# TEHACHAPI VALLEY HEALTHCARE DISTRICT
## BOARD OF DIRECTORS MEETING

**Date: Tuesday, August 18, 2026, 10:00am**
**Place: Tehachapi Valley Healthcare District Office**
**48771 West Valley Blvd, Tehachapi, CA 93561**
**Tehachapi, CA 93561**

**Join the meeting now**

Meeting ID: 237079019682

Passcode: KC7vD9it

**Or call in (audio only)**

347-566-2771 United States, New York City

Phone Conference ID: 374274437#

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## AGENDA

**I. CALL TO ORDER**

**II. FLAG SALUTE** (10:30am)

**III. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

This time is reserved for persons to address the Board of Directors on matters not on the agenda over which the District has jurisdiction. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation. Any person desiring to speak on an item on the agenda will be given an opportunity to do so prior to the Board of Directors acting on the item.

**IV. CONSENT AGENDA**

The following items are considered routine and non-controversial by District Staff and may be approved by one motion. If a member of the Board or audience wishes to comment or ask questions on an item, it will be moved to New Business or Reports.

Approval of Minutes

1. BOD Meeting Minutes July 21,2026 — Tab 1

**V. REPORTS**

A. Adventist Health Tehachapi Valley Update
B. Finance Report (Peggy Mendiburu) — Tab 2
C. CEO Report (Peggy Mendiburu) — Tab 3

**VI. NEW BUSINESS**

A. Resolution Approving Payoff of Remainder Balance of Bond No. TEHA313GORB in the amount of $940,000 with District Funds — Tab 4

**VII. OLD BUSINESS**

None

**VIII. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

POSTED: 08/13/26
By: P. Mendiburu

## IX. CLOSED SESSION

1. Existing Litigation: Gonzalez v. Tehachapi Valley Healthcare District
2. Real Property Negotiations:
   APN 416-010-39-00-8 – 707 W. Valley Blvd, Tehachapi, CA 93561
   Negotiators: CEO/Legal Counsel
   Parties: TVHD/Dignity Health Medical Foundation
   Under Negotiation: Purchase
3. Real Property Negotiations
   APN 040-130-14 – 125 West E Street, Tehachapi, CA 93561
   APN 040-130-13 – 115 West E Street, Tehachapi, CA 93561
   Negotiators: CEO/Legal Counsel
   Parties: TVHD/City of Tehachapi
   Under Negotiation: Purchase

## X. CLOSED SESSION REPORT

## XI. ADJOURNMENT

**NOTICE TO THE PUBLIC**

**PUBLIC COMMENT PERIOD FOR REGULAR MEETINGS**
Members of the public may comment on any item on the agenda before the Board takes action on it. The public may also comment on items of interest to the public that is within the subject matter jurisdiction of the Board; provided, however, the Board may not take action on any item not appearing on the agenda unless the action is otherwise authorized by law. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak.

**COPIES OF PUBLIC RECORDS**
All writings, materials, and information provided to the Board for their consideration relating to any open session agenda item of the meeting are available for public inspection and copying during regular business hours at the Administration Office of the District at 116 W E St., Tehachapi, California.

**COMPLIANCE WITH ADA**
This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (Cal. Gov't Cod. § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting, should contact the Executive Office during regular business hours by phone at 661-750-4848, or in person at the District's Administrative Office at 116 W E St., Tehachapi, California.

POSTED: 08/13/26
By: P. Mendiburu

# TEHACHAPI VALLEY HEALTHCARE DISTRICT
# BOARD OF DIRECTORS MEETING
# MINUTES

Tuesday, July 21, 2026 — 10:00 a.m.
Tehachapi Valley Healthcare District Office
48771 West Valley Blvd, Tehachapi, CA 93561
*(Also held via Microsoft Teams)*

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**ATTENDANCE**

**Directors Present:** Christine Sherrill, Dwight Dreyer, Lydia Chaney, Bre Patterson, Carl Gehricke

**Director Absent:**

**Staff Present:** Peggy Mendiburu, CEO; Marilyn Morphis, Scott Nave, Counsel

**Also Present:** Austin Barnett, Adventist Health Tehachapi Valley

**I. CALL TO ORDER**

The meeting was called to order at 10:01 a.m. by President Chaney.

**II. FLAG SALUTE**

The Pledge of Allegiance was led by President Chaney.

**III. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

There were no public comments.

