

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Highlands County Health Facilities Authority – Issuance of Revenue Bonds

DEPARTMENT: Fiscal Services **DIVISION:** Administration

AUTHORIZED BY: Ray Hooper **CONTACT:** _____ **EXT.** 7172

Agenda Date <u>9/9/03</u> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input type="checkbox"/>
Public Hearing – 1:30 <input type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/>

MOTION/RECOMMENDATION:

Approval and authorization for the Chairman to execute a resolution approving for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, the issuance by the Highlands County Health Facilities Authority of its (i) Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in Seminole County in one or more series over the longest period permitted by law and (ii) Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program), in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in Seminole County in one or more series over the longest period permitted by law, all for the benefit of Adventist Health System/Sunbelt, Inc., a Florida not-for-profit corporation ("Sunbelt").

BACKGROUND:

On August 18, 2003, in connection with the proposed issuance of the Revenue Bonds referred to above (the "Bonds"), the Highlands County Health Facilities Authority conducted a public hearing on behalf of the County. The executed minutes of such public hearing, together with a copy of the publisher's affidavit evidencing publication of the Notice of Public Hearing in the Seminole County edition of *The Orlando Sentinel* are attached hereto.

Bond Counsel to the Highlands County Health Facilities Authority has submitted resolution to the Board of County Commissioners for consideration. The Resolution approves the issuance of the Bonds for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

A portion of the proceeds of the Bonds will be used to:

1. Finance, refinance or reimburse Sunbelt, as owner, operator or manager for its prior payment of the costs of acquiring, constructing, renovating and equipping a 24,000 square foot

Reviewed by:	
Co Atty:	
DFS:	
Other:	
DCM:	
CM:	
File No.	<u>CFA00</u>

administrative data center, located at 1035 Greenwood Boulevard, Lake Mary, Florida.

2. Fund reserves for debt service to secure the Bonds.
3. Pay a portion of the interest to accrue on the Bonds.
4. Pay certain expenses incurred in connection with the issuance of the Bonds (including the costs of any related credit enhancement fees).

The Bonds do not constitute a legal obligation for Seminole County.

MINUTES OF A PUBLIC HEARING of the Highlands COUNTY HEALTH FACILITIES AUTHORITY, acting through its designated hearing officer and on behalf of Seminole County, Florida, held in Conference Room 3026 at the County Services Building, 1101 East First Street, Sanford, Florida, at 1:30 P.M. on Monday, August 18, 2003.

The Highlands County Health Facilities Authority (the "Authority"), acting through its designated hearing officer (the "Hearing Officer") held a public hearing on behalf of Seminole County, Florida (the "County").

At 1:30 P.M., the Hearing Officer called the public hearing to order. The Hearing Officer stated that the purpose of the meeting included conducting a public hearing, pursuant to published notice as required by law (Section 147(f) of the Internal Revenue Code of 1986, as amended), on the proposed issuance by the Authority of its (i) Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in the County, in one or more series over the longest period permitted by law (the "Asset Bonds") and (ii) Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program), in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in the County, in one or more series over the longest period permitted by law (the "Receivable Bonds," and together with the Asset Bonds, the "Bonds"). The Hearing Officer stated that the Bonds will be issued for the benefit of Adventist Health System/Sunbelt, Inc., a Florida not-for-profit corporation, and that the proceeds of the Bonds will be used for the purposes described in said notice.

The Hearing Officer stated that the notice of the public hearing was published on August 4, 2003 in *The Orlando Sentinel*, a newspaper of general circulation in the County. The Hearing Officer presented the publisher's affidavit for the above-described publication, with newspaper clipping attached (a copy of which is attached hereto as *Exhibit A*), which affidavit shall be placed on file in the offices of the Authority and the County as part of the permanent records of the Authority and the County.

The Hearing Officer then announced that all interested persons wishing to contend for or protest against the issuance of the Bonds would be heard and that all oral or written statements would be considered.

All interested persons wishing to speak were then given the full opportunity to be heard; the persons so speaking were as follows:

NAME	ADDRESS
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None

A summary of the views so expressed, if any, is attached hereto.

All interested persons wishing to file written statements were given the full opportunity to do so; the persons filing written statements were as follows:

NAME	ADDRESS
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None

Copies of all such written statements, if any, are attached hereto.

