

**TEHACHAPI VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING**

Date: June 15, 2021
Place: Tehachapi Valley Healthcare District Office
116 W E Street
Tehachapi, CA 93561
Time: 4:30 p.m.
Teleconference available ~ 351-888-6527

AGENDA

I. CALL TO ORDER

II. FLAG SALUTE

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.

A. Approval of Minutes

- | | |
|--|-------|
| 1. Board of Directors Meeting 5/18/21 | Tab 1 |
| 2. Receive and File, Community Outreach Committee, 5/11/21 | Tab 2 |
| 3. Receive and File, Strategic Planning Committee, 5/13/21 | Tab 3 |

V. OLD BUSINESS

- A. None

VI. NEW BUSINESS

- | | |
|--------------------------------------|-------|
| A. Community Health Needs Assessment | Tab 4 |
|--------------------------------------|-------|

VII. REPORTS

- | | |
|-----------------------------------|-------|
| A. Chief Financial Officer Report | Tab 5 |
| B. CEO Report | Tab 6 |

VIII. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

IX. ADJOURNMENT

Posted 6/10/21.
By: C. Wasielewski

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 6/10/21.
By: C. Wasielewski

Tab 1

Board of Directors Meeting Minutes

5/18/21

TEHACHAPI VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES

116 W E Street
Tehachapi, CA 93561
May 18, 2021

4:30pm

Board Present: Mike Nixon, Sam Conklin, Christine Sherrill, William Steele,
Duane Moats

Staff Present: Caroline Wasielewski, CEO; Lisa Chet Beedle, CFO via
teleconference; Scott Nave, Legal Counsel

I. CALL TO ORDER

Vice Chair Conklin called the meeting to order at 4:34 pm.

II. FLAG SALUTE

III. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

None

IV. CONSENT AGENDA

A. Approval of Minutes

1. Board of Directors Meeting, 4/20/21
2. Receive and File, Finance Committee, 4/14/21
3. Receive and File, Strategic Planning, 4/15/21

B. Finance Committee Approval

1. FY22 Budget Assumptions

Consent Agenda Approval

MSA: SHERRILL/STEELE; 5-0; APPROVED

V. OLD BUSINESS

A. None

IV. NEW BUSINESS

A. Adventist Request Regarding Tesla Energy Storage System

Legal counsel Scott Nave explained the item as a leasehold improvement and not a contract. This is an Adventist project, and subject to the Affiliation Agreement between AH and TVHD, Board

approval is required. David Butler, President of Tehachapi Valley Medical Center Tehachapi, was on the phone and explained that Adventist Health is installing the battery system across their hospital footprint to boost the efficiency and welfare of each campus. Director Conklin entered a motion to approve the request from Adventist Health to install a Tesla Energy Storage System. Mr. Nave explained there would be a written consent form between AH and TVHD for this approval. He asked that the motion include authorization for the CEO and legal counsel to create said written consent. The Board discussed the aesthetics of the system, and a question arose about required permits. Mr. Nave asked Mr. Butler if this project required any permits from the City of Tehachapi. Mr. Butler stated he will find out. Director Steele seconded the motion, with the condition that AH obtain any necessary permits from the City of Tehachapi and gave authorization to the CEO and Legal Counsel to draw up a written consent, to be signed by both parties. The motion passed.

MSA; CONKLIN/STEELE; 5-0; APPROVED

- B. Approval of Public Works Agreement for Hospital Demolition Project
CEO Wasielewski explained that the old hospital project had been put on hold until the crisis with Covid19 had come to a point where the building would not be needed for quarantine or storage purposes by the county or city. It has been determined it will not be needed and Ms. Wasielewski is seeking approval to move forward with the project. The board moved and seconded a motion to proceed with the demolition of the old hospital and approved the contract with IDR.
MSA; STEELE/SHERRILL; 5-0; APPROVED

- C. RFPs for Building Design and Environmental Professional Services
Legal Counsel Nave stated to the Board that an engineer and other professionals, perhaps an architect, planner and contractor will be needed for the design and building process of a new building at 115 W E Street. Ms. Wasielewski requested authority to prepare RFPs when these services are deemed necessary and send out to potential professionals in an open and competitive manner. Director Steele motioned that the Board approve and it was seconded by Director Sherrill. The motion passed.
MSA; STEELE/SHERRILL; 5-0; APPROVED

VI. REPORTS

- A. Chief Financial Officer Report (Beedle)
CFO Beedle reviewed the February 2021 financials. He went over the cash flow report, executive summary, revenue, and expenses. He pointed out that the withholds reconciliation is down to zero. There was no

additional board discussion.

B. CEO Report

Ms. Wasielewski reviewed the CEO report in the board packet. Items covered included leasing of water rights to begin in 2022, CEQA exemption paperwork for 115 W E Street has been filed, a new website is being created and asbestos remediation has begun on the old hospital.

Board of Director Travel

None

VII. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Director Steele commented on the last Community Outreach committee meeting. The committee is working on a Community Health Needs Assessment via Survey Monkey. They are also looking into partnering with various community groups.

VIII. ADJOURNMENT

Meeting adjourned at 5:30 pm

Respectfully,

Christine Sherrill
Secretary

Tab 2

Community Outreach Meeting Minutes

5/11/21

*Tehachapi Valley Healthcare District
Community Outreach Committee
Meeting Minutes
May 11, 2021
116 W E Street, Tehachapi, CA
12:00 pm*

I. Call to order

Director Steele called to order the regular meeting of the Community Outreach Committee at 12 noon on 5/11/21 at TVHD Office.

II. Roll call

Directors William Steele and Christine Sherrill were present. Staff members Caroline Wasielewski and Lisa Hughes were present.

