CALL TO ORDER	Northern Inyo Healthcare District (NIHD) Finance Committee Chair Egan called the meeting to order at 8:04 am.
PRESENT	Maggie Egan, Finance Committee Chair Melissa Best-Baker, Finance Committee Vice-Chair Christian Wallis, Chief Executive Officer Andrea Mossman, Chief Financial Officer Alison Murray, Chief Human Resources Officer, Chief Business Development Officer Patty Dickson, Compliance Officer
ABSENT	Allison Partridge, Chief Operations Officer / Chief Nursing Officer Adam Hawkins, Chief Medical Officer
TELECONFERENCING	Notice has been posted, and a quorum participated from locations within the jurisdiction.
PUBLIC COMMENT	Finance Chair Egan reported that at this time, audience members may speak on any items not on the agenda that are within the jurisdiction of the Board. **Public Comment:** None
GO BOND UPDATE	CEO Wallis provided an update regarding ongoing GO Bond discussions. He stated that staff, reviewed historical information related to the previously established bond ceiling amount but were unable to identify documentation clearly explaining why the ceiling was originally set at that level. He noted that additional information and potential options will be brought back to the Finance Committee and Board in future months for further discussion and consideration. **Public Comment:** None **Board Discussion:** Board members discussed the importance of understanding the history and rationale behind prior bond-related decisions before moving forward with future recommendations.
STRATEGIC GROWTH, WIPFLI/WOLD UPDATE	CEO Wallis provided an update on strategic growth activities, including a recent two-day master facility planning session conducted with consultants from Wold Architects and Engineers and NBBJ. He reported that leadership teams worked collaboratively on long-term campus planning concepts, including future medical office building development, campus layout considerations, and phased planning strategies intended to support operational growth. **Public Comment:** None **Board Discussion:** None

DPNF/BISHOP CARE CENTER UPDATE	CEO Wallis reported that discussions have resumed regarding potential participation in the Distinct Part Nursing Facility (DPNF) program following prior conversations that had stalled due to concerns regarding proposed terms. He stated that staff are consulting with other rural hospitals, attorneys, and industry contacts to better understand the approval process, operational requirements, and financial considerations associated with implementing a DPNF model. **Public Comment:** None **Board Discussion:** Board members asked clarifying questions regarding how DPNF programs operate at other rural hospitals, including Southern Inyo Hospital, and discussed licensing, CMS requirements, and implementation considerations associated with the program.
BENCHMARKING UPDATE	CEO Wallis provided an update regarding the District's benchmarking initiative with HealthTrust. He reported that staff had compiled the requested operational and workforce data and that HealthTrust was prepared to move forward with a site visit. CEO Wallis stated that the process would include informational interviews with managers and directors to evaluate hospital operations relative to the benchmarking data sets and assist in development of future operational recommendations. **Public Comment:** None **Board Discussion:** None
APPROVAL OF MEETING MINUTES APRIL 8, 2026	Committee members reviewed the prior meeting minutes. A correction was requested to spell out "Eastern Sierra Emergency Physicians" the first time it appears in the minutes before using the acronym "ESEP," to improve clarity for members of the public reviewing the document. **Public Comment:** None **Board Discussion:** None **Motion by** Best Baker to approve April 8, 2026 meeting minutes with changes **2nd:** Egan **Pass:** 2-0
BANKING RECOMMENDATION	**TRANSFER FUNDS** CFO Mossman presented a recommendation to transfer approximately $1.4 million from a low-interest savings account that had previously been maintained as collateral for a line of credit that has since been closed. She explained that the account was no longer needed for its original purpose and that transferring the funds to higher-yield accounts would improve interest earnings while maintaining operational liquidity.

Public Comment: None

Board Discussion:
Committee members asked clarifying questions regarding whether the account needed to remain open. Discussion also included that the decision to close the account or retain it for a different purpose would be an operational decision.

Motion by Egan to move Transfer Funds request to the Board of Directors
2nd: Best Baker
Pass: 2-0

ESTABLISH BUSINESS SWEEP ACCOUNT
CFO Mossman presented recommendations related to the District's banking and cash management strategy. She explained that the District has been working to improve interest earnings on excess cash balances by transitioning funds from low-interest operating accounts into higher-yield accounts. Robert Sharp and Eastern Sierra Community Bank recommended establishing a Business Interest Sweep account that would automatically transfer excess operating funds into an interest-bearing account to improve returns on idle cash.

Public Comment: None

Board Discussion:
Committee members asked clarifying questions regarding how the sweep account would function and how excess operating funds would automatically transfer into an interest-bearing account.

