

Board Meeting

Finance Committee Meeting - March 10, 2026

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Mission

* Strong Stewardship * Ethical Oversight *
*Eternal Local Access *

Vision Statement

To be an energized, high performing advocate for the communities we serve, our patients and our staff. The board governs with an eye on the future of health care and its effects on the District and patient care. The Board is committed to continuous evaluation, dedication to our mission, and improvements as a board.

Values

* Integrity * Innovate Vision * Stewardship * Teamwork *

NOTICE

NORTHERN INYO HEALTHCARE DISTRICT Board of Directors' Finance Committee Meeting

March 10, 2026 at 9:00 am

The Finance Committee will meet in person at 150 Pioneer Lane, Bishop CA 93514. Members of the public will be allowed to attend in person or via Zoom. Public comments can be made in person or via Zoom.

TO CONNECT VIA ZOOM: (A link is also available on the NIHD Website)

<https://us06web.zoom.us/j/86114057527>

Webinar ID: 861 1405 7527

Passcode: 898843

PHONE CONNECTION:

(669) 444-9171

(253) 215-8782

Webinar ID: 861 1405 7527

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1. Call to Order at 9:00 am.
 2. Public Comment: At this time, members of the audience may speak only on items listed on this Notice. Each speaker is limited to a maximum of three (3) minutes, with a total of thirty (30) minutes for all public comments unless modified by the Chair. The Board is prohibited from discussing or taking action on items not listed on this Notice. Speaking time may not be transferred to another person, except when arrangements have been made in advance for a designated spokesperson to represent a large group. Comments must be brief, non-repetitive, and respectful.
 3. Old Business:
 - a) GO Bond Update – Information Item
 - b) Skilled Nursing Facility (SNF) Project – Action Item
 - c) WIPFLI - Strategic Growth – Information Item
 4. New Business:

- a) Approval of Meeting Minutes February 10, 2026 – Action Item
 - b) Financial and Statistical Report – Information Item
 - c) Capital Spending – Information Item
 - d) Financial Strategy, short-term – Information Item
 - i) HealthTrust Contract – Action Item
 - ii) Telenephrology Contract – Action Item
 - e) Public Comment, Constituent Complaint – Information Item
 - f) Fiscal Year 26/27 Budget – Information Item
5. General Information from Board Members – Information Item
6. Adjournment

In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District Board Governance Committee meeting, please contact the administration at (760) 873-2838 at least 24 hours prior to the meeting.

- CALL TO ORDER** Northern Inyo Healthcare District (NIHD) Finance Committee Chair Egan called the meeting to order at 9:00 am.
- PRESENT** Maggie Egan, Finance Committee Chair
Melissa Best-Baker, Finance Committee Vice-Chair

Christian Wallis, Chief Executive Officer
Allison Partridge, Chief Operations Officer / Chief Nursing Officer
Andrea Mossman, Chief Financial Officer
Adam Hawkins, DO, Chief Medical Officer
Alison Murray, Chief Human Resources Officer, Chief Business Development 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
- FINANCE AUDIT** CFO Mossman presented the final audit, changes were highlighted for the committee. See board packet for changes.

Public Comment: None

Motion by Best-Baker to approve the Finance Audit
2nd: Egan
Pass: 2-0
- GO BOND** CEO Wallis reported that the District has obtained issuer access to DTCC to better identify GO bondholders and evaluate options for future communication regarding bond terms, and staff will coordinate with financial advisors and DTCC to confirm appropriate next steps before taking any action.

Public Comment: None
- SKILLED NURSING FACILITY (SNF) PROJECT** CEO Wallis reported a delay in the SNF consulting engagement due to concerns with Waypoint’s proposed 15-year contract and restrictive termination language, and stated the District is reviewing available options to ensure alignment with the District’s long-term interests. This turned into an informational item.

Public Comment: None
- WIPFLI – STRATEGIC GROWTH** CEO Wallis reported that Wipfli is prepared to proceed with the market survey and master facility planning process pending receipt of required data from HCAI, and noted that department surveys and upcoming on-site stakeholder

meetings will inform development of the District’s long-term strategic growth plan.