III. Approval of minutes from last meeting

None

IV. Old Business

None

V. New business

A. Committee Planning and Accomplishment Document

Director Sherrill submitted a form that could be used once the committee determines projects to undertake. The form will be used later.

B. Committee Strategy and Mission Statement

The committee discussed strategies for outreach to the community. Activities that include letting the community know TVHD is still operating, getting people involved, health promotion, and building bridges with other community groups. Specific ideas were teaming up with church groups to conduct wellness checks, quarterly luncheons for people to promote health and personal connection, CPR classes and emergency preparedness seminars. The TVHD mission guided the discussion “to promote and improve the quality of life and healthcare services to our community.”

C. Community Needs Assessment Questions

After discussion, the committee decided to work on a Survey Monkey assessment that would be accessible to the community through the TVHD website. It would be made available in Spanish as well. Director Sherrill will email committee members examples of questions and Ms. Wasielewski will look through the previous TVHD survey and gather questions that can be used. The committee will continue this process at the next meeting in June.

VI. Adjournment

Director Steele adjourned the meeting at 1:14 PM.

Minutes approved by: _____

William Steele

Tab 3

Strategic Planning Meeting Minutes

5/13/21

TEHACHAPI VALLEY HEALTHCARE DISTRICT
STRATEGIC PLANNING COMMITTEE
MINUTES
May 13, 2021
Teleconference
661-750-4797
12:30 pm

Board Members Present: Christine Sherrill, Mike Nixon

Staff Present: Lisa Hughes, Business Manager
Caroline Wasielewski, CEO

Transcribed by: Recorded and Transcribed by Caroline Wasielewski, CEO

Approval: _____ **Date:** _____
Mike Nixon, Chair

COMMITTEE ACTIONS AND DIRECTION SHOWN IN CAPS AND BOLD

- I. **CALL TO ORDER**
Mike Nixon called the Special Strategic Planning Committee meeting to order at 12:30 pm.
- II. **PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**
None.
- III. **APPROVAL OF MINUTES**
A. Approval of April 15, 2021, Minutes- approved
MSA; Sherrill/Wasielewski; APPROVED
- IV. **OLD BUSINESS**
A. Demo of 115 W E Street
Ms. Wasielewski updated the committee on the proposed timeline for asbestos abatement and demolition of the old hospital building. The full board will need to approve the public works agreement at the May 2021 meeting. Ms. Wasielewski also informed the committee that RFP's will need to be sent out for building design and environmental professional services.
- V. **NEW BUSINESS**
A. City of Tehachapi Zoning
The Committee looked over Tehachapi City Zoning Code and determined the area where the old hospital building is will be Zone T4.5 and looked over the permitted and MUP use of the area.

VI. REPORTS

A. TVHD BUDGETED CASH FLOW PROJECTION

The committee reviewed the cash flow handout that was included in the meeting packet.

VII. BOARD COMMENTS ON BUSINESS NOT APPEARING ON THE AGENDA

None

VIII. Adjournment

The meeting adjourned at 12:52 pm

Tab 4

Community Health Needs Assessment

Community Health Needs Assessment

Tehachapi Valley Healthcare District thanks you for participating in our survey to help improve the health and well being of your community.

* Required

1. Email *

2. In which area do you currently live? *

Mark only one oval.

- Within Tehachapi City Limits
- Old Town/Golden Hills
- Keene/Hart Flat/Marcel
- Alpine/Brite Lake
- Stallion Springs or Cummings Valley
- Bear Valley Springs
- East Kern (Mojave/Cal City/Edwards)
- East Tehachapi (Teh Willow Spgs/Monolith/Sand Cyn)
- Country Oaks/Water Canyon/Mountain Meadows
- Other: _____

3. What is your age? *

Mark only one oval.

Under 21

21-35

36-50

51-65

66 and older

4. Recourses/Services that are lacking in our community? *

Mark only one oval per row.

	Serious Problem	Moderate Problem	Not a Problem	Does not Apply
Adult day care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Child-care services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental / Oral care services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Diabetic services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Economic/financial insecurity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Elderly living assistance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Eye care specialists	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Food insecurity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Housing and homelessness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental Health Services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nutrition and exercise programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Obtaining a job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overweight or obesity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pregnancy support/education	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Senior Adult Wellness Checks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Spanish/English Contacts and Communications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Speaking, or reading or writing English	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stop smoking programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Substance use and misuse	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Transportation services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using a computer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5. What are the educational needs of the community?

Mark only one oval.

- Diabetic Education
- Asthma Education
- Hypertension Education
- Assistance with Depression
- Dementia Education and Assistance
- Other: _____

6. Which of the following training classes/opportunities would you be interested in? (check all that apply)

Check all that apply.

- CNA training
- Healthy Cooking Activities/Classes
- Senior Physical Conditioning
- Community Volunteer opportunities
- CPR/First Aid
- CERT (Community Emergency Response Team) Training
- Emergency Preparedness

Other: _____

7. Where do you get most of your health information? Check only those that apply *

Mark only one oval.

- Computer or Internet
- Television or Radio
- Newspaper or magazine
- Library
- Doctor
- Nurse
- Friends or Family
- Insurance Company
- At work
- Other: _____

8. If you could change one thing that you believe would contribute to better health in our community, what would it be? *

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Tab 5
CFO Report



**Tehachapi Valley
Healthcare District**

Quality healthcare. Right here. Right now.

