



**CALIFORNIA
PUBLIC
FINANCE
AUTHORITY**

Kings County Government Center
1400 W. Lacey Boulevard
Hanford, California 93230
☎ (559) 852- 2362 FAX (559) 585-8047

Agenda

Tuesday, April 30, 2024

Place: MULTI PURPOSE ROOM, Administration Building 1, Kings County Government Center, 1400 W. Lacey Boulevard, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

The meeting can be attended on the Internet by clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=md27945fae47aec98eae0162cbcf3a723>

or by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting link information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting. Remote WebEx participation for members of the public is provided for convenience only. In the event that the WebEx connection malfunctions or becomes unavailable for any reason, the Board of Supervisors reserves the right to conduct the meeting without remote access. *WebEx will be available for access at 10:55 a.m.*

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. NEW BUSINESS

- a. Consider approving resolution 24-04A, for Adventist Health System/West, State of California; up to \$305,000,000 in taxable revenue bonds. (Staff – Scott Carper)

3. PUBLIC COMMENT

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

4. STAFF UPDATES

5. ADJOURNMENT

Adjourn as the California Public Finance Authority.

RESOLUTION NO. 24-04A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF FEDERALLY TAXABLE REVENUE BONDS IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$305,000,000, TO REFINANCE THE ACQUISITION, RENOVATION, CONSTRUCTION, FURNISHING, EQUIPPING AND IMPROVEMENT OF CERTAIN HEALTH CARE FACILITIES AND WORKING CAPITAL FOR ADVENTIST HEALTH SYSTEM/WEST AND ITS AFFILIATES AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing and refinancing of projects of any nature, including, but not limited to, capital or working capital projects;

WHEREAS, Adventist Health System/West, a California nonprofit religious corporation (the “Corporation”) wishes to refinance certain prior debt of the Corporation, the proceeds of which were used to finance and refinance the acquisition, renovation, construction, furnishing, equipping and improvement of certain health care facilities and working capital of the Corporation and certain its affiliates, each of which is a California nonprofit religious corporation (the “Project”);

WHEREAS, the health care facilities comprising the Project are located in the State of California and the affiliates owning and operating such health care facilities (the “Benefitting Entities”) are as described in Exhibit A attached hereto;

WHEREAS, the Corporation is requesting that the Authority assist the Corporation in the refinancing of the Project by issuing federally taxable bonds and loaning the proceeds thereof to the Corporation;

WHEREAS, pursuant to one or more Bond Indentures (collectively, the “Bond Indentures”), between the Authority and U.S. Bank Trust Company, National Association (the “Bond Trustee”), the Authority will issue the California Public Finance Authority Revenue Bonds (Adventist Health System/West), Series 2024 (the “Bonds”), for the purpose, among others, of refinancing the Project;

WHEREAS, pursuant to one or more Loan Agreements (collectively, the “Loan Agreements”), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of refinancing the Project;

WHEREAS, pursuant to one or more Bond Purchase Contracts, in each case including the exhibits thereto and to be dated the date of sale of the applicable series of Bonds (collectively, the “Bond Purchase Contracts”), among the Authority, the Corporation, and the respective underwriter or underwriters named therein, as finally executed (collectively, the “Underwriters” and each individually, an “Underwriter”), the Bonds will be sold to the Underwriters and the proceeds of such sale will be used as set forth in the Bond Indentures to refinance the Project and, if necessary, pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of Bond Indenture;
- (2) A proposed form of Loan Agreement;
- (3) A proposed form of the Bond Purchase Contract; and
- (4) A proposed form of one or more official statements (collectively, the “Official Statements”), to be used by the Underwriters in connection with the offering and sale of the Bonds; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Corporation and has disclosed such good faith estimates as set forth on Exhibit B attached hereto;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Bond Indentures, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Revenue Bonds (Adventist Health System/West), Series 2024” in an aggregate principal amount not to exceed three hundred and five million dollars (\$305,000,000). The Bonds shall be issued as federally taxable bonds, in one or more series, as fixed rate bonds or variable rate bonds, with such other name or names of the Bonds or series thereof as designated in the Bond Indenture pursuant to which the related Bonds are issued, and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Bond Indentures. The Bonds or any series of them may, at the sole option of the Borrower, be secured by deeds of trust, a reserve fund, bond insurance, credit facility and other security arrangements and/or supported by one or more liquidity facilities. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 21-01C of the Authority, adopted on August 31, 2021, or any other delegation resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Bond Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver one or more Bond Indentures in substantially said form, with such changes and insertions therein (including, without limitation, insertions, deletions or changes therein appropriate to reflect provisions relating to a deed of trust, a bond reserve fund, bond insurance, any credit and/or liquidity facility and/or another security arrangement, at the sole option of the Borrower, for any series of Bonds) as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates or methods of determining rates, redemption and tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, and other terms of the Bonds shall be as provided in the Bond Indentures, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver one or more Loan Agreements in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. A proposed form of the Bond Purchase Contract, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver one or more Bond Purchase Contracts, in substantially said forms, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. A proposed form of the Official Statement, as made available to the Board of Directors, is hereby approved. The Underwriters are hereby authorized to distribute one or more Official Statements in preliminary form to persons who may be interested in the purchase of the Bonds, it being understood that, at the discretion of the Underwriters (in consultation with the Corporation), a preliminary official statement may not be used with respect to any series of Bonds. The Underwriters are hereby authorized to deliver Official Statements in final form to all actual purchasers of the Bonds.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Bond Trustee for authentication by the Bond Trustee. The Bond Trustee is hereby requested and directed to authenticate the Bonds by executing the Bond Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Bond Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit and/or liquidity support, if any, for the Bonds or any series thereof, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 30th day of April, 2023.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on April 30, 2023.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

