



TAHOE FOREST
HOSPITAL DISTRICT

2025-10-21 Board Finance Committee

Tuesday, October 21, 2025 at 3:00 p.m.

Aspen Conference Room - Tahoe Forest Hospital

10800 Donner Pass Rd, Suite 200, Truckee CA 96161

Meeting Book - 2025-10-21 Board Finance Committee

Finance Committee

AGENDA

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5. APPROVAL OF MINUTES

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6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Investment Portfolio Update

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6.2. Accounts Receivable Update

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6.3. Financial Reports

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6.3.2. 1st Qtr FY2026 Payor Mix.pdf 51

6.4. Annual Audit Update

Discussion Item, no related materials at time of posting

6.5. Federal and State Medicaid Financial Impact Discussion

Discussion Item, no related materials at time of posting

6.6. Finance Committee Charter Update

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6.6.2. Board Finance and Strategy Committee Charter-DRAFT.pdf 57

7. CLOSED SESSION

8. - 9. SEE AGENDA

10. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING /

11. NEXT MEETING DATE

12. ADJOURN



FINANCE COMMITTEE AGENDA

Tuesday, October 21, 2025 at 3:00 p.m.
Aspen Conference Room – Tahoe Forest Hospital
10800 Donner Pass Rd, suite 200, Truckee, CA 96161
Telephonic Location:
3355 S Las Vegas Blvd, Las Vegas NV 89109

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

4. **INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. **APPROVAL OF MINUTES OF ♦: 07/22/2025** ATTACHMENT

6. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION ♦**

6.1. **Investment Portfolio Update** ATTACHMENT

Finance Committee will receive an investment portfolio update from Chandler Asset Management.

6.2. **Accounts Receivable Update** ATTACHMENT

Finance Committee will receive an update on the status of accounts receivable.

6.3. **Financial Reports**

Finance Committee will review the following financial reports:

6.3.1. **September 2025 Financial Report** ATTACHMENT

6.3.2. **Quarterly Review – Payor Mix** ATTACHMENT

6.4. **Annual Audit Update**

Finance Committee will receive an updated on the status of the District's annual audit.

6.5. **Federal and State Medicaid Financial Impact Discussion**

Finance Committee will receive an update on the financial impact on state programs due to proposed federal funding changes.

6.6. **Board Finance Committee Charter** ATTACHMENT

Finance Committee will consider recommending an update to the Committee Charter.

7. CLOSED SESSION

7.1 Report Involving Trade Secrets (Health & Safety Code § 32106)

Discussion will concern: Proposed new or additional programs and facilities

Estimated Date of Disclosure: December 2026

7.2. Report Involving Trade Secrets (Health & Safety Code § 32106)

Discussion will concern: Managed Care Contracting

Estimated Date of Disclosure: December 2026

8. OPEN SESSION – CALL TO ORDER

9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

10. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING

11. NEXT MEETING DATE

12. ADJOURN

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The telephonic meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3583 at least 24 hours in advance of the meeting.

FINANCE COMMITTEE

DRAFT MINUTES

Tuesday, July 22, 2025 at 3:00 p.m.
Aspen Conference Room – Tahoe Forest Hospital
10800 Donner Pass Rd, Suite 200, Truckee, CA 96161
Telephonic Location:
222 West Merchandise Mart Plaza, Suite 228, Chicago, IL 60654

1. CALL TO ORDER

Meeting was called to order at 3:00 p.m.

2. ROLL CALL

Board: Mary Brown, Chair; Michael McGarry, Board Member

Staff in attendance: Anna Roth, President & CEO; Crystal Felix, Chief Financial Officer; Jaye Chasseur, Controller (via zoom); Dylan Crosby, VP of Facilities & Construction Management; Sarah Jackson, Executive Assistant / Clerk of the Board

Other: Alaynè Sampson of Chandler Asset Management (via zoom)

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

None

4. INPUT – AUDIENCE

No public comment was received.

5. APPROVAL OF MINUTES OF: 04/22/2025

Director McGarry moved to approve the Board Finance Committee minutes of April 22, 2025, second by Director Brown.

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Investment Portfolio Update

Alaynè Sampson of Chandler Asset Management reviewed the economic update as of June 30, 2025. Tariffs, labor markets, increased price of oil, unemployment and inflation was reviewed. The Portfolio Summary was reviewed.

Finance Committee reviewed a written Chandler Asset Management economic update, account profile, portfolio holdings, and transactions.

Consumer confidence was reviewed and recent economic data is showing slower growth in 2025 than originally predicted as well as greater market uncertainty.

6.2. Accounts Receivable Update

Finance Committee received an update on the status of accounts receivable.

CFO is extremely pleased with the changes we are making with the claims on hold. When we started the conversion process with Mercy we had \$22M in claims on hold. As of this week we had dropped to \$8M in claims on hold. Mercy has been an amazing partner in this process.

When the SSI conversion is complete we will begin the review of claims over 120 days. We are feeling great about our internal team as well as the Mercy team.

Hope to have over 90% of the claims on hold processed by the end of July.

There has been an increase for June 2025 for Days in AR, but that increase is expected to be a temporary fluctuation as we fully convert to the new clearinghouse.

The Process improvement work and provider onboarding Access to Care project was reviewed. The teams participated in a 3-day “Value Stream” event where the teams mapped out the current process for onboarding a provider from beginning to end. There were suggestions about showing the mapping picture to the full Board of Directors at a Regular Board Meeting.

Our work with Partnership HealthPlan continues to be favorable.

6.3. Financial Reports

Finance Committee reviewed the following financial reports:

6.3.1. March 2025 Financial Report

The preliminary June 2025 Financial Report was provided for review. These are all pre-audit numbers and are subject to change.

The audit will occur during the last week of August and first week of September. It should be finalized by end of September and presented to the Board in October. Historically the audit firm will meet with the Finance Committee board chair and member.

Our audit firm was formerly KCOE-ISOM and they have merged with Baker-Tilly. They are utilizing the name of Baker-Tilly now.

6.3.2. Quarterly Review – Payor Mix

Quarterly payor mix was reviewed. This is first quarter that Medicare has a greater percentage of payors than commercial.

Extensive discussion was held regarding Partnership Health plan incentivizing physicians.

Further discussion was held on charity care and the timing

7. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING

Community Engagement Budget discussion including a potential method for an allocation of funds for the community engagement committee.

In considering creating a budget for the Community Engagement Committee consider that the committee members feel stymied because they don't know how much money they have to work with.

Other consideration regarding the above budgeting process may be: what will have a greater impact on the parts of the community that are unserved or underserved?

Significant discussion was held regarding defining community engagement and benefit.

8. NEXT MEETING DATE

The next Finance Committee will be scheduled for 10/21/25, 3 – 4:30 pm.

9. ADJOURN

Meeting adjourned at 4:54 p.m.



AGENDA ITEM COVER SHEET

MEETING DATE: October 21, 2025	ITEM: Quarterly Investment Report
DEPARTMENT: Finance	TYPE OF AGENDA ITEM: ☐ Action ☐ Consent ☒ Discussion
RESPONSIBLE PARTY: Crystal Felix, Chief Financial Officer & Chandler Asset Management	SUPPORTIVE DOCUMENT ATTACHED ☐ Agreement ☒ Presentation ☐ Resolution ☐ Other
BUDGET: ALLOCATED IN THE BUDGET ☐ Yes ☐ No ☒ N/A IS A BUDGET TRANSFER REQUIRED ☐ Yes ☐ No ☒ N/A	PERSONNEL ADDITIONAL PERSONNEL REQUIRED ☐ Yes ☐ No ☒ N/A
BACKGROUND: Chandler Asset Management provides a quarterly update of our investment portfolio to the Finance Committee. This report comes in two parts: a summarized Board Report for discussion during the committee and a detailed Quarterly Report. The detailed quarterly report is linked below: 2025.09.30 Quarterly Report TFHD	
SUMMARY/OBJECTIVES: To provide the Board information about the District's investment portfolio and any potential risks to the portfolio due to actions from the Federal Government that are impacting current and future market conditions.	
SUGGESTED DISCUSSION POINTS: Opportunity to ask any questions or raise any concerns you may have about our existing investment portfolio, future investments, or about our investment policy.	
SUGGESTED MOTION/ALTERNATIVES: No motions are requested.	
LIST OF ATTACHMENTS: Chandler Investment Quarterly Board Reports (2)	

INVESTMENT REPORT

Tahoe Forest Hospital District | Board Report | As of September 30, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

■ Labor Markets

- The U.S. economy added just 22,000 jobs in August, falling short of consensus expectations and punctuating the softening trend in the labor market. The three-month moving average and six-month moving average payrolls totaled 29,000 and 64,000 respectively. The unemployment rate rose to 4.3% in August from 4.2% in July. The labor participation rate inched up to 62.3%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons jumped to 8.1% in August from 7.9% in July. Average hourly earnings fell to 3.7% year-over-year from 3.9% last month.

■ Inflation

- In August, the Consumer Price Index (CPI) increased more than expected at 0.4% month-over-month and 2.9% year-over-year, while the Core CPI rose 0.3% month-over-month and 3.1% year-over-year. Core Services components, such as medical care services and auto insurance, led the increase. The Personal Consumption Expenditures (PCE) price index rose 0.3% month-over-month and 2.7% year-over-year in August. The Core PCE deflator, which excludes food and energy and is the Fed's preferred gauge, was up 0.2% from July leaving it unchanged at 2.9% on an annual basis in August.

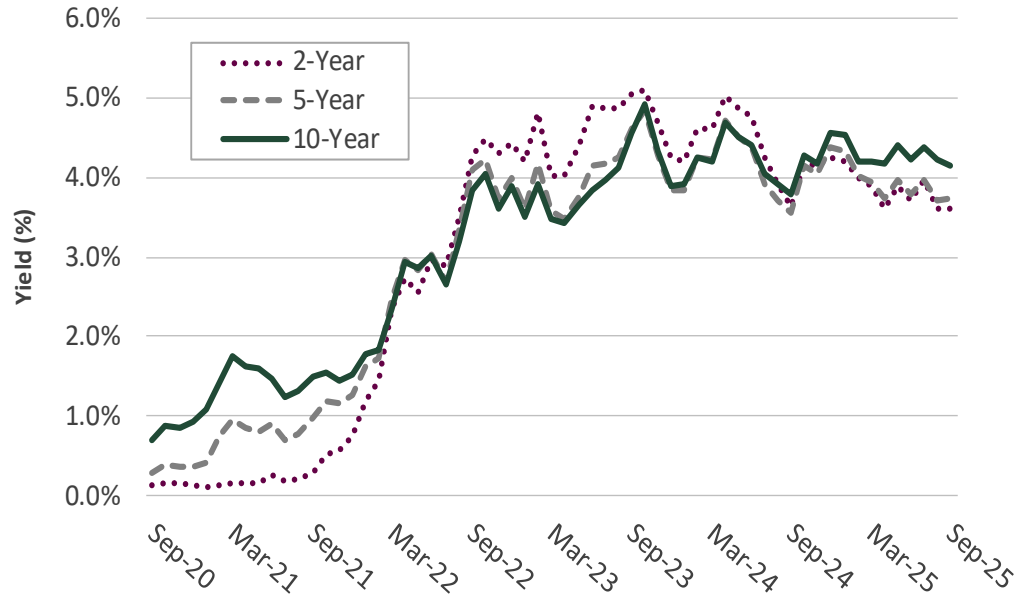
■ Consumer

- Advance Retail Sales showed continued strength jumping 0.6% in August as July data was also revised up to 0.6% month-over-month. The increase elevated retail sales to 5.0% on an annual basis after jumping 4.1% year-over-year in July. Back-to-school shopping was a likely catalyst as online shopping, clothing, and sporting goods saw some of the largest increases. Control group sales, which feed into GDP, also jumped 0.74% in August from the prior month. The Conference Board's Consumer Confidence Index fell to 94.2 in September from a revised 97.8 in August, marking the lowest level since April 2025. Measures of current conditions and future expectations fell, signaling weaker sentiment toward employment and income. Consumers have remained resilient, but rising debt burdens, higher delinquency rates, lingering inflation worries, and emerging signs of labor market cooling could weigh on future spending.

■ Gross Domestic Product (GDP)

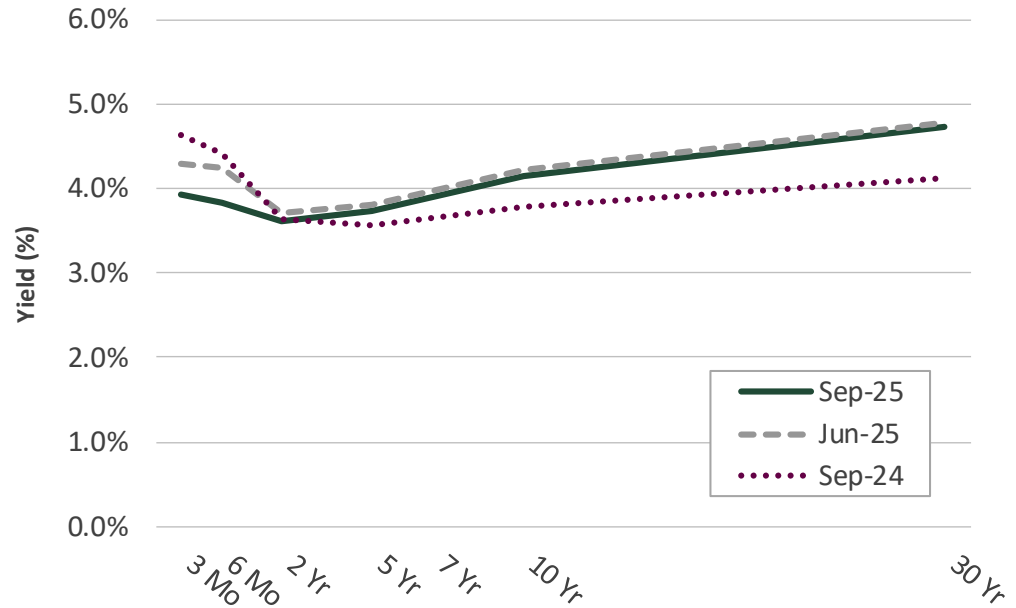
- In a sharp rebound from the first quarter, real GDP increased at an annualized rate of 3.8% in the second quarter of 2025 according to the final data revision from the Bureau of Economic Analysis. The increase in real GDP in the second quarter was driven by the drop in imports following the significant rise in the first quarter in anticipation of higher tariffs and an increase in consumer spending. The consensus projection calls for 1.7% growth for the third quarter and 1.8% for the full year 2025.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of September, the 2-year Treasury yield was 5 basis points lower, and the 10-Year Treasury yield was 40 basis points higher, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve decreased to +54 basis points at September month-end versus +61 basis points at August month-end. The prior 2-year/10-year yield curve inversion, which spanned from July 2022 to August 2024, was historically long. The average historical spread (since 2005) is about +99 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was +21 basis points in September versus +8 basis points in August.

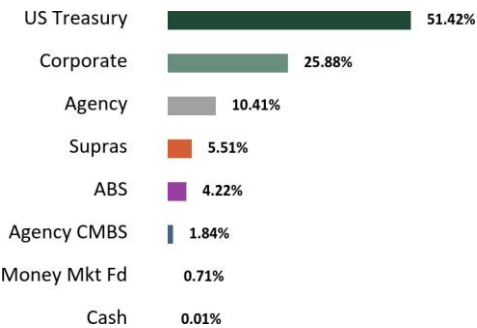
PORTFOLIO SUMMARY



Tahoe Forest Hospital District | Account #10841 | As of September 30, 2025

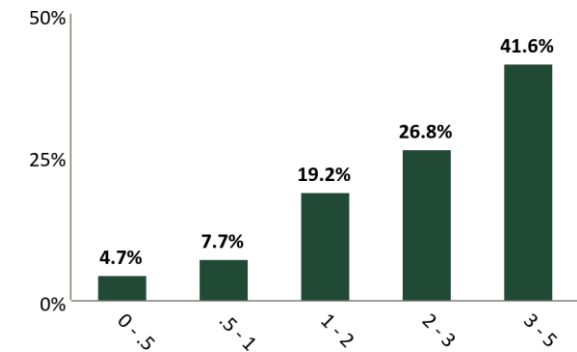
Portfolio Characteristics	
Average Modified Duration	2.35
Average Coupon	3.47%
Average Purchase YTM	3.77%
Average Market YTM	3.83%
Average Credit Quality*	AA
Average Final Maturity	2.68
Average Life	2.40

Sector Allocation



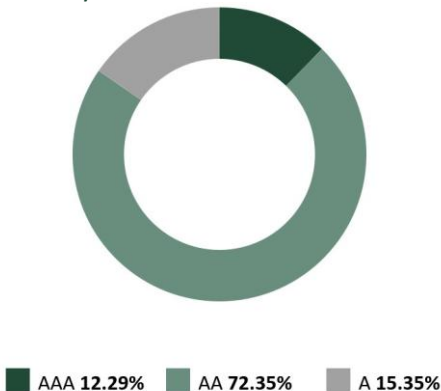
Account Summary		
	End Values as of 06/30/2025	End Values as of 09/30/2025
Market Value	98,786,110.86	100,086,953.43
Accrued Interest	760,716.16	659,161.95
Total Market Value	99,546,827.01	100,746,115.37
Income Earned	907,757.27	901,459.73
Cont/WD	(2,800,000.00)	0.00
Par	99,118,207.12	99,972,393.34
Book Value	98,407,858.08	99,371,613.09
Cost Value	97,702,419.83	98,663,219.99

Maturity Distribution



Top Issuers	
United States	51.42%
Federal Home Loan Banks	6.39%
International Bank for Recon and Dev	2.49%
FNMA	2.49%
Inter-American Development Bank	2.49%
FHLMC	1.84%
Farm Credit System	1.53%
Bank of America Corporation	1.51%

Credit Quality*



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (11/01/21)
Tahoe Forest Hospital District	0.28%	1.23%	4.88%	4.07%	5.95%	4.86%	--	--	2.16%
Benchmark Return	0.24%	1.14%	4.57%	3.77%	5.58%	4.42%	--	--	1.66%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.
 **Periods over 1 year are annualized.
 Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

PORTFOLIO SUMMARY

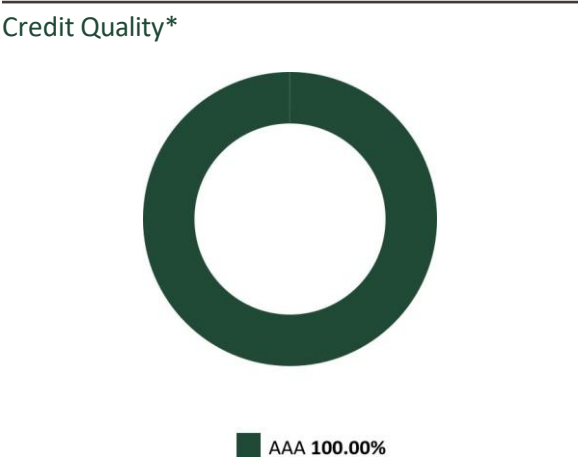
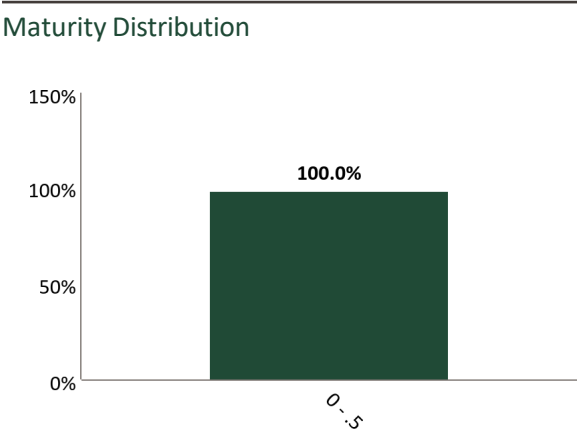
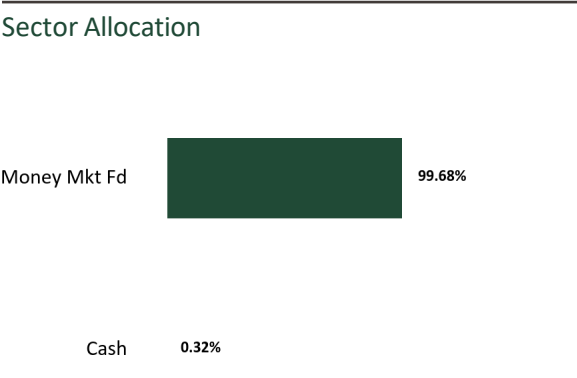


TFHD Cash Portfolio | Account #11057 | As of September 30, 2025

Portfolio Characteristics	
Average Modified Duration	0.00
Average Coupon	3.74%
Average Purchase YTM	3.73%
Average Market YTM	3.72%
Average Credit Quality*	AAA
Average Final Maturity	0.00
Average Life	0.00

Account Summary		
	End Values as of 06/30/2025	End Values as of 09/30/2025
Market Value	905,169.58	914,074.06
Accrued Interest	0.00	0.00
Total Market Value	905,169.58	914,074.06
Income Earned	8,902.56	8,923.43
Cont/WD	0.00	0.00
Par	905,169.58	914,074.06
Book Value	905,169.58	914,074.06
Cost Value	905,169.58	914,074.06

Top Issuers	
First American Govt Oblig fund	99.68%



The credit quality is a weighted average calculation of the highest of S&P, Moody's' and Fitch

TRANSACTION LEDGER



Tahoe Forest Hospital District | Account #10841 | 07/01/2025 Through 09/30/2025 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	09/23/2025	91282CNX5	1,250,000.00	UNITED STATES TREASURY 3.625 08/31/2030	99.727	3.69%	(1,246,582.03)	(2,878.97)	(1,249,461.00)	0.00
Purchase	09/30/2025	857477DB6	1,200,000.00	STATE STREET CORP 4.834 04/24/2030	102.764	4.15%	(1,233,168.00)	(25,136.80)	(1,258,304.80)	0.00
Purchase	09/30/2025	91282CNN7	1,250,000.00	UNITED STATES TREASURY 3.875 07/31/2030	100.613	3.73%	(1,257,666.02)	(8,029.04)	(1,265,695.06)	0.00
Purchase	09/30/2025	91282CPA3	1,250,000.00	UNITED STATES TREASURY 3.625 09/30/2030	99.488	3.74%	(1,243,603.52)	0.00	(1,243,603.52)	0.00
Total Purchase			4,950,000.00				(4,981,019.57)	(36,044.81)	(5,017,064.38)	0.00
TOTAL ACQUISITIONS			4,950,000.00				(4,981,019.57)	(36,044.81)	(5,017,064.38)	0.00
DISPOSITIONS										
Maturity	09/23/2025	3137EAEX3	(2,500,000.00)	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	100.000	1.11%	2,500,000.00	0.00	2,500,000.00	0.00
Total Maturity			(2,500,000.00)				2,500,000.00	0.00	2,500,000.00	0.00
Sale	09/30/2025	06368FAC3	(1,000,000.00)	BANK OF MONTREAL 1.25 09/15/2026	97.405	1.39%	974,050.00	520.83	974,570.83	(24,620.62)
Total Sale			(1,000,000.00)				974,050.00	520.83	974,570.83	(24,620.62)
TOTAL DISPOSITIONS			(3,500,000.00)				3,474,050.00	520.83	3,474,570.83	(24,620.62)

2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc (“IDS”), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client’s Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody’s, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities “MBS” reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

Benchmark	Disclosure
ICE BofA 1-5 Yr Unsubordinated US Treasury & Agency Index	The ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.



