

**FINANCE COMMITTEE
OF THE BOARD OF VISITORS
EASTERN VIRGINIA MEDICAL SCHOOL
CLOSED SESSION
ELECTRONIC MEETING VIA ZOOM
VIDEOCONFERENCING PLATFORM
MARCH 16, 2021**

Due to the COVID-19 pandemic, the meeting was held by electronic communication means in accordance with Va. Code §2.2-3708.2, Chapter 1283 of the 2020 Acts of the Virginia General Assembly, and Governor Northam's Executive Order 51 dated March 12, 2020.

PARTICIPATED VIA ZOOM

Robert J. Bianchi, Rear Adm (Ret), SC, USN, Chair
Betty B. Bibbins, MD
Sarah M. Bishop
Theresa S. Emory, MD
Frank A. Lattanzio, Ph.D.
W. Ashton Lewis, Sr.
T. Richard Litton, Jr.
Alan L. Wagner, MD
Marcus L. Martin, MD (NON-VOTING)
Helen S. Heselius (EX OFFICIO)
Linda S. Speers (STAFF)

ABSENT

Chester M. Hart, Jr.
Tina L. Mohr, JD

EX OFFICIO PRESENT – Waitzer 11th Floor Board Room, EVMS

Brant M. Cox (EX OFFICIO)
Richard V. Homan, MD (EX OFFICIO)

Admiral Robert Bianchi, Chair, opened the Closed Session at 12:32 p.m. This Closed Session is permitted under Code of Virginia Section 2.2-3712(A) to discuss and consider the disposition of real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body as permitted by the Code of Virginia §2.2-3711(A)(3).

The Closed Session adjourned at 12:45 p.m.

Linda S. Speers

Linda Speers
Recording Secretary

**FINANCE COMMITTEE
OF THE BOARD OF VISITORS
EASTERN VIRGINIA MEDICAL SCHOOL
RETURN TO REGULAR SESSION
VIRTUAL MEETING VIA ZOOM
VIDEOCONFERENCING PLATFORM
MARCH 16, 2021**

Due to the COVID-19 pandemic, the meeting was held by electronic communication means in accordance with Va. Code §2.2-3708.2, Chapter 1283 of the 2020 Acts of the Virginia General Assembly, and Governor Northam's Executive Order 51 dated March 12, 2020.

PARTICIPATED VIA ZOOM

Robert J. Bianchi, Rear Adm (Ret), SC, USN, Chair
Betty B. Bibbins, MD
Sarah M. Bishop
Theresa S. Emory, MD
Frank A. Lattanzio, Ph.D.
W. Ashton Lewis, Sr.
T. Richard Litton, Jr.
Alan L. Wagner, MD
Marcus L. Martin, MD (NON-VOTING)
Helen S. Heselius (EX OFFICIO)
Linda S. Speers (STAFF)

ABSENT

Chester M. Hart, Jr.
Tina L. Mohr, JD

EX OFFICIO PRESENT – Waitzer 11th Floor Board Room, EVMS

Brant M. Cox (EX OFFICIO)
Richard V. Homan, MD (EX OFFICIO)

Admiral Robert Bianchi, Chair, opened this Return to Regular session at 12:46 p.m.

Upon a motion duly made and seconded, the Committee certified by roll call vote that to the best of each member's knowledge, only public business matters lawfully exempted from open meeting requirements that were identified in the motion authorizing the Closed Session were heard, discussed, or considered in Closed Session. The roll call vote was unanimous from the following Committee members: Rear Admiral Robert Bianchi – Yes; Dr. Betty Bibbins – Yes; Ms. Sarah Bishop – Yes; Dr. Terri Emory – Yes; Dr. Frank Lattanzio – Yes; Mr. Ashton Lewis – Yes; Mr. T. Richard Litton – Yes; and Dr. Alan Wagner - Yes.

Upon a motion duly made and seconded, the Committee voted by roll call vote to recommend that the Board of Visitors approve the delegation of authority to EVMS senior management to pursue the sale of the Smith Rogers Hall building and land in accordance with the terms and conditions discussed during the Closed Session. The roll call vote was unanimous from the following Committee members: Rear Admiral Robert Bianchi – Yes; Dr. Betty Bibbins – Yes; Ms. Sarah Bishop – Yes; Dr. Terri Emory – Yes; Dr. Frank Lattanzio – Yes; Mr. Ashton Lewis – Yes; Mr. T. Richard Litton – Yes; and Dr. Alan Wagner - Yes.