Prior to the public hearing, the Authority solicited written statements from interested persons pursuant to an invitation set forth in the public notice referred to above; the persons filing written statements with the Authority pursuant to such invitation were as follows:

NAME	ADDRESS
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None

Copies of all such written statements, if any, are attached hereto.

Thereupon, after all persons desiring to speak or submit written statements had been permitted to do so, the Hearing Officer stated that the public hearing on the proposed issuance of the Bonds was concluded.

DATED this 18th day of August, 2003.


 Hearing Officer

EXHIBIT A

PUBLISHER'S AFFIDAVIT

Orlando Sentinel

Published Daily

State of Florida } s.s.
COUNTY OF ORANGE

Before the undersigned authority personally appeared DEBORAH M. TONEY

who on oath says that he/she is the Legal Advertising Representative of Orlando Sentinel, a daily newspaper published at ALTAMONTE SPRINGS in SEMINOLE County, Florida; that the attached copy of advertisement, being a NOTICE OF PUBLIC in the matter of AUG. 18

in the SEMINOLE Court, was published in said newspaper in the issue; of 08/04/03

Affiant further says that the said Orlando Sentinel is a newspaper published at ALTAMONTE SPRINGS, in said SEMINOLE County, Florida, and that the said newspaper has heretofore been continuously published in said SEMINOLE County, Florida, each Week Day and has been entered as second-class mail matter at the post office in ALTAMONTE SPRINGS in said SEMINOLE County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 5 day of AUG., 20 03, by DEBORAH M. TONEY who is personally known to me and who did take an oath.

(SEAL)

Deborah M. Toney
Deborah M. Toney

My Comm. Exp. 3/1/03
No. DD 004041
 Personally Known Other

Notice of Public Hearing

Notice is hereby given that a public hearing will be held on behalf of Seminole County, Florida (the "County") by the Highlands County Health Facilities Authority (the "Authority") or its designee on Monday, August 18, 2003, at 1:30 P.M. in Conference Room 3026 of the County Services Building, 1101 East First Street, Sanford, Florida, with respect to (i) a plan by the Authority to issue its Hospital Revenue Bonds (Adventist Health System/Sunbelt Obligated Group) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in Seminole County, Florida, in one or more series over the longest period permitted by law and (ii) a plan by the Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in Seminole County, Florida, in one or more series over the longest period permitted by law. A portion of the proceeds of the Bonds issued under each of such plans of finance will be used to (i) finance, refinance or reimburse Adventist Health System/Sunbelt, Inc., a Florida not-for-profit corporation, as owner, operator or manager for its prior payment of the costs of acquiring, constructing, renovating and equipping a 24,000 square foot administrative data center, located at 1035 Greenwood Boulevard, Lake Mary, Florida, (ii) fund reserves for debt service to secure the Bonds, (iii) pay a portion of the interest to accrue on the Bonds, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds (including the costs of any related credit enhancement fees).

The public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended. Interested individuals are invited to express their views, both orally and in writing, on the proposed issuance of the Bonds. Comments at the public hearing are invited. Written comments may be submitted to the County prior to the public hearing in care of the County at 1101 East First Street, Sanford, Florida 32771, Attention: Director of Fiscal Services. Additional information can be obtained from the County at the address listed immediately above.

Pursuant to Section 286.0105 of the Florida Statutes, as amended, the Authority hereby advises that if any person decides to appeal any decision made by the Authority with respect to any matter considered at such public hearing, such person will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and the evidence upon which the appeal is to be based.

Dated: August 4, 2003
Highlands County Health Facilities Authority
By /s/ Patrick A. White
Chairman
CSE173240 8/4/03

RESOLUTION 2003-R _____
SEMINOLE COUNTY, FLORIDA

A RESOLUTION of the Board of County Commissioners of Seminole County, Florida (the "County"), (A) approving the issuance by the Highlands County Health Facilities Authority of its (i) Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in the County in one or more series over the longest period permitted by law and (ii) Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program), in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in the County in one or more series over the longest period permitted by law, all for the benefit of Adventist Health System/Sunbelt, Inc., a Florida not-for-profit corporation; (B) providing that the Bonds shall not constitute a debt, liability or obligation of the County or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the revenues provided therefor, and that neither the faith and credit nor any taxing power of the County or of the State of Florida or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds; and (C) providing for other related matters.

