



Financing Facilities for a Better Future

MEETING OF THE BOARD OF DIRECTORS

JUNE 11, 2015

A Meeting of the Board of Directors of the Rhode Island Health and Educational Building Corporation was held on **Thursday, June 11, 2015 at 5:30 p.m.**, at the Corporation's office located at 170 Westminster Street, Suite 1200, Providence, Rhode Island, 02903.

Directors present: James Salome, Chairman; Ralph Ezovski, Vice Chairman; Richard Sinapi, Treasurer; Ralph Palumbo, Assistant Treasurer; and Scott Davis, Secretary.

Also present: Robert Donovan, the Corporation's Executive Director; Scott O'Malley, the Corporation's Chief Financial Officer; Stephen Maceroni from Public Financial Management, Inc., Adam Krea from First Southwest, the Corporation's Financial Advisors; Karen Grande from Locke Lord LLP, Eugene Bernardo from Partridge, Snow & Hahn LLP, Paul Campellone from Adler Pollock & Sheehan P.C., Adam Gwaltney from Hinckley Allen & Snyder LLP, the Corporation's Bond Counsel; and Antonio Afonso, Jr. from Moses Afonso Ryan Ltd., the Corporation's Legal Counsel.

1. A) TO APPROVE THE PUBLIC SESSION MINUTES OF THE MEETING HELD ON May 14, 2015

It was unanimously voted upon motion by Mr. Davis, seconded by Mr. Palumbo, to approve the Public Session Minutes of the Regular Meeting of May 14, 2015.

2. TO REVIEW THE EXECUTIVE DIRECTOR'S REPORT

A) TO ADOPT A CORPORATION BUDGET FOR FISCAL YEAR 2016

Mr. Donovan presented the Corporation's projected financial results for the 2015 fiscal year and the proposed budget for fiscal year 2016. A motion by Mr. Sinapi, seconded by Mr. Palumbo, was made to adopt the budget as presented, Mr. Ezovski then requested that the salaries contained in the budget be increased by an additional 3%. Mr. Sinapi then made a motion, seconded by Mr. Ezovski to amend the budget increasing the salaries by an additional 3% which was unanimously approved.

Mr. Sinapi then made a motion seconded by Mr. Davis to approve the amended budget which was unanimously approved.

B) DESIGNATION OF FUND BALANCES

Mr. Donovan stated that prior to the end of each fiscal year the Board designates specific purposes for the Corporation's funds. Based upon the anticipated income for this fiscal year, it

is requested that the Board consider the designation of funds. It was unanimously voted, upon motion by Mr. Sinapi, seconded by Mr. Ezovski to approve the designation of funds as proposed.

3. TO REVIEW THE FINANCIAL ADVISOR'S REPORT

Adam Krea presented the final pricing on Mercy Mount and the Providence PBA financings.

4. TO ACCEPT AN APPLICATION FROM BROWN UNIVERSITY AND APPOINT BOND COUNSEL AND A FINANCIAL ADVISOR

Mr. Donovan stated that the Corporation received an application from the Brown University for a bond issue. It was requested that the Board accept the application. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Palumbo, to accept the application from the Brown University.

Mr. Donovan requested that the Board appoint Hinkley Allen & Snyder LLP as Bond Counsel for the Brown University bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to appoint Hinkley Allen & Snyder LLP as Bond Counsel for the Brown University bond issue.

Mr. Donovan requested that the Board appoint First Southwest as Financial Advisor for the Brown University bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Davis, to appoint First Southwest as Financial Advisor for the Brown University bond issue.

5. TO ACCEPT AN APPLICATION FROM TOCKWOTTON AND BOND COUNSEL AND A FINANCIAL ADVISOR

Mr. Donovan stated that the Corporation received an application from the Tockwotton for a bond issue. It was requested that the Board accept the application. It was unanimously voted upon motion by Mr. Palumbo, seconded by Mr. Sinapi, to accept the application from the Tockwotton.

Mr. Donovan requested that the Board appoint Partridge, Snow & Hahn as Bond Counsel for the Tockwotton bond issue. It was unanimously voted upon motion by Mr. Davis, seconded by Mr. Ezovski, to appoint Partridge, Snow & Hahn as Bond Counsel for the Tockwotton bond issue.

Mr. Donovan requested that the Board appoint Public Financial Management as Financial Advisor for the Tockwotton bond issue. It was unanimously voted upon motion by Mr. Palumbo, seconded by Mr. Ezovski, to appoint Public Financial Management as Financial Advisor for the Tockwotton bond issue.

6. TO ACCEPT AN APPLICATION FROM JSA/TARMARISK AND APPOINT BOND COUNSEL AND A FINANCIAL ADVISOR

Mr. Donovan stated that the Corporation received an application from the JSA/Tarmarisk for a bond issue. It was requested that the Board accept the application. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to accept the application from the JSA/Tarmarisk.

Mr. Donovan requested that the Board appoint Adler Pollock & Sheehan P.C. as Bond Counsel for the JSA/Tarmarisk bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to appoint Adler Pollock & Sheehan P.C. as Bond Counsel for the JSA/Tarmarisk bond issue.