Unaudited Financial Statements

for

Ten Months Ended April 30, 2021

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

**Chester Beedle
Chief Financial Officer**

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**TEHACHAPI VALLEY HEALTHCARE DISTRICT
TEHACHAPI, CALIFORNIA
Ten Months Ended April 30, 2021**

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TEHACHAPI VALLEY HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

Ten Months Ended April 30, 2021

BALANCE SHEET

	4/30/2021	6/30/2020
ASSETS		
Current Assets	\$1,839,425	\$3,188,770
Assets Whose Use is Limited	5,184,649	5,315,449
Property, Plant and Equipment (Net)	107,959,133	105,877,503
Other Assets	1,680,818	1,619,851
Total Unrestricted Assets	116,664,025	116,001,573
Restricted Assets	0	0
Total Assets	\$116,664,025	\$116,001,573
LIABILITIES AND NET ASSETS		
Current Liabilities	\$2,882,318	\$3,907,963
Long-Term Debt	48,246,692	59,490,991
Other Long-Term Liabilities	23,778,398	24,757,972
Total Liabilities	74,907,408	88,156,926
Net Assets	41,824,753	27,844,648
Total Liabilities and Net Assets	\$116,732,162	\$116,001,574

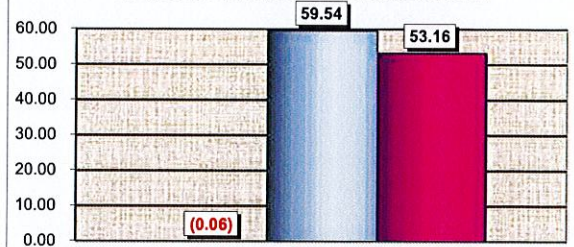
STATEMENT OF REVENUE AND EXPENSES - YTD

	ACTUAL	BUDGET
Revenue:		
Gross Patient Revenues	\$0	\$0
Deductions From Revenue	(18,953)	0
Net Patient Revenues	(18,953)	0
Other Operating Revenue	36,543	59,669
Total Operating Revenues	17,590	59,669
Expenses:		
Salaries, Benefits & Contract Labor	216,544	168,546
Purchased Services & Professional Fees	92,027	40,152
Supply Expenses	1,976	2,243
Other Operating Expenses	177,545	799,687
Bad Debt Expense	0	0
Depreciation & Interest Expense	1,306,629	1,092,744
Total Expenses	1,794,721	2,103,372
NET OPERATING SURPLUS	(1,777,132)	(2,043,703)
Non-Operating Revenue/(Expenses)	3,764,802	3,975,835
TOTAL NET SURPLUS	\$1,987,671	\$1,932,132

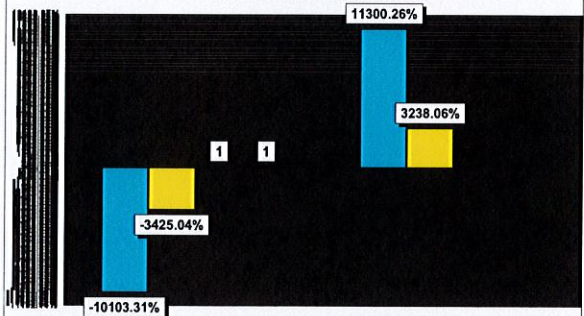
KEY STATISTICS AND RATIOS - YTD

	ACTUAL	BUDGET
Total Worked FTE's	2.75	3.00
Total Paid FTE's	2.75	3.00
Productivity Index	1.0909	1.0000
EBITDA - YTD	-7539.52%	-2621.30%
Current Ratio	0.64	
Days Expense in Accounts Payable	0.35	

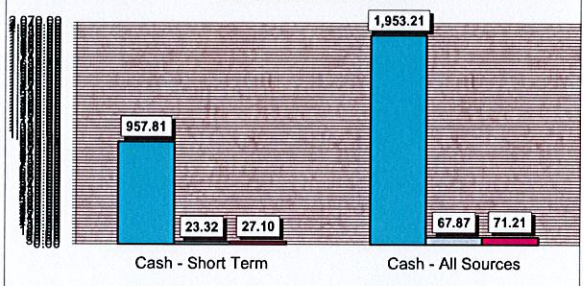
NET DAYS IN ACCOUNTS RECEIVABLE



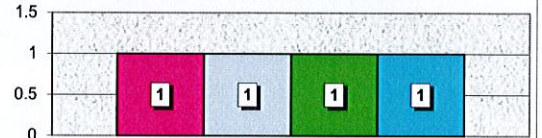
HOSPITAL MARGINS



DAYS CASH ON HAND



SALARY AND BENEFIT EXPENSE AS A PERCENTAGE OF NET REVENUE



California	Hospitals
CAH Hospitals	Rural
Prior Fiscal Year End	06/30/20

FINANCIAL STRENGTH INDEX -		#REF!
Excellent - Greater than 3.0	Good - 3.0 to 0.0	
Fair - 0.0 to (2.0)	Poor - Less than (2.0)	

Balance Sheet - Assets

TEHACHAPI VALLEY HEALTHCARE DISTRICT TEHACHAPI, CALIFORNIA Ten Months Ended April 30, 2021