With no further business to discuss, Admiral Bianchi adjourned the meeting at 12:49 p.m.

Finance Committee Meeting

March 16, 2021

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The next meeting of the Finance Committee will be on **Tuesday, May 18, 2021 at 9:00 a.m.** **This special meeting will be held to review the FY 2022 Preliminary Operating Budget.** **The location will be determined at a later date.**

Linda S. Speers

Linda Speers
Recording Secretary

DRAFT

**FINANCE COMMITTEE
OF THE BOARD OF VISITORS
EASTERN VIRGINIA MEDICAL SCHOOL
ELECTRONIC MEETING VIA ZOOM
VIDEOCONFERENCING PLATFORM
MARCH 16, 2021
12:00 P.M.**

Due to the COVID-19 pandemic, the meeting was held by electronic communication means in accordance with Va. Code §2.2-3708.2, Chapter 1283 of the 2020 Acts of the Virginia General Assembly, and Governor Northam's Executive Order 51 dated March 12, 2020.

PARTICIPATED VIA ZOOM

Robert J. Bianchi, Rear Adm (Ret), SC, USN, Chair
Betty B. Bibbins, MD
Sarah M. Bishop
Theresa S. Emory, MD
Frank A. Lattanzio, Ph.D.
W. Ashton Lewis, Sr.
T. Richard Litton, Jr.
Alan L. Wagner, MD
Marcus L. Martin, MD (NON-VOTING)
Helen S. Heselius (EX OFFICIO)
Kurt E. Stauder, DPH (EX OFFICIO)
Camille L. Endres (STAFF)
Linda S. Speers (STAFF)

ABSENT

Chester M. Hart, Jr.
Tina L. Mohr, JD

EX OFFICIO PRESENT – Waitzer 11th Floor Board Room, EVMS

Brant M. Cox (EX OFFICIO)
Richard V. Homan, MD (EX OFFICIO)

CALL TO ORDER

Admiral Robert Bianchi, Chair, opened the electronic meeting of the Finance Committee at 12:07 p.m. after noting a quorum was present.

APPROVAL OF MINUTES

Upon a motion made and seconded, the minutes of the December 15, 2020 Finance Committee meeting were unanimously approved as distributed by roll call vote: Rear Admiral Robert Bianchi – Yes; Dr. Betty Bibbins – Yes; Ms. Sarah Bishop – Yes; Dr. Terri Emory – Yes; Dr. Frank Lattanzio – Yes; Mr. Ashton Lewis – Yes; Mr. T. Richard Litton – Yes; and Dr. Alan Wagner - Yes.

FINANCE REPORT

January 2021

Ms. Camille Endres reported the January net excess is \$11.5 million. The Core net excess is \$4.8 million, mostly due to positive variances in salary and fringe savings from vacant positions, offset by transfers from EVMS Reserves for unfilled positions. Other positive variances include clinical enterprises 20%, facilities and administrative cost recoveries, and catering services and travel due to COVID, offset by a negative variance in standardized patient revenues, also due to COVID, investment income and telecommunications.

Ms. Endres reported that Sponsored Research had a net loss of -\$0.4 million. Salary and wages are more than budget due to CONRAD receiving new awards that were not budgeted.

Ms. Endres noted that Department Reserves has a \$5.0 million positive variance, mostly due to better than budgeted revenue from affiliated hospitals, EVMS Foundation Endowed Support and Clinical 20%. She stated there is also a cost savings in salary and fringes and lower than budgeted transfers from EVMS Reserves.

Ms. Endres stated that the EVMS Reserves net excess of \$1.1 million is mainly due to less than budgeted spending on various projects. She reported that Property, Plant and Equipment had a net excess of \$942,000 mostly due to a timing issue of capital equipment funding approved last year and purchased this year.

All bond covenants were met for January.

