

AMENDED MINUTES

**California Health Facilities Financing Authority
Minutes May 31, 2007 – 1:45 P.M.
915 Capitol Mall, Room 587
Sacramento, California**

Patricia Wynne sitting for Chairperson Bill Lockyer called the meeting to order at 1:45 p.m.

Present: Designee Patricia Wynne, Deputy State Treasurer
Designee Jeannie Oropeza for Michael C. Genest, Department of Finance
Harry Bistrin
Dr. John Hilinski
Dr. Oscar Sablan (via teleconference)
Sumi Sousa (arrived at 1:55 p.m. prior to Item 4)

Staff: Sandra Simpson-Fontaine, Executive Director
Ronald Washington, Deputy Executive Director

The Chair declared a quorum present.

The minutes of the California Health Facilities Financing Authority's (CHFFA or the Authority) March 29, 2007 meeting were approved as submitted. (Moved by Harry Bistrin and seconded by Dr. Oscar Sablan.) Patricia Wynne, Deputy State Treasurer announced the retirement of Sandra Simpson-Fontaine, Executive Director and presented her a Resolution for her 31 years of dedicated Public Service.

Sandra Simpson-Fontaine reported that as of April 30, 2007 bonds outstanding totaled \$7,072,711,448 and the fund balance was \$8,535,113.50. There were 11 borrowers with over \$100 million in CHFFA debt with a combined balance outstanding of \$5,880,664,925, which represents 83% of all CHFFA debt outstanding, and six equipment financings with a total balance outstanding of \$12,437,810. The Executive Director also reported a HELP II Fund balance of \$22,521,936, a HealthCAP balance of \$0.00, a Cedillo-Alarcón Clinic Grant Fund balance of \$3,660,780, an Anthem-Wellpoint Grant Fund balance of \$20,931,515 and the Children's Hospital Bond Act of 2004 Fund balance of \$445,719,996. *The Executive Director reported that the Cedillo-Alarcón Clinic Grant Fund balance of \$3,660,780 would be transferred to the Anthem-Wellpoint Grant Fund.*

Item #4

Appointment of Executive Director Information Item

Ronald Washington announced the appointment of Jose Gomez to serve as the Executive Director of the Authority until a permanent Executive Director can be appointed. Mr. Washington also mentioned that Resolution 2002-07, adopted on March 28, 2002, gives responsibility and power to the Executive Director to enter into contracts and interagency agreements in an amount not to exceed \$250,000, and to perform such other duties as the Authority may direct. Patricia Wynne stated that interviews for the Executive Director of the Authority were going to be conducted beginning the first week of June.

Item #5

**Asian American Drug Abuse Program, Inc. (AADAP)
Resolution HII-193**

Lan Jaduram stated that the loan proceeds would be used to renovate various facilities and refinance two loans. The loan will be secured by a lien on the facility being refinanced. AADAP will save approximately \$200,000 in interest payments over the life of the loan compared to a commercial loan at 7.5% interest per annum.

Representing Asian American Drug Abuse Program, Inc. were: Peter Cruz, III, Fiscal Director and Romina Peralta, Senior Accountant.

• Renovation/Remodeling	\$154,000
• Refinancing	300,000
• Financing Costs	<u>7,700</u>
• Total Uses	<u>\$461,700</u>

Staff recommended the Authority approve a resolution for a HELP II Loan for Asian American Drug Abuse Program, Inc. in an amount not to exceed \$461,700 for a term of 15 years and financing terms acceptable to the Authority.

Sumi Sousa moved for adoption of the Resolution and Jeannie Oropeza seconded the motion. The motion was adopted with a 6-0 vote.

Item #6

**Valley Village
Resolution HII-194**

Kristine Scully stated that the loan proceeds would be used to renovate the Sunland Adult Health Care Center to accommodate the increased demand for services.

Representing Valley Village was: Fred Chapa, Executive Director and Phil Motherspaw, Controller.

• Construction/renovation	\$1,225,255
• Financing Costs	<u>8,063</u>
• Total Uses	<u>\$1,233,318</u>

Staff recommended the Authority approve a resolution for a HELP II Loan for Valley Village in an amount not to exceed \$485,000 for a term of 15 years and financing terms acceptable to the Authority.

Sumi Sousa moved for adoption of the Resolution and Dr. Oscar Sablan seconded the motion. The motion was adopted with a 6-0 vote.

Item #7

**Neighborhood Healthcare
Resolution HII-195**

Martha Maldonado stated that Neighborhood Healthcare would use bond proceeds to purchase a 3,958 square foot building to provide medical care. Neighborhood Healthcare would save approximately \$2,500 a month in rent payments.

Representing Neighborhood Healthcare was: Lisa Daigle, Chief Fiscal Officer.

• Purchase Facility	\$910,000
• Financing Costs	<u>12,000</u>
• Total Uses	<u>\$922,000</u>

Staff recommended the Authority approve a resolution for a HELP II Loan for Neighborhood Healthcare in an amount not to exceed \$450,000 for a term of 15 years and financing terms acceptable to the Authority.

Harry Bistrin moved for adoption of the Resolution and Jeannie Oropeza seconded the motion. The motion was adopted with a 6-0 vote.

Item #8

**HELP II Loan Program Quarterly Report
Information Item**

Ronald Washington presented the quarterly report of the HELP II Loan Program.

Having no further comments, the meeting was adjourned.

Respectfully submitted by,

Jose Gomez, Executive Director