PAGE 3

	Current Month 4/30/2021	Prior Month 3/31/2021	ASSETS Positive/ (Negative) Variance	Percentage Variance	Prior Year End 6/30/2020
Current Assets					
Cash and Cash Equivalents	\$1,537,821	\$1,239,001	\$298,821	24.12%	\$3,083,638
Gross Patient Accounts Receivable	(1,040)	(545)	(495)	90.83%	38,094
Less: Bad Debt and Allowance Reserves	0	0	0	0.00%	0
Net Patient Accounts Receivable	(1,040)	(545)	(495)	90.83%	38,094
Interest Receivable	19,099	176,389	(157,290)	-89.17%	0
Other Receivables	83,498	55,115	28,384	51.50%	65,038
Inventories	0	0	0	0.00%	0
Prepaid Expenses	200,047	181,702	18,344	10.10%	2,000
Due From Third Party Payers	0	0	0	0.00%	0
Due From Affiliates/Related Organizations	0	0	0	0.00%	0
Other Current Assets	0	0	0	0.00%	0
Total Current Assets	1,839,425	1,651,662	187,763	11.37%	3,188,770
Assets Whose Use is Limited					
Cash	1,547,996	1,239,001	308,996	24.94%	1,704,059
Investments	3,586,186	3,586,186	0	0.00%	3,561,106
Bond Reserve/Debt Retirement Fund	0	0	0	0.00%	0
Trustee Held Funds	0	0	0	0.00%	0
Funded Depreciation	50,193	50,193	0	0.00%	50,284
Board Designated Funds	0	0	0	0.00%	0
Other Limited Use Assets	274	274	0	0.00%	0
Total Limited Use Assets	5,184,649	4,875,654	308,996	6.34%	5,315,449
Property, Plant, and Equipment					
Land and Land Improvements	2,392,506	2,392,506	0	0.00%	2,392,507
Building and Building Improvements	103,419,516	103,419,516	0	0.00%	104,391,700
Equipment	12,914,040	12,914,040	0	0.00%	11,935,747
Construction In Progress	53,623	53,623	0	0.00%	44,175
Capitalized Interest	0	0	0	0.00%	0
Gross Property, Plant, and Equipment	118,779,685	118,779,685	0	0.00%	118,764,128
Less: Accumulated Depreciation	(10,820,552)	(10,864,021)	43,469	0.40%	(12,886,625)
Net Property, Plant, and Equipment	107,959,133	107,915,664	43,469	0.04%	105,877,503
Other Assets					
Unamortized Loan Costs	0	0	0	0.00%	0
Assets Held for Future Use	900,000	900,000	0	0.00%	900,000
Investments in Subsidiary/Affiliated Org.	0	0	0	0.00%	0
Other	780,818	240,076	540,742	-225.24%	719,851
Total Other Assets	1,680,818	1,140,076	540,742	47.43%	1,619,851
TOTAL UNRESTRICTED ASSETS	116,664,025	115,583,055	1,080,970	0.94%	116,001,573
Restricted Assets	0	0	0	0.00%	0
TOTAL ASSETS	\$116,664,025	\$115,583,055	\$1,080,970	0.94%	\$116,001,573

Balance Sheet - Liabilities and Net Assets

TEHACHAPI VALLEY HEALTHCARE DISTRICT

PAGE 4

TEHACHAPI, CALIFORNIA

Ten Months Ended April 30, 2021

	LIABILITIES AND FUND BALANCE				Prior Year End 6/30/2020
	Current Month 4/30/2021	Prior Month 3/31/2021	Positive/ (Negative) Variance	Percentage Variance	
Current Liabilities					
Accounts Payable	\$4,905	\$4,905	\$0	0.00%	471,485
Notes and Loans Payable	0	0	0	0.00%	0
Accrued Payroll	0	0	0	0.00%	9,067
Accrued Payroll Taxes	7,798	7,798	0	0.00%	747
Accrued Benefits	37,033	37,033	0	0.00%	26,595
Accrued Pension Expense (Current Portion)	935	935	0	0.00%	0
Other Accrued Expenses	26,885	26,885	0	0.00%	556,555
Accrued Interest	554,763	554,763	0	0.00%	150,316
Property Tax Payable	0	0	0	0.00%	0
Due to Third Party Payers	100,000	100,000	0	0.00%	485,977
Advances From Third Party Payers	0	0	0	0.00%	0
Current Portion of LTD (Bonds/Mortgages)	1,250,000	1,250,000	0	0.00%	1,260,000
Unearned Revenue - Current Portion	900,000	900,000	0	0.00%	900,000
Other Current Liabilities	0	0	0	0.00%	47,222
Total Current Liabilities	2,882,318	2,882,318	0	0.00%	3,907,963
Long Term Debt					
Bonds/Mortgages Payable	49,496,692	55,519,905	6,023,213	10.85%	60,750,991
Leases/Notes Payable	0	0	0	0.00%	0
Less: Current Portion Of Long Term Debt	1,250,000	1,250,000	0	0.00%	1,260,000
Total Long Term Debt (Net of Current)	48,246,692	54,269,905	6,023,213	11.10%	59,490,991
Other Long Term Liabilities					
Deferred Revenue	23,778,398	23,778,398	0	0.00%	24,678,398
Accrued Pension Expense (Net of Current)	0	0	0	0.00%	0
Other	0	0	0	0.00%	79,574
Total Other Long Term Liabilities	23,778,398	23,778,398	0	0.00%	24,757,972
TOTAL LIABILITIES	74,907,408	80,930,621	6,023,213	7.44%	88,156,926
Net Assets:					
Unrestricted Fund Balance	34,652,434	27,844,648	(6,807,786)	-24.45%	23,700,197
Inter-Departmental Transfer (DSH)	0	0	0	0.00%	0
Restricted Fund Balance	5,184,649	4,875,654	(308,996)	-6.34%	2,914,390
Net Revenue/(Expenses)	1,987,671	1,932,132	(55,539)	-2.87%	1,230,061
TOTAL NET ASSETS	41,824,753	34,652,434	(7,172,320)	-20.70%	27,844,648
TOTAL LIABILITIES AND NET ASSETS	\$116,732,162	\$115,583,055	(\$1,149,107)	-0.99%	\$116,001,574

