



TAHOE FOREST  
HOSPITAL DISTRICT

# 2026-04-29 Board Finance Committee OPEN Session

Wednesday, April 29, 2026, at 3:00 p.m.

Aspen Conference Room – Tahoe Forest Hospital

10800 Donner Pass Rd, suite 200, Truckee, CA 96161

# Meeting Book - 2026-04-29 Board Finance Committee OPEN Session

## Finance Committee

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### 5. APPROVAL OF MINUTES

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### 6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

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#### 10.3. Federal and State Medicaid Financial Impact Discussion discussion only, no materials attached at time of posting.

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# FINANCE COMMITTEE AGENDA

Wednesday, April 29, 2026, at 3:00 p.m.  
Aspen Conference Room – Tahoe Forest Hospital  
10800 Donner Pass Rd, suite 200, Truckee, CA 96161

**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 ♦: 01/20/2026 ..... 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. Committee Charter Review ..... ATTACHMENT**

Finance Committee will review the current charter, consider proposed updates and revisions, and provide recommendations for changes, as appropriate.

**6.3. Professional Services Agreement for Audit and Nonattest Services ..... ATTACHMENT**

Finance Committee will review and consider recommendation of a three-year agreement with Baker Tilly US, LLP for Audit and Nonattest services for Tahoe Forest Hospital District, Incline Village Community Hospital Foundation, and Tahoe Forest Health System Foundation.

**7. CLOSED SESSION**

**7.1 Approval of Closed Session Minutes ♦**

**7.1.1** 01/20/2026 Closed Session Board Finance Committee

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

*Discussion will concern: Existing and potential new programs and service lines  
Estimated Date of Disclosure: December 2026*

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

*Discussion will concern: Existing and potential new programs and service lines  
Estimated Date of Disclosure: August 2026*

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

♦ Denotes Action Item

*Discussion will concern: Existing and potential new programs and service lines  
Estimated Date of Disclosure: August 2026*

**8. OPEN SESSION – CALL TO ORDER**

**9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

**10. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION ◆**

**10.1. Accounts Receivable Update ..... ATTACHMENT**

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

**10.2. Financial Reports**

Finance Committee will review the following financial reports:

**10.2.1. March 2026 Financial Report..... ATTACHMENT**

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

**10.3. 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.

**11. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING**

**12. NEXT MEETING DATE**

**13. 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 Clerk of the Board at (530) 582-3583 at least 24 hours in advance of the meeting.

◆ Denotes Action Item



## FINANCE COMMITTEE DRAFT MINUTES

Tuesday, January 20, 2026 at 3:00 p.m.  
Aspen Conference Room – Tahoe Forest Hospital  
10800 Donner Pass Rd, Suite 200, Truckee, CA 96161

### 1. CALL TO ORDER

Meeting was called to order at 3:02 p.m.

### 2. ROLL CALL

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

Staff in attendance: Anna Roth, President & CEO; Kim McCarl, CSO; Crystal Felix, Chief Financial Officer; Louis Ward, COO (via zoom); Sarah Jackson, Clerk of the Board

Other: Bill Dennehy 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: 10/21/2025

Director McGarry moved to approve the Board Finance Committee minutes of October 21, 2025 with a minor edit to section 6.6, seconded by Director Brown.

6.6. should read ... “engage in these types of activities.”

### 6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

#### 6.1. Investment Portfolio Update

Bill Dennehy of Chandler Asset Management reviewed the economic update as of December 20, 2025.

Labor Markets were reviewed. Employment declines were most pronounced in retail trade and construction. Inflation was reviewed. Inflation came in lower than expected in November with the CPI rising 2.7%. Wage inflation has moderated. The Federal Reserve lowered its benchmark interest rate two times in the previous quarter. The CDP is showing stranger than expected results representing the fastest economic expansion in the last two years. The Administration has been slow in naming the Fed Reserve Chair.

Bond Yields were reviewed and the Portfolio Summary was reviewed. Account Summary End Values as of 12/31/25 were \$101,886,201.44, up from 100,746,115.37 as of 9/30/25. Tahoe Forest’s

performance review since inception showed 2.31% versus Benchmark Return since inception showed 1.83%. The portfolio ledger summary was reviewed. Tariff impact was reviewed.

Bill Dennehy of Chandler Asset Management (via zoom) departed the meeting at 3:23 pm

CFO provided an update regarding recent policy discussions with District Hospital Leadership Forum for changes to the Health and Safety Code.

## **6.2. Accounts Receivable Update**

CFO reviewed the Accounts Receivable status, particularly the claims with Partnership Health Plan. The clearinghouse project is almost complete.

As of December 2025, days in AR are 57.7.

We have received some great resumes for the Director of Revenue Integrity and HIM, expect to be conducting interviews onsite in early February. Current Patient Financial Services (PFS) Department is fully staffed.

Cash collections are at 99%. We are watching January 2026 (post-holiday season) very closely.

Provider Onboarding – Progress has slowed significantly on this item. A redesign task force has been launched focusing on this item as well as Third Next Available. It takes 120-180 days for a provider to onboard and credential from the Finance perspective to get them onboarded and credentialed with CMS, insurance(s), Medicaid/Medi-Cal.

## **6.3. Financial Reports**

### **6.3.1. December 2025 Financial Report**

December 2025 Financial Reports were briefly reviewed.

Central Budget office creation was discussed. It will fall under the Controller and the workload will be redistributed. CFO would like to start recruiting in February. This Office will be managing the capital process, projecting costs, and refining the capital process. Looking at 3 FTEs for the Office. Will have a Director, Senior Budget Analyst and mid-level Analyst. It will also be involved in position control. Significant discussion was held.

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

CFO reviewed the Payor Mix.

## **6.4. Federal and State Medicaid Financial Impact Discussion**

CFO reviewed the State budget and project deficit. State MediCal eligibility changes were reviewed. Changes drafted attempt to help State deficit, but do not reduce mandate to provide health care. Federal Medicaid eligibility changes were reviewed. IGT transfers and supplemental programming was reviewed. The Rural Health Transformation Program (5 year program) was reviewed.

COO reviewed the State of Nevada updates similar to the State of California.

Director Brown and Director McGarry discussed whether the CFO would be able to present this topic at the full Board of Directors meeting in the near future.

CEO would like the Board to either consider this presentation in March or as a pre-presentation to the Budget Presentation in May.”

#### **6.5. Board Finance Committee Charter**

Director Brown reviewed the presented Charter. It was updated at the October Finance Committee Meeting.

**Director McGarry moved to recommend the Board Finance Committee Charter as presented, seconded by Director Brown. Send to February Board Meeting for Board approval.**

#### **6.6. Community Engagement Budget Discussion**

Item deferred due to time constraints.

CLOSED SESSION convened at: 4:41 pm

### **7. CLOSED SESSION**

#### **7.1 Approval Of Closed Session Minutes**

7.1.1 10/21/2025 Closed Session Board Finance Committee Discussion was held on a confidential item.

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

*Discussion will concern: Proposed new service*

*Estimated Date of Disclosure: December 2026*

Discussion was held on a confidential item.

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

*Discussion will concern: Managed Care Contracting*

*Estimated Date of Disclosure: December 2026*

Discussion was held on a confidential item.

CLOSED SESSION recessed at: 5:20 pm

### **8. OPEN SESSION – CALL TO ORDER**

### **9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

Item 7.1 Closed Session Minutes were recommended for approval. No Reportable Actions for Items 7.2. or 7.3.

### **10. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING**

### **11. NEXT MEETING DATE**

The next Finance Committee will be scheduled for April 21, 2026

**12. ADJOURN**

**Meeting adjourned at 5:20 p.m.**

DRAFT

# INVESTMENT REPORT

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Tahoe Forest Hospital District | Board Report | As of March 31, 2026

CHANDLER ASSET MANAGEMENT | [chandlerasset.com](http://chandlerasset.com)

**Chandler Team:**

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

## ■ Labor Markets

March nonfarm payrolls rose by 178,000, a decisive reversal from February's revised 133,000 decline that had been distorted by a Kaiser Permanente strike affecting over 30,000 healthcare workers and severe winter weather. Healthcare contributed 76,000 positions as striking nurses returned, while construction and leisure rebounded from weather-induced troughs. The unemployment rate edged lower to 4.3%, though partly from a labor force reduction rather than a hiring acceleration. Meanwhile, the underemployment rate edged up to 8.0% from 7.9% in February. Average hourly earnings rose 0.2% over the month and 3.5% year over year—the slowest annual pace since May 2021.

## ■ Inflation

Consumer Price Index (CPI) for March surged 0.9%, the highest monthly rate since June 2022, and was up 3.3% on an annual basis primarily due to spikes in energy and airfare prices. Notably, Core CPI was little changed with a monthly increase of 0.2% and an annual rise of 2.6% as costs for services and other goods remained subdued. Personal Consumption Expenditures (PCE) were little changed in February, with the headline PCE Price Index up 0.4% month-over-month and 2.8% year-over-year. The Fed's preferred metric, Core PCE, which excludes food and energy, rose 0.4% during the month and 3.0% from February of 2025.

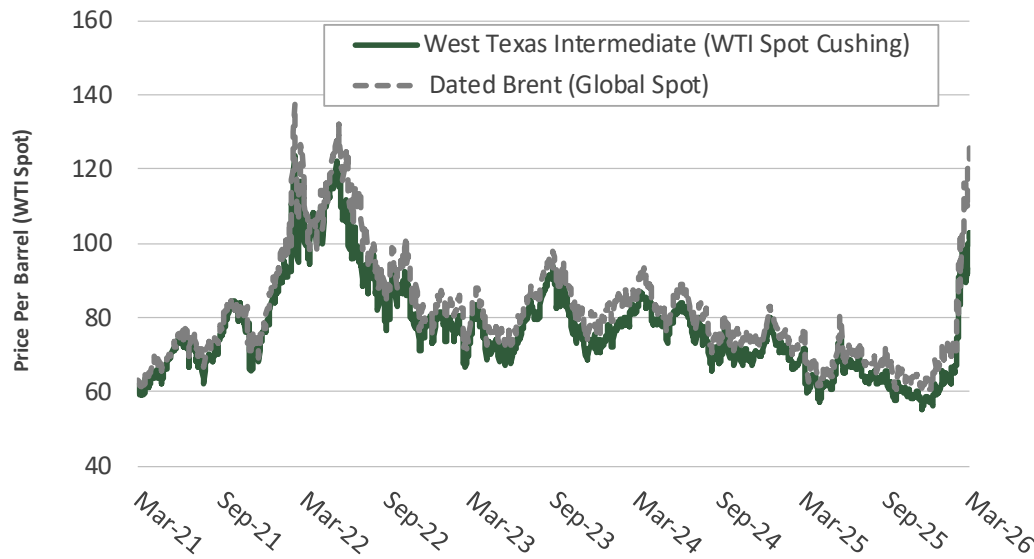
## ■ Federal Reserve

The Federal Reserve left its benchmark interest rate unchanged in March, keeping the target range at 3.50% to 3.75% following three late-2025 rate cuts that were justified by signs of softening in the labor market. The Federal Open Market Committee minutes showed some participants supported two-sided language on future rate direction given the upside risks to inflation and downside risks to employment being elevated. However, policymakers have grown wary of potential inflationary pressures stemming from tariffs, the war in Iran, and the ensuing spike in commodity prices. The Federal Reserve now projects just one rate cut in 2026, even as inflation expectations rise. The Committee also reaffirmed its December decision to halt balance sheet runoff and to reinvest principal and interest payments from its securities holdings, signaling a continued emphasis on maintaining ample reserves and supporting orderly market functioning.

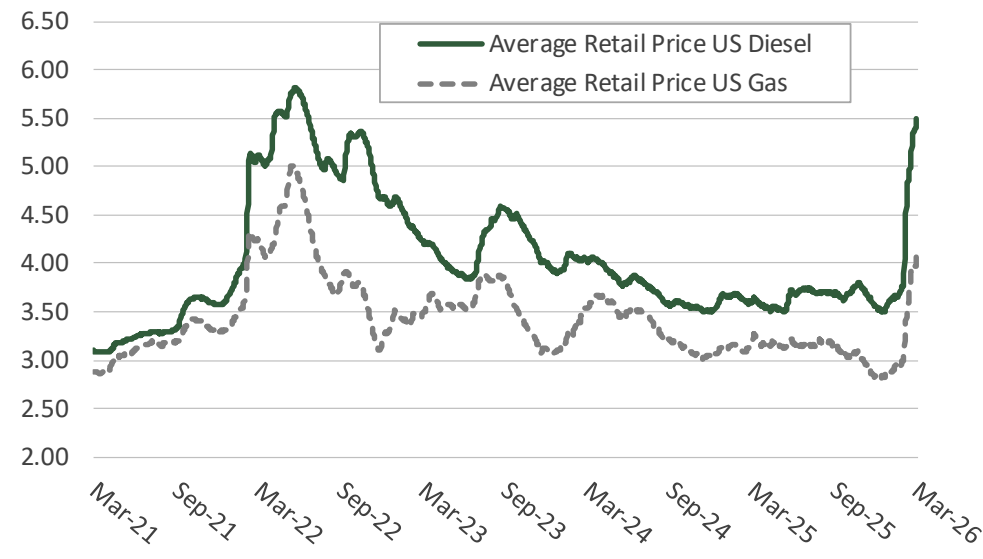
## ■ Gross Domestic Product (GDP)

The third and final estimate of real gross domestic product (GDP) showed fourth-quarter growth revised down to 0.5% from the initial 1.4% estimate. The slowdown from 4.4% in the third quarter primarily reflected a sharp pullback in government spending, as the federal government shutdown weighed on activity. The Bureau of Labor Statistics expects statistical distortions will persist into the spring due to data collection disruptions. Personal Consumption Expenditures also declined across both goods and services.

Oil Prices



US Fuel Prices

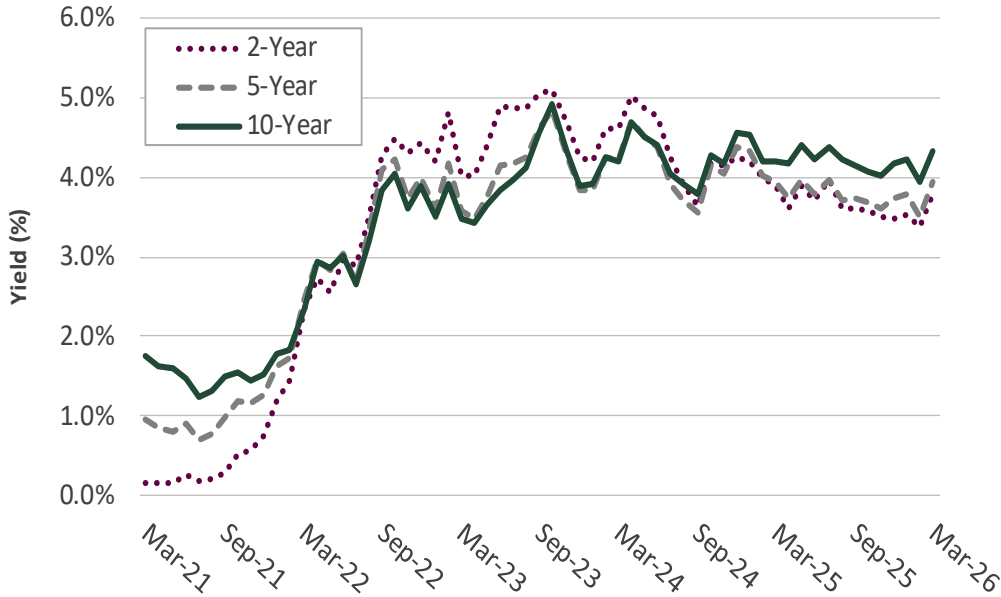


Source: Bloomberg Indices

Source: Bloomberg Indices

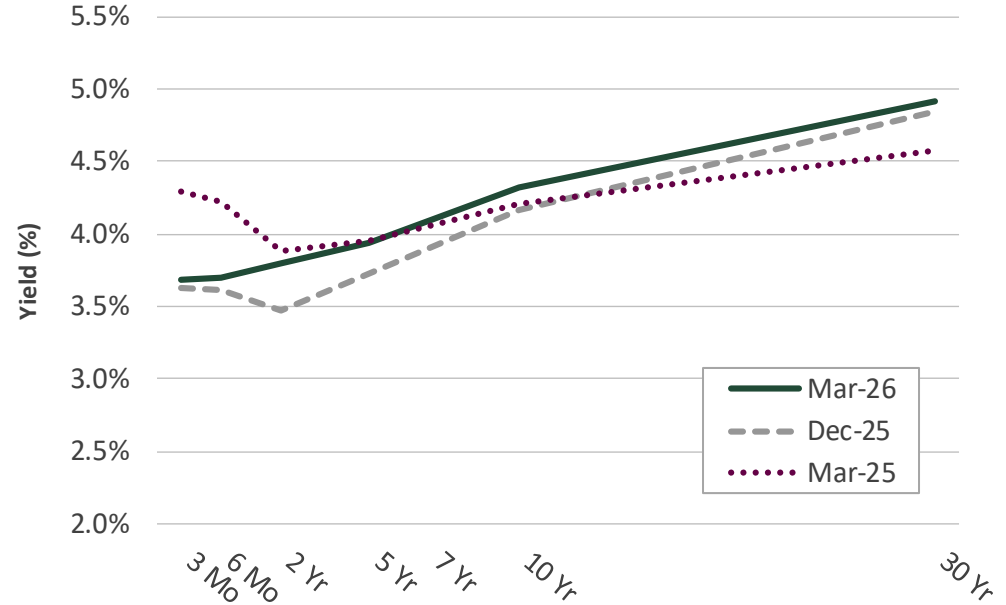
Retail gasoline prices climbed steeply in March following the escalation of the U.S.-Iran conflict and the closure of the Strait of Hormuz. According to AAA, the national average reached \$4.06 per gallon by month-end, an increase exceeding a dollar from \$2.98 on February 26. Diesel prices reached \$5.49 as tight global distillate supplies compounded the disruption. Cushing WTI crude settled at \$101.38 per barrel on March 31, while Dated Brent closed at \$126.97, producing a spread of roughly \$25.60, the widest in more than five years. The gap reflects the disproportionate impact of shipping disruptions on internationally benchmarked crude relative to domestic supply bolstered by Strategic Petroleum Reserve releases.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At March month-end, the 2-year Treasury yield stood at 3.79%, down approximately 9 basis points from one year ago, while the 10-year finished at 4.32%, roughly 11 basis points higher year-over-year. The spread between the two narrowed to 52 basis points, wider by 20 basis points year-over-year. The prior 2-year to 10-year inversion from July 2022 through August 2024 was historically long. The average spread since 2005 is approximately 95 basis points, suggesting the current slope sits well below its long-run norm. The 3-month to 10-year spread stood near 64 basis points at March month-end.

# PORTFOLIO SUMMARY



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

## Portfolio Characteristics

Average Modified Duration	2.50
Average Coupon	3.70%
Average Purchase YTM	4.02%
Average Market YTM	4.01%
Average Credit Quality*	AA
Average Final Maturity	2.85
Average Life	2.73

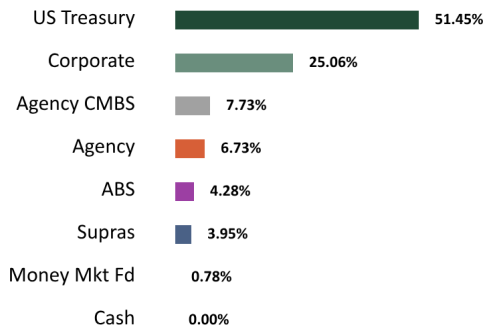
## Account Summary

	End Values as of 12/31/2025	End Values as of 03/31/2026
Market Value	101,051,978.50	102,043,394.44
Accrued Interest	834,222.94	749,816.61
<b>Total Market Value</b>	<b>101,886,201.44</b>	<b>102,793,211.05</b>
Income Earned	968,576.48	1,003,227.00
Cont/WD	0.00	676,971.77
Par	100,611,055.27	102,643,703.21
Book Value	100,059,783.06	101,785,365.23
Cost Value	99,489,816.57	101,246,270.49

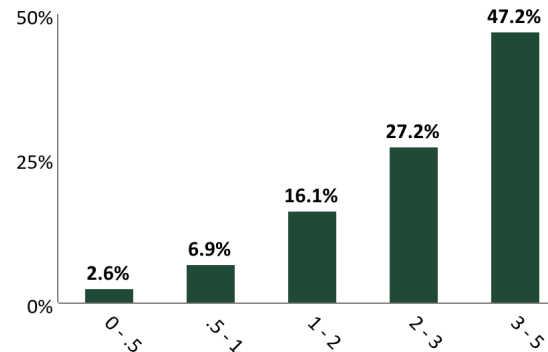
## Top Issuers

United States	51.45%
Federal Home Loan Mortgage Corp	7.73%
Federal Home Loan Banks	5.25%
Inter-American Development Bank	2.46%
Deere & Company	1.51%
Farm Credit System	1.49%
Bank of America Corporation	1.47%
JPMorgan Chase & Co.	1.47%

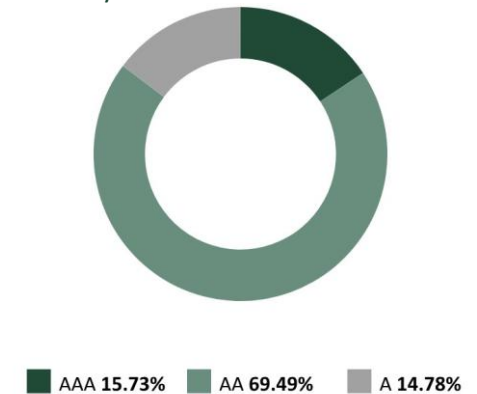
## Sector Allocation



## Maturity Distribution



## 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	(0.74%)	0.25%	0.25%	4.18%	4.93%	4.41%	--	--	2.24%
Benchmark Return	(0.75%)	0.20%	0.20%	3.87%	4.68%	3.93%	--	--	1.77%

\*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 March 31, 2026

## Portfolio Characteristics

Average Modified Duration	0.00
Average Coupon	3.26%
Average Purchase YTM	3.27%
Average Market YTM	3.27%
Average Credit Quality*	AAA
Average Final Maturity	0.00
Average Life	0.00

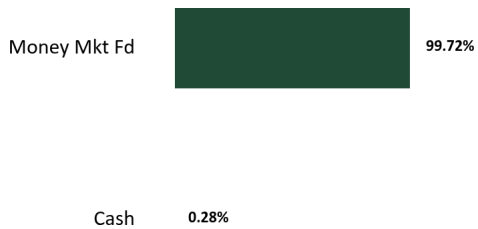
## Account Summary

	End Values as of 12/31/2025	End Values as of 03/31/2026
Market Value	922,614.31	251,385.29
Accrued Interest	577.95	0.00
<b>Total Market Value</b>	<b>923,192.26</b>	<b>251,385.29</b>
Income Earned	11,476.88	2,607.65
Cont/WD	0.00	(676,971.77)
Par	925,426.21	251,385.29
Book Value	922,158.84	251,385.29
Cost Value	918,063.15	251,385.29

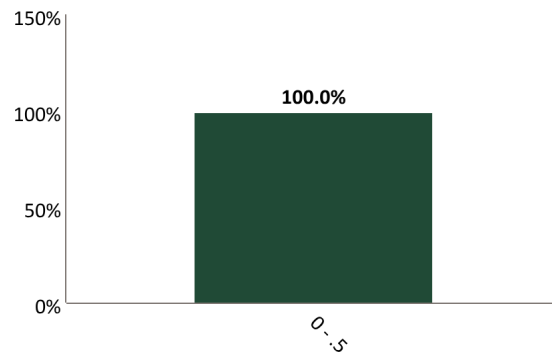
## Top Issuers

First American Govt Oblig Fund	99.72%
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## Sector Allocation



## Maturity Distribution



## Credit Quality\*



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 | 01/01/2026 Through 03/31/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	01/12/2026	3137F83Q4	1,250,000.00	FHMS K-121 A2 1.547 10/25/2030	89.527	3.97%	(1,119,091.80)	(590.87)	(1,119,682.67)	0.00
Purchase	01/28/2026	3137F9Z79	1,250,000.00	FHMS K-125 A2 1.846 01/25/2031	89.945	4.11%	(1,124,316.41)	(1,730.63)	(1,126,047.04)	0.00
Purchase	02/06/2026	3137FXZ35	1,250,000.00	FHMS K-127 A2 2.108 01/25/2031	91.094	4.11%	(1,138,671.88)	(365.97)	(1,139,037.85)	0.00
Purchase	02/20/2026	3137F9Z79	500,000.00	FHMS K-125 A2 1.846 01/25/2031	90.941	3.90%	(454,707.03)	(487.14)	(455,194.17)	0.00
Purchase	03/11/2026	91282CQD6	1,500,000.00	UNITED STATES TREASURY 3.5 02/28/2031	99.086	3.70%	(1,486,289.06)	(1,569.29)	(1,487,858.35)	0.00
Purchase	03/12/2026	91282CJX0	1,250,000.00	UNITED STATES TREASURY 4.0 01/31/2031	100.898	3.80%	(1,261,230.47)	(5,524.86)	(1,266,755.33)	0.00
Purchase	03/18/2026	47787DAD3	345,000.00	JDOT 2026 A3 3.87 08/15/2030	99.982	4.49%	(344,938.87)	0.00	(344,938.87)	0.00
Purchase	03/24/2026	74340XCQ2	1,100,000.00	PROLOGIS LP 4.75 01/15/2031	101.038	4.50%	(1,111,418.00)	(10,014.58)	(1,121,432.58)	0.00
<b>Total Purchase</b>			<b>8,445,000.00</b>				<b>(8,040,663.52)</b>	<b>(20,283.34)</b>	<b>(8,060,946.86)</b>	<b>0.00</b>
Transfer In	10/23/2025	91282CHH7	300,000.00	UNITED STATES TREASURY 4.125 06/15/2026	100.132	3.64%	(300,413.30)	(2,379.81)	0.00	0.00
Transfer In	10/23/2025	912797QD2	300,000.00	UNITED STATES TREASURY 04/16/2026	99.477	3.74%	(298,409.02)	0.00	0.00	0.00
<b>Total Transfer In</b>			<b>600,000.00</b>				<b>(598,822.32)</b>	<b>(2,379.81)</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>8,445,000.00</b>				<b>(8,040,663.52)</b>	<b>(20,283.34)</b>	<b>(8,060,946.86)</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>600,000.00</b>				<b>(598,822.32)</b>	<b>(2,379.81)</b>	<b>0.00</b>	<b>0.00</b>

**DISPOSITIONS**

# TRANSACTION LEDGER



Tahoe Forest Hospital District | Account #10841 | 01/01/2026 Through 03/31/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	01/09/2026	91282CDG3	(525,000.00)	UNITED STATES TREASURY 1.125 10/31/2026	98.066	1.27%	514,848.63	1,142.09	515,990.72	(9,566.12)
Sale	01/27/2026	3130ATUS4	(1,000,000.00)	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	101.111	3.66%	1,011,110.00	5,548.61	1,016,658.61	1,049.58
Sale	02/05/2026	808513BY0	(1,000,000.00)	CHARLES SCHWAB CORP 2.45 03/03/2027	98.629	2.79%	986,290.00	10,344.44	996,634.44	(10,315.82)
Sale	03/11/2026	91282CDG3	(550,000.00)	UNITED STATES TREASURY 1.125 10/31/2026	98.410	1.27%	541,255.86	2,239.12	543,494.98	(8,257.80)
Sale	03/11/2026	91282CHH7	(300,000.00)	UNITED STATES TREASURY 4.125 06/15/2026	100.129	3.64%	300,386.72	2,923.76	303,310.48	32.46
Sale	03/11/2026	912797QD2	(300,000.00)	UNITED STATES TREASURY 04/16/2026	99.637	3.74%	298,910.25	0.00	298,910.25	11.70
Sale	03/12/2026	91282CFH9	(800,000.00)	UNITED STATES TREASURY 3.125 08/31/2027	99.238	3.36%	793,906.25	815.22	794,721.47	(3,516.99)
Sale	03/12/2026	91282CKZ3	(1,250,000.00)	UNITED STATES TREASURY 4.375 07/15/2027	100.930	4.07%	1,261,621.09	8,459.94	1,270,081.03	6,831.09
Sale	03/24/2026	74340XBN0	(1,100,000.00)	PROLOGIS LP 2.125 04/15/2027	97.926	5.14%	1,077,186.00	10,323.96	1,087,509.96	8,515.73
<b>Total Sale</b>			<b>(6,825,000.00)</b>				<b>6,785,514.80</b>	<b>41,797.14</b>	<b>6,827,311.94</b>	<b>(15,216.17)</b>
<b>TOTAL DISPOSITIONS</b>			<b>(6,825,000.00)</b>				<b>6,785,514.80</b>	<b>41,797.14</b>	<b>6,827,311.94</b>	<b>(15,216.17)</b>

# TRANSACTION LEDGER



TFHD Cash Portfolio | Account #11057|01/01/2026 Through 03/31/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Maturity	01/22/2026	912797PD3	(300,000.00)	UNITED STATES TREASURY 01/22/2026	100.000	3.88%	300,000.00	0.00	300,000.00	0.00
<b>Total Maturity</b>			<b>(300,000.00)</b>				<b>300,000.00</b>	<b>0.00</b>	<b>300,000.00</b>	<b>0.00</b>
Transfer Out	02/23/2026	912797QD2	(300,000.00)	UNITED STATES TREASURY 04/16/2026	99.477	3.79%	298,409.02	0.00	0.00	0.00
Transfer Out	02/23/2026	91282CHH7	(300,000.00)	UNITED STATES TREASURY 4.125 06/15/2026	100.132	3.66%	300,413.30	2,379.81	0.00	0.00
<b>Total Transfer Out</b>			<b>(600,000.00)</b>				<b>598,822.32</b>	<b>2,379.81</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>(900,000.00)</b>				<b>898,822.32</b>	<b>2,379.81</b>	<b>300,000.00</b>	<b>0.00</b>

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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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

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.

# INVESTMENT REPORT

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Tahoe Forest Hospital District | As of March 31, 2026

CHANDLER ASSET MANAGEMENT | [chandlerasset.com](http://chandlerasset.com)

**Chandler Team:**

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

[ECONOMIC UPDATE](#)

[ACCOUNT PROFILE](#)

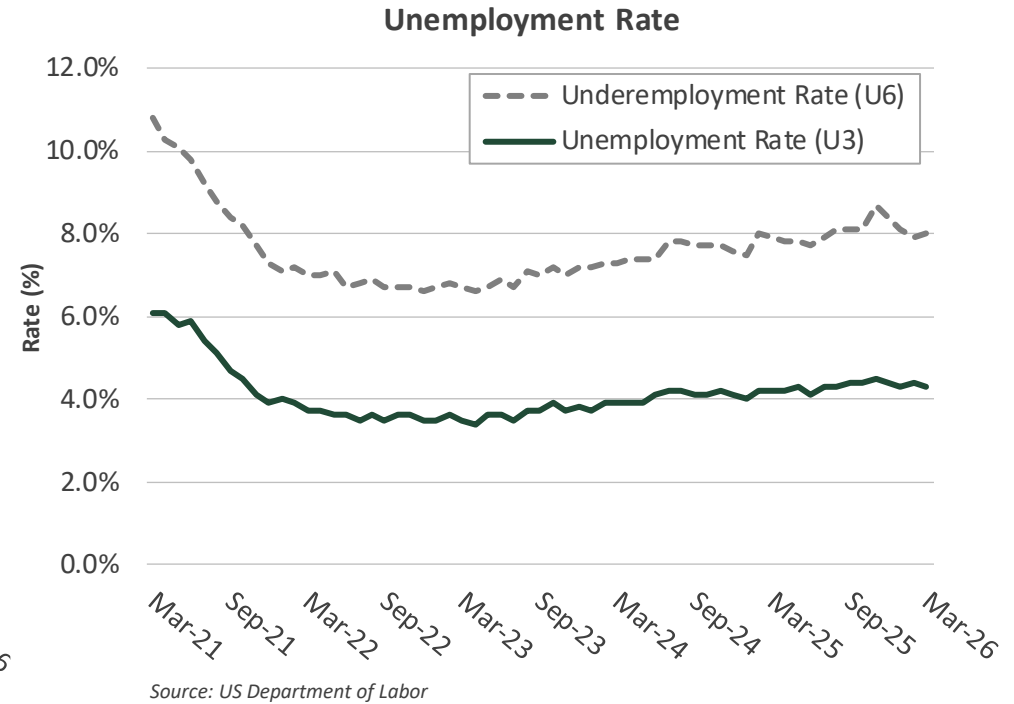
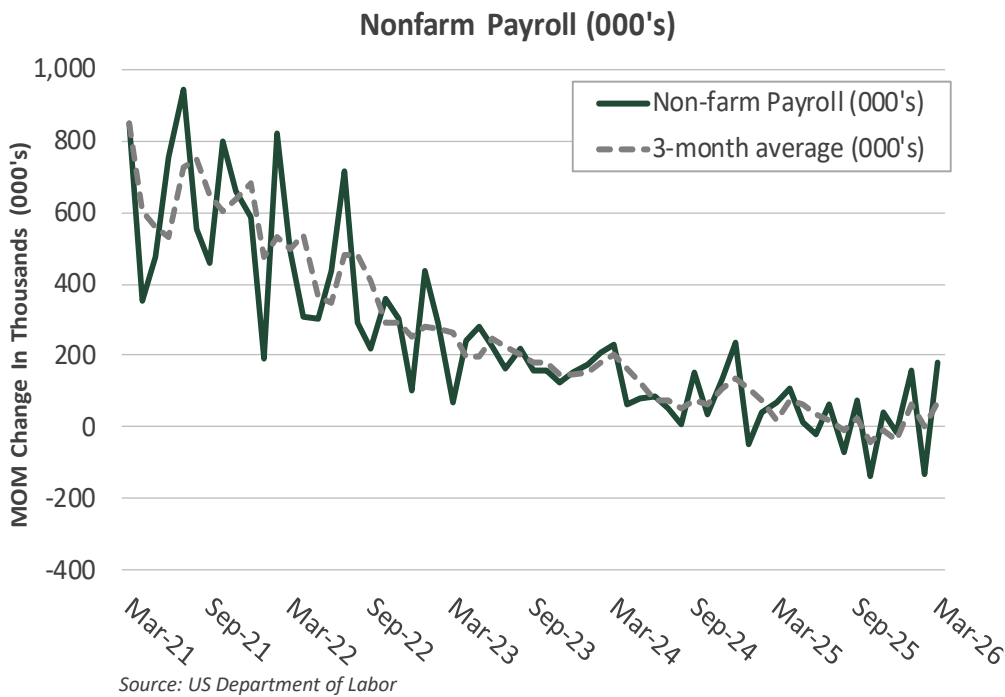
[PORTFOLIO HOLDINGS](#)

[TRANSACTIONS](#)

## ECONOMIC UPDATE

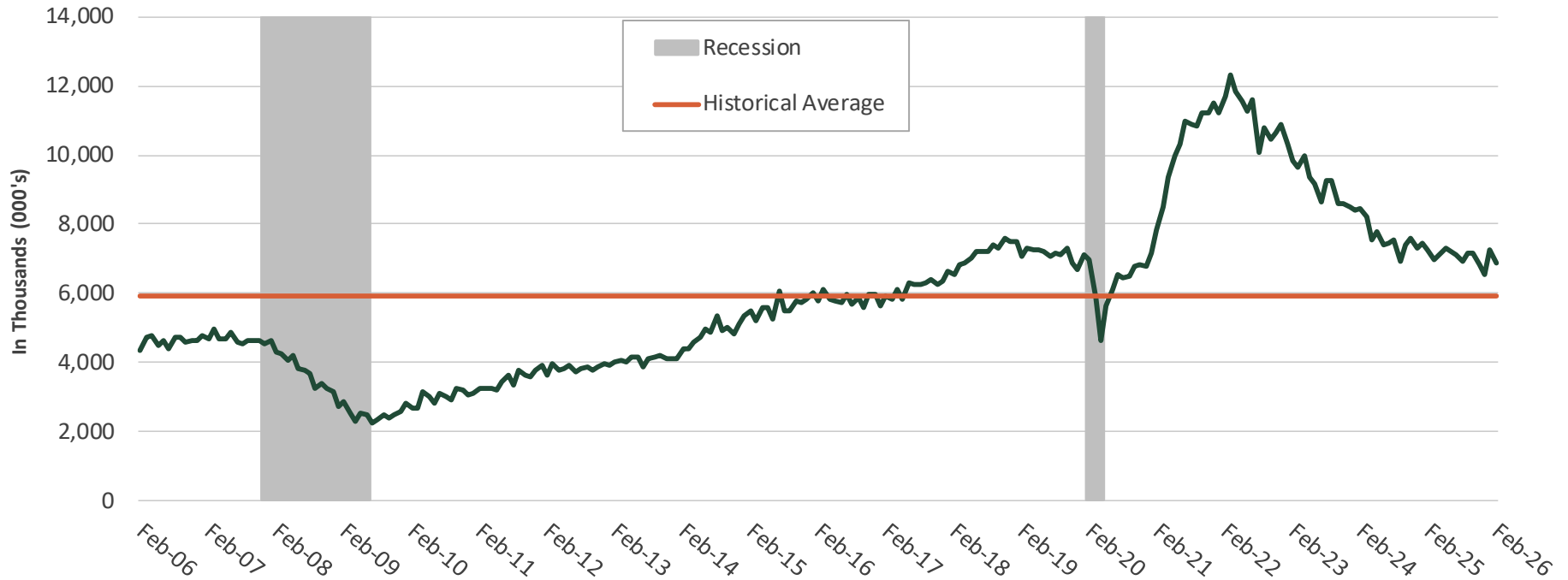
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- March payrolls rebounded by 178,000 after February's revised 133,000 decline, but the war in Iran and its disruption of the Strait of Hormuz have pushed crude oil above \$112, injecting a potential inflationary shock into an economy contending with sticky core prices above 3%. The Federal Reserve has held the funds rate at 3.50–3.75% and is signaling a cautionary stance, keeping open the option of delaying cuts if oil-related inflation proves persistent rather than transitory. As the data flow normalizes, the Chandler team anticipates additional yield curve steepening as the Federal Reserve gradually guides the policy rate toward a more neutral range. The Federal Reserve's March dot plot still projects one cut this year, yet the Iran-driven energy shock has narrowed the path toward easing.
- The Federal Reserve's March 2026 FOMC meeting ended with policymakers again holding the target range at 3.50%–3.75%, as the Committee maintained its pause following three late-2025 rate cuts. Governor Stephen Miran dissented in favor of an additional quarter-point reduction, while Christopher Waller joined the majority, tipping the vote 11–1 to leave the benchmark rate unchanged. Meanwhile, President Trump's nomination of Kevin Warsh to succeed Jerome Powell as chair has hit a roadblock after a Republican senator vowed to block Warsh's confirmation amid the Justice Department's ongoing probe of the central bank.
- Treasury yields exhibited considerable first-quarter volatility as the Iran conflict injected energy-driven inflation fears into a market grappling with sticky core prices. At March month-end, the 2-year yield stood at 3.79%, up 32 basis points year-to-date, the 10-year at 4.32%, and the 30-year at 4.86%. The 2-year to 10-year spread narrowed to 52 basis points, reflecting pronounced flattening as short rates rose faster than longer maturities. One year ago, that spread stood near 32 basis points, providing context on normalization since the 2022 through 2024 yield curve inversion. The 3-month to 10-year spread was approximately 64 basis points at March month-end.



March nonfarm payrolls rose by 178,000, a decisive reversal from February’s revised 133,000 decline that had been distorted by a Kaiser Permanente strike affecting over 30,000 healthcare workers and severe winter weather. Healthcare contributed 76,000 positions as striking nurses returned, while construction and leisure rebounded from weather-induced troughs. The unemployment rate edged lower to 4.3%, though partly from a labor force reduction rather than a hiring acceleration. Meanwhile, the underemployment rate edged up to 8.0% from 7.9% in February. Average hourly earnings rose 0.2% over the month and 3.5% year over year—the slowest annual pace since May 2021.

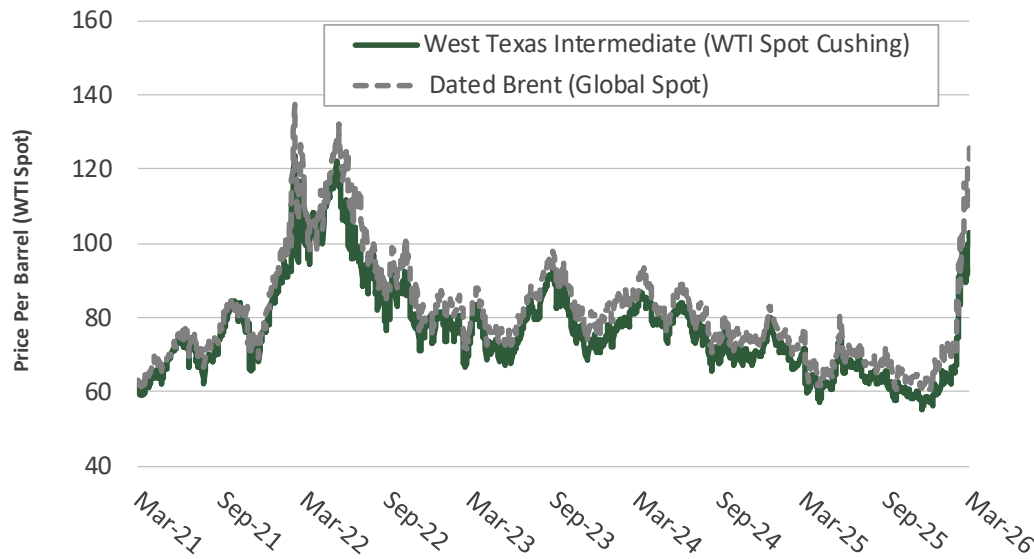
Job Openings



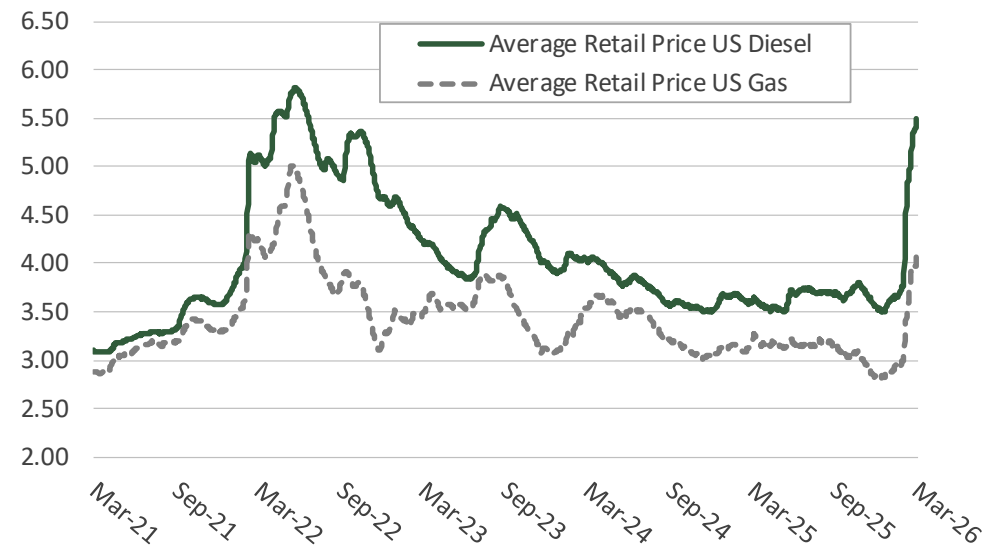
Source: US Department of Labor

Job openings fell to 6.9 million in February from a revised 7.2 million in January, according to the Bureau of Labor Statistics’ Job Openings and Labor Turnover Survey. The ratio of openings to unemployed workers slipped to 0.9, reinforcing the gradual rebalancing of demand and supply. Hires decreased to 4.8 million, the lowest since April 2020, suggesting employers have grown selective about adding headcount. Quits were little changed at 3 million. The data reflects a labor market consistent with the Federal Reserve’s characterization of a no-hire, no-fire environment.

Oil Prices



US Fuel Prices

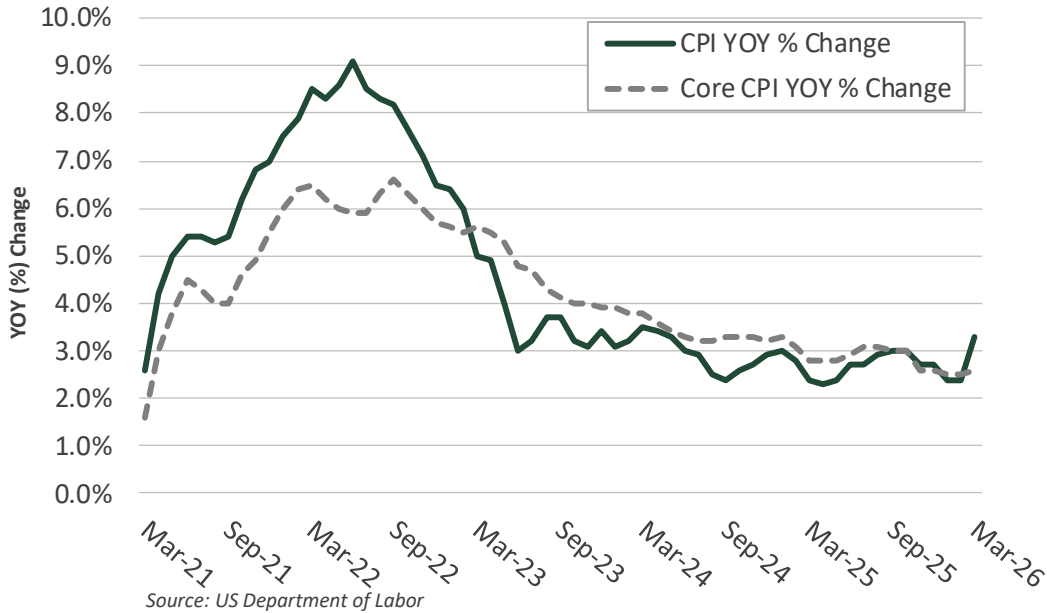


Source: Bloomberg Indices

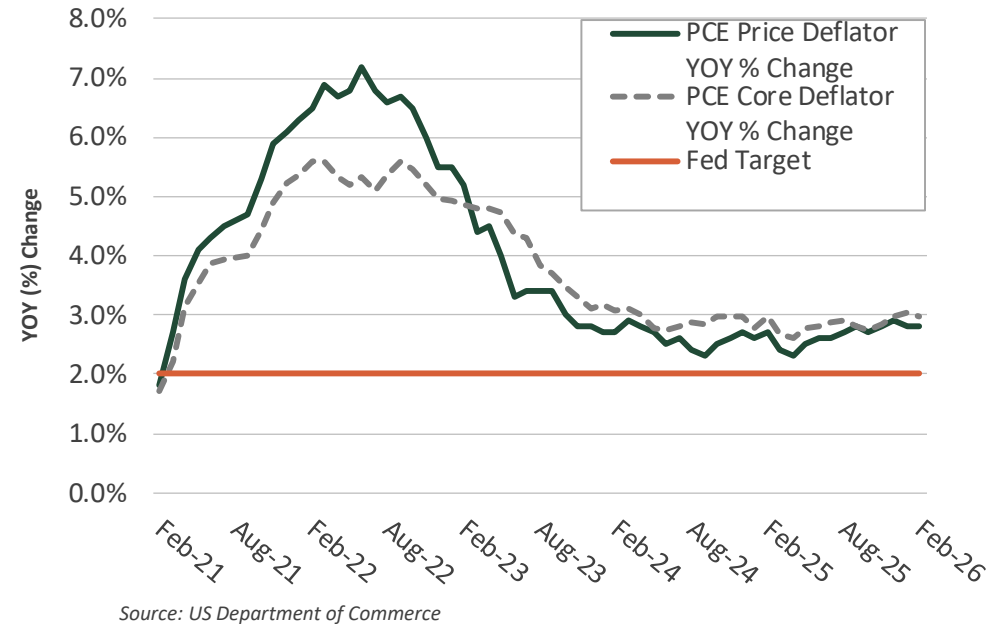
Source: Bloomberg Indices

Retail gasoline prices climbed steeply in March following the escalation of the U.S.-Iran conflict and the closure of the Strait of Hormuz. According to AAA, the national average reached \$4.06 per gallon by month-end, an increase exceeding a dollar from \$2.98 on February 26. Diesel prices reached \$5.49 as tight global distillate supplies compounded the disruption. Cushing WTI crude settled at \$101.38 per barrel on March 31, while Dated Brent closed at \$126.97, producing a spread of roughly \$25.60, the widest in more than five years. The gap reflects the disproportionate impact of shipping disruptions on internationally benchmarked crude relative to domestic supply bolstered by Strategic Petroleum Reserve releases.

