



Agenda

Tuesday, June 25, 2024

Place: County Board of Supervisors Chambers
Kings County Government Center, 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=mee48edb630ce9bea621842935514d903>

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. APPROVAL OF MINUTES

a. Approval of the minutes from the April 23 and April 30, 2024 regular meetings.

3. NEW BUSINESS

a. Consider approving resolution 24-05A, for PIH Health, Inc., City of Whittier, County of Los Angeles; up to \$345,000,000 in revenue bonds. (Staff – Scott Carper)

4. 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.

5. STAFF UPDATES

6. ADJOURNMENT

Adjourn as the California Public Finance Authority.



Action Summary

Tuesday, April 23, 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=m16abeb0daa5dcb9548e1e8b83ce710f0>

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
ALL MEMBERS PRESENT

2. APPROVAL OF MINUTES

Approval of the minutes from the April 16, 2024 regular meeting.
ACTION: APPROVED AS PRESENTED (RR, JN, RV, RF, DV-Aye)

3. NEW BUSINESS

- a. Consider approving resolution 24-03A, for Adventist Health System West, State of California; upto \$305,000,000 in taxable revenue bonds. (Staff – Scott Carper)

ACTION: APPROVED AS PRESENTED (JN, RR, RV, RF, DV-Aye)

4. 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. None

5. STAFF UPDATES

None

6. ADJOURNMENT

The meeting was adjourned at 11:06 a.m.



Action Summary

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
ALL MEMBERS PRESENT

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~~ Caitlin Lanctot)
ACTION: APPROVED AS PRESENTED (JN, RF, RV, RR, DV - AYE)

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. **NONE***

4. STAFF UPDATES - NONE

5. ADJOURNMENT

The meeting was adjourned at 11:09 a.m.



DATE: JUNE 25, 2024

APPLICANT: PIH HEALTH, INC.

AMOUNT: UP TO \$ 345 MILLION OF NONPROFIT REVENUE BONDS

PURPOSE: REFINANCE THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF CERTAIN HEALTH FACILITIES AND WORKING CAPITAL

PRIMARY ACTIVITY: 501(C)3 NONPROFIT

Background:

PIH Health, Inc. (the “Corporation”) has requested that CalPFA issue federally tax-exempt and federally taxable revenue bonds (the “Bonds”) to refinance certain prior debt of the Corporation and certain of its affiliates and pay costs of issuance relating to the Bonds.

The Corporation is the parent organization of various affiliates (collectively, the “System”), including PIH Health Whittier Hospital (“PHWH”), PIH Health Downey Hospital (“PHDH”), PIH Health Good Samaritan Hospital (“PHGSH”) and PIH Health Management Corp. (“PHMC”), each of which is a California nonprofit public benefit corporation, organized as tax exempt organizations under Section 501(c)(3) of the Internal Revenue Code. The Corporation, together with PHWH, PHDH, PHGSH and PHMC, are also the Members of the Obligated Group under an amended and restated master trust indenture.

Description of Proposed Project:

The Corporation has applied for the financial assistance of CalPFA to refinance certain prior debt of the Corporation and/or certain Members of the Obligated Group, which proceeds were used to finance and refinance the acquisition, construction, renovation and equipping of certain health facilities owned and/or operated by the Corporation and/or certain of the Members of the Obligated Group and working capital of the Corporation and/or certain of the Members of the Obligated Group (the “Project”). The health facilities comprising the Project are all located in the State of California.

TEFRA Information:

No TEFRA hearing is necessary as the tax-exempt bonds will be a current refunding with no extension of the weighted average maturity or will be federally taxable bonds.

Financing Structure:

The Bonds will be issued, in one or more series, as fixed rate bonds or variable rate bonds in an aggregate principal amount not to exceed \$345 million. The financing will comply with California Public Finance Authority’s issuance policies.

Estimated Sources and Uses:

Sources:

| | |
|--------------------------|----------------------|
| Tax-Exempt Bond Proceeds | \$173,240,364 |
| Taxable Bond Proceeds | \$152,165,000 |
| Total Sources: | \$325,405,364 |

Uses:

| | |
|-----------------------------|----------------------|
| Reimbursement Projects | \$150,000,000 |
| Refinancings / Cash Deposit | \$171,228,807 |
| Cost of Issuance | \$4,176,557 |
| Total Uses: | \$325,405,364 |

Notes/Assumptions

1. Assumes estimated net floating rate of 4.00% on total return structure component of 2024 financing.
2. Assumes 1% cost of issuance other than underwriter’s discount, as well as underwriter’s discount.
3. Assumes 10-year bullet structure for taxable component of 2024 financing.

