Minutes of the New Jersey Health Care Facilities Financing Authority meeting held on August 24, 2017 on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, NJ.

*The following **Authority Members** were in attendance:*
Dr. Munr Kazmir, Vice Chair (Chairing); Alison Gibson, Designee of the Commissioner of Health; and, via telephone, Maryann Kralik, Designee of the Department of Banking and Insurance; and Suzette Rodriguez, Public Member

*The following **Authority staff members** were in attendance:*
Mark Hopkins, Frank Troy, Ron Marmelstein, Carole Conover, Bill McLaughlin, Marji McAvoy, Edwin Fuentes, Ellen Lieber, Neetu "Nikki" Thukral, John Johnson, Jessica Lucas, Michael Solidum, Diane Johnson, Debra Coons and Chris Kniesler

*The following **representatives from the State and/or the public** were in attendance:*
Cliff Rones, Attorney General's Office; and Nicholas Kant, Governor's Authorities Unit; Jim Foley, Department of Health; John Draikiwicz, Gibbons P.C.; Kevin Fiore, Ted Fiore and Drew Barile, Village Drive LLC; Chris Walrath, GluckWalrath, LLP

CALL TO ORDER

Dr. Kazmir called the meeting to order at 10:08 a.m. and announced that this a regular meeting of the Authority, held in accordance with the schedule adopted at the May 25, 2017 Authority meeting. Complying with the Open Public Meetings Act and the Authority's By-laws, notice of this meeting was delivered to all newspapers with mailboxes at the Statehouse, including *The Star-Ledger* and the *Courier Post*, enough in advance to permit the publication of an announcement at least 48 hours before the meeting.

1. APPROVAL OF MINUTES
July 27, 2017 Authority Meeting

Minutes for the Authority's July 27, 2017 Authority meeting were distributed for review and approval prior to the meeting. Dr. Kazmir asked for a motion to approve the minutes. Ms. Gibson made the motion. Ms. Rodriguez seconded. Dr. Kazmir asked if the Members had any questions on the motion. There were no questions. All Members voted in the affirmative and the minutes were approved.

2. BOND SALE REPORT
Inspira Health Network

Dr. Kazmir called on Bill McLaughlin to present the details of the Inspira Health Network bond sale to the Members.

Mr. McLaughlin reported that on August 3, 2017 the Authority along with J.P. Morgan Chase as senior managing underwriter and Morgan Stanley as co-senior managing underwriter, priced the $265,000,000 publicly issued tax-exempt Series 2017A bond financing on behalf of Inspira Health Network. The bonds were rated "A2" by Moody's Investors Service and "A" Fitch Ratings.

According to Mr. McLaughlin, the proceeds of the $60 million Series 2017B Variable Rate Direct Placement with TD Bank and the proceeds of the Series 2017A bonds will be used to: finance and/or reimburse the Inspira Health Network for the costs of the planning, development, construction, expansion, renovation, furnishing and/or equipping of a new five story acute care hospital and medical center facility located in Mullica Hill; the construction of a linear accelerator vault at Inspira Medical Center Woodbury; the expansion of the Emergency Department at Inspira Medical Center Vineland; and pay all or a portion of the costs of the issuance.

Mr. McLaughlin stated that the transaction was structured with serial bonds maturing from 2018 to 2037 and term bonds maturing in 2042 and 2047. The order period began at 9:30 a.m. with the following priority of orders: Friends of Inspira Health Network; New Jersey retail; net designated; and member. At the conclusion of the order period, the underwriting team had received orders totaling over $1.8 billion from more than 85 unique investors. This oversubscription led to the underwriting team adjusting the yields downward throughout the structure, resulting in a decrease in the all-in total interest cost of over 4 basis points.

At that point, Mr. McLaughlin said J.P. Morgan Chase made an offer to underwrite the bonds at the new levels and Staff gave the verbal award. Yields on the Series 2017A bonds ranged from 1.03% on the 2018 maturity to 3.77% on the 2047 maturity. Overall, the final all-in TIC for the Series 2017A bonds was approximately 3.865%. The initial rate for the Series 2017B bonds was 1.491%. This transaction closed on August 17.

Mr. McLaughlin offered to answer any question the Members might have. There were no questions.

Dr. Kazmir thanked Mr. McLaughlin for his report.