WHEREAS, the Highlands County Health Facilities Authority (the "Authority") has been created by the Board of County Commissioners of Highlands County, Florida pursuant to the Health Facilities Authorities Law, Part III of Chapter 154 of the Florida Statutes, as amended (the "Act"), and is authorized under the Act, and particularly Section 154.247 thereof, to issue revenue bonds for the purpose of financing and refinancing health care facilities for not-for-profit corporations located within or without the State of Florida under the conditions prescribed in the Act; and

WHEREAS, Adventist Health System/Sunbelt, Inc., a Florida not-for-profit corporation ("Sunbelt"), has requested the Authority to issue its (i) Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in Seminole County, Florida (the "County"), in one or more series over the longest period permitted by law (the "Asset Bonds") and (ii) Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program), in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities in the County, in one or more series over the longest period permitted by law (the "Receivable Bonds," and together with the Asset Bonds, the "Bonds"); and

WHEREAS, A portion of the proceeds of the Bonds issued under each of such plans of finance will be used to (i) finance, refinance or reimburse Sunbelt, as owner, operator or manager for its prior payment of the costs of acquiring, constructing, renovating and equipping a 24,000 square foot administrative data center, located at 1035 Greenwood Boulevard, Lake Mary, Florida, (ii) fund reserves for debt service to secure the Bonds, (iii) pay a portion of the interest to accrue on the Bonds, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds (including the costs of any related credit enhancement fees).

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires the approval of the issuance of the Bonds by the Board of County Commissioners of the County (the "Board of County Commissioners"), as the "applicable elected representative" under Section 147(f) of the Code, after a public hearing following reasonable public notice; and

WHEREAS, attached hereto as *Exhibit A* is a copy of the publisher's affidavit evidencing publication of the Notice of Public Hearing held by the Authority or its designee on behalf of the County on August 18, 2003;

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Seminole County, Florida, as follows:

Section 1. Approval of Issuance of the Asset Bonds. The issuance of the Asset Bonds by the Authority in an aggregate principal amount not to exceed \$50,000,000 with respect to the facilities located in the County in one or more series over the longest period permitted by law for the purposes set forth above is hereby approved.

Section 2 Approval of Issuance of the Receivable Bonds. The issuance of the Receivable Bonds by the Authority by the Authority in an aggregate principal amount not to exceed \$50,000,000 with respect to the facilities located in the County in one or more series over the longest period permitted by law for the purposes set forth above is hereby approved.

Section 3 Limited Obligations. The Bonds shall not constitute a debt, liability or obligation of the County or of the State of Florida or of any political subdivision thereof or a pledge of the faith and credit or any taxing power of the County or of the State of Florida or of any political subdivision thereof, but shall be limited obligations of the Authority payable solely from and secured by a pledge of payments to be made by Sunbelt and certain affiliated not-for-profit corporations.

Section 4. Purpose of Approval. The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as an approval of any zoning application or any regulatory permit required in connection with the issuance of the Bonds, or creating any vested rights with respect to any land use regulations, and the Board of County Commissioners shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard. The approval given herein shall not be construed as an approval or

recommendation of the creditworthiness of Sunbelt or a recommendation to prospective purchasers to purchase the Bonds.

Section 5. Ratification of Acts. All of the acts and doings of the members of the Board of County Commissioners, officials, officers, agents and employees of the County which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved. Additionally, the Board of County Commissioners hereby ratifies the holding of the public hearing by the Authority or its designee on behalf of the County in connection with the issuance of the Bonds. Furthermore, the Board of County Commissioners hereby authorizes and approves the holding of public hearings by the Authority or its designee on behalf of the County in connection with the future issuance of additional bonds by the Authority for the benefit of Sunbelt and its affiliates with respect to its Seminole County facilities.

Section 6. Severability. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or ineffective for any reason, the remainder of this resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the validity or ineffectiveness of such section, paragraph, clause or provision.

Section 7. Effective Date. This resolution shall take effect immediately upon its adoption, and any provisions of any previous resolutions in conflict with the provisions hereof are hereby superseded.

ADOPTED this 9th day of September, 2003.

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

By _____
Daryl G. McLain, Chairman

[SEAL]

ATTEST:

Maryanne Morse, Clerk of the Board of
County Commissioners of
Seminole County, Florida