BUDGET TIMELINE – FY 2022

Mrs. Heselius reviewed the timeline for the development of the FY 2022 budget. She advised the Committee that there will be a special Finance Committee meeting on May 18, 2021 at 9:00 a.m., at which time the preliminary budget will be reviewed in detail. Any changes to the budget between that meeting and the June meeting will be discussed at the June 15, 2021 meeting. At that meeting, the Finance Committee will be asked to approve the FY 2022 budget and recommend that the Board of Visitors approve it at their meeting later that day.

2021 BOND ISSUE

Ms. Helen Heselius stated that at the last meeting, the Board of Visitors approved increasing the Series 2021 bond issue from \$10 million bond issue to \$18 million. This amount included rollover from the 2018 debt of almost \$4 million and additional funding of \$4 million due to increase of scope of the Hague Club apartments renovation project. She reported Management, working with a financial consultant hired for the 2021 bond issuance, renegotiated the terms of the Series 2006 debt that has a rate of 2.95%, a balance of almost \$5 million and 7 years remaining. The debt interest rate was scheduled to reset in November 2021 with a rate floor of 2.75%. TowneBank has agreed to allow the rate to reset now and remove the floor. Management expects the savings to be over \$100,000. Ms. Heselius reviewed the Resolution that was prepared by Bond Counsel with the Committee.

Admiral Bianchi asked for a motion to approve the Resolution as it was distributed to the Committee in Boardbooks. Upon a motion made and seconded, the Finance Committee, by roll call vote, recommends the following:

ACTION: Upon recommendation of staff, the Finance Committee does hereby recommend to the Board of Visitors of the Eastern Virginia Medical School approval of the attached Resolution of the Board of Visitors of the Eastern Virginia Medical School Modifying its 2020 Official Intent Resolution, Authorizing the Modification and/or Refunding of Certain Previously Issued General Revenue Bonds, and Authorizing the Issuance of 2021 General Revenue Bonds. Further, the Committee respectfully requests the Board of Visitors to consider this matter at their next board meeting on March 16, 2021.

Approval was obtained by roll call vote from the following Board Members: Rear Admiral Robert Bianchi – Yes; Dr. Betty Bibbins – Yes; Ms. Sarah Bishop – Yes; Dr. Terri Emory – Yes; Dr. Frank Lattanzio – Yes; Mr. T. Richard Litton – Yes; and Dr. Alan Wagner – Yes; Mr. Ashton Lewis Abstain.

EVMS MEDICAL GROUP UPDATE

Dr. Kurt Stauder reported the Clinical Enterprise net excess for the seven month period ending January 2021 is \$8.8 million, which is \$2.7 million better than budget and \$4.2 million better than the prior year. He stated this is mainly attributed to \$2.2 million of lower expenses and \$2 million of additional PSPP revenue due to COVID. He stated that only one department is running a negative balance, and that department has implemented an action plan to break even by year-end. Dr. Stauder reported the total revenue of \$45 million is \$1.4 million better than budget and prior year. This positive variance is due to increased net patient revenue and greater PSPP revenue, in spite of lower contractual revenue. He stated that the DMAS representatives have indicated an expectation of continued increased funding through June 30, 2021. Dr. Stauder stated that the patient gross revenue of \$72 million is below budget and is below prior year, however, the patient encounters are up by .3%. This is offset by operating expenses savings mainly due to vacancies in provider and staff positions.

NEW BUSINESS

Admiral Bianchi announced it would be necessary to hold a Closed Session as permitted under Code of Virginia Section 2.2-3712(A) to discuss and consider the disposition of real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body as permitted by the Code of Virginia §2.2-3711(A)(3).

Accordingly, upon a motion made and seconded, the Committee voted unanimously to adjourn the regular session and convene the Closed Session.

Approval was obtained by roll call vote from the following Committee members: Rear Admiral Robert Bianchi – Yes; Dr. Betty Bibbins – Yes; Ms. Sarah Bishop – Yes; Dr. Terri Emory – Yes; Dr. Frank Lattanzio – Yes; Mr. Ashton Lewis – Yes; Mr. T. Richard Litton – Yes; and Dr. Alan Wagner – Yes.

ADJOURNMENT

The meeting was adjourned at 12:31 p.m.