Mr. Hopkins informed the Members that the Project Management staff was doing something new. He said starting this month, included with the bond sale report are graphs comparing the Authority's deals with similar healthcare issuances. Mr. Hopkins believes that this additional information will demonstrate how well the Authority performs for their clients. He then congratulated Bill McLaughlin, Edwin Fuentes and Tracey Cameron for their efforts.

3. NEGOTIATED PUBLIC OFFERING OR NEGOTIATED PRIVATE PLACEMENT REQUEST
Village Drive, LLC

Dr. Kazmir asked Edwin Fuentes to inform the Members of the Village Drive, LLC's request for an issuance of bonds using either a negotiated sale in the form of a public offering or a negotiated sale in the form of a private placement.

Mr. Fuentes began by introducing Kevin Fiore, Ted Fiore and Drew Barile from Village Drive LLC. Mr. Fuentes advised the Members that the presentation served as a request to proceed with the use of a negotiated sale in the form of either a public sale or a private placement for the proposed tax-exempt financing for Village Drive LLC.

Mr. Fuentes stated that Village Drive LLC is a for-profit limited liability company and the owner and developer of the projects to be known as The Wheaton at Millville and The Day Center at Wheaton. Village Drive has signed a Memorandum of Understanding with the Authority to undertake a tax-exempt negotiated sale of approximately $23 million, issued in the form of either a public offering or private placement. Proceeds of the transaction will be used to: renovate an existing private room hotel in Millville, NJ into an assisted living facility; construct new additional units; construct an administrative and patient activity area; reimburse Village Drive for certain prior expenses; and pay the related costs of issuance.

Village Drive has asked that the Authority permit the use of a negotiated sale based on: (1) sale of a complex or poor credit, (2) sale of a complex financing structure, and (3) volatile market conditions. These reasons are considered under the Authority's policy regarding Executive Order #26, to be justifications for the use of a negotiated sale.

Mr. Fuentes reminded the Members that, under the Authority's policies, a Borrower requesting a negotiated sale in the form of a private placement must justify the use of the private placement by showing that it is either less expensive on a present value basis to complete a private placement or demonstrate that there are other circumstances that would limit the effectiveness or usefulness of a negotiated sale in the form of a public offering. Due to current market uncertainty, Village Drive is not able to determine at this time whether a private placement would be more beneficial than a public offering form of negotiated sale. Village Drive believes that the approval of a negotiated sale in the form of either a public offering or private placement would give the Borrower added flexibility due to potential market changes prior to issuance of bonds.

Mr. Fuentes said that staff recommends the consideration of the resolution that was included in the meeting materials, approving the use of a negotiated sale in either the form of a public offering or a private placement for the Series 2017 Bonds, and forwarding a copy of the justification in support of said resolution to the State Treasurer.

According to Mr. Fuentes, Village Drive is currently in the process of conducting a competitive process to name a senior managing underwriter and/or placement agent. John Draikiwicz from Gibbons P.C. has been selected to serve as Bond Counsel.

Mr. Fuentes said that he or the Village Drive management team would answer any questions from the Members.

Dr. Kazmir asked if Village Drive, LLC was affiliated with a hospital. Mr. Barile responded that they are not, because they are a residential facility that provides supportive services not medical care. He added that they have been in contact with AtlanticCare System regarding an arrangement, but added that from what he just heard about Inspira's plans, he will contact them as well.

Dr. Kazmir asked for a motion to approve the resolution authorizing the use of either a negotiated sale in the form of a public offering or a negotiated sale in the form of a private placement on behalf of Village Green. Ms. Gibson made the motion. Ms. Kralik seconded. All Members voted in the affirmative and the motion passed.

AB RESOLUTION NO. RR-13

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled "**RESOLUTION OF INTENT TO ISSUE REVENUE NOTES BY A NEGOTIATED SALE IN THE FORM OF EITHER A PUBLIC OFFERING OR A PRIVATE PLACEMENT PURSUANT TO EXECUTIVE ORDER NO. 26.**"

(attached)

4. ADOPTION OF REIMBURSEMENT REOLUTION
<u>Village Drive, LLC</u>

Dr. Kazmir asked Edwin Fuentes to explain the reimbursement resolution for Village Drive, LLC to the Members.