To: Finance Committee Board Members
From: Crystal Felix, CFO
Date: October 21, 2025

Here is an update on the AR stats as September 30, 2025 per EPIC

Days in AR were as follows:

- Sept 2025 – 57.3 days*
- Aug 2025 – 58.8 days*
- July 2025 – 61.1 days*
- Last AR Update: June 2025 – 61.2 days*

Amount in AR was as follows:

- Sept 2025 – \$122,415,426*
- Aug 2025 – \$129,814,933*
- July 2025 – \$128,720,827*
- Last AR Update: June 2025 – \$127,234,748*

Gross Revenue per Day was as follows:

- Average Quarter - \$2,138,460
- Sept 2025 – \$2,006,437
- Aug 2025 – \$2,233,763
- July 2025 – \$2,170,920
- Last AR Update: June 2025 – \$2,163,469
- Last AR Update Quarter: \$2,080,228

AR over 120 days old were as follows:

- | | | |
|-----------------------------|---------|-------|
| • Sept 2025 | \$49.7m | 40.6% |
| • Aug 2025 | \$48.1m | 37.1% |
| • July 2025 | \$46.3m | 36.0% |
| • Last AR Update: June 2025 | \$42.4m | 33.3% |

Posted Cash Collections were as follows:

- For the entire FY 2026: 105.5% of target, or \$96.3m*
- Sept 2025 110.2% of target, or \$33.7*
- Aug 2025 90.3% of target, or \$30.3m*
- July 2025 119.1% of target, or \$32.3m*
- For the entire FY 2025: 98.5% of target, or \$333.5m
- For the entire FY 2024: 99.0% of target, or \$294.3m
- For the entire FY 2023: 99.7% of target, or \$268.6m

Claims holding (HB work queues listed) as of the end of Sept 2025 total \$9.3m. Last AR Update June 2025 \$15.4m.

200 WQ – Billing Issues

- Sept 2025 - \$7.3m*
- Aug 2025 - \$4.5m*
- July 2025 - \$5.7m*
- Last AR Update June 2025 - \$10.7m*

300 WQ – Coding Issues

- Sept 2025 - \$991k*
- Aug 2025 - \$3.2m*
- July 2025 - \$3.1m*
- Last AR Update June 2025 - \$4.4m*

500 WQ - Credentialing Issues

- Sept 2025 - \$69k
- Aug 2025 - \$63k
- July 2025 - \$57k
- Last AR Update June 2025 - \$46k

700 WQ – Claim Holds

- Sept 2025 - \$980k
- Aug 2025 - \$378k
- July 2025 - \$567k
- Last AR Update June 2025 - \$293k

***Note: Increase/decrease is due to the conversion to the new clearinghouse SSI. This is a temporary fluctuation. See discussion in the Clearinghouse Vendor Project section below.**

Staffing Update:

- Director of Revenue Cycle – Position vacant and currently recruiting.
- Created Director of Revenue Integrity/HIM position. Director of HIM is retiring as of 12/26/25. Consolidating Director of HIM into the Director of Revenue Integrity position. Currently recruiting.
- FY 2025 Patient Financial Services (PFS) Dept. Budgeted FTEs – 20.50
- Current PFS Staffing FTEs – 20.50 Full Staffed
 - Director PFS – 1 FTE
 - Supervisor PFS – 1 FTE
 - Patient Account Reps – 13 FTEs - 2 of the 13 FTE's are dedicated to Medi-Cal
 - Refund Specialist – 1 FTE
 - Payment Posting Specialist (PPS) – 2.5 FTEs
 - Clerical Support – 1 FTE

Additional Items:

Provider Onboarding: The three top priorities identified are: Provider onboarding meeting and internal communications, Provider inputs, and New Provider orientation templates. Improvement/Problem Solving teams are being formed and problem solving A3's are under development. Progress may be slowed/delayed due to no longer having our Director of Process Improvement.

Partnership Health Plan: Partnership Health Plan (PHP) (Medi-Cal managed care) became contracted with TFHD 1/1/24. We continue to have issues with PHP in regards to reimbursement for trauma charges, implant charges, and some imaging services. We continue to work with their Chief Operating Officer, Contracting Team, and Claims Resolution Coordinator on resolution.

In addition, we continue to work with Mercy (EPIC) to correct/automate billing requirements to prevent billing issues from occurring. See discussion under Clearinghouse Project.

Patient Statement Vendor Project: In January 2025, the Patient Statement Transition Project to SureBill. The project was completed in early April with the first statements going out from our new vendor in April 2025. This project was completed early and has shown success so far. The second part to the Patient Statement Project, which is automation by Mercy to eliminate the need for staff to transfer files from EPIC to SureBill, is also complete. I will be removing this project from future reports.

Clearinghouse Vendor Project: In January 2025, we kicked off the SSI clearinghouse transition project. SSI went live at the end of May 2025, exactly as anticipated.

As a reminder, SSI (clearinghouse) is a third-party vendor that acts as an intermediary between the District and payers. Its main job is to receive, check, and forward medical claims for payment in a standardized and secure way.

Key Functions of a Clearinghouse:

1. Claims Scrubbing (Error Checking):
 - The clearinghouse checks medical claims for errors, missing information, or formatting issues before they're submitted to payers.
 - This step helps prevent claim rejections or denials, improving the chances of timely reimbursement.
2. Claims Standardization and Formatting:
 - Providers often use different billing systems so the clearinghouse converts all claims into a standard electronic format (HIPAA-compliant 837 format) accepted by payers.
3. Routing Claims to the Correct Payer:
 - The clearinghouse routes each claim to the appropriate payer, ensuring it reaches the right destination securely and efficiently.
4. Status Tracking and Reporting:
 - Providers can track the status of submitted claims through the clearinghouse platform.
 - The clearinghouse often reports on rejections, denials, or successful submissions, allowing providers to take action if needed.
5. Other Services:
 - The clearinghouse also provides electronic remittance advice (ERA) processing to streamline payment positing.

Example:

The District submits a claim for a patient visit. Instead of sending it directly to the payer:

1. The claim goes to the clearinghouse.
2. The clearinghouse checks it for errors and formats it correctly.
3. If all is good, the claim is sent to the payer.
4. If there are issues, the District is notified to correct them before resubmission.

We did anticipate we would see another temporary fluctuation to our AR and Cash Flow upon go live due to billing and coding edits firing with the new system. The primary payers still presenting challenges are Medi-Cal and PHP. Many of these issues are due to inaccuracies in claim presentation within the Epic system. However, the new clearinghouse is effectively identifying these discrepancies, allowing us to correct them and ensure that Epic becomes the source of truth for claim data moving forward, instead of the clearinghouse. We are actively working with Mercy and SSI on addressing the remaining issues that need resolution, and we anticipate resolution by end of December 2025

Phase II of the SSI project that specifically addresses Workers Compensation, which currently is a very manual and labor-intensive process for us, kicked off at the end of August, and will go live at the end of October 2025.

While AR days initially increased due to delays in billing, we have seen a consistent reduction in AR days through September 2025. Looking ahead, we are on track to have internal processes running smoothly by the end of December 2025. This will allow us to see faster turnaround times for payer reimbursements and will allow renewed focus on the AR over 120 days old, all of which will contribute to a continued decline in our AR days and a substantial decrease in AR over 120 days old by the end of January 2026.

Revenue Cycle Team: While the focus in the last quarter has been the continued work around the new clearinghouse, the team also continues working on many other areas/issues as well.

The Revenue Cycle Analyst Team, Revenue Integrity Clinical Analyst, and our PFS Director, have been working closely on approximately 64 known issues, moving towards resolution. Some of the specific big issues are as follows:

1. Medi-Cal Contractual Adjustment EPIC Posting system fix (Over \$1 million impact on AR)
2. Partnership Health Plan contract, billing, collection, denial issues
3. Payer Plan Table updates in EPIC
4. TFHD health plan issues
5. Services review (new or existing): Cochlear implants, Epiphany, Telecardiology, ECC Pro Fee Billing, Infusions, COVID-19 Vaccines & Vaccine Administration Charges, US Plasma, Tenex, Spravato, IVCH Endoscopy, IVCH Hospitalists, IVCH Weekend Walk-in Clinic build, Koelis, Sports Med and RHC US charges
6. Barcode record scanning project
7. New Epic modules: Hello World, On My Way, plus 3 more
8. Medi-Cal TRI payment posting
9. Directed Payment program claims reconciliation with the Medi-Cal Managed Care plans.

Additional issues span topics in the following areas: charge capture, charge splitting, claim presentation, claim rejections, work queue development and refinement, pricing development, remittance advice loading and code matching, Mercy ticket resolution to name a few.

**TAHOE FOREST HOSPITAL DISTRICT
SEPTEMBER 2025 FINANCIAL REPORT - PRELIMINARY
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Board of Directors
Of Tahoe Forest Hospital District
SEPTEMBER 2025 FINANCIAL NARRATIVE PRELIMINARY

The following is the financial narrative analyzing financial and statistical trends for the three months ended September 30, 2025.

Activity Statistics

- ❑ TFH acute patient days were 351 for the current month compared to budget of 310. This equates to an average daily census of 11.70 compared to budget of 10.3.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Hospice visits, Surgery cases, Laboratory tests, Oncology Lab, Blood units, EKGs, Mammography, Medical Oncology procedures, Nuclear Medicine, MRI, Ultrasounds, PET CT, Drugs Sold to Patients, Respiratory Therapy, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical & Speech Therapies.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Emergency Department visits, Home Health visits, Radiation Oncology procedures, and Outpatient Physical Therapy Aquatic.

Financial Indicators

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 49.0% in the current month compared to budget of 45.7% and to last month's 45.3%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 46.8% compared to budget of 45.6% and prior year's 45.4%.
- ❑ EBIDA was \$3,558,936 (5.8%) for the current month compared to budget of \$2,014,846 (3.4%), or \$1,544,090 (2.4%) above budget. Year-to-date EBIDA was \$12,945,140 (6.6%) compared to budget of \$7,165,282 (3.8%), or \$5,779,858 (2.8%) above budget.
- ❑ Net Income was \$3,041,861 for the current month compared to budget of \$1,483,899 or \$1,557,963 above budget. Year-to-date Net Income was \$12,033,928 compared to budget of \$5,591,643 or \$6,442,285 above budget.
- ❑ Cash Collections for the current month were \$33,655,905 which is 110% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$122,415,002 at the end of September compared to \$129,814,659 at the end of August.

Balance Sheet

- ❑ Working Capital is at 51.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 231.6 days. Working Capital cash increased a net \$5,507,000. Accounts Payable increased \$3,793,000, Accrued Payroll & Related Costs increased \$1,729,000, and Cash Collections were above target by 10%.
- ❑ Net Patient Accounts Receivable decreased a net \$4,560,000. Cash collections were 110% of target. EPIC Days in A/R were 56.6 compared to 57.8 at the close of August.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$1,823,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal QIP programs. The monthly budgeted amounts for FY26 have been revised to more accurately reflect amounts due to the District based on information received from DHLF.
- ❑ Unrealized Gain/(Loss) Cash Investment Fund increased \$167,000 after recording the unrealized gains in its funds held with Chandler Investments for the month of September.
- ❑ GO Bond Tax Revenue Fund increased \$2,500 after recording Property Tax Revenues received from Placer County.
- ❑ Investment in TSC, LLC decreased \$152,000 after recording the estimated loss for September.
- ❑ To comply with GASB No. 63, the District booked an adjustment to the asset and offsetting liability to reflect the fair value of the Morgan Stanley swap transaction at the close of September.
- ❑ To comply with GASB No. 96, the District recorded Amortization Expense for September and recorded the Microsoft Licensing subscription renewal on its Right-To-Use Subscription assets, increasing the asset \$101,000.
- ❑ Accounts Payable increased \$3,793,000 due to the timing of the final check run in September.
- ❑ Accrued Payroll & Related Costs increased a net \$1,729,000 due to additional accrued payroll days in September.
- ❑ To comply with GASB No. 96, the District recorded the Microsoft Licensing subscription renewal in its Right-To-Use Subscription Liability for September, increasing the liability \$120,000.

Operating Revenue

- ❑ Current month's Total Gross Revenue was \$61,736,646 compared to budget of \$59,881,746 or \$1,854,900 above budget.
- ❑ Current month's Gross Inpatient Revenue was \$6,858,534 compared to budget of \$7,278,317 or \$419,783 below budget.
- ❑ Current month's Gross Outpatient Revenue was \$54,878,112 compared to budget of \$52,603,429 or \$2,274,683 above budget.
- ❑ Current month's Gross Revenue Mix was 43.54% Medicare, 17.11% Medi-Cal, 1.00% Other, and 38.35% Commercial Insurance compared to budget of 39.34% Medicare, 16.51% Medi-Cal, 1.23% Other, and 42.92% Commercial Insurance. Last month's mix was 44.15% Medicare, 15.60% Medi-Cal, 1.31% Other, and 38.94% Commercial Insurance. Year-to-Date Gross Revenue Mix was 44.10% Medicare, 16.40% Medi-Cal, 1.26% Other, and 38.24% Commercial Insurance compared to budget of 39.09% Medicare, 16.65% Med-Cal, 1.24% Other, and 43.02% Commercial.
- ❑ Current month's Deductions from Revenue were \$31,462,751 compared to budget of \$32,517,811 or \$1,055,060 below budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with 4.20% increase in Medicare, a .60% increase to Medi-Cal, a 0.22% decrease in Other, and Commercial Insurance was below budget 4.57%, and 2) Revenues were above budget 3.10%.

DESCRIPTION	September 2025 Actual	September 2025 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	12,319,949	11,529,135	(790,814)	We saw an increase in Technical, RN, and PA/NP wages.
Employee Benefits	3,533,250	3,422,703	(110,547)	Employer related payroll taxes and Physician Productivity Bonuses created a negative variance in Employee Benefits.
Benefits – Workers Compensation	165,474	90,315	(75,159)	The District has a self-insured plan and expense is based on actual claims paid.
Benefits – Medical Insurance	3,313,155	3,011,858	(301,297)	The District has a self-insured plan and expense is based on actual claims paid.
Medical Professional Fees	649,028	608,282	(40,746)	Emergency Department Physician Fees and Locums coverage for Urology were above budget, creating a negative variance in Medical Professional Fees.
Other Professional Fees	282,857	469,861	187,004	Budgeted Professional Fees for Information Technology, MSC Administration, Outside legal fees, Governmental Funding consulting services, Marketing, Administration, and Process Improvement were below budget, creating a positive variance in Other Professional Fees.
Supplies	4,985,106	4,833,702	(151,404)	Medical Supplies Sold to Patients and Drugs Sold to Patients revenues were above budget, creating a negative variance in Supplies.
Purchased Services	2,145,561	2,188,248	42,687	Outsourced Billing & Collection services, Medical Records Retention & Retrieval services, Wellness Bank usage, outgoing referral services for Central Scheduling, and outsourced services for Administration and Community Health were below budget, creating a positive variance in Purchased Services.
Other Expenses	1,206,606	1,185,993	(20,613)	We saw negative variances in Dues and Subscriptions, Rental rate increases, and Marketing Campaigns, creating a negative variance in Other Expenses.
Total Expenses	28,600,985	27,340,097	(1,260,888)	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 2025 PRELIMINARY

	Sep-25	Aug-25	Sep-24	
ASSETS				
CURRENT ASSETS				
* CASH	\$ 48,630,439	\$ 43,123,252	\$ 72,310,296	1
PATIENT ACCOUNTS RECEIVABLE - NET	54,515,631	59,075,869	47,035,887	2
OTHER RECEIVABLES	11,779,398	10,324,793	9,851,593	
GO BOND RECEIVABLES	1,403,103	937,051	1,366,899	
ASSETS LIMITED OR RESTRICTED	15,009,868	11,614,070	10,599,414	
INVENTORIES	7,334,341	7,351,811	5,563,551	
PREPAID EXPENSES & DEPOSITS	5,034,370	4,882,664	4,235,380	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	32,650,365	30,827,666	21,841,756	3
TOTAL CURRENT ASSETS	176,357,515	168,137,177	172,804,775	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	74,318,485	74,318,485	10,672,429	1
* CASH INVESTMENT FUND	93,927,825	93,818,288	106,501,373	1
UNREALIZED GAIN/(LOSS) CASH INVESTMENT FUND	7,732,365	7,565,696	3,927,819	4
MUNICIPAL LEASE 2025	4,593,879	4,593,879	-	
TOTAL BOND TRUSTEE 2017	23,361	23,361	22,405	
TOTAL BOND TRUSTEE 2015	517,211	406,467	452,783	
GO BOND TAX REVENUE FUND	1,279,329	1,276,856	1,305,974	5
DIAGNOSTIC IMAGING FUND	3,700	3,700	3,574	
DONOR RESTRICTED FUND	1,202,650	1,202,650	1,179,803	
WORKERS COMPENSATION FUND	490	(4,821)	17,793	
TOTAL	183,599,295	183,204,561	124,083,952	
LESS CURRENT PORTION	(15,009,868)	(11,614,070)	(10,599,414)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	168,589,427	171,590,491	113,484,538	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(5,865,962)	(5,714,079)	(4,207,338)	6
PROPERTY HELD FOR FUTURE EXPANSION	1,716,972	1,716,972	1,716,972	
PROPERTY & EQUIPMENT NET	200,809,860	197,102,391	195,026,411	
GO BOND CIP, PROPERTY & EQUIPMENT NET	1,872,828	1,872,828	1,891,576	
TOTAL ASSETS	543,480,640	534,705,779	480,716,934	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	184,246	187,478	223,034	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	221,741	200,168	154,402	7
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	3,920,778	3,944,483	4,205,235	
GO BOND DEFERRED FINANCING COSTS	382,065	384,386	409,916	
DEFERRED FINANCING COSTS	96,746	97,786	109,229	
INTANGIBLE LEASE ASSET NET OF ACCUM AMORTIZATION	14,130,169	14,318,792	11,369,439	
RIGHT-TO-USE SUBSCRIPTION ASSET NET OF ACCUM AMORTIZATION	23,095,924	22,995,198	26,160,899	8
TOTAL DEFERRED OUTFLOW OF RESOURCES	\$ 42,031,669	\$ 42,128,291	\$ 42,632,154	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	13,622,679	9,829,986	\$ 10,880,607	9
ACCRUED PAYROLL & RELATED COSTS	24,108,208	22,379,270	32,698,195	10
INTEREST PAYABLE	188,186	133,904	200,024	
INTEREST PAYABLE GO BOND	480,155	240,078	502,905	
SUBSCRIPTION LIABILITY	25,034,228	24,913,831	27,806,158	11
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	6,102,931	6,102,931	4,087,698	
HEALTH INSURANCE PLAN	4,128,800	4,128,800	2,939,536	
WORKERS COMPENSATION PLAN	2,315,069	2,315,069	2,297,841	
COMPREHENSIVE LIABILITY INSURANCE PLAN	2,876,447	2,876,447	2,771,063	
CURRENT MATURITIES OF GO BOND DEBT	2,730,000	2,730,000	2,440,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	5,139,974	5,139,974	4,126,098	
TOTAL CURRENT LIABILITIES	86,726,676	80,790,289	90,750,126	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	31,495,749	31,799,375	26,274,912	
GO BOND DEBT NET OF CURRENT MATURITIES	84,569,475	84,587,431	87,804,943	
DERIVATIVE INSTRUMENT LIABILITY	221,741	200,168	154,402	7
TOTAL LIABILITIES	203,013,641	197,377,263	204,984,382	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS	381,296,018	378,254,158	317,184,903	
RESTRICTED	1,202,650	1,202,650	1,179,803	
TOTAL NET POSITION	\$ 382,498,668	\$ 379,456,807	\$ 318,364,706	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
SEPTEMBER 2025 PRELIMINARY

1. Working Capital is at 51.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 231.6 days. Working Capital cash increased a net \$5,507,000. Accounts Payable increased \$3,793,000 (See Note 9), Accrued Payroll & Related Costs increased \$1,729,000 (See Note 10) and Cash Collections were above target by 10% (See Note 2).
2. Net Patient Accounts Receivable decreased a net \$4,560,000. Cash collections were 110% of target. EPIC Days in A/R were 56.6 compared to 57.8 at the close of August.
3. Estimated Settlements, Medi-Cal & Medicare increased a net \$1,823,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal QIP programs. The monthly budgeted amounts for FY26 have been revised to more accurately reflect amounts due to the District based on information received from DHLF.
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**Tahoe Forest Hospital District
Cash Investment
September 30, 2025**

WORKING CAPITAL

US Bank	\$ 47,315,466	3.80%	
US Bank/Incline Village Thrift Store	45,533		
US Bank/Truckee Thrift Store	221,166		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,048,274</u>	1.91%	
Total			\$ 48,630,439

BOARD DESIGNATED FUNDS

US Bank Savings	\$ -		
Chandler Cash Portfolio Fund	914,074	3.72%	
Chandler Investment Fund	<u>93,013,750</u>	VAR	
Total			\$ 93,927,825

Building Fund	\$ -		
Cash Reserve Fund	<u>74,318,485</u>	4.19%	
Local Agency Investment Fund			\$ 74,318,485

Municipal Lease 2018			\$ 4,593,879
Bonds Cash 2017			\$ 23,361
Bonds Cash 2015			\$ 517,211
GO Bonds Cash 2008			\$ 1,279,329

DX Imaging Education	\$ 3,700		
Workers Comp Fund - B of A	490		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 4,190</u>

TOTAL FUNDS			\$ 223,294,719
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RESTRICTED FUNDS

Gift Fund			
US Bank Money Market	\$ 8,386	0.09%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,166,955</u>	4.19%	
TOTAL RESTRICTED FUNDS			<u>\$ 1,202,650</u>

TOTAL ALL FUNDS			<u><u>\$ 224,497,369</u></u>
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**TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
KEY FINANCIAL INDICATORS
SEPTEMBER 2025 PRELIMINARY**

