



February 28, 2022

NOTICE

The Board of Directors of the Kaweah Delta Health Care District will meet in the Conference Room at the Kaweah Health Specialty Clinic on Wednesday March 2, 2022 beginning at 5:00PM in a special open meeting.

All Kaweah Delta Health Care District regular board meeting and committee meeting notices and agendas are posted 72 hours prior to meetings (special meetings are posted 24 hours prior to meetings) in the Kaweah Health Medical Center, Mineral King Wing entry corridor between the Mineral King lobby and the Emergency Department waiting room.

The disclosable public records related to agendas can be obtained by contacting the Board Clerk at Kaweah Health Medical Center – Acequia Wing, Executive Offices (Administration Department) {1st floor}, 400 West Mineral King Avenue, Visalia, CA via phone 559-624-2330 or email: cmoccio@kaweahhealth.org, or on the Kaweah Delta Health Care District web page <http://www.kaweahhealth.org>.

KAWEAH DELTA HEALTH CARE DISTRICT
Mike Olmos, Secretary/Treasurer

A handwritten signature in cursive script that reads "Cindy Moccio".

Cindy Moccio
Board Clerk / Executive Assistant to CEO

DISTRIBUTION:
Governing Board
Legal Counsel
Executive Team
Chief of Staff

www.kaweahhealth.org



KAWEAH DELTA HEALTH CARE DISTRICT SPECIAL BOARD OF DIRECTORS MEETING

Kaweah Health Speciality Clinic Conference Room
325 S. Willis Visalia, CA

Wednesday March 2, 2022

OPEN MEETING AGENDA {5:00PM}

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdictions of the Board are requested to identify themselves at this time. For those who are unable to attend the beginning of the Board meeting during the public participation segment but would like to address the Board, please contact the Board Clerk (Cindy Moccio 559-624-2330) or cmoccio@kaweahhealth.org to make arrangements to address the Board.
- 4. 2022 REVENUE REFUNDING BONDS** – Discussion relative to the proposed refinancing of Kaweah Delta Health Care District’s previously-issued 2017A/B refinancing revenue bonds. This refinancing is projected to generate approximately \$1.0 million, or slightly less than 3% of par value, in net present value savings through a lower interest rate. According to Administrative Policy No. 176 “Debt Policy”, Section A (i)(d), “long-term debt refundings/refinancings which produce a net present value savings of at least 4% of the principal amount of refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than 4%, or negative savings, will be considered on a case-by-case basis.” While this proposed refinancing of the 2017 A/B bonds produces net present value savings of less than 4%, the Board of Directors believe the savings are substantial enough to support the best interests of the District and we therefore approve the issuance of these refinancing bonds, as permitted by policy on a case-by-case basis.

Gary Herbst, Chief Executive Officer and Jennifer Stockton, Director of Finance

*Mike Olmos – Zone I
Secretary/Treasurer*

*Lynn Havard Mirviss – Zone II
Vice President*

*Garth Gipson – Zone III
Board Member*

*David Francis – Zone IV
President*

*Ambar Rodriguez – Zone V
Board Member*

MISSION: *Health is our Passion. Excellence is our Focus. Compassion is our Promise.*

Public Participation – Members of the public may comment on agenda items before action is taken and after the Board has discussed the item.

Recommended Action: Authorize the Kaweah Delta Health Care District dba Kaweah Health CEO, CFO, and Director of Finance to take the actions necessary to complete a refinancing of Kaweah Delta Health Care District’s previously-issued 2017A/B refinancing revenue bonds. This refinancing is projected to generate approximately \$1.0 million, or slightly less than 3% of par value, in net present value savings through a lower interest rate. According to Administrative Policy No. 176 “Debt Policy”, Section A (i)(d), “long-term debt refundings/refinancings which produce a net present value savings of at least 4% of the principal amount of refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than 4%, or negative savings, will be considered on a case-by-case basis.” While this proposed refinancing of the 2017 A/B bonds produces net present value savings of less than 4%, the Board of Directors believe the savings are substantial enough to support the best interests of the District and we therefore approve the issuance of these refinancing bonds, as permitted by policy on a case-by-case basis.”

5. ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate at this meeting, please contact the Board Clerk (559) 624-2330. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the Kaweah Delta Health Care District Board of Directors meeting.