Mr. Fuentes reminded the Members that they received in their meeting materials a copy of a draft reimbursement resolution prepared by John Draikiwicz from Gibbons P.C., bond counsel on the proposed transaction. Counsel has represented to the Authority that IRS regulations require the issuer adopt a resolution stating that it reasonably expects that costs incurred and paid by the borrower prior to the issuance of bonds will be reimbursed from bond proceeds. Please note however, the Authority, by adopting the resolution, does not obligate itself to take any further action with respect to the bonds. The Authority has adopted similar resolutions for other for-profit entities, including The Avalon at Hillsborough, Bridgeway Assisted Living Residence, Bartley Assisted Living and New Seasons of Mt. Arlington, all who have issued debt through the Authority. Mr. Fuentes concluded by saying that staff recommends the approval of the Reimbursement Resolution before you.

Mr. Fuentes said that the management team from Village Drive, Mr. Draikiwicz or he would be happy to answer any questions from the Members. There were no questions.

Dr. Kazmir asked for a motion to approve the adoption of the reimbursement resolution on behalf of Village Drive, LLC. Ms. Gibson made the motion. Ms. Rodriguez seconded. All Members voted in the affirmative and the motion passed.

AB RESOLUTION NO. RR-14

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled "RESOLUTION OF THE NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS RELATED TO THE PROJECTS OF VILLAGE DRIVE, LLC FROM PROCEEDS OF DEBT OBLIGATIONS."

(attached)

5. APPROVAL OF MEMORANDUM OF AGREMENT WITH THE DEPARTMENT OF HEALTH FOR ARCHITECTURAL REVIEW SERVICES

Dr. Kazmir called on Executive Director Mark Hopkins to explain the architectural review agreement to the Members.

Mr. Hopkins told the Members that, since 1997, the New Jersey Health Care Facilities Financing Authority (the "Authority") has provided Architectural Review Services to the Department of Health (DOH) with the latest renewal occurring in August 2016, when a new Memorandum of Agreement was executed. Under that Memorandum of Agreement, the Authority's Construction Compliance Officer provides the following:

- Conducts reviews of construction and renovation projects submitted by health care facilities to determine compliance with physical plant standards, patient flow issues, and licensing requirements (including compliance with the American Institute of Architect's Guidelines).

- Reviews and processes requests for waivers from licensing requirements submitted by health care facilities and provide recommendations with associated rationale in cases where it was determined that waivers are warranted.

- Participates as a team member in functional review meetings held at the Department's office.

According to Mr. Hopkins, the Memorandum of Agreement expired on June 30, 2017. He stated that the Members received the Renewal Agreement in their meeting packets. The proposed Renewal Agreement is essentially the same as the previous Memorandum of Agreement. Under the Renewal Agreement, the Authority's Construction Compliance Officer spends up to two business days (14 hours) per week performing the above-mentioned services for the Department of Health. The DOH reimburses the Authority for a commensurate amount of the Construction Compliance Officer's salary, benefits and other related costs incurred by the Authority. The form of the Renewal Agreement is similar to that of our arrangement with the DOH for collection and review of financial data. The Renewal Agreement would be effective for the period July 1, 2017 through August 15, 2018 and specifies the amount that the DOH will reimburse the Authority. It is important to note that at the request of the DOH, under this Renewal Agreement, the services of the Authority's Construction Compliance Officer are contracted through June 30, 2018, rather than the August 15, 2018 expiration date. The difference in the time period will allow the Department of Health to make quarterly reimbursements to the Authority no later than 45 days after the close of each quarter. The Memorandum of Agreement would expire when the last deliverable is due.

Mr. Hopkins stated that the Office of the Attorney General has no objection to the Members' consideration of this Renewal Agreement. Therefore, staff is asking for approval of the Renewal Agreement.

Mr. Hopkins then offered to answer any questions the Members might have.

Dr. Kazmir asked for a motion to approve the Memorandum of Agreement with the Department of Health for Architectural Review Services. Ms. Gibson responded that she would have to abstain because she signs the agreement for the Department of Health.

Mr. Rones stated that Ms. Gibson would have to recuse herself, leaving the Authority without a quorum on this issue. Mr. Rones instructed the Chair to move on with the agenda because the matter could not be addressed at this meeting. Mr. Hopkins said that the matter would be held over until next month.