**IV. CONSENT AGENDA**

**Approval of Minutes**

- Board of Directors Meeting Minutes, June 16, 2026
- Special Board of Directors Meeting Minutes, July 7, 2026

  **ACTION:** Motion by Director Dreyer to approve the Consent Agenda as presented; seconded by Director Patterson. Motion carried. 5-0

**V. REPORTS**

**A. Adventist Health Tehachapi Valley Update (Austin Barnett)**

- Mr. Barnett provided an update on behalf of Adventist Health Tehachapi Valley, including the replacement of air boards, increased team awareness of fall risks, and a promotional video.

**B. Finance Report (Peggy Mendiburu)**

- CEO Mendiburu presented the Finance Report for June (attached).

**C. CEO Report (Peggy Mendiburu)**

- CEO Mendiburu presented the CEO Report (attached).

**VI. NEW BUSINESS**

**A. Resolution Approving Payoff of Remainder Balance of Bond No. TEHA313GORB — $940,000 with District Funds (Tab 5)**

- The Board considered a resolution approving payoff of the remaining balance of Bond No. TEHA313GORB in the amount of $940,000 with District funds. CEO Mendiburu tabled the item as no resolution from bond counsel.

  **ACTION: Tabled.**

**B. Termination of Lease with Adventist Health Medical Center — 116 West F Street, Tehachapi, CA 93561 (Tab 6)**

- The Board considered termination of the lease with Adventist Health Medical Center for the property located at 116 West F Street, Tehachapi, CA 93561.

  **ACTION:** Motion by Director Dreyer to terminate lease; seconded by Director Patterson. Motion carried; 5-0

**C. 2026–2027 Budget (Receive and File)**

- The Board reviewed the 2026–2027 Budget, presented to receive and file.

  **ACTION:** Motion by Director Patterson to approve the 2026–2027 Budget; seconded by Director Sherrill. Motion carried; 5-0

**VII. OLD BUSINESS**

There was no old business.

**VIII. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

There were no board comments.

**IX. CLOSED SESSION**

The Board adjourned to Closed Session to discuss:

- Existing Litigation: Gonzalez v. Tehachapi Valley Healthcare District

The Board reconvened in Open Session at 10:22 a.m.

**X. CLOSED SESSION REPORT**

Legal counsel provided a status update to the Board on the Gonzalez matter. No action was taken and no other items were discussed.

**XI. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:42 a.m.

Respectfully submitted,

________________________________

Christine Sherrill, Board Secretary

# Tehachapi Valley Healthcare District

## Finance Summary

For the Period Ended July 31, 2026

## Executive Summary

This report summarizes the financial position and operating results of the Tehachapi Valley Healthcare District (TVHD) for the month ended July 31, 2026, the first month of fiscal year 2026–27 (July 1, 2026 through June 30, 2027). The District remains well-capitalized with strong liquidity. For the month of July, the District recorded positive net income, driven primarily by the receipt of Kern County property tax revenue and interest income, which together more than offset the monthly operating loss and non-cash depreciation. As July is the first month of the new fiscal year, fiscal year-to-date results equal the month's results.

## Key Highlights

- Total Assets: $102.14 million
- Cash & Cash Equivalents: $10.75 million across bank, money market, and LAIF accounts
- Total Equity: $26.71 million
- July Net Income: $18,305.85
- FY Year-to-Date Net Income: $18,305.85
- Accounts Payable: $11,055.26

## Assets

| Category | Amount |
|---|---:|
| Bank Accounts (Operating, Payroll, Money Mkt, LAIF) | $10,749,609.92 |
| Accounts Receivable | ($490.54) |
| Other Current Assets (Prepaids, Property Tax Rcv, etc.) | $250,794.29 |
| **Total Current Assets** | **$10,999,913.67** |
| Fixed Assets (Net of Depreciation) | $88,757,613.23 |
| Other Assets (Bond Funds, Refinancing Loss, etc.) | $2,379,643.68 |
| **TOTAL ASSETS** | **$102,137,170.58** |

## Cash Position Detail

| Account | Balance |
|---|---:|
| LAIF (Local Agency Investment Fund) | $6,233,919.12 |
| Valley Strong Money Market | $4,427,495.04 |
| Valley Strong General Operating | $47,445.14 |
| Valley Strong Payroll | $37,051.66 |
| Valley Strong Savings | $3,698.96 |
| **Total Cash & Equivalents** | **$10,749,609.92** |

The majority of the District's liquid assets (approximately 99%) are held in the State of California LAIF and Valley Strong Money Market, consistent with public agency cash management practice.