	Current Status	Desired Position	Target	<u>Bond Covenants</u>	<u>FY 2026</u> Jul 25 to Sept 25	<u>FY 2025</u> Jul 24 to June 25	<u>FY 2024</u> Jul 23 to June 24	<u>FY 2023</u> Jul 22 to June 23	<u>FY 2022</u> Jul 21 to June 22	<u>FY 2021</u> Jul 20 to June 21	<u>FY 2020</u> Jul 19 to June 20
Return On Equity: <u>Increase (Decrease) in Net Position</u> Net Position	 	↑	FYE 7.0% Budget 1st Qtr 1.4%		3.1%	17.3%	12.4%	11.2%	13.0%	12.3%	17.1%
EPIC Days in Accounts Receivable (excludes SNF) <u>Gross Accounts Receivable</u> 90 Days		↓	FYE 60 Days		57	59	69	59	63	65	89
<u>Gross Accounts Receivable</u> 365 Days					60	64	71	62	67	67	73
Days Cash on Hand Excludes Restricted: <u>Cash + Short-Term Investments</u> (Total Expenses - Depreciation Expense)/ by 365	 	↑	Budget FYE 189 Days Budget 1st Qtr 218 Days Projected 1st Qtr 219 Days	Bond Covenant 60 Days A- 243 Days BBB- 112 Days	232	245	229	197	234	272	246
EPIC Accounts Receivable over 120 days (excludes payment plan, legal and charitable balances)		↓	22%		38%	31%	31%	24%	27%	26%	31%
EPIC Accounts Receivable over 120 days (includes payment plan, legal and charitable balances)		↓	27%		41%	34%	35%	33%	36%	32%	40%
Cash Receipts Per Day (based on 60 day lag on Patient Net Revenue)	 	↑	FYE Budget \$944,810 End 1st Qtr Based on Budgeted Net Revenue \$899,780 End 1st Qtr Based on Actual Net Revenue \$985,437		\$1,046,287	\$913,700	\$804,216	\$713,016	\$634,266	\$603,184	\$523,994
Debt Service Coverage: Excess Revenue over Exp + <u>Interest Exp + Depreciation</u> Debt Principal Payments + Interest Expense		↑	Without GO Bond 12.67 With GO Bond 5.43	1.95	14.34 6.08	28.32 9.83	15.47 6.88	9.74 5.25	9.72 5.22	8.33 4.49	9.50 5.06

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
SEPTEMBER 2025 PRELIMINARY

CURRENT MONTH					YEAR TO DATE					PRIOR YTD SEPT 2024
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%		
OPERATING REVENUE										
\$ 61,736,646	\$ 59,881,746	\$ 1,854,900	3.1%	Total Gross Revenue	\$ 197,226,865	\$ 190,266,679	\$ 6,960,186	3.7%	1	\$ 176,272,898
\$ 3,348,557	\$ 3,045,656	\$ 302,901	9.9%	Gross Revenues - Inpatient						
3,509,977	4,232,661	(722,684)	-17.1%	Daily Hospital Service	\$ 11,108,176	\$ 10,307,506	\$ 800,670	7.8%		\$ 10,334,378
6,858,534	7,278,317	(419,783)	-5.8%	Ancillary Service - Inpatient	14,610,390	13,497,425	1,112,965	8.2%		13,228,611
				Total Gross Revenue - Inpatient	25,718,566	23,804,931	1,913,635	8.0%	1	23,562,989
54,878,112	52,603,429	2,274,683	4.3%	Gross Revenue - Outpatient	171,508,299	166,461,748	5,046,551	3.0%		152,709,909
54,878,112	52,603,429	2,274,683	4.3%	Total Gross Revenue - Outpatient	171,508,299	166,461,748	5,046,551	3.0%	1	152,709,909
Deductions from Revenue:										
31,146,036	30,400,975	(745,061)	-2.5%	Contractual Allowances	102,450,770	96,697,701	(5,753,069)	-5.9%	2	93,906,897
17,046	1,197,635	1,180,589	98.6%	Charity Care	841,597	3,805,334	2,963,737	77.9%	2	1,129,986
299,669	919,201	619,532	67.4%	Bad Debt	1,634,776	2,917,924	1,283,148	44.0%	2	1,271,896
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2	-
31,462,751	32,517,811	1,055,060	3.2%	Total Deductions from Revenue	104,927,143	103,420,959	(1,506,184)	-1.5%		96,308,779
105,908	126,666	20,758	16.4%	Property Tax Revenue- Wellness Neighborhood	293,937	379,305	85,368	22.5%		320,529
1,780,118	1,864,342	(84,224)	-4.5%	Other Operating Revenue	5,882,333	5,819,220	63,113	1.1%	3	5,429,349
32,159,921	29,354,943	2,804,978	9.6%	TOTAL OPERATING REVENUE	98,475,992	93,044,245	5,431,747	5.8%		85,713,997
OPERATING EXPENSES										
12,319,949	11,529,135	(790,814)	-6.9%	Salaries and Wages	36,573,478	36,417,020	(156,458)	-0.4%	4	32,153,468
3,533,250	3,422,703	(110,547)	-3.2%	Benefits	11,872,056	11,119,267	(752,789)	-6.8%	4	11,417,301
165,474	90,315	(75,159)	-83.2%	Benefits Workers Compensation	519,564	270,945	(248,619)	-91.8%	4	148,819
3,313,155	3,011,858	(301,297)	-10.0%	Benefits Medical Insurance	9,515,577	9,035,574	(480,003)	-5.3%	4	7,035,049
649,028	608,282	(40,746)	-6.7%	Medical Professional Fees	1,770,987	1,877,894	106,907	5.7%	5	1,538,711
282,857	469,861	187,004	39.8%	Other Professional Fees	955,399	1,379,583	424,184	30.7%	5	878,500
4,985,106	4,833,702	(151,404)	-3.1%	Supplies	14,834,209	15,526,446	692,237	4.5%	6	13,520,929
2,145,561	2,188,248	42,687	2.0%	Purchased Services	6,108,525	6,688,868	580,343	8.7%	7	5,586,292
1,206,606	1,185,993	(20,613)	-1.7%	Other	3,381,057	3,563,366	182,309	5.1%	8	3,081,881
28,600,985	27,340,097	(1,260,888)	-4.6%	TOTAL OPERATING EXPENSE	85,530,852	85,878,963	348,111	0.4%		75,360,950
3,558,936	2,014,846	1,544,090	76.6%	NET OPERATING REVENUE (EXPENSE) EBIDA	12,945,140	7,165,282	5,779,858	80.7%		10,353,047
NON-OPERATING REVENUE/(EXPENSE)										
826,630	805,872	20,758	2.6%	District and County Taxes	2,503,676	2,418,309	85,367	3.5%	9	2,619,364
468,526	468,525	1	0.0%	District and County Taxes - GO Bond	1,405,577	1,405,576	1	0.0%		1,366,899
362,076	378,932	(16,856)	-4.4%	Interest Income	1,224,297	1,172,523	51,774	4.4%	10	1,102,630
121,489	119,538	1,951	1.6%	Donations	340,513	359,756	(19,243)	-5.3%	11	228,515
(151,882)	(151,882)	-	0.0%	Gain/(Loss) on Joint Investment	(455,647)	(455,647)	0	0.0%	12	(265,595)
341,762	300,000	41,762	13.9%	Gain/(Loss) on Market Investments	1,319,101	900,000	419,101	46.6%	13	3,369,952
-	-	-	0.0%	Gain/(Loss) on Disposal of Assets	-	-	-	0.0%	14	-
-	-	-	0.0%	Gain/(Loss) on Sale of Equipment	-	-	-	0.0%	15	2,750
-	-	-	100.0%	Gain/(Loss) on Split Dollar Cash Accumulation Values	-	-	-	100.0%	15	-
(2,023,571)	(1,995,743)	(27,828)	-1.4%	Depreciation	(5,857,115)	(5,987,229)	130,114	2.2%	16	(5,354,752)
(213,957)	(208,041)	(5,916)	-2.8%	Interest Expense	(635,795)	(631,108)	(4,687)	-0.7%	17	(552,792)
(248,148)	(248,148)	0	0.0%	Interest Expense-GO Bond	(755,818)	(755,819)	1	0.0%		(788,734)
(517,075)	(530,947)	13,873	2.6%	TOTAL NON-OPERATING REVENUE/(EXPENSE)	(911,212)	(1,573,639)	662,427	42.1%		1,728,237
\$ 3,041,861	\$ 1,483,899	\$ 1,557,963	105.0%	INCREASE (DECREASE) IN NET POSITION	\$ 12,033,928	\$ 5,591,643	\$ 6,442,285	115.2%		\$ 12,081,284
NET POSITION - BEGINNING OF YEAR					370,464,740					
NET POSITION - AS OF SEPTEMBER 30, 2025					\$ 382,498,668					
5.8%	3.4%	2.4%		RETURN ON GROSS REVENUE EBIDA	6.6%	3.8%	2.8%			5.9%

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
SEPTEMBER 2025 PRELIMINARY

		Variance from Budget	
		Fav / <Unfav>	
		SEPT 2025	YTD 2026
1) Gross Revenues			
Acute Patient Days were above budget 13.2% or 41 days. Swing Bed days were below budget 94.5% or 17 days.	Gross Revenue -- Inpatient	\$ (419,783)	\$ 1,913,635
	Gross Revenue -- Outpatient	2,274,683	5,046,551
	Gross Revenue -- Total	<u>\$ 1,854,900</u>	<u>\$ 6,960,186</u>
Outpatient volumes were 5% or more above in the following departments: Hospice visits, Surgery cases, Laboratory tests, Oncology Lab, Blood units, EKGs, Mammography, Medical Oncology procedures, Nuclear Medicine, MRI, Ultrasounds, PET CT, Drugs Sold to Patients, Respiratory Therapy, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical & Speech Therapies.			
Outpatient volumes were below budget 5% or more in the following departments: Emergency Department visits, Home Health visits, Radiation Oncology procedures, and Outpatient Physical Therapy Aquatic.			
2) Total Deductions from Revenue			
The payor mix for September shows a 4.20% increase to Medicare, a .60% increase to Medi-Cal, 0.22% decrease to Other, and a 4.57% decrease to Commercial when compared to budget. Revenues were above budget 3.1% and we saw a shift from Commercial into Medicare.	Contractual Allowances	\$ (745,061)	\$ (5,753,069)
	Charity Care	1,180,589	2,963,737
	Bad Debt	619,532	1,283,148
	Prior Period Settlements	-	-
	Total	<u>\$ 1,055,060</u>	<u>\$ (1,506,184)</u>
3) Other Operating Revenue			
Community Pharmacy revenues were above budget 4.7%.	Community Pharmacy	\$ 39,900	\$ 350,540
	Miscellaneous	(120,326)	(252,492)
	Hospice Thrift Stores	9,642	6,889
	Grants	-	13,832
	The Center (non-therapy)	8,409	8,738
	IVCH ER Physician Guarantee	235	(1,539)
	Children's Center	(22,084)	(62,855)
	Total	<u>\$ (84,224)</u>	<u>\$ 63,113</u>
Child Care days were below budget 9.7%.			
4) Salaries and Wages	Total	<u>\$ (790,814)</u>	<u>\$ (156,458)</u>
We saw an increase in Technical, RN, and PA/NP wages, creating a negative variance in Salaries and Wages.			
Employee Benefits			
Employer related payroll taxes created a negative variance in Other.	PL/SL	\$ 11,015	\$ (772,309)
	Other	(42,046)	(76,458)
	Pension/Deferred Comp	-	3
	Standby	7,568	15,803
	Nonproductive	(87,084)	80,172
	Total	<u>\$ (110,547)</u>	<u>\$ (752,789)</u>
Accrued Physician Productivity Bonuses were above budget, creating a negative variance in Nonproductive.			
Employee Benefits - Workers Compensation	Total	<u>\$ (75,159)</u>	<u>\$ (248,619)</u>
The District has a self-insured plan and expense is based on actual claims paid.			
Employee Benefits - Medical Insurance	Total	<u>\$ (301,297)</u>	<u>\$ (480,003)</u>
The District has a self-insured plan and expense is based on actual claims paid.			
5) Professional Fees			
Emergency Department physician fees for call, tele-neurology, and virtual radiology were above budget creating a negative variance in TFH Locums.	TFH Locums	\$ (35,205)	\$ (70,058)
	Multi-Specialty Clinics	(48,765)	(58,226)
	Information Technology	18,391	(32,333)
	Oncology	52	(9,543)
	IVCH ER Physicians	4,503	(197)
	Corporate Compliance	-	-
	Multi-Specialty Clinics Administration	12,664	2,406
	Patient Accounting/Admitting	2,000	6,000
	Human Resources	(393)	16,632
	Medical Staff Services	13,393	22,335
	Managed Care	11,311	23,723
	Financial Administration	27,167	46,062
	Marketing	20,579	80,653
	Administration	48,363	160,739
	Miscellaneous	72,199	342,898
	Total	<u>\$ 146,258</u>	<u>\$ 531,091</u>
Locums coverage for Urology created a negative variance in Multi-Specialty Clinics.			
Professional services provided by Mercy Health for implementation of new modules within EPIC were below budget, creating a positive variance in Information Technology.			
Physician Compensation consulting fees were below budget, creating a positive variance in Multi-Specialty Clinics Administration.			
Outside legal fees were below budget, creating a positive variance in Medical Staff Services.			
Governmental funding consulting services were below budget, creating a positive variance in Financial Administration.			
Contracted services for Media/Internet support were below budget, creating a positive variance in Marketing.			
Strategic Planning consulting services were below budget, creating a positive variance in Administration.			
Anesthesia Physician Fees and budgeted consulting services for Process Improvement were below budget, creating a positive variance in Miscellaneous.			

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
SEPTEMBER 2025 PRELIMINARY

		Variance from Budget	
		Fav / <Unfav>	
		SEPT 2025	YTD 2026
6) <u>Supplies</u>	Patient & Other Medical Supplies	\$ (184,451)	\$ (672,970)
Medical Supplies Sold to Patients revenues were above budget 6.2%, creating a negative variance in Patient & Other Medical Supplies.	Office Supplies	390	203
	Food	3,917	7,479
	Other Non-Medical Supplies	45,389	35,002
	Minor Equipment	24,528	72,293
Drugs Sold to Patients revenues were above budget 10.3%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	(41,176)	1,250,229
	Total	\$ (151,404)	\$ 692,237
7) <u>Purchased Services</u>	Laboratory	\$ (49,313)	\$ (33,618)
Outsourced lab testing created a negative variance in Laboratory for TFH and IVCH.	Diagnostic Imaging Services - All	(29,994)	(16,761)
	Pharmacy IP	(2,094)	(13,243)
Software licensing fees and radiology reads were above budget, creating a negative variance in Diagnostic Imaging - All.	The Center	(8,008)	(10,632)
	Department Repairs	(29,177)	(8,998)
	Home Health/Hospice	(4,054)	(1,982)
District wide maintenance projects and repairs created a negative variance in Department Repairs.	Community Development	-	-
	Multi-Specialty Clinics	(3,565)	13,637
	Information Technology	5,972	40,727
Outsourced billing and collections services were below budget, creating a positive variance in Patient Accounting.	Patient Accounting	24,599	47,026
	Medical Records	15,965	50,601
	Human Resources	14,781	61,131
Record retrieval and retention services were below budget, creating a positive variance in Medical Records	Miscellaneous	107,575	452,456
	Total	\$ 42,687	\$ 580,343
Decreased use of the Employee Wellness Bank funds created a positive variance in Human Resources.			
Outgoing referral services for Central Scheduling, Outsourced services for Administration, and Community Health Index support services were below budget, creating a positive variance in Miscellaneous.			
8) <u>Other Expenses</u>	Dues and Subscriptions	\$ (21,752)	\$ (41,098)
UC Davis Cancer Care Network fees were above budget, creating a negative variance in Dues and Subscriptions.	Other Building Rent	(16,294)	(32,192)
	Equipment Rent	(7,781)	(31,031)
Rental rate increases for the District's employee housing units and common area maintenance services created a negative variance in Other Building Rent.	Multi-Specialty Clinics Bldg. Rent	(9,341)	(11,873)
	Human Resources Recruitment	3,126	(11,586)
Marketing Campaigns for Orthopedics and Community sponsorships created a negative variance in Marketing.	Insurance	(3,857)	(8,416)
	Marketing	(43,824)	(6,906)
Physician recruitment expenses were below budget, creating a positive variance in Miscellaneous.	Multi-Specialty Clinics Equip Rent	(98)	(2,176)
	Physician Services	2,112	3,559
	Miscellaneous	15,396	71,516
	Utilities	36,786	90,189
Natural Gas/Propane and Electricity costs were below budget, creating a positive variance in Utilities.	Outside Training & Travel	24,914	162,323
	Total	\$ (20,613)	\$ 182,309
9) <u>District and County Taxes</u>	Total	\$ 20,758	\$ 85,367
10) <u>Interest Income</u>	Total	\$ (16,856)	\$ 51,774
11) <u>Donations</u>	IVCH	\$ (23,543)	\$ (71,770)
	Operational	25,494	52,527
	Total	\$ 1,951	\$ (19,243)
12) <u>Gain/(Loss) on Joint Investment</u>	Total	\$ -	\$ -
13) <u>Gain/(Loss) on Market Investments</u>	Total	\$ 41,762	\$ 419,101
The District booked the value of unrealized gains in its holdings with Chandler Investments.			
14) <u>Gain/(Loss) on Sale or Disposal of Assets</u>	Total	\$ -	\$ -
15) <u>Gain/(Loss) on Sale or Disposal of Equipment</u>	Total	\$ -	\$ -
16) <u>Depreciation Expense</u>	Total	\$ (27,828)	\$ 130,114
GASB 96 Amortization Expense was above budget with the implementation of the new Microsoft Licensing subscription renewal.			
17) <u>Interest Expense</u>	Total	\$ (5,916)	\$ (4,687)
GASB 96 Interest Expense was above budget with the implementation of the new Microsoft Licensing subscription renewal.			

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
KEY FINANCIAL INDICATORS
SEPTEMBER 2025 PRELIMINARY

	Current Status	Desired Position	Target	<u>FY 2026</u> Jul 25 to Sept 25	<u>FY 2025</u> Jul 24 to June 25	<u>FY 2024</u> Jul 23 to June 24	<u>FY 2023</u> Jul 22 to June 23	<u>FY 2022</u> Jul 21 to June 22	<u>FY 2021</u> Jul 20 to June 21	<u>FY 2020</u> Jul 19 to June 20
Total Margin: <u>Increase (Decrease) In Net Position</u> Total Gross Revenue		↑	FYE 3.1% 1st Qtr 2.9%	6.1%	8.6%	5.9%	6.3%	6.2%	5.8%	8.5%
Charity Care: <u>Charity Care Expense</u> Gross Patient Revenue		↓	FYE 2.0% 1st Qtr 2.0%	.0%	.0%	.1%	.6%	2.6%	3.4%	4.0%
Bad Debt Expense: <u>Bad Debt Expense</u> Gross Patient Revenue		↓	FYE 1.5% 1st Qtr 1.5%	.1%	.1%	1.2%	1.2%	-.01%	1.2%	1.4%
Incline Village Community Hospital: EBIDA: Earnings before interest, Depreciation, amortization <u>Net Operating Revenue <Expense></u> Gross Revenue	 	↑	FYE 14.2% 1st Qtr 13.6%	13.9%	15.7%	12.0%	12.2%	12.2%	13.7%	.1%
Operating Expense Variance to Budget (Under<Over>)		↑	-0-	\$348,111	\$(4,833,941)	\$380,780	\$(1,499,954)	\$(10,431,192)	\$(8,685,969)	\$(9,484,742)
EBIDA: Earnings before interest, Depreciation, amortization <u>Net Operating Revenue <Expense></u> Gross Revenue		↑	FYE 3.6% 4th Qtr 3.8%	6.6%	8.8%	6.1%	6.3%	7.9%	7.8%	6.2%

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
SEPTEMBER 2025 PRELIMINARY

CURRENT MONTH				YEAR TO DATE					PRIOR YTD SEPT 2024
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%	
				OPERATING REVENUE					
\$ 4,553,202	\$ 4,781,875	\$ (228,673)	-4.8%	Total Gross Revenue	\$ 15,418,031	\$ 14,964,843	\$ 453,188	3.0%	1 \$ 14,370,949
\$ -	\$ -	\$ -	0.0%	Gross Revenues - Inpatient					
-	-	-	0.0%	Daily Hospital Service	\$ -	\$ -	\$ -	0.0%	\$ -
-	-	-	0.0%	Ancillary Service - Inpatient	-	-	-	0.0%	-
				Total Gross Revenue - Inpatient	-	-	-	0.0%	1 -
4,553,202	4,781,875	(228,673)	-4.8%	Gross Revenue - Outpatient	15,418,031	14,964,843	453,188	3.0%	14,370,949
4,553,202	4,781,875	(228,673)	-4.8%	Total Gross Revenue - Outpatient	15,418,031	14,964,843	453,188	3.0%	14,370,949
				Deductions from Revenue:					
2,092,558	2,325,163	232,605	10.0%	Contractual Allowances	7,488,768	7,256,257	(232,511)	-3.2%	2 6,957,112
90,793	95,638	4,844	5.1%	Charity Care	268,838	299,297	30,459	10.2%	2 133,675
86,265	71,728	(14,537)	-20.3%	Bad Debt	342,084	224,473	(117,611)	-52.4%	2 324,020
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2 -
2,269,616	2,492,529	222,912	8.9%	Total Deductions from Revenue	8,099,690	7,780,027	(319,663)	-4.1%	2 7,414,807
47,259	11,719	35,540	303.3%	Other Operating Revenue	185,777	152,290	33,487	22.0%	3 114,079
2,330,845	2,301,066	29,780	1.3%	TOTAL OPERATING REVENUE	7,504,118	7,337,106	167,012	2.3%	7,070,221
				OPERATING EXPENSES					
870,240	684,027	(186,213)	-27.2%	Salaries and Wages	2,511,917	2,383,247	(128,670)	-5.4%	4 2,049,135
195,912	192,741	(3,170)	-1.6%	Benefits	684,812	676,524	(8,288)	-1.2%	4 675,384
4,119	1,957	(2,162)	-110.5%	Benefits Workers Compensation	12,356	5,871	(6,485)	-110.5%	4 6,276
195,944	178,944	(17,000)	-9.5%	Benefits Medical Insurance	564,315	536,832	(27,483)	-5.1%	4 439,424
174,794	178,640	3,846	2.2%	Medical Professional Fees	536,586	535,920	(666)	-0.1%	5 532,133
5,856	6,140	284	4.6%	Other Professional Fees	14,520	18,420	3,900	21.2%	5 6,820
97,755	142,861	45,107	31.6%	Supplies	394,187	453,914	59,727	13.2%	6 311,251
85,667	82,227	(3,440)	-4.2%	Purchased Services	288,582	341,469	52,887	15.5%	7 247,541
121,521	114,207	(7,314)	-6.4%	Other	361,312	347,448	(13,863)	-4.0%	8 294,811
1,751,807	1,581,744	(170,062)	-10.8%	TOTAL OPERATING EXPENSE	5,368,587	5,299,645	(68,942)	-1.3%	4,562,775
579,039	719,321	(140,282)	-19.5%	NET OPERATING REV(EXP) EBIDA	2,135,531	2,037,461	98,070	4.8%	2,507,446
				NON-OPERATING REVENUE/(EXPENSE)					
-	23,543	(23,543)	-100.0%	Donations-IVCH	-	71,770	(71,770)	-100.0%	9 4,798
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10 -
(206,191)	(207,021)	830	-0.4%	Depreciation	(618,574)	(621,064)	2,490	0.4%	11 (610,491)
(3,167)	(2,059)	(1,108)	53.8%	Interest Expense	(9,569)	(6,250)	(3,319)	53.1%	12 (3,489)
(209,358)	(185,538)	(23,821)	-12.8%	TOTAL NON-OPERATING REVENUE/(EXP)	(628,143)	(555,544)	(72,599)	-13.1%	(609,182)
\$ 369,680	\$ 533,784	\$ (164,103)	-30.7%	EXCESS REVENUE(EXPENSE)	\$ 1,507,388	\$ 1,481,917	\$ 25,471	1.7%	\$ 1,898,264
12.7%	15.0%	-2.3%		RETURN ON GROSS REVENUE EBIDA	13.9%	13.6%	0.2%		17.4%

