

Meeting of the Board
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
November 17, 2022
Room 515 North Office Building
10:47 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, and Announcement of Quorum
2. Approval of the Minutes of the Meeting of June 23, 2022
3. Audit Committee Report
4. Old Business
 - A. Executive Director's Update
5. New Business
6. Adjournment

1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING AND ANNOUNCEMENT OF QUORUM

With a quorum of board members present, the meeting of the Pennsylvania Higher Educational Facilities Authority was called to order on Thursday, November 17, 2022, at 10:47 A.M. prevailing time, in room 515 North Office Building, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification regarding sending the notice of the meeting is attached to these minutes. It was noted that the meeting was being recorded.

Angela Brysiak introduced herself as the interim Board Chair from the Governor's Budget Office. The previous Board Chair, Steven Heuer, left the Governor's Budget Office and went to PSERS. Ms. Brysiak said that she was happy to be at the Board Meeting and was looking forward to meeting the Board Members.

Board Members Present

Angela Brysiak, (Proxy for Governor Thomas W. Wolf)
Jennifer Langan, (Proxy for Treasurer Stacy Garrity)
Christal Pike-Nase, (Proxy for Auditor General Timothy L. DeFoor)

Board Members Participating by Conference Call

Terry Trego, (Proxy for Senator Scott Martin)
Senator Lindsey M. Williams
Shawn Smith, (Proxy for Acting Secretary of General Services Joseph Lee)
Patrick Lord, (Proxy for Acting Secretary of Education Eric Hagarty)

Members Absent

Representative Curtis G. Sonney
Representative Napoleon J. Nelson

Authority Personnel Present

Eric Gutshall, Executive Director
Jennifer Sheffield, Director of Operations
David Player, Comptroller

Also Present

William McCarty, Authority Counsel, Barley Snyder LLP

2. APPROVAL OF THE MINUTES OF THE MEETING OF JUNE 23, 2022

A copy of the minutes of the meeting of June 23, 2022, was distributed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the PHEFA meeting of June 23, 2022, be and hereby are approved as presented.

Upon **MOTION** by **Ms. Langan** and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was unanimously approved at the PHEFA Board Meeting of November 17, 2022.

3. AUDIT COMMITTEE REPORT

Ms. Pike-Nase, as Chair of the Audit Committee, provided a summary of the Audit Committee meeting on September 26th. The Audit Committee conducted the exit conference in person in the Law Library of the Department of the Auditor General with the Authority's independent auditors, Maher Duessel, to review the audited financial statements and the audit charter. One of Maher Duessel's partners, Jennifer CruverKibi, was at the conference and provided an excellent summary of the audit process and its results. It was decided that there would be no changes to the audit charter. The audit charter was updated a couple years ago, and it is still in good shape.

As in prior years, the Authority received an unmodified opinion, commonly known as a clean opinion. Ms. CruverKibi indicated that the Authority was very cooperative and well organized. The Audit Committee recommends that the Board accept the audited financial statements and audit charter.

Lastly, Ms. Pike-Nase welcomed Angela Brysiak as the new Board Chair. She also thanked Mr. Heuer for his outstanding service to the Board and the Audit Committee since 2014.

It is recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the 6/30/22 audited financials and audit charter be approved and accepted by the Board.

Upon **MOTION** by **Ms. Langan** and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was unanimously approved at the PHEFA Board Meeting of November 17, 2022.

4. OLD BUSINESS

A. Executive Director's Update

Mr. Gutshall congratulated the legislative members of the Board on their re-elections if they were on the ballot. He hopes that they continue to be on the Board for the next session of the General Assembly.

He let the Board know that Authority staff toured the Penn Medicine Pavilion Building that was funded by PHEFA. It was great to see the results of one of our bond deals. We had a wonderful tour and were told by Penn Medicine that there could be a potential deal coming to us for approval. The Authorities are very excited for them.