SOURCES AND USES OF FUNDS

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Dated Date 04/13/2022
Delivery Date 04/13/2022

Sources:

Bond Proceeds:	
Par Amount	32,165,000.00
Other Sources of Funds:	
Accrued Interest	372,449.88
Accrued Principal	<u>543,333.33</u>
	915,783.21
	<hr/>
	33,080,783.21
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Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.06
SLGS Purchases	<u>32,778,096.00</u>
	32,778,096.06
Delivery Date Expenses:	
Cost of Issuance	300,000.00
Other Uses of Funds:	
Additional Proceeds	2,687.15
	<hr/>
	33,080,783.21
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BOND PRICING

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Term Bond due 2031:					
	06/01/2023	945,000	2.120%	2.120%	100.000
	06/01/2024	960,000	2.120%	2.120%	100.000
	06/01/2025	2,400,000	2.120%	2.120%	100.000
	06/01/2026	2,130,000	2.120%	2.120%	100.000
	06/01/2027	960,000	2.120%	2.120%	100.000
	06/01/2028	860,000	2.120%	2.120%	100.000
	06/01/2029	4,790,000	2.120%	2.120%	100.000
	06/01/2030	9,470,000	2.120%	2.120%	100.000
	06/01/2031	9,650,000	2.120%	2.120%	100.000
		32,165,000			

Dated Date	04/13/2022	
Delivery Date	04/13/2022	
First Coupon	06/01/2022	
Par Amount	32,165,000.00	
Original Issue Discount		
Production	32,165,000.00	100.000000%
Underwriter's Discount		
Purchase Price	32,165,000.00	100.000000%
Accrued Interest		
Net Proceeds	32,165,000.00	

BOND SUMMARY STATISTICS

Kaweah Delta Health Care District
 (Tulare County, California)
 Revenue Refunding Bonds, Series 2022
 --Preliminary, subject to change--

Dated Date	04/13/2022
Delivery Date	04/13/2022
Last Maturity	06/01/2031
Arbitrage Yield	2.120167%
True Interest Cost (TIC)	2.120167%
Net Interest Cost (NIC)	2.120000%
All-In TIC	2.263897%
Average Coupon	2.120000%
Average Life (years)	7.119
Weighted Average Maturity (years)	7.119
Duration of Issue (years)	6.596
Par Amount	32,165,000.00
Bond Proceeds	32,165,000.00
Total Interest	4,854,241.73
Net Interest	4,854,241.73
Total Debt Service	37,019,241.73
Maximum Annual Debt Service	9,875,344.00
Average Annual Debt Service	4,053,201.65

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Term Bond due 2031	32,165,000.00	100.000	2.120%	7.119	6.596	26,375.30
	32,165,000.00			7.119		26,375.30

	TIC	All-In TIC	Arbitrage Yield
Par Value	32,165,000.00	32,165,000.00	32,165,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	32,165,000.00	31,865,000.00	32,165,000.00
Target Date	04/13/2022	04/13/2022	04/13/2022
Yield	2.120167%	2.263897%	2.120167%

BOND DEBT SERVICE

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2022			90,919.73	90,919.73
06/01/2023	945,000	2.120%	681,898.00	1,626,898.00
06/01/2024	960,000	2.120%	661,864.00	1,621,864.00
06/01/2025	2,400,000	2.120%	641,512.00	3,041,512.00
06/01/2026	2,130,000	2.120%	590,632.00	2,720,632.00
06/01/2027	960,000	2.120%	545,476.00	1,505,476.00
06/01/2028	860,000	2.120%	525,124.00	1,385,124.00
06/01/2029	4,790,000	2.120%	506,892.00	5,296,892.00
06/01/2030	9,470,000	2.120%	405,344.00	9,875,344.00
06/01/2031	9,650,000	2.120%	204,580.00	9,854,580.00
	32,165,000		4,854,241.73	37,019,241.73

SAVINGS

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 04/13/2022 @ 2.1201668%
06/01/2022	1,159,886.20	915,783.21	244,102.99	90,919.73	153,183.26	152,753.11
06/01/2023	1,719,647.60		1,719,647.60	1,626,898.00	92,749.60	92,177.53
06/01/2024	1,719,157.60		1,719,157.60	1,621,864.00	97,293.60	94,580.43
06/01/2025	3,138,922.40		3,138,922.40	3,041,512.00	97,410.40	92,696.67
06/01/2026	2,815,901.60		2,815,901.60	2,720,632.00	95,269.60	88,702.23
06/01/2027	1,598,045.60		1,598,045.60	1,505,476.00	92,569.60	84,343.94
06/01/2028	1,480,611.60		1,480,611.60	1,385,124.00	95,487.60	85,124.02
06/01/2029	5,390,158.40		5,390,158.40	5,296,892.00	93,266.40	81,417.33
06/01/2030	9,968,308.40		9,968,308.40	9,875,344.00	92,964.40	79,248.16
06/01/2031	9,950,271.20		9,950,271.20	9,854,580.00	95,691.20	79,396.24
	38,940,910.60	915,783.21	38,025,127.39	37,019,241.73	1,005,885.66	930,439.65

Savings Summary

PV of savings from cash flow	930,439.65
Plus: Refunding funds on hand	2,687.15
Net PV Savings	933,126.80