Public Comment: None

APPROVAL OF MEETING
MINUTES JANUAR 13,
2026

The Committee reviewed the minutes of the January 13, 2026 meeting and approved them as amended to reflect Patty Dickson, Compliance Officer, as a presenter for the bond update item.

Public Comment: None

Motion by Best-Baker to approve the meeting minutes with changes noted
2nd: Egan
Pass: 2-0

FINANCIAL AND
STATISTICAL REPORT

CFO Mossman presented the December Financial and Statistical Report, highlighting improved operating performance, strong volumes, and reduced accounts receivable days, while noting a projected reduction of approximately \$6 million in IGT revenue and ongoing monitoring of cash flow and bond covenant compliance.

Mid-Year Projection:

CFO Mossman also reviewed a mid-year financial projection, estimating a year-end net loss of approximately \$5 million and projecting continued cash depletion absent improvement in operating results, with administration actively evaluating strategies to stabilize performance.

Public Comment: None

ORTHO SERVICE LINE

The Committee agreed to defer detailed presentation of the orthopedic service line update to the full Board meeting.

Public Comment: None

GENERAL INFORMATION
FROM BOARD MEMBERS

None

ADJOURNMENT

Adjournment at 10:17 am

Maggie Egan
Northern Inyo Healthcare District
Finance Committee Chair

Attest: _____
Melissa Best-Baker



DATE: March 2026
TO: Board of Directors, Northern Inyo Healthcare District
FROM: Andrea Mossman, Chief Financial Officer
RE: Financial Summary and Operation Insights January 2026

Financial Summary

1. Net Income (loss): January's net income was \$1.9M due to favorable revenue related to more blue cross volume, which improved our net revenue.
2. Operating Income (loss): January's operating income was \$385k due to the higher than budgeted net revenue.

Action Plan: Revenue has improved due to growing orthopedic surgical cases. We continue to work on service line strategies and operational efficiency projects

Stats Summary

1. Admits (excluding Nursery): Admits were under budget by 17 admits (-19%) due to lower deliveries and ER admits.
2. Inpatient Days (excluding Nursery): Inpatient days were under budget by 9 days (-3%) due to lower admits.
3. Average Daily Census: Census was at budget.
4. Average Length of Stay (ALOS): Length of stay was higher than budget by 0.7 days (+25%).
5. Deliveries: Deliveries were under budget by -6 (-30%).
6. Surgical Procedures: Total surgeries were under budget by -22 (-16%) due to Dr. Reid's retirement. However, orthopedics were +10 (+67%) over budget.
7. Emergency Department (ED) Visits: ED visits were 43 over budget (+5%).
8. Diagnostic Imaging (DI) Exams: Exams were 21 over budget (+1%).
9. Rehab Visits: Visits were 71 over budget (+10%) due to increased orthopedics volume.
10. Outpatient Infusion / Injections / Wound Care Visits: These visits were -278 under budget (-35%).
11. Observation Hours: Observations hours were down (19%).

12. Rural Health Clinic (RHC) Visits: RHC visits were 122 above budget (+4%) due to primary care and women's.

13. Other Clinics: Clinic visits were -64 under budget (+3%) due to declines in all clinics other than specialty.

Action Plan: Volumes were slower in the outpatient setting but higher in several key areas such as orthopedic surgeries. We are working on projects to improve scheduling efficiency in both the clinics and operating room. We are marketing the new orthopedics group including in Ridgecrest.

Revenue Summary

1. Gross revenue was \$1.2M over budget due to the unbudgeted price increase and higher volumes in the clinics and ER.

Action Plan: We will continue to work on efficiency in schedules and increasing surgical volume.

Deductions Summary

1. Deductions were higher than budget by \$566k due to higher than budgeted revenue. NR% of gross charges was 1% higher than budget due to a favorable payor mix that shifted to blue cross from Medicaid.

Action Plan: We will continue to work on cash flow actions to reduce write-offs and increase cash. We will continue to work on increasing surgical volumes, which reimburse at a higher rate than a medical admit.

