MINNESOTA
HEALTH AND EDUCATION
FACILITIES AUTHORITY

The Minnesota Health and Education Facilities Authority (the "Authority" or "MHEFA") convened a Board meeting at 2:00 pm Central Daylight Time, Wednesday, October 8, 2026.

The Board is conducting this meeting subject to the Open Meeting Law by in-person, telephone, and interactive technology as allowed by Minnesota Statutes. Members participating in the meeting can hear each other and all discussion; members of the public can hear all discussion and votes; and all votes are conducted by a roll call. The board has made provision for the public to monitor the meeting electronically from a remote location. The board has provided notice of the meeting location, the fact that some members may participate by interactive technology, and of the public's right to monitor the meeting electronically from a remote location.

The Authority Board meeting was held in the lower-level conference room of the Authority Offices at Grand Oak I, 860 Blue Gentian Road, Suite 145, Eagan, MN 55121. Executive Director, Barry Fick, was physically present, as well as other Board Members and members of the public, all listed on the following page. The location and time of the meeting was duly published and posted on the Authority website and at the entrance to the Authority office, located at 860 Blue Gentian Road, Suite 145, Eagan, MN 55121.

The public was able to attend the meeting in person, monitor the meeting by calling a toll-free number, and able to connect to the meeting using the video link.

Board members participated in the meeting in-person and by using a video link. The meeting link was sent to Board members prior to the meeting. The use of a video link as an allowable way to hold the Board meeting was confirmed by the State of Minnesota's Data Practices Office staff prior to the meeting, following Minnesota Statute 13D.015.

Executive Summary – Minnesota Health and Education Facilities Authority

Meeting on October 8, 2026 Board Actions Taken:

Motions:	Result:	Vote:
Approve the Meeting Minutes of September 9, 2026	Passed	Unanimous
Approve the FY2026 Financial Report Audit	Passed	Unanimous

Resolutions	Result:	Vote:
Series Resolution for Glenhaven Housing Foundation	Passed	Unanimous
Resolution approving Tax-Exempt Member substitution and renaming KingsPath/Target Housing to Rightpath Senior Care and Community Services Organization	Passed	Unanimous
Series Resolution for Integrated Senior Foundation	Passed	Unanimous

The official meeting began with a roll call to establish a quorum. The following board members or their designees were participating and attending in-person (IP), by video link ("V") or telephone ("T"):

Board Members: Ken Westphal – IP
Martha Earley – V
Tim Rice - V
David Rowland – T
Mary Ives - V
Michelle Scott, OHE – V
Paul Cerkvenik, MPCC – V

Absent: Gary Benson
Bonnie Anderson Rons
Erich Heppner

Other Attendees: Brett Edwards, HJ Sims – IP
Brock Bagelman, HJ Sims - V

Curtis King, HJ Sims - V
Mia Thibodeau, Fryberger – IP
Daniel Burns, Fryberger - IP
Tim O'Brien, Glenhaven Housing Foundation – V
Dana Dallum, Diamond Willow Management – V
Alex Dinkels, Marathon Capital - V
Jenny Bolton, Kutak Rock – V
Catherine Courtney, Taft – V
Greg Fawcett, JLL – V
Alanna Ellis, JLL – V
Bryan Ziebart, Integrated Senior Foundation – V
Ryan Engelstad, BerganKDV - IP

Staff: Barry W. Fick, Executive Director, MHEFA – IP
Amanda Lee, Operations Manager, MHEFA – IP

Acting Board Chair Ken Westphal, called the meeting order at 2:03 pm CDT. Executive Director Fick took roll and confirmed that a quorum was present. Except for Other Attendees noted above, there were no members of the public at the meeting location or on the video or telephone link.

Agenda Item I –Minutes from September 9, 2026, Board Meeting

The first action item on the agenda was the review and consideration of the minutes of the September 9, 2026 Authority Board meeting.

Acting Chair Westphal asked for a motion and second to the Minutes of the September 9, 2026 Board Meeting. Mary Ives moved to accept the meeting minutes. Martha Earley seconded the Motion. Acting Chair Westphal asked if there were any changes or edits to the minutes. There were no suggested edits or changes to the minutes.