Statement of Revenue and Expense
TEHACHAPI VALLEY HEALTHCARE DISTRICT
TEHACHAPI, CALIFORNIA
Ten Months Ended April 30, 2021

	CURRENT MONTH				Prior Year 04/30/20
	Actual 04/30/21	Budget 04/30/21	Positive (Negative) Variance	Percentage Variance	
Gross Patient Revenue					
Inpatient Revenue	\$0	\$0	\$0	0.00%	\$0
Clinic Revenue	0	0	0	0.00%	0
Outpatient Revenue	0	0	0	0.00%	0
Long Term Care Revenue	0	0	0	0.00%	0
Other/SNF Ancillary Services	0	0	0	0.00%	0
Total Gross Patient Revenue	0	0	0	0.00%	0
Deductions From Revenue					
Discounts and Allowances	257	0	257	0.00%	(53)
Bad Debt Expense (Governmental Providers Only)	0	0	0	0.00%	0
Settlements/Other	0	0	0	0.00%	0
Charity Care	0	0	0	0.00%	0
Total Deductions From Revenue	257	0	257	0.00%	(53)
Net Patient Revenue	257	0	257	0.00%	(53)
Deduction % of Gross Revenue	#DIV/0!	#DIV/0!			#DIV/0!
Other Operating Revenue	2,630	234	2,396	1024.42%	0
Total Operating Revenue	2,887	234	2,653	1134.40%	(53)
Operating Expenses				Exp %/Net Rev	
Salaries and Wages	17,811	8,056	9,755	3444.0%	9,954
Fringe Benefits	1,927	2,014	(86)	861.0%	3,967
Contract Labor	500	0	500	0.0%	0
Professional Fees	12,038	0	12,038	0.0%	0
Purchased Services	8,233	8,562	(329)	3660.5%	9,673
Supply Expense	67	36	31	15.4%	138
Utilities	2,032	3,692	(1,660)	1578.3%	4,244
Repairs and Maintenance	0	1,315	(1,315)	562.0%	1,264
Insurance Expense	4,141	55,646	(51,505)	23789.4%	52,966
All Other Operating Expenses	12,363	12,796	(433)	5470.4%	14,848
Bad Debt Expense (Non-Governmental Providers)	0	0	-	0.0%	0
Leases and Rentals	2,042	2,042	-	873.0%	3,173
Depreciation and Amortization	116,596	116,596	-	49846.5%	116,596
Interest Expense (Non-Governmental Providers)	0	0	-	0.0%	68,109
Total Operating Expenses	177,750	210,754	(33,004)	90100.5%	284,932
Net Operating Surplus/(Loss)	(174,862)	(210,520)	35,658	-16.94%	(284,985)
Non-Operating Revenue:					
Contributions	0	0	0	0.00%	0
Investment Income	3,668	(3,469)	7,137	-205.73%	42
Income Derived from Property Taxes	330,891	69,275	261,616	377.65%	69,275
Interest Expense (Governmental Providers Only)	(68,109)	(68,109)	0	0.00%	0
Other Non-Operating Revenue/(Expenses)	370,698	372,713	(2,015)	-0.54%	370,698
Total Non Operating Revenue/(Expense)	637,148	370,410	266,738	72.01%	440,015
Total Net Surplus/(Loss)	\$462,285	\$159,890	\$302,395	189.13%	\$155,030
Operating Margin	-6056.07%	-90000.48%			537707.55%
Total Profit Margin	16010.48%	68355.30%			-292509.43%
EBITDA	-4376.81%	-69271.57%			189207.55%
Cash Flow Margin	22407.43%	147319.43%			-641009.43%

Statement of Revenue and Expense
TEHACHAPI VALLEY HEALTHCARE DISTRICT
TEHACHAPI, CALIFORNIA
Ten Months Ended April 30, 2021