Linda S. Speers

Linda Speers
Recording Secretary

DRAFT

**RESOLUTION OF THE BOARD OF VISITORS OF THE EASTERN VIRGINIA
MEDICAL SCHOOL MODIFYING ITS 2020 OFFICIAL INTENT RESOLUTION,
AUTHORIZING THE MODIFICATION AND/OR REFUNDING OF CERTAIN
PREVIOUSLY ISSUED GENERAL REVENUE BONDS, AND AUTHORIZING
THE ISSUANCE OF 2021 GENERAL REVENUE BONDS**

WHEREAS, pursuant to that certain Resolution adopted on March 10, 2020 (the “2020 Reimbursement Resolution”), the Board of Visitors (the “Board”) of the Eastern Virginia Medical School (“EVMS”) declared its official intent to reimburse, from the proceeds of tax-exempt revenue bonds or other indebtedness to be incurred after the date of the 2020 Reimbursement Resolution, expenditures to be incurred for various capital projects consisting of (i) construction, renovation, furnishing and equipping of Andrews Hall (the “Andrews Hall Project”), (ii) construction, renovation, furnishing and equipping of Brickell Medical Sciences Library (“Brickell Library Project”), (iii) construction, renovation, furnishing and equipping of Lewis Hall (the “Lewis Hall Project”), and (iv) the acquisition, construction, renovation, furnishing and equipping of Hague Club Apartments (the “Hague Club Project” and collectively with the Andrews Hall Project, the Brickell Library Project and the Lewis Hall Project, the “Project”); and

WHEREAS, the Board initially estimated the aggregate costs of the Project would not exceed \$10,000,000, with a portion of such costs to be paid by EVMS incurring long-term indebtedness in the form of tax-exempt revenue bonds (the “EVMS Bonds”); and

WHEREAS, EVMS Staff and consultants have now estimated that the total costs of the Project, including expenses of planning and implementing the Project and the issuance and financing costs of tax-exempt bonds, will require an additional issuance of EVMS Bonds in a principal amount not to exceed \$18,000,000, and the Board desires to update and modify the 2020 Reimbursement Resolution to clarify that the maximum principal amount of the EVMS Bonds to be issued with respect to the Project is \$18,000,000, the proceeds of which may be used to pay costs of the Project directly or to reimburse EVMS for expenditures previously made; and

WHEREAS, the Board desires to authorize the issuance of an additional series of EVMS Bonds (as further described below, the “2021 Bonds”) for the continued financing of the Project; and

WHEREAS, EVMS has also previously issued its General Revenue Bond, Series 2018 (the “2018 Bond”), to Truist Bank (formerly known as SunTrust Bank) or a related affiliate (the “2018 Lender”) to finance various capital projects, including but not limited to a portion of the Project, and related issuance and financing costs; and

WHEREAS, as it is contemplated that the remainder of the financing of the Project will be provided through the issuance of the 2021 Bonds, and approximately \$6,000,000 of the 2018 Bond has been drawn, the Board desires to provide for the pro rata amortization of such amount under the terms and conditions of the 2018 Bond and, contingent upon the issuance of the 2021 Bonds, to close off any further new money draws under the 2018 Bond; and

WHEREAS, the Board deems it to be in the best interests of EVMS to authorize an Ad-Hoc Bond Financing Committee (the “Committee”), hereinafter appointed, to solicit proposals for the continued financing of the Project, to approve the specific terms of the 2021 Bonds and the other documents and instruments to be executed by EVMS in connection with EVMS’ financing of the Project, to approve the specific terms of the modification and/or refunding of the 2018 Bond with the 2018 Lender, and generally to take such actions and approve such agreements as may be necessary to finalize the terms of the 2021 Bonds and the modification and/or refunding of the 2018 Bond; and

WHEREAS, EVMS has also previously issued its General Revenue Bond, Series 2006, as amended in 2011 (the “2006 Bond”) to Towne Bank (the “2006 Lender”) to finance various capital projects and related issuance and financing costs; and