Acting Chair Westphal called for a vote regarding the approval of the September 9, 2026, minutes. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	Ken Westphal	Yes
	Martha Earley	Yes

Mary Ives	Yes
Michelle Scott	Yes
David Rowland	Yes
Tim Rice	Yes

There were no votes against the motion and the Minutes of the September 9, 2026, MHEFA Board meeting were approved.

Agenda Item II – Glenhaven Housing Foundation, Finance Plan and Series Resolution

Acting Chair Westphal called on Brett Edwards of HJ Sims and Alex Dinkels of Marathon Capital Strategies, LLC to discuss the financing structure for the Glenhaven transaction.
Mr. Edwards noted that the Preliminary Finance plan summary is the following:

Preliminary Financing Plan Summary (as of September 21, 2026)*	
Estimated Par Amount	$87,050,000* (not to exceed $102,300,000)
Series	Senior Series 2026A; Senior Subordinate Series 2026B; Seller Subordinate Series 2026C-1 and Taxable Series 2026C-2
Financing Type	New money: acquisition
New Money Project	Acquisition of nine (9) assisted living and memory care communities in Minnesota for an aggregate purchase price of $72,950,000
Refinancing	None
Capitalized Interest	$626,868* (portion of interest due January 1, 2027)
First Principal Payment Date	January 1, 2030 (sinking fund on Series 2026A and 2026B; interest-only before then)
Stated Final Maturity Date	January 1, 2056* (30 years)
Mandatory Tender Date	January 1, 2034* (all series); expected to be remarketed or refinanced at that date
Estimated All-In TIC	Series 2026A 6.36%; all series blended approx. 8.08%

Mr. Edwards next introduced Alex Dinkels, a Principal at Marathan Capital Strategies, LLC, the municipal advisor on the Glenhaven financing.

Mr. Dinkels noted that Marathon Capital Strategies, LLC ("Marathon"), as the independent registered municipal advisor to GHF MN, LLC (the "Borrower"), has prepared this Preliminary Financing Plan Summary for the Authority's consideration of the proposed issuance of the Authority's Senior Living Revenue Bonds (Glenhaven Housing Foundation – Minnesota Project), Series 2026 (the "Bonds"). The Borrower is a wholly owned subsidiary of Glenhaven Housing Foundation, Inc. (the "Parent").

Marathon reviewed the preliminary financing plan; the sizing and debt service schedules prepared by the Underwriter, Herbert J. Sims & Co., Inc., dated September 21, 2026, which Marathon independently validated; the HealthTrust appraisals supporting the acquisition; and the draft feasibility study prepared by CliftonLarsonAllen LLP (the "Feasibility Study"), which evaluates management's financial forecast and projected operating performance. Based on its review to date, Marathon believes the proposed financing structure provides a reasonable framework for accessing the capital required to complete the acquisition and that the Borrower is projected to support the resulting debt service obligations.

The appraisals support the proposed purchase price, and the draft Feasibility Study projects debt service coverage on the Senior and Senior Subordinate Bonds above the 1.20x coverage covenant throughout the forecast period, based on a modest improvement in occupancy from current levels. The financing structure also incorporates several credit features intended to support bondholder security, including funded debt service and operating reserves, a $2.75 million Seller-funded liquidity support fund, monthly revenues flowing through accounts controlled by the Master Trustee, and management fees that are subordinate to debt service on the Senior and Senior Subordinate Bonds.

Subject to satisfactory completion of due diligence, finalization of financing documents substantially consistent with this Summary, acceptable market execution, and receipt of all required approvals, Marathon believes the preliminary financing plan provides a reasonable basis for the Authority to consider proceeding with the issuance of the Bonds

Acting Chair Westphal asked if there were any questions for Mr. Dinkels. There were no questions and Acting Chair Westphal called on Mia Thibodeau and Daniel Burns of the Fryberger Law Firm to review the Series Resolution for Glenhaven.

Ms. Thibodeau directed the Board to the Series Resolution for Glenhaven, which was included in the Board packet. The Glenhaven Series Resolution includes 14 sections, which Ms. Thibodeau reviewed for the Board. The Series resolution defines the terms related to the bonds, including the parties to the financing. The Series Resolution includes a summary of the documents that define the financing terms and conditions.