6. APPROVAL OF EXPENSES

Dr. Kazmir referenced a summary of Authority expenses and invoices provided to the Members. Dr. Kazmir asked for a motion to approve the expenses. Ms. Gibson offered a motion to approve the bills and to authorize their payment. Ms. Kralik seconded the motion. Dr. Kazmir asked if the Members had any questions on the motion. There were no questions. All Members voted in the affirmative and the motion carried.

AB RESOLUTION NO. RR-15

WHEREAS, the Members of the Authority have reviewed the memoranda dated August 16, 2017 summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and general operating expenses in the amounts of $41,366.00 and $4,707.75 respectively, and have found such expenses to be appropriate;

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve all expenses as submitted, and authorize the execution of checks representing the payment thereof.

7. STAFF REPORTS

Dr. Kazmir thanked Staff for the Project Development Summary, Cash Reconciliation Report, and Legislative Advisory reports.

Dr. Kazmir asked Executive Director Hopkins to present his Executive Director's report.

Mr. Hopkins stated that:

1. Governor Christie's proposed move of the Division of Mental Health and Addiction Services from the Department of Human Services to the Department of Health has been opposed by a resolution passed in the Assembly. The chair of the Senate Health, Human Services and Senior Citizens Committee has indicated he will introduce a resolution to oppose the proposal in the Senate as well. The next Senate session is scheduled for tomorrow. The plan would go into effect on August 28th unless both houses of the legislature approve a resolution opposing the plan. The proposed move is an effort to improve efficiency and coordination and better integrate behavioral and physical health care services. While many agree there needed to be better coordination between the Division and the Department of Health, some questioned why it needed to be done so quickly, especially considering a new administration is slated to be elected in November.

2. Hospital & Other News

    a. U.S. News & World Report has issued its annual ranking of hospitals around the country. Articles are included on the top ranked hospitals in New Jersey, including Hackensack University Medical Center, Morristown Medical Center and Robert Wood Johnson University Medical Center, which ranked first, second and third in New Jersey, respectively.

    b. Alexander Hatala has retired as President and CEO of Lourdes Health System, part of Trinity Health, after 31 years at Lourdes. Lourdes operates Our Lady of Lourdes Medical Center in Camden and Lourdes Medical Center of Burlington County in Willingboro. Dr. Reginald Blaber took over as President of Lourdes Health System on August 2. Dr. Blaber is a practicing cardiologist who most recently served as Executive Director of the Lourdes Cardiovascular Institute, Vice President of Cardiovascular Services and Chairman of Medicine at Lourdes.

    c. Deborah Visconi has been named as CEO of Bergen Regional Medical Center when CarePlus Bergen takes over managing the Bergen County-owned hospital in October. She previously served as Director of Operations of Morristown Medical Center.

    d. Tammy Torres has been named as the new CEO of The Memorial Hospital of Salem County after serving as interim CEO. Salem is owned by Community Health Systems, which was seeking to sell the hospital to Prime Healthcare Foundation but Prime abruptly backed out as the sale was being approved by the Department of Health. Prior to coming to Salem, Dr. Torres was Chief Nursing Officer/Chief

Operating Officer at Brandywine Hospital in Pennsylvania. She has also worked as Chief Nursing Officer/Chief Operating Officer at Tenant's Graduate Hospital in Philadelphia as well as held positions at Cape Regional Medical Center, Hahnemann University Hospital, Deborah Heart and Lung Center and Virtua Health.

e. Brian Gragnolati, CEO of Atlantic Health System, has been named chair-elect designate of the American Hospital Association. He will become chair of the AHA in 2019. The AHA was founded in 1898 and has nearly 5,000 member hospitals and healthcare systems. Mr. Gragnolati was also interviewed about the future of health care by NJTV News.

f. St. Peter's University Hospital received a "Gold Seal of Approval" for patient care and safety from the Joint Commission, the nonprofit hospital accrediting organization.

g. Hackensack Meridian Health and the New Jersey Innovation Institute held a ribbon cutting last week for the first health care incubator in New Jersey.