Mr. Donovan requested that the Board appoint First Southwest as Financial Advisor for the JSA/Tarmarisk bond issue. It was unanimously voted upon motion by Mr. Palumbo, seconded by Mr. Sinapi, to appoint First Southwest as Financial Advisor for the JSA/Tarmarisk bond issue.

7. TO CONSIDER AN AMENDMENT TO THE LOAN & SECURITY AGREEMENT FOR ST. ELIZABETH MANOR

Mr. Campellone presented the Resolution amending the Loan and Security Agreement for the St. Elizabeth Manor, Series 2013 bond issue. It was unanimously voted upon motion by Mr. Sinapi, seconded by Mr. Ezovski, to adopt the Resolution for St. Elizabeth Manor.

8. TO CONSIDER AN AMENDMENT TO THE LOAN & SECURITY AGREEMENT FOR ST. ANDREWS SCHOOL

Mr. Bernardo presented the Resolution amending the Loan and Security Agreement for the St. Andrews School, Series 2013 bond issue. It was unanimously voted upon motion by Mr. Palumbo, seconded by Mr. Ezovski, to adopt the Resolution for St. Andrews School.

9. TO CONSIDER A REQUEST TO EXTEND THE DATE OF THE AUTHORIZING RESOLUTION FOR UNITED METHODIST HEALTH CARE CENTER D/B/A LINN HEALTH CARE CENTER

Mr. Afonso presented the Resolution which would extend the expiration date of the previous Resolution from June 30, 2015 to September 30, 2015, which would ensure the loan could be closed. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Palumbo to adopt the Resolution for United Methodist Health Care Center D/B/A Linn Health Care Center.

10. TO GRANT PRELIMINARY APPROVAL FOR THE CITY OF CRANSTON

Mr. Maceroni presented the Preliminary Approval memorandum for the City of Cranston bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Palumbo and Mr. Davis, to grant Preliminary Approval for the City of Cranston.

A) TO ASSIGN AN INVESTMENT BANKING FIRM

Mr. Donovan requested that the Board appoint Oppenheimer & Co. as Investment Banker for the City of Cranston bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Palumbo, to appoint Oppenheimer & Co. as Investment Banker for the City of Cranston.

11. TO GRANT FINAL APPROVAL AND ADOPT AN AUTHORIZING RESOLUTION FOR PROVIDENCE COLLEGE

Mr. Krea presented the Final Approval memorandum for the Providence College bond issue. Next, Mr. Bernardo presented the Authorizing Resolution for the Providence College bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to grant Final Approval and adopt the Authorizing Resolution for Providence College.

12. TO GRANT FINAL APPROVAL AND ADOPT AN AUTHORIZING RESOLUTION FOR SOUTH COUNTY HOSPITAL

Mr. Krea presented the Final Approval memorandum for the South County Hospital bond issue. Next, Mr. Bernardo presented the Authorizing Resolution for the South County Hospital bond issue. It was unanimously voted upon motion by Mr. Davis, seconded by Mr. Palumbo, to grant Final Approval and adopt the Authorizing Resolution for South County Hospital.

13. TO ASSIGN AN INVESTMENT BANKING FIRM FOR THE NEW ENGLAND INSTITUTE OF TECHNOLOGY

Mr. Donovan requested that the Board appoint JP Morgan as Investment Banker for the New England Institute of Technology bond issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to appoint JP Morgan as Investment Banker for the New England Institute of Technology.

14. TO ENGAGE LEGAL COUNSEL REGARDING IRS EXAMINATIONS

Mr. Donovan explained that the Corporation received Examination Request letters from the IRS regarding the Providence College, Series 2006 and the Roger Williams University, 2008B bond issues. He then stated that similar to the procedure that has been followed in past exams, it is requested that the Board appoint Locke Lord LLP to represent RIHEBC and authorize the Corporation to submit Form 2848 Power of Attorney to the IRS. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi to appoint Locke Lord LLP and authorize the submittal of Form 2824 to the IRS.

15. TO CONSIDER CERTAIN MATTERS IN EXECUTIVE SESSION RELATED TO INVESTMENT OF PUBLIC FUNDS WHERE PREMATURE DISCLOSURE WOULD ADVERSELY AFFECT THE PUBLIC INTEREST AND/OR RELATED TO LITIGATION PURSUANT TO RHODE ISLAND OPEN MEETINGS LAW, SPECIFICALLY SECTION 42-46-5(a)(2) AND SECTION 42-46-5(a)(7) OF THE GENERAL LAWS OF RHODE ISLAND 1956 (2007 REENACTMENT), AS AMENDED

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to move to Executive Session in accordance with Rhode Island Open Meeting Law, specifically Section 42-46-5(a)(2) and Section 42-46-5(a)(7) of the General Laws of Rhode Island 1956 (2007 Reenactment) as

amended as it related to investment of public funds where premature disclosure would adversely affect the public interest and/or related to litigation. Upon returning from Executive Session it was unanimously voted upon motion by Mr. Palumbo, seconded by Mr. Ezovski, to keep the Executive Session confidential.

16. TO CONSIDER ANY OTHER BUSINESS TO COME PROPERLY BEFORE THE BOARD

There being no other business to come before the Board, it was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Sinapi, to adjourn at 6:45 p.m.