The Series Resolution includes a recapitulation of the prior actions taken by the Board concerning the financing and affirms the borrower's compliance with all applicable rules for tax-exempt financing. The Series Resolution also recites the proceedings and findings made by the Board, based on representations from the borrower.

The Series Resolution discusses the structure of the financing, approves the form of the Bond documents, and authorizes the Authority to sign documents and certificates necessary to issue the bonds

Ms. Thibodeau concluded her presentation of the Series Resolution and asked if there were any questions from the Board. There were no questions.

Acting Chair Westphal asked for a motion and second to the Glenhaven Series Resolution. Mary Ives moved to approve the Series Resolution. Marth Earley seconded the Motion.

Acting Chair Westphal called for a vote regarding the approval of the Series Resolution for Glenhaven. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	Ken Westphal	Yes
	Martha Earley	Yes
	Mary Ives	Yes
	Michelle Scott	Yes
	David Rowland	Yes
	Tim Rice	Yes

There were no votes against the Resolution, and the Glenhaven Series Resolution was approved.

Agenda Item III – Kingspath/Target Housing/Rightpath Series 2026 Update

Acting Chair Westphal called on Jenny Boulton from Kutak Rock to present the Resolution Approving the Member substitution for the KingsPath/Target Housing financing completed earlier in calendar 2026 through MHEFA. In the original transaction, the qualified 501(C)(3) selected to be the sole Member would hold their interest in the facilities on an interim basis. The application for tax-exempt status of the planned entity to serve as the permanent Membership Interest was in process at closing but was not yet fully approved by the IRS. Final approval was granted earlier in 2026.

The Resolution to be considered by the Board recognizes the transfer of the Membership interest from the interim to the permanent Member of the Obligated Group. In connection with this transfer, the name of the organization is changed to Rightpath Senior Care and Community Services Corporation, a Minnesota nonprofit corporation. No change to the composition of the properties or to the terms of the financing occurs as a result of this substitution.

Ms. Boulton reviewed the Resolution with the Board and at the conclusion of her review asked if there were questions from Board members. There were no questions.

Acting Chair Westphal asked for a motion and second to the Substitution Resolution. Martha Earley moved to approve the Substitution Resolution. David Rowland seconded the Motion.

Acting Chair Westphal called for a vote regarding the approval of the Substitution Resolution for Glenhaven. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	Ken Westphal	Yes
	Martha Earley	Yes
	Mary Ives	Yes
	Michelle Scott	Yes
	David Rowland	Yes
	Tim Rice	Yes

There were no votes against the Resolution, and the Glenhaven Series Resolution was approved.

Agenda Item IV – Integrated Senior Foundation Finance Plan and Series Resolution

The next item on the agenda is consideration and action on the financing plan and Series Resolution for Integrated Senior Foundation ("ISF"). The required Public Hearing for the proposed financing was held at prior Authority board meeting.

Acting Chair Westphal called upon representatives of Integrated Senior Foundation, and the ISF Finance team members present to outline the finance plan.

Gregg Fawcett and Alanna Ellis (both with JLL Advisors) introduced themselves and described the Preliminary financing Plan as follows:

The Preliminary Financing Plan Summary (the "Summary") represents JLLD's independent review of the financing structure and is based upon current discussions with the Borrower, Issuer, Real Estate Advisor and Placement Agent. The Borrower has filed with the Issuer an application requesting the issuance of bonds under provisions of Minnesota Statutes, Chapter 15D, as amended (collectively the "Act") for the purposes of: (i) financing the costs of acquiring, improving, renovating, equipping, and furnishing, as applicable, certain assisted living facilities located in the State of Minnesota (collectively, the "Project"), funding working capital, and paying certain costs of issuing the Bonds.

