



AGENDA

SPECIAL JOINT MEETING OF THE SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BOARD OF DIRECTORS AND THE SAN GORGONIO MEMORIAL HOSPITAL BOARD OF DIRECTORS

Tuesday, August 9, 2022
Modular C Classroom

600 N. Highland Springs Avenue, Banning, CA 92220

Assistance for those with disabilities: If you have a disability and need accommodation to participate in the meeting, please call Ariel Whitley, Executive Assistant, at (951) 769-2160 for assistance so the necessary arrangements can be made.

- I. Healthcare District Board Call to Order D. Tankersley
Hospital Board Call to Order S. DiBiasi

- II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Healthcare District Board of Directors or the Hospital Board of Directors on any matter under the subject jurisdiction of the Boards. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Healthcare District Board of Directors and the Hospital Board of Directors, we want you to know that the Boards acknowledges the comments or concerns that you direct to these Boards. While the Boards may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Boards prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Boards want to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board's part; a response will be forthcoming.

NEW BUSINESS

*** ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION

D. Tankersley/
S. DiBiasi

- Telephone conference with legal counsel - litigation
Government Code § 54956.9(d)(4): 1 matter

III. ADJOURN TO CLOSED SESSION

IV. RECONVENE TO OPEN SESSION

*** **REPORT ON ACTIONS TAKEN DURING CLOSED SESSION**

D. Tankersley/
S. DiBiasi

- V. * **Proposed Action – Authorize Dennis Tankersley, Steven Barron and Daniel Heckathorne to commence work with the District’s Finance Team to secure working capital financing with Harvey Capital in an amount not to exceed \$9,500,000.**

G. Hicks

(Vote of District Board Members Only)

- **ROLL CALL**

- VI. Adjournment of Healthcare District Board Meeting

D. Tankersley

Adjournment of Hospital Board Meeting

S. DiBiasi

***Action Required**

In accordance with The Brown Act, Section 54957.5, all public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the Healthcare District office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

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Certification of Posting

I certify that on August 8, 2022, I posted a copy of the foregoing agenda near the regular meeting place of the Boards of Directors of San Gorgonio Memorial Healthcare District and San Gorgonio Memorial Hospital, said time being at least 24 hours in advance of the special joint meeting of the Board of Directors (Government Code Section 54954.2).

Executed at Banning, California, on August 8, 2022



Ariel Whitley, Executive Assistant

TAB A

Harvey Capital Corp

2333 Cotner Ave, Los Angeles, CA 90064
310.477.5570 clippman@hcc2.com

5/27/2022

Mike Cavanaugh
Hilltop Securities Inc
2533 South Coast Hwy Suite #250
Cardiff, CA 92007

Dear Mike Cavanaugh,

Thank you again for the opportunity to invite Harvey Capital Corp. to assist San Gorgonio Health Care District. Per your request for terms, please consider this letter as an indication of interest. Our rate on either of the 15- and/or 20-year maturity options is 8.00% to be priced at par. We will be happy to lock in that rate with the district through 6/30/22. The call feature on either of the two maturity options is to be no shorter than 10 years at par. A debt service reserve requirement of no less than 6 months MADS is also requested. Both CUSIP as well as DTC eligibility is paramount as our positions are held with a trustee. A PLOM is also requested before close. The accounts at Harvey Capital Corp are considered "Accredited Investors" not QUIBs. That language should be revised before PLOM goes to print.

Sincerely,

Christopher Lippman

Christopher Lippman

San Geronio Memorial Healthcare District

2022 Bonds 20yr at 8% at \$930,000 annual DS

Tax Exempt Working Capital

20 yr Level Debt Service

Sources & Uses

Dated 09/14/2022 | Delivered 09/14/2022

Sources Of Funds

Par Amount of Bonds	\$9,175,000.00
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Total Sources	\$9,175,000.00
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Uses Of Funds

Total Underwriter's Discount (1.000%)	91,750.00
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Costs of Issuance	250,000.00
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Deposit to Debt Service Reserve Fund (DSRF)	465,462.06
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Working Capital	8,367,787.94
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Total Uses	\$9,175,000.00
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San Gorgonio Memorial Healthcare District