Consumer Price Index (CPI)

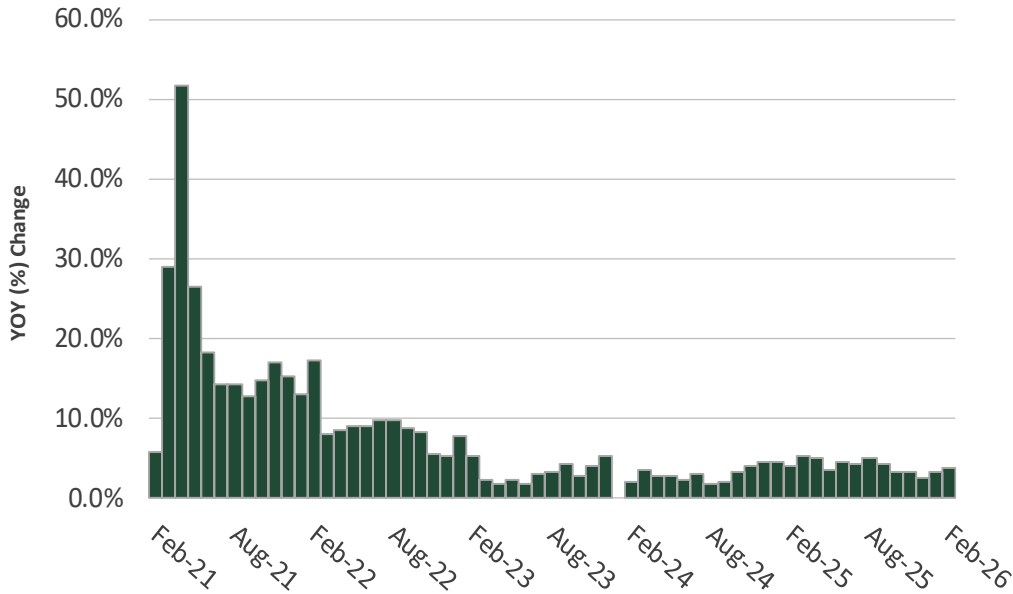


Personal Consumption Expenditures (PCE)



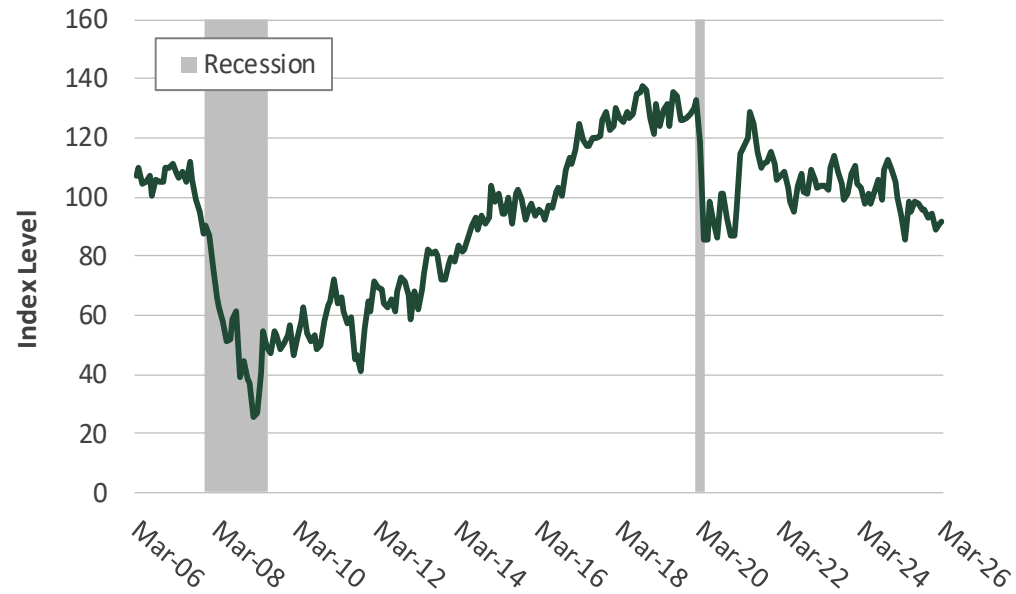
Consumer Price Index (CPI) for March surged 0.9%, the highest monthly rate since June 2022, and was up 3.3% on an annual basis primarily due to spikes in energy and airfare prices. Notably, Core CPI was little changed with a monthly increase of 0.2% and an annual rise of 2.6% as costs for services and other goods remained subdued. Personal Consumption Expenditures (PCE) were little changed in February, with the headline PCE Price Index up 0.4% month-over-month and 2.8% year-over-year. The Fed’s preferred metric, Core PCE, which excludes food and energy, rose 0.4% during the month and 3.0% from February of 2025.

Retail Sales YOY % Change



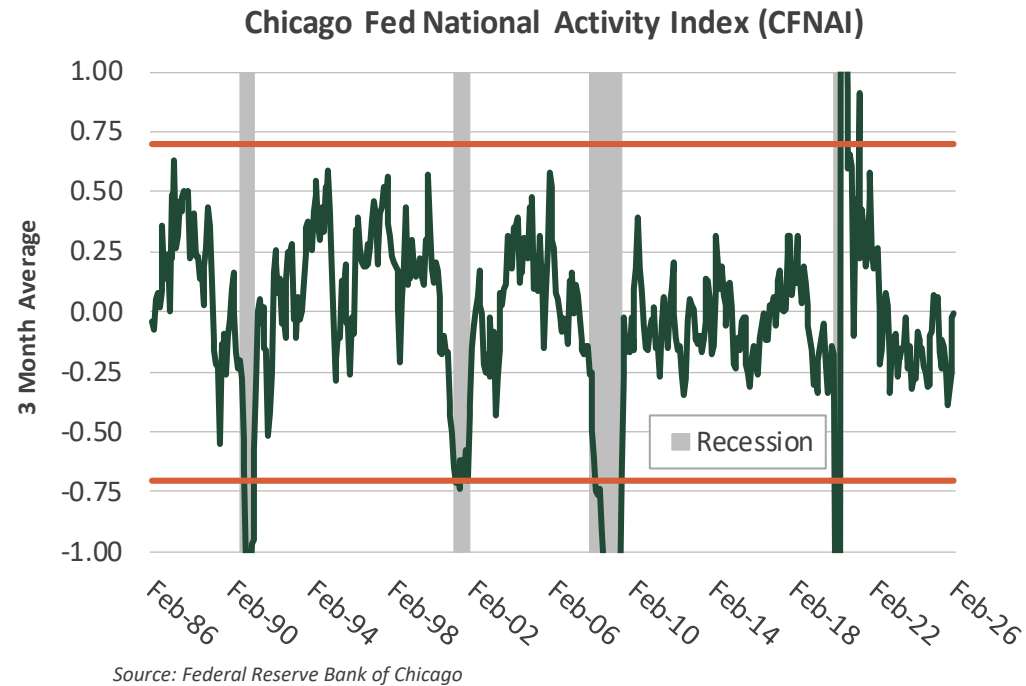
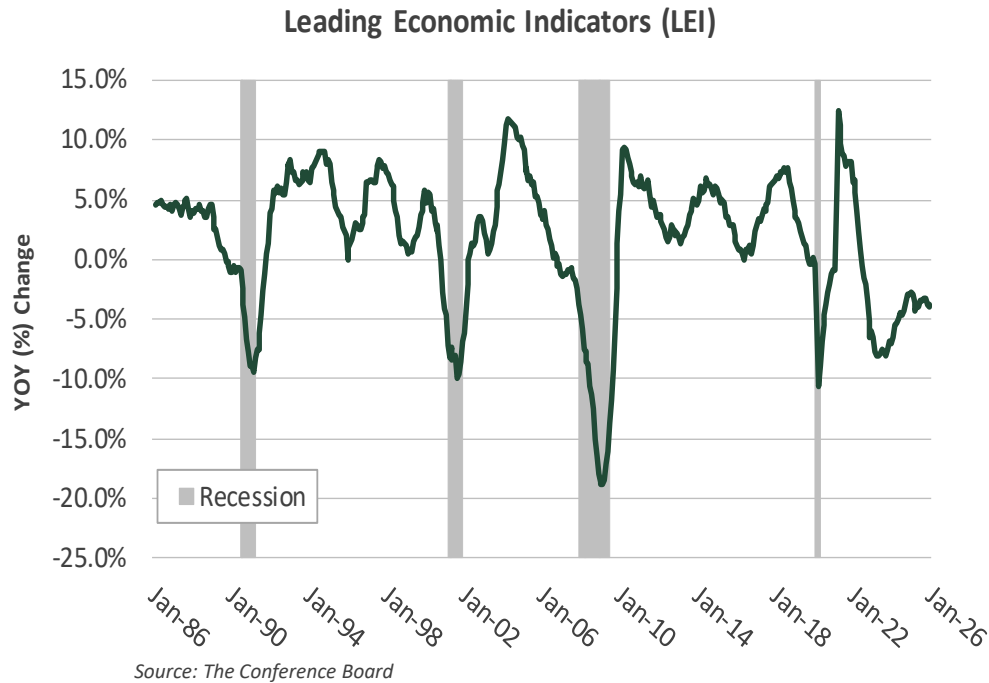
Source: US Department of Commerce

Consumer Confidence



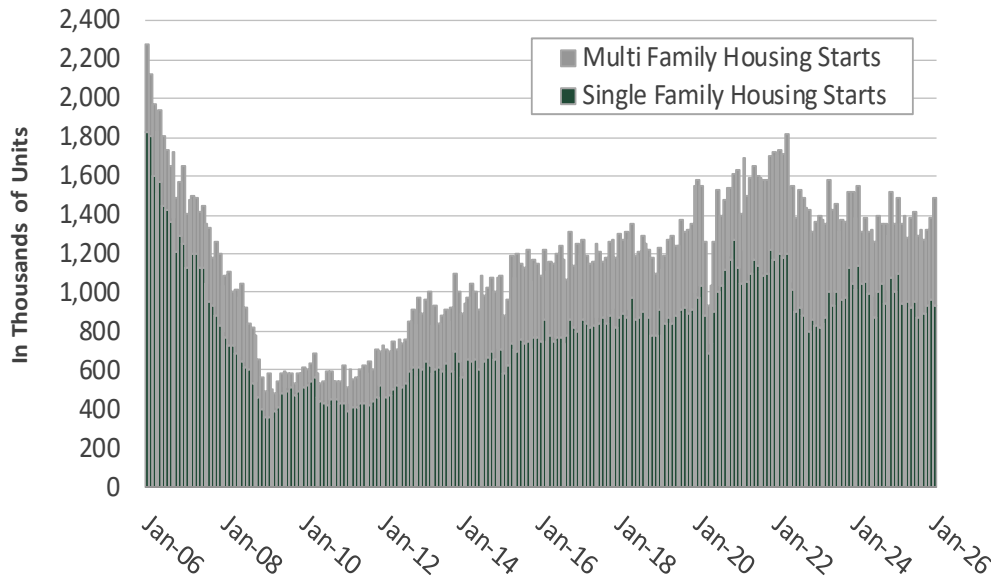
Source: The Conference Board  
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

The Conference Board’s Consumer Confidence Index edged up to 91.8 in March from 91.0 in February, a second consecutive gain that nonetheless sits well below the all-time peak of 144.7 from early 2000. The Present Situation component rose 4.6 points to 123.3 on favorable assessments of business and labor conditions, while the Expectations Index slipped 1.7 points to 70.9. Inflation expectations climbed to their highest since August 2025, reflecting tariff passthrough and elevated gasoline prices. February retail sales rebounded 0.6% from January, with stronger auto and broad-based discretionary spending offsetting January’s weather- and vehicle-related weakness; the control group also advanced 0.5%, signaling firmer underlying consumer demand.



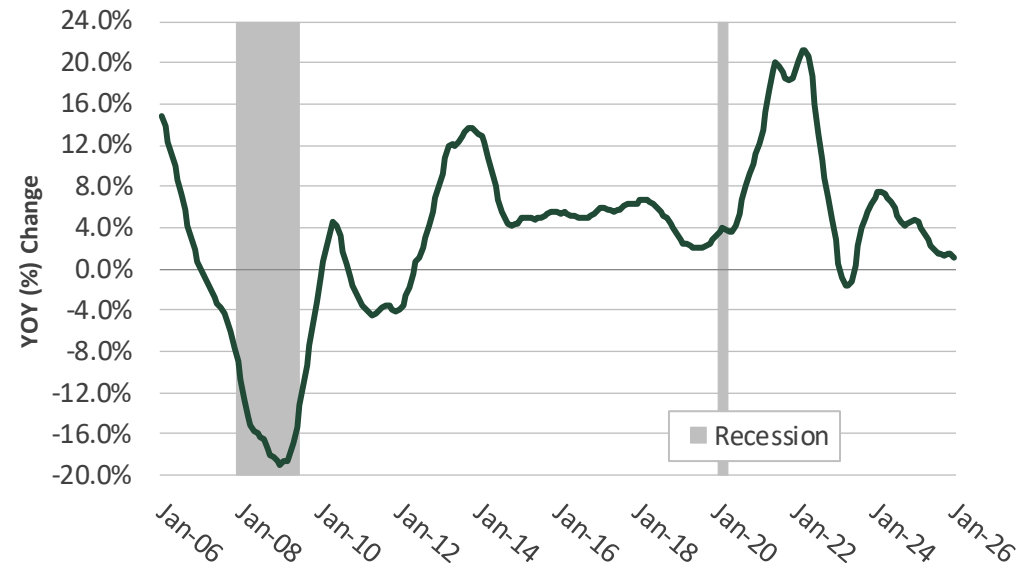
The Chicago Fed National Activity Index (CFNAI) fell to -0.11 in February, following a positive revision to 0.20 in January. The index’s three-month moving average edged up to -0.01 from -0.02 the prior month. Production and employment related indicators turned negative in February, while sales, orders, and inventories also remained in negative territory. The personal consumption and housing categories slipped modestly but stayed in positive territory. The Conference Board’s Leading Economic Index (LEI) declined 0.1% in January, an improvement from -0.2% in December, with consumer expectations and building permits the largest drags on the index. On a year-over-year basis, the LEI fell 3.8%, continuing to signal slower economic growth heading into 2026. Notably, the latest LEI data do not yet reflect the impact of the war in Iran.

Annualized Housing Starts



Source: US Department of Commerce

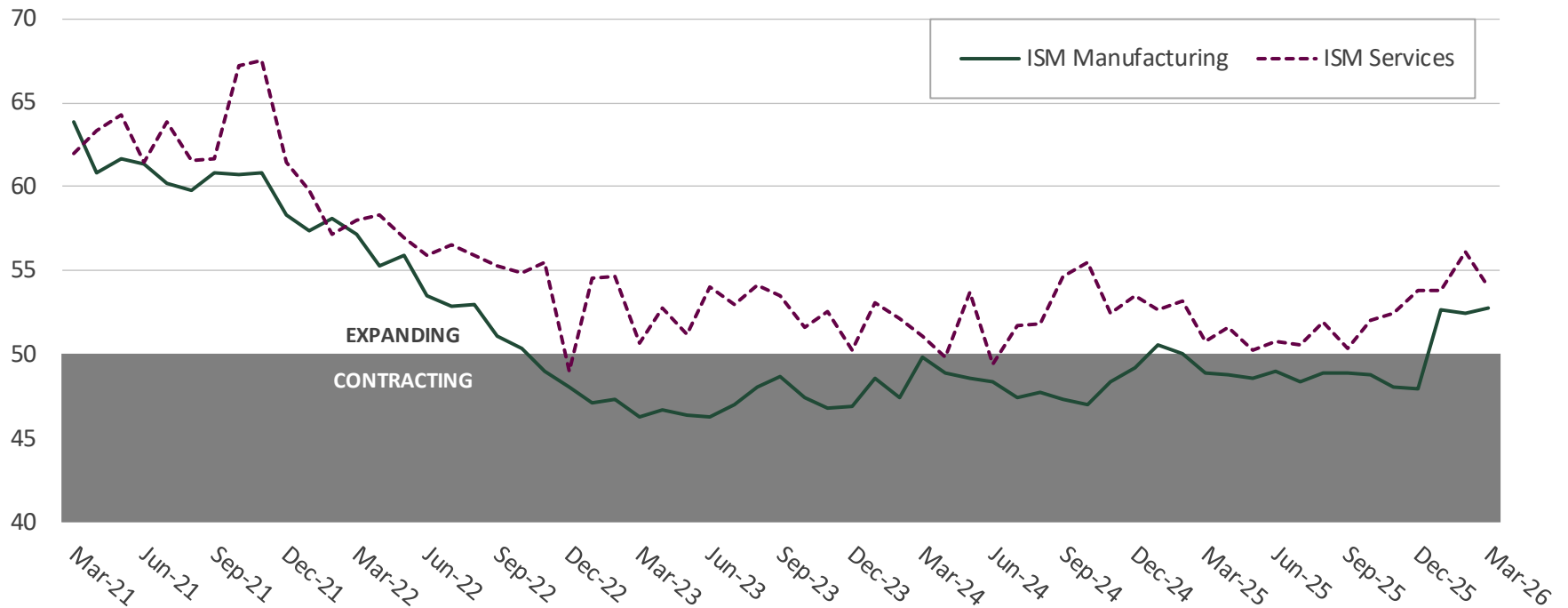
S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Housing starts rose 7.2% in January to an annualized pace of 1.487 million units, including 935,000 single-family and 552,000 multifamily starts. The January S&P Cotality Case-Shiller 20-City Composite posted a 1.18% year-over-year gain, continuing deceleration from December’s revised 1.43% annual increase. Inflation again outpaced home price appreciation, extending the erosion of real housing returns that began in the second half of 2025. The Freddie Mac 30-year fixed mortgage rate climbed to 6.46% as of April 2, its fifth consecutive weekly rise, reversing progress made when rates dipped below 6% in February. Higher borrowing costs and elevated prices continue to constrain affordability.

Institute of Supply Management (ISM) Surveys



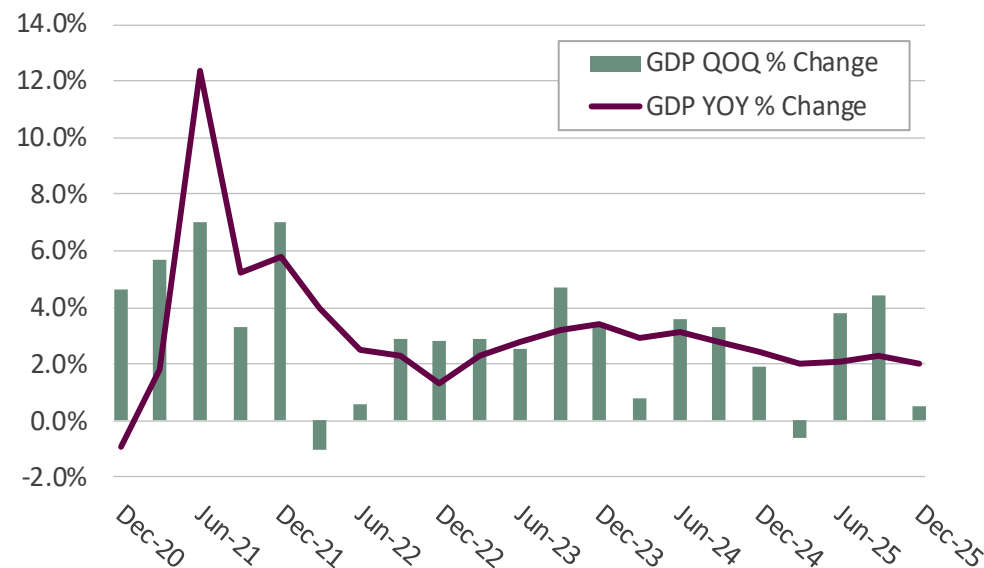
Source: Institute for Supply Management

The Institute for Supply Management’s Manufacturing Index rose to 52.7 in March from 52.4, the fastest factory expansion since August 2022 and a third consecutive month above 50. Production accelerated to 55.1 from 53.5, though new orders decelerated to 53.5 from 55.8. The prices subindex leaped to 78.3 from 70.5, reflecting elevated energy costs, metals tariffs, and Iran-related supply disruptions. Employment remained in contraction at 48.7. The Services Index eased to 54.0 in March from 56.1 in February but still posted its 21st consecutive month of expansion. The expansion was mainly from an increase in prices, amid higher oil and fuel costs. With both measures above the 50 threshold, ISM data point toward a resilient if cost-pressured economy.

Components of GDP	3/25	6/25	9/25	12/25
Personal Consumption Expenditures	0.4%	1.7%	2.3%	1.3%
Gross Private Domestic Investment	3.8%	-2.7%	0.0%	0.4%
Net Exports and Imports	-4.7%	4.8%	1.6%	-0.2%
Federal Government Expenditures	-0.4%	-0.4%	0.2%	-1.2%
State and Local (Consumption and Gross Investment)	0.2%	0.3%	0.2%	0.2%
<b>Total</b>	<b>-0.6%</b>	<b>3.8%</b>	<b>4.4%</b>	<b>0.5%</b>

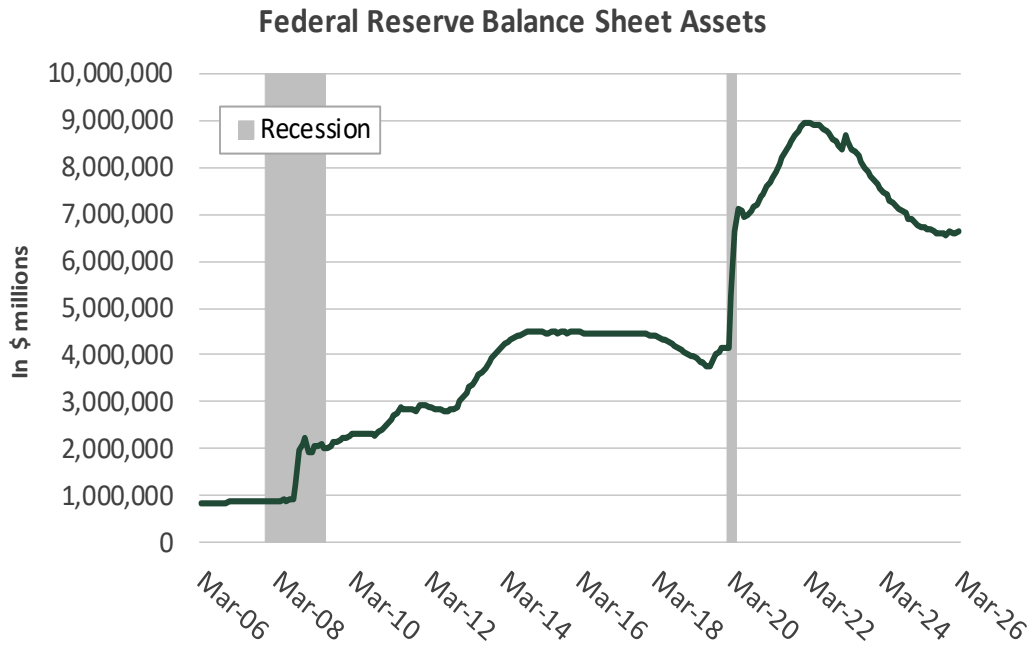
Source: US Department of Commerce

Gross Domestic Product (GDP)

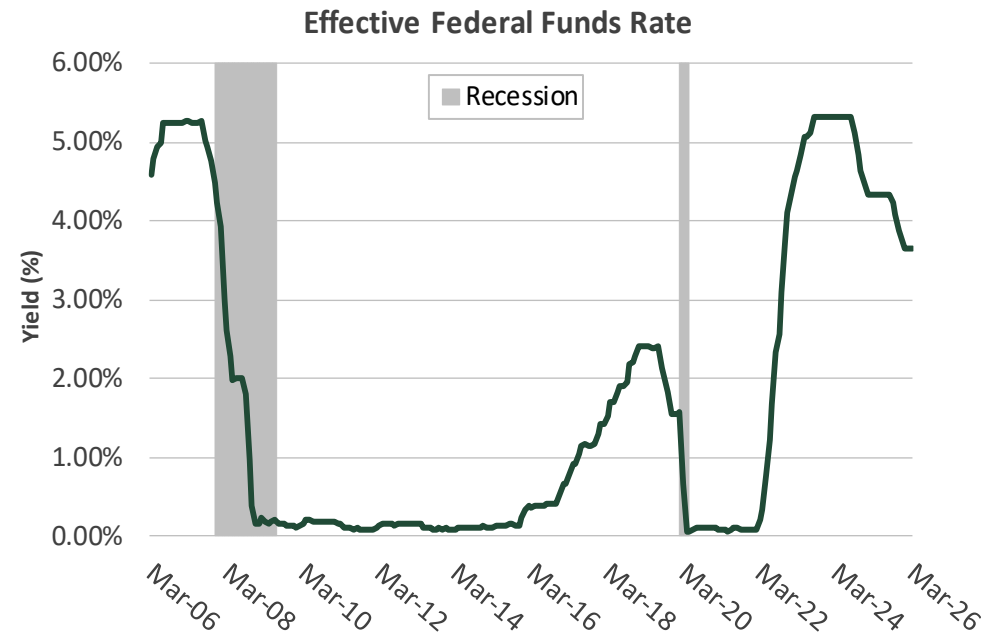


Source: US Department of Commerce

The third and final estimate of real gross domestic product (GDP) showed fourth-quarter growth revised down to 0.5% from the initial 1.4% estimate. The slowdown from 4.4% in the third quarter primarily reflected a sharp pullback in government spending, as the federal government shutdown weighed on activity. The Bureau of Labor Statistics expects statistical distortions will persist into the spring due to data collection disruptions. Personal Consumption Expenditures also declined across both goods and services.



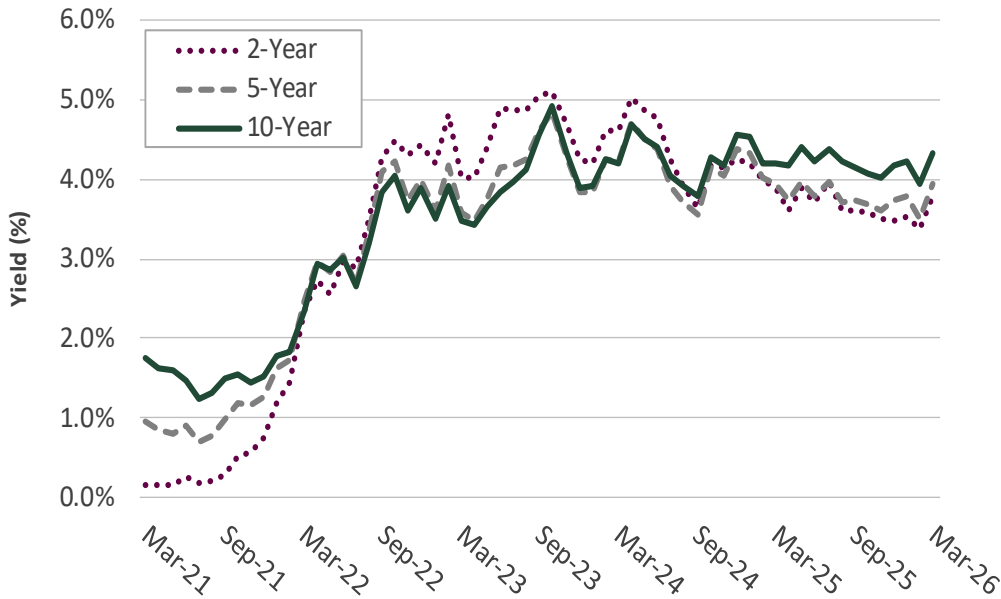
Source: Federal Reserve



Source: Bloomberg

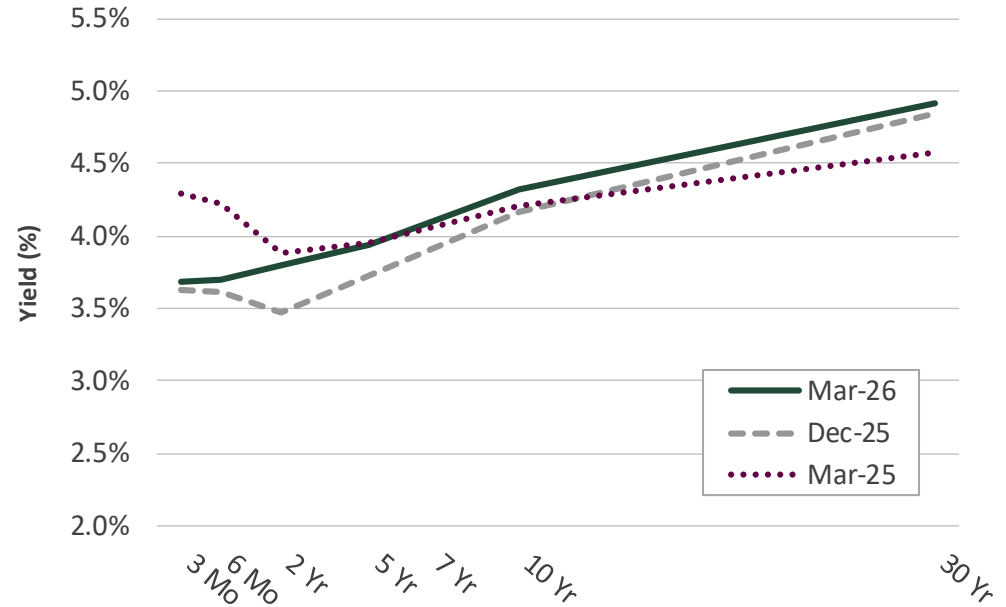
The Federal Reserve left its benchmark interest rate unchanged in March, keeping the target range at 3.50% to 3.75% following three late-2025 rate cuts that were justified by signs of softening in the labor market. The Federal Open Market Committee minutes showed some participants supported two-sided language on future rate direction given the upside risks to inflation and downside risks to employment being elevated. However, policymakers have grown wary of potential inflationary pressures stemming from tariffs, the war in Iran, and the ensuing spike in commodity prices. The Federal Reserve now projects just one rate cut in 2026, even as inflation expectations rise. The Committee also reaffirmed its December decision to halt balance sheet runoff and to reinvest principal and interest payments from its securities holdings, signaling a continued emphasis on maintaining ample reserves and supporting orderly market functioning.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At March month-end, the 2-year Treasury yield stood at 3.79%, down approximately 9 basis points from one year ago, while the 10-year finished at 4.32%, roughly 11 basis points higher year-over-year. The spread between the two narrowed to 52 basis points, wider by 20 basis points year-over-year. The prior 2-year to 10-year inversion from July 2022 through August 2024 was historically long. The average spread since 2005 is approximately 95 basis points, suggesting the current slope sits well below its long-run norm. The 3-month to 10-year spread stood near 64 basis points at March month-end.

## ACCOUNT PROFILE

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### Investment Objectives

Safety of principal is the foremost objective of the investment program. The investment portfolio shall remain sufficiently liquid to meet all requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

### Chandler Asset Management Performance Objective

The performance objective for the District is to achieve an annual rate of return on its portfolio that exceeds the return on a market index selected by District management.

### Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

# STATEMENT OF COMPLIANCE



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
<b>AGENCY MORTGAGE SECURITIES</b>				
Max % (MV; ABS, CMO, & MBS)	20.0	12.0	Compliant	
Max Maturity (Years)	5.0	4.8	Compliant	
<b>ASSET-BACKED SECURITIES (ABS)</b>				
Max % (MV; ABS, CMO & MBS)	20.0	12.0	Compliant	
Max % Issuer (MV)	5.0	1.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
<b>BANKERS' ACCEPTANCES</b>				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
<b>COMMERCIAL PAPER</b>				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1/P-1 or A- Issuer by S&P or Moody's)	0.0	0.0	Compliant	
<b>CORPORATE MEDIUM TERM NOTES</b>				
Max % (MV)	30.0	25.1	Compliant	
Max % Issuer (MV)	5.0	1.5	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
<b>FEDERAL AGENCIES</b>				
Max % (MV)	100.0	6.7	Compliant	
Max % Issuer (MV)	30.0	5.2	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	2	Compliant	
<b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>				
Max % (MV)	100.0	0.0	Compliant	

# STATEMENT OF COMPLIANCE



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
<b>MONEY MARKET MUTUAL FUNDS</b>				
Max % (MV)	20.0	0.8	Compliant	
Max % Issuer (MV)	20.0	0.8	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
<b>MORTGAGE-BACKED SECURITIES (NON-AGENCY)</b>				
Max % (MV; ABS, CMO, & MBS)	20.0	12.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
<b>MUNICIPAL SECURITIES (CA, LOCAL AGENCY)</b>				
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
<b>MUTUAL FUNDS</b>				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
<b>NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)</b>				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
<b>REPURCHASE AGREEMENTS</b>				
Max Maturity (Years)	1.0	0.0	Compliant	
<b>REVERSE REPURCHASE AGREEMENTS</b>				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Days)	92.0	0.0	Compliant	
<b>SUPRANATIONAL OBLIGATIONS</b>				
Max % (MV)	30.0	4.0	Compliant	
Max % Issuer (MV)	10.0	2.5	Compliant	
Max Maturity (Years)	5	2	Compliant	

# STATEMENT OF COMPLIANCE



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Min Rating (AA- by 1)	0.0	0.0	Compliant	
<b>U.S. TREASURIES</b>				
Max % (MV)	100.0	51.5	Compliant	
Max Maturity (Years)	5	4	Compliant	

## PORTFOLIO CHARACTERISTICS



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

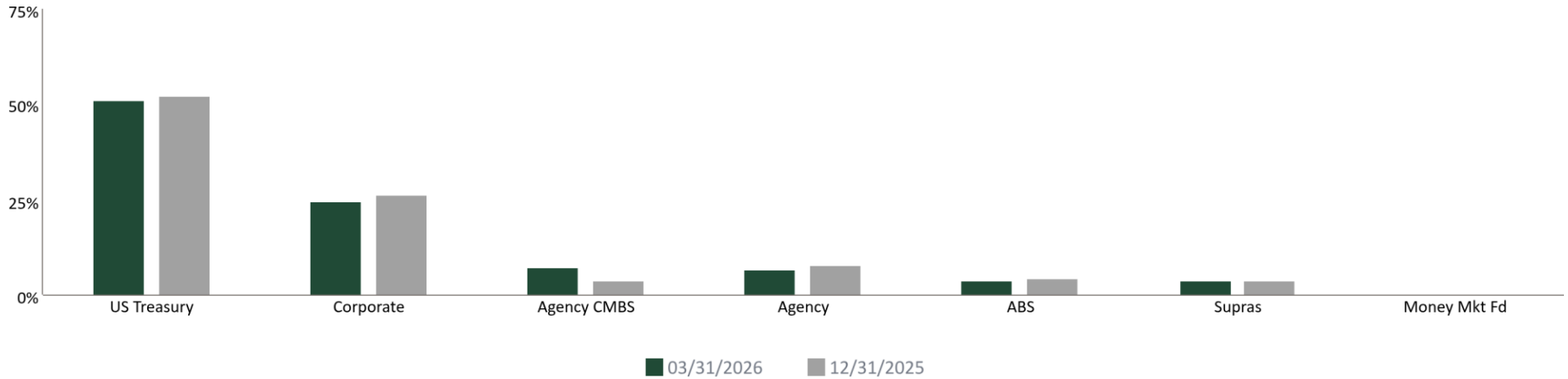
	Benchmark*	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	2.65	2.85	2.84
Average Modified Duration	2.47	2.50	2.49
Average Purchase Yield		4.02%	3.99%
Average Market Yield	3.84%	4.01%	3.72%
Average Quality**	AA+	AA	AA
Total Market Value		102,793,211	101,886,201

\*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

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

## SECTOR DISTRIBUTION

Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026



### Sector as a Percentage of Market Value

Sector	03/31/2026	12/31/2025
US Treasury	51.45%	52.67%
Corporate	25.06%	26.45%
Agency CMBS	7.73%	4.05%
Agency	6.73%	7.86%
ABS	4.28%	4.36%
Supras	3.95%	3.99%
Money Mkt Fd	0.78%	0.62%

## ISSUERS

Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Issuer	Investment Type	% Portfolio
United States	US Treasury	51.45%
Federal Home Loan Mortgage Corp	Agency CMBS	7.73%
Federal Home Loan Banks	Agency	5.25%
Inter-American Development Bank	Supras	2.46%
Farm Credit System	Agency	1.49%
Bank of America Corporation	Corporate	1.47%
JPMorgan Chase & Co.	Corporate	1.47%
Realty Income Corporation	Corporate	1.22%
BNY Mellon Corp	Corporate	1.21%
PACCAR Inc	Corporate	1.21%
Salesforce, Inc.	Corporate	1.21%
U.S. Bancorp	Corporate	1.21%
State Street Corporation	Corporate	1.19%
Morgan Stanley	Corporate	1.19%
Deere & Company	Corporate	1.17%
UnitedHealth Group Incorporated	Corporate	1.12%
Public Service Enterprise Group	Corporate	1.11%
Prologis, Inc.	Corporate	1.09%
Caterpillar Inc.	Corporate	1.08%
Chase Issuance Trust	ABS	1.00%
Marsh & McLennan Companies, Inc.	Corporate	0.99%
International Bank for Recon and Dev	Supras	0.97%
Amazon.com, Inc.	Corporate	0.97%
Berkshire Hathaway Inc.	Corporate	0.96%
Duke Energy Corporation	Corporate	0.96%
The Toronto-Dominion Bank	Corporate	0.96%
First American Govt Oblig Fund	Money Mkt Fd	0.78%
National Rural Utilities Cooperative	Corporate	0.76%
John Deere Owner Trust	ABS	0.63%
Hyundai Auto Receivables Trust	ABS	0.60%

## ISSUERS

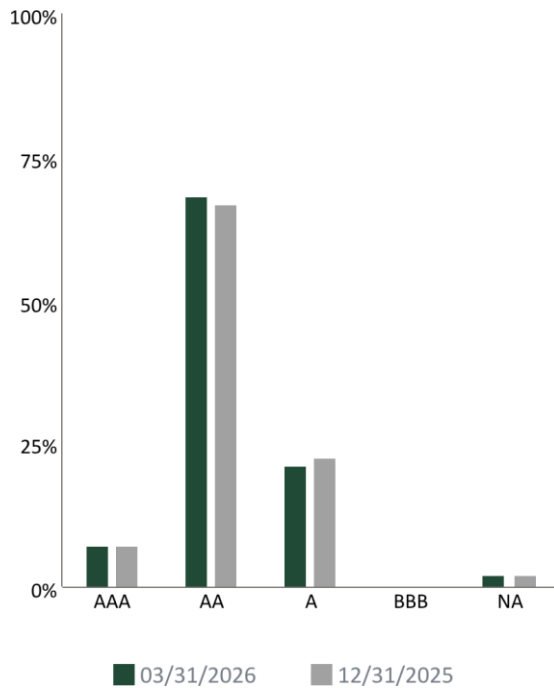
Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Issuer	Investment Type	% Portfolio
Toyota Auto Receivables Owner Trust	ABS	0.60%
Toyota Motor Corporation	Corporate	0.59%
Mastercard Incorporated	Corporate	0.58%
Ford Credit Auto Owner Trust	ABS	0.58%
International Finance Corporation	Supras	0.52%
Walmart Inc.	Corporate	0.49%
Dominion Energy, Inc.	Corporate	0.49%
American Express Credit Master Trust	ABS	0.37%
Northern Trust Corporation	Corporate	0.34%
Deere & Company	ABS	0.34%
Mercedes-Benz Auto Receivables Trust	ABS	0.09%
BMW Vehicle Owner Trust	ABS	0.05%
Honda Auto Receivables Owner Trust	ABS	0.02%
Cash	Cash	0.00%
<b>TOTAL</b>		<b>100.00%</b>

# QUALITY DISTRIBUTION

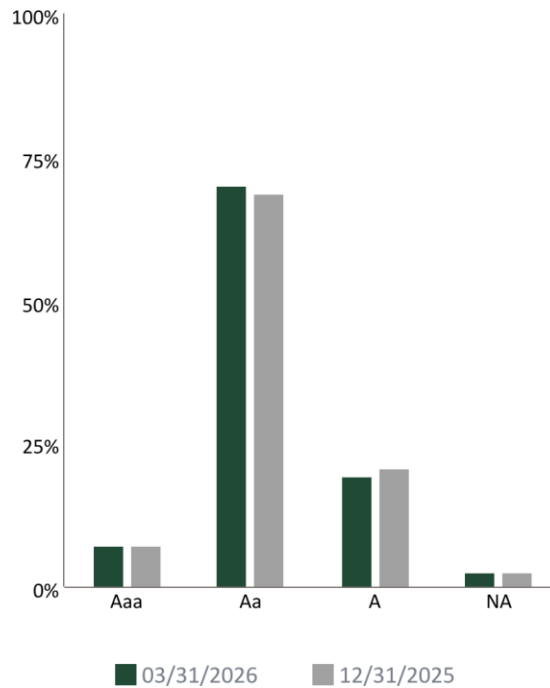
Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

## S&P Rating



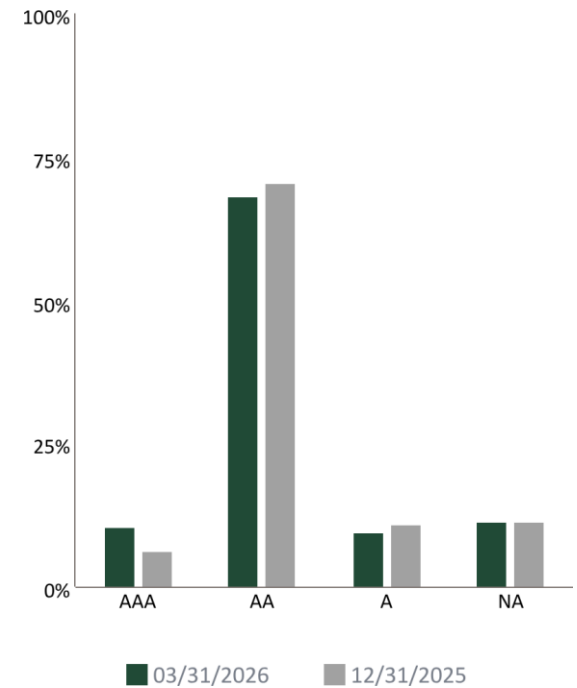
Rating	03/31/2026	12/31/2025
AAA	7.43%	7.55%
AA	68.29%	66.98%
A	21.48%	22.79%
BBB	0.49%	0.49%
NA	2.31%	2.19%

## Moody's Rating



Rating	03/31/2026	12/31/2025
Aaa	7.50%	7.35%
Aa	70.13%	68.86%
A	19.73%	21.01%
NA	2.64%	2.79%

## Fitch Rating

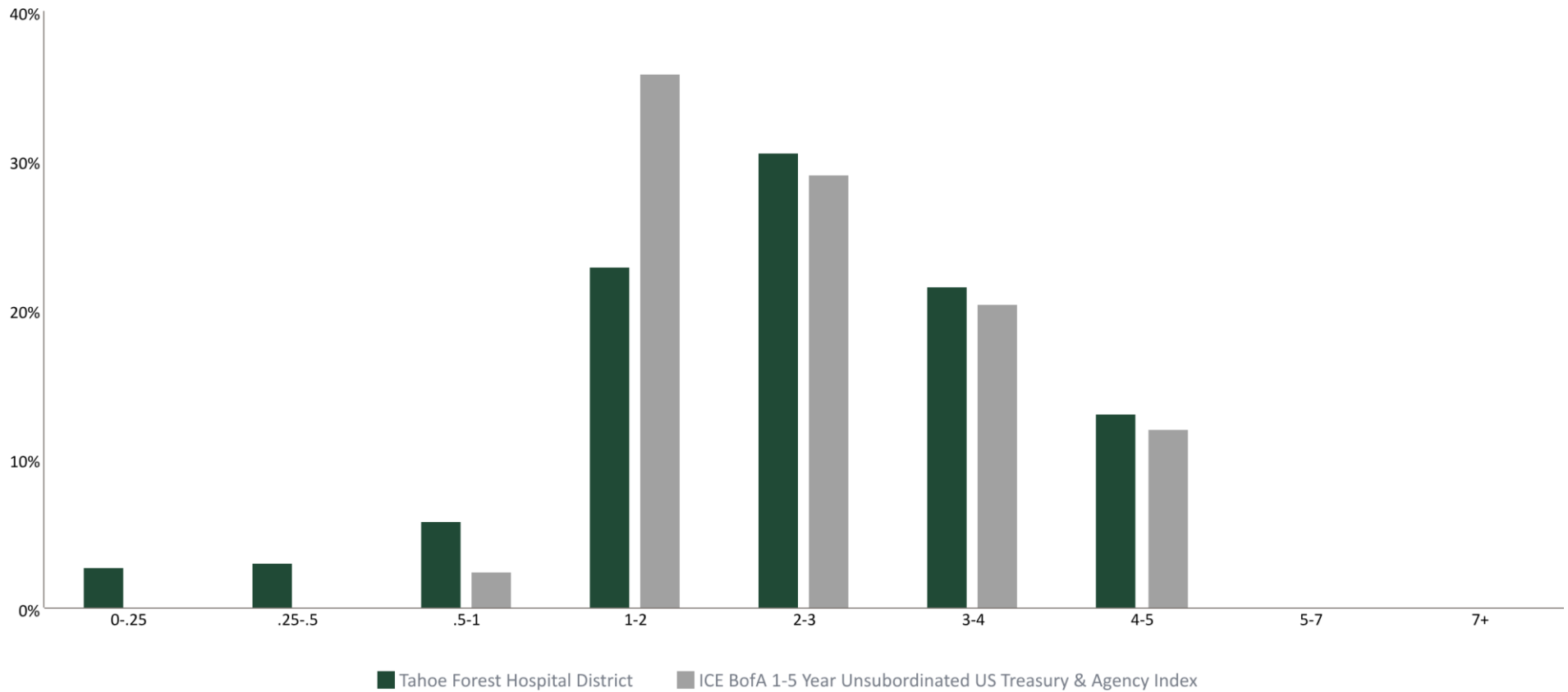


Rating	03/31/2026	12/31/2025
AAA	10.49%	6.64%
AA	68.15%	70.63%
A	9.93%	11.09%
NA	11.42%	11.64%

## DURATION DISTRIBUTION

Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Portfolio Compared to the Benchmark



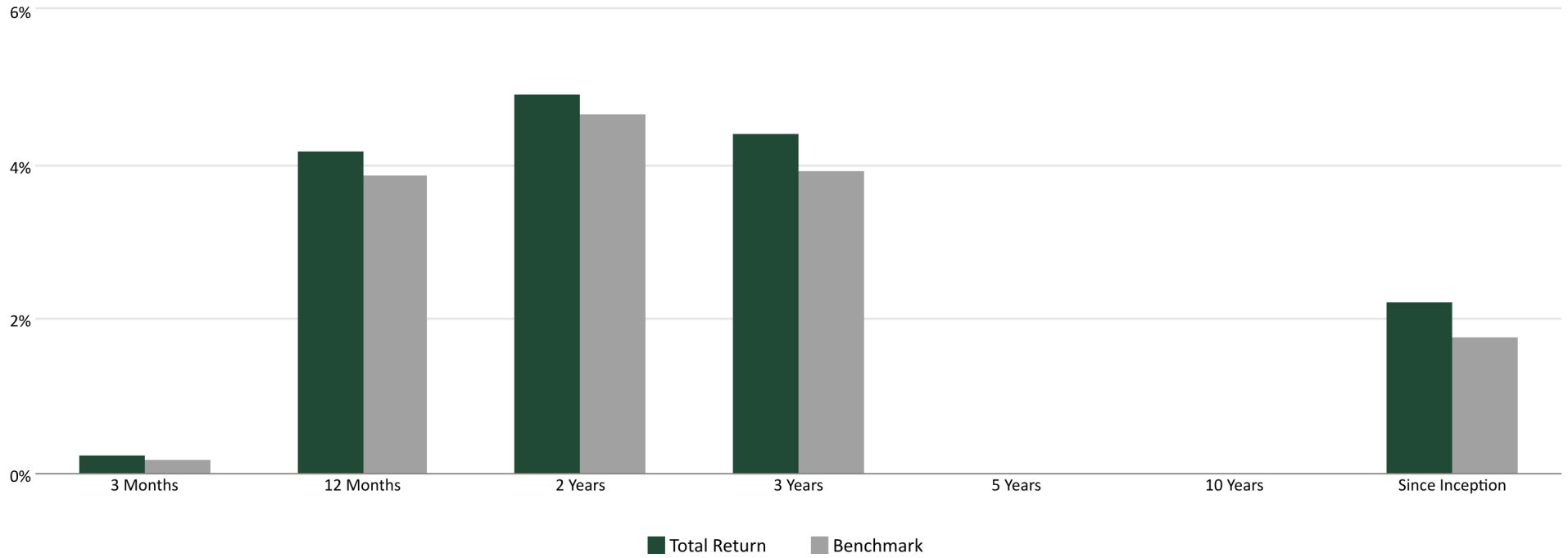
	0-0.25	0.25-0.5	0.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	2.8%	3.1%	5.9%	22.9%	30.5%	21.7%	13.0%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.0%	0.0%	2.5%	35.8%	29.1%	20.5%	12.1%	0.0%	0.0%

# INVESTMENT PERFORMANCE



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Total Rate of Return: Inception | 11/01/2021



TOTAL RATE OF RETURN*	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
Tahoe Forest Hospital District	0.25%	4.18%	4.93%	4.41%			2.24%
Benchmark	0.20%	3.87%	4.68%	3.93%			1.77%

\*Periods over 1 year are annualized.