The Borrower is requesting that the Authority issue revenue bonds in an aggregate principal amount not to exceed $370,000,000. As of the date of this summary, the Borrower anticipates issuing two (2) Series of Bonds, Series 2026A (senior lien) in the approximate amount of $311,250,000 and Series 2026B (subordinate lien) in the approximate amount of $46,445,000. The subordinate lien bonds will be credited to the Seller as part of the purchase price consideration for acquisition of the Portfolio Properties; however, no cash will be exchanged between the Issuer and Seller for the subordinate bonds (i.e., carryback financing). Interest due, but not otherwise paid current on the subordinate bonds will be added to the principal balance of outstanding Series 2026 Bonds (i.e. PIK Interest) and paid from free cashflow on subsequent interest payment dates (or such other time as provided for in the Bond Indenture), and in no instance shall an event of default result from any subordinate interest accruals. For initial 2-year period interest due on the subordinate bonds shall accrue without payment (i.e., standstill) to the Bondholders. All Principal and interest, including any accruals on the Subordinate Bonds, is anticipated to be paid in full prior to, or at the Stated Maturity

Date. Subject to market conditions, the Series 2026 Bonds will be structured applying the following assumptions

Upon completion of their review of the (i) preliminary plan of finance, (ii) pro-forma debt service, (iii) historical and pro-forma operating figures and (iv) financing documents, JLLD believes the proposed financing structure (2-year initial mandatory tender, subject to long-term remarketing/refinancing) is reasonable and not inconsistent with financing plans for similar project finance offerings. Further nothing has come to our attention that would cause JLLD to believe the Project cannot be supported applying the stated assumptions in Section III above and related covenants in the financing documents; however, we give no guarantee or warranty, express or implied, as to the completeness, accuracy, or achievement of the plan of finance and related assumptions. Actual results may differ materially from initial projections. This document is for informational purposes only and the reader or client assumes full responsibility for any decisions made based on the analysis and information herein. Acknowledging the express limitations on warranty of plan of finance and subject to satisfaction of traditional conditions precedent to issuance of conduit revenue bonds by the Authority; we recommend that the Authority proceed with issuing the Series 2026 Bonds to finance the Project.

Acting Chair Westphal asked Catherine Courtney of the Taft Law firm, who is serving as the Authority's Issuer Counsel for the Integrated Senior Foundation financing, to review the Financing Terms and Series Resolution with the Board.

Ms. Courtney reviewed the findings outlined in the Resolution. She noted that there are additional documents and information that will be required to be provided prior to final issuance of the bonds for the financing. The borrower and other finance team participants are aware of the additional documentation required and are already working on obtaining and submitting the needed information.

Ms. Courtney directed the Board to the Financing Terms and Series Resolution for Integrated Senior Foundation (ISF) that was included in the Board packet. The ISF Financing Terms and Series Resolution includes 14 sections, which Ms. Courtney reviewed for the Board. The Financing Plan and Series resolution defines the terms related to the bonds, including the parties to the financing. The Series Resolution includes a summary of the documents that define the financing terms and conditions.

The Financing Terms and Series Resolution includes a recapitulation of the prior actions taken by the Board concerning the financing and affirms the borrower's compliance with all applicable rules for tax-exempt financing. The Series Resolution also recites the proceedings and findings made by the Board, based on representations from the borrower.

The Financing Terms and Series Resolution discusses the structure of the financing, approves the form of the Bond documents, and authorizes the Authority to sign documents and certificates necessary to issue the bonds

Ms. Courtney concluded her presentation of the Financing Plan and Series Resolution and asked if there were any questions from the Board. There were no questions.

Acting Chair Westphal asked for a motion to approve the Financing plan and Series Resolution for Integrated Senior Foundation. A motion to approve the Resolution was made by Tim Rice. The motion was seconded by Mary Ives.

Acting Chair Westphal asked if there were any questions about the Integrated Senior Foundation Financing Terms and Series Resolution. There were no questions from the Board. Acting Chair Westphal called on Executive Director Fick to conduct a roll call vote on the approval of the Financing Terms and Series Resolution. A roll call vote was conducted, and Board members voted as follows:

Board Members:	Ken Westphal	Yes
	Martha Earley	Yes
	Mary Ives	Yes
	Michelle Scott	Yes
	David Rowland	Yes
	Tim Rice	Yes

There were no votes against the Resolution, and the Integrated Senior Federation Trident Financing Plan and Series Resolution was approved.

