MINUTES

California Health Facilities Financing Authority ("CHFFA") 915 Capitol Mall, Room 587 Sacramento, California 95814

Alternate Locations for CHFFA Teleconference Participation

Qiu Accountancy Corporation 3580 Wilshire Blvd., Suite 1126 Los Angeles, California 90010

Sablan Medical Clinic/Valley Health Team 927 "O" Street Firebaugh, California 93622

July 8, 2013 – 11:30 A.M.

Deputy Treasurer, Bettina Redway, serving as Chairperson, called the meeting to order at 11:34 A.M.

Roll Call

Members Present:	Bettina Redway for Bill Lockyer, State Treasurer Ruth Holton-Hodson for John Chiang, State Controller Jennifer Rockwell for Ana J. Matosantos, Director of Finance Samuel Qiu via Teleconference Dr. Oscar Sablan via Teleconference Jack Buckhorn
Members Absent:	Judith Frank Jay Hansen Ann Madden Rice

Chairperson Redway declared a quorum present.

 Item #2
 Health Facilities of Certain Affiliated Corporations of St. Joseph Health System ("SJHS"), Orange, California, Amendment to Resolution No. 391

 Carolyn Aboubechara, Staff Analyst, reported that SJHS obtained approval from the Authority at the May 30, 2013 meeting to issue \$850 million in fixed rate bonds. SJHS published a preliminary official statement for its intended fixed rate offering. Due to significant volatility in the bond market, SJHS re-evaluated its bond needs and decided to include variable rate bonds as part of its financing plan. In order for SJHS to be able to include a variable rate component to the bond financing, SJHS had to seek approval from the Authority. SJHS asked the Authority to amend Resolution No. 391 to allow the bond documents to be amended to permit the inclusion of a variable rate component for SJHS's plan of finance.
 SJHS also asked the Authority to ratify a supplement to the Preliminary Official Statement that was recently distributed by SJHS to market the variable rate bonds.

Representing Health Facilities of Certain Affiliated Corporations of St. Joseph Health System: Adam Bryan, Underwriter, Vice President, Morgan Stanley and Michele Dulik, Bond Counsel, Sidley Austin via telephone.

Staff recommended the Authority approve (1) the Amendment to Resolution No. 391 for Health Facilities of Certain Affiliated Corporations of St. Joseph Health System authorizing the issuance of variable rate bonds, (2) the various amendments required of document forms previously approved by the Authority to allow for the variable rate issuance, and (3) the ratification of the distribution of a Supplement to the Preliminary Official Statement. All other terms, conditions and covenants previously approved by the Authority at its May 30, 2013 meeting remain the same and in full effect. Fieldman, Rolapp & Associates, Inc., the Authority's financial advisor, concurred with the Authority's staff recommendation.

Chairperson Redway asked if there were any questions or public comment. Hearing none, Mr. Buckhorn moved approval of the Amendment to Resolution No. 391 and Ms. Rockwell seconded the motion. The motion was adopted with a 6-0 roll call vote.

<u>Item #3</u>

Other Business

Chairperson Redway asked for public comment. Hearing none and with no additional business, the meeting was adjourned at 11:36 A.M.