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

## PORTFOLIO CHARACTERISTICS



TFHD Cash Portfolio | Account #11057 | As of March 31, 2026

	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	0.00	0.26
Average Modified Duration	0.00	0.25
Average Purchase Yield	3.27%	3.77%
Average Market Yield	3.27%	3.56%
Average Quality**	AAA	AAA
Total Market Value	251,385	923,192

\*Benchmark: NO BENCHMARK REQUIRED

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

## SECTOR DISTRIBUTION

TFHD Cash Portfolio | Account #11057 | As of March 31, 2026



### Sector as a Percentage of Market Value

Sector	03/31/2026	12/31/2025
Money Mkt Fd	100.00%	2.75%
US Treasury	--	97.25%

## PORTFOLIO CHARACTERISTICS



TFHD Cons | Account #11058 | As of March 31, 2026

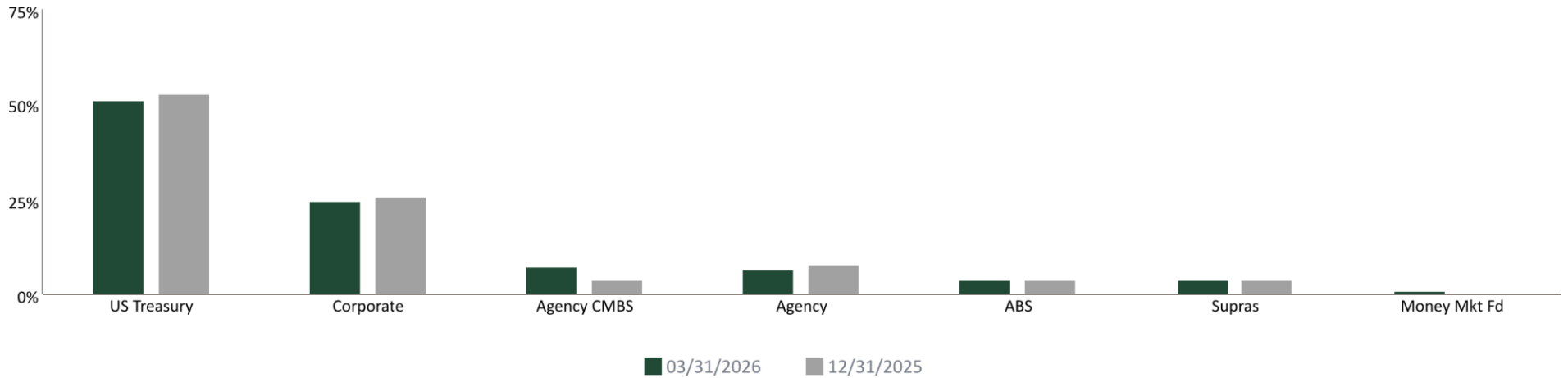
	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	2.84	2.82
Average Modified Duration	2.49	2.47
Average Purchase Yield	4.02%	3.99%
Average Market Yield	4.00%	3.71%
Average Quality**	AA	AA
Total Market Value	103,044,596	102,809,394

\*Benchmark: NO BENCHMARK REQUIRED

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

## SECTOR DISTRIBUTION

TFHD Cons | Account #11058 | As of March 31, 2026



### Sector as a Percentage of Market Value

Sector	03/31/2026	12/31/2025
US Treasury	51.33%	53.07%
Corporate	25.00%	26.21%
Agency CMBS	7.71%	4.01%
Agency	6.72%	7.79%
ABS	4.27%	4.32%
Supras	3.94%	3.96%
Money Mkt Fd	1.03%	0.64%

## ISSUERS

TFHD Cons | Account #11058 | As of March 31, 2026

Issuer	Investment Type	% Portfolio
United States	US Treasury	51.33%
Federal Home Loan Mortgage Corp	Agency CMBS	7.71%
Federal Home Loan Banks	Agency	5.23%
Inter-American Development Bank	Supras	2.45%
Farm Credit System	Agency	1.49%
Bank of America Corporation	Corporate	1.47%
JPMorgan Chase & Co.	Corporate	1.46%
Realty Income Corporation	Corporate	1.22%
BNY Mellon Corp	Corporate	1.21%
PACCAR Inc	Corporate	1.21%
Salesforce, Inc.	Corporate	1.21%
U.S. Bancorp	Corporate	1.21%
State Street Corporation	Corporate	1.19%
Morgan Stanley	Corporate	1.19%
Deere & Company	Corporate	1.17%
UnitedHealth Group Incorporated	Corporate	1.11%
Public Service Enterprise Group	Corporate	1.11%
Prologis, Inc.	Corporate	1.09%
Caterpillar Inc.	Corporate	1.08%
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Chase Issuance Trust	ABS	1.00%
Marsh & McLennan Companies, Inc.	Corporate	0.98%
International Bank for Recon and Dev	Supras	0.97%
Amazon.com, Inc.	Corporate	0.97%
Berkshire Hathaway Inc.	Corporate	0.96%
Duke Energy Corporation	Corporate	0.96%
The Toronto-Dominion Bank	Corporate	0.96%
National Rural Utilities Cooperative	Corporate	0.76%
John Deere Owner Trust	ABS	0.63%
Hyundai Auto Receivables Trust	ABS	0.60%

## ISSUERS

TFHD Cons | Account #11058 | As of March 31, 2026

Issuer	Investment Type	% Portfolio
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Mastercard Incorporated	Corporate	0.58%
Ford Credit Auto Owner Trust	ABS	0.58%
International Finance Corporation	Supras	0.52%
Walmart Inc.	Corporate	0.49%
Dominion Energy, Inc.	Corporate	0.49%
American Express Credit Master Trust	ABS	0.37%
Northern Trust Corporation	Corporate	0.34%
Deere & Company	ABS	0.34%
Mercedes-Benz Auto Receivables Trust	ABS	0.09%
BMW Vehicle Owner Trust	ABS	0.05%
Honda Auto Receivables Owner Trust	ABS	0.02%
Cash	Cash	0.00%
<b>TOTAL</b>		<b>100.00%</b>

## PORTFOLIO HOLDINGS

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# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
<b>ABS</b>									
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	199.59	07/12/2022 3.77%	199.57 199.59	99.98 4.24%	199.56 0.33	0.00% (0.03)	Aaa/NA AAA	0.88 0.04
448979AD6	HART 2023-A A3 4.58 04/15/2027	10,535.03	04/04/2023 5.14%	10,534.00 10,534.77	100.02 4.23%	10,536.61 21.44	0.01% 1.85	NA/AAA AAA	1.04 0.04
43815JAC7	HAROT 2023-1 A3 5.04 04/21/2027	20,305.57	02/16/2023 5.09%	20,301.79 20,304.61	100.12 4.12%	20,329.28 28.43	0.02% 24.67	Aaa/NA AAA	1.06 0.12
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	57,506.98	10/12/2022 3.29%	57,502.52 57,505.94	100.09 4.39%	57,559.66 130.09	0.06% 53.72	Aaa/NA AAA	1.21 0.09
58768PAC8	MBART 2022-1 A3 5.21 08/16/2027	66,643.06	11/15/2022 5.28%	66,629.88 66,639.31	100.14 4.27%	66,733.03 154.32	0.07% 93.71	Aaa/AAA NA	1.38 0.14
58770AAC7	MBART 2023-1 A3 4.51 11/15/2027	23,557.03	01/18/2023 4.56%	23,554.20 23,556.10	100.08 4.20%	23,575.80 47.22	0.02% 19.70	NA/AAA AAA	1.63 0.23
47800CAC0	JDOT 2023 A3 5.01 11/15/2027	104,682.20	02/22/2023 3.39%	104,663.12 104,675.62	100.29 4.10%	104,982.42 233.09	0.10% 306.81	Aaa/NA AAA	1.63 0.29
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	52,031.90	07/11/2023 5.47%	52,022.68 52,028.09	100.51 4.01%	52,296.27 47.44	0.05% 268.18	NA/AAA AAA	1.91 0.33
02582JJZ4	AMXCA 2023-1 A 4.87 05/15/2026	380,000.00	06/07/2023 4.92%	379,966.29 379,998.20	100.10 4.09%	380,378.10 822.49	0.37% 379.90	NA/AAA AAA	0.12 0.12
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	1,015,000.00	09/07/2023 5.23%	1,014,718.64 1,014,861.71	100.54 3.99%	1,020,506.38 2,327.73	1.00% 5,644.67	NA/AAA AAA	2.46 0.44
34535VAD6	FORDO 2024-D A3 4.61 08/15/2029	585,000.00	11/19/2024 4.66%	584,981.22 584,986.60	100.61 4.14%	588,594.24 1,198.60	0.58% 3,607.64	Aaa/NA AAA	3.38 1.19
47800DAD6	JDOT 2025 A3 4.23 09/17/2029	480,000.00	03/04/2025 5.09%	479,969.81 479,976.87	100.28 4.08%	481,341.12 902.40	0.47% 1,364.25	Aaa/NA AAA	3.47 1.49
44935CAD3	HART 2025-A A3 4.32 10/15/2029	605,000.00	03/04/2025 4.84%	604,910.76 604,931.24	100.23 4.17%	606,414.49 1,161.60	0.59% 1,483.25	NA/AAA AAA	3.54 1.25
89231GAD0	TAOT 2025-D A3 3.84 06/17/2030	620,000.00	10/15/2025 4.27%	619,928.70 619,935.42	99.28 4.27%	615,514.30 1,058.13	0.60% (4,421.12)	NA/AAA AAA	4.21 1.81
47787DAD3	JDOT 2026 A3 3.87 08/15/2030	345,000.00	03/10/2026 4.49%	344,938.87 344,939.40	99.41 4.16%	342,951.39 482.14	0.34% (1,988.01)	Aaa/NA AAA	4.38 2.28
<b>Total ABS</b>		<b>4,365,461.36</b>	<b>4.79%</b>	<b>4,364,822.07</b> <b>4,365,073.47</b>	<b>100.15</b> <b>4.12%</b>	<b>4,371,912.66</b> <b>8,615.45</b>	<b>4.28%</b> <b>6,839.19</b>		<b>2.96</b> <b>1.06</b>

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
<b>AGENCY</b>									
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	2,300,000.00	-- 3.81%	2,371,668.00 2,327,964.04	101.21 3.84%	2,327,901.30 6,037.50	2.28% (62.74)	Aa1/AA+ AA+	1.94 1.84
3130AWC24	FEDERAL HOME LOAN BANKS 4.0 06/09/2028	1,500,000.00	06/28/2023 4.09%	1,494,150.00 1,497,410.07	100.35 3.83%	1,505,289.00 18,666.67	1.48% 7,878.93	Aa1/AA+ AA+	2.19 2.05
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	1,500,000.00	09/12/2023 4.51%	1,491,165.00 1,495,679.48	101.29 3.81%	1,519,390.50 4,192.71	1.49% 23,711.02	Aa1/AA+ AA+	2.44 2.29
3133EPN50	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 12/15/2028	1,500,000.00	12/28/2023 3.88%	1,525,080.00 1,513,681.26	101.29 3.74%	1,519,405.50 18,770.83	1.49% 5,724.24	Aa1/AA+ AA+	2.71 2.51
<b>Total Agency</b>		<b>6,800,000.00</b>	<b>4.04%</b>	<b>6,882,063.00</b> <b>6,834,734.85</b>	<b>101.06</b> <b>3.81%</b>	<b>6,871,986.30</b> <b>47,667.71</b>	<b>6.73%</b> <b>37,251.45</b>		<b>2.28</b> <b>2.13</b>
<b>AGENCY CMBS</b>									
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	1,850,000.00	05/24/2023 4.65%	1,816,035.16 1,835,624.45	99.37 4.07%	1,838,328.35 5,935.42	1.80% 2,703.90	Aa1/AA+ AAA	2.15 1.95
3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	1,200,000.00	12/11/2025 3.80%	1,194,421.88 1,194,953.61	98.82 4.09%	1,185,807.60 3,690.00	1.16% (9,146.01)	Aaa/AA+ AA+	2.82 2.56
3137FQ3Z4	FHMS K-101 A2 2.524 10/25/2029	1,100,000.00	12/23/2025 3.88%	1,047,277.34 1,050,851.11	94.74 4.12%	1,042,165.30 2,313.67	1.02% (8,685.81)	Aa1/AA+ AA+	3.57 3.28
3137F83Q4	FHMS K-121 A2 1.547 10/25/2030	1,250,000.00	01/07/2026 3.97%	1,119,091.80 1,125,093.98	89.04 4.21%	1,112,995.00 1,611.46	1.09% (12,098.98)	Aa1/AA+ AAA	4.57 4.29
3137F9Z79	FHMS K-125 A2 1.846 01/25/2031	1,750,000.00	-- 4.05%	1,579,023.44 1,584,444.92	89.80 4.22%	1,571,549.00 2,692.08	1.54% (12,895.92)	Aa1/AA+ AAA	4.82 4.45
3137FXZ35	FHMS K-127 A2 2.108 01/25/2031	1,250,000.00	02/03/2026 4.11%	1,138,671.88 1,142,030.38	90.82 4.24%	1,135,305.00 2,195.83	1.11% (6,725.38)	Aa1/AA+ AAA	4.82 4.45
<b>Total Agency CMBS</b>		<b>8,400,000.00</b>	<b>4.13%</b>	<b>7,894,521.50</b> <b>7,932,998.44</b>	<b>94.08</b> <b>4.15%</b>	<b>7,886,150.25</b> <b>18,438.46</b>	<b>7.73%</b> <b>(46,848.19)</b>		<b>3.70</b> <b>3.41</b>
<b>CASH</b>									
CCYUSD	Receivable	1,514.27	--	1,514.27 1,514.27	1.00	1,514.27 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
<b>Total Cash</b>		<b>1,514.27</b>		<b>1,514.27</b>	<b>1.00</b>	<b>1,514.27</b> <b>0.00</b>	<b>0.00%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>

CORPORATE									
89114TZN5	TORONTO-DOMINION BANK 1.95 01/12/2027	1,000,000.00	01/25/2022 2.11%	992,295.35 998,783.25	98.27 4.22%	982,732.00 4,279.17	0.96% (16,051.25)	A2/A- AA-	0.79 0.76
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	1,000,000.00	03/08/2022 2.54%	988,750.00 997,855.97	98.45 3.97%	984,503.00 1,022.22	0.96% (13,352.97)	Aa2/AA A+	0.96 0.93
023135CF1	AMAZON.COM INC 3.3 04/13/2027	1,000,000.00	04/25/2022 3.34%	998,270.00 999,640.06	99.25 4.05%	992,465.00 15,400.00	0.97% (7,175.06)	A1/AA AA-	1.04 0.99
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	345,000.00	05/05/2022 4.03%	344,441.10 344,876.34	99.88 4.11%	344,588.07 5,405.00	0.34% (288.27)	A2/A+ A+	1.11 1.06
927804GH1	VIRGINIA ELECTRIC AND POWER CO 3.75 05/15/2027	500,000.00	-- 3.71%	500,865.35 500,175.50	99.38 4.32%	496,914.50 7,083.33	0.49% (3,261.00)	A3/BBB+ A	1.12 1.07
14913R3A3	CATERPILLAR FINANCIAL SERVICES CORP 3.6 08/12/2027	600,000.00	08/22/2022 3.81%	594,258.00 598,423.64	99.44 4.03%	596,611.80 2,940.00	0.58% (1,811.84)	A2/A A+	1.37 1.31
756109BG8	REALTY INCOME CORP 3.95 08/15/2027	1,250,000.00	03/03/2023 5.23%	1,187,450.00 1,230,679.69	99.51 4.32%	1,243,846.25 6,309.03	1.22% 13,166.56	A3/A- NA	1.38 1.31
931142EX7	WALMART INC 3.95 09/09/2027	500,000.00	-- 3.97%	499,453.50 499,842.57	100.03 3.93%	500,159.00 1,206.94	0.49% 316.43	Aa2/AA AA	1.44 1.38
91324PEP3	UNITEDHEALTH GROUP INC 5.25 02/15/2028	1,120,000.00	03/08/2023 5.08%	1,128,041.60 1,122,967.95	101.76 4.26%	1,139,666.08 7,513.33	1.12% 16,698.13	A2/A+ A	1.88 1.68
57636QAW4	MASTERCARD INC 4.875 03/09/2028	585,000.00	03/06/2023 4.90%	584,432.55 584,780.10	101.48 4.07%	593,673.21 1,742.81	0.58% 8,893.11	Aa3/A+ NA	1.94 1.76
79466LAF1	SALESFORCE INC 3.7 04/11/2028	1,250,000.00	08/23/2023 4.84%	1,191,400.00 1,224,321.35	98.87 4.29%	1,235,887.50 21,840.28	1.21% 11,566.15	A2/A+ NA	2.03 1.90
74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO 3.7 05/01/2028	1,150,000.00	09/06/2023 5.10%	1,084,208.50 1,120,496.56	98.82 4.30%	1,136,409.30 17,729.17	1.11% 15,912.74	A1/A NA	2.08 1.95
06051GMK2	BANK OF AMERICA CORP 4.979 01/24/2029	650,000.00	01/28/2025 4.92%	651,014.00 650,616.77	100.78 4.51%	655,064.15 6,023.21	0.64% 4,447.38	A1/A- AA-	2.82 1.70
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	1,220,000.00	01/24/2024 4.64%	1,218,011.40 1,218,872.36	101.46 4.05%	1,237,824.20 9,509.22	1.21% 18,951.84	A1/A+ NA	2.84 2.62

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
14913UAJ9	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029	500,000.00	05/21/2024 4.84%	500,215.00 500,131.27	101.76 4.20%	508,785.00 2,290.28	0.50% 8,653.73	A2/A A+	2.91 2.68
61747YFD2	MORGAN STANLEY 5.164 04/20/2029	1,200,000.00	05/30/2024 5.44%	1,188,336.00 1,193,839.44	101.15 4.78%	1,213,821.60 27,713.47	1.19% 19,982.16	A1/A- A+	3.05 1.89
06406RBD8	BANK OF NEW YORK MELLON CORP 3.85 04/26/2029	1,250,000.00	09/10/2024 3.95%	1,244,612.50 1,246,422.16	99.03 4.19%	1,237,906.25 20,720.49	1.21% (8,515.91)	Aa3/A AA-	3.07 2.82
91159HJM3	US BANCORP 5.775 06/12/2029	1,200,000.00	06/20/2024 5.26%	1,221,720.00 1,212,011.82	102.86 4.76%	1,234,296.00 20,982.50	1.21% 22,284.18	A3/A A	3.20 2.02
06051GHM4	BANK OF AMERICA CORP 4.271 07/23/2029	850,000.00	-- 4.90%	830,918.00 838,834.82	99.59 4.69%	846,535.40 6,857.33	0.83% 7,700.58	A1/A- AA-	3.31 2.16
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	850,000.00	-- 4.89%	829,384.00 837,930.02	99.43 4.68%	845,113.35 6,748.15	0.83% 7,183.33	A1/A AA-	3.31 2.16
89236TMK8	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	600,000.00	09/19/2024 4.14%	610,782.00 607,409.60	100.59 4.36%	603,564.60 3,943.33	0.59% (3,845.00)	A1/A+ A+	3.36 3.06
26442CAY0	DUKE ENERGY CAROLINAS LLC 2.45 08/15/2029	1,046,000.00	12/18/2024 4.72%	947,749.22 974,797.08	94.12 4.34%	984,446.04 3,274.56	0.96% 9,648.96	Aa3/A NA	3.38 3.17
46647PAX4	JPMORGAN CHASE & CO 4.452 12/05/2029	650,000.00	12/09/2024 4.72%	643,734.00 645,786.80	100.12 4.63%	650,776.75 9,324.47	0.64% 4,989.95	A1/A AA-	3.68 2.47
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	760,000.00	02/04/2025 4.98%	758,837.20 759,103.38	101.74 4.45%	773,190.56 5,643.00	0.76% 14,087.18	A2/NA A	3.86 3.39
571748CA8	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	1,000,000.00	03/17/2025 4.74%	996,040.00 996,863.28	100.71 4.45%	1,007,132.00 2,066.67	0.99% 10,268.72	A3/A- A-	3.96 3.50
857477DB6	STATE STREET CORP 4.834 04/24/2030	1,200,000.00	09/29/2025 4.15%	1,233,168.00 1,229,457.89	101.57 4.41%	1,218,879.60 25,297.93	1.19% (10,578.29)	Aa3/A AA-	4.07 3.52
24422EYF0	JOHN DEERE CAPITAL CORP 4.375 10/15/2030	1,200,000.00	11/04/2025 4.22%	1,208,304.00 1,207,627.72	99.85 4.41%	1,198,231.20 24,208.33	1.17% (9,396.52)	A1/A A+	4.54 4.00
74340XCQ2	PROLOGIS LP 4.75 01/15/2031	1,100,000.00	03/23/2026 4.50%	1,111,418.00 1,111,365.11	101.03 4.51%	1,111,331.10 11,030.56	1.09% (34.01)	A2/A NA	4.79 4.14
<b>Total Corporate</b>		<b>25,576,000.00</b>	<b>4.46%</b>	<b>25,288,109.27</b> <b>25,453,912.53</b>	<b>100.02</b> <b>4.35%</b>	<b>25,574,353.51</b> <b>278,104.77</b>	<b>25.06%</b> <b>120,440.98</b>		<b>2.72</b> <b>2.28</b>

## MONEY MARKET FUND

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
31846V203	FIRST AMER:GVT OBLG Y	800,727.58	-- 3.28%	800,727.58 800,727.58	1.00 3.28%	800,727.58 0.00	0.78% 0.00	Aaa/AAAm AAA	0.00 0.00
<b>Total Money Market Fund</b>		<b>800,727.58</b>	<b>3.28%</b>	<b>800,727.58</b> <b>800,727.58</b>	<b>1.00</b> <b>3.28%</b>	<b>800,727.58</b> <b>0.00</b>	<b>0.78%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>

SUPRANATIONAL									
4581X0DV7	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026	1,500,000.00	11/03/2021 1.17%	1,480,635.00 1,499,773.86	99.84 3.84%	1,497,645.00 5,869.79	1.47% (2,128.86)	Aaa/AAA NA	0.05 0.05
459058KT9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 07/12/2028	1,000,000.00	11/28/2023 4.55%	956,800.00 978,656.23	99.32 3.81%	993,160.00 7,680.56	0.97% 14,503.77	Aaa/AAA NA	2.28 2.15
45950KDD9	INTERNATIONAL FINANCE CORP 4.5 07/13/2028	525,000.00	07/06/2023 4.53%	524,417.25 524,733.98	101.47 3.82%	532,695.45 5,118.75	0.52% 7,961.47	Aaa/AAA NA	2.28 2.14
4581X0EN4	INTER-AMERICAN DEVELOPMENT BANK 4.125 02/15/2029	1,000,000.00	02/15/2024 4.31%	991,780.00 995,258.39	100.77 3.84%	1,007,663.00 5,270.83	0.99% 12,404.61	Aaa/AAA NA	2.88 2.67
<b>Total Supranational</b>		<b>4,025,000.00</b>	<b>3.23%</b>	<b>3,953,632.25</b> <b>3,998,422.45</b>	<b>100.16</b> <b>3.83%</b>	<b>4,031,163.45</b> <b>23,939.93</b>	<b>3.95%</b> <b>32,741.00</b>		<b>1.60</b> <b>1.50</b>

US TREASURY									
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	2,000,000.00	-- 1.15%	1,973,776.04 1,997,351.96	98.59 3.76%	1,971,828.00 47.81	1.93% (25,523.96)	Aa1/AA+ AA+	0.50 0.49
91282CDG3	UNITED STATES TREASURY 1.125 10/31/2026	1,925,000.00	11/16/2021 1.27%	1,911,840.82 1,923,450.58	98.48 3.80%	1,895,703.43 9,093.23	1.86% (27,747.15)	Aa1/AA+ AA+	0.59 0.57
912828Z78	UNITED STATES TREASURY 1.5 01/31/2027	1,250,000.00	-- 2.59%	1,188,476.56 1,239,299.90	98.18 3.74%	1,227,233.75 3,107.73	1.20% (12,066.15)	Aa1/AA+ AA+	0.84 0.82
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	1,250,000.00	08/03/2022 2.94%	1,267,578.13 1,254,465.69	99.30 3.82%	1,241,308.75 10,212.36	1.22% (13,156.94)	Aa1/AA+ AA+	1.25 1.20
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	950,000.00	12/20/2022 3.84%	961,541.02 953,619.80	100.41 3.84%	953,896.90 107.07	0.93% 277.10	Aa1/AA+ AA+	1.50 1.44
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	1,500,000.00	01/26/2023 3.62%	1,517,226.56 1,506,118.83	100.07 3.83%	1,501,054.50 14,611.53	1.47% (5,064.33)	Aa1/AA+ AA+	1.75 1.66
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	1,500,000.00	12/11/2023 4.37%	1,450,957.03 1,478,253.61	99.43 3.82%	1,491,445.50 8,701.66	1.46% 13,191.89	Aa1/AA+ AA+	1.84 1.75

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CBP5	UNITED STATES TREASURY 1.125 02/29/2028	1,300,000.00	04/12/2023 3.50%	1,162,789.06 1,246,208.39	95.07 3.82%	1,235,863.20 1,271.74	1.21% (10,345.19)	Aa1/AA+ AA+	1.92 1.86
91282CGT2	UNITED STATES TREASURY 3.625 03/31/2028	1,400,000.00	04/24/2023 3.60%	1,401,804.69 1,400,731.09	99.64 3.82%	1,394,913.80 138.66	1.37% (5,817.29)	Aa1/AA+ AA+	2.00 1.91
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	1,500,000.00	07/26/2023 4.16%	1,489,218.75 1,495,082.55	100.42 3.80%	1,506,270.00 15,082.87	1.48% 11,187.45	Aa1/AA+ AA+	2.25 2.11
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	1,500,000.00	09/25/2023 4.62%	1,468,242.19 1,484,713.19	100.69 3.81%	1,510,312.50 10,255.52	1.48% 25,599.31	Aa1/AA+ AA+	2.33 2.19
91282CCV1	UNITED STATES TREASURY 1.125 08/31/2028	1,400,000.00	09/21/2023 4.66%	1,183,710.94 1,294,192.11	93.83 3.83%	1,313,593.40 1,369.57	1.29% 19,401.29	Aa1/AA+ AA+	2.42 2.34
91282CJA0	UNITED STATES TREASURY 4.625 09/30/2028	1,500,000.00	10/19/2023 4.97%	1,477,617.19 1,488,690.92	101.91 3.81%	1,528,711.50 189.55	1.50% 40,020.58	Aa1/AA+ AA+	2.50 2.34
91282CJF9	UNITED STATES TREASURY 4.875 10/31/2028	1,250,000.00	04/23/2024 4.66%	1,260,937.50 1,256,253.79	102.55 3.83%	1,281,885.00 25,587.02	1.26% 25,631.21	Aa1/AA+ AA+	2.59 2.36
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	1,500,000.00	02/26/2024 4.31%	1,479,199.22 1,488,028.00	100.45 3.83%	1,506,796.50 9,944.75	1.48% 18,768.50	Aa1/AA+ AA+	2.84 2.64
91282CKD2	UNITED STATES TREASURY 4.25 02/28/2029	1,250,000.00	03/14/2024 4.28%	1,248,339.84 1,249,024.62	101.15 3.83%	1,264,355.00 4,619.57	1.24% 15,330.38	Aa1/AA+ AA+	2.91 2.71
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	1,950,000.00	-- 4.62%	1,907,566.41 1,924,330.68	100.83 3.83%	1,966,224.00 219.77	1.93% 41,893.32	Aa1/AA+ AA+	3.00 2.80
91282CKP5	UNITED STATES TREASURY 4.625 04/30/2029	1,250,000.00	06/26/2024 4.35%	1,264,892.58 1,259,476.33	102.27 3.84%	1,278,320.00 24,274.86	1.25% 18,843.67	Aa1/AA+ AA+	3.08 2.80
91282CKT7	UNITED STATES TREASURY 4.5 05/31/2029	1,500,000.00	05/30/2024 4.58%	1,494,902.34 1,496,772.78	101.94 3.84%	1,529,062.50 22,623.63	1.50% 32,289.72	Aa1/AA+ AA+	3.17 2.89
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	1,250,000.00	08/22/2024 3.73%	1,278,759.77 1,269,248.92	101.21 3.85%	1,265,136.25 13,354.63	1.24% (4,112.67)	Aa1/AA+ AA+	3.25 2.98
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	1,800,000.00	-- 4.03%	1,797,523.44 1,798,373.99	100.45 3.86%	1,808,015.40 11,933.70	1.77% 9,641.41	Aa1/AA+ AA+	3.33 3.08
91282CFJ5	UNITED STATES TREASURY 3.125 08/31/2029	1,500,000.00	09/27/2024 3.55%	1,471,464.84 1,480,171.56	97.64 3.87%	1,464,667.50 4,076.09	1.44% (15,504.06)	Aa1/AA+ AA+	3.42 3.19
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	1,450,000.00	-- 4.02%	1,417,105.47 1,426,323.09	98.80 3.87%	1,432,555.05 138.66	1.40% 6,231.97	Aa1/AA+ AA+	3.50 3.26
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	1,250,000.00	11/19/2024 4.24%	1,243,896.48 1,245,576.13	100.82 3.88%	1,260,253.75 21,650.55	1.24% 14,677.62	Aa1/AA+ AA+	3.59 3.25

# HOLDINGS REPORT



Tahoe Forest Hospital District | Account #10841 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	1,750,000.00	-- 4.23%	1,741,552.73 1,743,741.06	100.83 3.88%	1,764,491.75 24,194.71	1.73% 20,750.69	Aa1/AA+ AA+	3.67 3.33
91282CMD0	UNITED STATES TREASURY 4.375 12/31/2029	1,500,000.00	-- 4.38%	1,499,550.78 1,499,664.03	101.69 3.88%	1,525,371.00 16,496.89	1.49% 25,706.97	Aa1/AA+ AA+	3.75 3.40
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	1,000,000.00	03/25/2025 4.08%	1,007,500.00 1,005,929.74	101.27 3.89%	1,012,656.00 7,044.20	0.99% 6,726.26	Aa1/AA+ AA+	3.84 3.49
91282CGZ8	UNITED STATES TREASURY 3.5 04/30/2030	1,250,000.00	11/26/2025 3.57%	1,246,630.86 1,246,889.70	98.48 3.91%	1,230,957.50 18,370.17	1.21% (15,932.20)	Aa1/AA+ AA+	4.08 3.71
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	1,250,000.00	11/13/2025 3.69%	1,266,210.94 1,264,862.47	100.34 3.91%	1,254,247.50 16,758.24	1.23% (10,614.97)	Aa1/AA+ AA+	4.17 3.75
91282CNK3	UNITED STATES TREASURY 3.875 06/30/2030	1,250,000.00	10/30/2025 3.71%	1,258,691.41 1,257,915.66	99.85 3.91%	1,248,096.25 12,176.28	1.22% (9,819.41)	Aa1/AA+ AA+	4.25 3.85
91282CNN7	UNITED STATES TREASURY 3.875 07/31/2030	1,250,000.00	09/29/2025 3.73%	1,257,666.02 1,256,871.19	99.83 3.92%	1,247,900.00 8,028.31	1.22% (8,971.19)	Aa1/AA+ AA+	4.33 3.93
91282CNX5	UNITED STATES TREASURY 3.625 08/31/2030	1,250,000.00	09/22/2025 3.69%	1,246,582.03 1,246,942.22	98.77 3.93%	1,234,667.50 3,940.22	1.21% (12,274.72)	Aa1/AA+ AA+	4.42 4.02
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	1,500,000.00	-- 3.73%	1,492,978.52 1,493,658.79	98.75 3.93%	1,481,308.50 148.57	1.45% (12,350.29)	Aa1/AA+ AA+	4.50 4.11
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	1,500,000.00	-- 3.71%	1,493,974.61 1,494,461.00	98.71 3.94%	1,480,605.00 22,831.49	1.45% (13,856.00)	Aa1/AA+ AA+	4.59 4.11
91282CPN5	UNITED STATES TREASURY 3.5 11/30/2030	1,500,000.00	12/08/2025 3.76%	1,482,656.25 1,483,734.87	98.16 3.93%	1,472,403.00 17,596.15	1.44% (11,331.87)	Aa1/AA+ AA+	4.67 4.21
91282CJX0	UNITED STATES TREASURY 4.0 01/31/2031	1,250,000.00	03/11/2026 3.80%	1,261,230.47 1,261,104.71	100.20 3.95%	1,252,538.75 8,287.29	1.23% (8,565.96)	Aa1/AA+ AA+	4.84 4.33
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	1,500,000.00	03/10/2026 3.70%	1,486,289.06 1,486,447.70	98.06 3.94%	1,470,937.50 4,565.22	1.44% (15,510.20)	Aa1/AA+ AA+	4.91 4.45
<b>Total US Treasury</b>		<b>52,675,000.00</b>	<b>3.79%</b>	<b>52,060,880.55</b> <b>52,397,981.63</b>	<b>99.71</b> <b>3.86%</b>	<b>52,505,586.43</b> <b>373,050.28</b>	<b>51.45%</b> <b>107,604.79</b>		<b>3.00</b> <b>2.76</b>
<b>Total Portfolio</b>		<b>102,643,703.21</b>	<b>4.02%</b>	<b>101,246,270.49</b> <b>101,785,365.23</b>	<b>98.70</b> <b>4.01%</b>	<b>102,043,394.44</b> <b>749,816.61</b>	<b>100.00%</b> <b>258,029.22</b>		<b>2.85</b> <b>2.50</b>
<b>Total Market Value + Accrued</b>						<b>102,793,211.05</b>			

# HOLDINGS REPORT



TFHD Cash Portfolio | Account #11057 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
<b>CASH</b>									
CCYUSD	Receivable	698.04	--	698.04 698.04	1.00	698.04 0.00	0.28% 0.00	Aaa/AAA AAA	0.00 0.00
<b>Total Cash</b>		<b>698.04</b>		<b>698.04</b> <b>698.04</b>	<b>1.00</b>	<b>698.04</b> <b>0.00</b>	<b>0.28%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>
<b>MONEY MARKET FUND</b>									
31846V203	FIRST AMER:GVT OBLG Y	250,687.25	-- 3.27%	250,687.25 250,687.25	1.00 3.27%	250,687.25 0.00	99.72% 0.00	Aaa/AAAm AAA	0.00 0.00
<b>Total Money Market Fund</b>		<b>250,687.25</b>	<b>3.27%</b>	<b>250,687.25</b> <b>250,687.25</b>	<b>1.00</b> <b>3.27%</b>	<b>250,687.25</b> <b>0.00</b>	<b>99.72%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>
<b>Total Portfolio</b>		<b>251,385.29</b>	<b>3.27%</b>	<b>251,385.29</b> <b>251,385.29</b>	<b>1.00</b> <b>3.27%</b>	<b>251,385.29</b> <b>0.00</b>	<b>100.00%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>
<b>Total Market Value + Accrued</b>						<b>251,385.29</b>			

## TRANSACTIONS

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# TRANSACTION LEDGER



Tahoe Forest Hospital District | Account #10841 | 01/01/2026 Through 03/31/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	01/12/2026	3137F83Q4	1,250,000.00	FHMS K-121 A2 1.547 10/25/2030	89.527	3.97%	(1,119,091.80)	(590.87)	(1,119,682.67)	0.00
Purchase	01/28/2026	3137F9Z79	1,250,000.00	FHMS K-125 A2 1.846 01/25/2031	89.945	4.11%	(1,124,316.41)	(1,730.63)	(1,126,047.04)	0.00
Purchase	02/06/2026	3137FXZ35	1,250,000.00	FHMS K-127 A2 2.108 01/25/2031	91.094	4.11%	(1,138,671.88)	(365.97)	(1,139,037.85)	0.00
Purchase	02/20/2026	3137F9Z79	500,000.00	FHMS K-125 A2 1.846 01/25/2031	90.941	3.90%	(454,707.03)	(487.14)	(455,194.17)	0.00
Purchase	03/11/2026	91282CQD6	1,500,000.00	UNITED STATES TREASURY 3.5 02/28/2031	99.086	3.70%	(1,486,289.06)	(1,569.29)	(1,487,858.35)	0.00
Purchase	03/12/2026	91282CJX0	1,250,000.00	UNITED STATES TREASURY 4.0 01/31/2031	100.898	3.80%	(1,261,230.47)	(5,524.86)	(1,266,755.33)	0.00
Purchase	03/18/2026	47787DAD3	345,000.00	JDOT 2026 A3 3.87 08/15/2030	99.982	4.49%	(344,938.87)	0.00	(344,938.87)	0.00
Purchase	03/24/2026	74340XCQ2	1,100,000.00	PROLOGIS LP 4.75 01/15/2031	101.038	4.50%	(1,111,418.00)	(10,014.58)	(1,121,432.58)	0.00
<b>Total Purchase</b>			<b>8,445,000.00</b>				<b>(8,040,663.52)</b>	<b>(20,283.34)</b>	<b>(8,060,946.86)</b>	<b>0.00</b>
Transfer In	10/23/2025	91282CHH7	300,000.00	UNITED STATES TREASURY 4.125 06/15/2026	100.132	3.64%	(300,413.30)	(2,379.81)	0.00	0.00
Transfer In	10/23/2025	912797QD2	300,000.00	UNITED STATES TREASURY 04/16/2026	99.477	3.74%	(298,409.02)	0.00	0.00	0.00
<b>Total Transfer In</b>			<b>600,000.00</b>				<b>(598,822.32)</b>	<b>(2,379.81)</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>8,445,000.00</b>				<b>(8,040,663.52)</b>	<b>(20,283.34)</b>	<b>(8,060,946.86)</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>600,000.00</b>				<b>(598,822.32)</b>	<b>(2,379.81)</b>	<b>0.00</b>	<b>0.00</b>

**DISPOSITIONS**

# TRANSACTION LEDGER



Tahoe Forest Hospital District | Account #10841 | 01/01/2026 Through 03/31/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	01/09/2026	91282CDG3	(525,000.00)	UNITED STATES TREASURY 1.125 10/31/2026	98.066	1.27%	514,848.63	1,142.09	515,990.72	(9,566.12)
Sale	01/27/2026	3130ATUS4	(1,000,000.00)	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	101.111	3.66%	1,011,110.00	5,548.61	1,016,658.61	1,049.58
Sale	02/05/2026	808513BY0	(1,000,000.00)	CHARLES SCHWAB CORP 2.45 03/03/2027	98.629	2.79%	986,290.00	10,344.44	996,634.44	(10,315.82)
Sale	03/11/2026	91282CDG3	(550,000.00)	UNITED STATES TREASURY 1.125 10/31/2026	98.410	1.27%	541,255.86	2,239.12	543,494.98	(8,257.80)
Sale	03/11/2026	91282CHH7	(300,000.00)	UNITED STATES TREASURY 4.125 06/15/2026	100.129	3.64%	300,386.72	2,923.76	303,310.48	32.46
Sale	03/11/2026	912797QD2	(300,000.00)	UNITED STATES TREASURY 04/16/2026	99.637	3.74%	298,910.25	0.00	298,910.25	11.70
Sale	03/12/2026	91282CFH9	(800,000.00)	UNITED STATES TREASURY 3.125 08/31/2027	99.238	3.36%	793,906.25	815.22	794,721.47	(3,516.99)
Sale	03/12/2026	91282CKZ3	(1,250,000.00)	UNITED STATES TREASURY 4.375 07/15/2027	100.930	4.07%	1,261,621.09	8,459.94	1,270,081.03	6,831.09
Sale	03/24/2026	74340XBN0	(1,100,000.00)	PROLOGIS LP 2.125 04/15/2027	97.926	5.14%	1,077,186.00	10,323.96	1,087,509.96	8,515.73
<b>Total Sale</b>			<b>(6,825,000.00)</b>				<b>6,785,514.80</b>	<b>41,797.14</b>	<b>6,827,311.94</b>	<b>(15,216.17)</b>
<b>TOTAL DISPOSITIONS</b>			<b>(6,825,000.00)</b>				<b>6,785,514.80</b>	<b>41,797.14</b>	<b>6,827,311.94</b>	<b>(15,216.17)</b>

# TRANSACTION LEDGER



TFHD Cash Portfolio | Account #11057|01/01/2026 Through 03/31/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Maturity	01/22/2026	912797PD3	(300,000.00)	UNITED STATES TREASURY 01/22/2026	100.000	3.88%	300,000.00	0.00	300,000.00	0.00
<b>Total Maturity</b>			<b>(300,000.00)</b>				<b>300,000.00</b>	<b>0.00</b>	<b>300,000.00</b>	<b>0.00</b>
Transfer Out	02/23/2026	912797QD2	(300,000.00)	UNITED STATES TREASURY 04/16/2026	99.477	3.79%	298,409.02	0.00	0.00	0.00
Transfer Out	02/23/2026	91282CHH7	(300,000.00)	UNITED STATES TREASURY 4.125 06/15/2026	100.132	3.66%	300,413.30	2,379.81	0.00	0.00
<b>Total Transfer Out</b>			<b>(600,000.00)</b>				<b>598,822.32</b>	<b>2,379.81</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>(900,000.00)</b>				<b>898,822.32</b>	<b>2,379.81</b>	<b>300,000.00</b>	<b>0.00</b>

## IMPORTANT DISCLOSURES



2026 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.

Source ICE Data Indices, LLC (“ICE”), used with permission. ICE permits use of the ICE indices and related data on an “as is” basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and licensee’s use it at licensee’s own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

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.

**LGIP Yields:** Reported yields for local government investment pools may be presented as either the 30-day yield or the monthly distribution yield, as applicable. For certain funds, the 30-day yield is calculated using reported daily yield data. Yield calculations are subject to change and may not be directly comparable across funds.

**LAIF Yields:** Additional Disclosure for CA Clients - As a result of a reporting lag from the Local Agency Investment Fund (LAIF), reported LAIF yields represent the most recently available Daily Effective Yield and may reflect data from approximately 7–10 days prior to month-end.