Mr. Gutshall mentioned that he attended and presented at the fall NAHEFFA Conference. He is continuing his work as Chair of their Advocacy Committee. He is trying to find ways to advocate for greater access to tax exempt bonds. He also attended a recent Bond Buyer Conference in Washington D.C. and was asked to participate in an upcoming Bond Buyer Podcast to discuss the work we are doing at the Authorities and the issues that we are facing. Additionally, Mr. Gutshall attended and was the keynote speaker at a public finance gathering in New York City. It was a great chance to connect with underwriters, trustees, and banks to talk about issues in the industry.

He said that the Authorities continue outreach to educational institutions across the Commonwealth, again stressing the value of our tax-exempt bonds and our financing options. The rise in interest rates may not be supportive of refundings, but hopefully institutions may see us as a more attractive option for new money deals in the future. We are excited for the potential Penn Medicine deal on the horizon.

Ms. Pike-Nase said that she thinks it is great that Mr. Gutshall is doing so much outreach. She asked if he could get a sense what other states are doing.

Mr. Gutshall said that his counterpart in Missouri called him two weeks ago to ask how many bond deals we have and express his concern that Missouri has no deals. Mr. Gutshall said that unfortunately the market has not been in our favor. He said that in some ways it is a relief to know that we are not outside of the norm. It is good to hear what other states are doing, what their schools are doing and what their contracting rules are. It has been very beneficial. It has helped us change our operations as well. Mr. Gutshall said that he hopes to see more action and more collaboration. Mr. Gutshall explained that his counterpart in Minnesota did a case study on green bonds. He took a project and split it into two tranches (one was not designated, and the other was designated green bonds). It turned out that the market was way more interested in green bonds. So that is something for us to think about in the future. Mr. Gutshall said that it has been very beneficial to learn from other states.

Mr. Gutshall is hoping to get an upcoming NAHEFFA Conference location in Pennsylvania so that the Board can attend and hear from other states firsthand.

Ms. Pike-Nase said that would be great and that she would like to attend.

5. NEW BUSINESS

Chairperson Brysiak asked if there was any new business to come before the Board, and hearing none, she asked for a motion to adjourn.

6. ADJOURNMENT

There being no further business to come before the Board at this time, and upon **MOTION** by **Ms. Pike-Nase**, the PHEFA Board Meeting was adjourned at 10:50 a.m.

SUNSHINE ACT PUBLIC MEETING NOTICES - THURSDAY, OCTOBER 27

Please utilize the Contacts name/phone # listed in each notice for reasonable accommodation due to a disability; to check on the meeting status; to inquire about phone/online participation options; etc.

Note: some mtgs. may be recorded.

PCCD Advisory Committee Meetings, 3101 N. Front St., Hbg., PA, Conf. Call: 267-332-8737: Children's Advocacy Center, 11/1/2022, 10 AM, Access Code: 827 866 480; Mental Health and Justice, 11/2/2022, 10 AM, Access Code: 799 932 205, Contact: Heather Hewitt 717-265-8730; County Adult Probation and Parole, 11/3/2022, 2 PM, Conf. Call: 1-929-205-6099, Access Code: 338-839-7098, Contact: Pamela Bennett 717-265-8485.

PCCD Constables' Education and Training Board Meeting, 11/3/2022, 9 AM, 3101 N. Front St., Hbg., PA, Conf. Call: 267-332-8737, Access Code: 689 872 511, Contact: Sherry Leffler 717-265-8554.

PHC4 Council Meeting, 11/3/2022, 10 AM, 225 Market St. 4th Fl., Hbg., PA, Agenda: <https://phc4.org/council/agendas.htm>, Participation Instructions: rgreenawalt@phc4.org, Contact: Renee Greenawalt 717-232-6787.

Special, PSERB Special Audit Compliance & Risk Committee Meeting, 11/3/2022, 4 PM, 5 N. 5th St, Hbg., PA, Link: www.PSERS.pa.gov, Contact: Tivia Danner 717-710-6459.

