### **MINUTES**

# CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (CHFFA or AUTHORITY) 915 Capitol Mall, Room 110

Sacramento, California 95814 October 8, 2020 – 2:00 P.M.

In light of the COVID-19 pandemic and in accordance with the requirements of Executive Order N-25-20 to provide social distancing at state body meetings, CHFFA provided Authority members, participants, and members of the public the opportunity to participate in this meeting via teleconference.

Public Participation
Call-In Number: (877) 810-9415 and Participant Code: 6535126

#### **OPEN SESSION**

Deputy Treasurer, Audrey Noda, Chair, called the meeting to order at 2:00 P.M.

The Secretary announced to the public joining in by phone the instructions for being heard. The Chair went on to mention social distancing measures being taken for the meeting.

Item #1 Roll Call

Members Present: Audrey Noda for Fiona Ma, CPA, State Treasurer

Via Microsoft Teams Meeting:

Jacqueline Wong-Hernandez for Betty T. Yee, State Controller

Gayle Miller for Keely Martin Bosler, Director, Department of Finance

Antonio Benjamin Francisco Silva Katrina Kalvoda Keri Kropke

Members Absent: Robert Cherry M.D.

Jonathan Bergman M.D.

Staff Present: Frank Moore, Executive Director

Carolyn Aboubechara, Deputy Executive Director

Brock Lewis, Staff Services Manager I

Chair Noda declared a quorum present.

Item #2

CommonSpirit Health Bond Financing Program Resolution No. 443 (Action Item)

Mr. Lewis presented. CommonSpirit Health (CommonSpirit) requested Authority approval to issue tax-exempt revenue bonds in an amount not to exceed \$1,020,000,000. Mr. Lewis reported that the bond proceeds would be used to refund prior debt issued for facilities in California, as well as to finance and/or reimburse the costs of construction, expansion, renovation, remodeling and equipping of multiple California facilities.

Mr. Lewis reported that the Authority received CommonSpirit's 2020 audited financial statements after the posting of the staff report. Staff and TAP International, Inc., the Authority's financial analyst, reviewed the 2020 audit and confirmed that it aligned with staff's recommendation.

Attendees: (via teleconference) Lisa Zuckerman, Senior Vice President, Treasury and Strategic Investments and Jean Ham, Vice President, Assistant Treasurer at CommonSpirit Health; Janet Zeigler, Partner and Jessica Zaiger, Partner, Polsinelli, Bond Counsel; and John Landers, Managing Director and John Badwick, Vice President, Morgan Stanley & Co. LLC, Underwriter.

Ms. Zuckerman thanked the Authority staff and gave an overview of CommonSpirit's projects and services.

Authority members engaged in a conversation with CommonSpirit representatives regarding the use of bond proceeds for the facilities in California, outstanding debt, the calculation of the debt service coverage ratio, and the rating.

Chair Noda asked if there were any additional questions or public comment; there were none.

## **Authority Action**

Motion to approve Resolution No. 443 in an amount not to exceed \$1,020,000,000 for CommonSpirit Health, subject to the conditions in the resolution.

MOTION: Member Kalvoda SECOND: Member Silva

AYES:.....Members: Silva, Kalvoda, Kropke, Benjamin, Miller, Wong-Hernandez,

Noda

NOES:.....NONE ABSTAIN:....NONE

RECUSE:.....NONE

MOTION APPROVED.

#### Items #3 and #4

**Public Comment and Adjournment** 

Chair Noda asked for public comment. Hearing none, the meeting adjourned at 2:21 P.M.