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.

**DRAFT Charter**  
**Finance Committee**  
**Tahoe Forest Hospital District**  
**Board of Directors**

**PURPOSE:**

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

**RESPONSIBILITIES:**

In carrying out its purpose, ~~the~~ the Committee is responsible for assisting the Board in oversight of the District’s financial and strategic affairs by:

- Monitoring the ~~organization’s~~ District’s overall 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, and community benefit; and-
- Reviewing and evaluating the financial feasibility and impact of major capital expenditures, strategic initiatives, partnerships, affiliations, and investments prior to Board consideration.

**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 as appropriate.
- Review financial statements quarterly and monitor key financial indicators relative to industry benchmarks, ~~and~~ peer organizations, and Board-approved targets.
- Oversee the annual independent audit and supervision of any necessary corrective measures.
- Review annually the investment of District funds.
- Review and evaluate significant accounting policies and financial reporting practices.

**2. Strategic Alignment**

- Review and evaluate the District’s strategic plan, ensuring financial feasibility, ~~and~~ sustainability, and alignment with the District’s of strategic priorities, mission and community benefit goals.
- Assess the financial impact of strategic initiatives, partnerships, affiliations, joint ventures, acquisitions 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.
- Advise the Board on the acquisition, construction, utilization, financing, and disposition of major assets, including facilities and information technology.

**3. Advisory Role**

**3. The Committee shall:**

- Provide guidance to the Board and management regarding strategic business opportunities, major capital investments, significant financial strategies, and resource allocation priorities.
- Recommend financial performance metrics, ~~and~~ dashboards and targets to monitor progress toward strategic and financial goals. support Board oversight of strategic and financial goals.
- Coordinate, as appropriate, with other Board committees (such as the Board Quality and Community Engagement Committees) on matters where quality, cost, and financial risk intersect.

**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. Members should collectively possess expertise in financial management, budgeting, capital planning, healthcare finance, and strategic analysis.

**Authority(??)**

The Finance Committee is authorized by the Board to access information, engage management, and request the participation of District leadership necessary to carry out its responsibilities. The Committee does not have decision-making authority except as expressly delegated by the Board.

**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.

REVISED 10/21/2025 – Approved by the TFHD Board of Directors 11/20/2025  
 No Changes 2026 – Approved by the TFHD Board of Directors 03/26/2026

REVISED 10/21/2025 – Approved by the TFHD Board of Directors 11/20/2025  
No Changes 2026 – Approved by the TFHD Board of Directors 03/26/2026



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April 10, 2026

Crystal Felix, CFO  
Tahoe Forest Health System  
10121 Pine Avenue, P.O. Box 759  
Truckee, CA 96161

Re: Audit and Nonattest Services

Dear Ms. Felix:

Thank you for the opportunity to provide services to Tahoe Forest Hospital District, Tahoe Forest Health System Foundation, and Incline Village Community Hospital Foundation. This engagement letter ("Engagement Letter") and the attached Professional Services Agreement, which is incorporated by this reference (collectively, the "Agreement"), confirm our acceptance and understanding of the terms and objectives of our engagement, and limitations of the services that Baker Tilly US, LLP ("Firm," "we," "us," and "our") will provide to Tahoe Forest Hospital District ("TFHD"), Tahoe Forest Health System Foundation ("TFHSF"), and Incline Village Community Hospital Foundation ("IVCHF") ("you," "your," and "Organization").

### **Scope of Services – Audit**

You have requested that we audit the TFHD's combined financial statements, which comprise the combined statements of net position as of June 30, 2026; June 30, 2027; and June 30, 2028, and the related combined statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the combined financial statements. We have not been engaged to report on whether the Management's Discussion and Analysis, presented as supplementary information, is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

You have requested that we audit the TFHSF's financial statements, which comprise the statements of financial position as of June 30, 2026; June 30, 2027; and June 30, 2028, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

You have requested that we audit the IVCHF's financial statements, which comprise the statements of financial position as of June 30, 2026; June 30, 2027; and June 30, 2028, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to TFHD's RSI in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance. The following RSI will be subjected to certain limited procedures, but not be audited:

- 1) Management's discussion and analysis

#### **Scope of Services and Limitations – Nonattest**

We will provide the Organization with the following nonattest services:

- 1) Assist you in drafting the TFHD's combined financial statements and related footnotes as of and for the years ended June 30, 2026; June 30, 2027; and June 30, 2028.
- 2) Assist you in drafting the TFHSF's financial statements and related footnotes as of and for the years ended June 30, 2026; June 30, 2027; and June 30, 2028.
- 3) Assist you in drafting the IVCHF's financial statements and related footnotes as of and for the years ended June 30, 2026; June 30, 2027; and June 30, 2028.

Our professional standards require that we remain independent with respect to our attest clients, including those situations where we also provide nonattest services such as those identified in the preceding paragraphs. As a result, Organization's management must accept the responsibilities set forth below related to this engagement:

- Assume all management responsibilities.
- Oversee the service by designating an individual, preferably within senior management, who possesses skill, knowledge, and/or experience to oversee our nonattest services. The individual is not required to possess the expertise to perform or reperform the services.
- Evaluate the adequacy and results of the nonattest services performed.
- Accept responsibility for the results of the nonattest services performed.

It is our understanding that you have been designated by the Organization to oversee the nonattest services and that in the opinion of the Organization you are qualified to oversee our nonattest services as outlined above. If any issues or concerns in this area arise during the course of our engagement, we will discuss them with you prior to continuing with the engagement.

### Timing

Justen Gomes is responsible for supervising the engagement and authorizing the signing of the report. We expect to begin our audit fieldwork for this engagement at your offices or remote in June of each year, and the audit engagement plan calls for three weeks of on-site or remote procedures at year end in September of each year. As we reach the conclusion of the audit, we will coordinate with you the date the audited combined financial statements for TFHD and audited financial statements for TFHSF and IVCHF will be available for issuance. You understand that (1) you will be required to consider subsequent events through the date the combined financial statements for TFHD and financial statements for TFHSF and IVCHF are available for issuance, (2) you will disclose in the notes to the combined financial statements for TFHD and financial statements for TFHSF and IVCHF the date through which subsequent events have been considered, and (3) the subsequent event date disclosed in the footnotes will not be earlier than the date of the management representation letter and the date of the report of independent auditors.

Our scheduling depends on your completion of the year-end closing and adjusting process prior to our arrival to begin the fieldwork. We may experience delays in completing our services due to your staff's unavailability or delays in your closing and adjusting process. You understand our fees are subject to adjustment if we experience these delays in completing our services.

### Fees

We estimate that our fees for the services will be \$151,000 for the year ended June 30, 2026; \$151,000 for the year ended June 30, 2027; and \$155,500 for the year ended June 30, 2028. You will also be billed for expenses.

Entity	FY 2026 Amount	FY 2027 Amount	FY 2028 Amount
Tahoe Forest Hospital District	\$98,500	\$98,500	\$101,500
Tahoe Forest Health System Foundation	\$28,500	\$28,500	\$29,250
Incline Village Community Hospital Foundation	\$24,000	\$24,000	\$24,750
<b>Total</b>	<b>\$151,000</b>	<b>\$151,000</b>	<b>\$155,500</b>

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses, if necessary, will be billed separately and are not included in the 5% charge.



Our ability to provide services in accordance with our estimated fees depends on the quality, timeliness, and accuracy of the Organization's records, and, for example, the number of general ledger adjustments required as a result of our work. To assist you in this process, we will provide you with a Client Audit Preparation Schedule that identifies the key work you will need to perform in preparation for the audit. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, general ledger adjustments, and/or untimely assistance will result in an increase of our fees.

### **Reporting**

We will issue a written report upon completion of our audit of the TFHD's combined financial statements and the TFHSF's and IVCHF's financial statements. Our report will be addressed to the Board of Directors of the Organization. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. Our services will be concluded upon delivery to you of our report on your combined financial statements for TFHD and financial statements for TFHSF and IVCHF for the years ended June 30, 2026; June 30, 2027; and June 30, 2028.

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Crystal Felix, CFO  
Tahoe Forest Health System  
April 10, 2026  
Page 5 of 5

We appreciate the opportunity to be of service to you. If you agree with the terms of our engagement as set forth in the Agreement, please sign the enclosed copy of this letter and return it to us with the Professional Services Agreement.

Very truly yours,

*Baker Tilly US, LLP*

Enclosures

**Accepted and Agreed:**

This Engagement Letter and the attached Professional Services Agreement set forth the entire understanding of Tahoe Forest Hospital District, Tahoe Forest Health System Foundation, and Incline Village Community Hospital Foundation with respect to this engagement and the services to be provided by the Firm:

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Client: #642541  
v. 12/8/2025

## **PROFESSIONAL SERVICES AGREEMENT**

### **Audit and Nonattest Services**

This Professional Services Agreement (the "PSA") together with the Engagement Letter, which is hereby incorporated by reference, represents the entire agreement (the "Agreement") relating to services that the Firm will provide to the Organization. Any undefined terms in this PSA shall have the same meaning as set forth in the Engagement Letter.

#### **Objectives of the Audit**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our audit are also to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### **The Auditor's Responsibility**

We will conduct our audit in accordance with U.S. GAAS. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control or to identify deficiencies in the design or operation of internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time

The supplementary information will be subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

#### **Procedures and Limitations**

Our procedures may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain receivables and certain other assets, liabilities and transaction details by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and supplementary information and related matters. Management's failure to provide representations to our satisfaction will preclude us from issuing our report.

An audit includes examining evidence, on a test basis, supporting the amounts and disclosures in the financial statements. Therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Material misstatements may include errors, fraudulent financial reporting, misappropriation of assets, or noncompliance with the provisions of laws or regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity that may have a direct financial statement impact. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements and noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS. An audit is not designed to detect immaterial misstatements or noncompliance with the provisions of laws or regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors, fraudulent financial reporting, misappropriation of assets, and noncompliance with the provisions of laws or regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any time period for which we are not engaged as auditors.

We may assist management in the preparation of the Organization's financial statements and supplementary information. Regardless of any assistance we may render, all information included in the financial statements and supplementary information remains the representation of management. We may issue a preliminary draft of the financial statements and supplementary information to you for your review. Any preliminary draft financial statements and supplementary information should not be relied upon, reproduced, or otherwise distributed without the written permission of the Firm.

### **Management's Responsibility for Financial Statements**

As a condition of our engagement, management acknowledges and understands that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. We may advise management about appropriate accounting principles and their application and may assist in the preparation of your financial statements, but management remains responsible for the financial statements. Management also acknowledges and understands that management is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud. This responsibility includes the maintenance of adequate records, the selection and application of accounting principles, and the safeguarding of assets. You are responsible for informing us about all known or suspected fraud affecting the Organization involving: (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, regulators or others. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole. Management is also responsible for identifying and ensuring that the Organization complies with applicable laws and regulations.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management agrees that as a condition of our engagement, management will provide us with:

- access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, whether obtained from within or outside of the general and subsidiary ledgers (including all information relevant to the preparation and fair presentation of disclosures), such as records, documentation, and other matters;
- additional information that we may request from management for the purpose of the audit; and
- unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence.

### **Management's Responsibility to Notify Us of Affiliates**

Our professional standards require that we remain independent of the Organization as well as any "affiliate" of the Organization. Professional standards define an affiliate as follows:

- an entity that the Organization can control (for example, a subsidiary);
- an entity in which the Organization or an entity controlled by the Organization has a direct financial interest that gives the Organization significant influence over such entity and is material to the Organization;
- an entity that controls the Organization (for example, a parent) when the Organization is material to such entity;

- an entity with a direct financial interest in the Organization when that entity has significant influence over the Organization, and the interest in the Organization is material to such entity;
- a sister entity of the Organization if the Organization and sister entity are each material to the entity that controls both;
- a trustee that is deemed to control a trust financial statement client that is not an investment company;
- an investment adviser, a general partner, or a trustee of an investment company financial statement attest client (fund) if the fund is material to the investment adviser, general partner, or trustee that is deemed to have either control or significant influence over the fund.

In order to fulfill our mutual responsibility to maintain auditor independence, you agree to notify the Firm of any known affiliate relationships, to the best of your knowledge and belief. Additionally, you agree to inform the Firm of any known services provided or relationships between affiliates of the Organization and the Firm or any of its employees or personnel.

### **Management's Responsibility for Supplementary Information**

Management is responsible for the preparation of the supplementary information in accordance with the applicable criteria. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. Management is responsible to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon. For purposes of this Agreement, audited financial statements are deemed to be readily available if a third party user can obtain the audited financial statements without any further action by management. For example, financial statements on your Web site may be considered readily available, but being available upon request is not considered readily available.

### **Other Information Included in an Annual Report**

When financial or nonfinancial information, other than financial statements and the auditor's report thereon, is included in an entity's annual report, management is responsible for that other information. Management is also responsible for providing the document(s) that comprise the annual report to us as soon as it is available.

Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. If we identify that a material inconsistency or misstatement of the other information exists, we will discuss it with you; if it is not resolved U.S. GAAS requires us to take appropriate action.

### **Key Audit Matters**

U.S. GAAS does not require the communication of key audit matters in the audit report unless engaged to do so. You have not engaged us to report on key audit matters, and the Agreement does not contemplate the Firm providing any such services. You agree we are under no obligation to communicate key audit matters in the auditor's report.

If you request to engage the Firm to communicate key audit matters in the auditor's report, before accepting the engagement we would discuss with you the additional fees to provide any such services, and the impact to the timeline for completing the audit.

### **Dissemination of Financial Statements**

Our report on the financial statements must be associated only with the financial statements that were the subject of our engagement. You may make copies of our report, but only if the entire financial statements (including related footnotes and supplementary information, as appropriate) are reproduced and distributed with our report. You agree not to reproduce or associate our report with any other financial statements, or portions thereof, that are not the subject of this engagement.

### **Offering of Securities**

This Agreement does not contemplate the Firm providing any services in connection with the offering of securities, whether registered or exempt from registration, and the Firm will charge additional fees to provide any such services. You agree not to incorporate or reference our report in a private placement or other offering of your equity or debt securities without our express written permission. You further agree we are under no obligation to reissue our report or provide written permission for the use of our report at a later date in connection with an offering of securities, the issuance of debt instruments, or for any other circumstance. We will determine, at our sole discretion, whether we will reissue our report or provide written permission for the use of our report only after we have conducted any procedures we deem necessary in the circumstances. You agree to provide us with adequate time to review documents where (a) our report is requested to be reissued, (b) our report is included in the offering document or referred to therein, or (c) reference to our firm is expected to be made. If we decide to reissue our report or provide written permission to the use of our report, you agree that the Firm will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to reissue our report or withhold our written permission to use our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our engagement documentation for those periods, we are under no obligation to permit such access.

### **Changes in Professional or Accounting Standards**

To the extent that future federal, state, or professional rule-making activities require modification of our audit approach, procedures, scope of work, etc., we will advise you of such changes and the impact on our fee estimate. If we are unable to agree on the additional fees, if any, that may be required to implement any new accounting and auditing standards that are required to be adopted and applied as part of our engagement, we may terminate this Agreement as provided herein, regardless of the stage of completion.

### **Representations of Management**

During the course of our engagement, we may request information and explanations from management regarding, among other matters, the Organization's operations, internal control, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide us with a written representation letter confirming some or all of the representations made during the engagement. The procedures that we will perform in our engagement will be heavily influenced by the representations that we receive from management. Accordingly, false representations could cause us to expend unnecessary efforts or could cause a material error or fraud to go undetected by our procedures. In view of the foregoing, you agree that we will not be responsible for any misstatements in the Organization's financial statements and supplementary information that we fail to detect as a result of false or misleading representations, whether oral or written, that are made to us by the Organization's management. While we may assist management in the preparation of the representation letter, it is management's responsibility to carefully review and understand the representations made therein.

In addition, because our failure to detect material misstatements could cause others relying upon our audit report to incur damages, the Organization further agrees to indemnify and hold us harmless from any liability and all costs (including legal fees) that we may incur in connection with claims based upon our failure to detect material misstatements in the Organization's financial statements and supplementary information resulting in whole or in part from knowingly false or misleading representations made to us by any member of the Organization's management.

### **Fees and Expenses**

The Organization acknowledges that the following circumstances will result in an increase of our fees:

- Failure to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
- Failure to complete the audit preparation work by the applicable due dates;
- Significant unanticipated transactions, audit issues, or other such circumstances;
- Delays causing scheduling changes or disruption of fieldwork;
- After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
- Issues with the prior audit firm, prior year account balances or report disclosures that impact the current year engagement; and
- An excessive number of audit adjustments.

We will endeavor to advise you in the event these circumstances occur, however we may be unable to determine the impact on the estimated fee until the conclusion of the engagement. We will bill any additional amounts based on the experience of the individuals involved and the amount of work performed.

Billings are due upon presentation and become delinquent if not paid within 30 days of the invoice date. Any past due fee under this Agreement shall bear interest at the highest rate allowed by law on any unpaid balance. In addition to fees, you may be billed for expenses and any applicable sales and gross receipts tax. Direct expenses may be charged based on out-of-pocket expenditures, per diem allotments, and mileage reimbursements, depending on the nature of the expense. Indirect expenses, such as processing time and technology expenses, may be passed through at our estimated cost and may be billed as a flat charge or a percentage of fees. If we elect to suspend our engagement for nonpayment, we may not resume our work until the account is paid in full. If we elect to terminate our services for nonpayment, or as otherwise provided in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our work. You will be obligated to compensate us for fees earned for services rendered and to reimburse us for expenses. You acknowledge and agree that in the event we stop work or terminate this Agreement as a result of your failure to pay on a timely basis for services rendered by the Firm as provided in this Agreement, or if we terminate this Agreement for any other reason, we shall not be liable to you for any damages that occur as a result of our ceasing to render services.

### **Organization Information**

All information provided by you or on your behalf ("Organization Information") will be accurate and complete. You represent the provision of Organization Information to us will not infringe any intellectual property, privacy, proprietary, or other third-party rights. You also represent that you have obtained all necessary consents and have provided all necessary notifications to the extent required by applicable law in connection with the provision of Organization Information to us. The Firm will use at least the same degree of care to protect the confidentiality of Organization Information as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The Firm will not disclose Organization Information to any third party without your consent, except we may disclose Organization Information: (1) as required by law or regulation, or to respond to governmental inquiries, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; (2) to the extent such information (i) is or becomes publicly available other than as the result of a disclosure in breach hereof, (ii) becomes available to the Firm on a nonconfidential basis from a source that the Firm believes is not prohibited from disclosing such information to the Firm, or (iii) is already known by the Firm without any obligation of confidentiality with respect thereto; (3) to contractors providing administrative, infrastructure, and other support services to the Firm and subcontractors providing services in connection with this engagement, in each case, whether located within or outside of the United States, provided that such contractors and subcontractors have agreed to be bound by confidentiality obligations related to Organization Information; or (4) as otherwise permitted under this Agreement. This paragraph replaces and supersedes any prior confidentiality or non-disclosure agreements entered into by the Firm or its affiliates with respect to Organization Information.

### **Data Privacy and Security**

To the extent the Services require the Firm to receive personal data or personal information from Organization, the Firm may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws, and such processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Organization, such as the Firm's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which the Firm or its clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. The Firm is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Organization personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Organization, the Firm shall, unless otherwise permitted by applicable privacy law, (a) follow Organization instructions; (b) not sell personal data or personal information collected from the Organization or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Organization's engagement and not for the Firm's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Organization to ensure compliance with applicable privacy laws. Organization is responsible for notifying the Firm of any applicable privacy laws the personal data or personal information provided to the Firm is subject to, and Organization represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize the Firm to process such information in connection with the Services described herein. Organization further understands the Firm, Baker Tilly Advisory Group, LP and Moss Adams Advisory Group, LP and their affiliated entities (collectively, the "Firm Entities") may co-process Organization data as necessary to perform the Services, pursuant to the alternative practice structure in place among the entities, and by executing this Agreement, you hereby consent to the sharing of Organization data, Organization files, workpapers and work product with such Firm Entities. Baker Tilly Advisory Group, LP maintains custody of client files for the Firm. The Firm Entities are bound by the same confidentiality obligations as the Firm. The Firm is responsible for notifying Organization if the Firm becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Organization to take reasonable and appropriate steps to remediate personal data or personal information processing. Organization agrees that the Firm Entities have the right to utilize Organization data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Organization to be used for the Firm Entities' business purposes and with the outputs owned by the Firm Entities. For clarity, the Firm Entities will only disclose aggregated/de-identified data in a form that does not identify Organization, Organization employees, or any other individual or business entity and that is stripped of all persistent identifiers. Organization is not responsible for the Firm Entities' use of aggregated/de-identified data.

The Firm has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations and other information security related system requirements. Such requirements are documented in the Firm's policies and procedures. Information security policies have been implemented that define our approach to how systems and data are protected. Organization is responsible for providing timely written notification to the Firm of any additions, changes or removals of access for Organization personnel to the Firm provided systems or applications. If Organization becomes aware of any known or suspected information security or privacy related incidents or breaches related to this Agreement, Organization should timely notify the Firm via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

### **Subpoena or Other Release of Documents**

As a result of our services to you, we may be required or requested to provide information or documents to you or a third-party in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding (including a grand jury investigation), in which we are not a party. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond or if your action does not result in a judicial order protecting us from supplying requested information, we will construe your inaction or failure as consent to comply with the request. Our efforts in complying with such requests or demands will be deemed a part of this engagement and we shall be entitled to additional compensation for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

### **Document Retention Policy**

At the conclusion of this engagement, we will return to you all original records you supplied to us. Your Organization records are the primary records for your operations and comprise the backup and support for the results of this engagement. Our records and files, including our engagement documentation whether kept on paper or electronic media, are our property and are not a substitute for your own records. Our firm policy calls for us to destroy our engagement files and all pertinent engagement documentation after a retention period of seven years (or longer, if required by law or regulation), after which time these items will no longer be available. We are under no obligation to notify you regarding the destruction of our records. We reserve the right to modify the retention period without notifying you. Catastrophic events or physical deterioration may result in our firm's records being unavailable before the expiration of the above retention period.

Except as set forth above, you agree that the Firm may destroy paper originals and copies of any documents, including, without limitation, correspondence, agreements, and representation letters, and retain only digital images thereof.

### **Use of Electronic Communication**

In the interest of facilitating our services to you, we may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential. We employ measures in the use of electronic communications designed to provide reasonable assurance that data security is maintained. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept we have no control over the unauthorized interception of these communications once they have been sent. Unless you issue specific instructions to do otherwise, we will assume you consent to our use of electronic communications to your representatives and other use of these electronic devices during the term of this Agreement as we deem appropriate.

### **Enforceability**

In the event that any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of this Agreement.

### **Entire Agreement**

This Professional Services Agreement and Engagement Letter constitute the entire agreement and understanding between the Firm and the Organization. The Organization agrees that in entering into this Agreement it is not relying and has not relied upon any oral or other representations, promise or statement made by anyone which is not set forth herein.

In the event the parties fail to enter into a new Agreement for each subsequent calendar year in which the Firm provides services to the Organization, the terms and conditions of this PSA shall continue in force until such time as the parties execute a new written agreement or terminate their relationship, whichever occurs first.

### **Use of the Firm's Name**

The Organization may not use any of the Firm's or its affiliates' names, trademarks, service marks or logos in connection with the services contemplated by this Agreement or otherwise without the prior written permission of the Firm, which permission may be withheld for any or no reason and may be subject to certain conditions.

### **Use of Nonlicensed Personnel**

Certain engagement personnel who are not licensed as certified public accountants may provide services during this engagement.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services, fees, this Agreement or any services subsequently provided to Organization by the Firm should arise ("Dispute(s)") that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the Dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation, and the parties shall share equally in the mediator's fees and expenses.

If mediation does not settle the Dispute, then the parties agree that the Dispute shall be settled by binding arbitration to be initiated by the party seeking damages or other permitted relief in any form (the "Claimant"). The arbitration proceeding shall take place in the city in which the Firm office providing the services in Dispute is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the Arbitration Rules for Professional Accounting and Related Disputes of the AAA (the "Rules") as amended and effective February 1, 2015, except that no prehearing discovery shall be permitted unless specifically authorized by the arbitrator. Any issue concerning the extent to which the Dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a panel of three (3) arbitrators, with experience in accounting and auditing matters or resolving accounting and auditing matters. In the thirty (30) days after the arbitration is initiated, the parties shall attempt to mutually agree on the three (3) arbitrators, including one arbitrator who will serve as chair of the panel, and all of whom may be selected from AAA, JAMS, the Center for Public Resources, or any other internationally or nationally-recognized organization mutually agreed upon by the parties. If the parties cannot agree on a panel of three (3) arbitrators within the thirty (30) day period, the three (3) arbitrators shall be selected according to Rules A-16(a) and (b) of the Rules except that the AAA shall send an identical list of fifteen (15) names to the parties to the arbitration. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with this Agreement or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrators upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrators shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any Dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrators shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Agreement, and shall have no power to decide the Dispute in any manner not consistent with such limitations period. The arbitrators shall be empowered to interpret the applicable statutes of limitations subject to the choice of law provision set forth herein.

However, in the event of a receivership or delinquency proceeding commenced against the Organization, the mediation or arbitration agreement may operate at the option of the Department of Justice or may be disavowed by the statutory receiver.

### **Limitations**

IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR OTHERWISE ARISING OUT OF THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

THE LIABILITY (INCLUDING ATTORNEY'S FEES AND ALL OTHER COSTS) OF THE FIRM AND ITS PRESENT OR FORMER PARTNERS, PRINCIPALS, AGENTS OR EMPLOYEES RELATED TO ANY CLAIM FOR DAMAGES RELATING TO THE SERVICES PERFORMED UNDER THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID TO THE FIRM FOR THE PORTION OF THE WORK TO WHICH THE CLAIM RELATES, EXCEPT TO THE EXTENT FINALLY DETERMINED TO HAVE RESULTED FROM THE WILLFUL MISCONDUCT OR FRAUDULENT BEHAVIOR OF THE FIRM RELATING TO SUCH SERVICES. THIS LIMITATION OF LIABILITY IS INTENDED TO APPLY TO THE FULL EXTENT ALLOWED BY LAW, REGARDLESS OF THE GROUNDS OR NATURE OF ANY CLAIM ASSERTED, INCLUDING THE NEGLIGENCE OF EITHER PARTY.

EACH PARTY FURTHER AGREES THAT ANY LEGAL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ARISES.

### **Termination**

This Agreement may be terminated by either party, with or without cause, upon ten (10) days' written notice. In such event, we will stop providing services hereunder except on work, mutually agreed upon in writing, necessary to carry out such termination. In the event of termination: (a) you shall pay us for services provided and expenses incurred through the effective date of termination, (b) we will provide you with all finished reports that we have prepared pursuant to this Agreement, (c) neither party shall be liable to the other for any damages that occur as a result of our ceasing to render services, and (d) we will require any new accounting firm that you may retain to execute access letters satisfactory to the Firm prior to reviewing our files.

### **Hiring of Employees**

Any offer of employment to members of the audit team prior to issuance of our report may impair our independence, and as a result, may result in our inability to complete the engagement and issue a report.

### **Regulatory Access to Documentation**

The documents created or incorporated into our documentation for this engagement are the property of the Firm and constitute confidential information. However, we may be requested to make certain engagement related documents available to regulatory agencies pursuant to authority given to them by law or regulation. If requested and in our opinion a response is required by law, access to such engagement related documents will be provided under the supervision of the Firm personnel. Furthermore, upon request, we may provide photocopies of selected engagement related documents to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

### **No Legal Advice Provided**

The services performed under this Agreement do not include the provision of legal advice and the Firm makes no representations regarding questions of legal interpretation. You should consult with your attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

### **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the state of California, without giving effect to the provisions relating to conflict of laws.

### **Alternative Practice Structure: Baker Tilly International**

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.



TAHOE  
FOREST  
HOSPITAL  
DISTRICT

**To: Finance Committee Board Members**

**From: Crystal Felix, CFO**

**Date: April 29, 2026**

**Here is an update on the AR stats as March 31, 2026, per EPIC**

Days in AR were as follows:

- Mar 2026 – 56.8 days
- Feb 2026 – 57.9 days
- Jan 2026 – 60.0 days
- Last AR Update: Dec 2025 – 57.7 days

Amount in AR was as follows:

- Mar 2026 – \$124,734,131
- Feb 2026 – \$122,286,821
- Jan 2026 – \$123,814,656
- Last AR Update: Dec 2025 – \$118,842,769

Gross Revenue per Day was as follows:

- Average Quarter - \$2,194,632
- Mar 2026 – \$2,326,534
- Feb 2026 – \$2,077,346
- Jan 2026 – \$2,168,668
- Last AR Update: Dec 2025 – \$2,131,574
- Last AR Update Quarter: \$2,065,316

AR over 120 days old were as follows:

- |                            |         |       |
|----------------------------|---------|-------|
| • Mar 2026                 | \$44.9m | 36.0% |
| • Feb 2026                 | \$48.9m | 40.0% |
| • Jan 2026                 | \$49.9m | 40.3% |
| • Last AR Update: Dec 2025 | \$49.9m | 42.0% |

Posted Cash Collections were as follows:

- For the entire FY 2026: 96.6% of target, or \$264.0m
- Mar 2026 85.7% of target, or \$28.2m
- Feb 2026 84.0% of target, or \$26.6m
- Jan 2026 110.4% of target, or \$27.8m
- 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 Mar 2026 total \$4.7m. Last AR Update Dec 2025 \$10.8m.**

**200 WQ – Billing Issues**

- Mar 2026 - \$2.3m
- Feb 2026 - \$1.9m
- Jan 2026 - \$3.3m
- Last AR Update Dec 2025 - \$8.1m

**300 WQ – Coding Issues**

- Mar 2026 - \$1.9m
- Feb 2026 - \$1.2m
- Jan 2026 - \$737k
- Last AR Update Dec 2025 - \$719k

**500 WQ - Credentialing Issues**

- Mar 2026 - \$82k
- Feb 2026 - \$75k
- Jan 2026 - \$72k
- Last AR Update Dec 2025 - \$79k

**700 WQ – Claim Holds**

- Mar 2026 - \$411k
- Feb 2026 - \$663k
- Jan 2026 - \$1.4m
- Last AR Update Dec 2025 - \$1.9m

**Staffing Update:**

- Director of Revenue Cycle – Position vacant and currently recruiting.
- Director of Revenue Integrity/HIM position – 3 Candidates selected for interview. Two interviewed, one withdrew. Previous Director of HIM retired 12/19/25. Consolidated Director of HIM into the Director of Revenue Integrity position.
- FY 2025 Patient Financial Services (PFS) Dept. Budgeted FTEs – 20.50
- Current PFS Staffing FTEs – 19.50 – 1 vacant FTE position
  - Director PFS – 1 FTE
  - Supervisor PFS – 1 FTE – Vacant as of 4/20/26
  - 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:** Project is stalled until we have Process Improvement resources available.

**Partnership Health Plan:** Partnership Health Plan (PHP) continues to work with us to resolve reimbursement challenges for implant charges. Progress has been made on the implant charges as a settlement agreement has been received for 2024 claims for retroactive reimbursement. We will continue to work on 2025 and 2026 claims. RHC Claims, trauma charges, OB claim issues have been resolved.

**Clearinghouse Vendor Project:** Project is 99% complete. There is a small outstanding issue that should be resolved by the end of the month.

**Accounts Receivable over 120 days old:** We continue to focus on AR over 120 days old, anticipating a continued decline by the end of fiscal year.

**Vendor Evaluation:** In the next 3-6 months, we will be assessing our relationships with some of our outside partners that assist us with self-pay collection efforts to see if possible changes need to be made.

**Workflow Redesign:** Two areas of current focus are 1) self-pay account workflows between billing, financial counseling, and external partners, and 2) billing work queues to utilize priority flagging to assist staff in prioritizing their work resulting in quicker account resolution and increased cash flow.

**Revenue Cycle Team:** The team continues working on many areas/issues.

The Revenue Cycle Analyst Team, Revenue Integrity Clinical Analyst, and our PFS Director, have been working closely on some of the following issues, always pushing towards resolution. Some of the specific issues are as follows:

1. Partnership Health Plan specific denial issues
2. Payer denial/underpayment issues: primarily with Blue Cross and Blue Shield
3. Payer Plan Table updates in EPIC
4. Services review (new or existing): Wound care, Sierra Center, Fabian Way, CT Calcium Scoring, Cardiology Stress EKG, Cochlear implants, ECC Pro Fee Billing, Sports Medicine and RHC US charges
5. Epic modules: Hello World, On My Way, Fast Pass, Cheers, Epic Welcome
6. Medi-Cal payment/adjustment posting
7. 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, and Mercy ticket resolution.

**TAHOE FOREST HOSPITAL DISTRICT  
MARCH 2026 FINANCIAL REPORT  
INDEX**

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**Board of Directors**  
*Of Tahoe Forest Hospital District*  
**MARCH 2026 FINANCIAL NARRATIVE**

The following is the financial narrative analyzing financial and statistical trends for the nine months ended March 31, 2026.

**Activity Statistics**

- ❑ TFH acute patient days were 392 for the current month compared to budget of 423. This equates to an average daily census of 12.6 compared to budget of 13.6.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Surgery cases, Laboratory tests, Lab Send Out tests, Oncology Lab, Blood units, EKGs, Mammography, Medical Oncology procedures, Radiation Oncology procedures, Nuclear Medicine, MRI, Ultrasounds, Briner Ultrasounds, Cat Scans, PET CT, Drugs Sold to Patients, Tahoe City Occupational Therapy, and Outpatient Speech and Occupational Therapies.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Home Health visits, Hospice visits, Oncology Drugs Sold to Patients, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical Therapy.

**Financial Indicators**

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 43.1% in the current month compared to budget of 45.9% and to last month's 45.1%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 46.0% compared to budget of 45.7% and prior year's 46.8%.
- ❑ EBIDA was \$848,227 (1.2%) for the current month compared to budget of \$1,918,844 (3.1%), or \$1,070,617 (-1.9%) below budget. Year-to-date EBIDA was \$30,377,268 (5.2%) compared to budget of \$23,061,729 (4.0%), or \$7,315,539 (1.1%) above budget.
- ❑ Net Income/(Loss) was \$(740,192) for the current month compared to budget of \$1,304,709 or \$(2,044,901) below budget. Year-to-date Net Income was \$26,827,865 compared to budget of \$17,886,828 or \$8,941,037 above budget.
- ❑ Cash Collections for the current month were \$28,270,060 which is 88% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$124,733,707 at the end of March compared to \$122,286,609 at the end of February.

**Balance Sheet**

- ❑ Working Capital is at 32.2 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 209.4 days. Working Capital cash decreased a net \$136,000. Decrease in Cash is related to: Accounts Payable increased \$1,214,000, Accrued Payroll & Related Costs increased \$2,983,000, and Capital Project and Equipment expenditures totaled \$1,649,000. Cash Collections were below target by 12%, and the District received \$1,132,000 from the State for FY25 AB915 Outpatient Supplemental Program.
- ❑ Net Patient Accounts Receivable increased a net \$632,000. Cash collections were 88% of target. EPIC Days in A/R were 56.7 compared to 56.9 at the close of February.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$456,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal QIP programs and received \$1,132,000 from the State for FY25 AB915 Outpatient Supplemental Program.
- ❑ Unrealized Gain/(Loss) Cash Investment Fund decreased \$723,000 after recording the unrealized losses in its funds held with Chandler Investments for the month of March.
- ❑ Investment in TSC, LLC decreased \$135,000 after recording the estimated loss for March and trueing up the losses for February.
- ❑ To comply with GASB 63, the District has booked an adjustment to the asset and offsetting liability to reflect the fair value of the Morgan Stanley swap transaction at the close of March.
- ❑ To comply with GASB No. 96, the District recorded Amortization Expense for March and trueed-up the GASB 96 schedules to eliminate subscriptions no longer in use and add subscriptions entered into in FY26, increasing its Right-To-Use Subscription asset \$884,000.
- ❑ Accounts Payable increased \$1,214,000 due to the timing of the final check run in March.
- ❑ Accrued Payroll & Related Costs increased a net \$2,983,000 due to five additional accrued payroll days in March and an increase to the Accrued Physician RVU bonuses based on the new accrual model.
- ❑ To comply with GASB No. 96, the District recorded an increase in its Right-To-Use Subscription Liability for March with the addition of new subscriptions entered into in FY26, increasing the liability by \$861,000.
- ❑ Estimated Settlements, Medi-Cal & Medicare decreased \$504,000. The District paid back its overpayments on Inpatient claims for FY26.
- ❑ Health Insurance Plan IBNR increased \$500,000 based on information received from our Third-Party Administrator.
- ❑ The District trueed up its Current Maturities of Other Long Term Debt and Other Long Term Debt Net of Current Maturities to properly state the payoff of the loan for the purchases of the Old Gateway Building.

March 2026 Financial Narrative

**Operating Revenue**

- ❑ Current month's Total Gross Revenue was \$71,425,064 compared to budget of \$62,870,648 or \$8,554,416 above budget.
- ❑ Current month's Gross Inpatient Revenue was \$8,487,945 compared to budget of \$8,421,905 or \$66,040 above budget.
- ❑ Current month's Gross Outpatient Revenue was \$62,937,119 compared to budget of \$54,448,743 or \$8,488,376 above budget.
- ❑ Current month's Gross Revenue Mix was 42.42% Medicare, 15.64% Medi-Cal, 1.37% Other, and 40.57% Commercial Insurance compared to budget of 38.72% Medicare, 16.55% Medi-Cal, 1.20% Other, and 43.53% Commercial Insurance. Last month's mix was 40.40% Medicare, 17.33% Medi-Cal, 1.22% Other, and 41.05% Commercial Insurance. Year-to-Date Gross Revenue Mix was 42.71% Medicare, 16.83% Medi-Cal, 1.32% Other, and 39.14% Commercial Insurance compared to budget of 39.10% Medicare, 16.57% Med-Cal, 1.19% Other, and 43.14% Commercial.
- ❑ Current month's Deductions from Revenue were \$40,650,805 compared to budget of \$34,009,388 or \$6,641,417 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with 3.70% increase in Medicare, a .91% decrease to Medi-Cal, a .16% increase in Other, and Commercial Insurance was below budget 2.96%, and 2) Revenues were above budget 13.60%.

DESCRIPTION	March 2026 Actual	March 2026 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	13,259,054	12,457,177	(801,877)	We saw negative variances in Technical, RN, and PA/FNP salaries.
Employee Benefits	4,462,244	3,731,355	(730,889)	Accrued Physician Productivity Bonuses using the new model created a negative variance in Employee Benefits.
Benefits – Workers Compensation	82,748	90,315	7,567	
Benefits – Medical Insurance	3,129,002	3,011,858	(117,144)	The District has a self-insured plan and expense is based on actual claims paid, and an additional amount was recorded for Incurred but Not Reported (IBNR) claims liability.
Medical Professional Fees	646,049	641,378	(4,672)	Locums coverage for Urology and Hospitalist Physician fees were above budget. These negative variances were offset by positive variances in Anesthesia and Radiology Physician fees.
Other Professional Fees	258,051	332,361	74,310	Graphic design consulting for Marketing and Strategic Planning and Environmental Assessment consulting for Administration were below budget, creating a positive variance in Other Professional Fees.
Supplies	6,052,841	5,174,030	(878,811)	Medical Supplies Sold to Patients revenues were above budget 45.22% and Drugs Sold to Patients revenues were above budget 20.51%, creating negative variances in Patient & Other Medical supplies and Pharmacy supplies.
Purchased Services	2,277,346	2,381,367	104,021	We saw positive variances in Department Repairs, Wellness Bank usage, Employee Health screenings, Network Maintenance services, Community Health Index support, credit card fees, Snow Removal services, and Work Force Management/AI services, creating a positive variance in Purchased Services.
Other Expenses	1,549,530	1,209,150	(340,380)	A one time sponsorship for the Truckee Navigation Center Pilot program created a negative variance in Other Expenses.
Total Expenses	31,716,866	29,028,991	(2,687,876)	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
MARCH 2026

	Mar-26	Feb-26	Mar-25	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
* CASH	\$ 30,555,493	\$ 30,691,134	\$ 44,806,755	1
PATIENT ACCOUNTS RECEIVABLE - NET	56,605,625	55,973,511	53,062,689	2
OTHER RECEIVABLES	11,256,821	10,148,479	10,202,018	
GO BOND RECEIVABLES	941,168	472,642	931,107	
ASSETS LIMITED OR RESTRICTED	15,803,167	14,506,078	10,777,293	
INVENTORIES	7,287,043	7,293,435	5,551,914	
PREPAID EXPENSES & DEPOSITS	4,227,292	4,533,579	3,850,555	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	35,618,448	35,162,141	20,640,353	3
<b>TOTAL CURRENT ASSETS</b>	<u>162,295,056</u>	<u>158,780,999</u>	<u>149,822,684</u>	
<b>NON CURRENT ASSETS</b>				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	74,318,485	74,318,485	51,005,777	1
* CASH INVESTMENT FUND	94,050,366	94,096,713	96,636,376	1
UNREALIZED GAIN/(LOSS) CASH INVESTMENT FUND	8,994,230	9,716,972	5,142,762	4
MUNICIPAL LEASE 2025	3,418,185	3,418,185	4,593,879	
TOTAL BOND TRUSTEE 2017	23,793	23,793	22,910	
TOTAL BOND TRUSTEE 2015	922,515	838,300	1,008,392	
GO BOND TAX REVENUE FUND	3,111,952	3,111,952	2,966,850	
DIAGNOSTIC IMAGING FUND	3,700	3,700	3,658	
DONOR RESTRICTED FUND	1,202,654	1,202,653	1,194,994	
WORKERS COMPENSATION FUND	40,488	35,187	33,847	
TOTAL	<u>186,086,367</u>	<u>186,765,939</u>	<u>162,609,446</u>	
LESS CURRENT PORTION	<u>(15,803,167)</u>	<u>(14,506,078)</u>	<u>(10,777,293)</u>	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	<u>170,283,201</u>	<u>172,259,861</u>	<u>151,832,153</u>	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(6,142,201)	(6,006,760)	(5,044,464)	5
PROPERTY HELD FOR FUTURE EXPANSION	1,716,972	1,716,972	1,716,972	
PROPERTY & EQUIPMENT NET	216,586,371	214,318,371	197,454,256	
GO BOND CIP, PROPERTY & EQUIPMENT NET	<u>2,016,694</u>	<u>2,002,386</u>	<u>2,219,847</u>	
<b>TOTAL ASSETS</b>	<u>546,756,092</u>	<u>543,071,828</u>	<u>498,001,447</u>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	164,852	168,084	203,640	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	178,888	200,425	204,560	6
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	3,778,550	3,802,255	4,063,007	
GO BOND DEFERRED FINANCING COSTS	368,140	370,461	395,990	
DEFERRED FINANCING COSTS	90,504	91,544	102,987	
INTANGIBLE LEASE ASSET NET OF ACCUM AMORTIZATION	13,642,356	13,719,210	10,505,193	
RIGHT-TO-USE SUBSCRIPTION ASSET NET OF ACCUM AMORTIZATION	<u>22,136,859</u>	<u>21,253,048</u>	<u>24,248,753</u>	7
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<u>\$ 40,360,148</u>	<u>\$ 39,605,027</u>	<u>\$ 39,724,130</u>	
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	13,826,212	12,612,639	\$ 9,677,079	8
ACCRUED PAYROLL & RELATED COSTS	28,031,858	25,049,223	19,430,679	9
INTEREST PAYABLE	204,547	149,654	207,394	
INTEREST PAYABLE GO BOND	480,155	240,078	502,905	
SUBSCRIPTION LIABILITY	24,128,211	23,267,082	26,057,866	10
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	3,316,211	3,820,356	6,102,931	11
HEALTH INSURANCE PLAN	5,128,800	4,628,800	3,219,201	12
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	4,606,719	5,139,974	4,371,046	13
<b>TOTAL CURRENT LIABILITIES</b>	<u>87,644,229</u>	<u>82,829,322</u>	<u>77,078,005</u>	
<b>NONCURRENT LIABILITIES</b>				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	30,903,695	30,499,533	30,729,872	13
GO BOND DEBT NET OF CURRENT MATURITIES	84,461,742	84,479,697	87,697,209	
DERIVATIVE INSTRUMENT LIABILITY	<u>178,888</u>	<u>200,425</u>	<u>204,560</u>	6
<b>TOTAL LIABILITIES</b>	<u>203,188,554</u>	<u>198,008,977</u>	<u>195,709,646</u>	
<b>NET ASSETS</b>				
NET INVESTMENT IN CAPITAL ASSETS	382,725,032	383,465,225	340,820,936	
RESTRICTED	<u>1,202,654</u>	<u>1,202,653</u>	<u>1,194,994</u>	
<b>TOTAL NET POSITION</b>	<u>\$ 383,927,686</u>	<u>\$ 384,667,878</u>	<u>\$ 342,015,931</u>	

\* Amounts included for Days Cash on Hand calculation












TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF NET POSITION  
MARCH 2026

1. Working Capital is at 32.2 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 209.4 days. Working Capital cash decreased a net \$136,000. Net decrease in Cash is related to: Accounts Payable increased \$1,214,000 (See Note 8), Accrued Payroll & Related Costs increased \$2,983,000 (See Note 9), and Capital Project and Equipment expenditures totaled \$1,649,000. Cash Collections were below target by 12% (See Note 2), and the District received \$1,132,000 from the State for FY25 AB915 Outpatient Supplemental Program.
2. Net Patient Accounts Receivable increased a net \$632,000. Cash collections were 88% of target. EPIC Days in A/R were 56.7 compared to 56.9 at the close of February.
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13. The District trueed up its Current Maturities of Other Long Term Debt and Other Long Term Debt Net of Current Maturities to properly state the payoff of the loan for the purchase of the Old Gateway Building.

