

MINUTES

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
MINUTES JUNE 27, 2002 –1:30 P.M.
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CA 95814**

The meeting was called to order at 1:35 p.m. by Anne Stausboll, Chair.

Present: Anne Stausboll for Philip Angelides, Chair
Cindi Aronberg for Kathleen Connell, Controller
Annette Porini for Timothy Gage, Director of Finance

Staff: Jennifer DuCray-Morrill, Executive Director
Terry Partington, Deputy Executive Director
Robert Kittredge, PriceWaterhouseCoopers

The Chair declared a quorum present.

The minutes from the California Educational Facilities Authority's April 25, 2002 meeting were approved as submitted.

The Expenditure Report for CEFA/SLAF was presented for the month of May 2002. Jennifer DuCray-Morrill reported the fund balance of \$7,115,704.34 for CEFA and \$6,308,516.49 for SLAF as of May 31, 2002. She also presented the Authority's Quarterly Comprehensive Debt List Summary of Borrowers with \$50,000,000 Outstanding CEFA Debt as of May 31, 2002 totaling \$1,855,026,664.

Item #4

Westmont College Final Resolution No. 202

Barry Scarff stated that Westmont College was requesting \$22,500,000 in bond proceeds to be used for construction, renovation and equipment; and, to current-refund Authority debt for present value savings of approximately \$850,000. The remaining proceeds will be used to purchase a building in San Francisco for the College's Urban Studies Program. Representing Westmont College: Mr. Ronald Cronk, Vice President of Finance, Westmont College; Mr. Peter Taylor, Senior Vice President, Lehman Brothers; and Ms. Harriet Welch, Esq., Bond Counsel, Arter & Hadden LLP.

Staff recommended the Authority approve a resolution in an amount not to exceed \$22,500,000 for Westmont College, subject to the bonds having at least an "A" rating by a nationally recognized rating agency and the transaction otherwise meeting the standard bond issuance provisions for "A" rated debt.

Annette Porini moved for adoption of the Resolution and Cindi Aronberg seconded it. Motion adopted 3 aye.

Item #5

Approval to obtain Bond Holder Consent to amend documents relating to the security for certain Bond Issues Resolution No. 2002-04

Terry Partington stated that staff was requesting approval to complete the steps necessary to obtain bondholder consent for technical amendments to loan documents on certain CEFA pool and stand alone bond issues necessary to clarify security positions on existing and future debt.

Staff recommended the Authority approve the request to authorize staff to take necessary steps in obtaining bondholder consent for amendment of those bond documents determined to lack the intended security provisions. Staff additionally recommended the Authority direct staff to determine the appropriate parties for this process, reasonable overall costs, if any, and shared percentages among the parties and provide the results to the chairperson

Annette Porini moved for adoption of the Resolution with the addition that staff report back to the Board with updates of the progress. Cindi Aronberg seconded it. Motion adopted 3 aye.

Item #6

**Western University of Health Sciences
Amended Final Resolution No. 199**

Kristine Scully stated that Western University of Health Sciences was requesting an Amendment to Resolution Number 199 authorizing the University to increase their bond request to \$20,000,000 to include the advance refunding of its 1998 and 2000 bonds issued by the Authority in the event bondholder consent could not be obtained to amend the existing documents.

Representing Western University of Health Sciences: Mr. Kevin Shaw, Treasurer, Western University of Health Sciences; Mr. Chris Cowen, Managing Director, Prager, McCarthy & Sealy; and, Mr. Kevin Hale, Bond Counsel, Orrick, Herrington & Sutcliffe.

Staff recommended the Authority approve the Amendment to Resolution Number 199 in an amount not to exceed \$20,000,000 for Western University of Health Sciences, subject to all prior provisions and conditions to remain unchanged and in full effect.

Cindi Aronberg moved for adoption of the Resolution and Annette Porini seconded it. Motion adopted 3 aye.

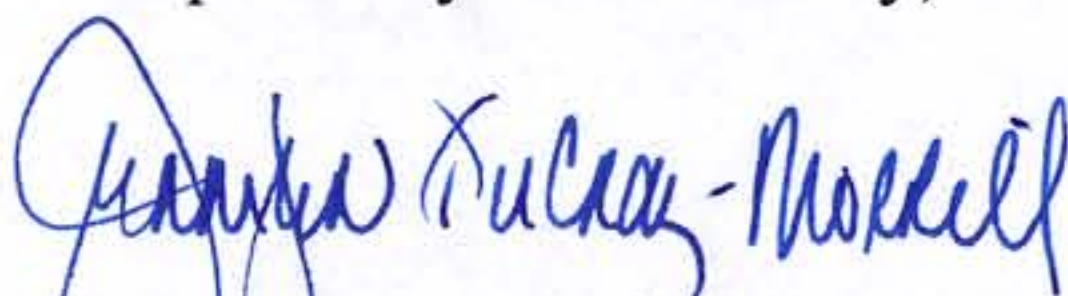
Item #7

Financial Review of CEFA Borrowers

Robert Kittredge presented a Review on the CEFA Borrower's Financial Status.

There being no public comment, the meeting was adjourned.

Respectfully submitted by,



Jennifer DuCray-Morrill
Executive Director