

Amended Bond Documents



City of Northfield – Hospital Bond Documents

- 2015 & 2016 Bonds were issued by the City on behalf of NH+C
- However technically they are Revenue Obligations of the City
 - Thus requires City Council approval
 - Holders of outstanding bonds (3 Banks) have consented to proposal



City of Northfield – Hospital Bond Documents

- Modification to definition of “Operating Expenses” –
 - “Expenses” - shall not take into account any recurring non-cash GASB pension related income or expenses;
 - Allows Coverage ratio to be calculated same as prior to GASB 68
 - Comparable to non Municipal hospitals



City of Northfield – Hospital Bond Documents

- Debt Service Coverage measures the ability of entity to repay current debt
- Coverage = Earnings (EBIDA) / Annual debt payments
- Covenant requires 1.2 times; Actual 2017 = 3.1



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- Recommendation – approval of proposed definition