Agenda Item V – FY26 Audit Results

Acting Chair Westphal welcomed Mr. Ryan Engelstad, CPA from the Authority's audit firm, Bergan KDV, to the meeting and asked him to present the firm's findings and the results of their audit of the Authority's Fiscal Year 2026 operations.

Executive Director Fick noted that Mr. Engelstad's has served as the Audit partner for the MHEFA audit since 2024. Mr. Engelstad has extensive experience in the higher education accounting and auditing area. Executive Director Fick noted he has worked with Mr. Engelstad in the past on other higher education transactions and is pleased with the professionalism and background Mr. Engelstad brings to the Authority.

Mr. Engelstad outlined the scope of work that BerganKDV did in their audit of the Authority's accounting records. Mr. Engelstad noted that the audit was conducted virtually, with documents transferred electronically by the Authority to a secure site accessible by authorized BerganKDV staff. This process has proved to be a cost effective and thorough approach to conducting the audit of the Authority's financial records. The need for in-person review is limited as the Authority has no inventory and does not sell physical goods, eliminating the need for a visual inspection and count of inventory.

Mr. Engelstad observed that the audit staff received excellent cooperation from Authority staff, with requested documents prepared in a timely fashion before and during the audit.

Mr. Engelstad reported that BerganKDV's responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion on the fair presentation of financial information.

Mr. Engelstad reported that in the opinion of BerganKDV, the financial statements of the Minnesota Health and Education Facilities Authority as of June 30, 2026, present fairly, in all material respects, the respective financial position of the Authority and the respective changes in financial position and its cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States.

Mr. Engelstad noted that the Authority continues to have a significant deficiency in internal controls, due to lack of segregation of accounting duties. This is the result of the small size of the staff of the Authority, which precludes greater segregation of duties. The Authority has taken steps to mitigate the risk that can result from the lack of segregation, including detailed transaction activity review by the Executive Director and oversight by Board Members of the Authority.

Mr. Engelstad noted that FY26 is the initial year where both higher education and healthcare financing are reported as separate lines of business. For FY26, the Authority completed one healthcare financing. Based on the allocation of operating expenses, the Health Care line of business showed a loss for FY26. The Higher Education line of business showed a gain for FY26. The combined lines of operation showed a net gain for FY26.

The Board requested to go into Executive Session with Mr. Engelstad to discuss the FY26 Audit. The board voted by voice vote to move to Executive Session. Authority staff left the meeting room. No members of the public were in the room during the Executive Session.

During the Executive Session, Board members discussed the FY26 audit with Mr. Engelstad.

The Board adjourned the Executive Session and returned to the regular meeting. Authority staff rejoined the meeting.

Mr. Engelstad concluded his presentation. Acting Chair Westphal asked members of the Board if they had any questions for Mr. Engelstad. There were no further questions about the FY26 Audit or Communications Letter from Board members.

Acting Chair Westphal asked for a motion to accept and approve the FY2026 Audited Financial Statements and Communications letter from BerganKDV. A motion to approve the fiscal Year 2026 Audited Financial Statements and Communications letter was made by David Rowland. The motion was seconded by Mary Ives.

Acting Chair Westphal called on the Executive Director to conduct a roll call vote to approve the Audit results. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	David Rowland	Yes
	Mary Ives	Yes

Ken Westphal	Yes
Tim Rice	Yes
Martha Earley	Yes
Michelle Scott	Yes

There were no abstentions or votes against the Motion and the FY2026 Audited Financial Statements and Communications Letter were accepted.

Agenda Item VI – University of St. Thomas Series 2022AB Highland Bridge Update

As part of the 2022AB University of St. Thomas financing, the acquisition of certain parcels of real estate in the Highland Bridge development in St. Paul was completed with Series 2022AB proceeds. The University has not used the real estate and desires to sell a portion of the real estate to an unrelated party. Since the sale involves only a small amount of bond-financed property, no official action is required regarding the sale.

The University has worked with the Authority and Bond Counsel from the Series 2022AB bonds to confirm that the sale will not violate any Series 2022AB bond requirements and requires no official action by the Authority to approve the sale.

This discussion is presented as a courtesy information item to the Board.