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
SEPTEMBER 2025 PRELIMINARY**

		Variance from Budget	
		Fav<Unfav>	
		SEPT 2025	YTD 2026
1) Gross Revenues			
Acute Patient Days were at budget at 0 days.	Gross Revenue -- Inpatient	\$ -	\$ -
Outpatient volumes were below budget in the following departments: Surgery cases, Lab Send Out tests, EKGs, Diagnostic Imaging, Drugs Sold to Patients, Oncology Drugs Sold to Patients, and Occupational Therapy.	Gross Revenue -- Outpatient	(228,673)	453,188
Outpatient volumes were above budget in the following departments: Gastroenterology cases, Physical Therapy, and Speech Therapy.	Total	\$ (228,673)	\$ 453,188
2) Total Deductions from Revenue			
We saw a shift in our payor mix with a 11.27% increase in Medicare, a 1.54% decrease in Medicaid, a 10.35% decrease in Commercial insurance, and a .63% increase in Other. Revenues were below budget 4.80% and we saw a shift from Commercial to Medicare.	Contractual Allowances	\$ 232,605	\$ (232,511)
	Charity Care	4,844	30,459
	Bad Debt	(14,537)	(117,611)
	Prior Period Settlement	-	-
	Total	\$ 222,912	\$ (319,663)
3) Other Operating Revenue			
	IVCH ER Physician Guarantee	\$ 235	\$ (1,539)
	Miscellaneous	35,305	35,026
	Total	\$ 35,540	\$ 33,487
4) Salaries and Wages	Total	\$ (186,213)	\$ (128,670)
We saw increases in Technical, RN, Physician, and Management salaries.			
Employee Benefits			
	PL/SL	\$ (5,399)	\$ (15,796)
	Other	(6,153)	(3,162)
	Standby	2,806	(9,777)
	Pension/Deferred Comp	0	0
	Nonproductive	5,576	20,447
	Total	\$ (3,170)	\$ (8,288)
Employee Benefits - Workers Compensation	Total	\$ (2,162)	\$ (6,485)
Employee Benefits - Medical Insurance	Total	\$ (17,000)	\$ (27,483)
The District has a self-insured plan and expense is based on actual claims paid.			
5) Professional Fees			
We saw a decrease in Radiology Reads, creating a positive variance in IVCH ER Physicians.	Miscellaneous	\$ (656)	\$ (468)
	IVCH ER Physicians	4,503	(197)
	Administration	-	-
	Multi-Specialty Clinics	-	-
	Foundation	283	3,899
	Total	\$ 4,130	\$ 3,234
6) Supplies			
Drugs Sold to Patients and Oncology Drugs Sold to Patients revenues were below budget 61.4%, creating a positive variance in Pharmacy Supplies.	Office Supplies	\$ (16)	\$ (542)
Patient Chargeable Supplies were below budget, creating a positive variance in Patient & Other Medical Supplies	Minor Equipment	(168)	203
	Food	68	532
	Non-Medical Supplies	4,174	9,595
	Pharmacy Supplies	34,847	18,938
	Patient & Other Medical Supplies	6,201	31,001
	Total	\$ 45,107	\$ 59,727

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
SEPTEMBER 2025 PRELIMINARY**

		Variance from Budget	
		Fav<Unfav>	
		SEPT 2025	YTD 2026
7) <u>Purchased Services</u>			
Outsourced lab testing created a negative variance in Laboratory.	Laboratory	\$ (11,985)	\$ (12,994)
	Diagnostic Imaging Services - All	1,796	(1,372)
	Multi-Specialty Clinics	(268)	(752)
	Pharmacy	(331)	(685)
Repairs/maintenance costs for Surgery, Sterile Processing, and Facilities were below budget, creating a positive variance in Department Repairs.	Engineering/Plant/Communications	(804)	1,501
	Miscellaneous	1,540	2,731
	EVS/Laundry	1,301	4,049
	Department Repairs	4,370	20,647
	Foundation	942	39,763
	Total	\$ (3,440)	\$ 52,887
8) <u>Other Expenses</u>			
Common Area Maintenance costs and a rental increase for an employee housing unit created a negative variance in Other Building Rent.	Other Building Rent	\$ (9,322)	\$ (26,258)
	Miscellaneous	(2,173)	(22,260)
	Multi-Specialty Clinics Bldg. Rent	(1,087)	(3,524)
	Insurance	(578)	722
Community Sponsorships created a negative variance in Miscellaneous.	Equipment Rent	91	848
	Dues and Subscriptions	(1,256)	1,388
ORA System subscription fees for Ophthalmology created a negative variance in Dues and Subscriptions.	Outside Training & Travel	(257)	5,748
	Marketing	5,922	11,768
Marketing campaigns were below budget, creating a positive variance in this category.	Utilities	1,347	17,705
	Total	\$ (7,314)	\$ (13,863)
Natural Gas/Propane costs were below budget, creating a positive variance in Utilities.			
9) <u>Donations</u>	Total	\$ (23,543)	\$ (71,770)
The timing of donation transfers from the Foundation to the District created a negative variance in Donations.			
10) <u>Gain/(Loss) on Sale</u>	Total	\$ -	\$ -
11) <u>Depreciation Expense</u>	Total	\$ 830	\$ 2,490
12) <u>Interest Expense</u>	Total	\$ (1,108)	\$ (3,319)

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS

	PRELIMINARY FYE 2025		**BUDGET** FYE 2026	PROJECTED FYE 2026	ACTUAL SEPT 2025	PROJECTED SEPT 2025	DIFFERENCE	ACTUAL 1ST QTR	PROJECTED 2ND QTR	PROJECTED 3RD QTR	PROJECTED 4TH QTR
Net Operating Rev/(Exp) - EBIDA	65,341,408		27,556,243	33,336,102	\$ 3,558,936	\$ 2,014,846	\$ 1,544,090	12,945,140	7,556,441	8,340,006	4,494,515
Interest Income	3,958,656		3,622,400	3,793,393	94,753	250,000	(155,247)	1,076,593	905,600	905,600	905,600
Property Tax Revenue	11,279,104		11,320,000	11,320,757	5,704	-	5,704	587,757	133,000	6,100,000	4,500,000
Donations	1,193,437		5,037,312	4,738,455	-	119,538	(119,538)	60,899	359,756	358,615	3,959,185
Debt Service Payments	(3,516,862)		(3,876,518)	(3,817,228)	(261,815)	(288,169)	26,354	(1,484,229)	(864,507)	(806,968)	(661,525)
Property Purchase Agreement	(811,927)		(473,624)	(473,624)	(67,661)	(67,661)	-	(202,982)	(202,982)	(67,661)	-
Municipal Lease 2025	(333,643)		(1,000,932)	(1,000,931)	(83,411)	(83,411)	0	(250,232)	(250,233)	(250,233)	(250,233)
Copier	-		-	-	-	-	-	-	-	-	-
2017 VR Demand Bond	(795,185)		(756,793)	(750,211)	-	-	-	(672,429)	-	(77,782)	-
2015 Revenue Bond	(1,576,107)		(1,645,169)	(1,592,462)	(110,744)	(137,097)	26,353	(358,585)	(411,292)	(411,292)	(411,292)
Physician Recruitment	(121,333)		(521,000)	(388,000)	(33,000)	(66,334)	33,334	(88,000)	(100,000)	(100,000)	(100,000)
Investment in Capital											
Equipment	(4,700,844)		(5,613,300)	(5,613,300)	(432,128)	(826,793)	394,666	(1,247,350)	(2,281,350)	(1,359,900)	(724,700)
Municipal Lease Reimbursement	1,340,632		4,780,000	4,780,000	-	400,000	(400,000)	-	850,000	1,400,000	2,530,000
IT/EMR/Business Systems	-		(5,027,825)	(5,027,825)	-	(464,090)	464,090	-	(3,335,718)	(1,449,607)	(242,500)
Building Projects/Properties	(12,436,705)		(55,592,169)	(55,592,169)	(4,697,973)	(6,534,653)	1,836,679	(5,592,451)	(18,550,236)	(16,551,974)	(14,897,508)
Change in Accounts Receivable	(8,996,668)	N1	(328,792)	3,347,553	4,560,238	817,035	3,743,203	6,006,700	(2,908,089)	1,176,221	(927,279)
Change in Settlement Accounts	(7,772,399)	N2	(5,011,279)	(10,147,468)	(1,822,699)	(1,022,699)	(800,000)	(5,260,008)	(9,494,097)	258,048	4,348,589
Change in Other Assets	(6,415,659)	N3	(2,248,346)	(4,818,928)	(1,031,931)	(348,346)	(683,585)	(3,518,928)	(900,000)	(200,000)	(200,000)
Change in Other Liabilities	(9,395,358)	N4	(7,815,000)	(7,513,024)	5,676,638	1,000,000	4,676,638	(664,024)	(8,950,000)	(4,375,000)	6,476,000
Change in Cash Balance	29,757,408		(33,718,273)	(31,601,682)	5,616,722	(4,949,666)	10,566,388	2,822,100	(37,579,200)	(6,304,958)	9,460,377
Beginning Unrestricted Cash	184,297,240		214,054,647	214,054,647	211,260,025	211,260,025	-	214,054,647	216,876,748	179,297,547	172,992,589
Ending Unrestricted Cash	214,054,647		180,336,374	182,452,966	216,876,748	206,310,360	10,566,388	216,876,748	179,297,547	172,992,589	182,452,966
Operating Cash	214,054,647		180,336,374	182,452,966	216,876,748	206,310,360	10,566,388	216,876,748	179,297,547	172,992,589	182,452,966
Expense Per Day	873,497		956,582	955,641	936,594	940,327	(3,733)	936,594	935,995	948,120	955,641
Days Cash On Hand	245		189	191	232	219	12	232	192	182	191

Footnotes:

Budget - Beginning Unrestricted Cash amount for Budget FYE 2026 has been restated to match the Ending Unrestricted Cash from Preliminary FYE 2025.

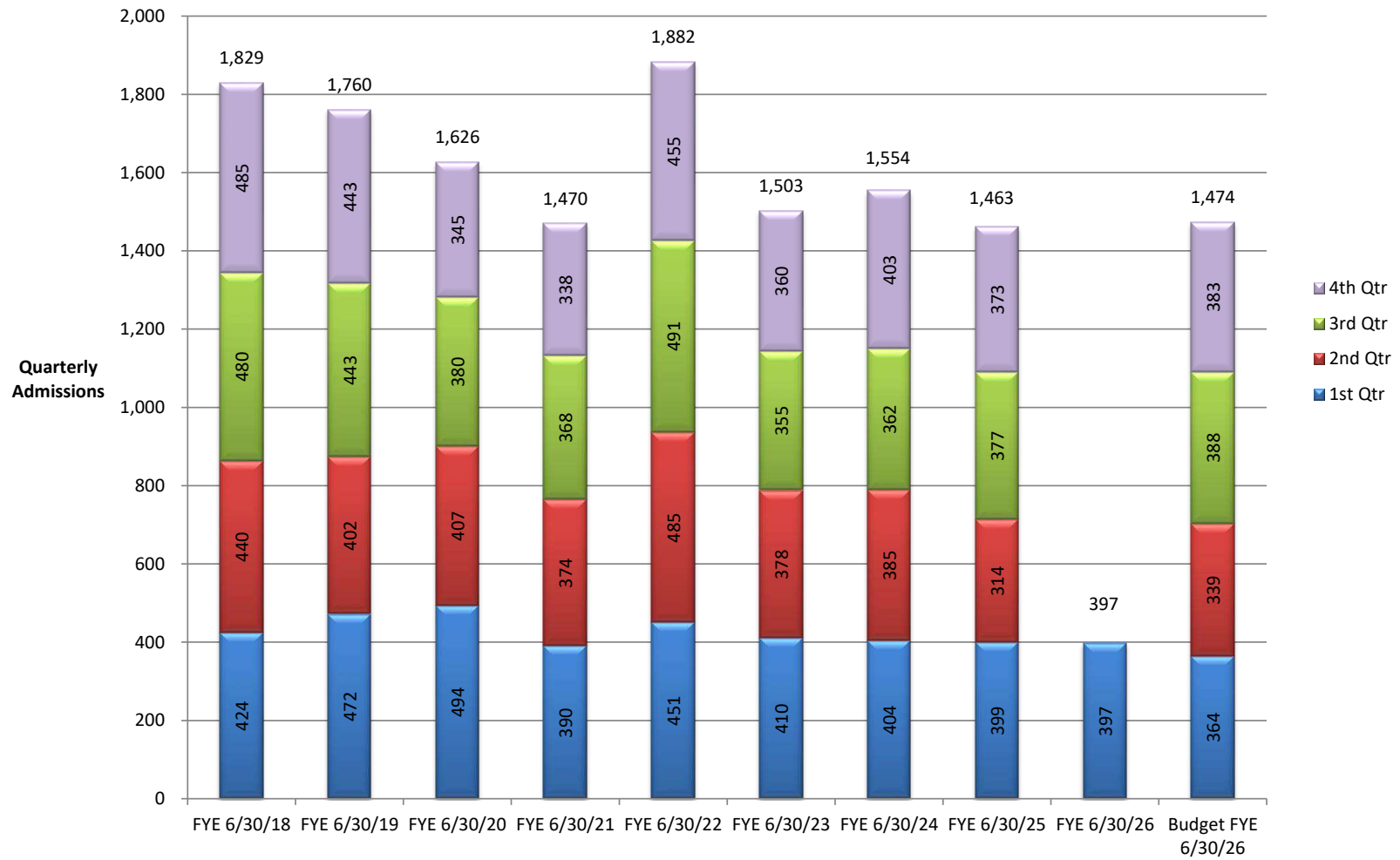
N1 - Change in Accounts Receivable reflects the 30 day delay in collections.

N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.

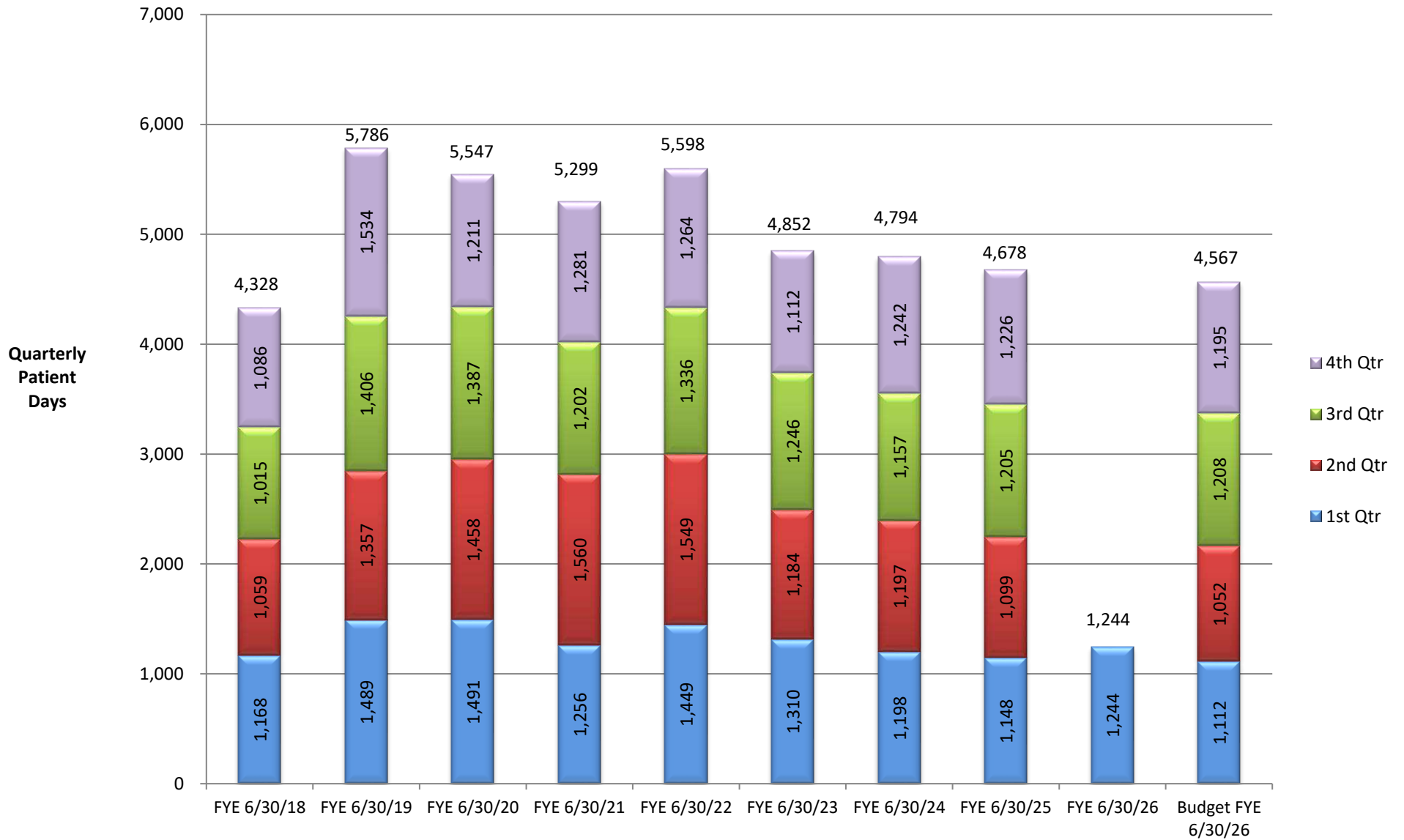
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.

TOTAL TFH ADMISSIONS

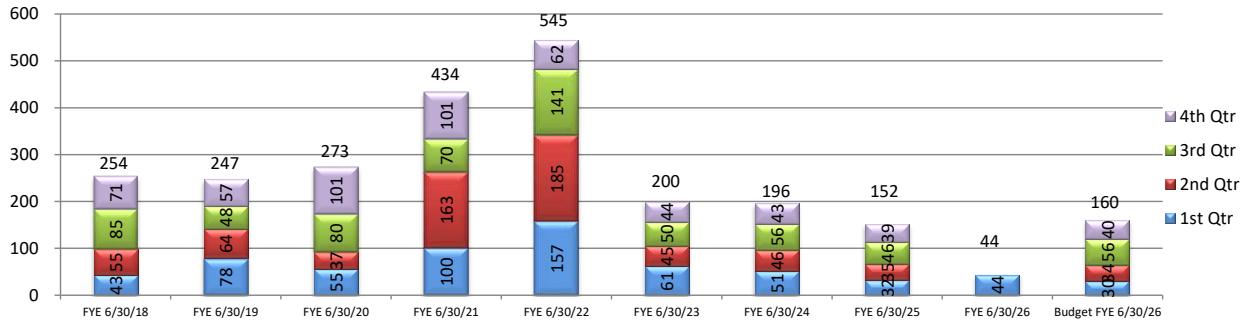


TOTAL TFH PATIENT DAYS



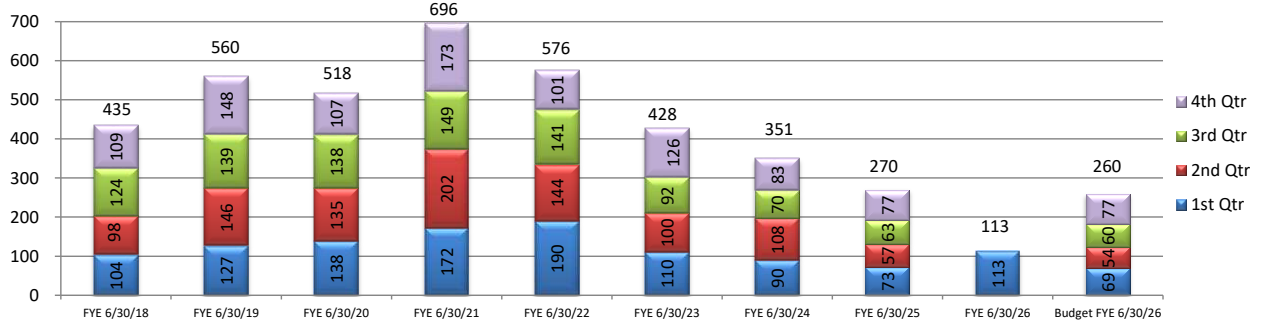
TOTAL TFH ICU INPATIENT DAYS

Quarterly
ICU IP Days



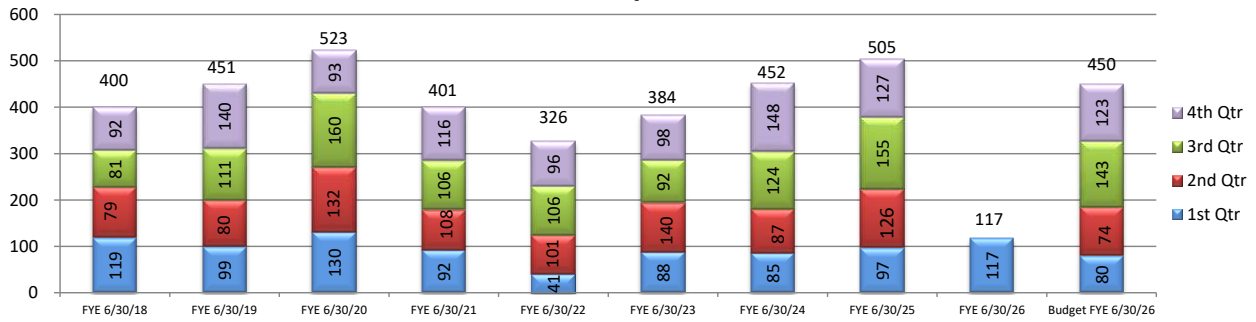
TOTAL TFH ICU STEPDOWN DAYS

Quarterly
ICU Stepdown
Days



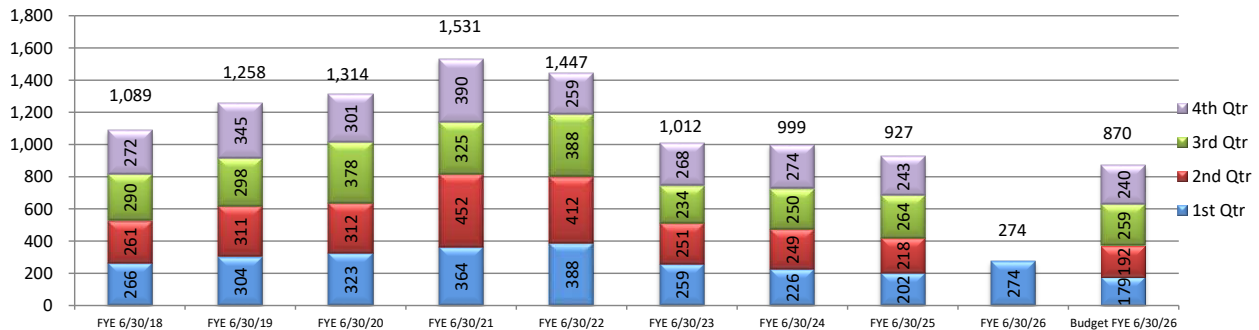
TOTAL TFH ICU MED/SURG DAYS

Quarterly
ICU Med/Surg
Days

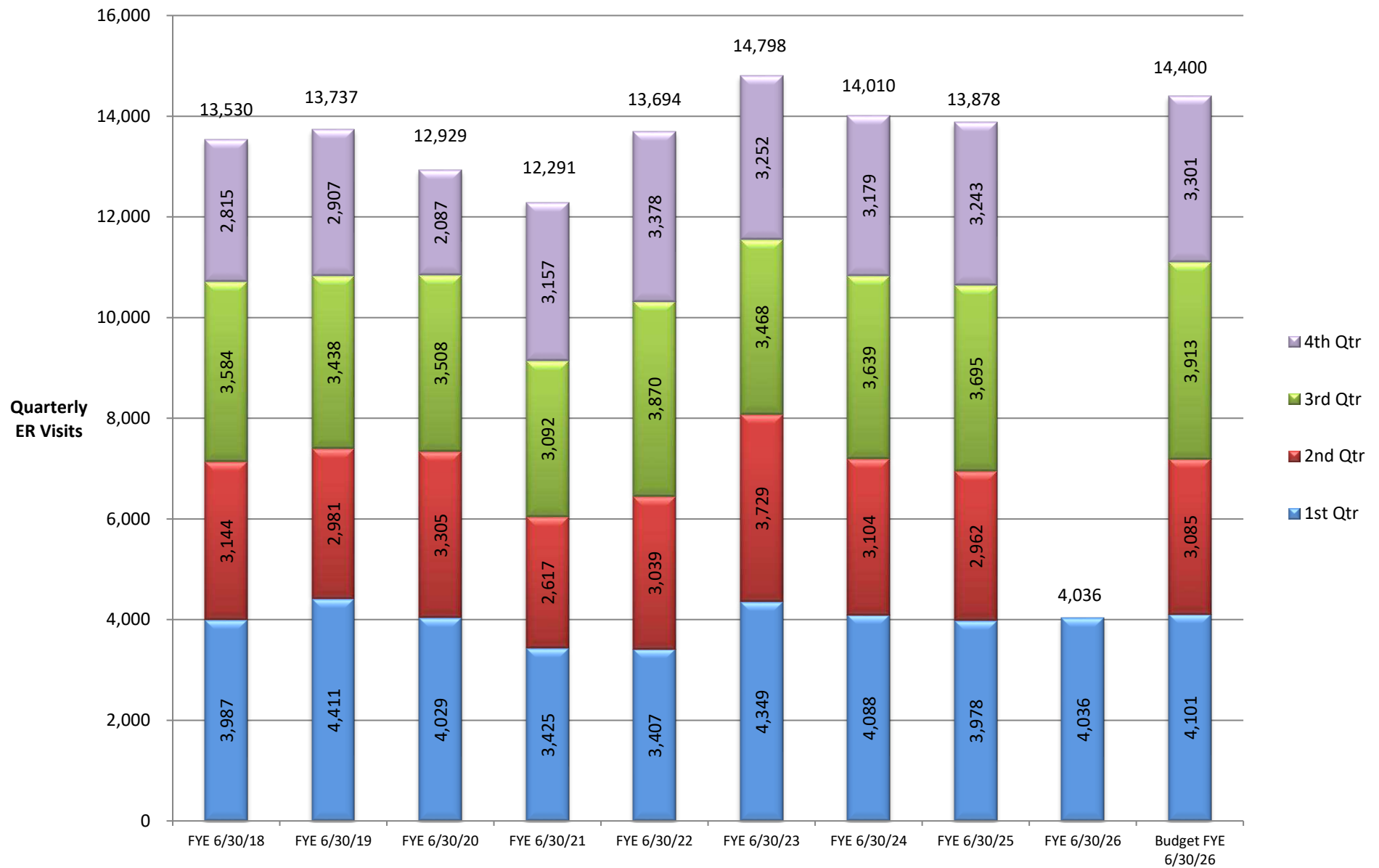


TOTAL TFH ICU DAYS

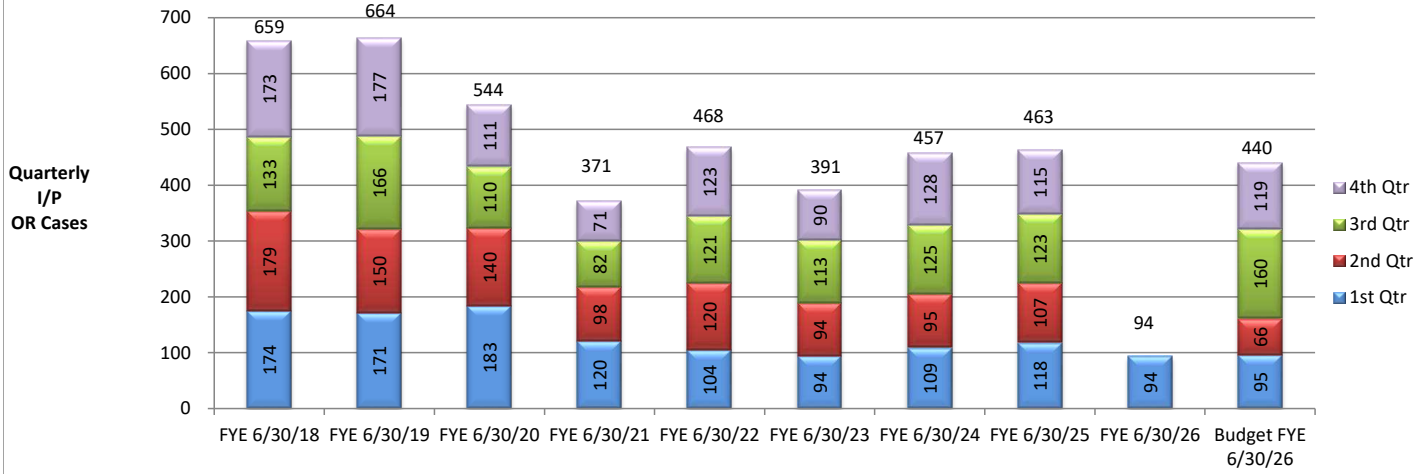
Quarterly
Total ICU
Days



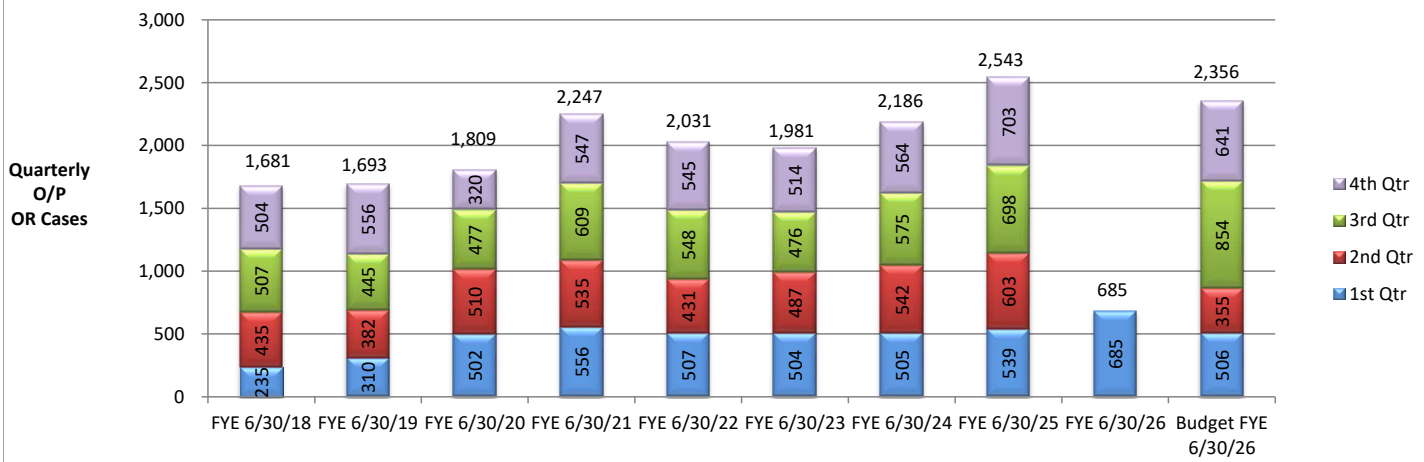
TOTAL TFH ER VISITS



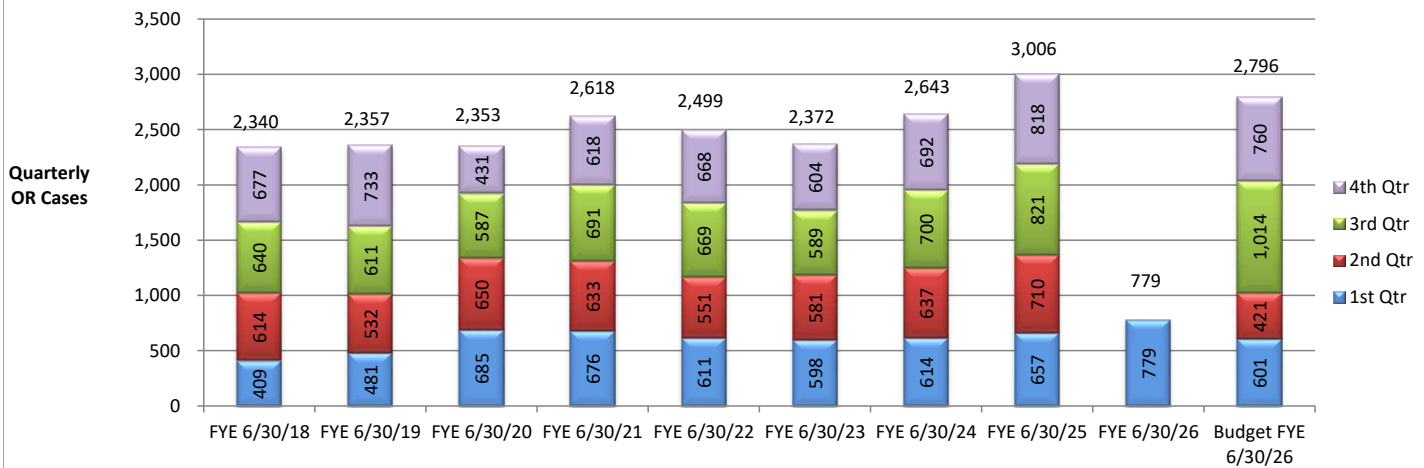
TOTAL TFH INPATIENT OR CASES



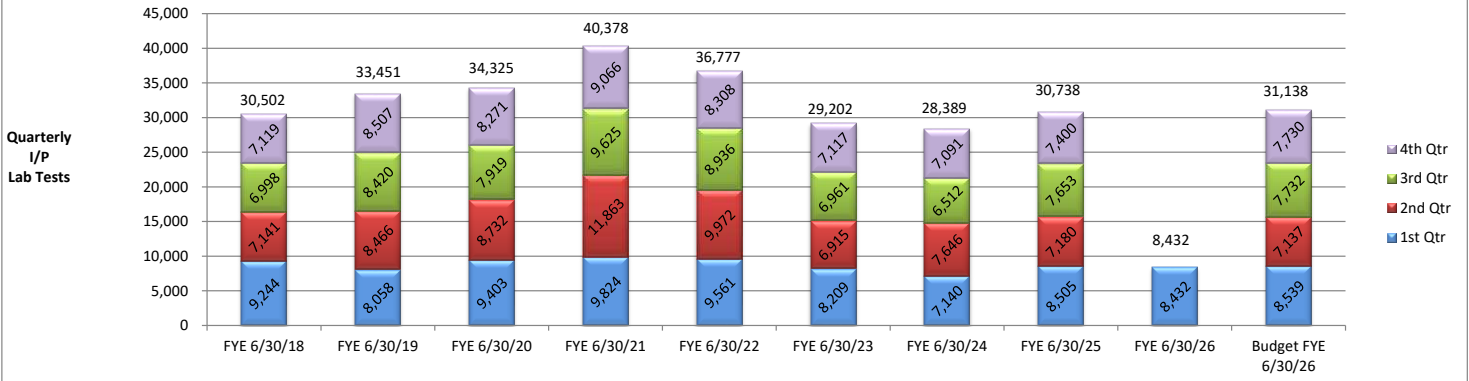
TOTAL TFH OUTPATIENT OR CASES



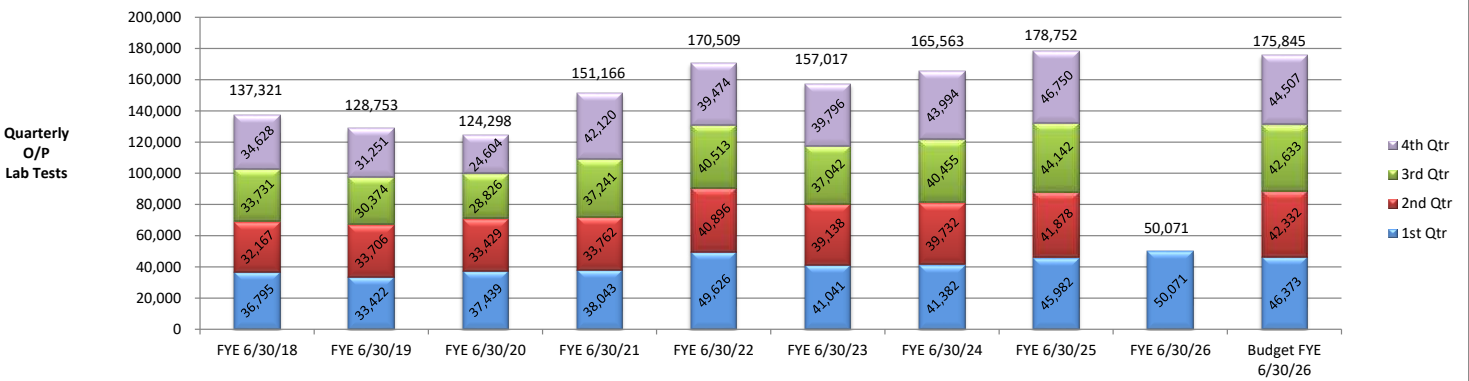
TOTAL TFH OR CASES



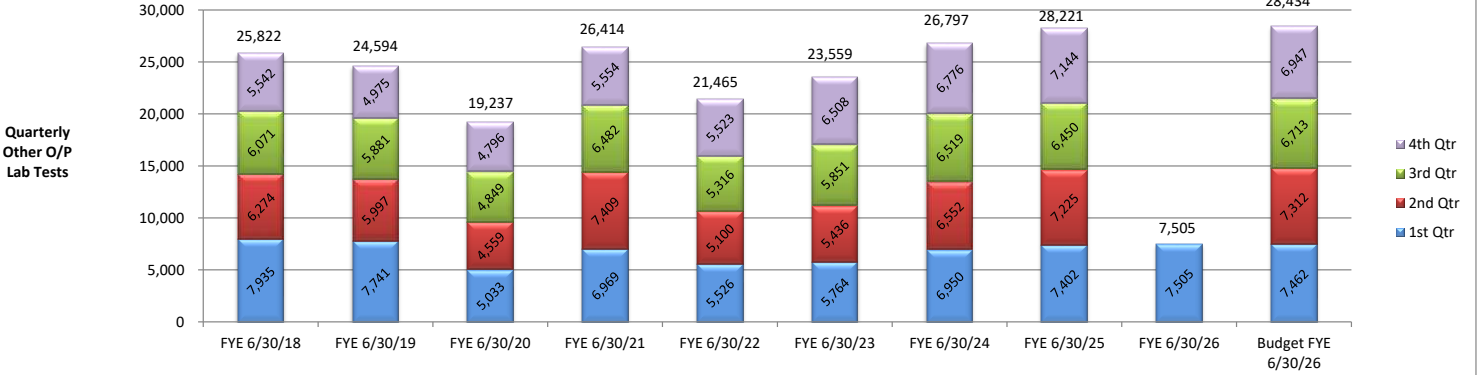
TOTAL TFH INPATIENT LAB TESTS



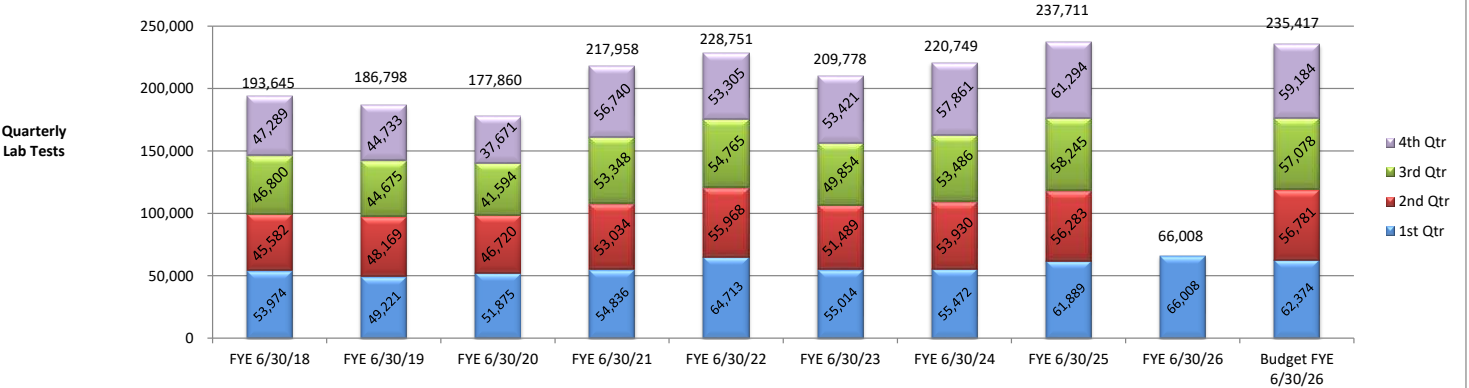
TOTAL TFH OUTPATIENT LAB TESTS



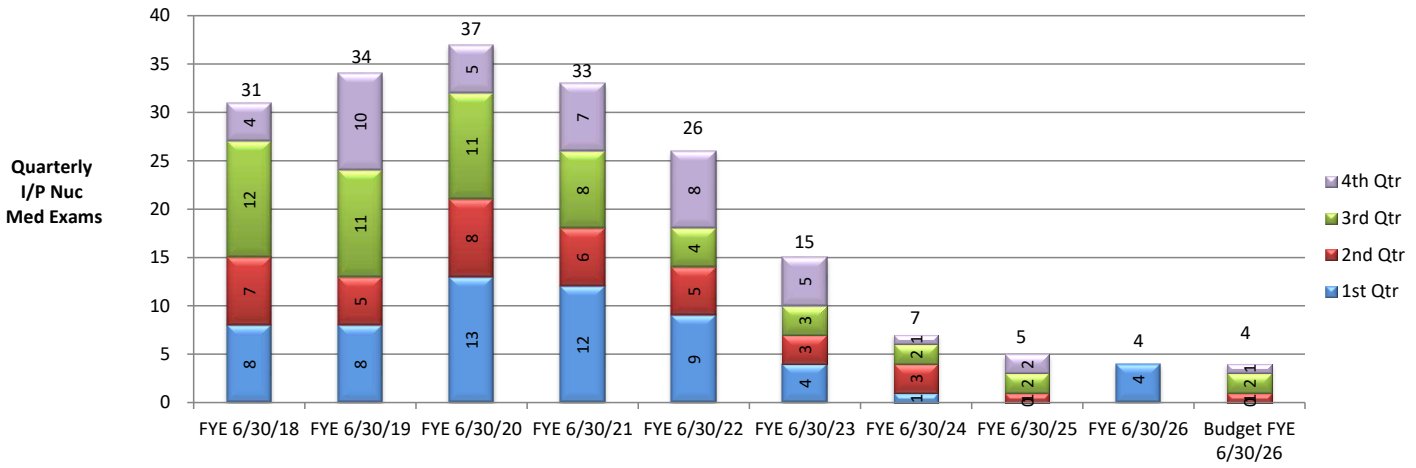
