

Westchester County Health Care Corporation

Long-Term Debt Schedule

As of December 31, 2023

Long-term debt activity as of December 31, 2023 was as follows (amounts in thousands):

	December 31,		December 31,		Amounts due
	2022	Additions	Reductions	2023	Within
					One Year
2010 Series Bonds (a)	\$ 71,535	\$ -	\$ (35)	\$ 71,500	\$ 40
2014 Series Bonds (b)	23,421	-	(608)	22,813	639
2015 Series Bonds (c)	20,138	-	(785)	19,353	817
2016 Series Bonds (d)	273,306	-	(2,815)	270,491	2,955
2020 Series Bonds (e)	300,000	-	(90,455)	209,545	-
2023 Series Bonds (f)	-	286,950	-	286,950	-
Note Payable (g)	375	-	(375)	-	-
Bond Premium/Discount	19,855	10,824	(893)	29,786	1,195
Financed Purchases (h)	58,491	21,595	(21,646)	58,440	20,466
	<u>\$ 767,121</u>	<u>\$ 319,369</u>	<u>\$ (117,612)</u>	<u>\$ 968,878</u>	<u>\$ 26,112</u>

- a. At December 31, 2023, the outstanding WCHCC Revenue Bonds, Series 2010, Senior Lien consists of \$37.3 million Series 2010A (Federally Taxable – Direct Payment – Build America Bonds) bonds with an interest rate of 8.57% and maturing on November 1, 2040; \$2.7 million Series 2010B (Tax-Exempt) bonds with interest rates varying from 4.00% to 6.13% and maturing through November 1, 2030 and November 1, 2037; \$31.5 million Series 2010C-1 (Federally Taxable – Direct Payment – Build America Bonds) bonds with an interest rate of 8.57% maturing on November 1, 2040.

Interest expense relating to the various Series 2010 Bonds was approximately \$6.5 million in 2022.

- b. At December 31, 2023, the balance of WCHCC Revenue Bonds, Series 2014A, Senior Lien with an interest rate of 5.0% and maturing November 1, 2044 of \$22.8 million was outstanding.

Interest expense relating to the Series 2014 Bonds was approximately \$1.2 million in 2023.

- c. At December 31, 2023, the balance of a private placement bond offering relating to Dutchess County Local Development Corporation Revenue Bonds, Series 2015, consists of \$15.6 million Series 2015A (Tax-Exempt) with an interest rate of 3.75%, maturing August 1, 2030, and \$3.8 million Series 2015B (Taxable) with an interest rate of 5.95% maturing August 1, 2030.

Interest expense relating to the Series 2015 Bonds was approximately \$838,000 in 2023.

- d. At December 31, 2023, \$270.5 million of Westchester County Local Development Corporation Revenue Bonds, Series 2016 (Westchester Medical Center Obligated Group Project) (Series 2016 Bonds), Tax Exempt bonds with interest rates varying from 3.0% to 5.0% and maturing annually November 1, through 2034, November 1, 2037 and November 1, 2046 are outstanding.

Interest expense relating to the Series 2016 Bonds was approximately \$12.2 million in 2023.

- e. At December 31, 2023, \$209.5 million of Westchester County Local Development Corporation Revenue Bonds, Series 2020 (Taxable) (Westchester Medical Center Obligated Group Project) (“Series 2020 Bonds”) with an interest rate of 3.85% and maturing November 1, 2050 were outstanding. During 2023, approximately \$90.5 million in Series 2020 Bonds were tendered.

Interest expense relating to the Series 2020 Bonds was approximately \$12.0 million in 2023.

- f. In November 2023, WCHCC participated in a new bond offering relating to \$287.0 million of Westchester County Local Development Corporation Revenue Bonds, Series 2023 (Westchester Medical Center Obligated Group Project) (Series 2023 Bonds) with interest rates varying from 5.0% to 6.3% and maturing annually November 1, 2031 through 2034, November 1, 2047 through 2049 and November 1, 2051 through 2053. At December 31, 2023, \$287.0 million was outstanding.

The proceeds of the Series 2023 Bonds, together with all available funds, were used (i) to pay for costs for the construction of a new bed tower and to fund routine capital projects; (ii) to fund capitalized interest in connection with the Series 2023 Bonds; (iii) to pay for the purchase price of the target bonds from the Series 2020 Bonds that were tendered; and (iv) to pay costs related to the issuance of the Series 2030 Bonds.

Interest expense relating to the Series 2023 Bonds was approximately \$2.5 million in 2023.

- g. On November 6, 2019, WCHCC purchased a building for \$2.0 million from the Board of Education of the Spackenkill Union Free School District (“the District”). At closing, \$1.5 million was financed through a non-interest bearing note payable provided by the District, due in four equal annual installments of \$375,000 through 2023. The note was paid in full in November 2023.
- h. WCHCC has entered into certain equipment financed purchase agreements that are collateralized by the underlying assets and bear interest at rates between 1.63% and 6.53%. The interest expense under these financed purchase agreements was approximately \$2.3 million in 2023.

Long-Term Debt Service Coverage Ratio

Under Section 6.13(a) of the Series 2000 Bonds Master Trust Indenture (“MTI”) between WCHCC and Deutsche Bank as the Master Trustee, the Obligated Group, which is defined as the operating unit of Westchester County Health Care Corporation (the “Medical Center”), must maintain a Long-Term Debt Service Coverage Ratio, tested on a semi-annual basis in accordance with the provisions of the MTI, of at least 1.25 for all Bond series. During the year ended December 31, 2023, WCHCC met the required Long-Term Debt Service Coverage Ratio.

Future Principal and Interest Payments

The following is a schedule by year of future principal and interest (based on interest rates at December 31, 2023) payments on the bonds and other long-term debt (amounts in thousands):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,451	\$ 43,891	\$ 48,342
2025	4,665	44,550	49,215
2026	4,879	44,322	49,201
2027	5,112	44,085	49,197
2028	7,352	43,837	51,189
2029-2033	76,895	210,758	287,653
2034-2038	107,617	189,205	296,822
2039-2043	130,142	151,340	281,482
2044-2048	168,314	113,996	282,310
2049-2053	371,225	46,392	417,617
	<u>\$ 880,652</u>	<u>\$ 932,376</u>	<u>\$1,813,028</u>

The future minimum payments under the financed purchases agreements, together with the present value of the minimum financed purchases payments at December 31, 2023 are as follows (amounts in thousands):

Year	<u>Amount</u>
2024	\$ 22,777
2025	17,079
2026	13,030
2027	8,123
2028	2,498
	<u>63,507</u>
Less: Amount representing interest	5,067
Present value of net minimum financed purchases payments	<u>58,440</u>
Less: Current portion	20,466
	<u>\$ 37,974</u>