**Tahoe Forest Hospital District  
Cash Investment  
March 31, 2026**

<b>WORKING CAPITAL</b>			
US Bank	\$ 29,303,671	3.28%	
US Bank/Incline Village Thrift Store	25,378		
US Bank/Truckee Thrift Store	169,420		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,057,024</u>	1.61%	
Total			\$ 30,555,493
 <b>BOARD DESIGNATED FUNDS</b>			
US Bank Savings	\$ -		
Chandler Cash Portfolio Fund	251,385	3.27%	
Chandler Investment Fund	<u>93,798,981</u>	VAR	
Total			\$ 94,050,366
 <b>Building Fund</b>			
Cash Reserve Fund	\$ -		
Local Agency Investment Fund	<u>74,318,485</u>	3.82%	
			\$ 74,318,485
 <b>Municipal Lease 2018</b>			
			\$ 3,418,185
<b>Bonds Cash 2017</b>			
			\$ 23,793
<b>Bonds Cash 2015</b>			
			\$ 922,515
<b>GO Bonds Cash 2008</b>			
			\$ 3,111,952
 <b>DX Imaging Education</b>			
Workers Comp Fund - B of A	\$ 3,700		
	40,488		
 <b>Insurance</b>			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 44,188</u>
<b>TOTAL FUNDS</b>			<b>\$ 206,444,976</b>
 <b>RESTRICTED FUNDS</b>			
<b>Gift Fund</b>			
US Bank Money Market	\$ 8,390	0.09%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,166,955</u>	3.82%	
<b>TOTAL RESTRICTED FUNDS</b>			<u>\$ 1,202,654</u>
<b>TOTAL ALL FUNDS</b>			<u><u>\$ 207,647,630</u></u>

**TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
KEY FINANCIAL INDICATORS  
MARCH 2026**

	<b>Current Status</b>	<b>Desired Position</b>	<b>Target</b>	<b><u>Bond Covenants</u></b>	<b><u>FY 2026</u> Jul 25 to Mar 26</b>	<b><u>FY 2025</u> Jul 24 to June 25</b>	<b><u>FY 2024</u> Jul 23 to June 24</b>	<b><u>FY 2023</u> Jul 22 to June 23</b>	<b><u>FY 2022</u> Jul 21 to June 22</b>	<b><u>FY 2021</u> Jul 20 to June 21</b>	<b><u>FY 2020</u> Jul 19 to June 20</b>
<b>Return On Equity:</b> <u>Increase (Decrease) in Net Position</u> Net Position	 	↑	FYE 7.0% Budget 3rd Qtr 4.7%		7.0%	14.2%	12.4%	11.2%	13.0%	12.3%	17.1%
<b>EPIC Days in Accounts Receivable (excludes SNF)</b> <u>Gross Accounts Receivable</u> 90 Days		↓	FYE 60 Days		57	59	69	59	63	65	89
<u>Gross Accounts Receivable</u> 365 Days					59	64	71	62	67	67	73
<b>Days Cash on Hand Excludes Restricted:</b> <u>Cash + Short-Term Investments</u> (Total Expenses - Depreciation Expense)/ by 365	 	↑	Budget FYE 189 Days  Budget 3rd Qtr 188 Days  Projected 3rd Qtr 201 Days	Bond Covenant 60 Days  A- 243 Days  BBB- 112 Days	209	233	229	197	234	272	246
<b>EPIC Accounts Receivable over 120 days (excludes payment plan, legal and charitable balances)</b>		↓	22%		33%	31%	31%	24%	27%	26%	31%
<b>EPIC Accounts Receivable over 120 days (includes payment plan, legal and charitable balances)</b>		↓	27%		36%	34%	35%	33%	36%	32%	40%
<b>Cash Receipts Per Day (based on 60 day lag on Patient Net Revenue)</b>	 	↑	FYE Budget \$944,810  End 3rd Qtr Based on Budgeted Net Revenue \$944,944  End 3rd Qtr Based on Actual Net Revenue \$995,111		\$964,033	\$913,700	\$804,216	\$713,016	\$634,266	\$603,184	\$523,994
<b>Debt Service Coverage:</b> 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	14.99  6.33	23.91  8.39	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  
MARCH 2026

CURRENT MONTH				YEAR TO DATE					PRIOR YTD	
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	MAR 2025		
				OPERATING REVENUE						
\$ 71,425,064	\$ 62,870,648	\$ 8,554,416	13.6%	Total Gross Revenue	\$ 589,531,261	\$ 575,348,267	\$ 14,182,994	2.5%	1	\$ 543,250,756
				Gross Revenues - Inpatient						
\$ 3,836,427	\$ 3,765,039	\$ 71,388	1.9%	Daily Hospital Service	\$ 33,098,297	\$ 31,487,914	\$ 1,610,383	5.1%		\$ 30,690,117
4,651,518	4,656,866	(5,348)	-0.1%	Ancillary Service - Inpatient	38,063,105	40,756,128	(2,693,023)	-6.6%		40,450,986
8,487,945	8,421,905	66,040	0.8%	Total Gross Revenue - Inpatient	71,161,402	72,244,042	(1,082,640)	-1.5%	1	71,141,103
				Gross Revenue - Outpatient						
62,937,119	54,448,743	8,488,376	15.6%	Gross Revenue - Outpatient	518,369,859	503,104,225	15,265,634	3.0%		472,109,653
62,937,119	54,448,743	8,488,376	15.6%	Total Gross Revenue - Outpatient	518,369,859	503,104,225	15,265,634	3.0%	1	472,109,653
				Deductions from Revenue:						
38,768,391	31,785,943	(6,982,448)	-22.0%	Contractual Allowances	310,781,292	291,985,522	(18,795,770)	-6.4%	2	283,295,617
731,290	1,257,413	526,123	41.8%	Charity Care	2,790,292	11,506,966	8,716,674	75.8%	2	2,673,987
1,128,268	966,032	(162,236)	-16.8%	Bad Debt	5,408,466	8,819,997	3,411,531	38.7%	2	4,287,340
22,855	-	(22,855)	0.0%	Prior Period Settlements	(475,441)	-	475,441	0.0%	2	(1,489,863)
40,650,805	34,009,388	(6,641,417)	-19.5%	Total Deductions from Revenue	318,504,609	312,312,485	(6,192,124)	-2.0%		288,767,081
75,877	117,457	41,580	35.4%	Property Tax Revenue- Wellness Neighborhood	759,536	1,095,634	336,098	30.7%		929,623
1,714,956	1,969,118	(254,162)	-12.9%	Other Operating Revenue	16,949,403	17,221,009	(271,606)	-1.6%	3	16,513,798
32,565,093	30,947,835	1,617,258	5.2%	TOTAL OPERATING REVENUE	288,735,591	281,352,425	7,383,166	2.6%		271,927,096
				OPERATING EXPENSES						
13,259,054	12,457,177	(801,877)	-6.4%	Salaries and Wages	111,738,793	109,504,402	(2,234,391)	-2.0%	4	100,414,324
4,462,244	3,731,355	(730,889)	-19.6%	Benefits	35,661,949	33,471,858	(2,190,091)	-6.5%	4	33,910,363
82,748	90,315	7,567	8.4%	Benefits Workers Compensation	1,161,242	812,835	(348,407)	-42.9%	4	564,000
3,129,002	3,011,858	(117,144)	-3.9%	Benefits Medical Insurance	25,578,905	27,106,722	1,527,817	5.6%	4	23,026,873
646,049	641,378	(4,672)	-0.7%	Medical Professional Fees	5,428,411	5,746,360	317,950	5.5%	5	4,741,642
258,051	332,361	74,310	22.4%	Other Professional Fees	3,302,748	3,689,549	386,801	10.5%	5	3,144,244
6,052,841	5,174,030	(878,811)	-17.0%	Supplies	45,012,951	47,163,279	2,150,329	4.6%	6	41,854,060
2,277,346	2,381,367	104,021	4.4%	Purchased Services	20,217,261	20,440,791	223,530	1.1%	7	18,807,481
1,549,530	1,209,150	(340,380)	-28.2%	Other	10,256,064	10,354,901	98,836	1.0%	8	9,228,846
31,716,866	29,028,991	(2,687,876)	-9.3%	TOTAL OPERATING EXPENSE	258,358,323	258,290,696	(67,627)	0.0%		235,691,833
<b>848,227</b>	<b>1,918,844</b>	<b>(1,070,617)</b>	<b>-55.8%</b>	<b>NET OPERATING REVENUE (EXPENSE) EBIDA</b>	<b>30,377,268</b>	<b>23,061,729</b>	<b>7,315,539</b>	<b>31.7%</b>		<b>36,235,263</b>
				NON-OPERATING REVENUE/(EXPENSE)						
856,661	815,081	41,580	5.1%	District and County Taxes	7,732,511	7,297,208	435,303	6.0%	9	7,993,973
468,526	468,526	0	0.0%	District and County Taxes - GO Bond	4,216,730	4,216,730	-	0.0%		4,100,698
298,873	274,288	24,584	9.0%	Interest Income	3,542,244	2,943,845	598,399	20.3%	10	3,253,675
79,192	120,109	(40,917)	-34.1%	Donations	919,540	1,078,127	(158,587)	-14.7%	11	797,958
(135,442)	(151,882)	16,441	10.8%	Gain/(Loss) on Joint Investment	(731,886)	(1,366,941)	635,055	46.5%	12	(1,102,721)
(710,719)	300,000	(1,010,719)	336.9%	Gain/(Loss) on Market Investments	2,635,578	2,700,000	(64,422)	2.4%	13	4,554,894
(29,372)	-	(29,372)	0.0%	Gain/(Loss) on Disposal of Assets	(8,640)	-	(8,640)	0.0%	14	-
-	-	-	0.0%	Gain/(Loss) on Sale of Equipment	-	-	-	0.0%	15	37,450
-	-	-	100.0%	Gain/(Loss) on Split Dollar Cash Accumulation Values	-	-	-	100.0%	15	-
(1,926,236)	(1,995,743)	69,507	3.5%	Depreciation	(17,695,769)	(17,961,687)	265,918	1.5%	16	(16,109,150)
(241,754)	(196,366)	(45,388)	-23.1%	Interest Expense	(1,915,006)	(1,837,475)	(77,531)	-4.2%	17	(1,683,661)
(248,148)	(248,148)	0	0.0%	Interest Expense-GO Bond	(2,244,703)	(2,244,707)	4	0.0%		(2,345,870)
(1,588,418)	(614,135)	(974,283)	-158.6%	TOTAL NON-OPERATING REVENUE/(EXPENSE)	(3,549,403)	(5,174,901)	1,625,497	31.4%		(502,754)
<b>\$ (740,192)</b>	<b>\$ 1,304,709</b>	<b>\$ (2,044,901)</b>	<b>-156.7%</b>	<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>\$ 26,827,865</b>	<b>\$ 17,886,828</b>	<b>\$ 8,941,037</b>	<b>50.0%</b>		<b>\$ 35,732,509</b>
				NET POSITION - BEGINNING OF YEAR						
				NET POSITION - AS OF MARCH 31, 2026						
<b>1.2%</b>	<b>3.1%</b>	<b>-1.9%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>5.2%</b>	<b>4.0%</b>	<b>1.1%</b>		<b>6.7%</b>	














**TAHOE FOREST HOSPITAL DISTRICT**  
**NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**MARCH 2026**

		<b>Variance from Budget</b>	
		<b>Fav / &lt;Unfav&gt;</b>	
		<b>MAR 2026</b>	<b>YTD 2026</b>
<b>1) Gross Revenues</b>			
Acute Patient Days were below budget 7.33% or 31 days. Swing Bed days were above budget 166.67% or 15 days.	Gross Revenue -- Inpatient	\$ 66,040	\$ (1,082,640)
	Gross Revenue -- Outpatient	8,488,376	15,265,634
	Gross Revenue -- Total	\$ 8,554,416	\$ 14,182,994
Outpatient volumes were 5% or more above in the following departments: Surgery cases, Laboratory tests, Lab Send Out tests, Oncology Lab, Blood units, EKGS, Mammography, Medical Oncology procedures, Radiation Oncology procedures, Nuclear Medicine, MRI, Ultrasounds, Briner Ultrasounds, Cat Scans, PET CT, Drugs Sold to Patients, Tahoe City Occupational Therapy, and Outpatient Speech and Occupational Therapies.			
Outpatient volumes were below budget 5% or more in the following departments: Home Health visits, Hospice visits, Oncology Drugs Sold to Patients, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical Therapy.			
<b>2) Total Deductions from Revenue</b>			
The payor mix for March shows a 3.70% increase to Medicare, a .91% decrease to Medi-Cal, .16% increase to Other, and a 2.96% decrease to Commercial when compared to budget. Revenues were above budget 13.6%, and the Business Office continues its efforts in cleaning up older, uncollectible accounts.	Contractual Allowances	\$ (6,982,448)	\$ (18,795,770)
	Charity Care	526,123	8,716,674
	Bad Debt	(162,236)	3,411,531
	Prior Period Settlements	(22,855)	475,441
	Total	\$ (6,641,417)	\$ (6,192,124)
The District booked an estimated reserve for the TFH FY25 Medicare cost report desk audit, creating a negative variance in Prior Period Settlements.			
<b>3) Other Operating Revenue</b>			
Community Pharmacy revenues were below budget 12.31%.	Community Pharmacy	\$ (114,699)	\$ 431,913
	Miscellaneous	(151,866)	(852,067)
	Oncology Drug Replacement	-	-
The revision to the FY26 HQAF and QIP budgeted receivables is creating a negative variance in Miscellaneous.	Hospice Thrift Stores	(824)	20,528
	Grants	10,000	82,082
The District received funding for participation in the Partnership HealthPlan Rural Provider recruitment program, creating a positive variance in Grants.	The Center (non-therapy)	(712)	61,615
	IVCH ER Physician Guarantee	32,601	156,438
	Children's Center	(28,662)	(172,115)
	Total	\$ (254,162)	\$ (271,606)
Child Care Days were below budget 17.69%.			
<b>4) Salaries and Wages</b>			
We saw negative variances in Technical, RN, and PA/FNP Salaries.	Total	\$ (801,877)	\$ (2,234,391)
<b>Employee Benefits</b>	PL/SL	\$ 85,927	\$ (1,544,045)
Accrued Physician Productivity Bonuses using the new model created a negative variance in Nonproductive.	Other	29,039	(347,909)
	Pension/Deferred Comp	0	6
	Standby	(13,872)	(16,250)
	Nonproductive	(831,983)	(281,893)
	Total	\$ (730,889)	\$ (2,190,091)
<b>Employee Benefits - Workers Compensation</b>	Total	\$ 7,567	\$ (348,407)
<b>Employee Benefits - Medical Insurance</b>	Total	\$ (117,144)	\$ 1,527,817
The District has a self-insured plan and expense is based on actual claims paid, plus an additional \$500,000 was recorded for Incurred but Not Reported (IBNR) claims liability.			
<b>5) Professional Fees</b>			
Locums coverage in Urology is creating a negative variance in Multi-Specialty Clinics.	Multi-Specialty Clinics	\$ (14,270)	\$ (324,852)
	TFH Locums	(56,131)	(260,031)
	Financial Administration	8,383	(144,237)
Hospitalist Physician fees created a negative variance in TFH Locums.	Multi-Specialty Clinics Administration	(17,033)	(119,364)
	Information Technology	2,803	(115,131)
Consulting work for a Physician Compensation Admin Team and Anesthesia Compensation Assessment created a negative variance in Multi-Specialty Clinics Administration.	Human Resources	6,352	(105,982)
	Oncology	(5,535)	(5,628)
	Corporate Compliance	-	-
Graphic Design consulting services were below budget, creating a positive variance in Marketing.	Patient Accounting/Admitting	2,000	18,000
	IVCH ER Physicians	5,679	30,315
	Medical Staff Services	6,230	30,436
Strategic Planning and Environmental Assessment consulting services were below budget, creating a positive variance in Administration.	Managed Care	2,417	34,564
	Marketing	12,319	200,176
	Administration	40,938	461,337
Anesthesia and Radiology Physician Fees were below budget, creating a positive variance in Miscellaneous.	Miscellaneous	75,487	1,005,147
	Total	\$ 69,638	\$ 704,751

**TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
MARCH 2026**

		<b>Variance from Budget</b>	
		<b>Fav / &lt;Unfav&gt;</b>	
		<b>MAR 2026</b>	<b>YTD 2026</b>
<b>6) <u>Supplies</u></b>			
Medical Supplies Sold to Patients revenues were above budget 45.22%, creating a negative variance in Patient & Other Medical Supplies.	Patient & Other Medical Supplies	\$ (374,885)	\$ (1,925,138)
	Office Supplies	(2,633)	(12,465)
	Food	(4,149)	27,985
	Other Non-Medical Supplies	5,523	106,901
Drugs Sold to Patients revenues were above budget 20.51%, creating a negative variance in Pharmacy Supplies.	Minor Equipment	19,594	203,457
	Pharmacy Supplies	(522,261)	3,749,590
	Total	\$ (878,811)	\$ 2,150,329
<b>7) <u>Purchased Services</u></b>			
Outsourced billing and collection services for the Business Office created a negative variance in Patient Accounting.	Patient Accounting	\$ (142,124)	\$ (648,294)
	Medical Records	(115,476)	(132,491)
	Laboratory	(16,627)	(100,554)
	Pharmacy IP	(11,115)	(85,541)
Outsourced coding services and a termination of services invoice from Iron Mountain Record Retention & Retrieval company created a negative variance in Medical Records.	Department Repairs	44,774	(43,395)
	The Center	(904)	(37,441)
	Human Resources	31,184	(30,221)
Lab Send Out tests were above budget 9.29%, creating a negative variance in Laboratory.	Home Health/Hospice	790	(21,679)
	Diagnostic Imaging Services - All	6,902	(647)
Excess volume orders created a negative variance in Pharmacy IP.	Community Development	-	-
	Multi-Specialty Clinics	22,272	33,162
A true-up of GASB 96 schedules created a positive variance in Department Repairs, primarily in Information Technology.	Information Technology	35,614	93,361
	Miscellaneous	248,730	1,197,270
	Total	\$ 104,021	\$ 223,530
Wellness Bank usage and Employee Health screenings were below budget, creating a positive variance in Human Resources.			
Expenses were below budget for Occupational Health and Physician Administration, creating a positive variance in Multi-Specialty Clinics.			
A correction of GL coding created a positive variance in Information Technology.			
Community Health Index support, Credit Card fees, Snow Removal services, and budgeted Workforce Management/AI services were below budget, creating a positive variance in Miscellaneous.			
<b>8) <u>Other Expenses</u></b>			
The timing of receipt of annual invoices and their prepaid expense write-off period created a negative variance in Dues and Subscriptions.	Dues and Subscriptions	\$ (37,457)	\$ (153,883)
	Human Resources Recruitment	2,249	(136,220)
	Other Building Rent	(20,720)	(128,257)
Rental rate increases for the District's employee housing units and common area maintenance services created a negative variance in Other Building Rent.	Equipment Rent	(24,594)	(71,285)
	Multi-Specialty Clinics Bldg. Rent	(4,445)	(35,894)
	Insurance	(14,977)	(34,401)
Oxygen tank rentals created a negative variance in Equipment Rent.	Multi-Specialty Clinics Equip Rent	127	(3,175)
	Marketing	24,546	(2,014)
	Physician Services	159	5,076
Physician malpractice policies created a negative variance in Insurance.	Utilities	1,052	93,554
	Miscellaneous	(287,089)	104,704
Marketing campaigns for Orthopedics and Website Maintenance were below budget, creating a positive variance in Marketing.	Outside Training & Travel	20,768	460,631
	Total	\$ (340,380)	\$ 98,836
A one time sponsorship for the Truckee Navigation Center Pilot program created a negative variance in Miscellaneous.			
<b>9) <u>District and County Taxes</u></b>	Total	\$ 41,580	\$ 435,303
<b>10) <u>Interest Income</u></b>	Total	\$ 24,584	\$ 598,399
<b>11) <u>Donations</u></b>			
	IVCH	\$ (24,114)	\$ (65,114)
	Operational	(16,803)	(93,473)
	Total	\$ (40,917)	\$ (158,587)
<b>12) <u>Gain/(Loss) on Joint Investment</u></b>	Total	\$ 16,441	\$ 635,055
The District true'd up its losses in TSC, LLC for February, creating a positive variance in Gain/(Loss) on Joint Investment.			
<b>13) <u>Gain/(Loss) on Market Investments</u></b>	Total	\$ (1,010,719)	\$ (64,422)
Gain on Market Investments was below budget, creating a negative variance in Gain/(Loss) on Market Investments.			
<b>14) <u>Gain/(Loss) on Sale or Disposal of Assets</u></b>	Total	\$ (29,372)	\$ (8,640)
<b>15) <u>Gain/(Loss) on Sale or Disposal of Equipment</u></b>	Total	\$ -	\$ -
<b>16) <u>Depreciation Expense</u></b>			
True-up of GASB 87 and GASB 96 schedules created a positive variance in Depreciation Expense.	Total	\$ 69,507	\$ 265,918
<b>17) <u>Interest Expense</u></b>	Total	\$ (45,388)	\$ (77,531)

**TAHOE FOREST HOSPITAL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**KEY FINANCIAL INDICATORS**  
**MARCH 2026**

	<b>Current Status</b>	<b>Desired Position</b>	<b>Target</b>	<b>FY 2026 Jul 25 to Mar 26</b>	<b>FY 2025 Jul 24 to June 25</b>	<b>FY 2024 Jul 23 to June 24</b>	<b>FY 2023 Jul 22 to June 23</b>	<b>FY 2022 Jul 21 to June 22</b>	<b>FY 2021 Jul 20 to June 21</b>	<b>FY 2020 Jul 19 to June 20</b>
<b>Total Margin:</b> <u>Increase (Decrease) In Net Position</u> Total Gross Revenue			FYE 3.1%  3rd Qtr 3.1%	4.6%	6.9%	5.9%	6.3%	6.2%	5.8%	8.5%
<b>Charity Care:</b> <u>Charity Care Expense</u> Gross Patient Revenue			FYE 2.0%  3rd Qtr 2.0%	.5%	.4%	.1%	.6%	2.6%	3.4%	4.0%
<b>Bad Debt Expense:</b> <u>Bad Debt Expense</u> Gross Patient Revenue			FYE 1.5%  3rd Qtr 1.5%	.9%	.7%	1.2%	1.2%	-.01%	1.2%	1.4%
<b>Incline Village Community Hospital:</b> EBIDA: Earnings before interest, Depreciation, amortization  <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue	 		FYE 14.2%  3rd Qtr 11.9%	8.6%	14.2%	12.0%	12.2%	12.2%	13.7%	.1%
<b>Operating Expense Variance to Budget (Under&lt;Over&gt;)</b>			-0-	\$(67,627)	\$(20,846,891)	\$380,780	\$(1,499,954)	\$(10,431,192)	\$(8,685,969)	\$(9,484,742)
<b>EBIDA:</b> Earnings before interest, Depreciation, amortization  <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue			FYE 3.6%  3rd Qtr 4.0%	5.2%	7.0%	6.1%	6.3%	7.9%	7.8%	6.2%

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
MARCH 2026

CURRENT MONTH				YEAR TO DATE				PRIOR YTD MAR 2026		
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%		
				<b>OPERATING REVENUE</b>						
\$ 4,892,649	\$ 4,171,557	\$ 721,092	17.3%	Total Gross Revenue	\$ 43,568,489	\$ 41,429,207	\$ 2,139,282	5.2%	1	\$ 38,919,408
				<b>Gross Revenues - Inpatient</b>						
\$ -	\$ -	\$ -	0.0%	Daily Hospital Service	\$ -	\$ -	\$ -	0.0%		\$ -
-	-	-	0.0%	Ancillary Service - Inpatient	-	-	-	0.0%		-
-	-	-	0.0%	Total Gross Revenue - Inpatient	-	-	-	0.0%	1	-
4,892,649	4,171,557	721,092	17.3%	Gross Revenue - Outpatient	43,568,489	41,429,207	2,139,282	5.2%		38,919,408
4,892,649	4,171,557	721,092	17.3%	Total Gross Revenue - Outpatient	43,568,489	41,429,207	2,139,282	5.2%	1	38,919,408
				<b>Deductions from Revenue:</b>						
2,872,814	2,026,855	(845,959)	-41.7%	Contractual Allowances	22,115,284	20,150,382	(1,964,901)	-9.8%	2	18,453,430
69,994	83,431	13,437	16.1%	Charity Care	753,318	828,584	75,266	9.1%	2	487,443
146,025	62,573	(83,452)	-133.4%	Bad Debt	970,170	621,438	(348,732)	-56.1%	2	990,379
-	-	-	0.0%	Prior Period Settlements	(53,794)	-	53,794	0.0%	2	(749,343)
3,088,833	2,172,859	(915,973)	-42.2%	Total Deductions from Revenue	23,784,977	21,600,405	(2,184,573)	-10.1%	2	19,181,909
77,996	46,038	31,958	69.4%	Other Operating Revenue	603,340	345,530	257,810	74.6%	3	531,513
1,881,813	2,044,736	(162,923)	-8.0%	<b>TOTAL OPERATING REVENUE</b>	20,386,851	20,174,333	212,519	1.1%		20,269,012
				<b>OPERATING EXPENSES</b>						
882,094	757,645	(124,449)	-16.4%	Salaries and Wages	7,967,696	6,795,508	(1,172,188)	-17.2%	4	6,251,703
287,841	220,727	(67,114)	-30.4%	Benefits	2,086,073	1,931,511	(154,563)	-8.0%	4	1,996,086
4,119	1,957	(2,162)	-110.5%	Benefits Workers Compensation	67,730	17,613	(50,117)	-284.5%	4	12,302
184,845	178,944	(5,901)	-3.3%	Benefits Medical Insurance	1,519,722	1,610,496	90,774	5.6%	4	1,437,378
173,618	178,640	5,022	2.8%	Medical Professional Fees	1,577,355	1,607,760	30,405	1.9%	5	1,586,334
6,125	6,140	15	0.2%	Other Professional Fees	48,511	55,260	6,749	12.2%	5	21,480
271,035	125,589	(145,446)	-115.8%	Supplies	1,398,360	1,262,192	(136,168)	-10.8%	6	1,119,579
97,752	106,312	8,559	8.1%	Purchased Services	949,398	962,771	13,373	1.4%	7	788,779
127,858	112,461	(15,396)	-13.7%	Other	1,043,843	1,020,334	(23,509)	-2.3%	8	911,742
2,035,287	1,688,415	(346,872)	-20.5%	<b>TOTAL OPERATING EXPENSE</b>	16,658,689	15,263,445	(1,395,244)	-9.1%		14,125,383
<b>(153,475)</b>	<b>356,321</b>	<b>(509,796)</b>	<b>-143.1%</b>	<b>NET OPERATING REV(EXP) EBIDA</b>	<b>3,728,163</b>	<b>4,910,888</b>	<b>(1,182,725)</b>	<b>-24.1%</b>		<b>6,143,629</b>
				<b>NON-OPERATING REVENUE/(EXPENSE)</b>						
-	24,114	(24,114)	-100.0%	Donations-IVCH	149,055	214,169	(65,114)	-30.4%	9	20,776
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10	-
(206,192)	(207,021)	829	-0.4%	Depreciation	(1,855,724)	(1,863,193)	7,469	0.4%	11	(1,834,398)
(3,024)	(1,907)	(1,117)	58.6%	Interest Expense	(28,071)	(18,073)	(9,998)	55.3%	12	(12,279)
(209,216)	(184,815)	(24,402)	-13.2%	<b>TOTAL NON-OPERATING REVENUE/(EXP)</b>	<b>(1,734,740)</b>	<b>(1,667,097)</b>	<b>(67,643)</b>	<b>-4.1%</b>		<b>(1,825,901)</b>
<b>\$ (362,691)</b>	<b>\$ 171,506</b>	<b>\$ (534,197)</b>	<b>-311.5%</b>	<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 1,993,422</b>	<b>\$ 3,243,791</b>	<b>\$ (1,250,368)</b>	<b>-38.5%</b>		<b>\$ 4,317,728</b>
<b>-3.1%</b>	<b>8.5%</b>	<b>-11.7%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>8.6%</b>	<b>11.9%</b>	<b>-3.3%</b>			<b>15.8%</b>

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
MARCH 2026**

		<u>Variance from Budget</u>	
		<u>Fav&lt;Unfav&gt;</u>	
		<u>MAR 2026</u>	<u>YTD 2026</u>
<b>1) <u>Gross Revenues</u></b>			
Acute Patient Days were at budget at 0 days.	Gross Revenue -- Inpatient	\$ -	\$ -
Outpatient volumes were above budget in the following departments: Laboratory tests, Lab Send Out test, Ultrasounds, Cat Scans, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Gastroenterology Cases, and Physical Therapy.	Gross Revenue -- Outpatient	721,092	2,139,282
Outpatient volumes were below budget in the following departments: Emergency Department visits, Surgery cases, EKGs, Diagnostic Imaging, Mammography, Speech Therapy, and Occupational Therapy.	Total	<u>\$ 721,092</u>	<u>\$ 2,139,282</u>
<b>2) <u>Total Deductions from Revenue</u></b>			
We saw a shift in our payor mix with a 11.72% increase in Medicare, a 1.94% decrease in Medicaid, a 10.75% decrease in Commercial insurance, and a .96% increase in Other. Revenues were above budget 17.3%, we saw a shift from Commercial and Medicaid to Medicare, and we had a large Medicare claim with a high Drug Sold to Patients charge impacting the contractual write-off, lending to the negative variance in Contractual Allowances.	Contractual Allowances	\$ (845,959)	\$ (1,964,901)
	Charity Care	13,437	75,266
	Bad Debt	(83,452)	(348,732)
	Prior Period Settlement	-	53,794
	Total	<u>\$ (915,973)</u>	<u>\$ (2,184,573)</u>
<b>3) <u>Other Operating Revenue</u></b>			
IVCH ER Physician Guarantee is tied to collections, coming in above budget in March.	IVCH ER Physician Guarantee	\$ 32,602	\$ 156,438
	Miscellaneous	(643)	101,371
	Total	<u>\$ 31,958</u>	<u>\$ 257,810</u>
<b>4) <u>Salaries and Wages</u></b>			
We saw increases in Physician and Management salaries, creating a negative variance in Salaries and Wages.	Total	<u>\$ (124,449)</u>	<u>\$ (1,172,188)</u>
<b><u>Employee Benefits</u></b>			
Physician Productivity bonuses were accrued using the new model, creating a negative variance in Nonproductive.	PL/SL	\$ 1,079	\$ (71,812)
	Other	(2,632)	(71,777)
	Standby	(1,163)	(16,714)
	Pension/Deferred Comp	0	0
	Nonproductive	(64,398)	5,739
	Total	<u>\$ (67,114)</u>	<u>\$ (154,563)</u>
<b><u>Employee Benefits - Workers Compensation</u></b>	Total	<u>\$ (2,162)</u>	<u>\$ (50,117)</u>
<b><u>Employee Benefits - Medical Insurance</u></b>	Total	<u>\$ (5,901)</u>	<u>\$ 90,774</u>
The District has a self-insured plan and expense is based on actual claims paid and changes to the Incurred But Not Reported liability.			
<b>5) <u>Professional Fees</u></b>			
Extended patient care hours were below budget, creating a positive variance in IVCH ER Physicians.	Administration	\$ -	\$ -
	Multi-Specialty Clinics	-	-
	Miscellaneous	(656)	94
	Foundation	15	6,745
	IVCH ER Physicians	5,679	30,315
	Total	<u>\$ 5,037</u>	<u>\$ 37,154</u>
<b>6) <u>Supplies</u></b>			
Drugs Sold to Patients revenues were above budget 183.02%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	\$ (156,155)	\$ (218,601)
We saw a decrease in Minor Equipment purchases across most departments in March.	Office Supplies	105	(1,331)
Supply purchases for Facility maintenance projects were below budget, creating a positive variance in Non-Medical Supplies.	Food	57	1,719
Medical Supplies Sold to Patients revenues were below budget 23.44%, creating a positive variance in Patient & Other Medical Supplies.	Minor Equipment	2,419	6,436
	Non-Medical Supplies	3,822	31,504
	Patient & Other Medical Supplies	4,306	44,106
	Total	<u>\$ (145,446)</u>	<u>\$ (136,168)</u>

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
MARCH 2026**

		<b>Variance from Budget</b>	
		<b>Fav&lt;Unfav&gt;</b>	
		<b>MAR 2026</b>	<b>YTD 2026</b>
<b>7) <u>Purchased Services</u></b>			
We saw fewer department repairs in Surgery, Sterile Processing, Diagnostic Imaging, and Plant maintenance.	Department Repairs	\$ 6,475	\$ (10,324)
Outsourced Laboratory testing was above budget, creating a negative variance in Laboratory.	Laboratory	(1,204)	(8,375)
Facility maintenance projects were below budget, creating a positive variance in Engineering/Plant/Communications.	Engineering/Plant/Communications	1,616	(5,276)
Laundry and Linen costs were below budget, creating a positive variance in EVS/Laundry.	Pharmacy	(318)	(5,049)
Radiology reads for Diagnostic Imaging and Mammography were below budget, creating a positive variance in Diagnostic Imaging Services - All.	Miscellaneous	(817)	(2,722)
	Multi-Specialty Clinics	(17)	(2,076)
	EVS/Laundry	1,659	2,297
	Diagnostic Imaging Services - All	1,172	4,949
	Foundation	(6)	39,951
	<b>Total</b>	<b>\$ 8,559</b>	<b>\$ 13,373</b>
<b>8) <u>Other Expenses</u></b>			
Common Area Maintenance costs and a rental increase for an employee housing unit created a negative variance in Other Building Rent.	Other Building Rent	\$ (12,962)	\$ (87,818)
Transfer of labor from TFH to result IVCH lab tests created a negative variance in Miscellaneous.	Miscellaneous	(9,534)	(36,486)
Natural Gas/Propane and Electricity costs were below budget, creating a positive variance in Utilities.	Multi-Specialty Clinics Bldg. Rent	(1,087)	(10,049)
Marketing campaigns for the Hospital and Physical Therapy were below budget, creating a positive variance in this category.	Dues and Subscriptions	(1,775)	(3,247)
	Equipment Rent	(349)	1,631
	Insurance	650	2,165
	Outside Training & Travel	(24)	26,530
	Utilities	4,055	36,967
	Marketing	5,629	46,798
	<b>Total</b>	<b>\$ (15,396)</b>	<b>\$ (23,509)</b>
<b>9) <u>Donations</u></b>	<b>Total</b>	<b>\$ (24,114)</b>	<b>\$ (65,114)</b>
<b>10) <u>Gain/(Loss) on Sale</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>11) <u>Depreciation Expense</u></b>	<b>Total</b>	<b>\$ 829</b>	<b>\$ 7,469</b>
<b>12) <u>Interest Expense</u></b>	<b>Total</b>	<b>\$ (1,117)</b>	<b>\$ (9,998)</b>

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	AUDITED FYE 2025		**BUDGET** FYE 2026	PROJECTED FYE 2026	ACTUAL MAR 2026	PROJECTED MAR 2026	DIFFERENCE	ACTUAL 1ST QTR	ACTUAL 2ND QTR	ACTUAL 3RD QTR	PROJECTED 4TH QTR
Net Operating Rev/(Exp) - EBIDA	51,886,266		27,556,243	34,897,546	\$ 848,227	\$ 1,918,844	\$ (1,070,617)	\$ 12,945,140	\$ 9,028,708	\$ 8,429,183	\$ 4,494,515
Interest Income	3,958,656		3,622,400	4,325,295	46,115	250,000	(203,885)	1,076,593	1,354,051	989,050	905,600
Property Tax Revenue	11,279,104		11,320,000	11,762,020	-	-	-	587,757	236,387	6,437,876	4,500,000
Donations	1,193,437		5,037,312	4,832,412	-	120,109	(120,109)	60,899	563,235	249,092	3,959,185
Debt Service Payments	(3,516,862)		(3,876,518)	(3,611,933)	(167,626)	(194,155)	26,529	(1,484,229)	(798,504)	(746,735)	(582,465)
Property Purchase Agreement	(811,927)		(473,624)	(541,285)	-	-	-	(202,982)	(202,982)	(135,321)	-
Municipal Lease 2025	(333,643)		(1,000,932)	(1,000,930)	(83,411)	(83,411)	0	(250,232)	(250,232)	(250,232)	(250,233)
Copier	-		-	-	-	-	-	-	-	-	-
2017 VR Demand Bond	(795,185)		(756,793)	(767,496)	-	-	-	(672,429)	(13,058)	(82,008)	-
2015 Revenue Bond	(1,576,107)		(1,645,169)	(1,302,223)	(84,215)	(110,744)	26,529	(358,585)	(332,232)	(279,174)	(332,232)
Physician Recruitment	(121,333)		(521,000)	(271,333)	-	(33,334)	33,334	(88,000)	(83,333)	-	(100,000)
Investment in Capital											
Equipment	(4,700,844)		(5,613,300)	(7,087,752)	(395,702)	(1,375,786)	980,084	(1,247,350)	(1,713,269)	(1,513,287)	(2,613,846)
Municipal Lease Reimbursement	1,340,632		4,780,000	4,780,000	-	-	-	-	-	1,175,694	3,604,306
IT/EMR/Business Systems	-		(5,027,825)	(1,354,406)	-	(483,202)	483,202	-	-	-	(1,354,406)
Building Projects/Properties	(12,436,705)		(55,592,169)	(51,054,593)	(3,285,206)	(7,822,783)	4,537,577	(5,592,451)	(12,181,170)	(9,024,413)	(24,256,560)
Change in Accounts Receivable	(8,996,668)	N1	(328,792)	3,629,357	(632,113)	150,853	(782,966)	6,006,700	1,943,603	(4,033,596)	(287,350)
Change in Settlement Accounts	(10,420,429)	N2	(5,011,279)	(7,723,578)	(960,452)	(1,468,999)	508,547	(5,260,008)	(11,199,598)	8,092,825	643,203
Change in Other Assets	(6,444,419)	N3	(2,248,346)	(6,738,195)	(770,141)	(200,000)	(570,141)	(3,518,928)	(1,052,013)	(1,967,254)	(200,000)
Change in Other Liabilities	6,736,574	N4	(7,815,000)	(6,326,960)	5,134,912	825,000	4,309,912	(664,024)	(8,365,438)	(3,773,498)	6,476,000
Change in Cash Balance	29,757,408		(33,718,273)	(19,942,121)	(181,987)	(8,313,454)	8,131,467	2,822,100	(22,267,341)	4,314,937	(4,811,818)
Beginning Unrestricted Cash	184,297,240		214,054,647	214,054,647	199,106,331	199,106,331	-	214,054,647	216,876,748	194,609,407	198,924,344
Ending Unrestricted Cash	214,054,647		180,336,374	194,112,526	198,924,344	190,792,877	8,131,467	216,876,748	194,609,407	198,924,344	194,112,526
Operating Cash	214,054,647		180,336,374	194,112,526	198,924,344	190,792,877	8,131,467	216,876,748	194,609,407	198,924,344	194,112,526
Expense Per Day	917,777		956,582	956,979	949,903	949,373	530	936,594	937,532	949,903	956,979
Days Cash On Hand	233		189	203	209	201	8	232	208	209	203

**Footnotes:**

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

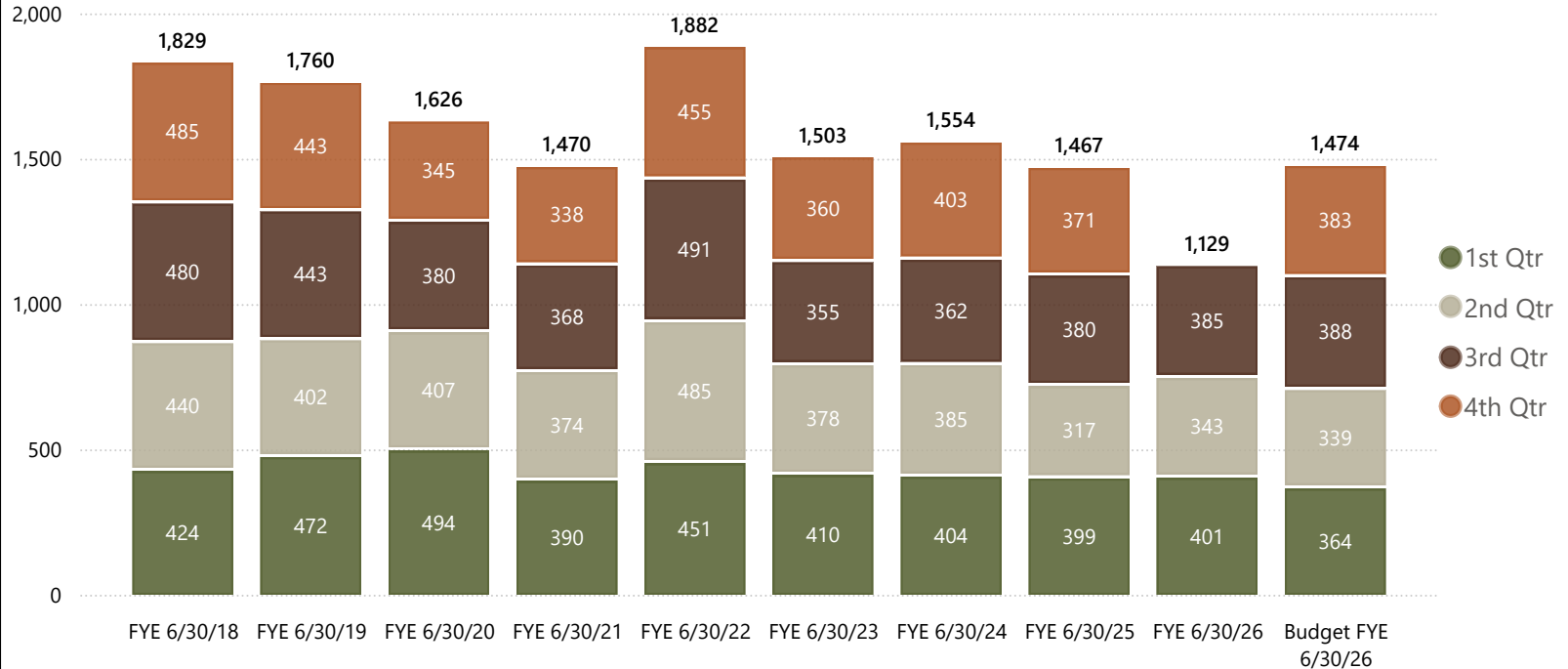
N1 - Change in Accounts Receivable reflects the 30 day delay in collections.

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

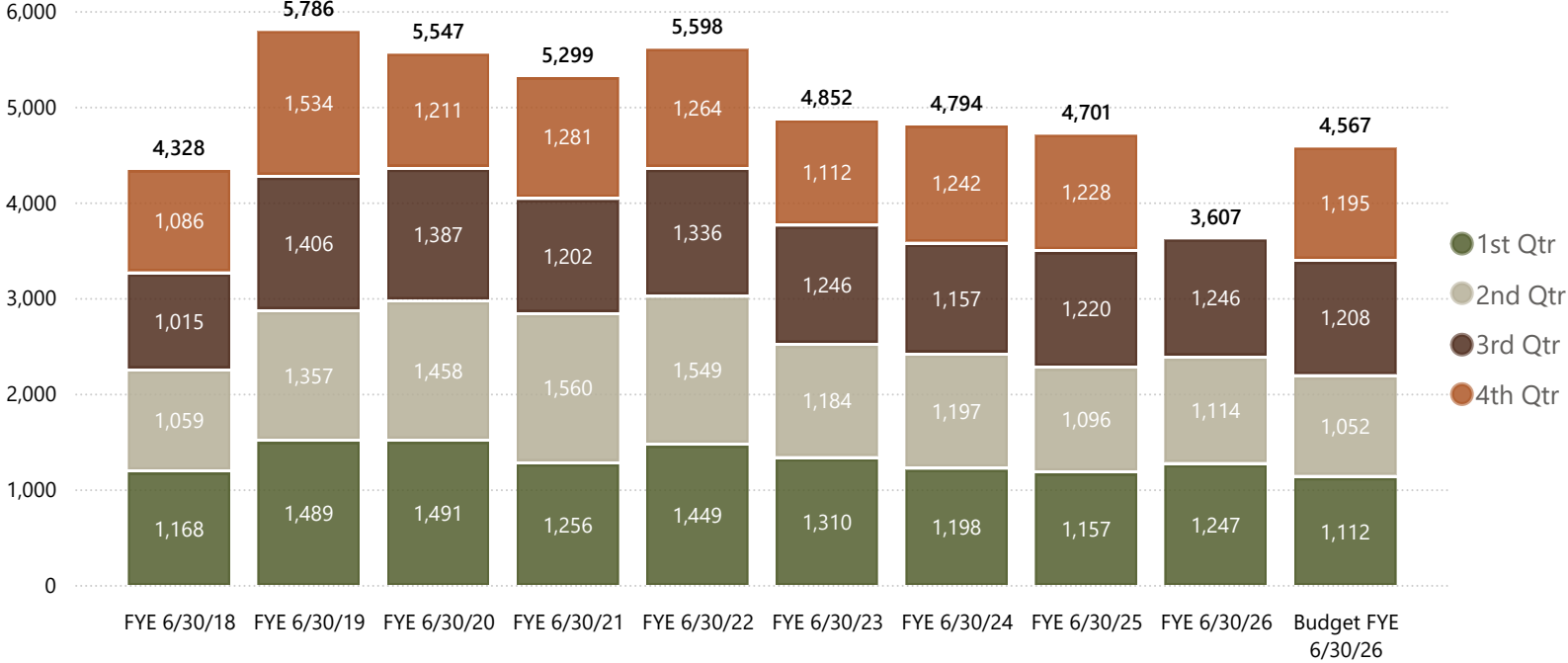
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

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.

