

MINUTES

**California Health Facilities Financing Authority
Minutes July 26, 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 1:55 p.m.

Present: Designee Patricia Wynne, Deputy State Treasurer
Designee Anne Sheehan for Michael C. Genest, Department of Finance
Designee Jeffrey Brownfield for John Chiang, Controller's Office
Harry Bistrin
Judith Frank
Dr. Oscar Sablan

Absent: Greg Campbell
Dr. John Hilinski
Sumi Sousa

Staff: Barbara J. Liebert, 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) June 28, 2007 meeting were approved as submitted. Moved by Anne Sheehan and seconded by Oscar Sablan. The minutes were approved with a 6-0 vote.

Barbara Liebert reported that the bonds outstanding as of May 31, 2007 were \$7,736,654,195 and bonds issued as of June 30, 2007 totaled \$19,683,472,017. Ms. Liebert also reported that an overview of the funds and balances of the programs available through the Authority would be reported at a future meeting.

Item #4

Del Norte Clinics, Inc. (DNC) Resolution HII-197

Kristine Scully, Analyst introduced Larry Fong, Chief Executive Officer and Mark Woolery, Chief Financial Officer, representatives from Del Norte Clinics, Inc. Mr. Fong provided background of Del Norte Clinics, Inc.

Ms. Liebert stated that the loan proceeds would be used to refund the 1994 STARTS Series B bonds the implementation of which has historically imposed on the borrower an ongoing shortfall in the debt service reserve fund. This financing also has the beneficial effect of reducing the debt service payments providing an annual debt service savings of approximately \$55,000.

Staff recommended the Authority approve a resolution for a HELP II Loan for Del Norte Clinics, Inc. in an amount not to exceed \$985,961 for a term of 15 years and financing terms acceptable to the Authority. After discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Judith Frank seconded the motion. The motion was adopted with a 6-0 vote.

Item #5

Eastfield Ming Quong, Inc. (EMQ) Resolution HII-198

Kristine Scully, Analyst introduced Linda Haskin, Director of Finance from Eastfield Ming Quong, Inc. who provided the background of EMQ.

Ms. Liebert stated the loan proceeds would be used to refund the 1994 STARTS Series B bonds, the implementation of which has historically imposed on the borrower an ongoing shortfall in the

debt service reserve fund. This financing also has the beneficial effect of reducing the debt service payments providing an annual debt service savings of approximately \$26,000.

Staff recommended the Authority approve a resolution for a HELP II Loan for Eastfield Ming Quong, Inc., in an amount not to exceed \$844,753 for a term of 15 years and financing terms acceptable to the Authority. After discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Oscar Sablan seconded the motion. The motion was adopted with a 6-0 vote.

Item #6

**Horizon Services, Inc. (Horizon)
Resolution HII-199**

Martha Maldonado, Analyst introduced Karen Andrews, Director of Finance and Keith Lewis, Executive Director. Mr. Lewis provided the background of Horizon.

Ms. Liebert said the HELP II Loan proceeds will be used to refund the 1994 STARTS Series B bonds, the implementation of which has historically imposed on the borrower an ongoing shortfall in the debt service reserve fund. This financing also has the beneficial effect of reducing the borrower's debt service payments providing an annual debt service savings of approximately \$45,000.

Staff recommended the Authority approve a resolution for a HELP II Loan for Horizon Services, Inc. in an amount not to exceed \$925,000 for a term of 15 years and financing terms acceptable to the Authority. After discussion by the Authority, Jeffrey Brownfield moved for adoption of the Resolution and Anne Sheehan seconded the motion. The motion was adopted with a 6-0 vote.

Item #7

**Mental Health Systems, Inc. (Mental Health)
Resolution HII-200**

Martha Maldonado, Analyst introduced Tom Burns, Director of Accounting of Mental Health. Mr. Burns provided the background of Mental Health.

Ms. Liebert said the HELP II Loan proceeds would be used to refund the 1994 STARTS Series B bonds, the implementation of which has historically imposed on the borrower an ongoing shortfall in the debt service reserve fund. This financing also has the beneficial effect of reducing the borrower's debt service payments providing an annual debt service savings of approximately \$36,000.

Staff recommended the Authority approve a resolution for a HELP II Loan for Mental Health Systems, Inc. in an amount not to exceed \$487,917 for a term of 15 years and financing terms acceptable to the Authority. After discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Harry Bistrin seconded the motion. The motion was adopted with a 6-0 vote.

Item #8

**Chico Feminist Women's Health Center
dba Women's Health Specialists (WHS)
Resolution HII-202**

Thera Hearne, Analyst introduced Shauna Heckert, Executive Director and Debbie Crawford, Chief Financial Officer for Women's Health Specialists. Ms. Heckert provided the background for Women's Health Specialists.

Ms. Liebert said the HELP II Loan proceeds will be used to purchase information technology to streamline patient intake, billing, case management, and reporting, which will increase capacity to expand services and enable electronic medical records as a result.

Staff recommended the Authority approve a resolution for a HELP II loan in an amount not to exceed \$200,000 for a term not to exceed 5 years for Chico Feminist Women's Health Center dba Women's Health Specialists and financing terms acceptable to the Authority. After discussion by the Authority, Anne Sheehan moved for adoption of the Resolution and Judith Frank seconded the motion. The motion was adopted with a 6-0 vote.

Having no further business or comments, Patricia Wynne called for a vote to adjourn the meeting. Anne Sheehan moved for adjournment of the meeting and Jeffrey Brownfield seconded the motion. The motion was adopted with a 6-0 vote.

Respectfully submitted by,

Barbara J. Liebert, Executive Director