WHEREAS, the Board desires to authorize the specific terms of the modification and/or refunding of the 2006 Bond, including approving the interest rates and maturities of refunding bonds (including any modified and reissued bonds, the “2006 Bond Refunding Bonds”) so long as (i) the true interest cost of any 2006 Bond Refunding Bonds, taking into account any applicable original issue discount (“OID”), does not exceed 2.40% per annum initially (and thereafter such rate or rates as shall be determined by the terms of any 2006 Bond Refunding Bonds, which rates may be fixed or floating or periodically reset), (ii) the final maturity of any 2006 Bond Refunding Bonds does not exceed the final maturity date of the 2006 Bond, (iii) the average maturity of any 2006 Bond Refunding Bonds does not exceed the average maturity of the 2006 Bond, and (iv) the maximum principal amount of any 2006 Bond Refunding Bonds does not exceed the principal amount of the 2006 Bond (the “Modification Terms”); and

WHEREAS, as described by EVMS Staff, EVMS and the 2006 Lender have agreed to amend the 2006 Bond and approve the related 2006 Modifications Supplemental Indenture (as hereinafter defined) in order to revise the interest rate on the 2006 Bond; and

WHEREAS, on March 12, 2020, Governor Northam issued Executive Order Fifty-One declaring a state of emergency pursuant to Section 44-146.17 of the Code of Virginia of 1950, as amended (the “Virginia Code”) to help the Commonwealth of Virginia (the “Commonwealth”) better respond to the threat posed by the COVID-19 virus pandemic; and

WHEREAS, the reconvened session of the 2020 Virginia General Assembly adopted amendments to the budget bill proposed by Governor Northam allowing any public body, including any state, local, regional or regulatory board, to meet by electronic communication means without a quorum of the public body or any member of the governing body physically assembled at one location when the Governor has declared a state of emergency in accordance with Section 44-146.17 of the Virginia Code provided (i) the nature of the declared emergency makes it impracticable or unsafe for the public body or governing board to assemble in a single location; (ii) the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body and the discharge of its lawful purpose, duties and responsibilities; (iii) the public body makes available a recording or transcript of the meeting on its website in accordance with certain time frames set forth in Sections 2.2-3707 and 2.2-3701.1 of the Virginia Code; (iv) public notice, where required, is given using the best available method given the nature of the emergency; (v) arrangements are made for public access

to the meeting through electronic means, and if the means of communication allow, to provide an opportunity for public comment; and (vi) the minutes of the meeting specify the nature of the emergency, the fact that the meeting was held by electronic communications and the type of electronic communications by which the meeting was held; and

WHEREAS, the nature of the Governor’s declaration of emergency arising from the COVID-19 pandemic and related social distancing measures implemented by the Governor to mitigate the spread of COVID-19 make it impracticable or unsafe for the Board to assemble in a single location to meet; and

WHEREAS, the Board is meeting to discuss and transact the business of the Board, and the Board deems it necessary to meet by electronic communications without physical assembly of members of the Board; and

WHEREAS, accommodations have been made for public notice of, and public access to, the meeting as required by the aforementioned electronic meeting requirements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF EVMS:

1. The recitals are incorporated in, and made a part of, these Resolutions.
2. The 2020 Reimbursement Resolution is hereby updated and modified to clarify that the maximum principal amount of EVMS Bonds expected to be issued with respect to the continued financing of the Project is \$18,000,000. All other provisions of the 2020 Reimbursement Resolution not amended hereby are hereby ratified and confirmed.
3. The issuance by EVMS of its General Revenue Bonds, Series 2021 (the “2021 Bonds”) in a principal amount not to exceed \$18,000,000, in order to finance all or a portion of the costs of the Project, is hereby approved. As the interest rates and maturity dates of the 2021 Bonds will not be determined until after solicitation and receipt by EVMS of bids or proposals from financial institutions for the purchase thereof, a majority of the Committee is hereby authorized to approve such interest rates and maturities, so long as (i) without regard to any interest rate hedge agreement or agreements, the true interest cost, taking into account any applicable original issue discount (“OID”), does not exceed 4.00% per annum initially (and thereafter such rate or rates as shall be determined by the terms of the 2021 Bonds, which rates may be fixed or floating or periodically reset), (ii) the final maturity of the 2021 Bonds does not exceed thirty (30) years from the date thereof, and (iii) the maximum principal amount of the 2021 Bonds does not exceed \$18,000,000. The 2021 Bonds may have optional and/or mandatory redemption provisions, mandatory tender and remarketing provisions and other terms and may be sold either publicly or privately upon such conditions, including costs of issuance not to exceed 2% of the principal amount of the 2021 Bonds, as may be further approved by the Committee. The execution and delivery by the Rector, the President or the Vice President for Administration and Finance of EVMS, any of whom may act (each, an “Authorized Officer”), of the other documents and instruments to be executed by EVMS in connection with the financing of the Project (the “Financing Documents”) shall constitute conclusive evidence of the Committee’s approval of such principal amount, interest rates, final maturity, terms of sale and costs of issuance, subject to the