## July Income Received

| Category | Amount |
|---|---:|
| Gross Profit (Rental Income) | $5,853.00 |
| Interest Income | $74,666.07 |
| Kern County Tax Rev Fund | $129,711.03 |
| Less: Total Operating Expenses | ($48,814.29) |
| **JULY INCOME RECEIVED** | **$161,415.81** |

*Note: In addition to the items above, the District recognized $75,000.00 in other non-operating revenue during July (recorded in the Profit & Loss but excluded from the operating-cash view shown here). Including this amount, total income recognized for the month was $236,415.81. The District's reported net income for July of $18,305.85 reflects all revenue less total operating expenses and non-cash depreciation.*

# Finance Committee Report

TVHD

For the period ended July 31, 2026

Tehachapi Valley Healthcare District

Prepared by

Peggy Mendiburu

Prepared on

August 12, 2026

# Table of contents

# Tehachapi Valley Healthcare District

Balance Sheet (Beta)

July 2026

| | Total |
|---|---|
| Assets | |
| Current Assets | |
| Bank Accounts | |
| 1001-012 Valley Strong General | 47,445.14 |
| 1002-011 Valley Strong Payroll | 37,051.66 |
| 1005-012 Valley Strong Money Mkt | 4,427,495.04 |
| 1007-013 Petty Cash Change Fund | 0.00 |
| 1008-012 LAIF | 6,233,919.12 |
| 1008-013 Valley Strong Savings | 3,698.96 |
| 1008-014 Bank of Sierra - 8569 | 0.00 |
| 1009-050 Undeposited Funds | 0.00 |
| **Total for Bank Accounts** | **$10,749,609.92** |
| Accounts Receivable | |
| 1020-000 Accounts Receivable | -490.54 |
| **Total for Accounts Receivable** | **-$490.54** |
| Other Current Assets | |
| 1041-000 Bad Debt - UNCOLL ALLOW | 0.00 |
| 1064-000 Other Receivables - LAIF Interest Rcv | 0.00 |
| 1064-222 Other Receivables - Property Tax | 55,852.78 |
| 1064-300 Election Costs | 0.00 |
| 1069-003 Receivable - IGT | 0.00 |
| 1101-035 Prepaid Expense - Insurance | 191,516.96 |
| 1101-036 1101-036 | 119.40 |
| 1108-039 Prepaid Dues | 3,088.66 |
| Payments to deposit | 0.00 |
| QuickBooks Tax Holding Account | 216.49 |
| **Total for Other Current Assets** | **$250,794.29** |
| **Total for Current Assets** | **$10,999,913.67** |
| Fixed Assets | |
| 1200-042 Land | 385,228.63 |
| 1200-043 Land - New Hospital | 2,125,484.88 |
| 1200-044 Land - F Street | 52,800.00 |
| 1211-045 Land Improvements | 163,939.14 |
| 1221-046 Building - Hospital | 102,944,793.77 |
| 1221-050 Building - Valley Blvd | 954,550.06 |
| 1221-055 Building - SOL Valley Blvd | 960,817.00 |
| 1225-049 Building Improvements - Equipment | 53,000.00 |
| 1229-049 DE - Fixed Equipment | 0.00 |
| 1240-000 Capitalized Software Cost | 6,538.79 |
| 1241-050 MM Equipment - Telemed Grant | 0.00 |
| 1241-051 Major Moveable Equipment | 0.00 |
| 1241-060 Other Asset | 1,000,000.00 |
| 1242-051 Minor Equipment | 5,688.41 |
| 1255-000 CIP - Old Hospital Renovations | 0.00 |
| 1291-045 Accum Depr - Land Improvements | -128,055.44 |
| 1291-046 Accum Depr - Building | -53,772.11 |
| 1291-047 Accum Depr - Bldg Improv | -19,710,364.34 |