2022 Bonds 20yr at 8% at \$930,000 annual DS

Tax Exempt Working Capital

20 yr Level Debt Service

Debt Service

Date	Principal	Coupon	Interest	Total P+I
10/01/2022	-	-	-	-
10/01/2023	160,000.00	8.000%	768,661.11	928,661.11
10/01/2024	213,918.00	8.000%	717,005.52	930,923.52
10/01/2025	231,373.00	8.000%	699,549.84	930,922.84
10/01/2026	250,253.00	8.000%	680,669.80	930,922.80
10/01/2027	270,675.00	8.000%	660,249.12	930,924.12
10/01/2028	292,762.00	8.000%	638,162.04	930,924.04
10/01/2029	316,651.00	8.000%	614,272.68	930,923.68
10/01/2030	342,489.00	8.000%	588,433.96	930,922.96
10/01/2031	370,437.00	8.000%	560,486.84	930,923.84
10/01/2032	400,664.00	8.000%	530,259.20	930,923.20
10/01/2033	433,359.00	8.000%	497,565.00	930,924.00
10/01/2034	468,721.00	8.000%	462,202.92	930,923.92
10/01/2035	506,968.00	8.000%	423,955.28	930,923.28
10/01/2036	548,337.00	8.000%	382,586.68	930,923.68
10/01/2037	593,081.00	8.000%	337,842.40	930,923.40
10/01/2038	641,476.00	8.000%	289,447.00	930,923.00
10/01/2039	693,821.00	8.000%	237,102.56	930,923.56
10/01/2040	750,437.00	8.000%	180,486.76	930,923.76
10/01/2041	811,673.00	8.000%	119,251.08	930,924.08
10/01/2042	877,905.00	8.000%	53,018.56	930,923.56
Total	\$9,175,000.00	-	\$9,441,208.35	\$18,616,208.35

Yield Statistics

Bond Year Dollars	\$118,015.10
Average Life	12.863 Years
Average Coupon	8.0000000%
Net Interest Cost (NIC)	8.0777443%
True Interest Cost (TIC)	8.1334628%
Bond Yield for Arbitrage Purposes	7.9989552%
All Inclusive Cost (AIC)	8.5109432%

IRS Form 8038

Net Interest Cost	8.0000000%
Weighted Average Maturity	12.863 Years

San Geronio Memorial Healthcare District

2022 Bonds 20yr at 8% at \$930,000 annual DS

Tax Exempt Working Capital

20 yr Level Debt Service

Debt Service - semi annual

Date	Principal	Coupon	Interest	Total P+I
10/01/2022	-	-	-	-
04/01/2023	-	-	401,661.11	401,661.11
10/01/2023	160,000.00	8.000%	367,000.00	527,000.00
04/01/2024	104,862.00	8.000%	360,600.00	465,462.00
10/01/2024	109,056.00	8.000%	356,405.52	465,461.52
04/01/2025	113,418.00	8.000%	352,043.28	465,461.28
10/01/2025	117,955.00	8.000%	347,506.56	465,461.56
04/01/2026	122,673.00	8.000%	342,788.36	465,461.36
10/01/2026	127,580.00	8.000%	337,881.44	465,461.44
04/01/2027	132,684.00	8.000%	332,778.24	465,462.24
10/01/2027	137,991.00	8.000%	327,470.88	465,461.88
04/01/2028	143,511.00	8.000%	321,951.24	465,462.24
10/01/2028	149,251.00	8.000%	316,210.80	465,461.80
04/01/2029	155,221.00	8.000%	310,240.76	465,461.76
10/01/2029	161,430.00	8.000%	304,031.92	465,461.92
04/01/2030	167,887.00	8.000%	297,574.72	465,461.72
10/01/2030	174,602.00	8.000%	290,859.24	465,461.24
04/01/2031	181,587.00	8.000%	283,875.16	465,462.16
10/01/2031	188,850.00	8.000%	276,611.68	465,461.68
04/01/2032	196,404.00	8.000%	269,057.68	465,461.68
10/01/2032	204,260.00	8.000%	261,201.52	465,461.52
04/01/2033	212,431.00	8.000%	253,031.12	465,462.12
10/01/2033	220,928.00	8.000%	244,533.88	465,461.88
04/01/2034	229,765.00	8.000%	235,696.76	465,461.76
10/01/2034	238,956.00	8.000%	226,506.16	465,462.16
04/01/2035	248,514.00	8.000%	216,947.92	465,461.92
10/01/2035	258,454.00	8.000%	207,007.36	465,461.36
04/01/2036	268,793.00	8.000%	196,669.20	465,462.20
10/01/2036	279,544.00	8.000%	185,917.48	465,461.48
04/01/2037	290,726.00	8.000%	174,735.72	465,461.72
10/01/2037	302,355.00	8.000%	163,106.68	465,461.68
04/01/2038	314,449.00	8.000%	151,012.48	465,461.48
10/01/2038	327,027.00	8.000%	138,434.52	465,461.52
04/01/2039	340,108.00	8.000%	125,353.44	465,461.44
10/01/2039	353,713.00	8.000%	111,749.12	465,462.12
04/01/2040	367,861.00	8.000%	97,600.60	465,461.60
10/01/2040	382,576.00	8.000%	82,886.16	465,462.16
04/01/2041	397,879.00	8.000%	67,583.12	465,462.12
10/01/2041	413,794.00	8.000%	51,667.96	465,461.96
04/01/2042	430,346.00	8.000%	35,116.20	465,462.20
10/01/2042	447,559.00	8.000%	17,902.36	465,461.36
Total	\$9,175,000.00	-	\$9,441,208.35	\$18,616,208.35