foregoing limitations. It is contemplated that the issuance of the 2021 Bonds shall be effected under the terms and provisions of EVMS' Master Trust Indenture, including the execution and delivery of a Supplemental Indenture, and the Board authorizes the execution and delivery of an additional Supplemental Indenture (which shall constitute a Financing Document) in connection with the issuance of the 2021 Bonds.

4. Contingent upon the issuance and delivery of the 2021 Bonds as described above, no further new money draws shall be made under the 2018 Bond.

5. The Board hereby approves the modifications of the 2006 Bond and the issuance of 2006 Bond Refunding Bonds in connection therewith, consisting of revisions to the interest rate for the 2006 Bond, provided such modifications are consistent with the Modification Terms. The modifications shall be as generally set forth in a Supplemental Indenture in accordance with the applicable provisions of this Resolution, including the Modification Terms, and the Master Trust Indenture, which is hereby authorized and approved (the "2006 Modifications Supplemental Indenture"). It is intended that the 2006 Bond is to be "deemed designated" as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Tax Code"), subject to regulations thereunder.

6. The 2006 Modifications Supplemental Indenture and any 2006 Bond Refunded Bonds shall be executed and delivered as provided in this Resolution, the Master Trust Indenture and the 2006 Modifications Supplemental Indenture, and may contain such changes, insertions or omissions which do not materially adversely affect the interests of EVMS as may be approved by the Authorized Officers of EVMS executing and delivering such instrument and by counsel to EVMS, such approval to be evidenced conclusively by such execution and delivery by such Authorized Officer, all of the foregoing subject to the provisions of this Resolution and the Modification Terms.

7. Each Authorized Officer of EVMS is authorized to execute and deliver on behalf of EVMS such other instruments, documents or certificates and to do and perform such other things and acts as he shall deem necessary or appropriate to carry out the transactions authorized by this Resolution with respect to the 2006 Bond or contemplated by the 2006 Modifications Supplemental Indenture.

8. The 2006 Bond Refunding Bonds, if issued, shall be issued upon the terms established pursuant to this Resolution and as set forth in the Master Trust Indenture, as appropriately supplemented and shall be in the form approved by such Authorized Officer executing the same.

9. Any modification of the 2006 Bond shall be pursuant to this Resolution, in form and substance approved by such Authorized Officer executing such modification (such execution to be conclusive evidence of their approval) and in compliance with the Master Trust Indenture and the 2006 Modifications Supplemental Indenture thereto authorizing the issuance of the 2006 Bond. Any such modification shall constitute a supplement to the Master Trust Indenture and shall not constitute a novation of the 2006 Bond or EVMS' obligations under the Master Trust Indenture with respect thereto.

10. The issuance by EVMS of its General Revenue Refunding Bonds in one or more series from time to time to provide funds to modify and/or refund the 2018 Bond or any portion thereof (the “2018 Refunding Bonds”), or in lieu thereof the modification by EVMS of the 2018 Bond, including any modification of the 2018 Bond to provide for the amortization of amounts that have been drawn and are currently outstanding, is hereby approved. As the interest rates and maturity dates of any 2018 Refunding Bonds has not yet been determined with the 2018 Lender, a majority of the Committee is hereby authorized to approve such interest rates and maturities, so long as (i) without regard to any interest rate hedge agreement or agreements, the true interest cost of any 2018 Refunding Bonds, taking into account any applicable OID, does not exceed 2.60% per annum initially (and thereafter such rate or rates as shall be determined by the terms of any 2018 Refunding Bonds, which rates may be fixed or floating or periodically reset), (ii) the final maturity of any 2018 Refunding Bonds does not exceed the final maturity date of the 2018 Bond, (iii) the average maturity of any 2018 Refunding Bonds does not exceed the average maturity of the 2018 Bond, and (iv) the maximum principal amount of any 2018 Refunding Bonds does not exceed the principal amount of the 2018 Bond.