Agenda Item VI – Old Business

Acting Chair Westphal asked if there were any Old Business items from Board members for discussion.

There were no Old Business items from staff or from Board members for discussion.

Agenda VII – New Business

Acting Chair Westphal asked if there were any New Business items from Board members for discussion.

There was discussion with staff and Board members regarding the methodology used to allocate operating expenses between higher education and healthcare financings. Staff noted that they use a combination of direct allocation for identifiable expenses and allocate general and overhead costs between higher education and healthcare based on a variety of criteria. The allocation is subject to change as the healthcare financing increases in frequency. The staff has consulted BerganKDV staff to gauge the appropriateness of the allocation criteria.

It was agreed that this is an area that merits further discussion and refinement as more experience is gained with healthcare financings. This topic will be reviewed at a future Board meeting.

Staff introduced an update to the Authority's Private Placement Financing Policy. This policy will be considered at the November meeting of the Authority.

There were no additional New Business items from staff or Board members for discussion.

Agenda VIII– Other Business

Acting Chair Westphal called upon Executive Director Fick to discuss Other Business and present the Executive Directors Report.

We have completed several Moody's credit rating and update calls (Concordia College, St. Scholastica). No results on St. Scholastica, but Concordia College moved form a negative to a stable outlook and maintained their Baa2 rating.

There are 5 schools (Augsburg, St. Benedict, St. John's, St. Catherine, and Gustavus) who will have rating agency update calls scheduled later in 2026.

Augsburg has a new CFO. The Augsburg CFO also serves as CFO to Luther Seminary. St. Catherine has a new CFO. Executive Director Fick will be meeting with them individually in the next 2 weeks. Hamline has appointed Tressa Ries as CFO, shared with Mitchell Hamline.

Macalester is searching for a new CFO to take the place of Patricia Langer, who has accepted the role of CFO at Bryn Mawr in Philadelphia.

Operations Manager Lee and Executive Director Fick attended the Central Association of College and University Business Officials (CACUBO) in Omaha.

Executive Director Fick attended the National Association of Health and Education Facilities Finance Authorities (NAHEFFA) Conference and the Bond Buyer Infrastructure Conference.

Planning for the CFO Roundtable (Nov 12, 2026) and the MHEFA Finance Conference (April 7, 20217) continues, with most speakers and presentations lined up (some through connections at CACUBO and NAHEFFA and Bond Buyer conferences).

Executive Director Fick meets with the Concordia College Board on Monday, Oct. 12, and CSBSJU on Tuesday, Oct. 13 for their rating call.

MHEFA will be exhibiting at the Minnesota Hospital Association ("MHA") Chief Financial Officer Annual meeting this fall. The goal of our participation is to inform MHA members of our Health Care financing ability, set up site visits with MHA members, as well as answer questions about MHEFA.

Acting Chair Westphal asked if there was any Other Business to come before the Board. There was no Other Business for the Board to consider, and Acting Chair Westphal asked for a motion to adjourn the regular Board meeting.

A motion to adjourn the regular board meeting was made by Mary Ives with a second provided by Tim Rice. The Board acted by voice vote to adjourn the meeting at 4:48 pm, CDT.

Respectfully submitted,

Barry Fick
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Assistant Secretary

3- Minutes for 8 Oct 2026 FINAL

Final Audit Report 2026-11-10

Created:	2026-11-10
By:	Amanda Lee (agl@mnhefa.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAgKj_N-NE_utEs916arXXNZTDDiBd3evG

"3- Minutes for 8 Oct 2026 FINAL" History

Document created by Amanda Lee (agl@mnhefa.org)
2026-11-10 - 10:11:22 PM GMT

Document emailed to Barry Fick (bwf@mnhefa.org) for signature
2026-11-10 - 10:11:26 PM GMT

Email viewed by Barry Fick (bwf@mnhefa.org)
2026-11-10 - 10:14:18 PM GMT

Document e-signed by Barry Fick (bwf@mnhefa.org)
Signature Date: 2026-11-10 - 10:14:43 PM GMT - Time Source: server - Signature Appearance Selected: IMAGE

Agreement completed.
2026-11-10 - 10:14:43 PM GMT

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