h. Jersey City Medical Center, part of RWJBarnabas Health, has opened a satellite emergency department in Bayonne. The site is just six blocks from Bayonne Medical Center, owned by CarePoint Health. CarePoint has applied to open nine satellite emergency departments in Hudson, Bergen, Passaic and Essex counties, reviews of which are still pending at the Department of Health. In late July, CarePoint opened an Urgent Care Center in Bayonne around the corner from its hospital. The CarePoint Medical Group Urgent Care Center will be in-network with all major insurers. Bayonne Medical Center is not in-network with most major insurers but reports note it may soon be in-network with Horizon Blue Cross Blue Shield of New Jersey.

i. RWJBarnabas Health and Rutgers University announced that they had signed a letter of intent to partner to create the State's largest academic health care system. The goal is to provide better access to health care and greater academic and clinical research opportunities. Including the 1,000 employed health care professionals at Rutgers; the partnership will create a 2,500-member multispecialty group. RWJBarnabas intends to contribute a significant amount of funding. The combined efforts are also expected to attract additional grant and research funding as well as world-class medical experts. The relationship is also expected to prioritize students from the Rutgers Medical Schools for slots at the RWJBarnabas hospitals.

j. In ratings actions:

    i. Atlantic Health System became the first hospital system in New Jersey to reach the double-A milestone from Moody's. Moody's rated a series of $250 million in taxable bonds issued directly by AHS "Aa3." $612 million in other bonds issued by the AHS and by the Authority on behalf of AHS were also upgraded to Moody's "Aa3" rating. The outlook was changed from positive to stable. Standard & Poor's rated the AHS taxable bonds "AA-" and affirmed the "AA-" rating on the $612 million in outstanding bonds. The outlook remains stable.

ii. S & P revised its outlook on bonds issued by the Authority on behalf of Holy Name Medical Center from stable to negative on weaker performance. It nevertheless affirmed the "BBB" rating on the bonds.

iii. S & P affirmed its "BBB-"rating on bonds issued by the Authority on behalf of St. Joseph's Healthcare System but revised its outlook to stable from positive. At the same time S & P assigned a "BBB-" rating to approximately $80 million in taxable bonds being issued directly by St. Joseph's to fund its pension liabilities. Moody's similarly affirmed its "Baa3" rating of bonds previously issued by the Authority on behalf of St. Joseph's but revised the outlook from stable to negative. Moody's also assigned a "Baa3" rating to St. Joseph's new bonds.

iv. S & P placed Valley National Bank on CreditWatch Negative. This means the "A-" rating on the letter of credit provided by Valley National Bank for bonds issued in 1997 by the Authority on behalf of Christian Health Center is in danger of being downgraded.

k. A recent report shows that senior citizens, who qualify for Medicaid and are enrolled in the Supplemental Nutrition Assistance Program, or SNAP, fare better with their health management than those who are not enrolled in SNAP. Seniors on Medicaid are eligible for SNAP but 49% have not enrolled. SNAP enrolled seniors had a 14% lower likelihood of being admitted to a hospital and 23% lower rate of being admitted to a nursing home. The report estimated SNAP saves about $2,100 in annual health care costs per senior enrolled.

l. Premiums for the Affordable Care Act insurance policies on the health care exchanges in New Jersey could soar in 2018, with Horizon Blue Cross Blue Shield proposing a 22% increase and AmeriHealth proposing up to a 59% increase. Observers believe much of the increase is due to the uncertainty in the future of the Affordable Care Act and the federal government's willingness to continue to fund subsidy payments.

m. Seventeen New Jersey hospitals will receive enhanced Medicare reimbursement normally reserved for rural hospitals, as a result of the efforts of the State's Congressional delegation. The enhanced reimbursement will provide a total of an additional $36.5 million shared by the seventeen hospitals.

n. New regulations proposed by the Department of Health to improve financial transparency of hospitals were promulgated in July and received comments through August 8. The regulations propose to require hospitals to provide to the Department of Health and publish on their respective websites annual audited financial statements and quarterly unaudited financial statements. They would also require that the annual meetings statutorily required of the hospitals be conducted within 60 days of the publication of their annual audited financial statements. Furthermore, hospitals would be required to provide the public with a list of health insurance providers and products with whom they were in-network. Several sets of comments were received from hospitals, hospital trade groups and a nurses union. The comments will be reviewed by the Department of Health, summarized and reported to the Health Care Advisory Board with a recommendation on whether to approve or amend the proposed regulations.