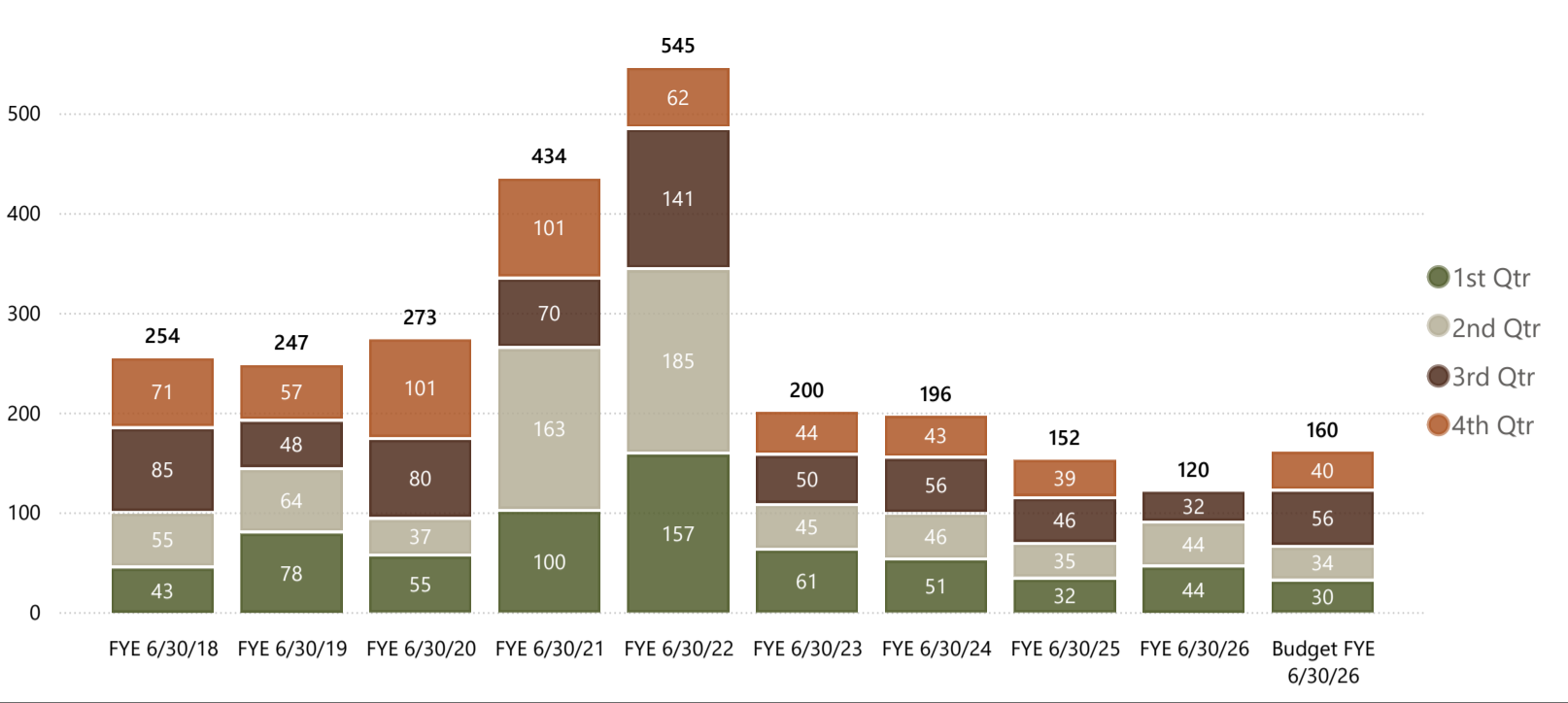
# TOTAL ADMISSIONS



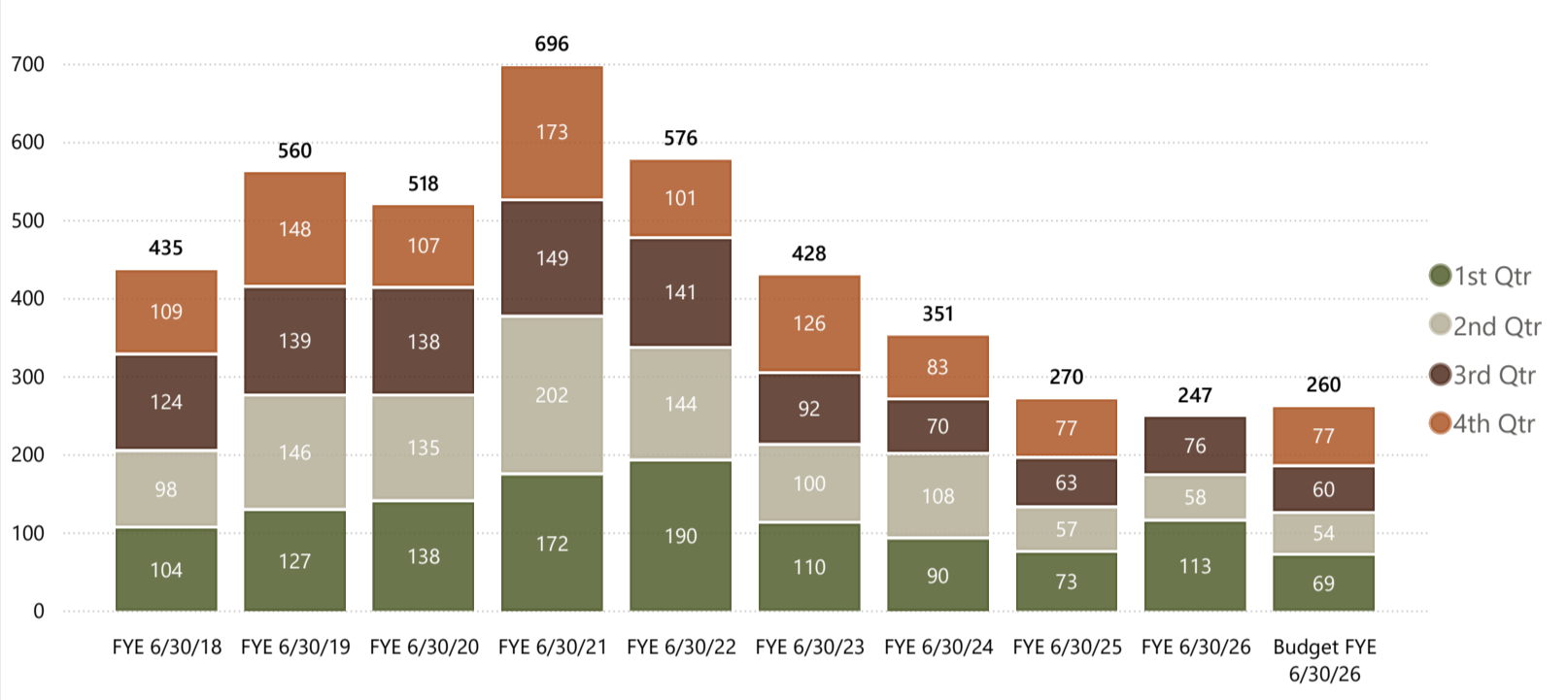
# TOTAL TFH PATIENT DAYS



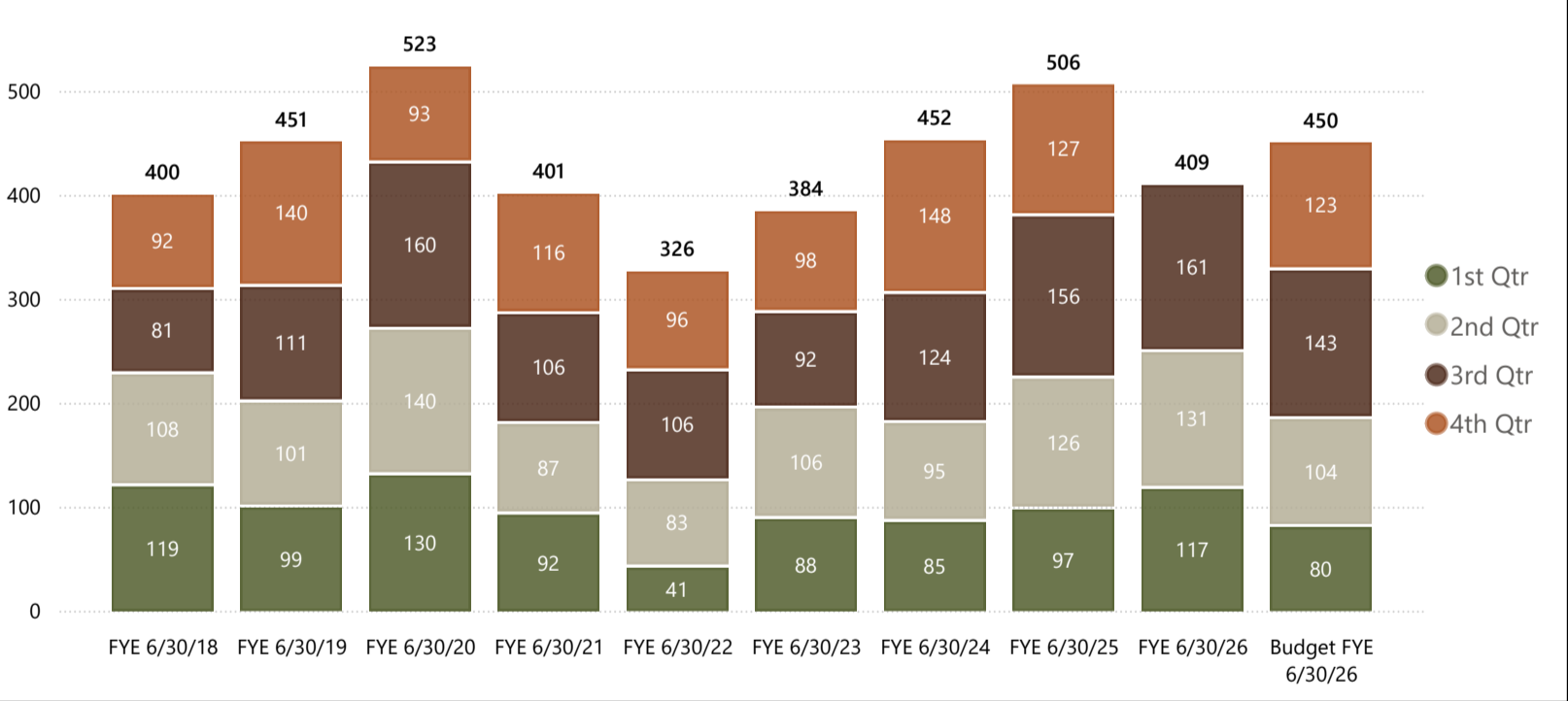
### TOTAL TFH ICU INPATIENT DAYS



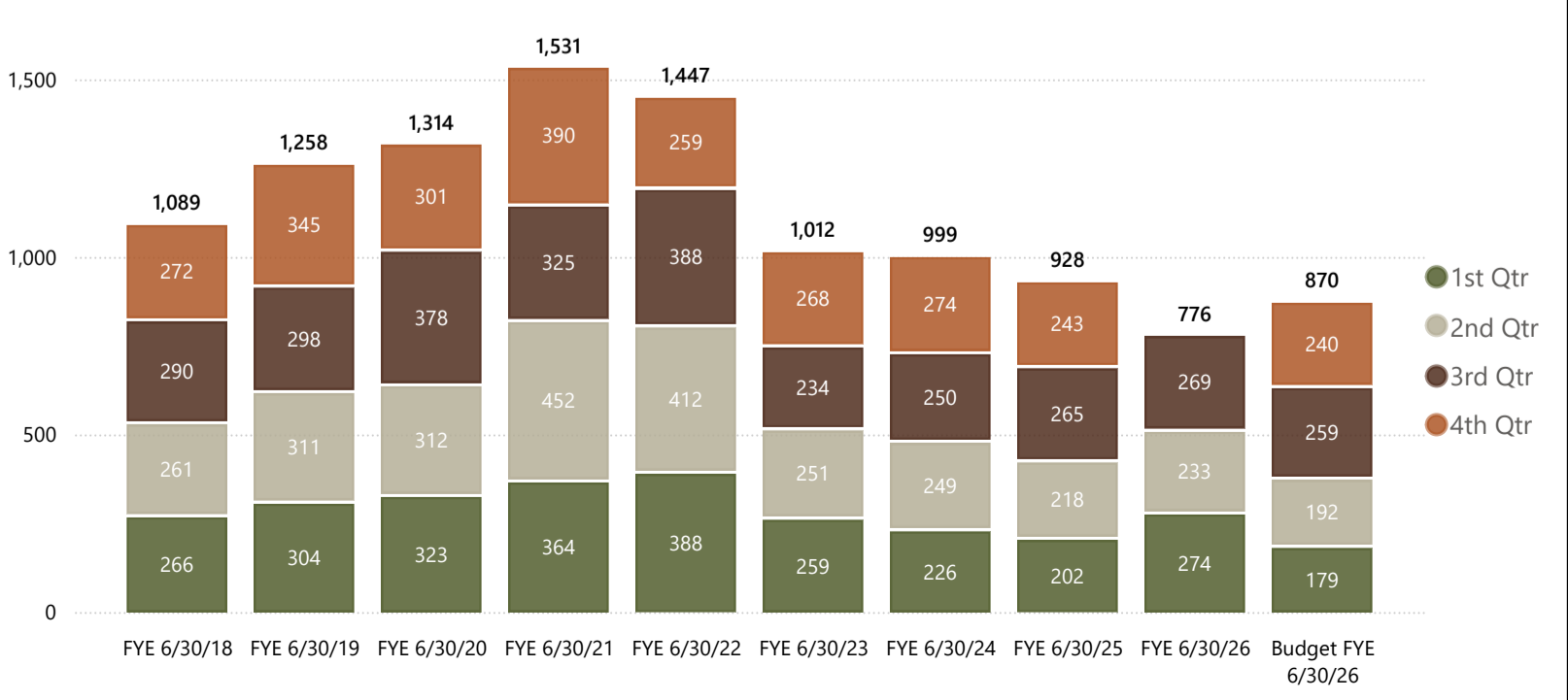
### TOTAL TFH ICU STEPDOWN DAYS



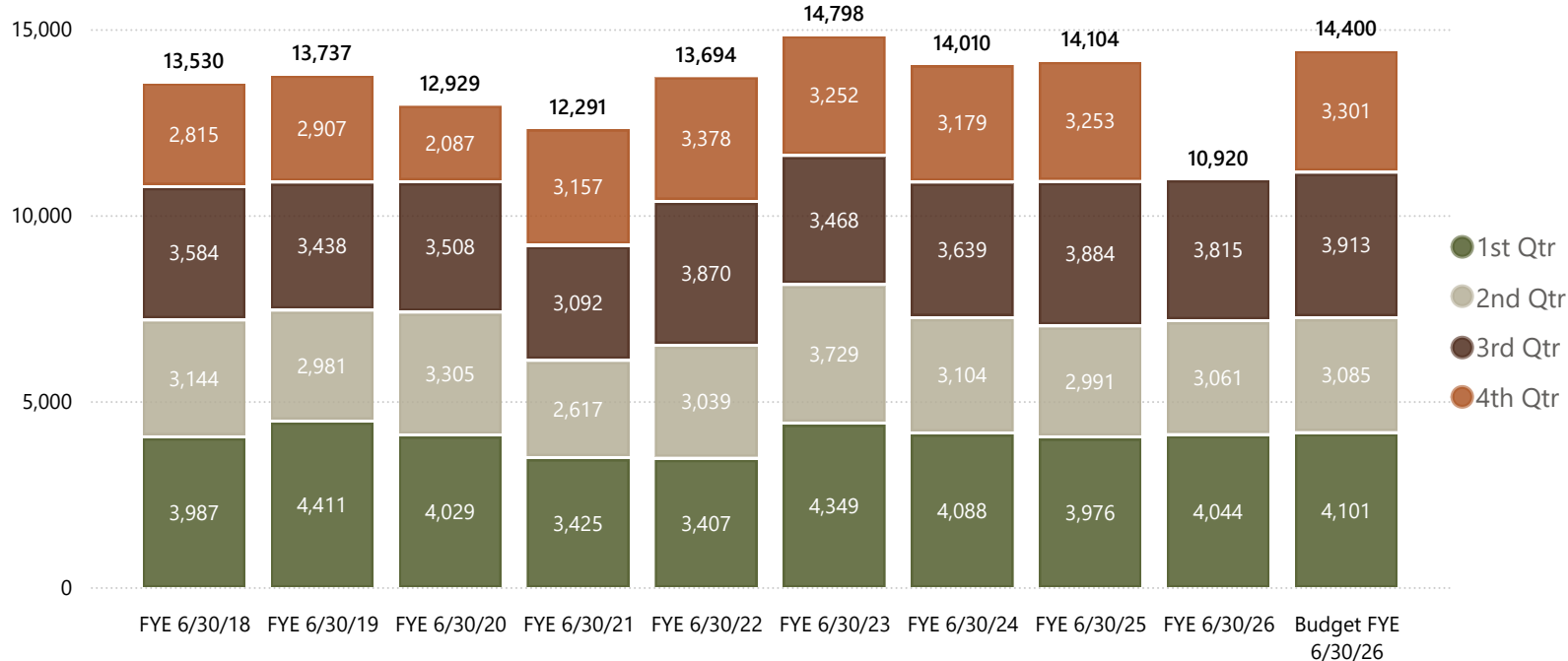
### TOTAL TFH ICU MED/SURG DAYS



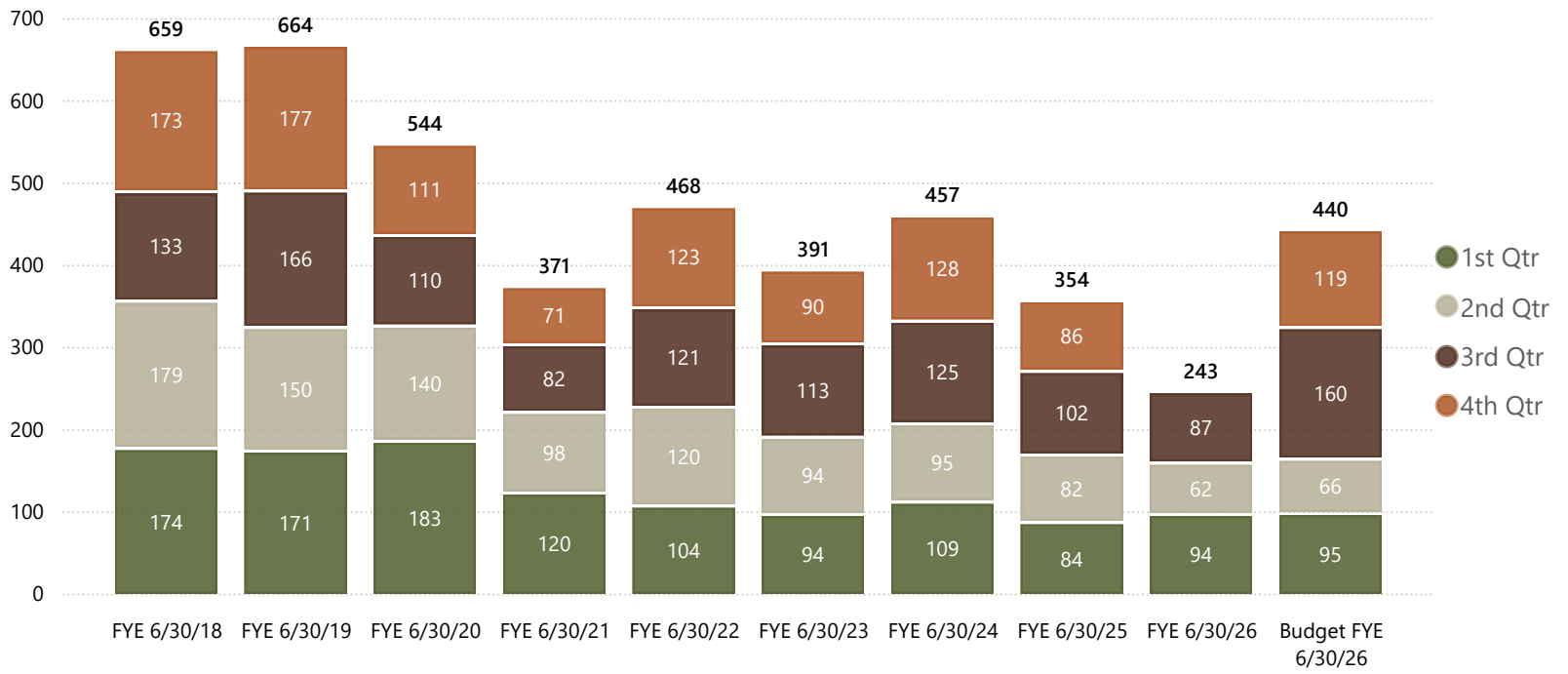
### TOTAL TFH ICU DAYS



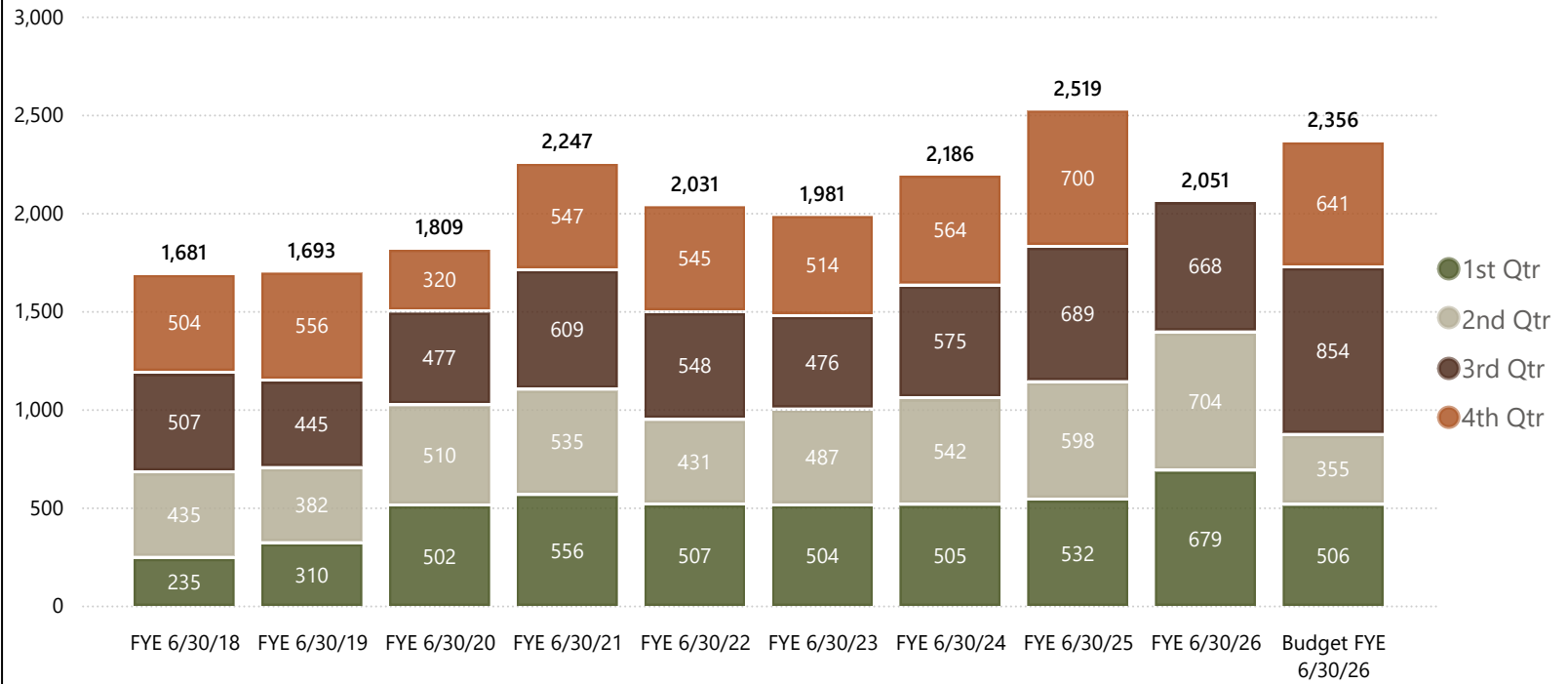
# TOTAL TFH ER VISITS



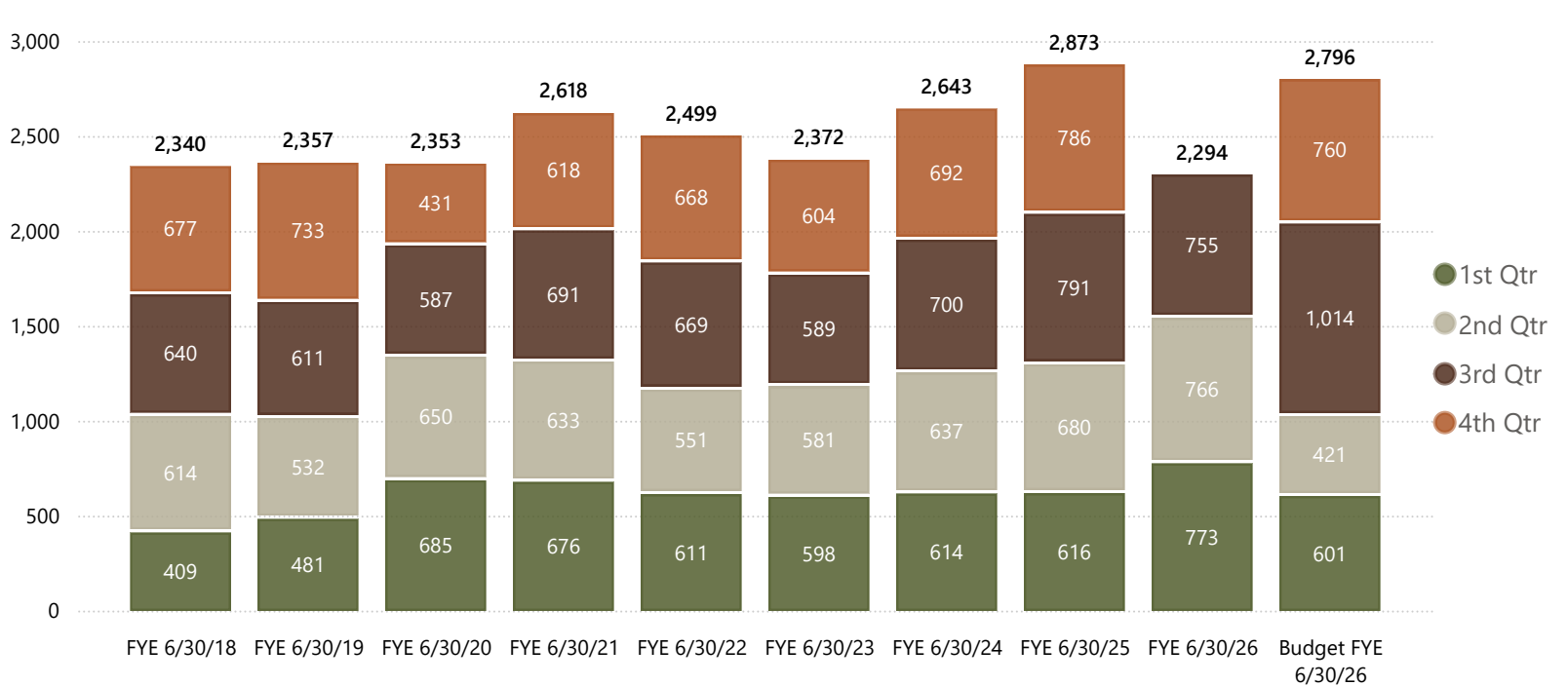
### TOTAL TFH INPATIENT OR CASES



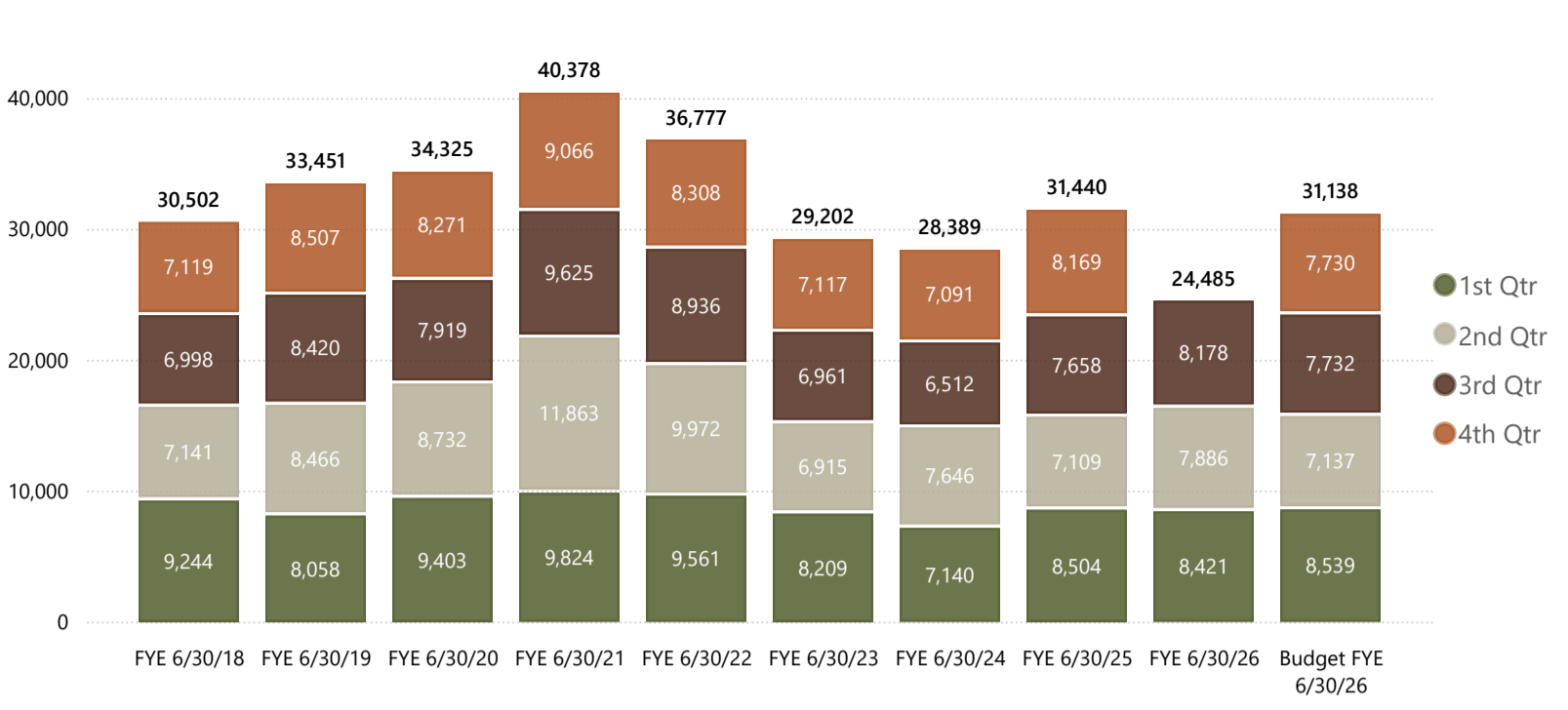
### TOTAL TFH OUTPATIENT OR CASES



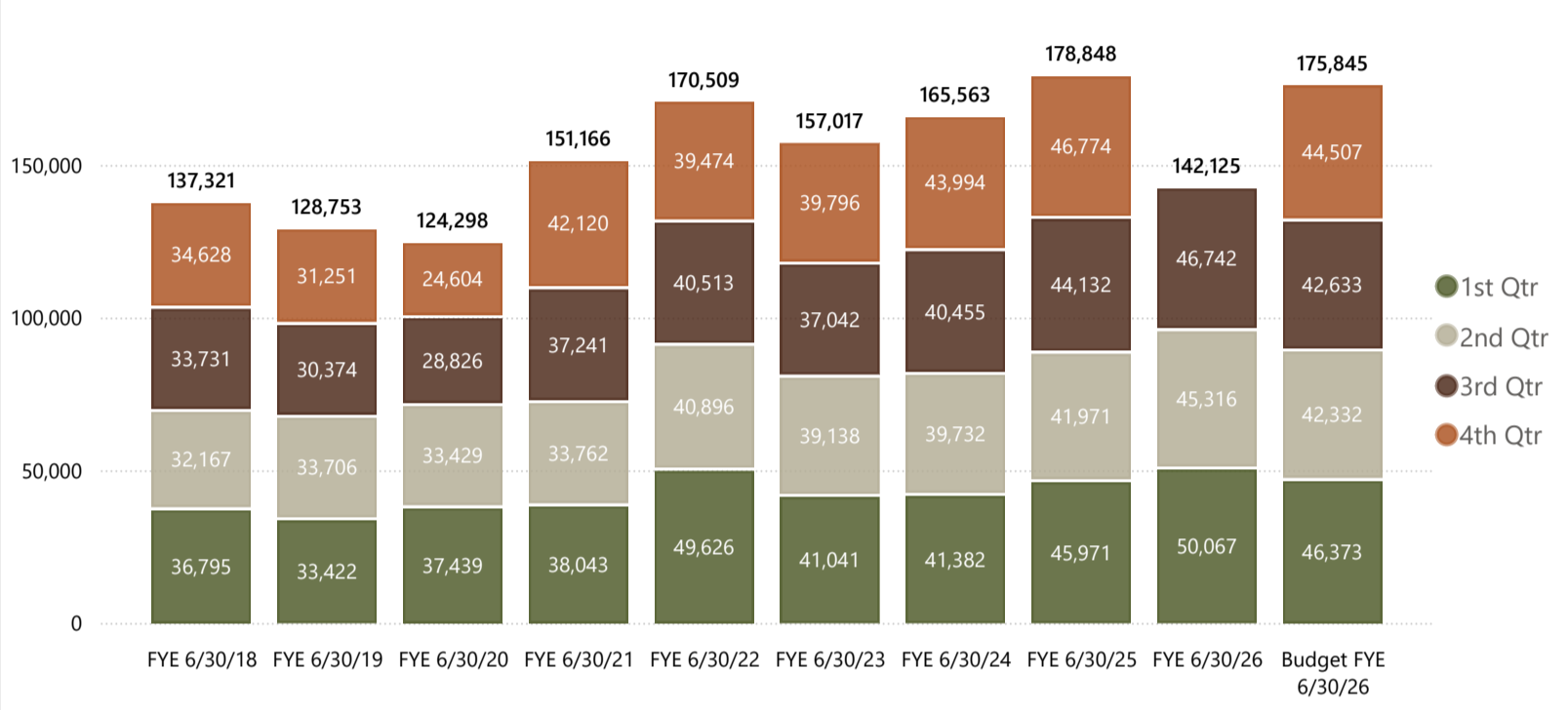
### TOTAL TFH OR CASES



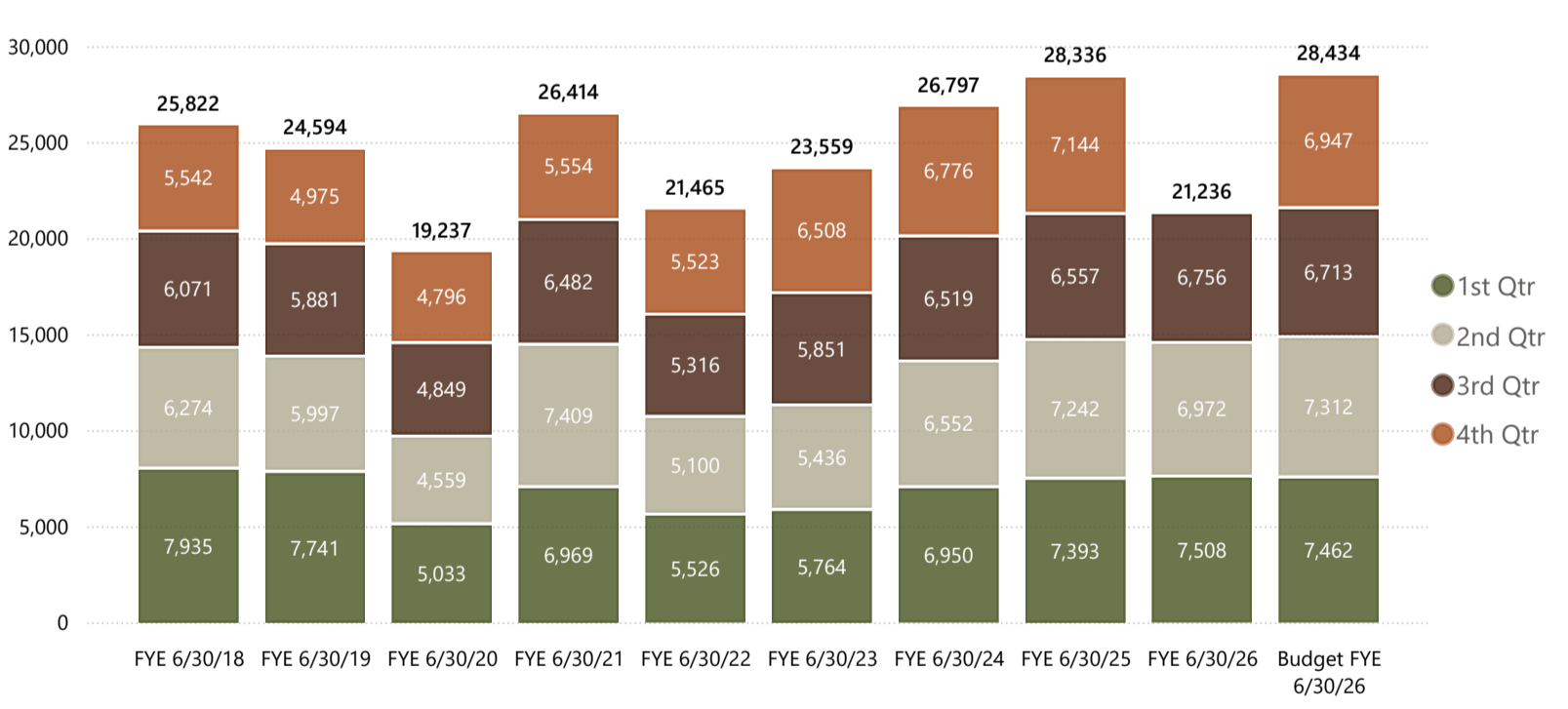
### TOTAL TFH INPATIENT LAB TESTS



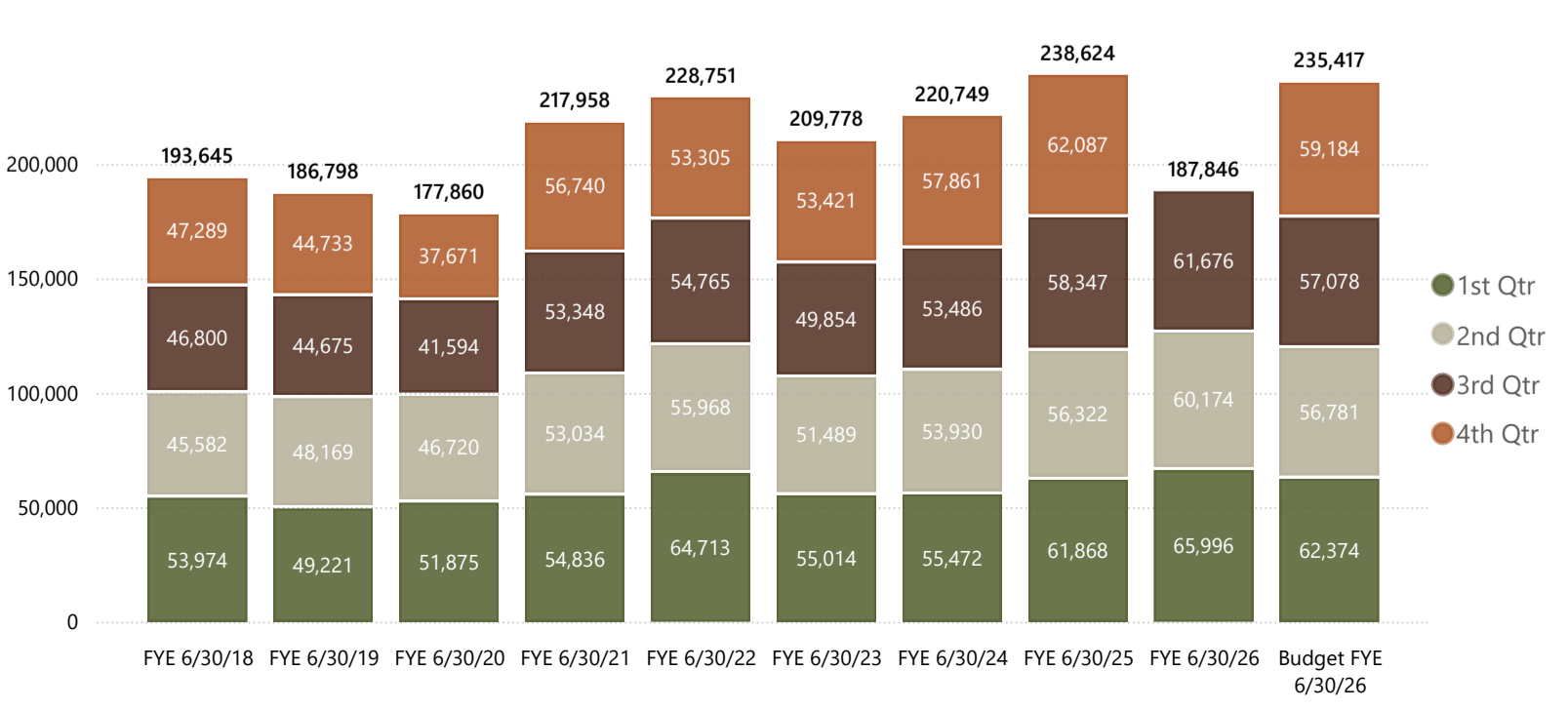
### TOTAL TFH OUTPATIENT LAB TESTS



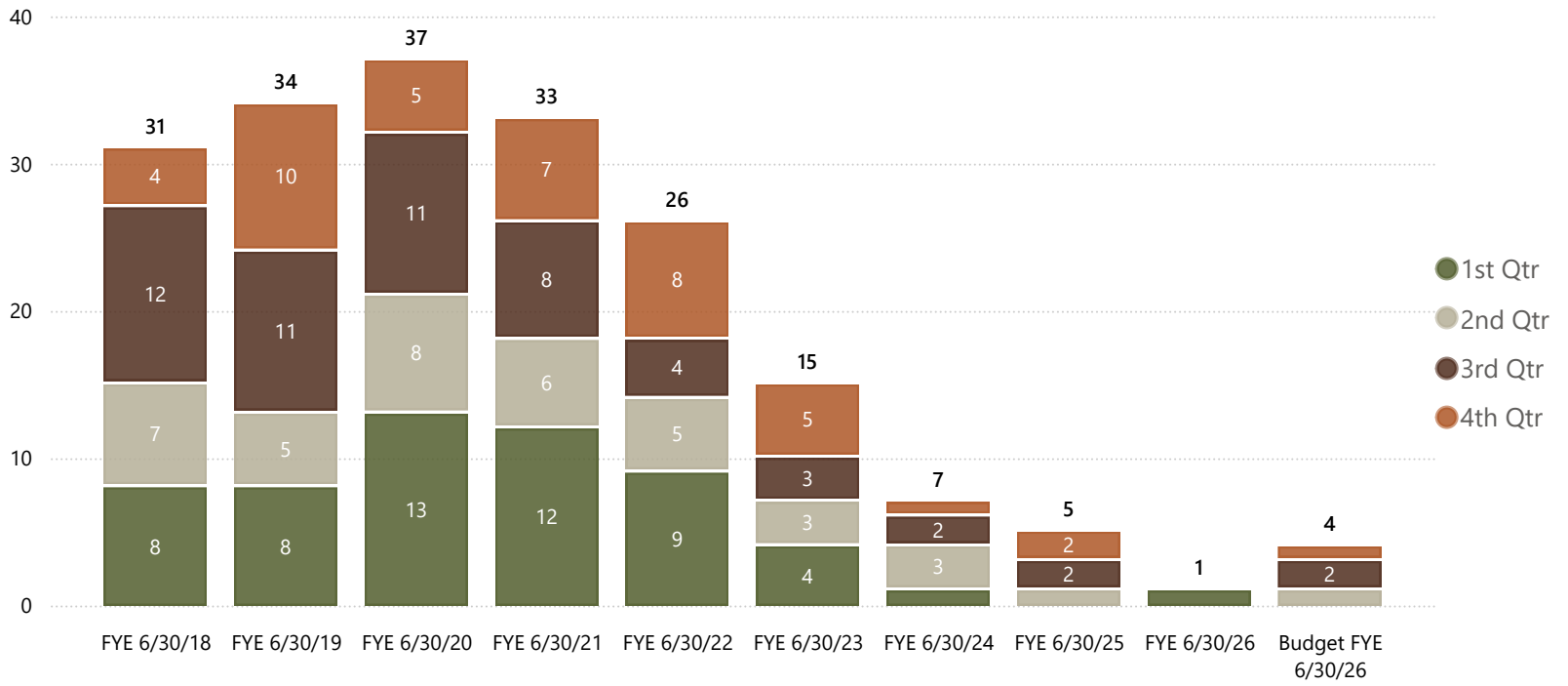
### TOTAL TFH OTHER OUTPATIENT LAB TESTS