	YEAR-TO-DATE				Prior Year 04/30/20
	Actual 04/30/21	Budget 04/30/21	Positive (Negative) Variance	Percentage Variance	
Gross Patient Revenue					
Inpatient Revenue	\$0	\$0	\$0	0.00%	(\$1,189)
Clinic Revenue	0	0	0	0.00%	0
Outpatient Revenue	0	0	0	0.00%	0
Long Term Care Revenue	0	0	0	0.00%	0
Other/SNF Ancillary Services	0	0	0	0.00%	0
Total Gross Patient Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>	<u>(1,189)</u>
Deductions From Revenue					
Discounts and Allowances	(15,994)	0	(15,994)	0.00%	(850,377)
Bad Debt Expense (Governmental Providers Only)	0	0	0	0.00%	0
Settlements/Other	0	0	0	0.00%	0
Charity Care	(2,959)	0	(2,959)	0.00%	0
Total Deductions From Revenue	<u>(18,953)</u>	<u>0</u>	<u>(18,953)</u>	<u>0.00%</u>	<u>(850,377)</u>
Deductions as % of Gross Revenue	#DIV/0!	#DIV/0!			71520.4%
Net Patient Revenue	<u>(18,953)</u>	<u>0</u>	<u>(18,953)</u>	<u>0.00%</u>	<u>(851,566)</u>
Other Operating Revenue	36,543	59,669	(23,127)	-38.76%	57,649
Total Operating Revenue	<u>17,590</u>	<u>59,669</u>	<u>(42,080)</u>	<u>-70.52%</u>	<u>(793,917)</u>
Operating Expenses				Exp %/Net Rev	
Salaries and Wages	164,820	134,837	(29,983)	226.0%	129,651
Fringe Benefits	39,363	33,709	(5,653)	56.5%	59,341
Contract Labor	12,361	0	(12,361)	0.0%	0
Professional Fees	62,955	0	(62,955)	0.0%	0
Purchased Services	29,072	40,152	11,080	67.3%	38,608
Supply Expense	1,976	2,243	267	3.8%	2,178
Utilities	28,967	40,862	11,894	68.5%	38,916
Repairs and Maintenance	11,515	15,885	4,370	26.6%	15,274
Insurance Expense	90,035	557,444	467,409	934.2%	530,899
All Other Operating Expenses	39,235	150,631	111,396	252.4%	145,537
Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.0%	0
Leases and Rentals	7,793	34,865	27,072	58.4%	34,865
Depreciation and Amortization	1,306,629	1,092,744	(213,885)	1831.3%	1,092,744
Interest Expense (Non-Governmental Providers)	0	0	0	0.0%	204,389
Total Operating Expenses	<u>1,794,721</u>	<u>2,103,372</u>	<u>308,651</u>	<u>3525.0%</u>	<u>2,292,402</u>
Net Operating Surplus/(Loss)	<u>(1,777,132)</u>	<u>(2,043,703)</u>	<u>266,571</u>	<u>-13.04%</u>	<u>(3,086,319)</u>
Non-Operating Revenue:					
Contributions	0	0	0	0.00%	0
Investment Income	29,150	70,869	(41,719)	-58.87%	70,869
Income Derived from Property Taxes	904,859	690,353	214,506	31.07%	690,353
Interest Expense (Governmental Providers Only)	(855,670)	(613,156)	(242,514)	39.55%	(272,611)
Other Non-Operating Revenue/(Expenses)	3,686,463	3,827,769	(141,306)	-3.69%	3,827,769
Total Non Operating Revenue/(Expense)	<u>3,764,802</u>	<u>3,975,835</u>	<u>(211,033)</u>	<u>-5.31%</u>	<u>4,316,380</u>
Total Net Surplus/(Loss)	<u>\$1,987,671</u>	<u>\$1,932,132</u>	<u>\$55,539</u>	<u>2.87%</u>	<u>\$1,230,061</u>
Operating Margin	-10103.31%	-3425.04%			388.75%
Total Profit Margin	11300.26%	3238.06%			-154.94%
EBITDA	-7539.52%	-2621.30%			259.70%
Cash Flow Margin	23593.32%	6096.97%			-352.66%

Statement of Revenue and Expense - 13 Month Trend

TEHACHAPI VALLEY HEALTHCARE DISTRICT TEHACHAPI, CALIFORNIA

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	Actual 7/31/2020	Actual 8/31/2020	Actual 9/30/2020	Actual 10/30/2020	Actual 11/30/2020
Gross Patient Revenue					
Inpatient Revenue	\$0	\$0	\$0	\$0	\$0
Clinic Revenue	0	0	0	0	0
Outpatient Revenue	0	0	0	0	0
Long Term Care Revenue	0	0	0	0	0
Other	0	0	0	0	0
Total Gross Patient Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deductions From Revenue					
Discounts and Allowances	28,428	0	1,685	(9)	(39,104)
Bad Debt Expense (Governmental Providers Only)	0	0	0	0	0
Prior Year Settlements	0	0	0	0	0
Charity Care	0	0	0	(475)	0
Total Deductions From Revenue	<u>28,428</u>	<u>0</u>	<u>1,685</u>	<u>(484)</u>	<u>(39,104)</u>
Net Patient Revenue	<u>28,428</u>	<u>0</u>	<u>1,685</u>	<u>(484)</u>	<u>(39,104)</u>
Other Operating Revenue	0	6,319	552	4,117	316
Total Operating Revenue	<u>28,428</u>	<u>6,319</u>	<u>2,237</u>	<u>3,633</u>	<u>(38,788)</u>
Operating Expenses					
Salaries and Wages	6,838	18,062	18,827	13,804	15,491
Fringe Benefits	2,973	3,192	6,012	3,988	4,412
Contract Labor	1,281	5,225	500	0	0
Professional Fees	0	7,167	7,898	7,231	0
Purchased Services	830	2,517	307	2,203	5,253
Supply Expense	660	95	155	210	110
Utilities	4,732	2,564	4,795	4,987	3,274
Repairs and Maintenance	1,264	344	0	0	1,559
Insurance Expense	53,041	3,920	3,920	4,020	52,966
All Other Operating Expenses	14,559	300	0	0	9,828
Bad Debt Expense (Non-Governmental Providers)	0	0	0	0	0
Leases and Rentals	2,173	500	0	0	3,173
Depreciation and Amortization	94,972	94,972	143,040	143,039	94,972
Interest Expense (Non-Governmental Providers)	68,109	0	0	0	0
Total Operating Expenses	<u>251,432</u>	<u>138,858</u>	<u>185,454</u>	<u>179,482</u>	<u>191,038</u>
Net Operating Surplus/(Loss)	(223,004)	(132,539)	(183,217)	(175,849)	(229,826)
Non-Operating Revenue:					
Contributions	\$0	0	0	0	0
Investment Income	0	52	39	7,636	41
Income Derived from Property Taxes	137,145	73,773	73,773	73,773	69,275
Interest Expense (Governmental Providers Only)	(21,624)	(21,624)	(68,109)	(68,144)	(21,624)
Other Non-Operating Revenue/(Expenses)	372,748	150,628	370,698	370,698	272,556
Total Non Operating Revenue/(Expense)	<u>\$488,269</u>	<u>\$202,829</u>	<u>\$376,401</u>	<u>\$383,963</u>	<u>320,248</u>
Total Net Surplus/(Loss)	\$265,265	\$70,290	\$193,184	\$208,114	\$90,422
Operating Margin	-784.45%	-2097.47%	-8190.30%	-4840.32%	592.52%
Total Profit Margin	933.11%	1112.36%	8635.85%	5728.43%	-233.12%
EBITDA	-286.85%	-936.71%	-4840.68%	-2778.81%	403.42%
Cash Flow Margin	1582.84%	2957.52%	18074.79%	11541.34%	-533.72%