Salaries

1. Total Salaries: Salaries were over budget by 8% due to unbudgeted raises and aggressive cuts in the budget.

2. Average Hourly Rate: Average hourly rate was 7% higher than budget due to unbudgeted raises.

Action Plan: We have developed reports to monitor our largest expense better including overtime, missed meal and rest breaks, and call pay to ensure we are staffing effectively. Additionally, we are reviewing where the increase of 5 FTEs occurred to determine if that was due to rising volumes.

Benefits

1. Total Benefits: Benefits were under budget by \$517k (34%). Our benefits are continuing to improve due to less utilization.

2. Benefits % of Wages: We were 27% for January.

Action Plan: We will continue to review opportunities with our benefits broker to save money while still offering quality benefits to our employees.

Total Salaries, Wages and Benefits (SWB)

1. Salaries, Wages and Benefits (SWB) / Adjusted Patient Day: This was 4% higher than budget due to unbudgeted raises.
2. Salaries, Wages and Benefits (SWB) % of Total Expenses: This was at 46% without contract labor and 49.4% with contract labor. Our goal is 50% or less which is industry standard.

Contract Labor

1. Contract Labor Expense: Contract labor was under budget by \$43k due to lower FTEs.
2. Contract Labor Rates: Rates were 11% over budget due to women's services.
3. Contract Labor Full-Time Equivalents (FTEs): We used (21%) less than budgeted for contract labor FTEs.

Action Plan: We are retaining employees and using less contract workers. However, are having staffing challenges and are paying higher rates in order to support labor & delivery services.

Other Expenses

1. Physician Expense / Adjusted Patient Day: Physician expenses were 13% over budget due to unbudgeted contract increases.
2. Other Professional Fees: Other professional fees were over 11% due to higher billing and collection fees. However, our AR days are lower and our write-offs are also lower helping improve our cash.
3. Supplies: Supplies were over budget by \$102k due to higher than budgeted orthopedic surgical volumes.
4. Total Expenses: Expenses were over budget \$265k (3%) due to higher supply costs, physician fees, and unbudgeted raises.

Action Plan: We are educating leaders to be the "CEO of their own cost center" and manage their expenses to budgets FYE 2026. We will continue to monitor spend and find opportunities to save.

Cash Summary

1. Days Cash on Hand: Days cash on hand was 72 due to receiving our largest IGT. Our bond requirement is 75 days if we are profitable and 100 if we are not profitable.
2. Estimated Days until Depletion (excluding supplement/IGT): We have 416 days until depleted if no more cash is collected.
3. Unrestricted Cash: Unrestricted cash balance is now \$23M. This is \$4.2M higher than last January.

Action Plan: The cash flow action team continues to work on projects to decrease billing delays and

improve cash. Our AR days has improved by 11 days since last January meaning we get cash in the door quicker. Jorie AI billing is helping us improve AR and cash flow.