PA Dept. of AG, Dog Law Advisory Board Meeting, 11/4/2022, 10:30 AM, PA Dept. of AG Bldg., Conf. Rm. 309, Conf. Call: 267-332-8737, Access Code: 444 055 771#, Contact: Linda Hansen 717-705-8894.

Inspection Advisory Board Meeting, 11/9/2022, 11 AM, Riverfront Ofc. Ctr., Transprt. Univ., Rm. 408, 1101 S. Front St., Hbg., PA, Contact: Tim Langletz 717-787-2895.

Professional Standards & Practices Commission (PSPC) Meeting, 11/14/2022, 10 AM, Dept. of Ed., 333 Market St., Heritage Rm. A Lobby, Hbg., PA, Contact: April Rivera 717-787-7856.

Special, State Public School Building Authority & PA Higher Educational Facilities Authority Board Meeting, 11/17/2022, 10:30 AM, 515 North Offc. Bldg., Hbg., PA, Contact: Jennifer Sheffield 717-975-2209.

Annual Wild Resource Conservation Program Board Meeting, 11/30/2022, 11 AM, Rachel Carson State Offc. Bldg., 400 Market St., 6th Fl. Conf. Rm., Hbg., PA, Contact: Jennifer Girton 717-787-3212.

Dept. of L&I, Bureau of Occupational & Industrial Safety, Accessibility Advisory Board Meetings, 1/19/23, 9 AM, 651 Boas St., Rm. 1626, Hbg., PA, Teams only, Conf. Call: 1-267-332-8737, Access Code: 309 416 044; 2/16/23, Access Code: 352 392 336; 3/16/23, Access Code: 803 251 972; 4/20/23, Access Code: 906 138 402; 5/18/23, Access Code: 972 882 138; 6/15/23, Access Code: 153 745 383; 7/20/23, Access Code: 482 084 418; 8/17/23, Access Code: 395 658 750; 9/21/23, Access Code: 711 149 694; 10/19/23, Access Code: 958 788 016; 11/16/23, Access Code: 426 126 553; 12/21/23, Access Code: 284 211 717; Contact: Cindy Holtry 717-783-4560.

Appeared in: ***Patriot-News*** on Thursday, 10/27/2022

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meetings of the Boards to be Held
November 17, 2022

The State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will meet on **Thursday, November 17, 2022**, at **10:30 a.m. in Room 515 North Office Building, Harrisburg**. The meetings are to: (a) approve projects for financing; and (b) consider other matters as may properly come before the Board.

Please complete the attached response and return to Jen Sheffield via e-mail.

Sincerely,

Eric Gutshall
Executive Director

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Harrisburg, PA

I CERTIFY that the notice on the previous page for the November 17, 2022, meetings was dispatched to the following on October 24, 2022, at the addresses indicated, constituting all members of the Board of the Pennsylvania Higher Educational Facilities Authority.

Angela Brysiak, Proxy for Governor Wolf
abrysiak@pa.gov

Scott Martin, Designated by the President Pro Tempore of the Senate
smartin@pasen.gov

Lindsey M. Williams, Designated by the Minority Leader of the Senate
lindsey.williams@pasenate.com

Curtis G. Sonney, Designated by the Speaker of the House of Representatives
csonney@pahousegop.com

Napoleon J. Nelson, Designated by the Minority Leader of the House of Representatives
repnelson@pahouse.net

Stacy Garrity, State Treasurer
hshaffer@patreasury.gov

Timothy L. DeFoor, Auditor General
plafoe@paauditor.gov

Joseph Lee, Acting Secretary of General Services
josephlee@pa.gov

Eric Hagarty, Acting Secretary of Education
karworley@pa.gov

GIVEN under my hand and seal this 24th day of October 2022.

Eric Gutshall

Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority