



2023

MONTANA FACILITY
FINANCE AUTHORITY

ANNUAL REVIEW

Providing flexible financing options for non-profit health care and community service providers.

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Attorney

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2023 was a volatile year in the bond market. The Federal Reserve continued its program of aggressive rate increases through the year which resulted in a sharp rise in interest rates for financings. Back in 2021, unrated bond deals could close at roughly 2.25% fixed interest for 20 years. Now, rates are closer to 8.00% for the same type of credit. In addition, continued increases in labor and supply costs impacted existing projects as providers worked to cover cost overruns on existing projects.

In this difficult market we continued our work with our healthcare clients to provide access to low-cost financing.

MILESTONES & ACHIEVEMENTS IN 2023 INCLUDED:

- Expanding C-PACE reach into new counties including Madison, Fergus, Pondera, and the City of Kalispell. We estimate that approximately 60% of Montana commercial buildings are in a community where C-PACE is available.

- The MFFA was recognized for its C-PACE work with a national PACESetter Award for the Headwaters Utility District Financing.
- We worked in concert with Native American Development Center, First Interstate Bank, MoFi and the Montana SSBCI program to help All Nations Health Center acquire land for a new facility that they expect to break ground on in 2025.
- We closed a handful of small Direct Loan and Trust Fund Loan financings totaling more than \$1.3 million.

We look forward to the challenges and expectations of the future and want to thank our dedicated and visionary Board of Directors, our professional staff, financing partners, financial institutions, and associates for your support and expertise.

Adam Gill

AUTHORITY STAFF



Adam Gill
Executive Director
406-444-0259
AdamGill@mt.gov



Seth Lutter
Associate Director
406-444-5435
Seth.Lutter@mt.gov



Monica Birlut
Accountant
406-444-0039
MBirlut@mt.gov



Carolyn Jones
C-PACE Program Manager
406-444-3367
CJones@mt.gov

INTERNAL FINANCINGS

DAWSON COUNTY

Glendive Medical Center

Type Direct Loan

Purpose To reimburse the purchase of radiology equipment

Interest Rate 4.77%

Amount \$255,600

Term 5 Years

Pricing Date 10/23/2023

Closing Date 11/7/2023

Benefit Replacement of a critical piece of equipment that was over 20 years old



MINERAL COUNTY

Mineral Community Hospital

Type Direct Loan

Purpose Replacement of hot water heaters and chiller supply piping for the Hospital

Interest Rate 4.83%

Amount \$119,645

Term 7 Years

Pricing Date 10/23/2023

Closing Date 11/8/2023

Benefit The equipment replacement is critical to the operations of the Hospital

INTERNAL FINANCINGS (CONT.)

MISSOULA COUNTY

All Nations Health Center

Type Direct Loan

Purpose Land purchase to build a new Health Center with a centralized campus

Interest Rate 4.16%

Amount \$300,000

Term 7 Years

Pricing Date 11/9/2022

Closing Date 6/8/2023

Benefit The first step in building a new health center to better serve its patients through a centralized campus



RAVALLI COUNTY

Bitterroot Health

Type Trust Fund Loan & Direct Loan Combination

Purpose Purchase of imaging equipment for multiple locations

Interest Rate 5.45 % (Trust Fund) 4.64% (Direct Loan)

Amount \$427,000 (Trust Fund) \$500,000 (Direct Loan)

Term 5 Years

Pricing Date 12/12/2023

Closing Date 12/15/2023

Benefit Expanded access to imaging services for local communities as well as an expected increase in revenue

MONTANA FACILITY FINANCE AUTHORITY
P.O. BOX 200506
HELENA, MT 59620-0506

The Montana Facility Finance Authority offers unique financings for vital nonprofits, providing innovative fiscal solutions that:

Help People
Build Communities
Advance Technology
Modernize Facilities

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