Actual 12/31/2020	Actual 1/31/2021	Actual 2/28/2021	Actual 3/31/2021	Actual 4/30/2021	Actual 5/31/2020	Actual 6/30/2020	Actual 6/30/2019
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$0	(4,702)	0	(12,724)	257	(6,763)	28,428	(42,678)
\$0	0	0	0	0	0	0	0
\$0	0	0	0	0	0	0	0
\$0	0	0	0	0	0	0	0
0	(4,702)	0	(12,724)	257	(6,763)	28,428	(42,678)
0	(4,702)	0	(12,724)	257	(6,763)	28,428	(42,678)
\$0	0	2,500	600	2,630	0	0	(7,239)
0	(4,702)	2,500	(12,124)	2,887	(6,763)	28,428	(49,917)
\$20,145	18,461	16,884	7,391	17,811	7,846	6,838	14,679
\$7,402	1,713	1,713	2,290	1,927	2,400	2,973	4,434
\$500	500	4,136	0	500	0	1,281	0
\$8,667	5,000	5,000	0	12,038	0	0	0
\$2,480	(2,659)	4,009	3,722	8,233	(1,815)	830	2,956
\$109	279	337	229	67	232	660	376
\$3,918	4,110	(2,626)	4,209	2,032	4,044	4,732	3,120
\$0	8,643	1,264	1,264	0	1,264	1,264	2,737
\$3,919	3,920	4,141	53,041	4,141	52,966	53,041	53,757
\$0	13,223	0	34,045	12,363	9,842	53,041	19,980
\$0	0	0	0	0	0	0	0
\$0	0	0	2,700	2,042	2,326	2,173	1,660
143,789	143,789	143,789	94,972	116,596	94,972	94,972	94,972
\$0	0	0	68,143	0	68,109	68,109	68,109
190,929	196,979	178,647	272,006	177,750	242,186	289,914	266,780
(190,929)	(201,681)	(176,147)	(284,130)	(174,863)	(248,949)	(261,486)	(316,697)
0	\$0	\$0	0	\$0	0	0	\$0
\$51	5,716	0	20,314	3,668	48	50	0
\$73,773	36,327	39,268	69,275	330,891	69,274	137,145	62,633
(\$68,234)	(68,109)	(68,109)	(21,624)	(68,109)	(21,624)	(21,624)	(21,624)
\$370,608	370,696	370,698	377,294	370,698	394,322	317,362	504,471
376,198	344,630	341,857	445,259	637,148	442,020	432,933	545,480
\$185,269	\$142,949	\$165,710	\$161,129	\$462,285	\$193,071	\$171,447	\$228,783
#DIV/0!	4289.26%	-7045.88%	2343.53%	-6056.91%	3681.04%	-919.82%	634.45%
#DIV/0!	-3040.17%	6628.40%	-1329.01%	16012.64%	-2854.81%	603.09%	-458.33%
#DIV/0!	2679.73%	-4018.68%	1176.50%	-4377.42%	1589.41%	-422.22%	351.06%
#DIV/0!	-7546.72%	15104.32%	-2852.75%	22410.46%	-5585.92%	1252.82%	-828.35%

Statement of Cash Flows

TEHACHAPI VALLEY HEALTHCARE DISTRICT TEHACHAPI, CALIFORNIA Ten Months Ended April 30, 2021

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	CASH FLOW	
	Current Month 4/30/2021	Current Year-To-Date 4/30/2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$462,285	\$1,987,671
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	41,596	550,033
(Increase)/Decrease in Net Patient Accounts Receivable	495	39,134
(Increase)/Decrease in Other Receivables	128,907	(37,559)
(Increase)/Decrease in Inventories	0	0
(Increase)/Decrease in Pre-Paid Expenses	(18,344)	(198,047)
(Increase)/Decrease in Other Current Assets	0	0
Increase/(Decrease) in Accounts Payable	0	(466,580)
Increase/(Decrease) in Notes and Loans Payable	0	(4,000,000)
Increase/(Decrease) in Accrued Payroll and Benefits	(0)	9,357
Increase/(Decrease) in Accrued Expenses	0	(268,721)
Increase/(Decrease) in Patient Refunds Payable	0	404,447
Increase/(Decrease) in Third Party Advances/Liabilities	0	(385,977)
Increase/(Decrease) in Other Current Liabilities	0	(47,222)
Net Cash Provided by Operating Activities:	614,938	(2,413,463)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(85,065)	4,768,337
(Increase)/Decrease in Limited Use Cash and Investments	(308,996)	130,983
(Increase)/Decrease in Other Limited Use Assets	0	(183)
(Increase)/Decrease in Other Assets	2,764,616	2,904,578
Net Cash Used by Investing Activities	2,370,555	7,803,715
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Bond/Mortgage Debt	(6,023,213)	(11,254,299)
Increase/(Decrease) in Capital Lease Debt	0	0
Increase/(Decrease) in Other Long Term Liabilities	0	(979,574)
Net Cash Used for Financing Activities	(6,023,213)	(12,233,873)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	308,996	2,270,259
Net Increase/(Decrease) in Cash	(2,728,724)	(4,573,362)
Cash, Beginning of Period	1,239,001	3,083,640
Cash, End of Period	(\$1,489,723)	(\$1,489,723)