o. Health care price transparency is the subject of two articles. One article is by the CEO of UnitedHealthcare of New Jersey who supports broad price and quality transparency. Another features doctors and hospitals opposing a price transparency law passed unanimously by the Ohio legislature.

p. Other articles about national health care issues include:

   i. Medicare readmissions have been successfully slowed by the program that penalizes hospitals for excessive readmissions. The progress not only keeps patients from unnecessary hospital admissions but also saves Medicare money. However, the trend of reducing readmissions has slowed significantly in recent years.

   ii. The Trump administration has decided to continue the readmission penalties for Medicare patients.

   iii. The Meaningful Use incentive program under the HITECH Act spurred adoption of electronic health records by hospitals significantly, with 96% of nonfederal acute care hospitals possessing a certified electronic health record system by 2015.

   iv. The Department of Health and Human Services has decided to cancel or scale back its major bundled payment programs and initiatives for conditions including heart attacks, bypass surgery, hip and femur fractures, cardiac rehabilitation and comprehensive care for joint replacements.

   v. A hospital administrator writes about how hospitals can play a vital role in improving community health by addressing social determinants of health care needs such as screening patients for food insecurity, providing education on federal nutrition programs, connecting patients with dieticians and nutritionists, providing free food or healthy snacks at clinics and promoting existing community resources such as food trucks and food shelters.

   vi. The Centers for Medicare and Medicaid Services has issued its Inpatient Prospective Payment System final rule for fiscal year 2018, which will provide a 1.2% increase to hospitals that report quality data and are also meaningful users of electronic health records. Disproportionate Share Hospitals will also share in $800 million in increased payments.

vii. The number of health care mergers and acquisitions were down 18% in the second quarter of 2017 compared to the first quarter but the size of the deals have increased significantly

viii. More health care providers are looking into home care solutions.

ix. Despite the uncertainty of the continuation of the Affordable Care Act, 80% of hospitals say that they will continue to pursue population health management.

x. Last month, the Senate failed to pass any of the proposed bills to repeal and replace the Affordable Care Act. A dramatic 1:30 a.m. no vote by Senator McCain was the death knell for the last bill dubbed the "skinny repeal" which repealed only parts of the ACA and left other parts in place. All of the proposed bills were scored by the Congressional Budget Office to result in 20 million or more uninsured and saved from $150 billion to $350 billion over 10 years.

xi. As a result of the failure to pass a repeal and replacement of the ACA, President Trump threatened to end funding of the cost-sharing subsidies for health insurers for the losses they experience on reducing deductibles, co-payments and other out-of-pocket expenses of health insurance products offered on the health insurance exchanges. The Congressional Budget Office estimated that would cause premiums to increase an addition 20% next year and increase the federal budget deficit by $194 billion over ten years. At this time it appears cost-sharing subsidies will be funded for the time being.

xii. Despite the constant concern about insurance companies leaving the health care exchange marketplaces, only one county will be without a health care exchange insurer next year. Nevertheless, many marketplaces will have only one choice of insurer and premiums have increased.

q. In legal and regulatory municipal bond news, articles are being provided on:

i. The Municipal Securities Rulemaking Board is preparing to issue a concept release seeking market feedback on a broad range of primary offering practices as an initial step in considering potential rule changes.

ii. The Financial Conduct Authority in London has announced its plans to abandon the London Interbank Offered Rate, or LIBOR, by the end of 2021. LIBOR has been widely used as an index in the municipal bond markets for basing interest rates, particularly variable rates, and as a base for derivative products. It is unknown how many derivative products are based on LIBOR because their market is opaque, but it is estimated to be in the multiple trillions of dollars. LIBOR has become controversial because it was been manipulated by banks and bankers for financial gain. The FCA and the Federal Reserve Bank of New York are working together on a replacement index for LIBOR. The change is expected to have an enormous impact on the financial markets, including municipal bonds.

iii. The IRS has, for the first time, revoked the nonprofit status of a hospital. The hospital was not identified but the reason given was for failure to comply with the Codes 501(r) requirement that it conduct a community health needs assessment and make that assessment publicly available.

As there was no further business, following a motion by Ms. Gibson and a second by Ms. Kralik, the Members voted unanimously to adjourn the meeting at 10:45 a.m.

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE COPY OF MINUTES OF THE NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY MEETING HELD AUGUST 24, 2017.

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Carole A. Conover, Assistant Secretary