BENEFITTING ENTITIES

- Corporation
- San Joaquin Community Hospital d/b/a Adventist Health Bakersfield (“AH Bakersfield”)
- Adventist Health Clearlake Hospital, Inc. d/b/a Adventist Health Clear Lake (“AH Clear Lake”)
- Adventist Health Delano (“AH Delano”)
- Glendale Adventist Medical Center d/b/a Adventist Health Glendale (“AH Glendale”)
- Hanford Community Hospital d/b/a Adventist Health Hanford (“AH Hanford”)
- Howard Memorial Hospital d/b/a/ Adventist Health Howard Memorial (“AH Howard Memorial”)
- Lodi Memorial Hospital Association, Inc. d/b/a/ Adventist Health Lodi Memorial (“AH Lodi Memorial”)
- Reedley Community Hospital d/b/a/ Adventist Health Reedley (“AH Reedley”)
- Rideout Memorial Hospital d/b/a Adventist Health and Rideout (“AH Rideout”)
- Sierra Vista Hospital, Inc. (“AH Sierra Vista”)
- Simi Valley Hospital & Health Care Services d/b/a Adventist Health Simi Valley (“AH Simi Valley”)
- Adventist Health Sonora d/b/a Sonora Community Hospital (“AH Sonora”)
- St. Helena Hospital d/b/a Adventist Health St. Helena (“AH St. Helena”)
- Adventist Health Medical Center Tehachapi d/b/a Adventist Health Tehachapi Valley (“AH Tehachapi Valley”)
- Adventist Health Tulare (“AH Tulare”)
- Twin Cities Community Hospital, Inc. (“AH Twin Cities”)
- Ukiah Adventist Hospital d/b/a Adventist Health Ukiah Valley (“AH Ukiah Valley”)
- White Memorial Medical Center d/b/a Adventist Health White Memorial (“AH White Memorial”)

EXHIBIT B

PUBLIC DISCLOSURE RELATING TO CONDUIT REVENUE OBLIGATIONS

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Corporation”) identified below has provided the following required information to California Public Finance Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its board of directors (the “Board”) at which Meeting the Board will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Corporation: **Adventist Health System/West.**
2. Authority Meeting Date: **April 30, 2024.**
3. Name of Obligations: **California Public Finance Authority Revenue Bonds (Adventist Health System/West), Series 2024BC (the “Bonds”).**
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor engaged by the Corporation provided the Corporation with the required good faith estimates relating to the Obligations as follows:
 - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): **The Obligations will carry a variable interest rate through maturity. True interest cost is estimated at 5.33% which reflects the SOFR rate as of April 17, 2024.**
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **Estimated at \$1,875,000.00, although preliminary and subject to change.**
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: **\$248,125,000.00.**
 - (D) The total payment amount, which means the sum total of all payments the Corporation will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): **\$725,974,281.20.**
5. The good faith estimates provided above were presented to the governing board of the Corporation, or presented to the official or officials or committee designated by the governing board of the Corporation to obligate the Corporation in connection with the Obligations or, in the absence of a governing board,

presented to the official or officials of the Corporation having authority to obligate the Corporation in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Corporation.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: **April 30, 2024.**