| | Total |
|---|---|
| 1291-048 Accum Depr - New IT System | -2,942.46 |
| 1291-510 Accum Depr - Maj Moveable Equip | -93.10 |
| **Total for Fixed Assets** | **$88,757,613.23** |
| Other Assets | |
| 1510-530 Bond C - CS | 55.83 |
| 1510-535 Bond C Cost - CS #9286 | 382,019.46 |
| 1510-550 Restricted Bond Fund - CS #9225 | 60,325.19 |
| 1510-576 Bond Funds 2009-Series 2013-42189-CS | 0.45 |
| 1510-586 Refunding Bond Fund 2013 Proj - CS #9299 | 17,895.33 |
| 1510-590 County Funds 2006 Bond - CS #9272 | -376,093.61 |
| 1510-591 Bond Elec 2009, S2013 - CS #8083 | 87,477.61 |
| 1600-001 Loss on 2013-2021 Refin | 2,639,519.49 |
| 1610-001 Accumulated Amort - Loss 2013-2021 Ref | -431,556.07 |
| County Funds Current Offset | 0.00 |
| Reclass to Current | 0.00 |
| **Total for Other Assets** | **$2,379,643.68** |
| **Total for Assets** | **$102,137,170.58** |
| Liabilities and Equity | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2021-590 Accounts Payable (A/P) | 11,055.26 |
| **Total for Accounts Payable** | **$11,055.26** |
| Credit Cards | |
| 2310-115 Valley Strong CC | 170.48 |
| **Total for Credit Cards** | **$170.48** |
| Other Current Liabilities | |
| 2030-000 Payroll Liabilities | |
| 2010-000 Payroll Clearing | 0.00 |
| 2030-100 Federal Taxes (941/943/944) | 0.00 |
| 2030-105 Federal Unemployment (940) | 216.49 |
| 2030-110 CA PIT / SDI | 0.00 |
| 2031-620 Accrued Compensation - Payroll | 0.00 |
| 2032-630 Accrued PTO | 3,443.19 |
| 2039-750 Accrued Supp Life Insurance | 14.18 |
| 2039-760 Accrued Retirement Plan | 450.00 |
| Fidelity Roth | 0.00 |
| **Total for 2030-000 Payroll Liabilities** | **$4,123.86** |
| 2041-780 Other Accrued Exp - Interest Payable | 240,658.32 |
| 2041-781 Other Accrued Exp - Acc Interest Pay | 3,900,023.35 |
| 2046-810 Other Accrued Exp - Audit Fees | 27,124.92 |
| 2091-150 Deferred Income AH | 20,103,398.00 |
| 2103-000 Deferred Income - Other | 500.00 |
| 2131-000 Deferred Interest | -665,477.00 |
| 2131-100 Deferred Amortization | 658,086.00 |
| 2250-000 GO Bonds - 2004A - F9242 | 374,987.70 |
| 2251-000 GO Bonds - 2004B - F9272 | 409,990.75 |
| 2252-000 GO Bonds - 2009 Series C - F9286 | 360,000.00 |
| 2260-100 Less Current Rent | 0.00 |
| Direct Deposit Payable | 0.00 |
| **Total for Other Current Liabilities** | **$25,413,415.90** |

| | Total |
|---|---|
| **Total for Current Liabilities** | **$25,424,641.64** |
| Long-term Liabilities | |
| 1390-002 Bond Iss Costs - Bond Premium 2022 | 0.00 |
| 1390-003 Bond Premium - 2004 | 9,445.00 |
| 1390-005 Bond Premium - 2006 | 77,809.00 |
| 1390-007 Refunding Bond Premium 2013 | 0.00 |
| 2253-000 2004 Refunding - F9299 | 940,000.00 |
| 2254-000 GO Bonds Payable - 2021A - F8083 | 48,970,000.00 |
| 2259-000 Current Portion of Long Term Liability | 0.00 |
| 2260-000 Client Deposits | 4,478.00 |
| **Total for Long-term Liabilities** | **$50,001,732.00** |
| **Total for Liabilities** | **$75,426,373.64** |
| Equity | |
| Invested in Capital Assets | 38,473,826.29 |
| Opening balance equity | 0.00 |
| Restricted Net Position | 3,819,852.83 |
| Retained Earnings | -15,601,188.03 |
| Net Income | 18,305.85 |
| **Total for Equity** | **$26,710,796.94** |
| **Total for Liabilities and Equity** | **$102,137,170.58** |

# Tehachapi Valley Healthcare District

Profit and Loss (Beta)