Yield Statistics

Bond Year Dollars	\$118,015.10
Average Life	12.863 Years
Average Coupon	8.00000000%
Net Interest Cost (NIC)	8.0777443%
True Interest Cost (TIC)	8.1334628%
Bond Yield for Arbitrage Purposes	7.9989552%
All Inclusive Cost (AIC)	8.5109432%

Net Interest Cost

8.0000000%

Weighted Average Maturity

12.863 Years

2023A Bonds 20r taxable a | SINGLE PURPOSE | 8/ 8/2022 | 2:28 PM

Hilltop Securities Inc
Cardiff by the Sea, CA

San Gorgonio Memorial Healthcare District

2022 Bonds 20yr at 8% at \$930,000 annual DS

Tax Exempt Working Capital

20 yr Level Debt Service

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
10/01/2042	Term 1 Coupon	8.000%	8.000%	9,175,000.00	100.000%	9,175,000.00
Total	-	-	-	\$9,175,000.00	-	\$9,175,000.00

Bid Information

Par Amount of Bonds	\$9,175,000.00
Gross Production	\$9,175,000.00
Total Underwriter's Discount (1.000%)	\$(91,750.00)
Bid (99.000%)	9,083,250.00
Total Purchase Price	\$9,083,250.00
Bond Year Dollars	\$118,015.10
Average Life	12.863 Years
Average Coupon	8.0000000%
Net Interest Cost (NIC)	8.0777443%
True Interest Cost (TIC)	8.1334628%

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
100% TAX REVENUES RECEIVED FROM RIVERSIDE CO based on 2021 Audit
COVERAGE TABLE (Projected 2022-2042)
\$9,500,000 par- Level Debt Service at 8%

Fiscal Years Ended June 30	Operating Ad Valorem Taxes*	2022 Bonds Debt Service	2021 Bonds Debt Service	Total Debt Servicie	Coverage
2021	1,860,000				
2022	1,860,000	930,000	160,000	1,090,000	1.71
2023	1,860,000	930,000	160,000	1,090,000	1.71
2024	1,860,000	930,000	160,000	1,090,000	1.71
2025	1,860,000	930,000	160,000	1,090,000	1.71
2026	1,860,000	930,000	160,000	1,090,000	1.71
2027	1,860,000	930,000	160,000	1,090,000	1.71
2028	1,860,000	930,000	160,000	1,090,000	1.71
2029	1,860,000	930,000	160,000	1,090,000	1.71
2030	1,860,000	930,000	160,000	1,090,000	1.71
2031	1,860,000	930,000	160,000	1,090,000	1.71
2032	1,860,000	930,000	160,000	1,090,000	1.71
2033	1,860,000	930,000	160,000	1,090,000	1.71
2034	1,860,000	930,000	160,000	1,090,000	1.71
2035	1,860,000	930,000	160,000	1,090,000	1.71
2036	1,860,000	930,000	160,000	1,090,000	1.71
2037	1,860,000	930,000	160,000	1,090,000	1.71
2038	1,860,000	930,000	160,000	1,090,000	1.71
2039	1,860,000	930,000	160,000	1,090,000	1.71
2040	1,860,000	930,000	160,000	1,090,000	1.71
2041	1,860,000	930,000	160,000	1,090,000	1.71
2042	1,860,000	930,000	160,000	1,090,000	1.71

100% of Operating Ad Valorem Taxes from 2021 Audit (50% can be used to pay 2022 Bonds)
The Operating Ad Valorem Tax for FYE 2021 (as showin the Audit) was \$1,860,000
District can only pledge 50% of the Taxes, the balance has a pledge to 2021 Bonds and Line of Credit