



February 13, 2023

U. S. Bank National Association
One California Street, Suite 1000
San Francisco, CA 94111

Attention: David A. Jason, Vice President

RE: Reserve Fund

Pursuant to Indenture Section 5.09 of the Kaweah Delta Health Care District Revenue Bonds, Series 1999A, dated as of May 1, 1999 as supplemented by the First Supplemental Indenture, dated as of June 1, 2003, the Second Supplemental Indenture, dated as of August 1, 2004, the Third Supplemental Indenture, dated as of May 1, 2005, the Fourth Supplemental Indenture, dated as of December 1, 2006, the Fifth Supplemental Indenture, dated as of May 1, 2011, the Sixth Supplemental Indenture, dated as of July 17, 2012, the Seventh Supplemental Indenture, dated as of October 1, 2015, the Eighth Supplemental Indenture, dated as of December 1, 2015, the Ninth Supplemental Indenture, dated as of April 1, 2017, the Tenth Supplemental Indenture dated as of December 1, 2017, the Eleventh Supplemental Indenture dated as of January 1, 2020, the Twelfth Supplemental Indenture dated as of April 1, 2022 and the Amendment to Indenture entered into as of November 1, 2022, we have calculated the long-term debt service coverage ratio for the six-month period from July 1, 2022 to December 31, 2022, and attached the same to this report, demonstrating that for the six-month period ending December 31, 2022, such long-term debt service coverage is less than the required 1.35:1.00. Therefore, within 30 days of the filing of this report, the District will deposit the Reserve Fund Requirement (equal to the Maximum Annual Bond Service) into the Reserve Fund held by the Trustee.

A handwritten signature in black ink, appearing to read "Malinda Tupper", written over a horizontal line.

Malinda Tupper, Chief Financial Officer
Kaweah Delta Health Care District

Kaweah Delta Health Care District
LONG-TERM DEBT SERVICE COVERAGE RATIO CALCULATION
December 31, 2022

Net income (loss)	\$ (36,691,000)
Depreciation and amortization (2)	15,971,000
Interest (2)	3,714,000
GO Bond tax revenue	<u>(1,757,000)</u>
Net income available for debt service	<u><u>\$ (18,763,000)</u></u>
Maximum annual debt service (without GO bonds)(2)(1)	<u><u>\$ 9,068,197</u></u>
Long-term debt service coverage ratio	<u><u>(2.07)</u></u>

Notes:

(2) Excludes the impact of the implementation of GASB 87.

(1) Represents 50% of total maximum debt service