July 2026

| | Total |
|---|---|
| Income | |
| 5700-230 Rental Income | 5,853.00 |
| **Total for Income** | **$5,853.00** |
| **Gross Profit** | **$5,853.00** |
| Expenses | |
| 8610-100 Dir/Mgr/Sup | 11,019.77 |
| 8610-160 FICA | 840.92 |
| 8610-171 Payroll Billing | 64.00 |
| 8610-175 Grp Health Ins | 548.62 |
| 8610-176 Health Insurance - Active Dir | 0.00 |
| 8610-190 Workers Compensation | 104.17 |
| 8610-210 Consulting | 1,490.00 |
| 8610-215 Legal | 1,945.00 |
| 8610-220 Audit | 4,409.75 |
| 8610-230 Other Contracted | 163.00 |
| 8610-345 Office Supplies | 101.58 |
| 8610-375 Postage | 11.31 |
| 8610-380 IT | 4,326.85 |
| 8610-390 Repairs & Maintenance | 3,252.85 |
| 8610-400 Security | 110.41 |
| 8610-550 Trustee Stipends | 700.00 |
| 8610-602 Rent - Storage & Equip Lease | 531.00 |
| 8610-700 Utilities | 1,507.87 |
| 8610-735 Phone | 255.95 |
| 8610-805 Insurance - Other | 16,747.67 |
| 8610-815 Dues & Subscriptions | 550.00 |
| 8610-824 Travel - Other Misc. Travel | 148.26 |
| 8610-900 Bank Fees | 127.31 |
| Payroll expenses | |
| Taxes | -142.00 |
| **Total for Payroll expenses** | **-$142.00** |
| **Total for Expenses** | **$48,814.29** |
| **Net Operating Income** | **-$42,961.29** |
| Other Income | |
| 9060-111 Interest Income | 74,666.07 |
| 9160-069 Kern County Tax Rev Fund 42186 | 129,711.03 |
| 9400-089 Non-Oper Revenue Other | 75,000.00 |
| **Total for Other Income** | **$279,377.10** |
| Other Expenses | |
| 8811-900 New Hospital Depreciation | 214,374.50 |
| 8811-901 DEPRECIATION W. VALLEY BLVD | 1,988.91 |
| 8811-902 Depreciation - Land Improvements | 1,412.17 |
| 8811-903 Depreciation Guild Roof | 92.19 |
| 8811-904 Depreciation Flooring - F Street | 46.11 |
| 8811-906 Depreciation - IT Equipment | 108.98 |
| 8811-907 Depreciation - Building Improvements | 87.10 |
| **Total for Other Expenses** | **$218,109.96** |

| | Total |
|---|---|
| Net Other Income | $61,267.14 |
| Net Income | $18,305.85 |

# Tehachapi Valley Healthcare District

Profit and Loss (Beta)

July 2026

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| Income | |
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| 8610-171 Payroll Billing | 64.00 |
| 8610-175 Grp Health Ins | 548.62 |
| 8610-176 Health Insurance - Active Dir | 0.00 |
| 8610-190 Workers Compensation | 104.17 |
| 8610-210 Consulting | 1,490.00 |
| 8610-215 Legal | 1,945.00 |
| 8610-220 Audit | 4,409.75 |
| 8610-230 Other Contracted | 163.00 |
| 8610-345 Office Supplies | 101.58 |
| 8610-375 Postage | 11.31 |
| 8610-380 IT | 4,326.85 |
| 8610-390 Repairs & Maintenance | 3,252.85 |
| 8610-400 Security | 110.41 |
| 8610-550 Trustee Stipends | 700.00 |
| 8610-602 Rent - Storage & Equip Lease | 531.00 |
| 8610-700 Utilities | 1,507.87 |
| 8610-735 Phone | 255.95 |
| 8610-805 Insurance - Other | 16,747.67 |
| 8610-815 Dues & Subscriptions | 550.00 |
| 8610-824 Travel - Other Misc. Travel | 148.26 |
| 8610-900 Bank Fees | 127.31 |
| Payroll expenses | |
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| 8811-901 DEPRECIATION W. VALLEY BLVD | 1,988.91 |
| 8811-902 Depreciation - Land Improvements | 1,412.17 |
| 8811-903 Depreciation Guild Roof | 92.19 |
| 8811-904 Depreciation Flooring - F Street | 46.11 |
| 8811-906 Depreciation - IT Equipment | 108.98 |
| 8811-907 Depreciation - Building Improvements | 87.10 |
| **Total for Other Expenses** | **$218,109.96** |

| | Total |
|---|---|
| Net Other Income | $61,267.14 |
| Net Income | $18,305.85 |

