

EDUCATIONAL ENHANCEMENT FUNDING CORPORATION

MINUTES OF THE ANNUAL MEETING

September 16, 2016

Pursuant to due notice, the Educational Enhancement Funding Corporation met on Friday, September 16, 2016, at the South Dakota State University football stadium and via telephone. The annual meeting began at 1:00 p.m., CDT. Mr. Tom Graham, Chairman, instructed the Executive Secretary to call the roll.

Present: Mr. Tom Graham
Mr. Doug Hajek
Mr. Ken Karels (via telephone)
Mr. Dennis Neugebauer
Mr. James Roby
Mr. James Spies (via telephone)
Ms. Tina Van Camp
Mr. Steve Zellmer

Absent: Mr. Jim Breckenridge

Other staff and representatives of the Corporation present were:

Mr. Donald Templeton, Executive Secretary
Mr. Todd Meierhenry, Meierhenry Sargent, LLP
Mr. Dustin Christopherson, South Dakota Health and Educational
Facilities Authority
Mr. Michael Jost, South Dakota Health and Educational Facilities Authority
Mr. Monte Kramer, Board of Regents
Mr. Bert Olson, The First National Bank in Sioux Falls (via telephone)
Mr. Neil Pritz, Piper Jaffray
President Dunn Wes Tschetter, Dean Kattelmann, Mike Holbeck & Karen Jastram
from South Dakota State University

A quorum was declared by the Chairman and the meeting was called to order.

Mr. Don Templeton advised the Corporation members that the notice of the meeting had been posted at the entrance of the office of the Educational Enhancement Funding Corporation on September 12, 2016. A copy of that notice is on file at the Authority's office.

The Chairman asked for consideration of the minutes for the June 6, 2016 meeting. Mr. Roby moved to approve the minutes as presented, seconded by Mr. Hajek and upon roll call, the ayes were: Graham, Hajek, Karels, Neugebauer, Roby, Spies, Van Camp and Zellmer; nays: none; abstain: none. Motion carried.

CONFLICT OF INTEREST

Mr. Don Templeton and Mr. Todd Meierhenry reviewed HB1214 of the 2016 Legislature with the Board. Mr. Monte Kramer gave updates on the State Board of Internal Control. Mr. Templeton asked if any members had a conflict of interest with the agenda items of the meeting. No conflicts were noted.

ELECTION OF OFFICERS

Mr. Templeton reviewed the Vice-Chairman and Secretary offices. Mr. Doug Hajek was nominated for Vice-Chairman and Mr. James Roby was nominated for Secretary. Mr. Neugebauer made a motion to elect these two officers and Mr. Zellmer seconded the motion and upon roll call, the ayes were: Graham, Hajek, Karels, Neugebauer, Roby, Spies, Van Camp and Zellmer; nays: none; abstain: none. Motion carried.

MSA PAYMENT SUMMARY

Mr. Don Templeton reviewed the receipt of the MSA payments of \$24,581,794 that were received in April 2016. After funding debt service and operating expenses a transfer of \$7,567,987 was sent to the Education Enhancement Trust Fund held by the South Dakota Investment Council. The outstanding bonds, year to date financials and operating budget were reviewed in detail.

PERKINS COIE CONTRACT

Mr. Templeton reviewed the Perkins Coie contract on file with the Educational Enhancement Funding Corporation for the period of September 1, 2016 through August 31, 2017 with the annual fee not to exceed \$15,000 for the legal fees plus \$1,250 - \$1,750 per rebate computation prepared by Wildan Financial plus \$2,500 for each biannual Universal Cap Analysis. Mr. Hajek moved to approve the contract, seconded by Mr. Roby and upon roll call, the ayes were: Graham, Hajek, Karels, Neugebauer, Roby, Spies, Van Camp and Zellmer; nays: none; abstain: none. Motion carried.

POST ISSUANCE COMPLIANCE REVIEW

Mr. Todd Meierhenry gave a post issuance compliance review summary and stated that the Educational Enhancement Funding Corporation was in compliance of bond covenants and federal law.

ADJOURNMENT

The Chairman stated that there being no further business at this meeting, the meeting would be adjourned at 1:40 p.m. CDT.