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents

Attachment 1

Public Benefit:

The System operates an integrated health care system that includes 3 acute care hospitals, located in Whittier, Downey and Los Angeles, California; PIH Health Physicians, a California nonprofit public benefit corporation and a California Health and Safety Code 1206(l) medical foundation with a wrap-around independent physician association that (i) includes approximately 395 full time physician and midlevel providers as of March 31, 2024, covering 26 different medical specialties and practicing across 31 physical locations and 95 practice sites, and (ii) has approximately 97,470 managed care lives, including approximately 17,780 full risk senior members as of March 31, 2024; seven urgent care centers; home health services; and inpatient hospice facilities and outpatient hospice services. The System's primary service area includes the Los Angeles County cities of Bell Gardens, Bellflower, Downey, Hacienda Heights, Huntington Park, La Habra, La Habra Heights, La Mirada, Lynwood, Montebello, Norwalk, Paramount, Pico Rivera, Santa Fe Springs, South Gate, Whittier and numerous portions of the city of Los Angeles. The System's integrated delivery system incorporates quality standards across all major service lines.

This refinancing will allow the Corporation to lower its interest cost supporting investment in community health.

RESOLUTION NO. 24-05A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$345,000,000, TO REFINANCE THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF CERTAIN HEALTH FACILITIES OWNED AND OR OPERATED BY PIH HEALTH, INC. AND/OR CERTAIN OF 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, (a) the City of Whittier previously issued its (i) Health Facility Revenue Bonds (PIH Health), Series 2014, in the aggregate principal amount of \$66,300,000; (ii) Health Facility Revenue Notes (PIH Health), Series 2014, in the aggregate principal amount of \$35,700,000, (iii) Health Facility Revenue Bonds (PIH Health), Series 2018A, in the aggregate principal amount of \$48,500,000; and (iv) Health Facility Revenue Bonds (PIH Health), Series 2022A, in the aggregate principal amount of \$40,135,000 (collectively, the “Prior Bonds”) for the benefit of the PIH Health, Inc. (the “Corporation”) and/or certain of its affiliates, which are also Members of the Obligated Group (as defined in the Bond Indenture), each of which is a nonprofit public benefit corporation, the proceeds of which were used to finance and refinance the acquisition, construction, renovation and equipping of certain health facilities owned and/or operated by the Corporation and/or certain of the Members of the Obligated Group (the “Tax-Exempt Bonds Project”) and located in the State of California, and (b) the Corporation has a revolving line of credit (the “Line of Credit”) with a commercial bank, proceeds of which were used to finance and refinance the acquisition, construction, renovation and equipping of certain health facilities owned and/or operated by the Corporation and/or certain of the Members of the Obligated Group and finance working capital projects for the benefit of the Corporation and/or certain of the Members of the Obligated Group (the “Taxable Bonds Project” and together with the Tax-Exempt Bonds Project, the “Project”);

WHEREAS, the Corporation wishes to refinance the Prior Bonds and refinance all or a portion of the balance of the Line of Credit;

WHEREAS, the Corporation is requesting the assistance of the Authority in refinancing the Project by issuing the Bonds (defined below) as federally tax-exempt and/or 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 (PIH Health), Series 2024 (the “Bonds”), in one or more series, 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 Agreements, 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 Agreements”), among the Authority, the Corporation, and the respective underwriter or underwriters named therein, as finally executed (collectively, the “Underwriters” and each individually, an “Underwriter”) or if applicable, a private direct purchaser of a series of the Bonds (the “Direct Purchaser”), such Bonds will be sold to the Underwriters or the Direct Purchaser 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, one or more series of the Bonds may be offered for sale through a private direct purchase to a Direct Purchaser which is a Qualified Institutional Buyer, as described in Rule 144A of the Securities Act of 1933, as amended (the “Securities Act”) and/or Accredited Investor (as described in Regulation D of the Securities Act) and an offering document is not required to be used for any series of Bonds being privately sold through a direct purchase;

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 Bond Purchase Agreement; 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 any 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 A 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 (PIH Health), Series 2024” in an aggregate principal amount not to exceed \$345,000,000. The Bonds shall be issued as federally tax-exempt and/or federal 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 series of Bonds will be issued. The Bonds shall be 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 Corporation, 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, related interest rate swaps, any credit and/or liquidity facility, and/or another security arrangement, at the sole option of the Corporation, 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 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 Bond Purchase Agreements, 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 preliminary 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 applicable series 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 25th day of June, 2024.

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 June 25, 2024.

By: _____

Authorized Signatory
California Public Finance Authority

EXHIBIT A

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the 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 Borrower: PIH Health, Inc.
2. Authority Meeting Date: June 25, 2024.
3. Name of Obligations: California Public Finance Authority Revenue Bonds (PIH Health) Series 2024, in one or more series.
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower 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): 4.62%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$4,126,835.00.
 - (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: \$321,228,807.20.
 - (D) The total payment amount, which means the sum total of all payments the Borrower 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): \$495,353,691.30.
5. The good faith estimates provided above were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

Notes/Assumptions

1. Assumes estimated net floating rate of 4.00% on total return structure component of 2024 financing.
2. Assumes 1% cost of issuance other than underwriter's discount, as well as underwriter's discount.
3. Assumes 10-year bullet structure for taxable component of 2024 financing.

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 Borrower.

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

Dated: June 21, 2024