# Credit Card Detail

July 2026

| Date | Transaction Type | Num | Adj | Name | Class | Memo/Description | Split | Amount | Balance |
|---|---|---|---|---|---|---|---|---|---|
| 2310-115 Valley Strong CC | | | | | | | | | |
| 07/01/2026 | Expenditure | | No | HOME DEPOT 6835 | | | 8610-345 Office Supplies | 31.33 | 31.33 |
| 07/12/2026 | Expenditure | | No | ANTHROPIC, PBC | | | 8610-815 Dues & Subscriptions | 100.00 | 131.33 |
| 07/14/2026 | Expenditure | | No | U.S. POSTAL SERVICE | | | 8610-375 Postage | 11.31 | 142.64 |
| **Total for 2310-115 Valley Strong CC** | | | | | | | | **$142.64** | |
| 8610-345 Office Supplies | | | | | | | | | |
| 07/01/2026 | Expenditure | | No | HOME DEPOT 6835 | DISTRICT OFFICE | | 2310-115 Valley Strong CC | 31.33 | 31.33 |
| **Total for 8610-345 Office Supplies** | | | | | | | | **$31.33** | |
| 8610-375 Postage | | | | | | | | | |
| 07/14/2026 | Expenditure | | No | U.S. POSTAL SERVICE | ADMIN | Postage | 2310-115 Valley Strong CC | 11.31 | 11.31 |
| **Total for 8610-375 Postage** | | | | | | | | **$11.31** | |
| 8610-815 Dues & Subscriptions | | | | | | | | | |
| 07/12/2026 | Expenditure | | No | ANTHROPIC, PBC | ADMIN | AI Subscription | 2310-115 Valley Strong CC | 100.00 | 100.00 |
| **Total for 8610-815 Dues & Subscriptions** | | | | | | | | **$100.00** | |

## Updates

- **Candidate Filing:** Candidate Filing ended August 7, 2026. Directors' Chaney for November 2026 elections is open from July 13, 2026 to August 7, 2026. Instructions have been sent to those interested, Any candidates applying should not be charged for statements.
- **Surplus Property:** Deadlines for entities interested in old hospital site and parking lot was August 13, 2026. The District has received one Letter of Interest from the City of Tehachapi, which will be discussed during Closed Session.
- **Out of the office:** August 26 to August 31, September 3rd to September 8

# Tehachapi Valley Healthcare District

## Chief Executive Officer's Summary (Peggy Mendiburu)

Resolution No. 26-___ | Payoff of 2013 General Obligation Refunding Bonds

**RE:** Resolution authorizing payment at maturity of the 2013 General Obligation Refunding Bonds (2004 Election, 2013 Series A) from available General Fund monies

### Purpose

This resolution authorizes the District to pay off the final outstanding maturity of its 2013 General Obligation Refunding Bonds using available General Fund monies, rather than waiting to retire the bonds solely through the ad valorem property tax levy. Adopting the resolution allows the District to fully discharge this bond obligation at its scheduled maturity of November 1, 2026.

### Background

The 2013 Bonds were issued in 2013 under the District's 2004 voter authorization (approved by more than two-thirds of voters, up to $15 million), in the original principal amount of $8,055,000. Over the years, all scheduled maturities have been paid and retired except one. The only remaining maturity is due November 1, 2026, in the principal amount of $940,000 at an interest rate of 3.250%, plus accrued interest to the payment date.

### What the Resolution Authorizes

It directs the District to fund the November 1, 2026 payment — the $940,000 principal plus accrued interest — from available General Fund monies, in lieu of or in addition to any property tax proceeds held in the Interest and Sinking Fund at the Kern County Treasurer-Tax Collector. Funds must be wired to the Paying Agent by 9:30 a.m. the business day before the maturity date. The resolution designates the CEO (or the CFO in the CEO's absence) as Authorized Officer to complete the wire transfer, coordinate with the Kern County Treasurer-Tax Collector on any taxes already levied for this debt, notify the bond insurer, and take all steps needed to retire the bonds. Norton Rose Fulbright US LLP is confirmed as bond counsel.

### Fiscal Impact & Rationale

The District is well-positioned to fund this payment from reserves given its current strong liquidity. Paying the maturity from General Fund monies retires the District's last 2013 GO bond obligation on schedule and simplifies the District's debt profile. Importantly, this is a discretionary fiscal-management action: it does not impair or waive the bonds' underlying security or the County's tax-levy obligation, which remain in effect until the maturity is fully paid. Staff will also coordinate with the County so that any property taxes already collected for this debt service are applied to the District's benefit or its taxpayers.

### Recommendation

I recommend the Board adopt Resolution No. 26-___ authorizing payment of the 2026 maturity of the 2013 General Obligation Refunding Bonds from available General Fund monies, and authorizing the related actions described above.

**RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI VALLEY HEALTHCARE DISTRICT AUTHORIZING THE PAYMENT AT MATURITY OF THE DISTRICT'S GENERAL OBLIGATION REFUNDING BONDS, 2004 ELECTION, 2013 SERIES A, FROM AVAILABLE GENERAL FUND MONIES, AND AUTHORIZING RELATED ACTIONS**

**RESOLUTION NO. 26-____**

WHEREAS, a duly called election was held in the Tehachapi Valley Healthcare District (the "District"), County of Kern, California (the "County"), on March 2, 2004, and thereafter canvassed pursuant to law (the "Election"); and

WHEREAS, at the Election, there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the purpose of acquiring, maintaining, constructing, or altering real property of the District, all as authorized in Section 32300 *et seq.* of the Health and Safety Code, in the maximum amount of fifteen million dollars ($15,000,000) payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization"); and

WHEREAS, the County Elections Division certified to the effect that the official canvass of returns for the Election reflected that more than two-thirds of the votes cast on the District's bond measure submitted to the voters at the Election (the "Measure") were cast in favor of the Measure, and such result has been entered in the minutes of this Board of Directors of the District (the "Board"); and

WHEREAS, the Board has previously issued $8,055,000 aggregate principal amount of its bonds under the Authorization, designated "Tehachapi Valley Healthcare District General Obligation Bonds, 2004 Election, 2013 Series A" (the "2013 Bonds"); and

WHEREAS, the 2013 Bonds were issued pursuant to the terms of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and the provisions of Resolution No. 12-03 of the Board adopted on November 14, 2012 (the "Resolution of Issuance"); and

WHEREAS, the 2013 Bonds were issued on or about March 28, 2013 in book-entry form through The Depository Trust Company ("DTC"), registered in the name of Cede & Co., as nominee of DTC, are payable as to interest on May 1 and November 1 of each year, and are payable as to principal on November 1 of each year in accordance with the maturity schedule set forth in the Resolution of Issuance and the Bond Purchase Agreement dated March 20, 2013 between the District and RBC Capital Markets, LLC (the "Bond Purchase Agreement"); and

WHEREAS, the scheduled payment of principal and interest on the 2013 Bonds is guaranteed by a municipal bond insurance policy issued by Build America Mutual Assurance Company ("BAM") concurrently with the original delivery of the 2013 Bonds; and

WHEREAS, pursuant to the Paying Agent, Registrar and Depository Agreement dated March 1, 2013 (the "Paying Agent Agreement") between the District and Computershare Trust

Company, N.A., as successor to Wells Fargo Bank, National Association (the "Paying Agent"), the Paying Agent serves as paying agent, registrar, and depository for the 2013 Bonds; and

WHEREAS, all maturities of the 2013 Bonds other than the November 1, 2026 maturity have been paid and retired, and the only maturity of the 2013 Bonds remaining outstanding is the maturity of November 1, 2026, bearing interest at the rate of 3.250% per annum, in the outstanding principal amount of $940,000 (the "2026 Maturity"), together with interest accrued thereon to the date of payment; and

WHEREAS, the District has determined, as a matter of fiscal policy and in furtherance of its obligation to act in the best interests of the taxpayers within the District, that it is in the public interest to apply available general fund monies of the District toward payment of the 2026 Maturity; and

WHEREAS, the District may effectuate payment of the 2026 Maturity by funding the payment of the 2026 Maturity at its scheduled maturity date of November 1, 2026, using available general fund monies of the District as the source of payment; and

WHEREAS, the 2013 Bonds are general obligations of the District secured by the pledge of *ad valorem* taxes to be levied without limitation as to rate or amount upon all taxable property within the District, which security remains in full force and effect; however, the District's election to apply general fund monies toward payment of the 2026 Maturity does not impair, amend, or otherwise affect such security; and

WHEREAS, all acts, conditions, and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District is within all limits prescribed by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Tehachapi Valley Healthcare District, County of Kern, State of California, as follows:

1. Findings. The Board hereby finds and determines that the foregoing recitals are true and correct in all material respects and are incorporated herein by this reference.