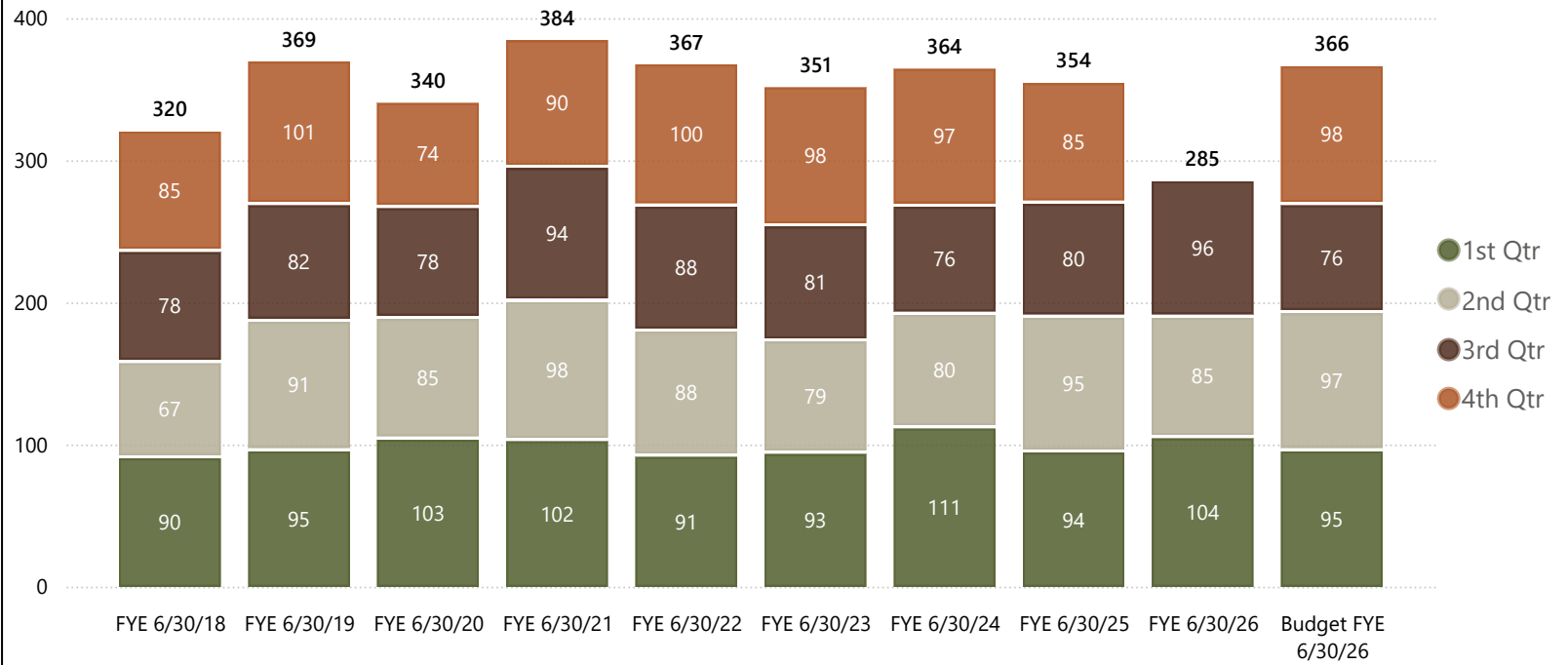
### TOTAL TFH LAB TESTS



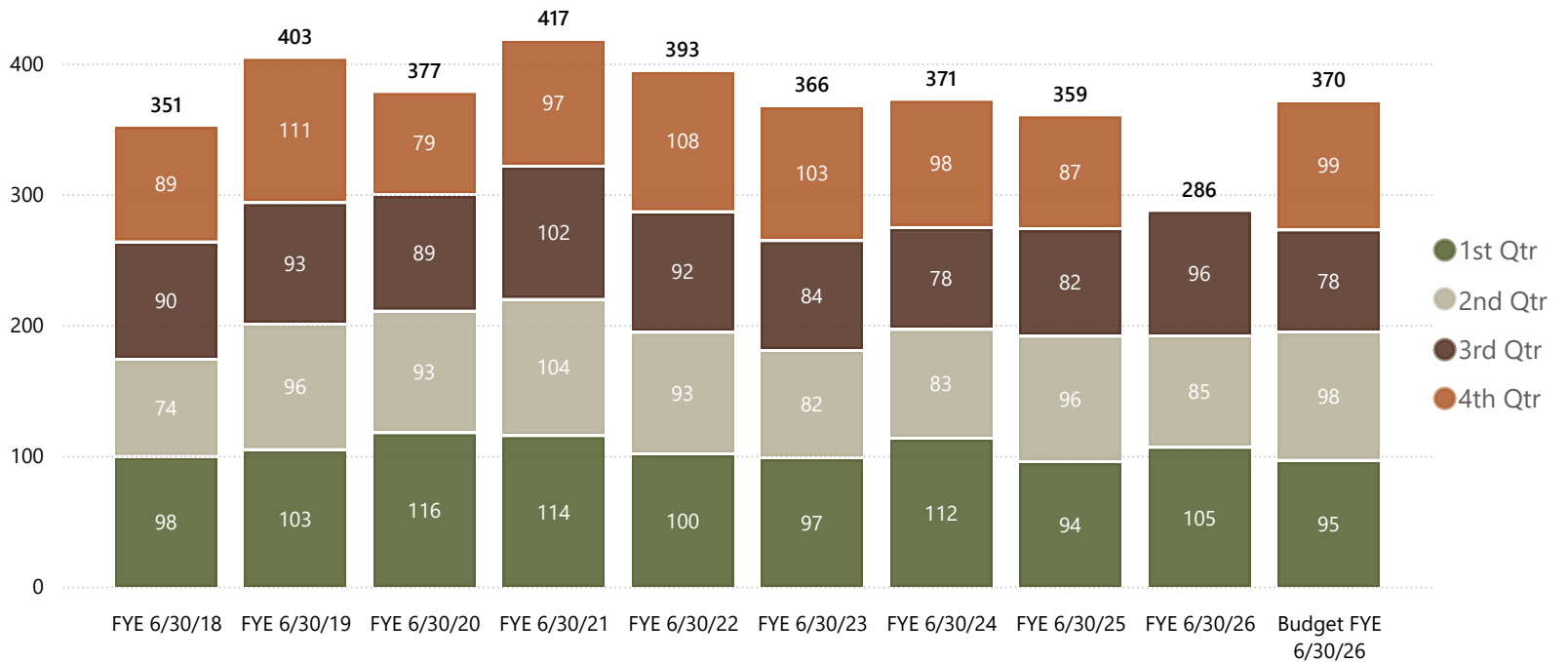
### TOTAL TFH NUCLEAR MEDICINE INPATIENT EXAMS



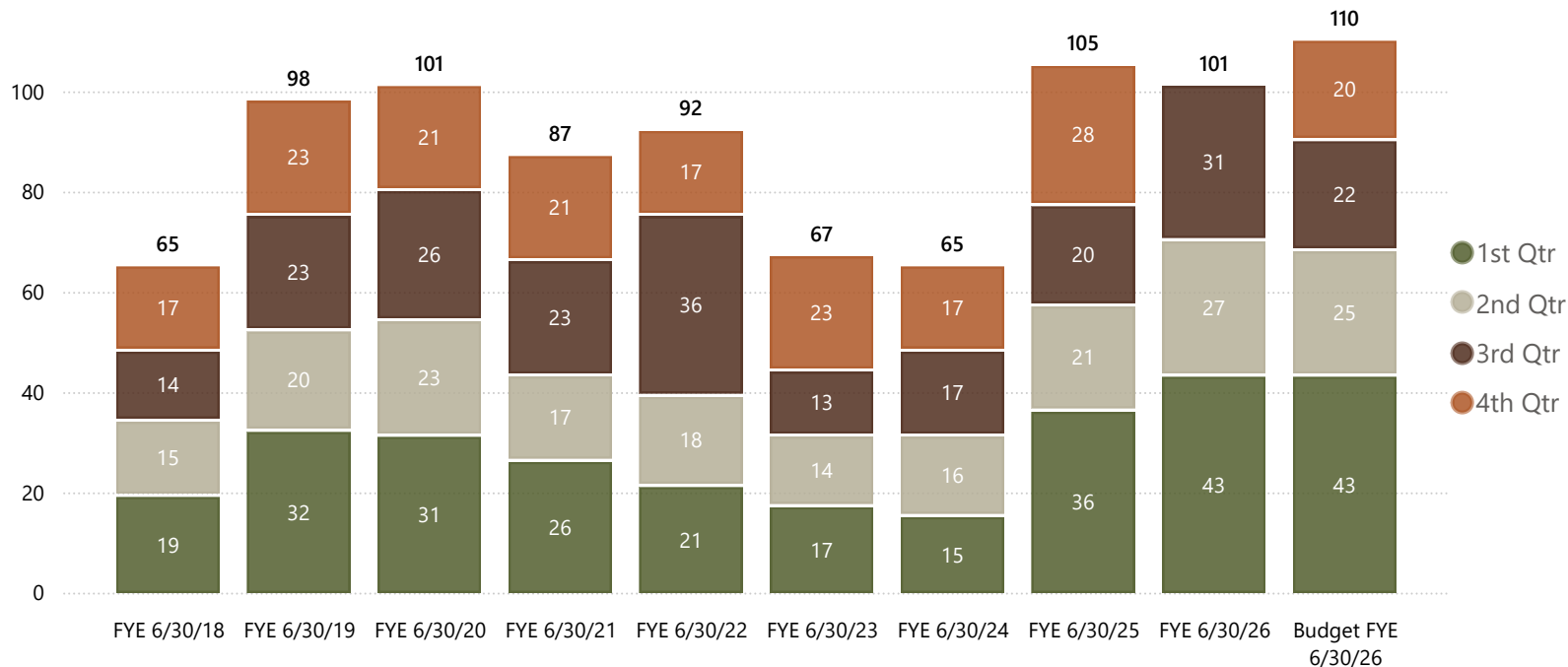
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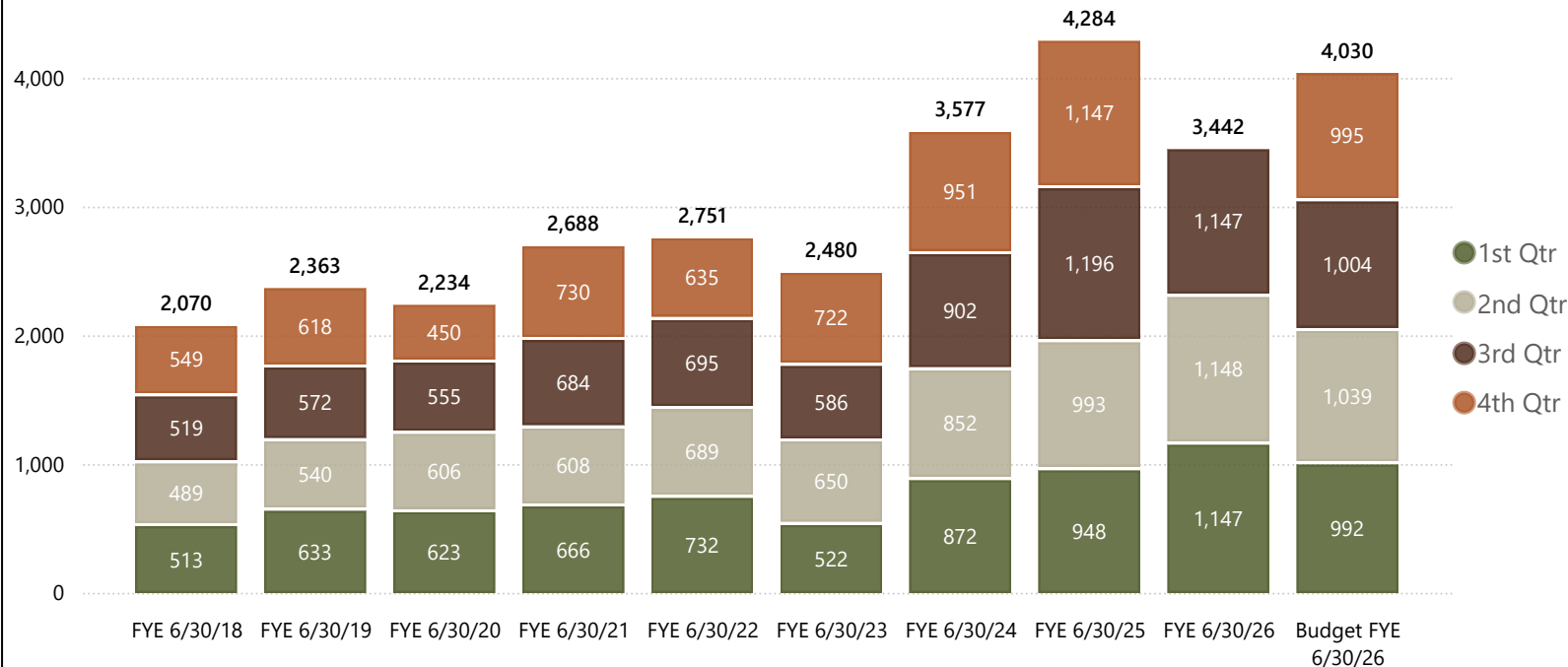
### TOTAL TFH NUCLEAR MEDICINE EXAMS