TOTAL TFH OTHER OUTPATIENT LAB TESTS



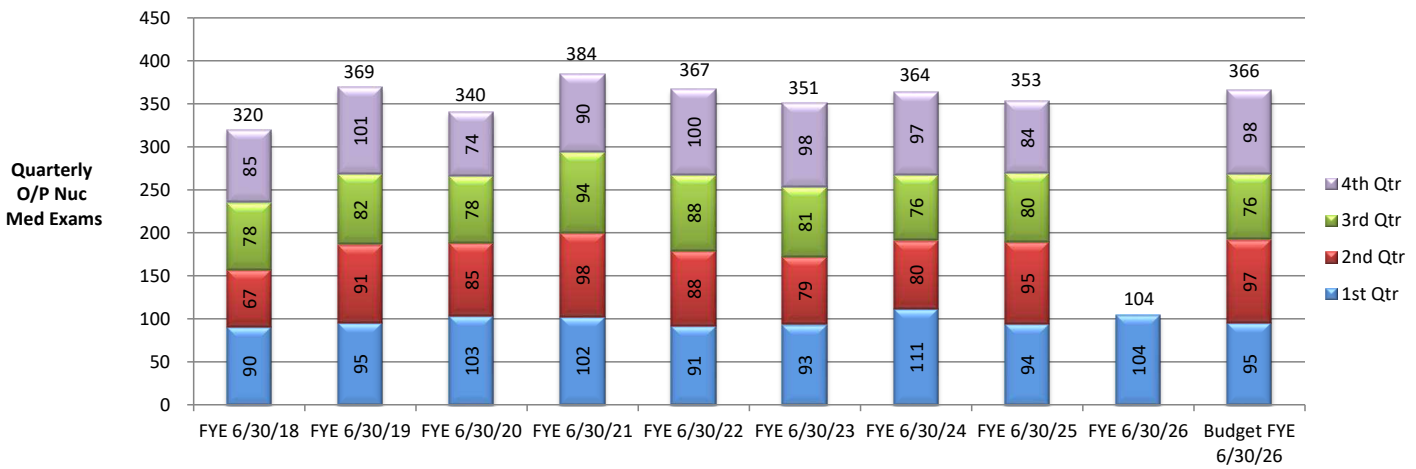
TOTAL TFH LAB TESTS



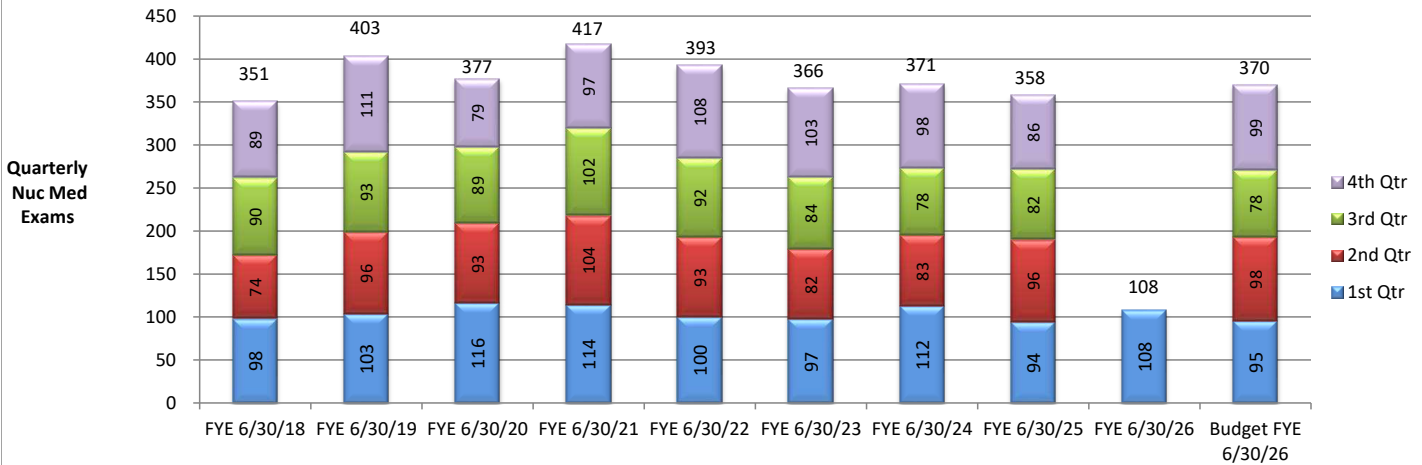
TOTAL TFH NUCLEAR MEDICINE INPATIENT EXAMS



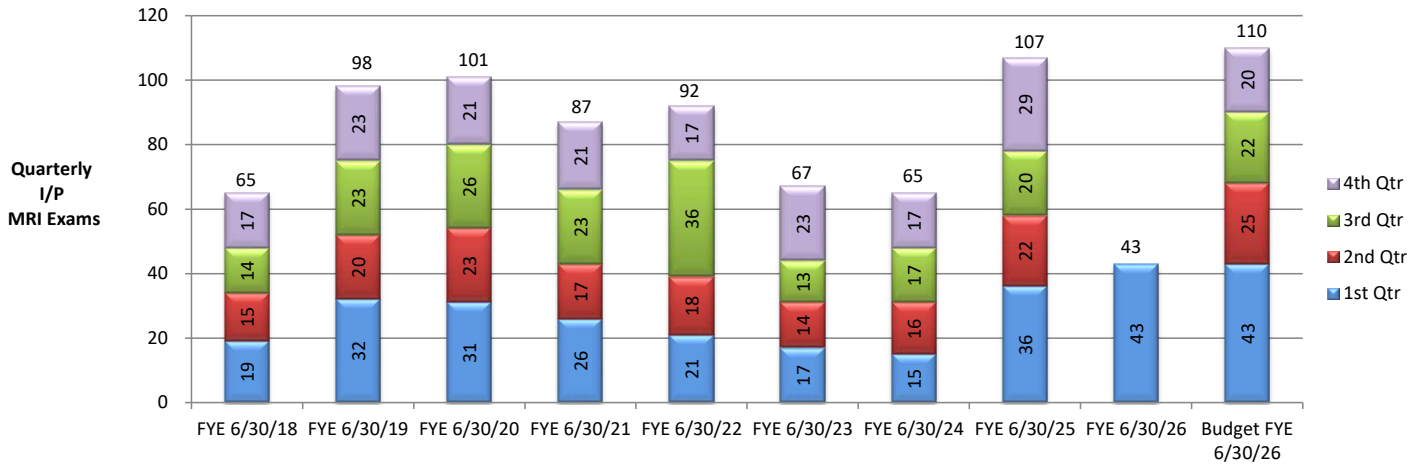
TOTAL TFH NUCLEAR MEDICINE OUTPATIENT EXAMS



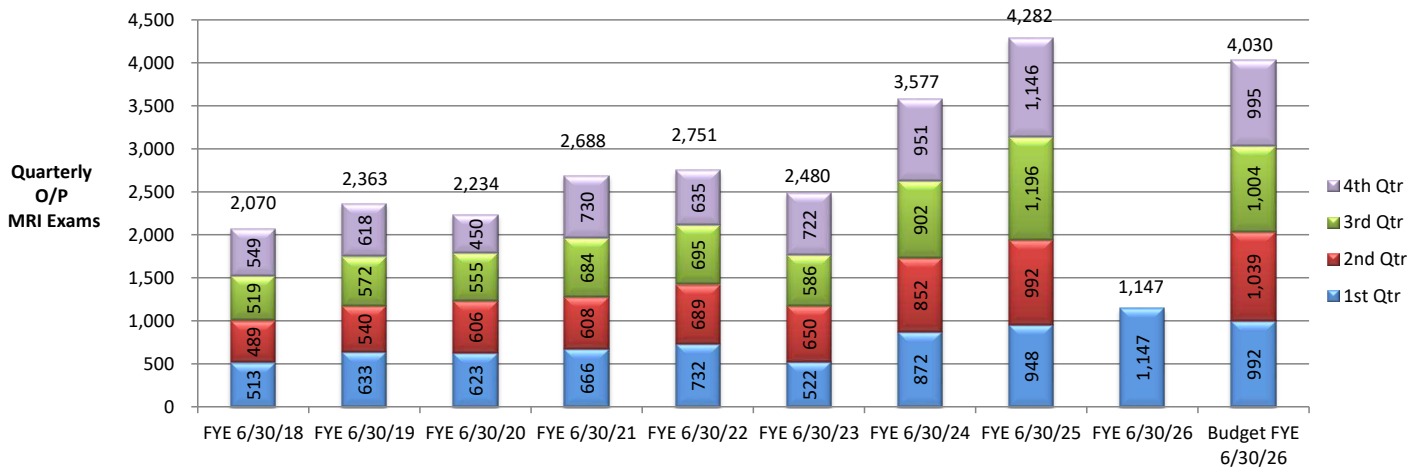
TOTAL TFH NUCLEAR MEDICINE EXAMS



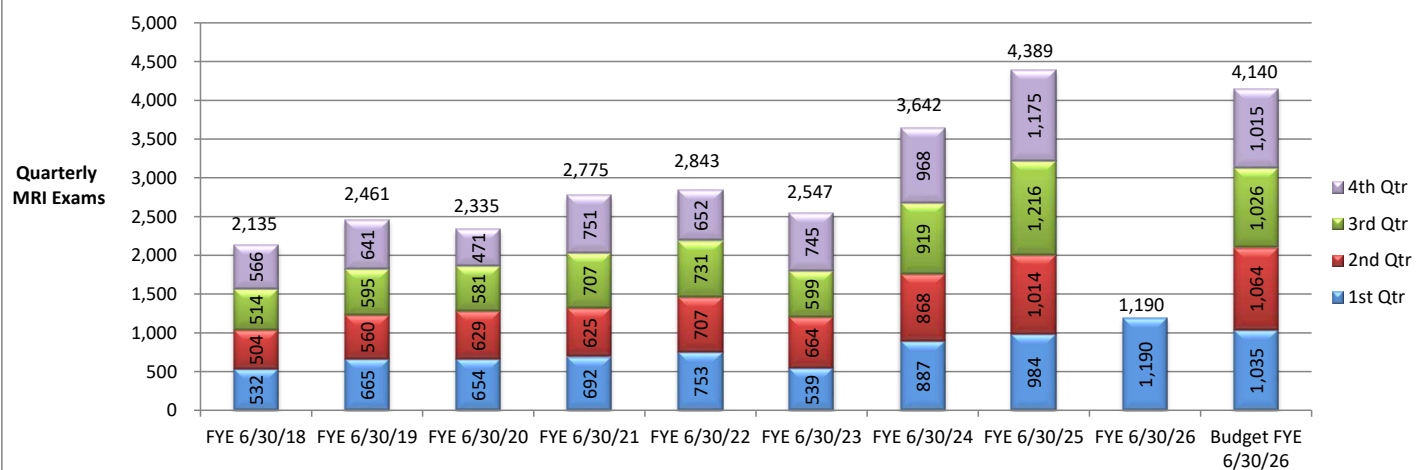
TOTAL TFH MRI INPATIENT EXAMS



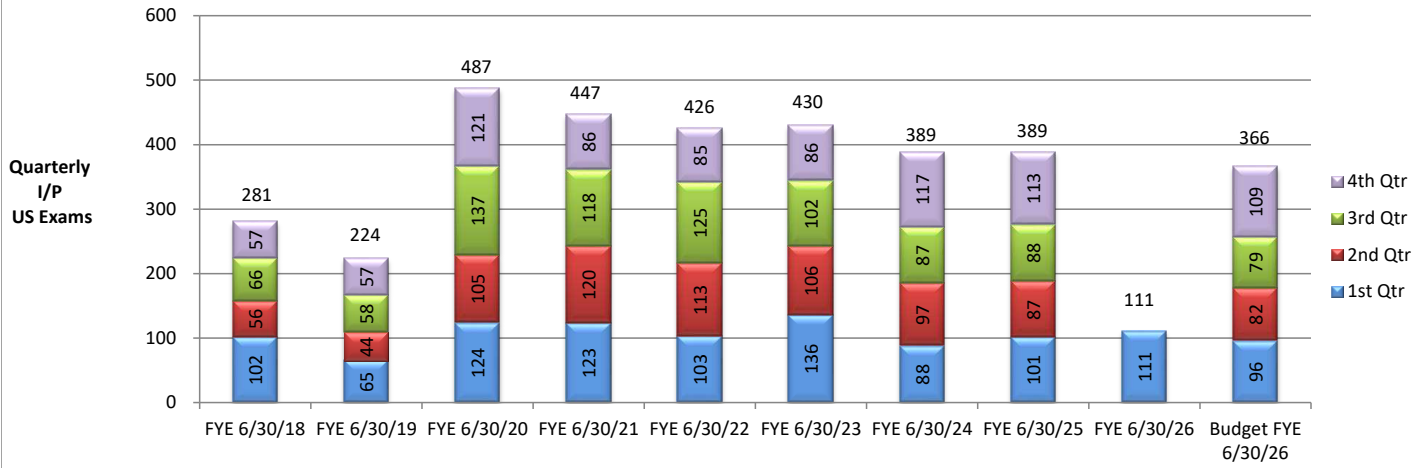
TOTAL TFH MRI OUTPATIENT EXAMS



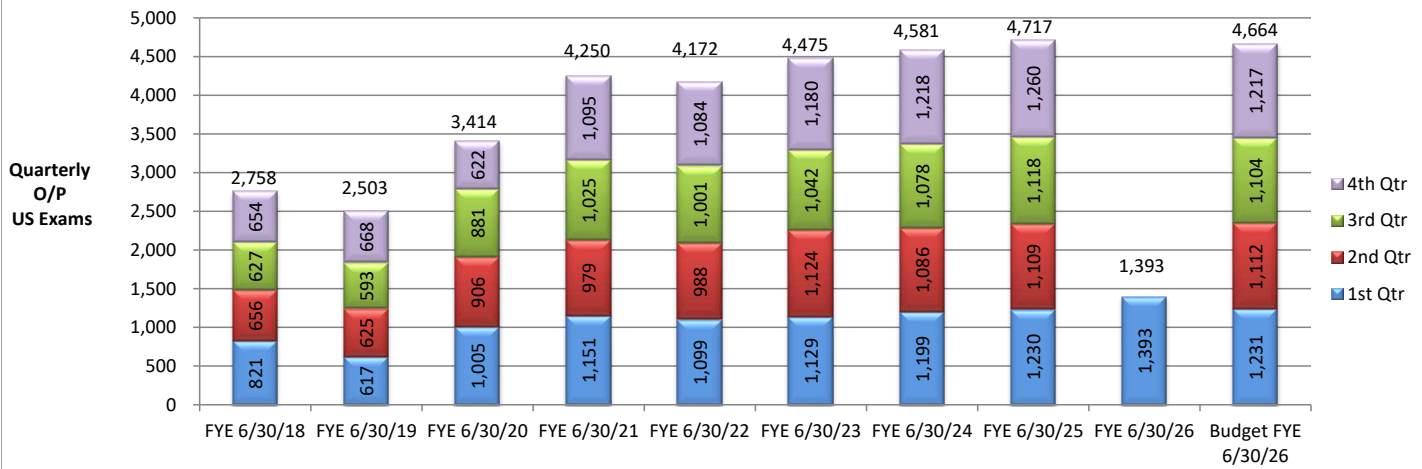
TOTAL TFH MRI EXAMS



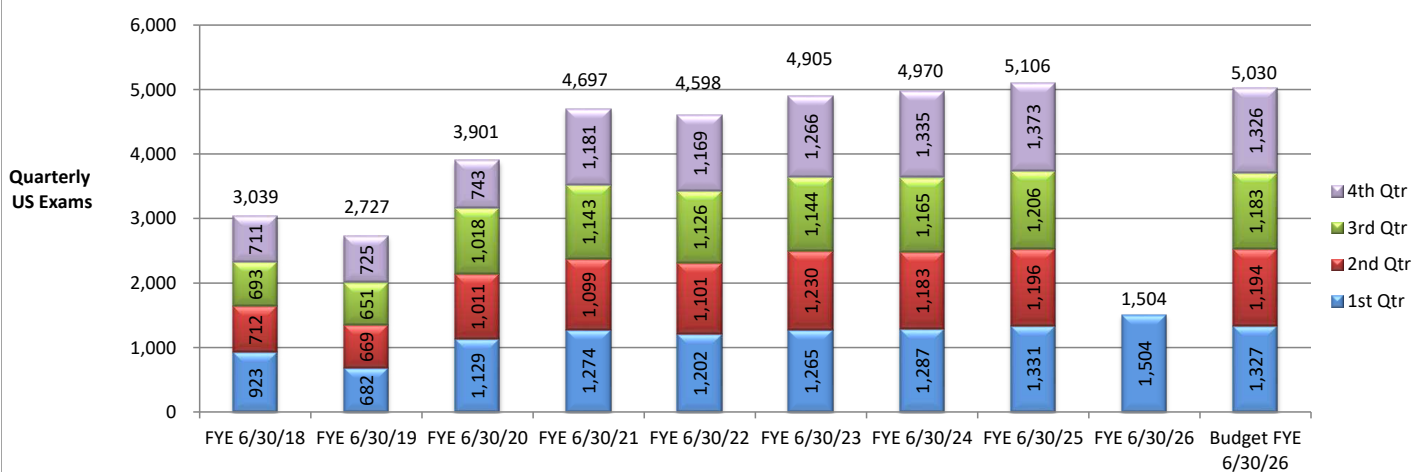
TOTAL TFH ULTRASOUND INPATIENT EXAMS



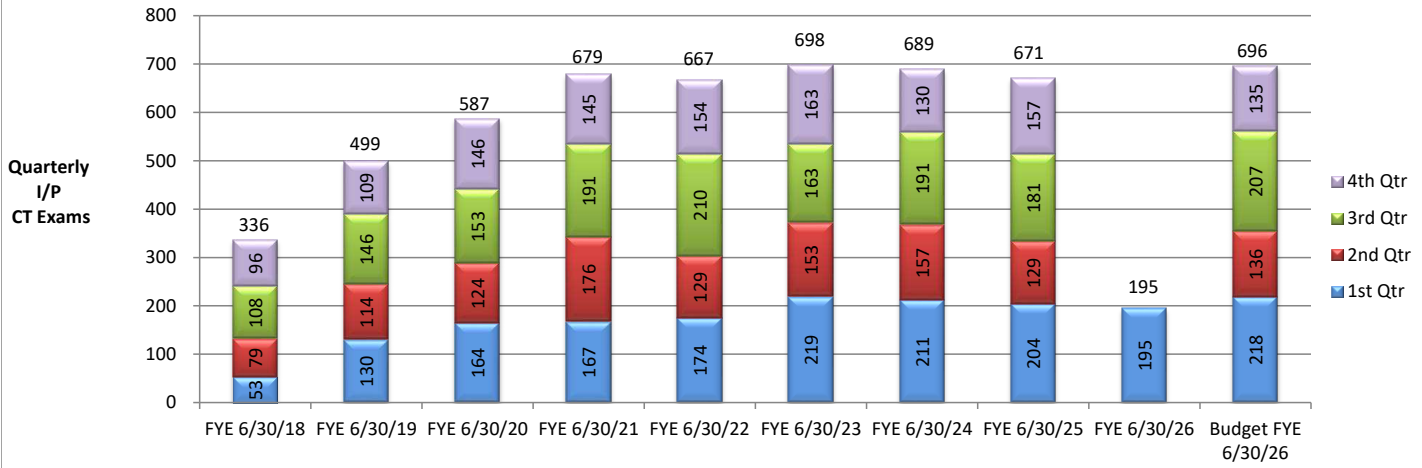
TOTAL TFH ULTRASOUND OUTPATIENT EXAMS



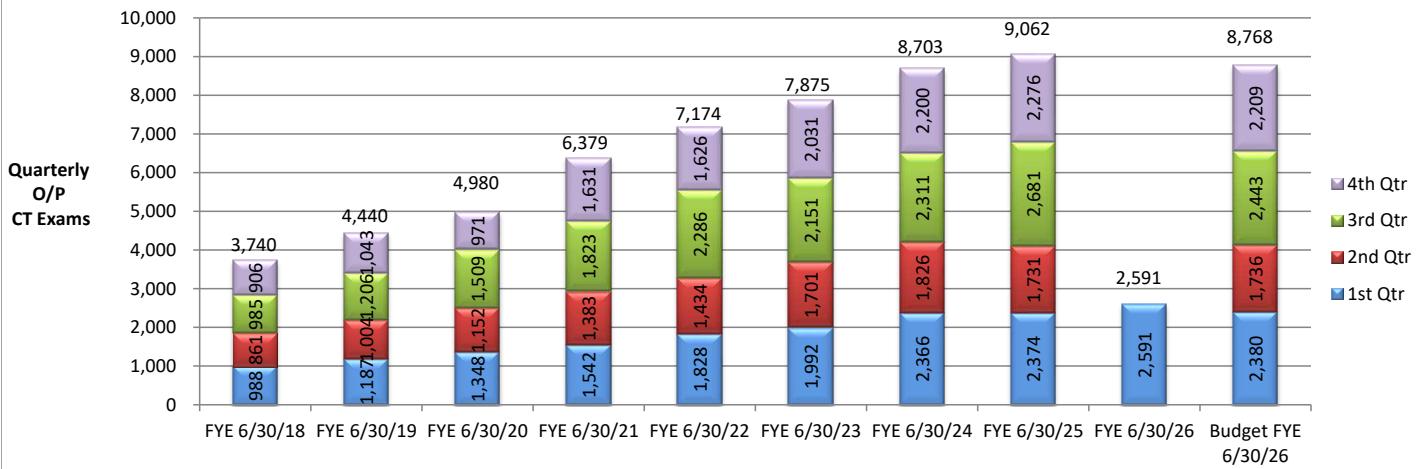
TOTAL TFH ULTRASOUND EXAMS



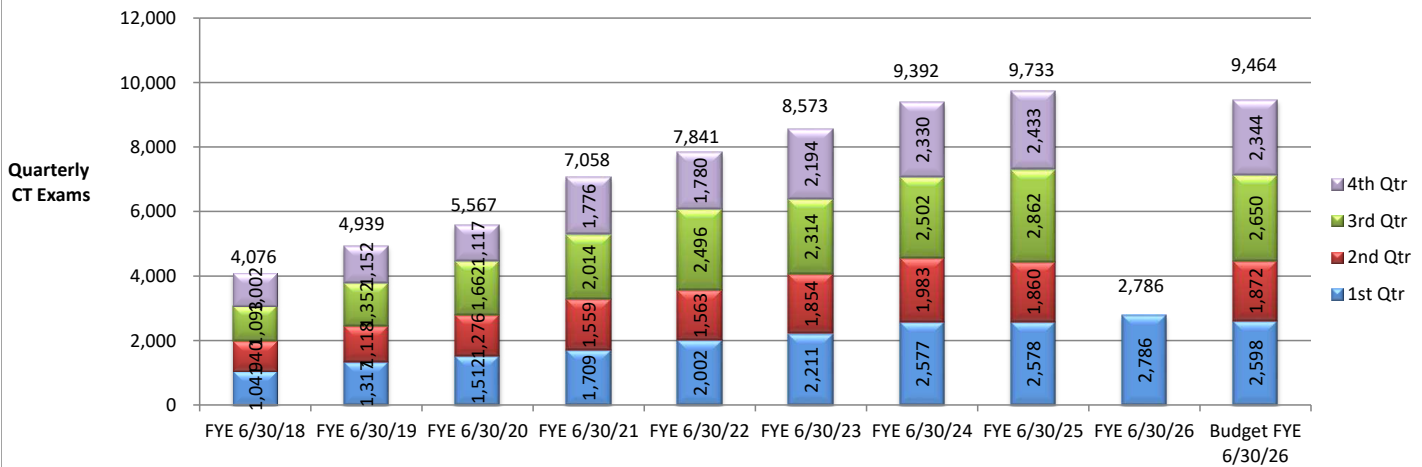
TOTAL TFH CT INPATIENT EXAMS



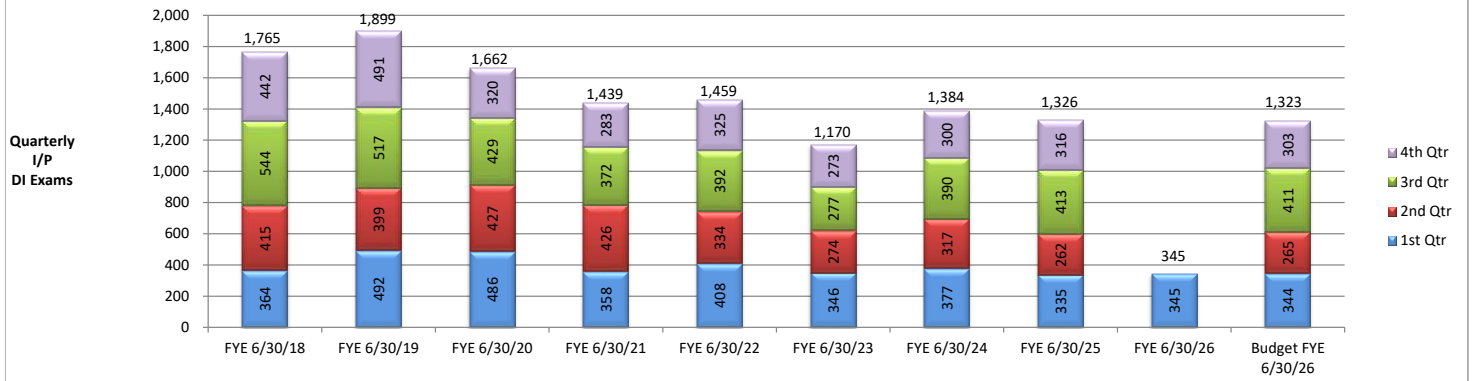
TOTAL TFH CT OUTPATIENT EXAMS



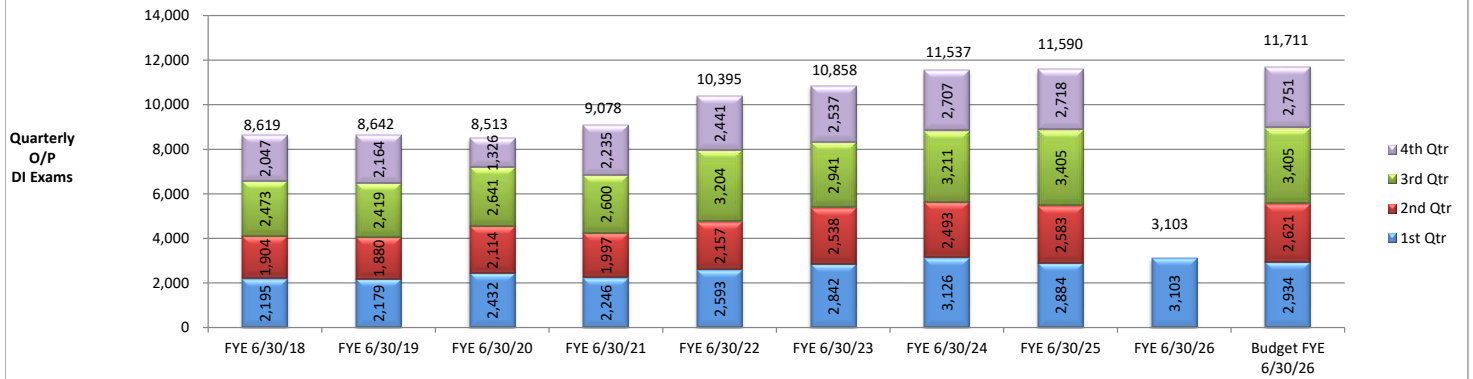