Key Financial Ratios

**TEHACHAPI VALLEY HEALTHCARE DISTRICT
TEHACHAPI, CALIFORNIA
Ten Months Ended April 30, 2021**

	Year to Date 4/30/2021	Prior Year to Date 9/30/2019	Prior Fiscal Year End 6/30/2020	Peer California Hospitals (See Note 1)	National Rural CAH Hospitals (See Note 2)
Profitability:					
Liquidity:					
Days of Cash on Hand, Short Term	957.81	36.78	77.11	23.32	27.10
Days Cash, All Sources	1,953.21	75.05	75.05	67.87	71.21
Net Days in Accounts Receivable	(0.06)	(0.03)	(0.03)	59.54	53.16
Average Payment Period	129.70	129.70	129.70	56.65	53.00
Current Ratio	0.64	0.57	0.82	2.31	1.12
Capital Structure:					
Capital Costs as a % of Total Expenses	81.58%	62.80%	62.46%	7.51%	5.30%
Long Term Debt to Equity	115.4%	156.6%	213.7%	53.99%	60.32%
Long Term Debt to Capitalization	53.6%	61.0%	68.1%	20.13%	29.00%
Debt Service Coverage Ratio	2.19	1.96	1.96	2.27	3.16
Productivity and Efficiency:					
Salary Expense per Paid FTE	\$77,358	\$51,889	\$63,798	\$59,647	\$50,845
Employee Benefits %	23.88%	25.00%	45.77%	41.29%	25.20%
	YTD - Actual 4/30/2021	YTD - Actual 9/30/2019	YTD - Actual 6/30/2019	YTD - Budget 4/30/2021	
Other Ratios:					
Gross Days in Accounts Receivable	(0.04)	(0.02)	1.64	60.00	60.00

Note 1 - CHA Financial Indicators Report 2016 (U. of North Carolina)

Note 2 - Per CAH Financial Indicators Report 2016 (U. of North Carolina)

Cash Flow	General Checking/Payroll	
	March-21	April-21
Balance Forward	\$26,134.72	\$37,450.85
Cash In		
Rent Payments (101 W E St)	\$5,000.00	\$0.00
Refund on Utilities	\$1,750.64	\$0.00
Patient Payments	\$381.20	\$70.00
DHCS Pmt	\$0.00	\$257.26
Unclaimed Property Pmt	\$0.00	\$130.13
HP Sears Collections	\$400.06	\$1,268.67
Property Taxes	\$8,282.40	\$333,660.51
Interest	\$47.37	\$53.79
Wire Transfer IGT Program	\$1,200,000.00	\$0.00
Total Cash in	\$1,215,861.67	\$335,440.36
Transfers In from BOS accounts	\$66,874.42	\$16,433.22
Transfer From Sweep for Wire transfer	\$1,125,000.00	\$0.00
Total Cash in including sweeps	\$2,407,736.09	\$351,873.58
Cash Out Expenses		
Valic Expenses	\$1,013.88	\$671.66
Payroll	\$16,287.50	\$15,747.46
PTO Payout	\$1,445.16	\$0.00
healthland	\$14,621.97	\$2,762.61
Edison	\$148.38	\$2,077.16
Gas	\$29.58	\$344.23
Mitel - phone and fax	\$231.27	\$228.33
Water and Garbage	\$1,441.31	\$0.00
Copier Lease	\$1,135.49	\$578.58
Postal machine Lease	\$131.39	\$0.00
Tehachapi Plumbing	\$1,602.50	\$0.00
Housekeeping service		\$450.00
Landscaping Service		\$200.00
Pest Control	\$250.00	\$0.00
Spectrum	\$243.94	\$247.60
ATT (115)	\$98.73	\$98.73
Matson - (101)	\$35.00	\$90.00
Website service		\$32.50
Shred It	\$342.12	\$342.26
Diamond	\$3,001.57	\$2,724.88
Legal - Scott	\$3,005.00	\$1,801.00
RFP- DEMO Advertisement	\$1,542.50	\$0.00

CEQA Filing Fee	\$50.00	\$0.00
UHC	\$1,476.30	\$1,476.30
Humana	\$545.14	\$545.74
Aflac	\$39.12	\$39.12
BETA Insurance	\$568.75	\$568.75
CFW - BONDS	\$2,875.00	\$0.00
Rent payment 116 W E	\$500.00	\$500.00
Witts - supplies	\$24.54	\$341.44
AMEX	\$96.79	\$803.48
Donation Community Outreach	\$600.00	\$3,000.00
Board Stipend	\$1,400.00	\$400.00
CFO Stipend	\$500.00	\$500.00
Petty Cash replenish	\$261.01	\$0.00
Account Fee	\$50.00	\$50.00
Wire Fee	\$27.50	\$0.00
Total Expenses out	\$55,621.44	\$36,621.83
Transfer into Sweep Account	\$1,169,991.70	\$0.00
Wire Transer to IGT Program matching	\$1,162,477.00	\$0.00
Total Cash out including sweep/wire	\$2,388,090.14	\$36,621.83
Ending Cash (General/payroll)	\$37,450.85	\$18,988.30
Other Checking accounts	\$1,201,549.92	\$1,518,833.05
Total Cash BOS	\$1,239,000.77	\$1,537,821.35

Tab 6
CEO Report



Tehachapi Valley Healthcare District

Quality healthcare. Right here. Right now.

CEO Report

6/15/21

- Hazardous material removal is completed at the old hospital building.
- Next steps are to disconnect gas and electric from the street connection. Remove electric meters.
- Contractor has demo permit. Will be scheduled once utilities are shut off and capped. Projected for mid-July.
- Mountain Pathways is interested in leasing space from TVHD.
- Partnering opportunity for Trunk or Treat.

Thank you,

Caroline Wasielewski