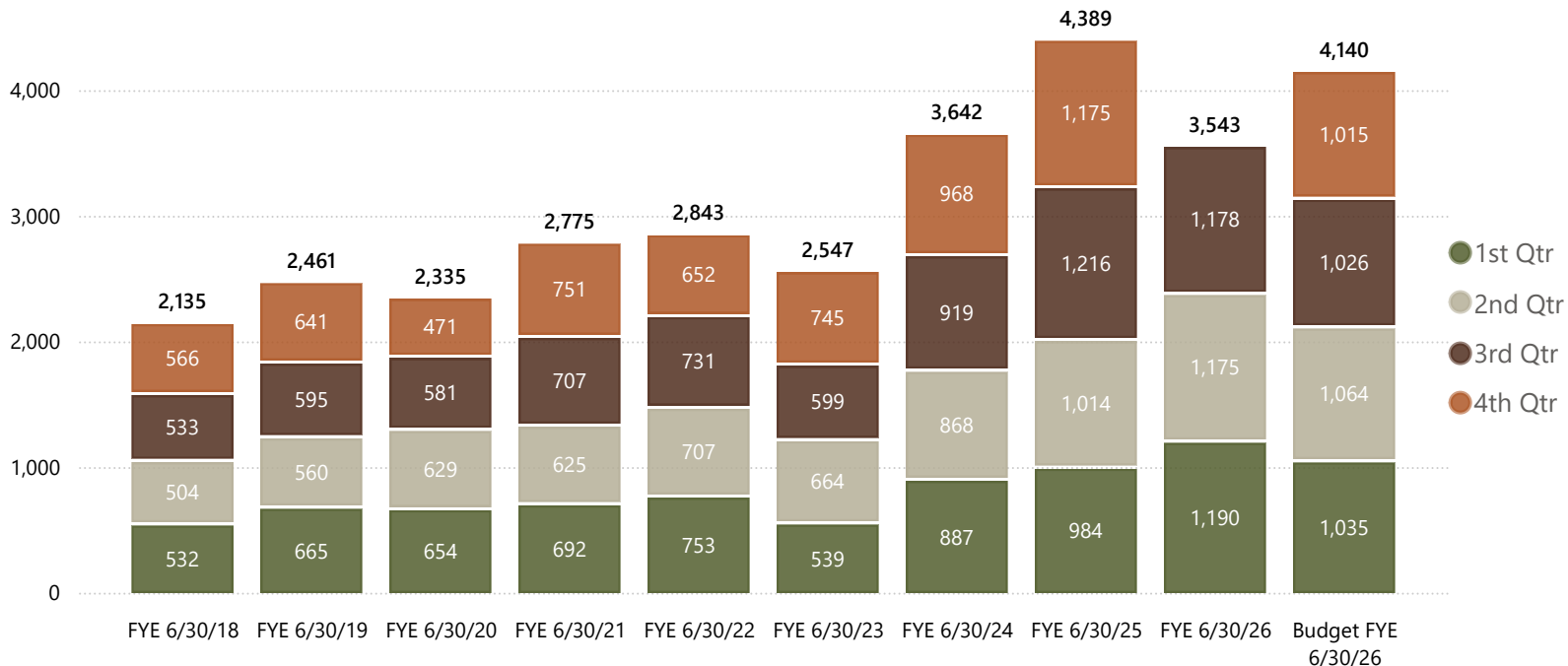
### TOTAL TFH MRI INPATIENT EXAMS



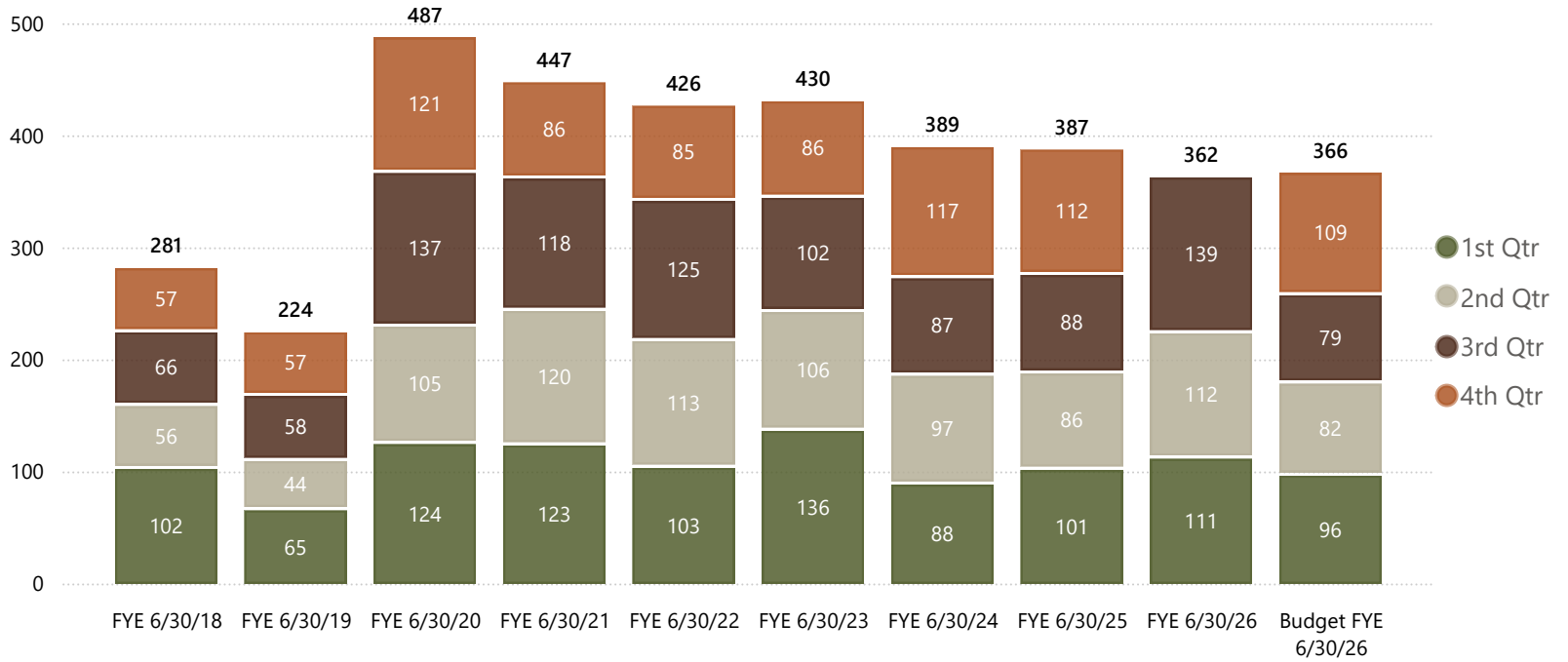
### TOTAL TFH MRI OUTPATIENT EXAMS



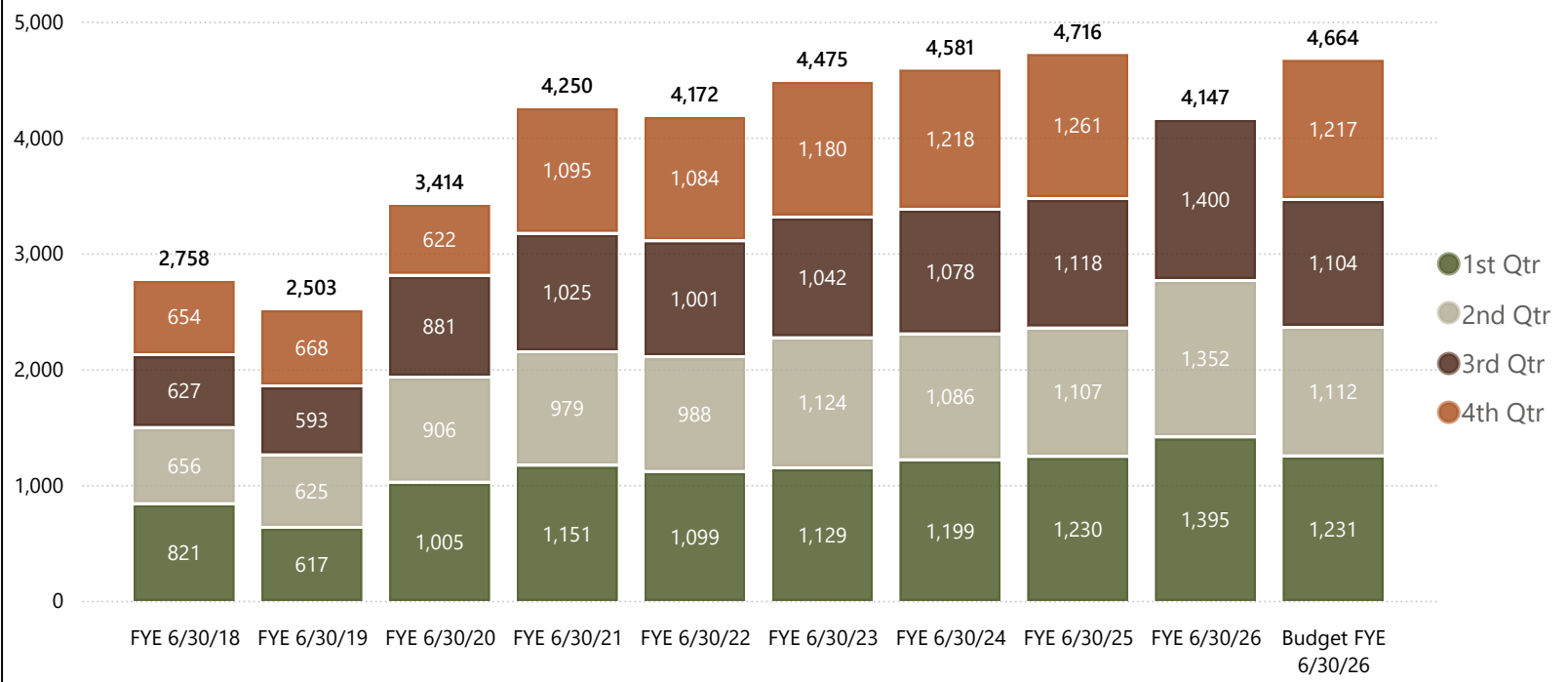
### TOTAL TFH MRI EXAMS



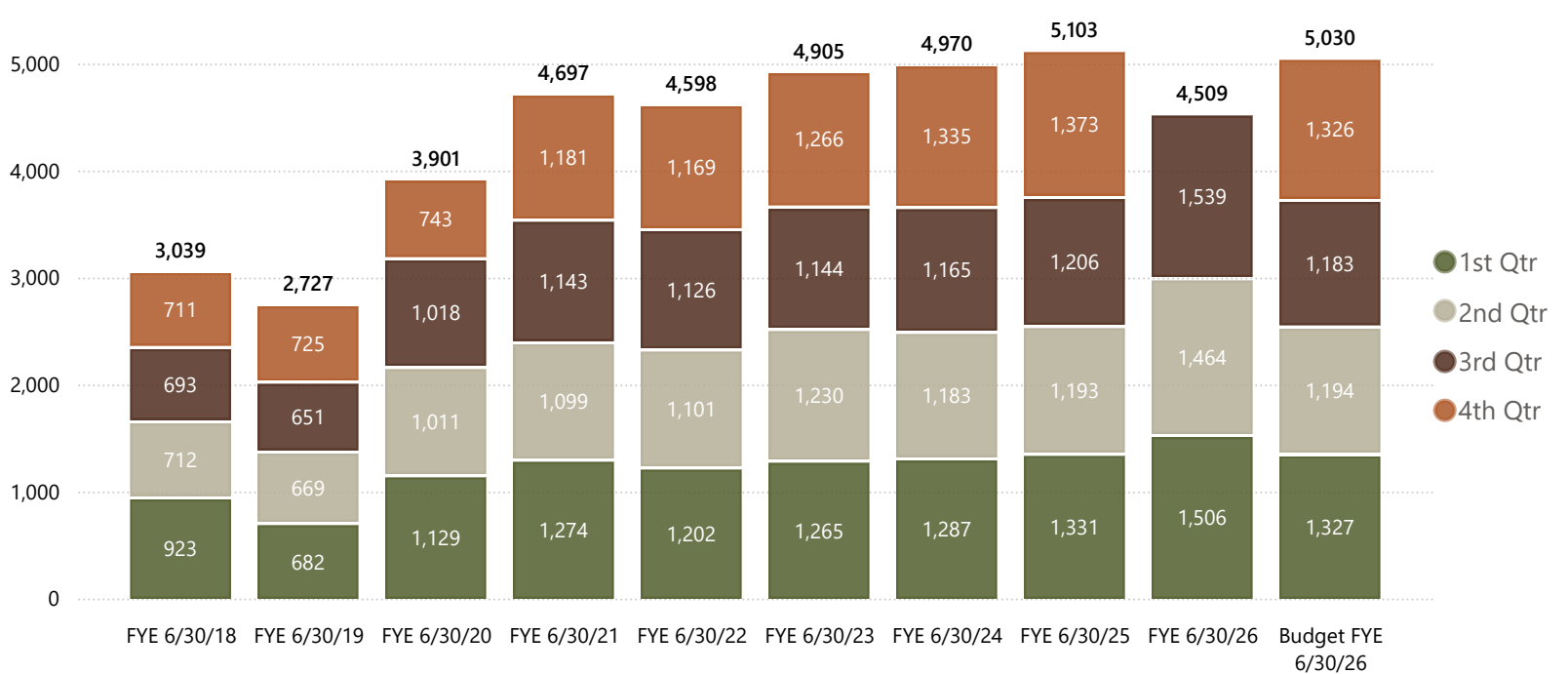
### TOTAL TFH ULTRASOUND INPATIENT EXAMS



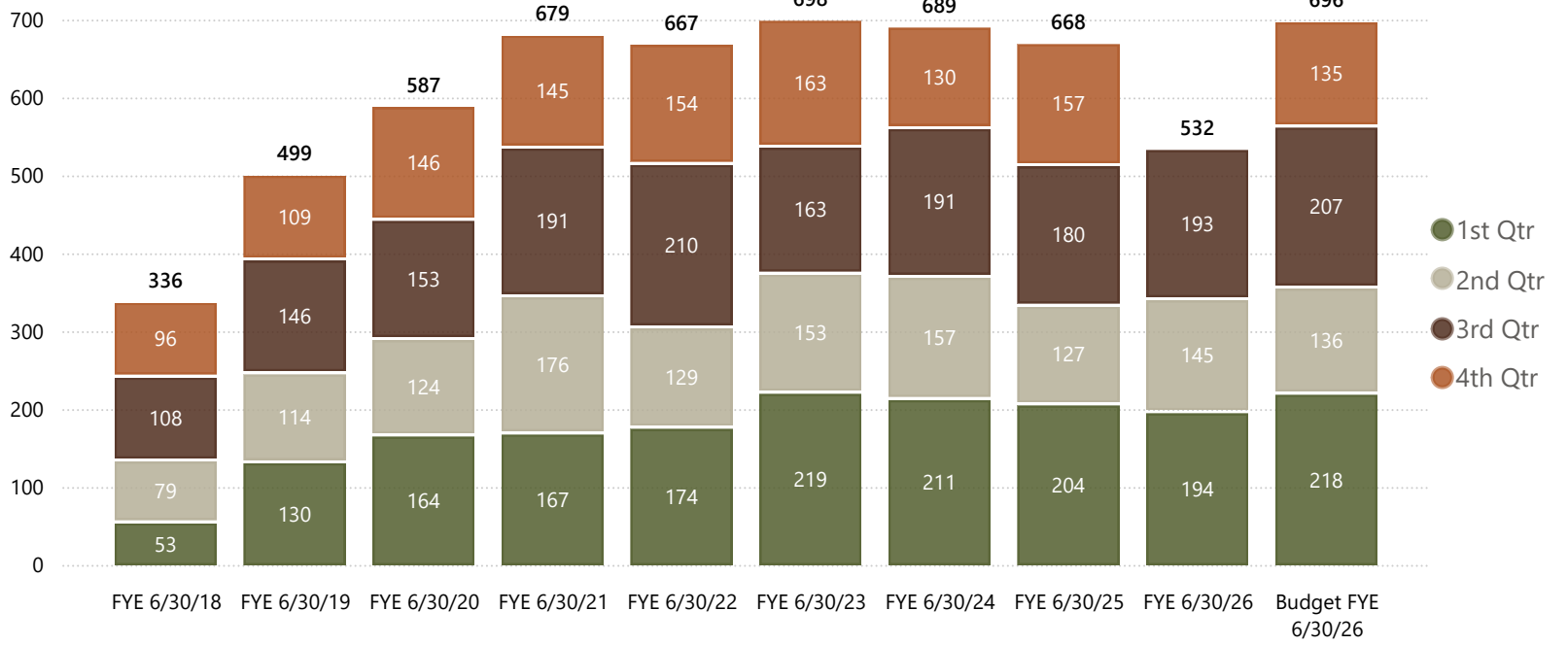
### TOTAL TFH ULTRASOUND OUTPATIENT EXAMS



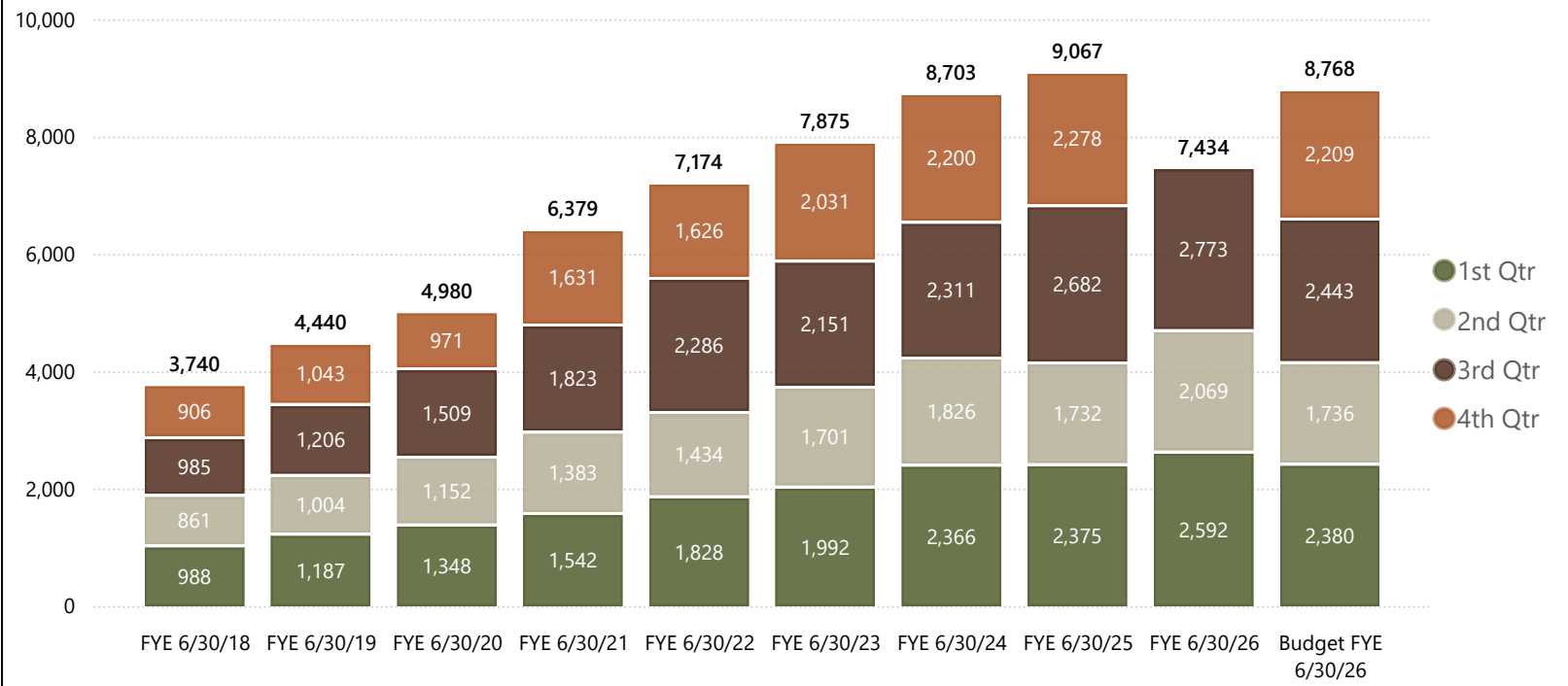
### TOTAL TFH ULTRASOUND EXAMS



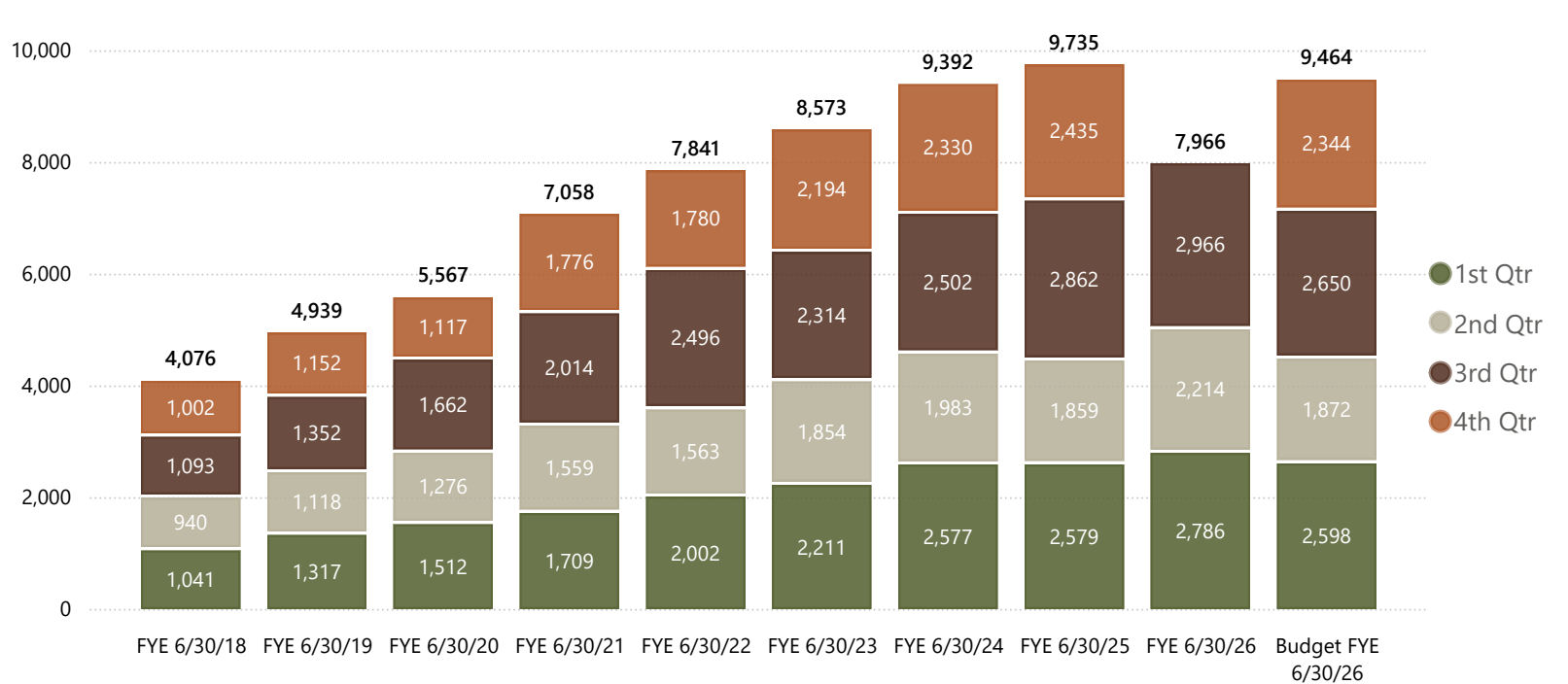
### TOTAL TFH CT INPATIENT EXAMS



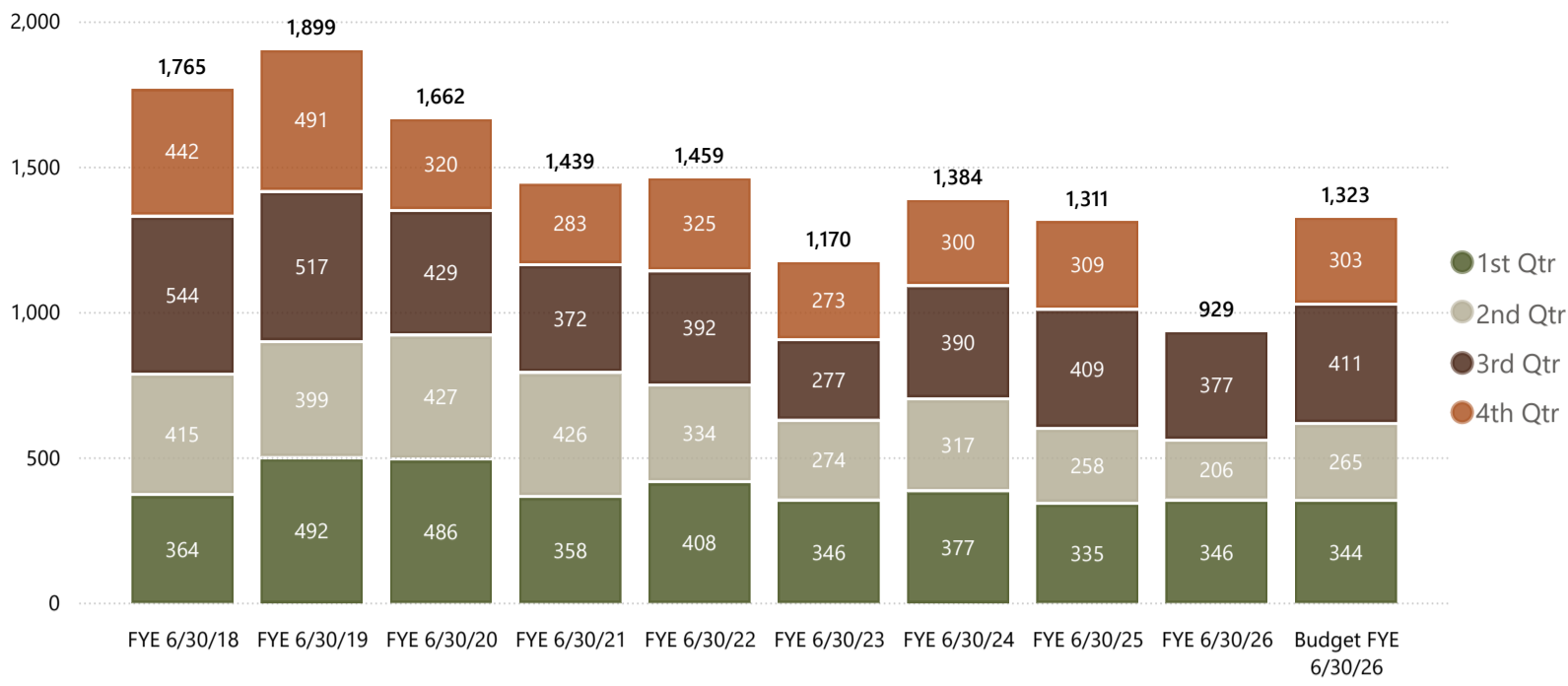
### TOTAL TFH CT OUTPATIENT EXAMS



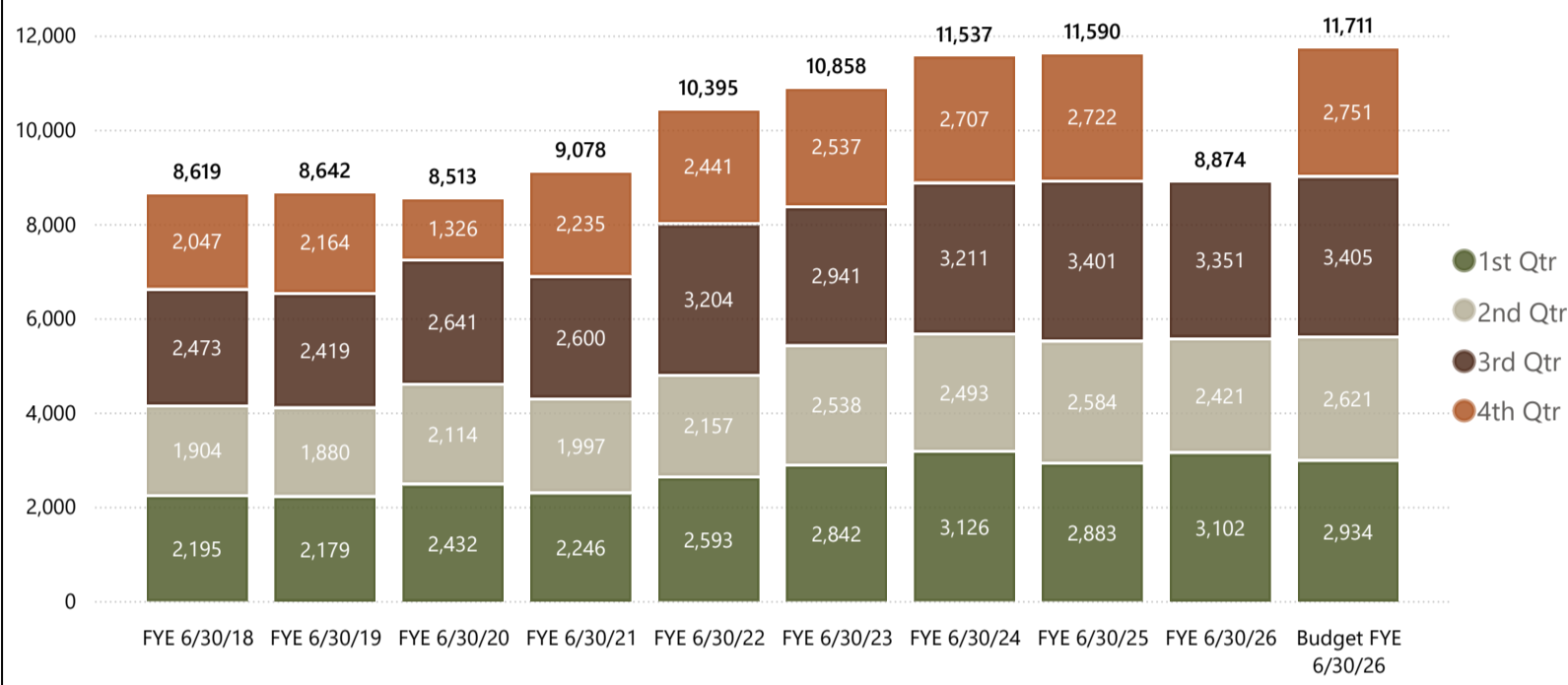
### TOTAL TFH CT EXAMS



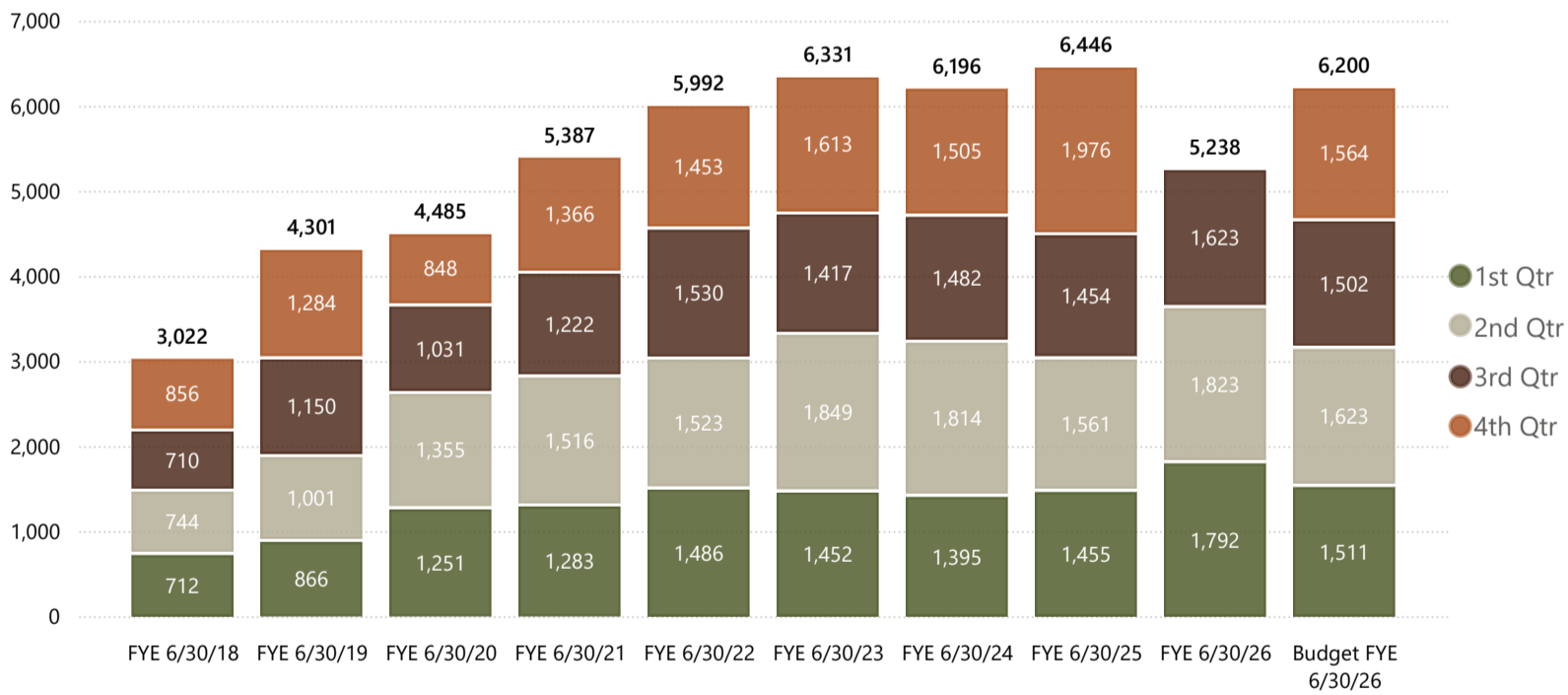
### TOTAL TFH INPATIENT DIAGNOSTIC IMAGING EXAMS



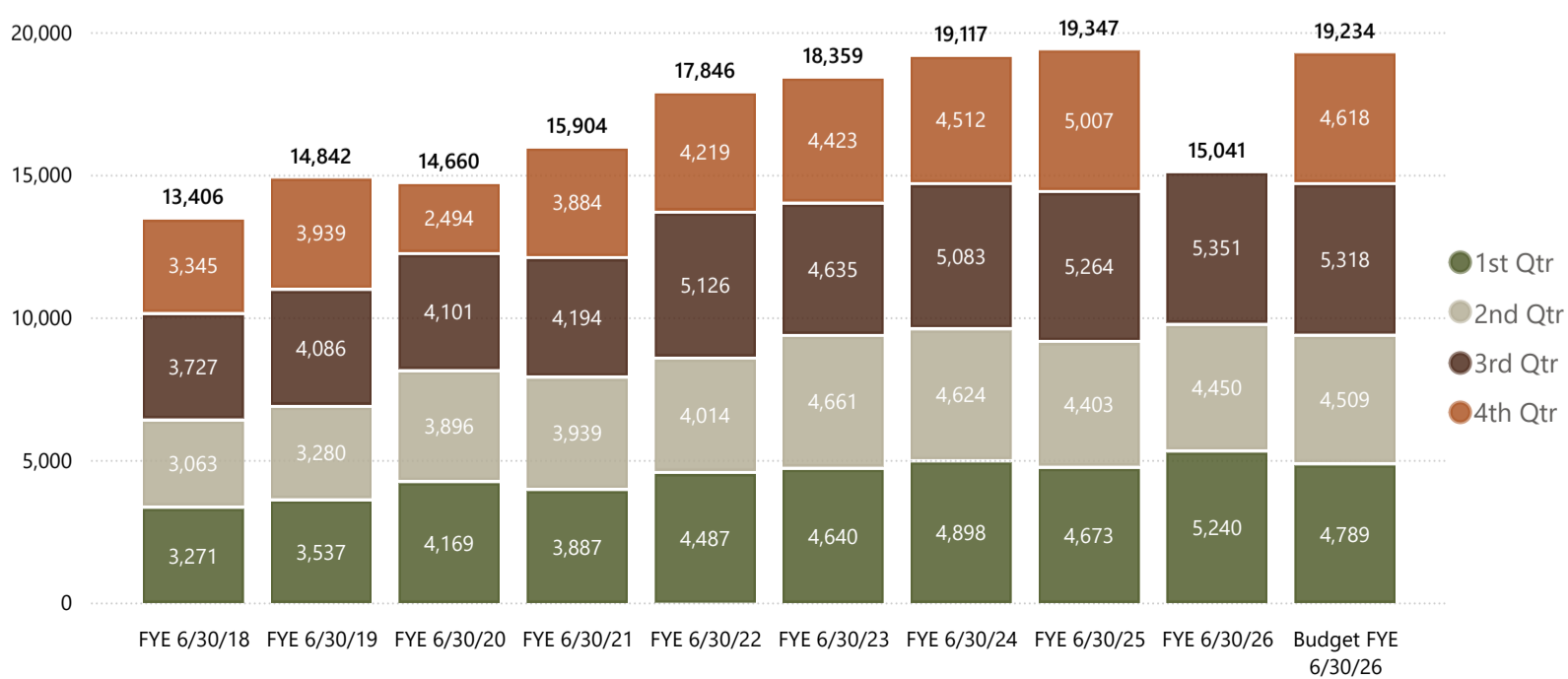
### TOTAL TFH OUTPATIENT DIAGNOSTIC IMAGING EXAMS



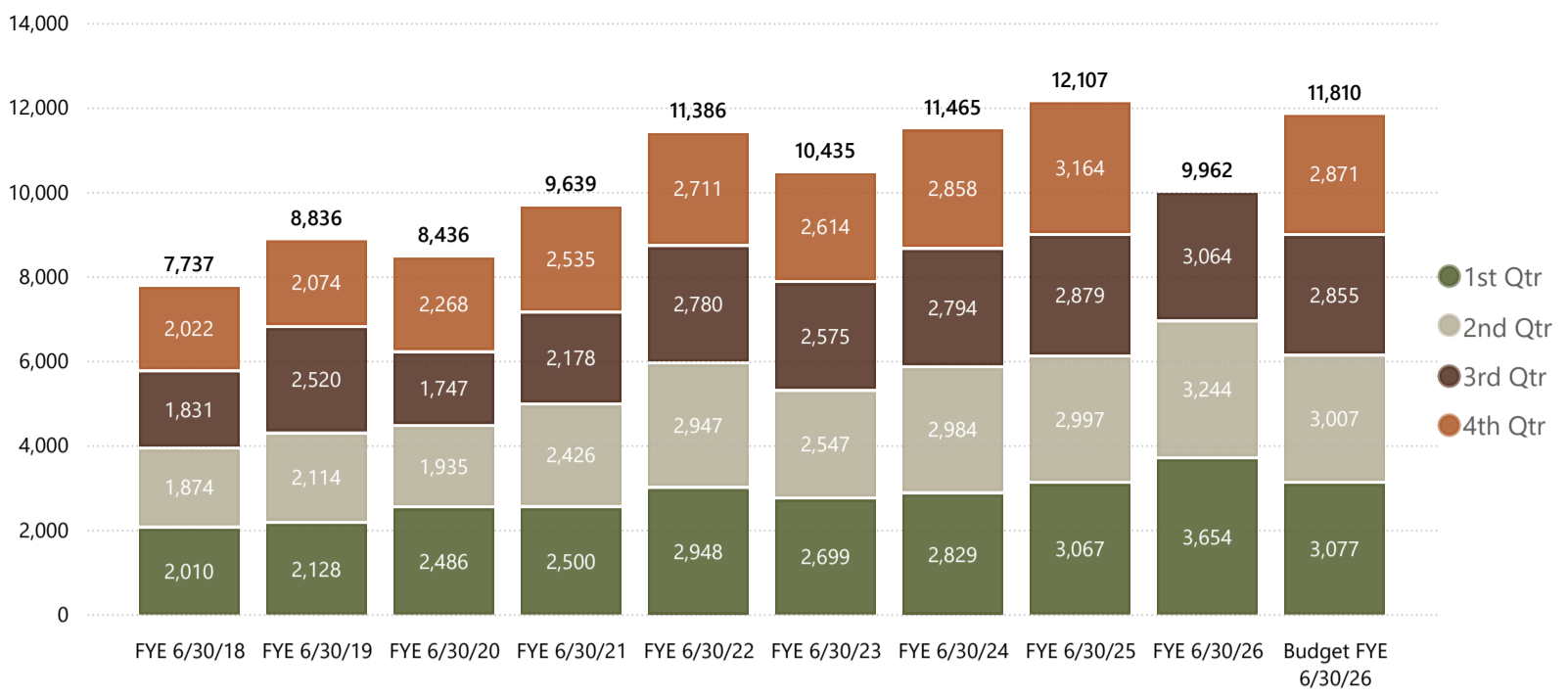
### TOTAL TFH MAMMOGRAPHY EXAMS



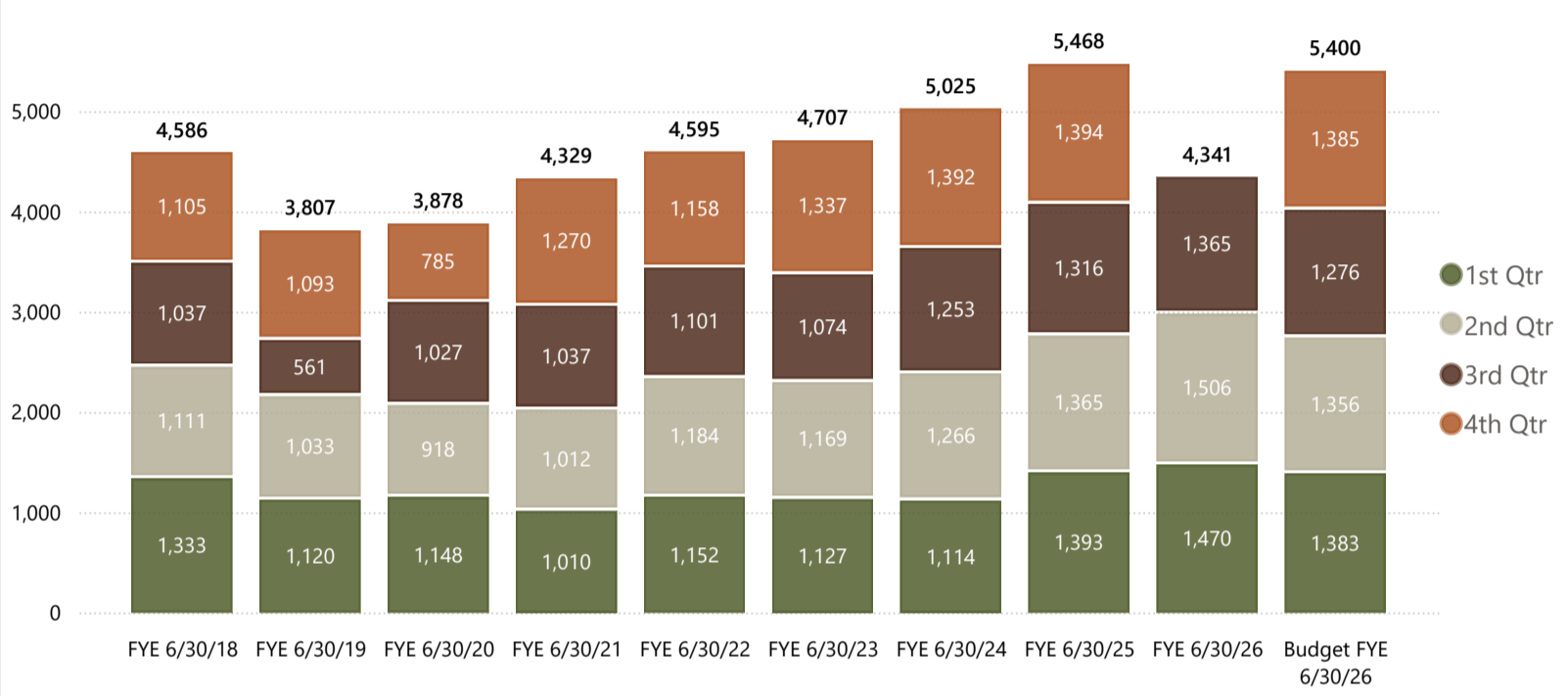
### TOTAL TFH DIAGNOSTIC IMAGING EXAMS



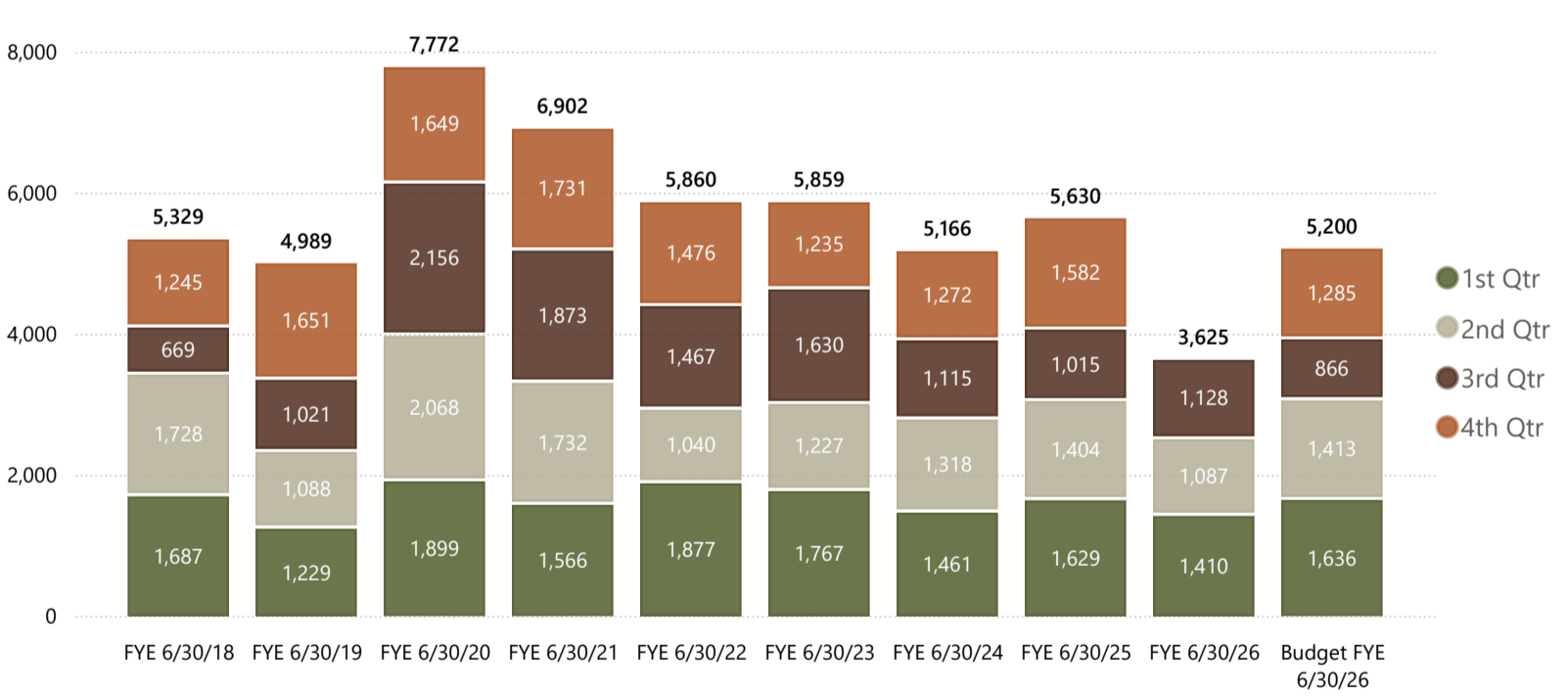
### TOTAL TFH MEDICAL ONCOLOGY PROCEDURES



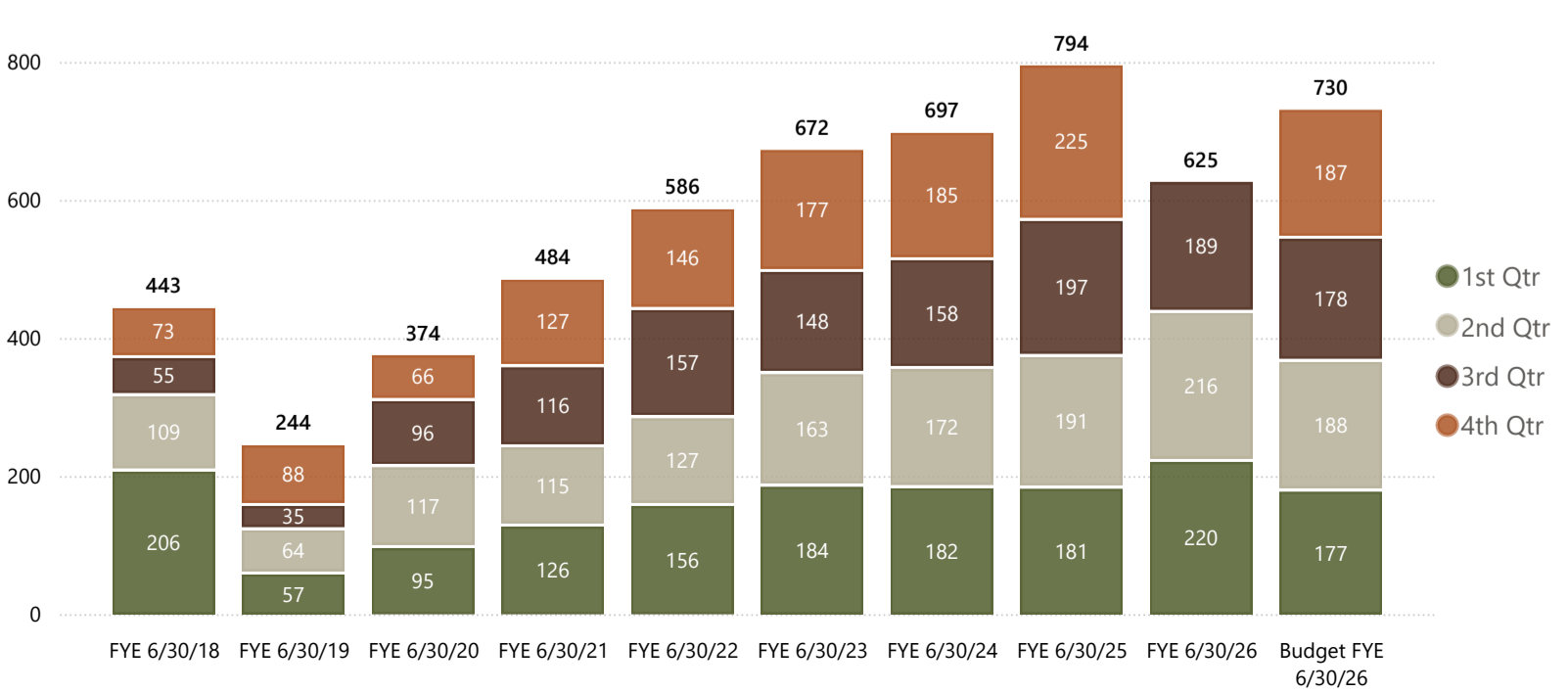
### TOTAL TFH MSC MEDICAL ONCOLOGY VISITS



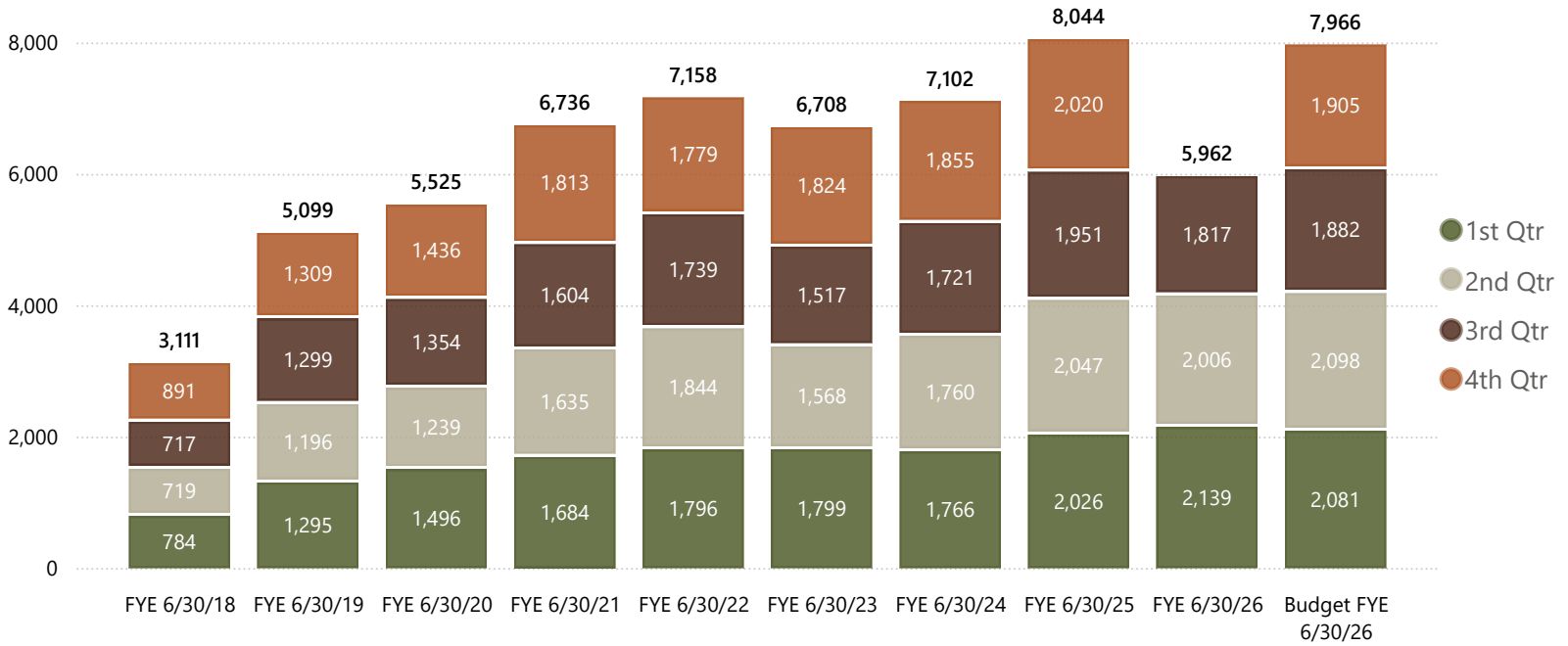
### TOTAL TFH RADIATION ONCOLOGY PROCEDURES



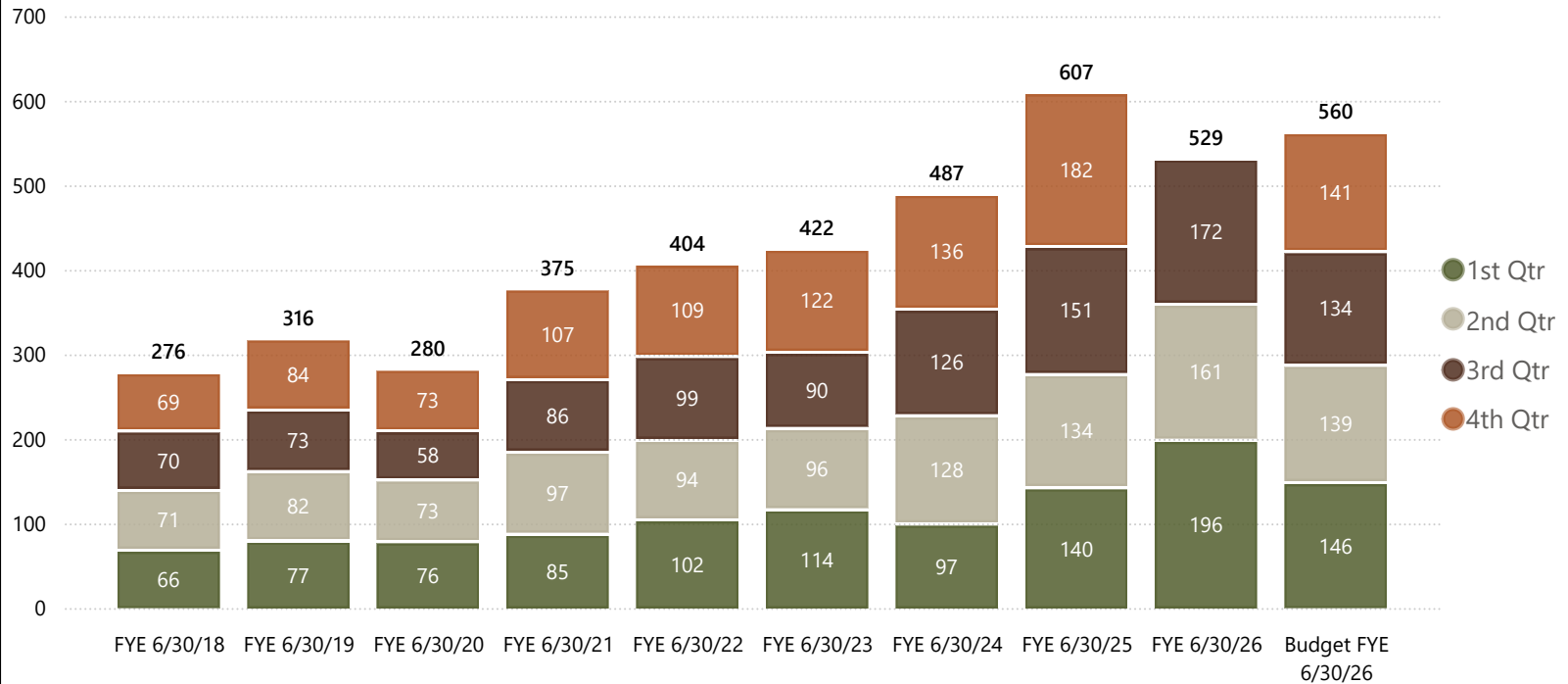
### TOTAL TFH MSC RADIATION ONCOLOGY VISITS



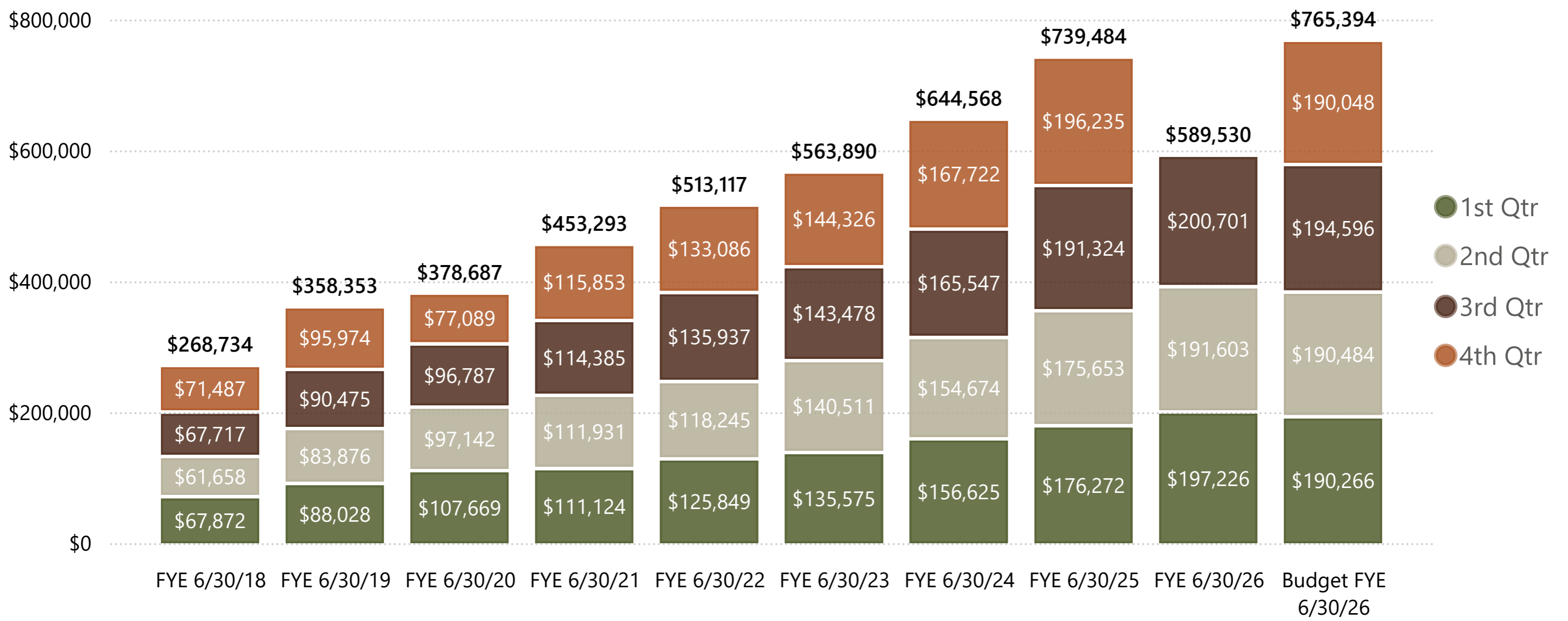
## TOTAL TFH ONCOLOGY LABORATORY TESTS



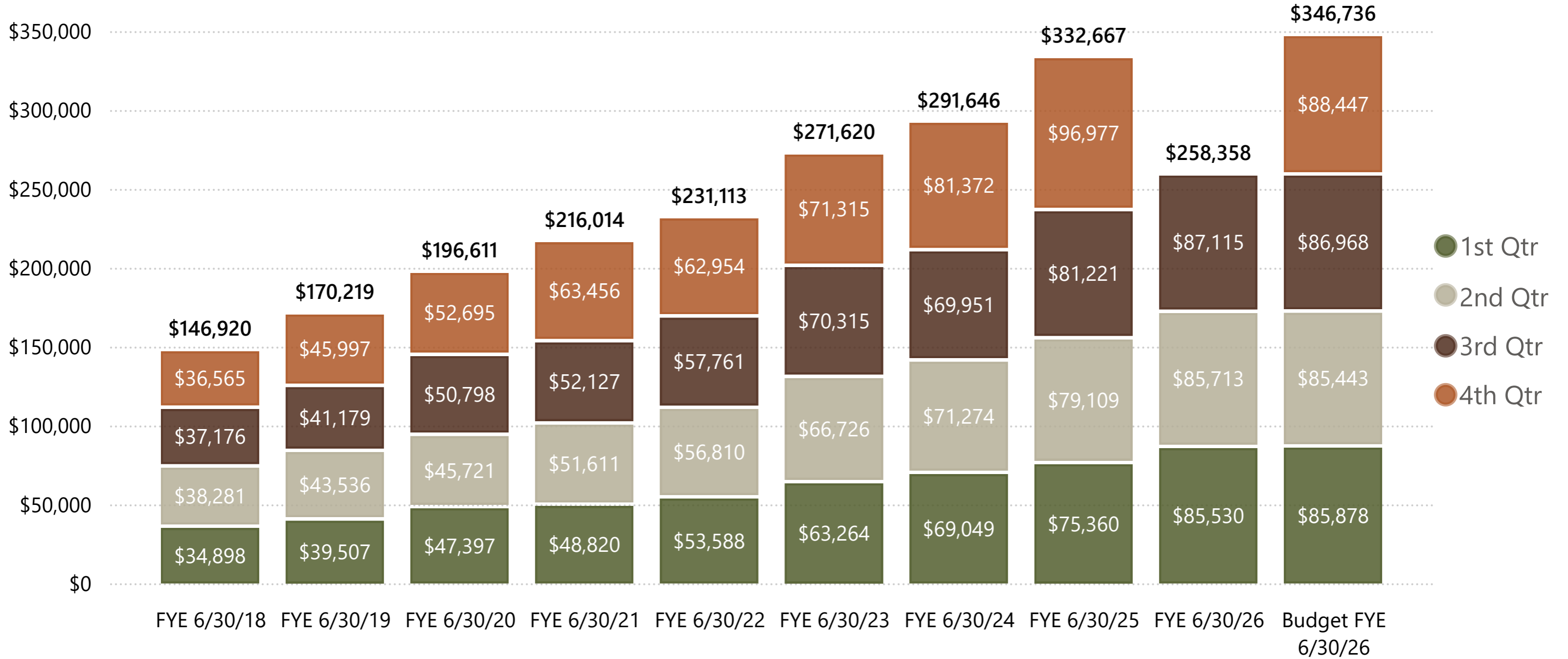
## TOTAL TFH PET CT EXAMS



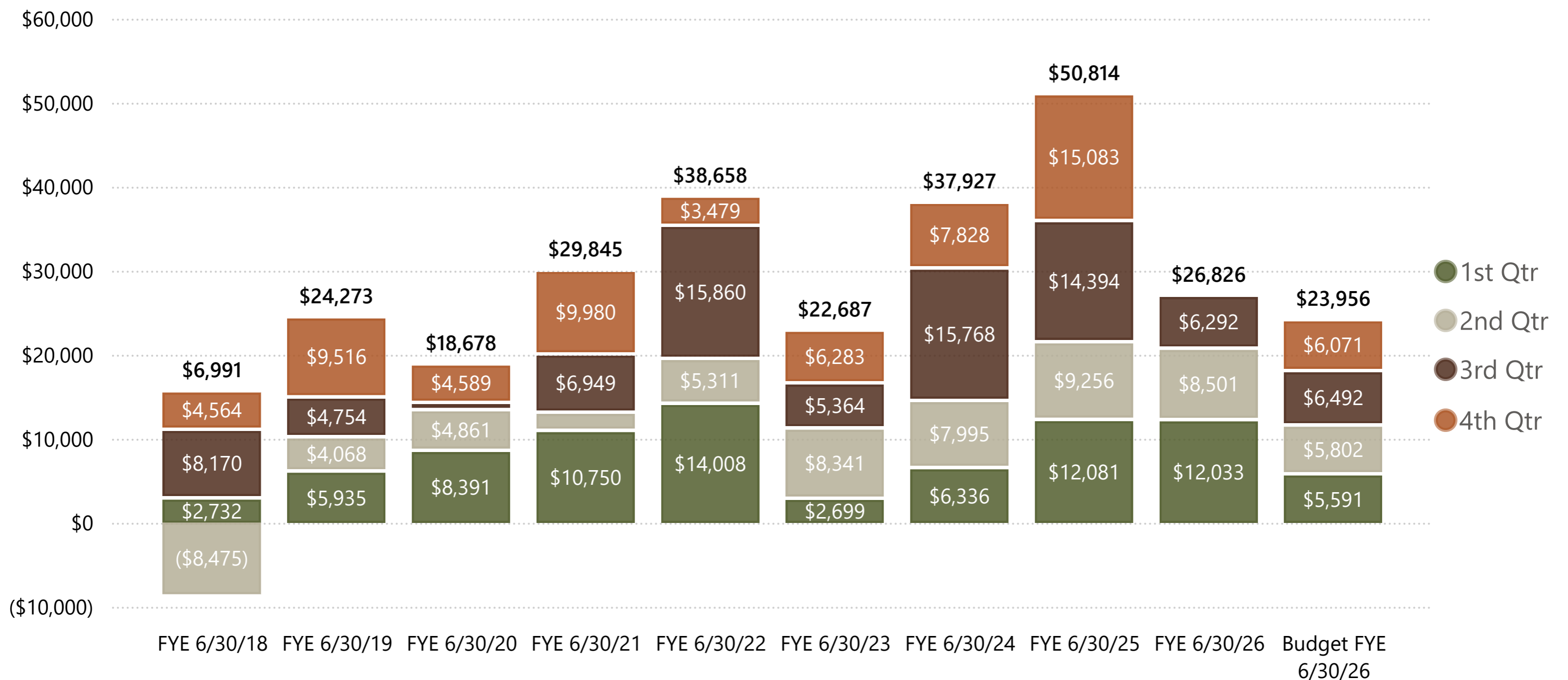
## TAHOE FOREST HOSPITAL DISTRICT TOTAL GROSS REVENUE (In Thousands)



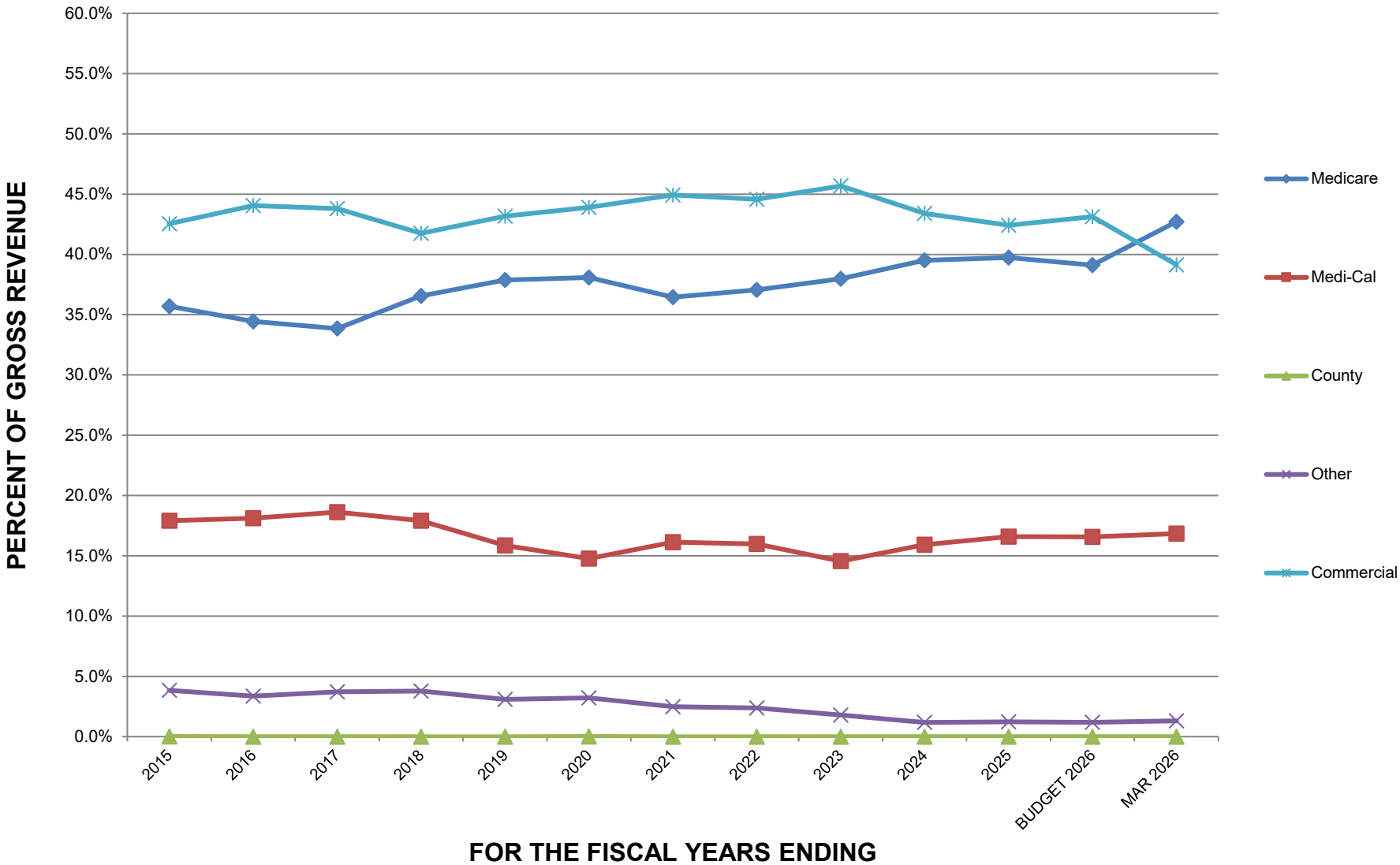
## TAHOE FOREST HOSPITAL DISTRICT TOTAL OPERATING EXPENSES (In Thousands)



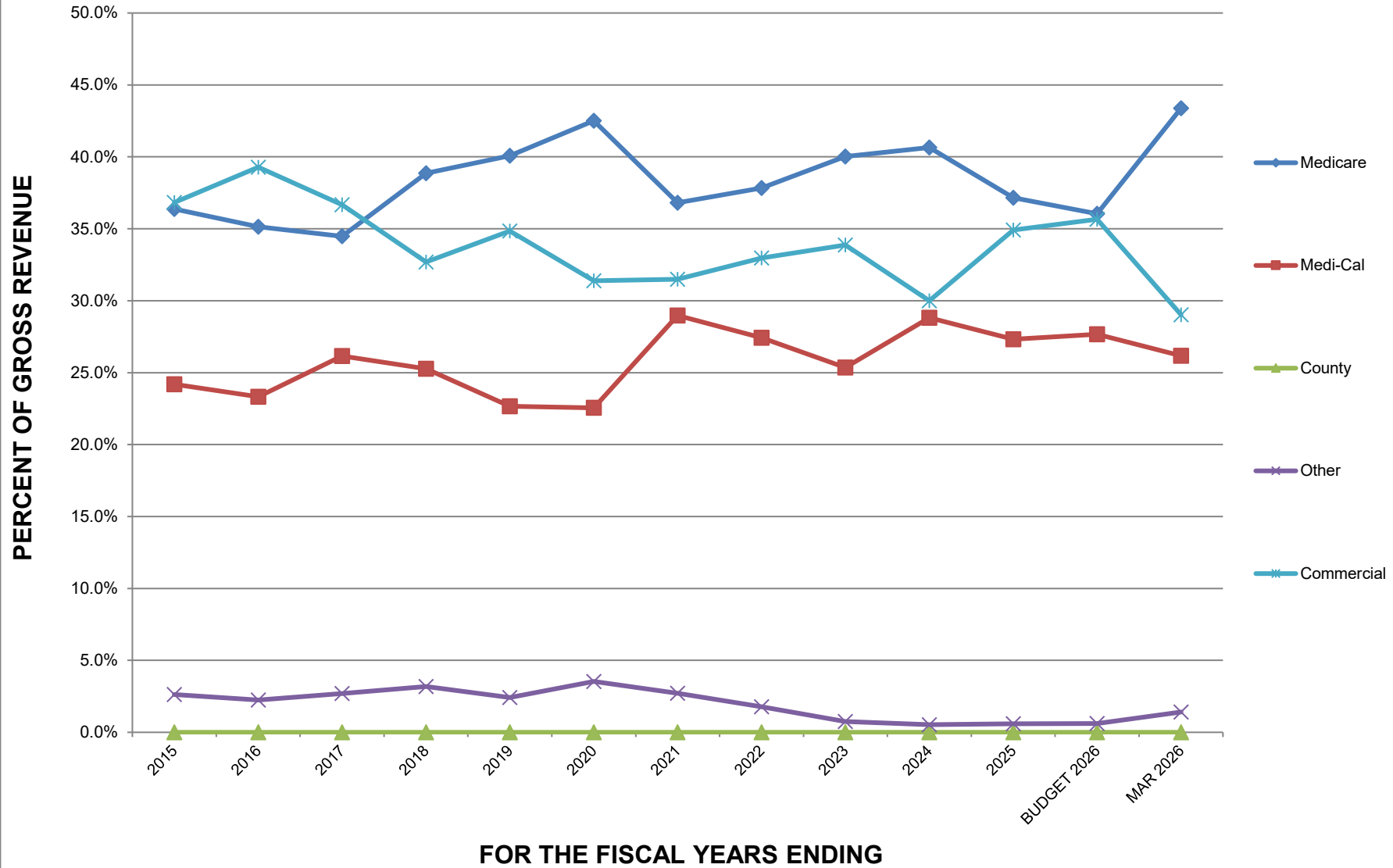
## TAHOE FOREST HOSPITAL DISTRICT NET INCOME/(LOSS) (In Thousands)



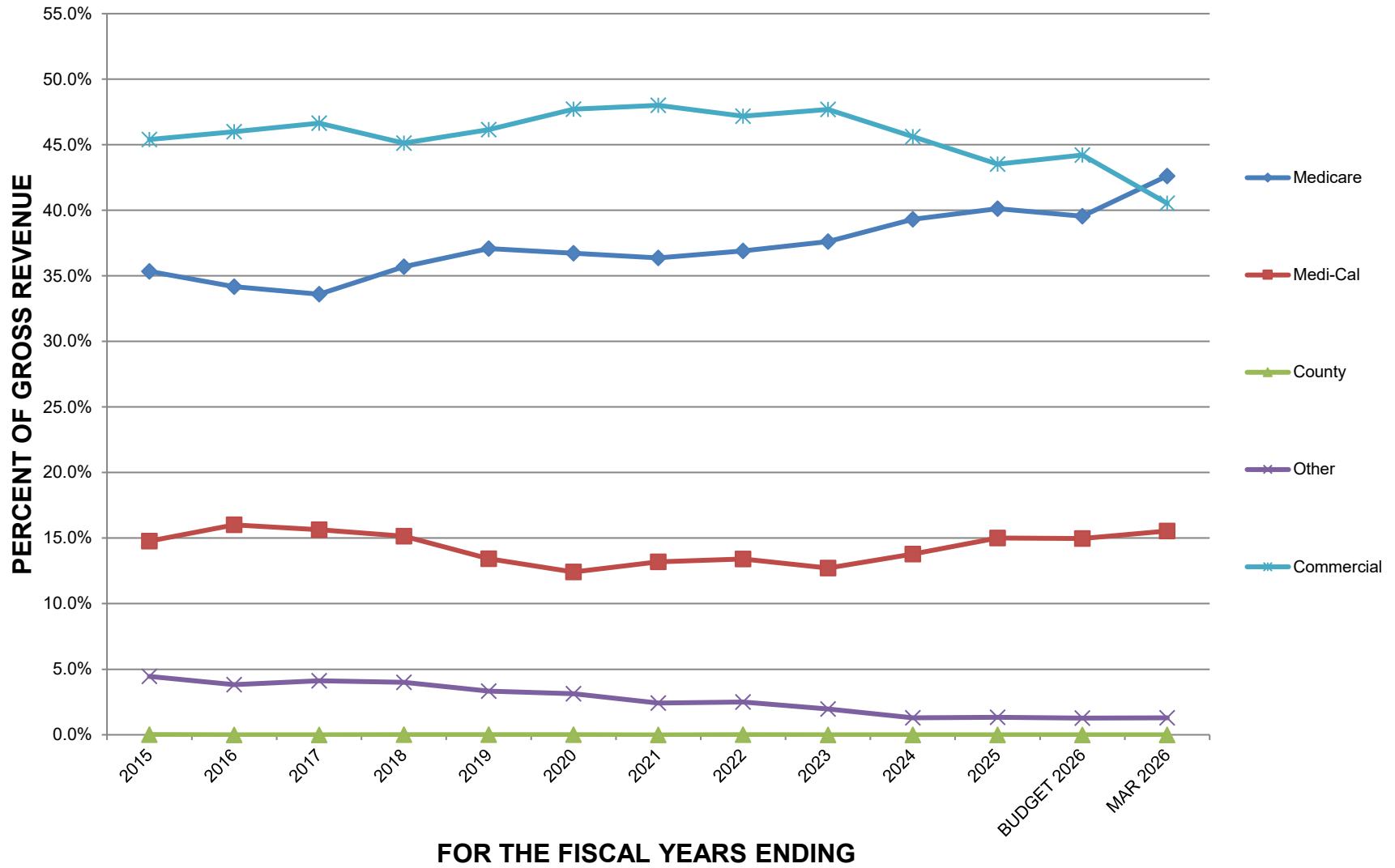
# GROSS REVENUE PAYOR MIX TRENDING



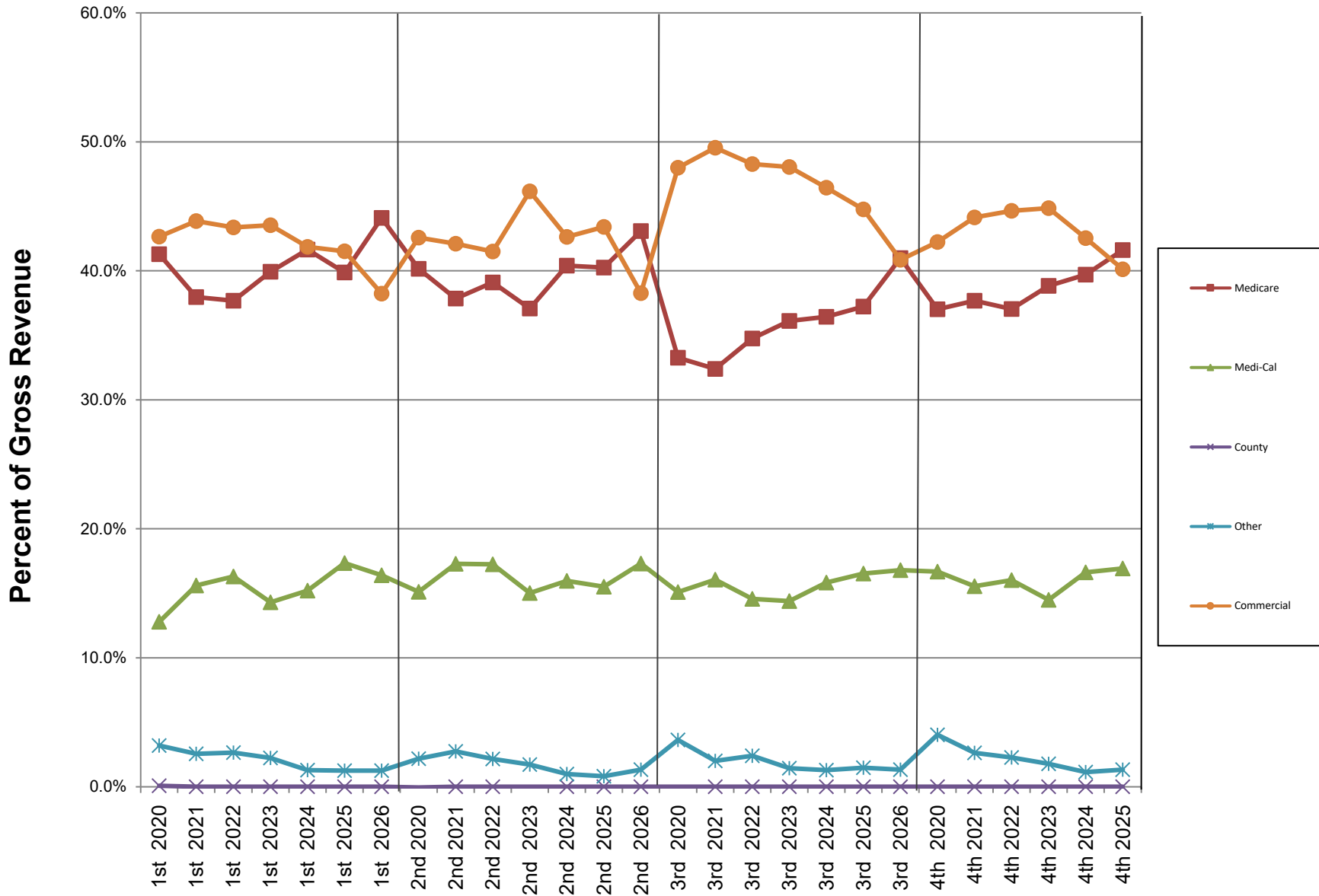
# INPATIENT REVENUE PAYOR MIX TRENDING



# OUTPATIENT REVENUE PAYOR MIX TRENDING



## Total Quarterly Percent of Gross Revenue by Payor



# Total Quarterly Percent of Gross Revenue By Payor by Fiscal Year