SUMMARY OF REFUNDING RESULTS

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Dated Date	04/13/2022
Delivery Date	04/13/2022
Arbitrage yield	2.120167%
Escrow yield	0.040277%
Value of Negative Arbitrage	90,287.68
Bond Par Amount	32,165,000.00
True Interest Cost	2.120167%
Net Interest Cost	2.120000%
Average Coupon	2.120000%
Average Life	7.119
Par amount of refunded bonds	31,351,000.00
Average coupon of refunded bonds	3.240000%
Average life of refunded bonds	7.105
PV of prior debt to 04/13/2022 @ 2.120167%	34,008,651.28
Net PV Savings	933,126.80
Percentage savings of refunded bonds	2.976386%
Percentage savings of refunding bonds	2.901063%

PRIOR BOND DEBT SERVICE

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2022	652,000	3.240%	507,886.20	1,159,886.20	1,159,886.20
12/01/2022			497,323.80	497,323.80	
06/01/2023	725,000	3.240%	497,323.80	1,222,323.80	1,719,647.60
12/01/2023			485,578.80	485,578.80	
06/01/2024	748,000	3.240%	485,578.80	1,233,578.80	1,719,157.60
12/01/2024			473,461.20	473,461.20	
06/01/2025	2,192,000	3.240%	473,461.20	2,665,461.20	3,138,922.40
12/01/2025			437,950.80	437,950.80	
06/01/2026	1,940,000	3.240%	437,950.80	2,377,950.80	2,815,901.60
12/01/2026			406,522.80	406,522.80	
06/01/2027	785,000	3.240%	406,522.80	1,191,522.80	1,598,045.60
12/01/2027			393,805.80	393,805.80	
06/01/2028	693,000	3.240%	393,805.80	1,086,805.80	1,480,611.60
12/01/2028			382,579.20	382,579.20	
06/01/2029	4,625,000	3.240%	382,579.20	5,007,579.20	5,390,158.40
12/01/2029			307,654.20	307,654.20	
06/01/2030	9,353,000	3.240%	307,654.20	9,660,654.20	9,968,308.40
12/01/2030			156,135.60	156,135.60	
06/01/2031	9,638,000	3.240%	156,135.60	9,794,135.60	9,950,271.20
	31,351,000		7,589,910.60	38,940,910.60	38,940,910.60

SUMMARY OF BONDS REFUNDED

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2017, TERM31:					
	06/01/2022	3.240%	652,000		
	06/01/2023	3.240%	725,000	06/01/2022	103.000
	06/01/2024	3.240%	748,000	06/01/2022	103.000
	06/01/2025	3.240%	2,192,000	06/01/2022	103.000
	06/01/2026	3.240%	1,940,000	06/01/2022	103.000
	06/01/2027	3.240%	785,000	06/01/2022	103.000
	06/01/2028	3.240%	693,000	06/01/2022	103.000
	06/01/2029	3.240%	4,625,000	06/01/2022	103.000
	06/01/2030	3.240%	9,353,000	06/01/2022	103.000
	06/01/2031	3.240%	9,638,000	06/01/2022	103.000
			31,351,000		

ESCROW REQUIREMENTS

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Period Ending	Principal	Interest	Principal Redeemed	Redemption Premium	Total
06/01/2022	652,000	507,886.20	30,699,000	920,970.00	32,779,856.20
	652,000	507,886.20	30,699,000	920,970.00	32,779,856.20

ESCROW DESCRIPTIONS

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Apr 13, 2022: SLGS	Certificate	06/01/2022	06/01/2022	32,778,096	0.040%	0.040%
				32,778,096		

SLGS Summary

SLGS Rates File	25FEB22
Total Certificates of Indebtedness	32,778,096.00

DISCLOSURE

Kaweah Delta Health Care District
(Tulare County, California)
Revenue Refunding Bonds, Series 2022
--Preliminary, subject to change--

Piper Sandler is providing the information contained herein for discussion purposes only in anticipation of being engaged to serve as underwriter or placement agent on a future transaction and not as a financial advisor or municipal advisor. In providing the information contained herein, Piper Sandler is not recommending an action to you and the information provided herein is not intended to be and should not be construed as a 'recommendation' or 'advice' within the meaning of Section 15B of the Securities Exchange Act of 1934. Piper Sandler is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act or under any state law to you with respect to the information and material contained in this communication. As an underwriter or placement agent, Piper Sandler's primary role is to purchase or arrange for the placement of securities with a view to distribution in an arm's-length commercial transaction, is acting for its own interests and has financial and other interests that differ from your interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

The information contained herein may include hypothetical interest rates or interest rate savings for a potential refunding. Interest rates used herein take into consideration conditions in today's market and other factual information such as credit rating, geographic location and market sector. Interest rates described herein should not be viewed as rates that Piper Sandler expects to achieve for you should we be selected to act as your underwriter or placement agent. Information about interest rates and terms for SLGs is based on current publically available information and treasury or agency rates for open-market escrows are based on current market interest rates for these types of credits and should not be seen as costs or rates that Piper Sandler could achieve for you should we be selected to act as your underwriter or placement agent. More particularized information and analysis may be provided after you have engaged Piper Sandler as an underwriter or placement agent or under certain other exceptions as describe in the Section 15B of the Exchange Act.