2. Authorization of Payment at Scheduled Maturity. The Board of Directors hereby authorizes and directs the District to fund the payment of the 2026 Maturity at its scheduled maturity date of November 1, 2026, from available general fund monies of the District, as follows:

(a) *Source of Payment*. The District shall fund the payment of the full principal amount of and interest on the 2026 Maturity due on November 1, 2026, from available general fund monies of the District, in lieu of, or in addition to, any *ad valorem* tax levy proceeds that may be on deposit in the Interest and Sinking Fund maintained with the Kern County Treasurer-Tax Collector. The total amount required shall be the sum of (i) the outstanding principal amount of $940,000, plus (ii) accrued interest thereon to and including November 1, 2026.

(b) *Transfer of Funds to Paying Agent*. On or before 9:30 a.m. Pacific Time on the Business Day immediately preceding November 1, 2026, the Authorized Officer shall cause the District to transfer, by wire transfer of immediately available funds, to the Paying Agent an amount sufficient to pay the full principal of and interest on the 2026 Maturity due on November 1, 2026, as calculated in subsection (a) above.

(c) *Coordination with County Treasurer-Tax Collector*. The Authorized Officer is hereby directed to coordinate with the Kern County Treasurer-Tax Collector regarding the District's intention to apply general fund monies toward payment of the 2026 Maturity. To the extent that *ad valorem* taxes have been levied or collected for the payment of debt service on the 2026 Maturity, the Authorized Officer shall request that the Kern County Treasurer-Tax Collector, to the maximum extent permitted by applicable law and consistent with the terms of the Resolution of Issuance, apply such tax proceeds to the payment of other outstanding general obligation bond indebtedness of the District, or otherwise credit or account for such proceeds in a manner that serves the fiscal interests of the District and its taxpayers.

3. Non-Impairment of Bond Security. Nothing in this Resolution shall be construed to impair, amend, modify, rescind, or otherwise affect: (a) the pledge of and lien on *ad valorem* taxes securing the 2013 Bonds, which pledge and lien shall remain in full force and effect for the benefit of the Owners of the 2013 Bonds until the 2026 Maturity is fully paid and no longer outstanding; (b) the obligation of the County of Kern to levy *ad valorem* taxes, without limitation as to rate or amount, upon all taxable property within the District sufficient to pay the principal of and interest on the 2013 Bonds when due, to the extent required by the Resolution of Issuance and applicable California law; or (c) the terms and conditions of the Paying Agent Agreement, the Resolution of Issuance, or the Bond insurance policy issued by BAM.

The District's election to apply available general fund monies toward payment of the 2026 Maturity is a supplemental and discretionary action taken in the exercise of the District's fiscal management authority and does not constitute a waiver of, or limitation on, any security, covenant, or obligation relating to the 2013 Bonds.

4. Designation of Authorized Officer; General Authorization.

(a) *Designation*. The Chief Executive Officer of the District, or in his or her absence or unavailability, the Chief Financial Officer of the District, is each hereby designated as an "Authorized Officer" for purposes of this Resolution.

(b) *Authorization*. Each Authorized Officer, individually, is hereby authorized and directed to execute and deliver any and all documents, instruments, agreements, certificates, and notices, and to take any and all actions, as may be necessary, convenient, or desirable to carry out the purposes and intent of this Resolution, including without limitation:

(i) coordinating with the Kern County Treasurer-Tax Collector regarding the timing, transfer, and application of general fund monies for payment of the 2026 Maturity;

(ii) causing the wire transfer of immediately available funds to the Paying Agent in the amounts and by the deadlines specified in Section 2;

(iii) providing written notice to BAM of the District's election to pay the 2026 Maturity from general fund monies, as a courtesy and in accordance with any requirements of the 2013 Bond insurance documents; and

(iv) taking all other actions necessary to retire the 2026 Maturity and to cause the 2013 Bonds to be fully paid, discharged, and no longer outstanding.

5. Professionals; Bond Counsel. The firm Norton Rose Fulbright US LLP has previously been engaged to act as the District's bond counsel in connection with the District's financings. The Board hereby approves the retention of Norton Rose Fulbright US LLP as bond counsel, for the matters contemplated by this Resolution pursuant to a contract on file with, or to be entered into by the District.

6. Approval of Actions. Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the payment of the 2026 Maturity and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

7. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Tehachapi Valley Healthcare District, duly called and at which a quorum was present and acting throughout, conducted this ____ day of August, 2026, at Tehachapi, California, by the following vote:

AYES: Members: ______________________________

NOES: Members: ______________________________

ABSENT: Members: ______________________________

ABSTENTIONS: Members: ______________________________

______________________________
President, Board of Directors
Tehachapi Valley Healthcare District

Attest:

______________________________
Secretary, Board of Directors