TOTAL TFH CT EXAMS



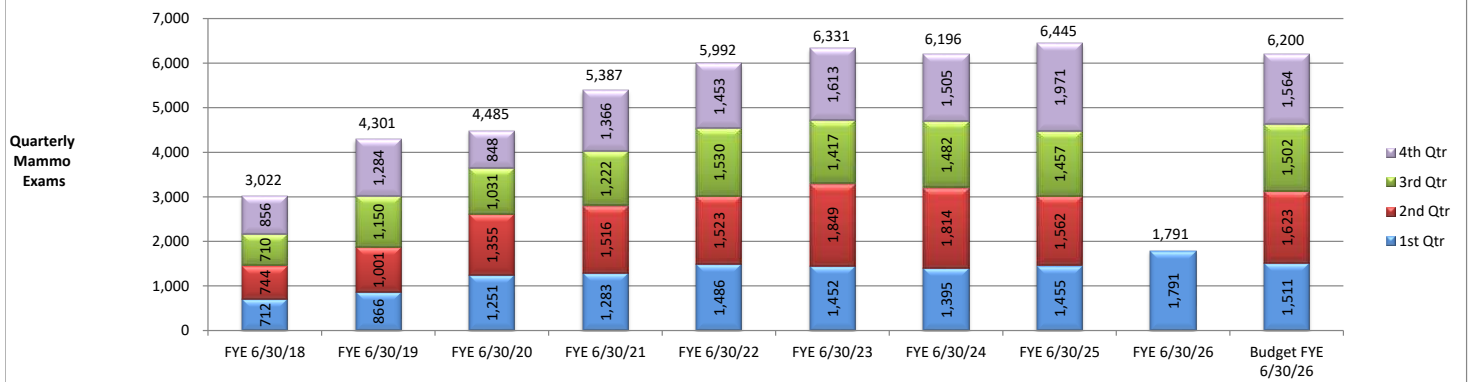
TOTAL TFH INPATIENT DIAGNOSTIC IMAGING EXAMS



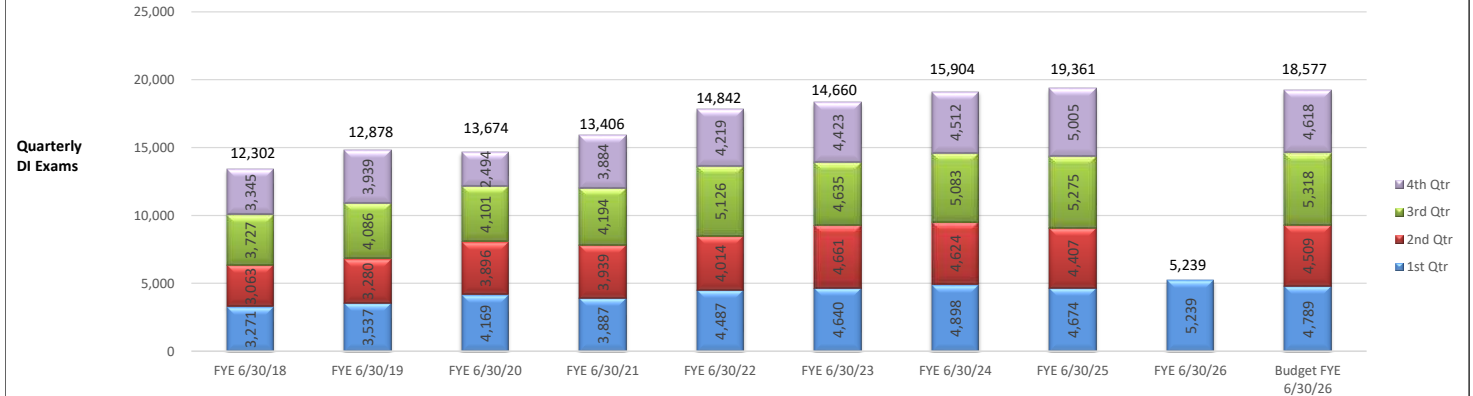
TOTAL TFH OUTPATIENT DIAGNOSTIC IMAGING EXAMS



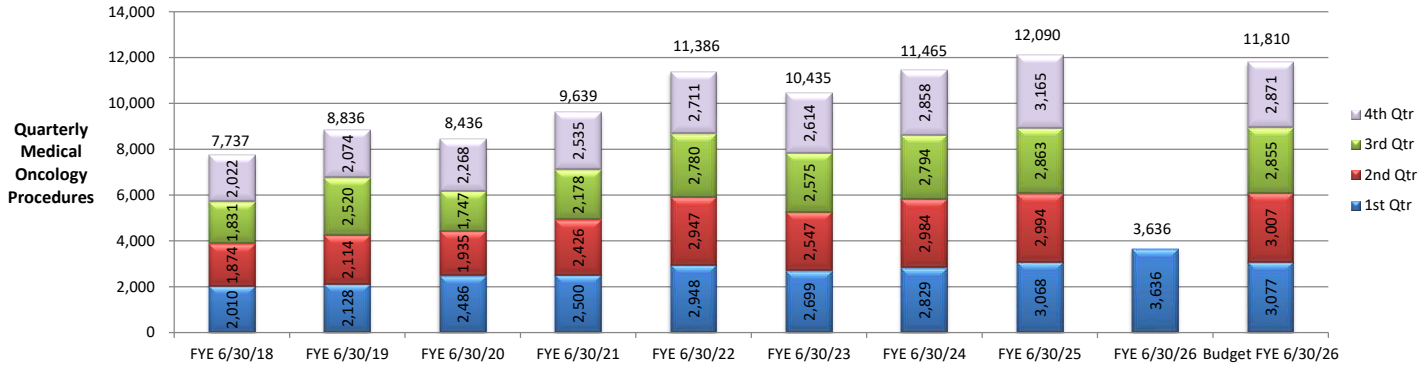
TOTAL TFH MAMMOGRAPHY EXAMS



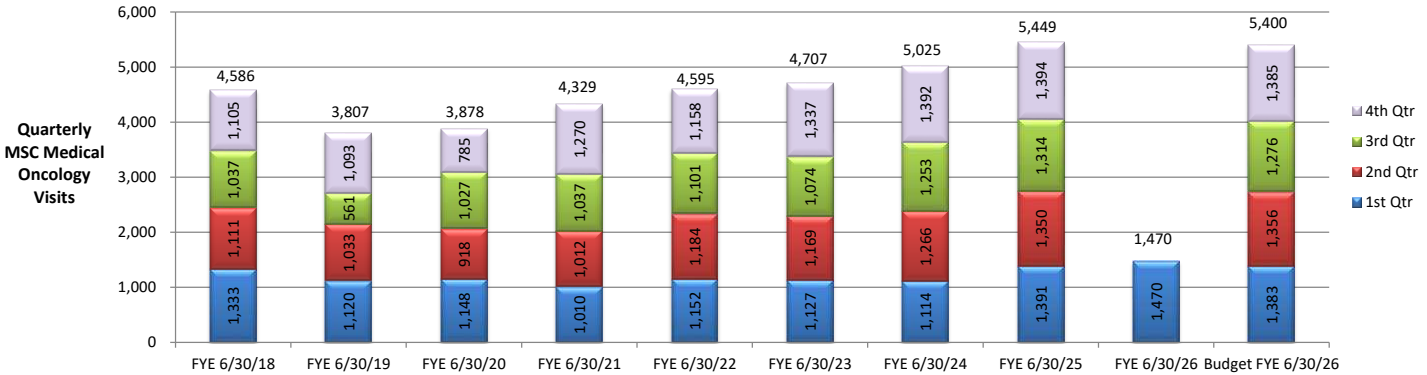
TOTAL TFH DIAGNOSTIC IMAGING EXAMS



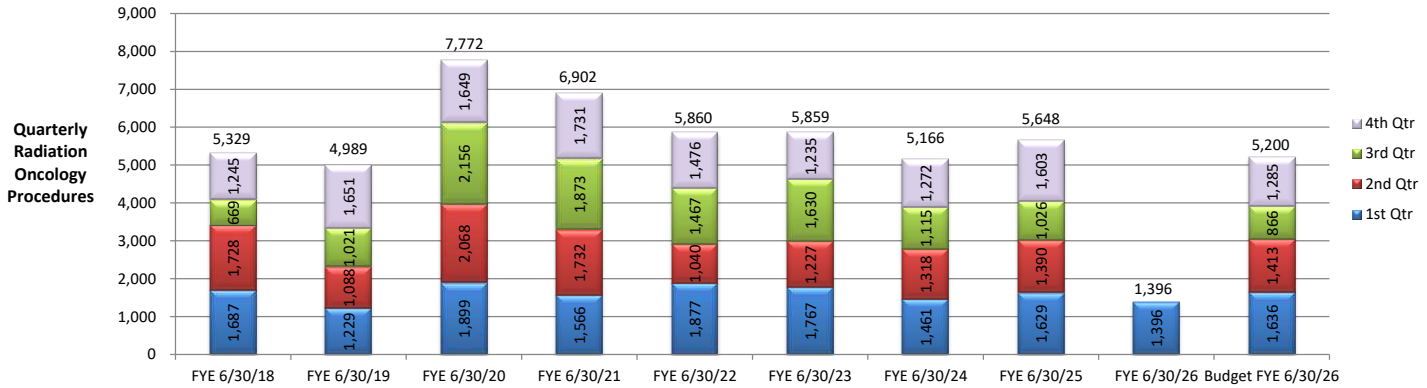
TOTAL TFH MEDICAL ONCOLOGY PROCEDURES



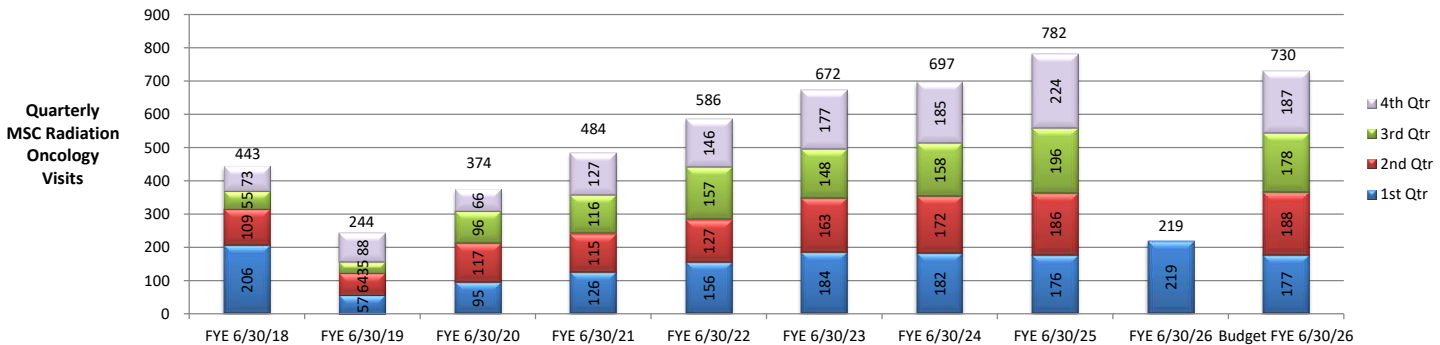
TOTAL TFH MSC MEDICAL ONCOLOGY VISITS



TOTAL TFH RADIATION ONCOLOGY PROCEDURES

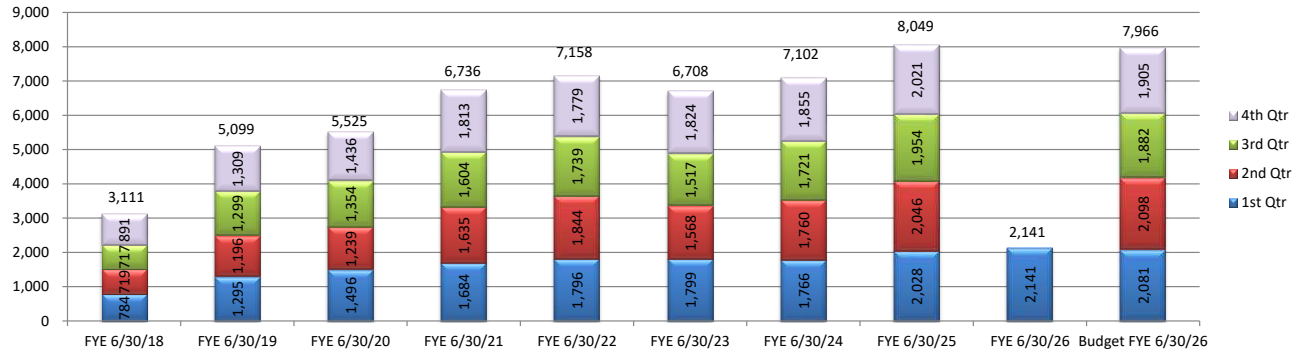


TOTAL TFH MSC RADIATION ONCOLOGY VISITS



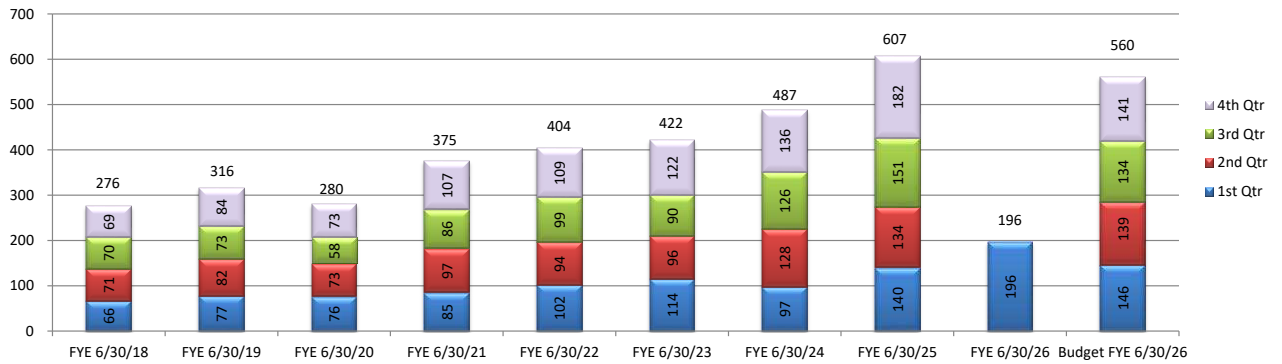
TOTAL TFH ONCOLOGY LABORATORY TESTS

QUARTERLY
ONCOLOGY
LAB TESTS

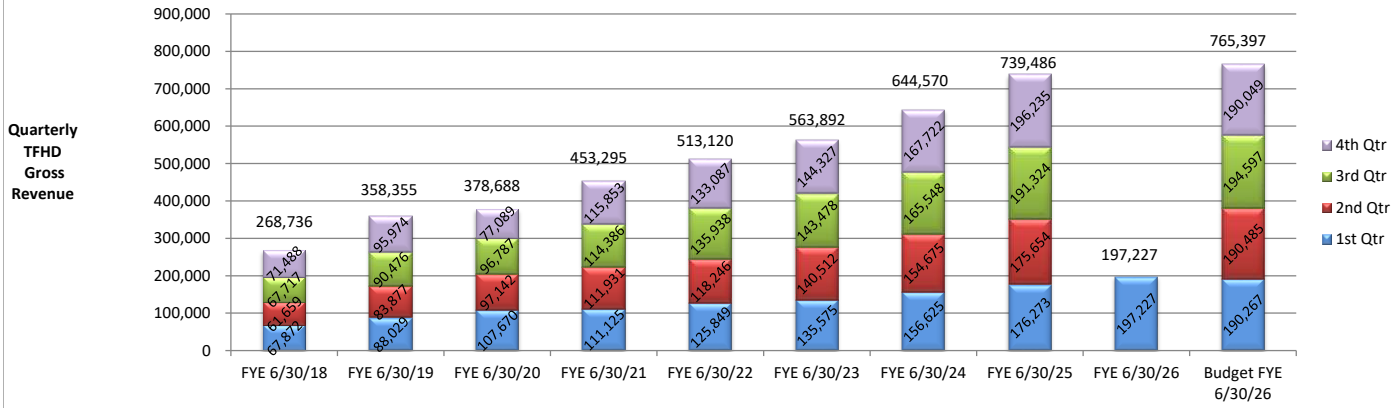


TOTAL TFH PET CT EXAMS

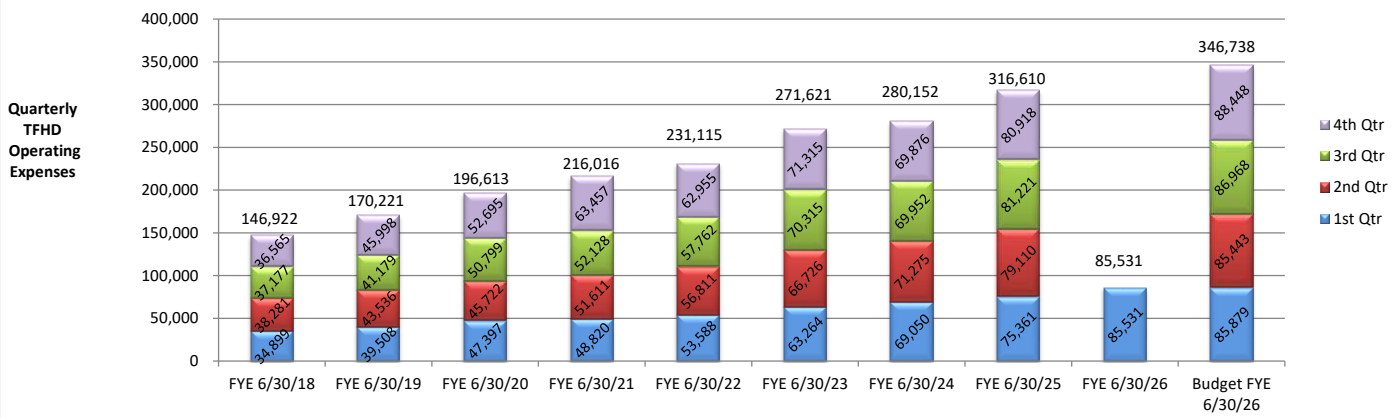
QUARTERLY
PET CT
EXAMS



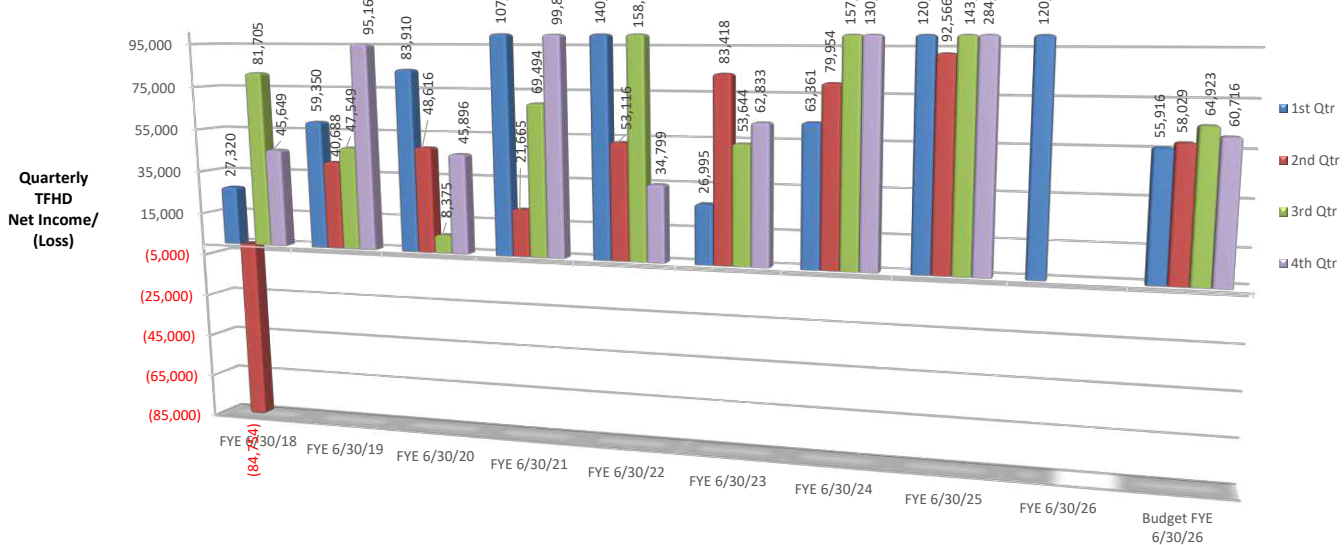
TAHOE FOREST HOSPITAL DISTRICT TOTAL GROSS REVENUE (In Thousands)