Motion by Best-Baker to move Establish Business Sweep Account to the Board of Directors
2nd: Egan
Pass: 2-0

CASH FLOW ACTION PLAN

Revenue Cycle Director Lind presented an update on the Cash Flow Action Plan and ongoing revenue cycle improvement efforts. She reported improvements in several key financial metrics over the past year, including increased charges and payments, reduced accounts receivable days, lower denial rates, improved clean claim rates, and increased upfront patient collections. Discussion included the work of the interdisciplinary Cash Flow Action Team to reduce billing holds, improve interdepartmental communication, and strengthen collections processes, as well as the positive financial impact of orthopedic service line growth and ongoing operational improvements.

Public Comment: None

Board Discussion:
Committee members discussed ongoing operational improvements related to billing, collections, and claims processing and commented on the positive trends reflected in the financial metrics presented.

SIERRA HEALTH COLLABORATIVE

CEO Wallis provided an update on the Sierra Health Collaborative, a regional group of rural hospitals exploring opportunities for collaboration related to group purchasing, peer review, service line development, and electronic medical record systems. He reported that the collaborative had recently hired an executive director to move initiatives from conceptual planning into operational implementation and discussed the proposed $50,000 buy-in cost, ongoing annual participation fees, and potential strategic planning participation opportunities.

Public Comment: None

Board Discussion:
Committee members discussed the proposed buy-in cost, annual membership structure, and potential benefits of regional collaboration opportunities. Discussion also focused on the importance of carefully evaluating how participation in the collaborative could impact existing relationships and partnerships with regional healthcare organizations, including Renown Health, while ensuring the District maintains strong collaborative relationships moving forward. Committee members support CEO Wallis to attend the collaborative's upcoming strategic planning session before making a recommendation regarding formal participation.

FINAL OPERATIONAL BUDGDET REVIEW

CFO Mossman presented the proposed FY 2026/2027 operational budget, explaining that the budgeting process began earlier this year and included increased collaboration with department leaders and the executive team. She reported that the budget assumed a 5% increase in gross revenue driven by annual price increases and projected volume growth, particularly in orthopedics and surgical services. Mossman also reviewed key budget assumptions related to salary and benefit increases, contract labor reductions, physician recruitment, supply chain initiatives, facility maintenance needs, technology investments, marketing efforts, and projected supplemental revenue, noting the District was budgeting for continued financial improvement while maintaining compliance with bond covenant requirements.

Public Comment: None

Board Discussion:
Committee members discussed several components of the proposed budget, including supply cost assumptions, marketing expenditures, physician recruitment investments, technology upgrades, and facility maintenance planning. Members also commented positively on the increased level of detail and transparency included in the budget presentation and supporting materials and discussed the importance of clearly communicating financial assumptions and operational priorities to the Board and public.

Motion by Best-Baker to move the Final Operational Budget to the Board of Directors
2nd: Egan
Pass: 2-0

FINAL CAPITAL BUDGET REVIEW

CFO Mossman presented the proposed FY 2026–2027 Capital Budget, explaining that leadership teams submitted and prioritized capital requests through a revised planning process that included quotes, justification, categorization, and long-term planning considerations. The proposed capital budget totaled approximately $4 million, including contingency, with major projects including MRI replacement equipment, PMA building renovations to address space constraints, technology upgrades, and facility infrastructure improvements. She stated the process focused on avoiding deferred maintenance and investing strategically in patient care, operational efficiency, and future growth.

Public Comment: None

Board Discussion:
Committee members discussed the prioritization process used for capital requests and asked clarifying questions regarding how projects were ranked and categorized. Discussion included the need to clearly communicate project priorities to the full Board and public, particularly identifying regulatory, patient safety, strategic, and end-of-life replacement projects. Committee members also discussed the importance of avoiding further deferred maintenance and ensuring investments supported long-term operational stability and patient care needs.

Motion by Best-Baker to move the Final Capital Budget to the Board of Directors
2nd: Egan
Pass: 2-0

FINANCIAL AND STATISTICAL REPORT

CFO Mossman presented the March Financial and Statistical Report, reporting that the District exceeded budget expectations for the month due to increased patient volumes, improved payer mix, and stronger net revenue performance. Mossman reviewed improvements in operating margin, accounts receivable days, cash reserves, orthopedic service line performance, and overall financial trends, noting that the District had returned to positive operating performance for the quarter and remained on track to meet bond covenant requirements. Additional discussion included updates on cash growth, payer mix trends, revenue cycle improvements, labor expenses, and ongoing operational initiatives intended to support long-term financial stability.

Public Comment: None

Board Discussion:
Committee members discussed the presentation of financial metrics to the public, including the importance of clearly explaining “days cash on hand” and “days until depletion” metrics to avoid misunderstanding. Committee members also provided feedback regarding adding visual reference lines and explanatory language to future financial reports for clarity and public transparency.

GENERAL INFORMATION FROM BOARD MEMBERS	None
ADJOURNMENT	Adjournment at 9:50 am

Maggie Egan
Northern Inyo Healthcare District
Finance Committee Chair

Attest: Melissa Best-Baker

Melissa Best-Baker
Northern Inyo Healthcare District
Finance Committee Vice-Chair