11. The 2018 Refunding Bonds may have optional and/or mandatory redemption provisions, mandatory tender and remarketing provisions and other terms as may be further approved by the Committee. The execution and delivery of the other documents and instruments to be executed by EVMS in connection with any 2018 Refunding Bonds (the “2018 Bond Refunding Documents”) by EVMS shall constitute conclusive evidence of the Committee’s approval of such principal amount, interest rates, final maturity and terms of sale, subject to the foregoing limitations. It is contemplated that any such refunding or modification shall be effected under the terms and provisions of EVMS’ Master Trust Indenture, including the applicable Supplemental Indenture for the 2018 Bond, and the Board authorizes the execution and delivery of additional or amended Supplemental Indentures (which shall constitute 2018 Bond Refunding Documents) to effect any such refunding or modification.

12. The Board hereby appoints Rear Admiral Robert Bianchi, Dr. Betty Bibbins, Ms. Sarah Bishop, Dr. Alan Wagner, the President of EVMS, and the Vice President for Administration and Finance of EVMS, as members of the Committee to supervise the planning and implementation of the Project, negotiate and authorize the issuance of the 2021 Bonds, the modification and/or refunding of the 2018 Bonds, and authorize the issuance of any 2018 Refunding Bonds. The Committee is authorized and directed to prepare, or to have prepared, such disclosure and offering documents as may be necessary or desirable to offer, issue and sell the 2021 Bonds or any 2018 Refunding Bonds for the benefit of EVMS and to authorize each Authorized Officer to enter into and execute and deliver the 2021 Bonds and any 2018 Refunding Bonds and such other agreements, documents, instruments and certificates and to take such other actions, as may be necessary or desirable in connection therewith, including the solicitation and selection of a lending institution or institutions to purchase the 2021 Bonds or any 2018 Refunding Bonds, to provide instruments of credit enhancement, or an entity to market the bonds, and any amendments or modifications to existing hedge or swap agreements or instruments with respect to the 2018 Bonds and to approve any required corporate resolutions pertaining to same as may be required by the applicable swap counterparty; provided, however, that nothing in this Resolution shall authorize the Committee or such Authorized Officers to mortgage, pledge, grant a security

interest in or otherwise encumber any property of EVMS (other than the general revenue pledge contemplated hereby) without further authorization therefore by the Board.

13. Each Authorized Officer and the Associate Vice President of Finance of EVMS is authorized to execute and deliver on behalf of EVMS such other instruments, documents or certificates, and do and perform such things and acts as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Financing Documents, 2006 Modifications Supplemental Indenture and any 2018 Refunding Documents, and all such acts previously done or performed by such Authorized Officer are in all respects approved, ratified and confirmed. EVMS, and each of its Authorized Officers, shall and are hereby authorized to, perform such other acts, and a majority of the Committee may adopt such further resolutions, as may be consistent with this Resolution and the Financing Documents and any 2018 Refunding Documents.

14. The Board covenants that it will comply with the provisions of the Tax Code, so that the interest on the 2021 Bonds, any 2006 Bond Refunding Bonds and any 2018 Refunding Bonds does not become includable in gross income for federal income tax purposes under the Tax Code. Pursuant to Section 147(f) of the Tax Code, and applicable regulations thereunder, the Board designates each Authorized Officer and the Associate Vice President of Finance of EVMS as a public hearing officer to hold any public hearings required in order to ensure the tax-exempt status of the interest on the 2021 Bonds, any 2006 Bond Refunding Bonds and any 2018 Refunding Bonds.

15. All other acts of the Committee or the Authorized Officers of EVMS which are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and delivery of the 2021 Bonds, any 2006 Bond Refunding Bonds and any 2018 Refunding Bonds and the Financing Documents, the 2006 Modifications Supplemental Indenture and any 2018 Bond Refunding Documents are hereby approved and confirmed.

16. The Board confirms the findings and determinations contained in the recitals to this Resolution setting forth the reason for the need to meet by electronic means without requiring Board members to physically assemble at one location during the current declared state of emergency by the Governor of the Commonwealth arising from COVID-19.

17. This Resolution is effective upon its adoption.

Approved: Board of Visitors
March 16, 2021

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