. Needles and Mr. Simpson, Mr. English stated that the University does not have its own overseas facilities. It partners with other institutions for study abroad programs. Institutions that compete with the University include Colgate, Hamilton, Wake Forest and Elon.

In response to a question from Mr. Rozic, Mr. English noted that the University has an approximately 19.7% admission rate and that approximately 23% of admitted students enroll. A majority of students receive some form of aid. The University has approximately \$172 million of debt and approximately \$1.4 billion of assets. There has been some enrollment volatility with a decline in international students, which the University works to replace with domestic students. The University is able to maintain enrollment levels, but there have been tuition revenue growth challenges. There has been some cost resistance by families of prospective students. In response to a question from Ms. Weir, Mr. English noted the University's discount rate of over fifty percent. Approximately forty percent of families do not qualify for financial aid. All costs of fundraising are treated as an operating cost. In response to questions from Mr. Rozic and Mr. Simpson, Mr. English noted that the University is an undergraduate level institution only. It has no plans to offer graduate level programs. Artificial Intelligence will have an impact on the University's computer science programs, including in respect of programing and hardware. The University is evaluating the implications. Artificial Intelligence credentialing programs for mid-career students are being evaluated. In response to a question from Mr. Martin, Mr. English confirmed these programs would be on campus. In response to questions from Mr. Needles, Mr. English confirmed that

University pricing is set with competing institutions in mind. Residence hall improvements will include improvements to mechanical systems and creating additional lounge and study spaces.

Mr. Burlingame stated that the resolution approves the Preliminary Agreement with the University. That agreement and related resolution preliminarily approve the financing transaction.

Mr. Simpson moved and Mr. Rozic seconded the motion that Resolution No. 2026-05 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: Gonsiorowski; Martin; Needles; Simpson; Rozic; Weir

Nay: None

Abstain: Pattison

The Secretary declared the motion passed and Resolution No. 2026-05 adopted.

Resolution No. 2026-05 is as follows:

UNIVERSITY HOSPITALS HEALTH SYSTEM

University Hospitals Health System received final approval for a financing at the January meeting. The proposed resolution is additional to, and supplements, the January resolution. It memorializes and approves the participation of the Health System's affiliate, Lake Health, in connection with the Beachwood hospital acquisition and related bond issue.

Mr. Burlingame stated that the bond documents have been prepared and are in substantially final form. The resolution under consideration, supplementing and being in addition to Resolution 2026-01, approves the issuance of the bonds and related documents.

Ms. Pattison moved and Mr. Martin seconded the motion that Resolution No. 2026-06 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: Martin; Gonsiorowski; Needles; Pattison; Rozic; Simpson; Weir

Nay: None

The Secretary declared the motion passed and Resolution No. 2026-06 adopted.

Resolution No. 2026-06 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

It is now expected that the Commission will next meet on March 18, 2026, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.



Secretary