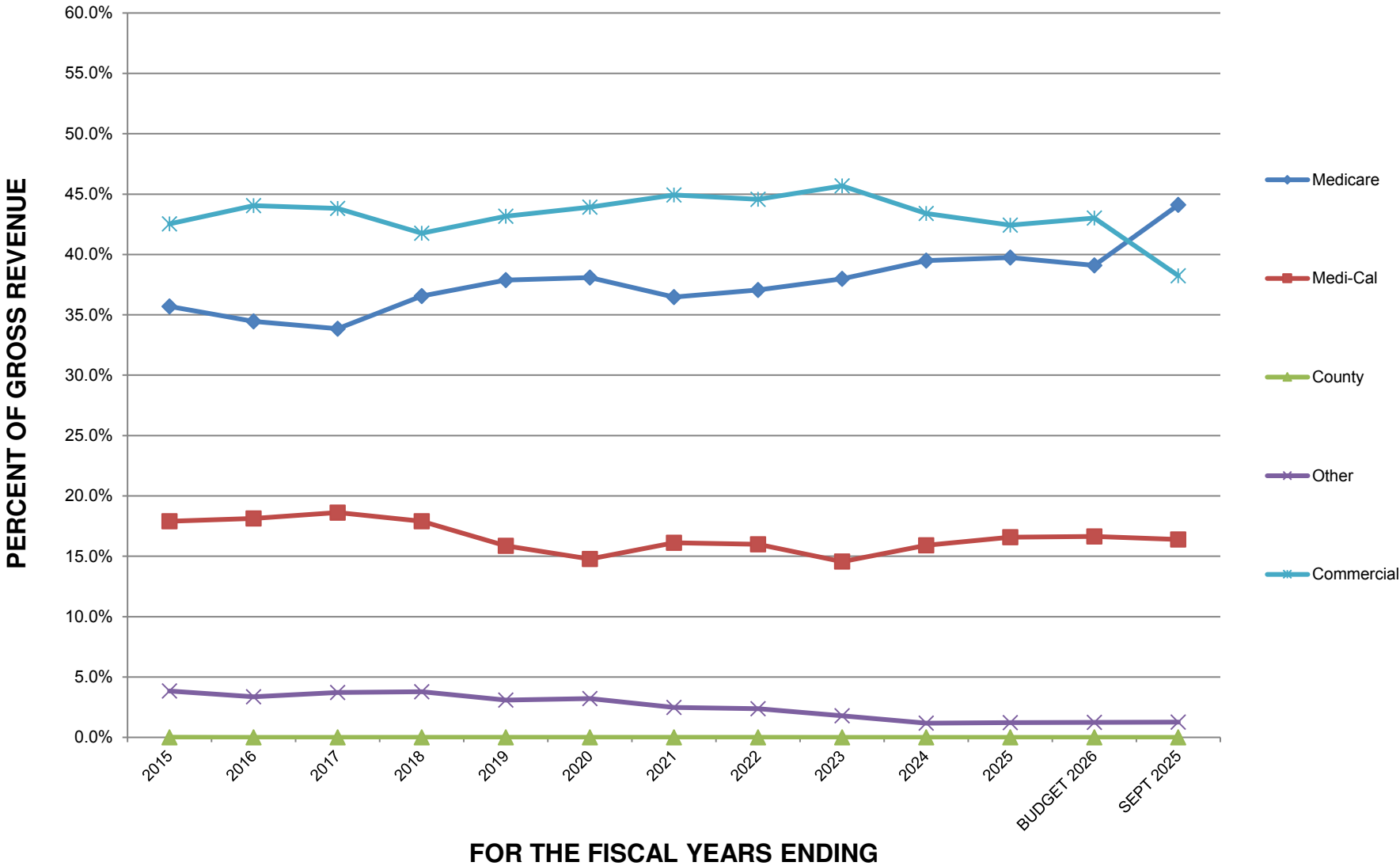
TAHOE FOREST HOSPITAL DISTRICT TOTAL OPERATING EXPENSES (In Thousands)



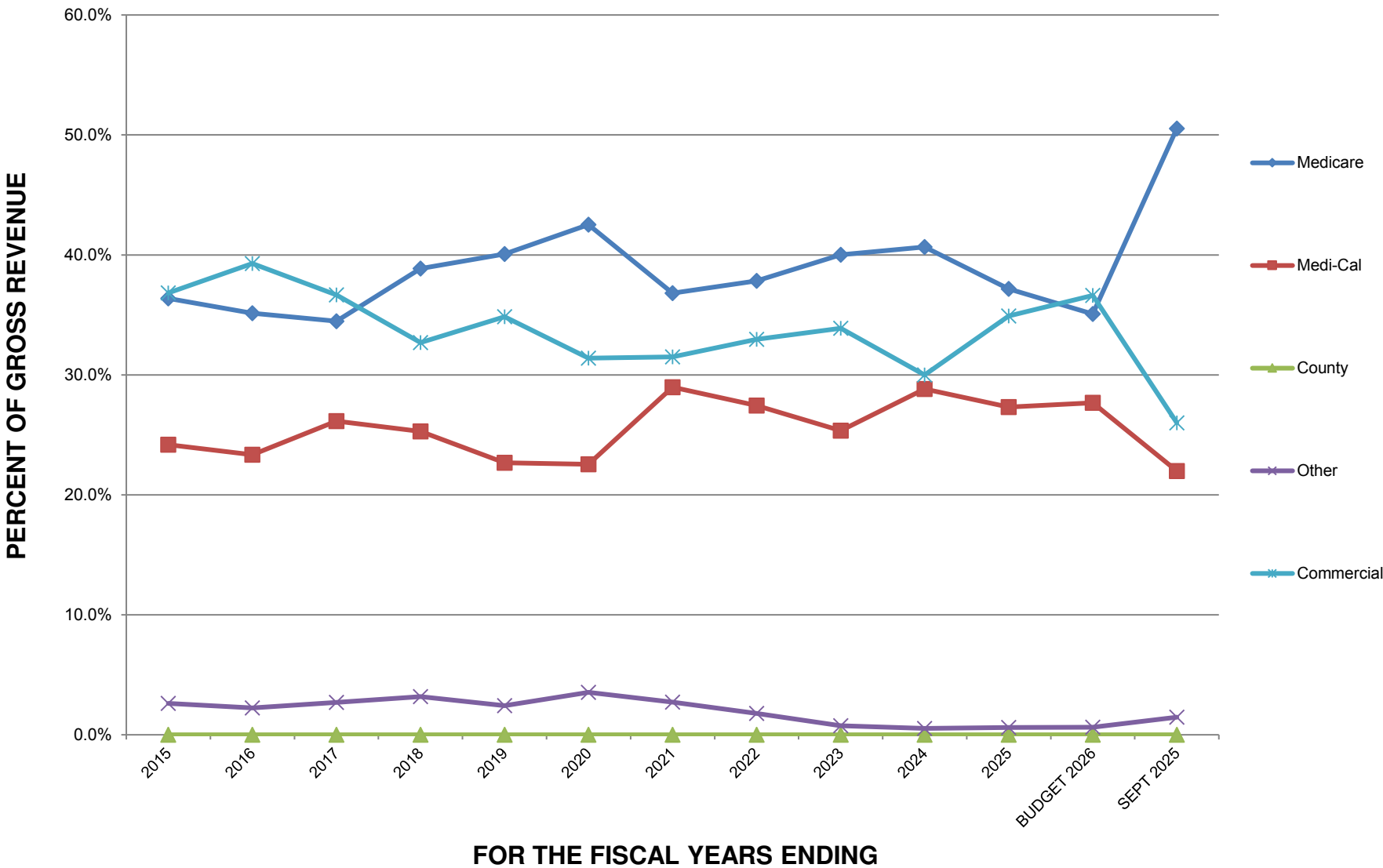
TAHOE FOREST HOSPITAL DISTRICT NET INCOME/(LOSS) (In Hundreds)



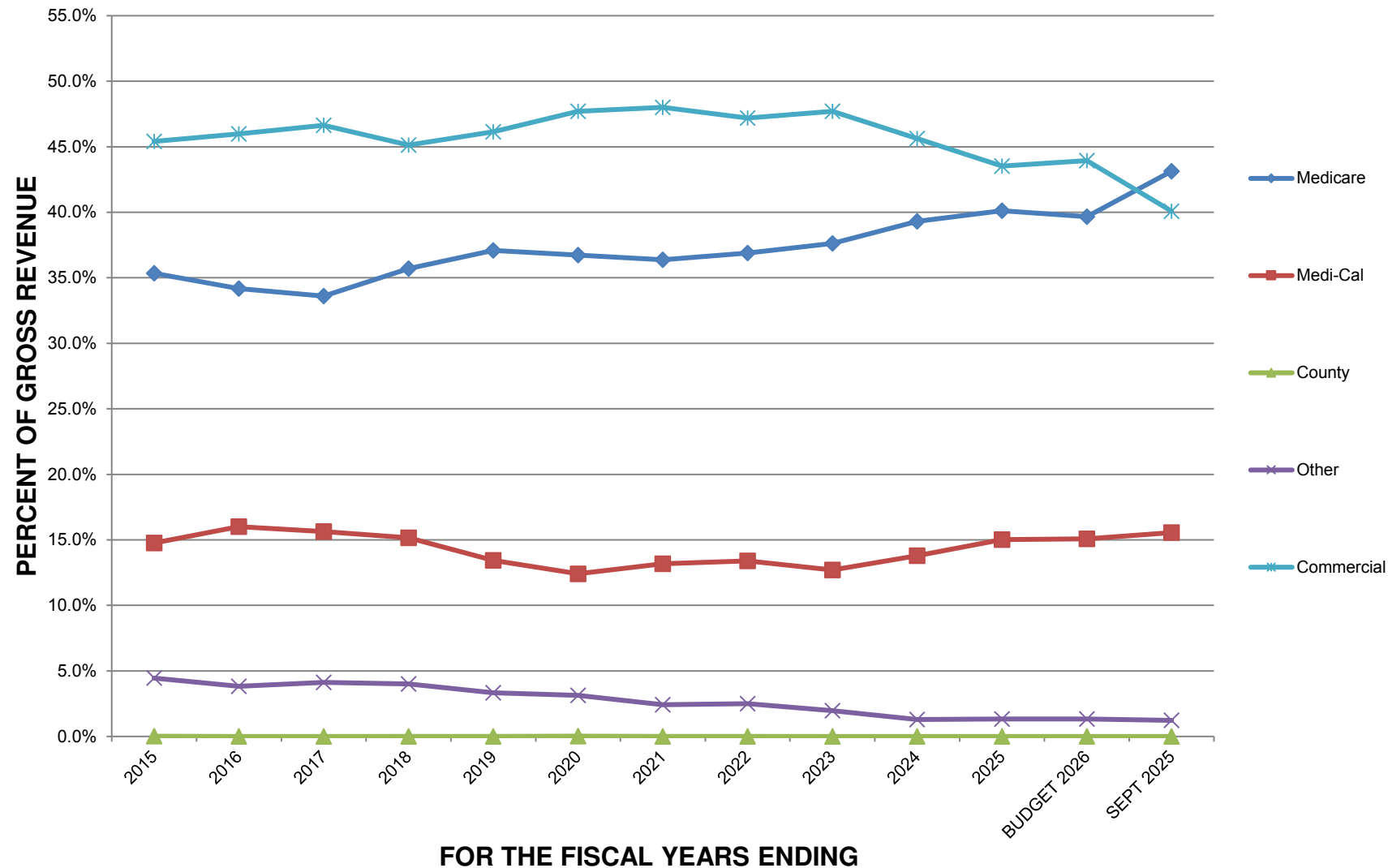
GROSS REVENUE PAYOR MIX TRENDING



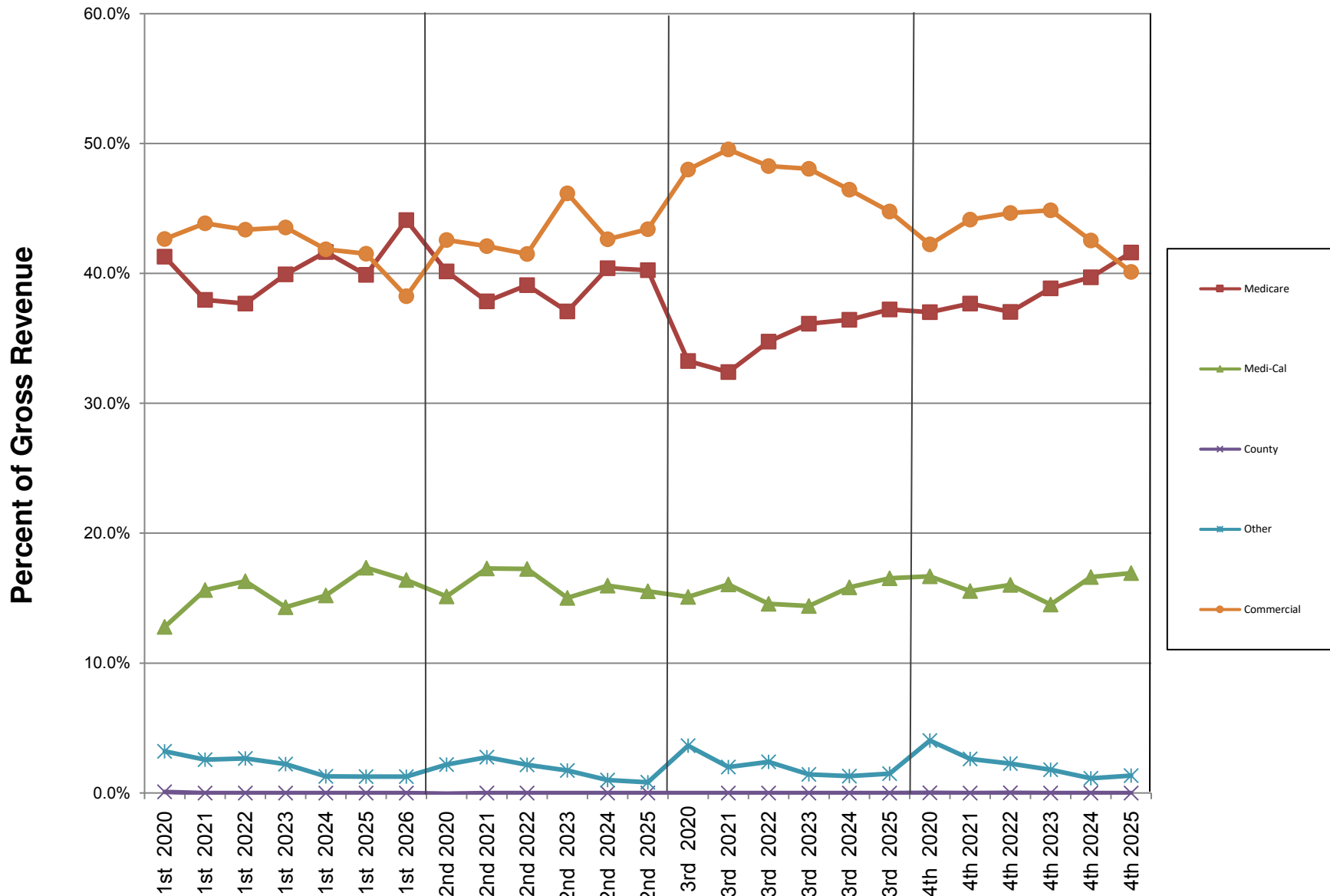
INPATIENT REVENUE PAYOR MIX TRENDING



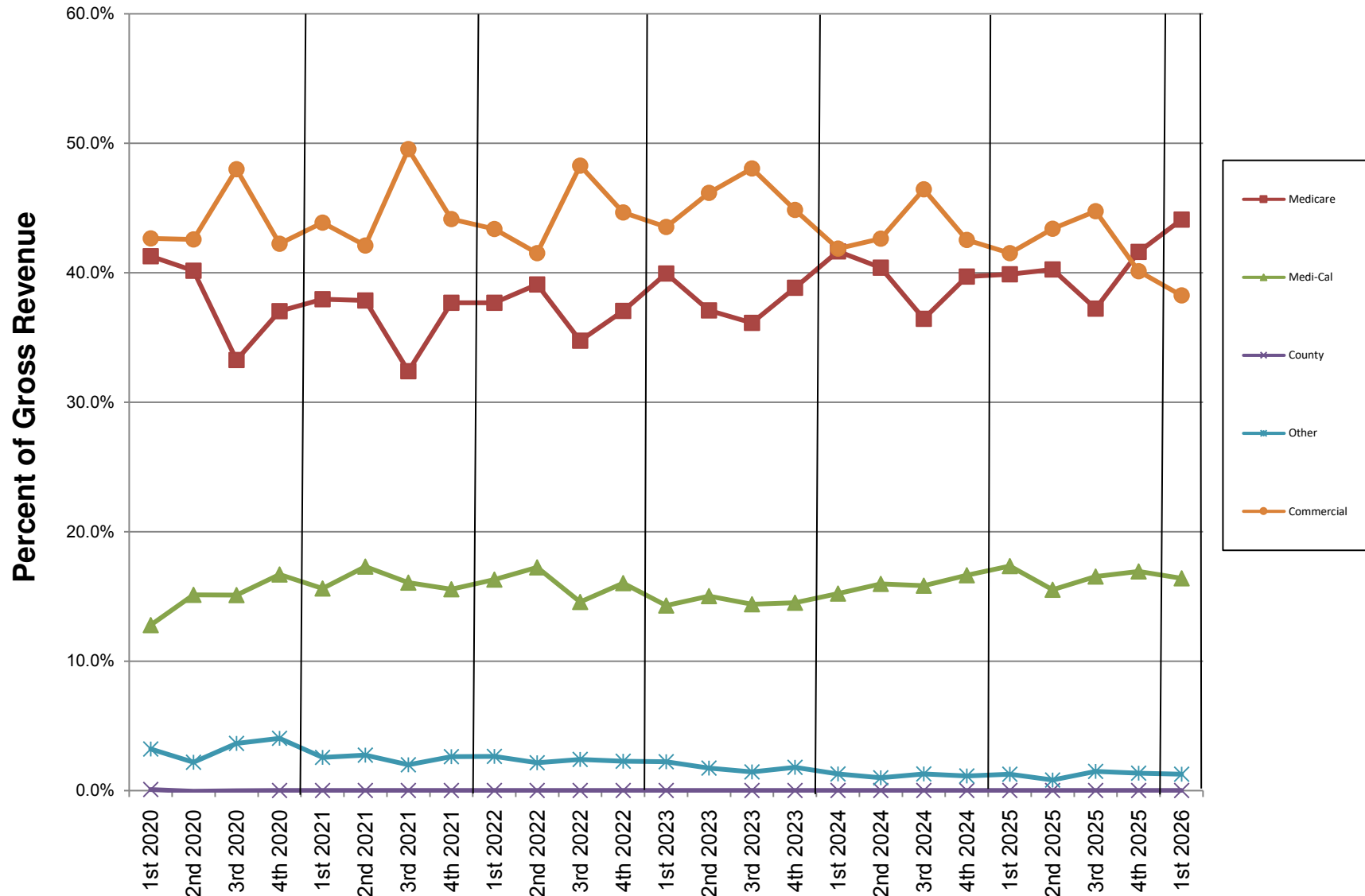
OUTPATIENT REVENUE PAYOR MIX TRENDING



Total Quarterly Percent of Gross Revenue by Payor



Total Quarterly Percent of Gross Revenue By Payor by Fiscal Year



Charter

Finance Committee Board of Directors Tahoe Forest Hospital District

PURPOSE: The purpose of the charter is to delineate the Finance Committee's duties and responsibilities.

RESPONSIBILITIES: The Finance Committee is responsible for assisting the Board in oversight of financial affairs by monitoring the organization's financial policies and the adequacy of its reporting, and recommending actions to protect and enhance the community's investment in the hospital. It will also assure that appropriate policies and procedures are in place to safeguard and preserve the assets of the hospital.

DUTIES:

1. Review quarterly the District operating, cash and capital budgets, budget performance and financial management and make recommendations.
2. Review financial statements quarterly.
3. Oversee the annual independent audit and supervision of any necessary corrective measures.
4. Review annually the investment of District funds.
5. Annually review the financial plans for consistency with hospital and system-wide strategic objectives.
6. Monitor financial indicators relative to industry benchmarks and like organizations.

COMPOSITION:

The Committee is comprised of at least two (2) members. The Board Treasurer shall serve on the Committee, and the second Committee member shall be appointed by the Board Chair.

MEETING FREQUENCY: The Committee shall meet quarterly. A report will be made to the Board of Directors, quarterly, or otherwise as requested.

Finance & Strategy Committee Charter

Board of Directors – Tahoe Forest Hospital District

PURPOSE:

The purpose of this Charter is to delineate the Finance & Strategy Committee's duties and responsibilities. The Committee assists the Board of Directors in fulfilling its fiduciary and strategic oversight responsibilities by monitoring the financial condition and performance of the District, ensuring alignment between financial planning and strategic initiatives, and recommending actions to safeguard, preserve, and enhance the community's investment in the hospital.

RESPONSIBILITIES:

The Committee is responsible for assisting the Board in oversight of the District's financial and strategic affairs by:

- Monitoring the organization's financial and capital position, policies, and performance;
 - Ensuring that long-range financial planning supports the District's strategic direction and operational priorities;
 - Reviewing, advising, and making recommendations on strategic business initiatives, partnerships, and investments that have material financial implications; and
 - Recommending actions to protect and enhance the District's fiscal sustainability and strategic competitiveness.
-

DUTIES:

In addition to its existing duties, the Committee shall:

1. **Financial Oversight**
 - Review quarterly the District's operating, cash, and capital budgets, budget performance, and financial management, and make recommendations.
 - Review financial statements quarterly and monitor financial indicators relative to industry benchmarks and peer organizations.
 - Oversee the annual independent audit and supervision of any necessary corrective measures.
 - Review annually the investment of District funds.
2. **Strategic Alignment**
 - Review and evaluate the District's **strategic plan**, ensuring financial feasibility and sustainability of strategic priorities.
 - Assess the **financial impact of strategic initiatives, partnerships, affiliations, or service line expansions** prior to Board consideration.

- Monitor progress toward achieving financial and strategic objectives, including return on strategic investments and alignment with mission and community benefit goals.
- Participate jointly with the Board and executive leadership in **annual strategic and financial planning sessions** to ensure cohesive integration of operational, financial, and strategic plans.
- Review key **environmental, market, and regulatory trends** that may impact the District's long-term financial or strategic position.

3. **Advisory Role**

- Provide guidance to the Board and management regarding strategic business opportunities, major capital investments, and resource allocation priorities.
- Recommend performance metrics and dashboards to monitor progress toward strategic and financial goals.

COMPOSITION:

The Committee is comprised of at least two (2) members. The Board Treasurer shall serve on the Committee, and the second Committee member shall be appointed by the Board Chair. Additional members with strategic planning or financial expertise may be appointed at the discretion of the Board Chair.

MEETING FREQUENCY:

The Committee shall meet quarterly, or more frequently as necessary to review financial and strategic planning matters. A report will be made to the Board of Directors quarterly or otherwise as requested.