STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Special Meeting, Thursday, January 12, 2017
Stillwater Medical Center Boardroom
7:30 a.m.

Present: Dan Duncan, Calvin Anthony, Lowell Barto, Beth Buchanan, Mayor Gina Noble and Dr. Cary Couch

Absent: Joe Haney

Others: Butch Koemel (attorney), Denise Webber, Alan Lovelace and Cheryl Marshall (minutes)

Chairman Dan Duncan called the meeting to order at 7:32 a.m. Notice of this meeting was posted with the City of Stillwater City Clerk's office 48 hours prior to this meeting.

Approval of Resolution 2017-1
Lovelace explained that the Resolution gives the Hospital authority to move forward with securing the $35M loan (private placement) with Commerce Bank. The policy ensures that Stillwater Medical Center Authority complies with applicable requirements of federal tax laws necessary to preserve the tax-exempt status. This was not required on the previous loan as we were refinancing (refunding) funds already spent. Barto noted the highlighted areas on the policy. Lovelace said that placing a name is not necessary and requested the document read "Chief Financial Officer" as the Responsible Official. Members were in agreement.

Lovelace said that Commerce, as Trustee, will receive a one-time distribution from Clayton Holdings. They will invest the $35M intending to obtain greatest yield. The funds will be distributed from Commerce. Anthony asked what would be pledged and if any constraints would be placed on Operations. Lovelace and Barto said that gross revenue and lease hold interest are pledged with no constraints on materials. Barto said this Resolution will allow the documents to be signed by the Chairman and the Secretary of the Board. Buchanan asked if $1.750M must be spent within six months. Lovelace said that with the Refunding Resolution allows us to go back 60 days to capture spending on the Cimarron Services Building and the Cancer Center. Lovelace estimates this amount to be $2M. Anthony asked if the cost of the issuance would be included. Lovelace said that it could come from the note or could be paid through Operations. Anthony asked the cost of issuance. Lovelace said that Commerce is not charging any fees other than their attorney fees that are capped at $7,000. Other fees include tax counsel, bond counsel and Butch Koemel's attorney's fees.

Barto requested that the addition "of Stillwater, Oklahoma ("the City")" be added to the Resolution on Page 2, Section 2, Paragraph 2. Barto graciously made the change and distributed a copy.

Anthony made a motion to authorize the staff to proceed by approving Resolution 2017-1 as presented with the change. Noble seconded the motion, and Buchanan, Anthony, Duncan, Noble, Couch and Barto voted in favor of the motion.

ADJOURN

Couch moved that the meeting be adjourned. Barto seconded the motion, and Barto, Couch, Buchanan, Noble, Duncan and Anthony voted in favor of the motion. The meeting was adjourned at 7:46 a.m.

Dan W. Duncan

Chairman of the Board

Betty Buchanan

Secretary of the Board