Northern Inyo Healthcare District January 2026 – Financial Summary

	Current Month				Prior MTD			Year to Date				Prior YTD		
	Actual	Budget	Variance	Variance %	Actual	Change	Change %	Actual	Budget	Variance	Variance %	Actual	Change	Change %
** Variances are B / (W)														
Net Income (Loss)	1,879,313	100,500	1,778,813	1,770%	180,468	1,698,845	(941%)	(1,343,839)	7,188,990	(8,532,828)	119%	9,141,648	(10,485,487)	(115%)
Operating Income (Loss)	385,170	(152,530)	537,700	(353%)	(42,761)	427,932	1,001%	(10,478,160)	(4,873,994)	(5,604,166)	(115%)	(2,102,697)	(8,375,464)	398%
EBIDA (Loss)	2,303,607	517,654	1,785,953	345%	589,632	1,713,975	(291%)	1,663,077	10,109,067	(8,445,990)	84%	12,101,675	(10,438,598)	(86%)
IP Gross Revenue	3,998,937	3,720,076	278,861	7%	3,280,133	718,805	22%	25,610,425	25,847,513	(237,088)	(1%)	24,651,407	959,018	4%
OP Gross Revenue	15,795,037	15,129,676	665,361	4%	14,664,711	1,130,326	8%	101,310,896	102,159,989	(849,093)	(1%)	100,660,232	650,664	1%
Clinic Gross Revenue	2,125,119	1,880,288	244,831	13%	1,862,148	262,971	14%	13,906,358	12,397,409	1,508,949	12%	12,312,334	1,594,024	13%
Total Gross Revenue	21,919,093	20,730,040	1,189,053	6%	19,806,992	2,112,101	11%	140,827,679	140,404,911	422,768	0%	137,623,973	3,203,706	2%
Net Patient Revenue	10,558,997	9,756,188	802,809	8%	10,518,255	40,742	0%	61,743,692	64,295,940	(2,552,248)	(4%)	64,630,827	(2,887,135)	(4%)
<i>Cash Net Revenue % of Gross</i>	<i>48%</i>	<i>47%</i>	<i>1%</i>	<i>2%</i>	<i>53%</i>	<i>(5%)</i>	<i>(9%)</i>	<i>44%</i>	<i>46%</i>	<i>(2%)</i>	<i>(4%)</i>	<i>47%</i>	<i>(3%)</i>	<i>(7%)</i>
Admits (excl. Nursery)	73	90	(17)	(19%)	90	(17)	(19%)	482	525	(43)	(8%)	525	(43)	(8%)
IP Days	272	282	(9)	(3%)	282	(9)	(3%)	1,601	1,834	(233)	(13%)	1,834	(233)	(13%)
IP Days (excl. Nursery)	240	237	3	1%	237	3	1%	1,356	1,581	(225)	(14%)	1,581	(225)	(14%)
Average Daily Census	7.7	7.6	0.1	1%	7.6	0.1	1%	6.3	7.4	(1.0)	(14%)	7.4	(1.0)	(14%)
ALOS	3.3	2.6	0.7	25%	2.6	0.7	25%	2.8	3.0	(0.2)	(7%)	3.0	(0.2)	(7%)
Deliveries	14	20	(6)	(30%)	20	(6)	(30%)	124	131	(7)	(5%)	131	(7)	(5%)
OP Visits	3,920	4,193	(273)	(7%)	4,193	(273)	(7%)	28,209	27,310	899	3%	27,310	899	3%
Rural Health Clinic Visits	2,571	2,355	216	9%	2,355	216	9%	16,579	16,064	515	3%	16,064	515	3%
Rural Health Women Visits	548	511	37	7%	511	37	7%	3,759	3,627	132	4%	3,627	132	4%
Rural Health Behavioral Visits	85	216	(131)	(61%)	216	(131)	(61%)	836	1,360	(524)	(39%)	1,360	(524)	(39%)
Total RHC Visits	3,204	3,082	122	4%	3,082	122	4%	21,174	21,051	123	1%	21,051	123	1%
Bronco Clinic Visits	41	52	(11)	(21%)	52	(11)	(21%)	240	265	(25)	(9%)	265	(25)	(9%)
Internal Medicine Clinic Visits	-	-	-	-%	-	-	-%	-	-	-	-%	-	-	-%
Orthopedic Clinic Visits	352	377	(25)	(7%)	377	(25)	(7%)	2,301	2,516	(215)	(9%)	2,516	(215)	(9%)
Pediatric Clinic Visits	632	687	(55)	(8%)	687	(55)	(8%)	4,040	4,233	(193)	(5%)	4,233	(193)	(5%)
Specialty Clinic Visits	605	520	85	16%	520	85	16%	4,705	3,794	911	24%	3,794	911	24%
Surgery Clinic Visits	140	170	(30)	(18%)	170	(30)	(18%)	947	1,101	(154)	(14%)	1,101	(154)	(14%)
Virtual Care Clinic Visits	27	55	(28)	(51%)	55	(28)	(51%)	296	406	(110)	(27%)	406	(110)	(27%)
Total NIA Clinic Visits	1,797	1,861	(64)	(3%)	1,861	(64)	(3%)	12,529	12,315	214	2%	12,315	214	2%
IP Surgeries	13	7	6	86%	7	6	86%	64	78	(14)	(18%)	78	(14)	(18%)
OP Surgeries	102	130	(28)	(22%)	130	(28)	(22%)	878	921	(43)	(5%)	921	(43)	(5%)
Total Surgeries	115	137	(22)	(16%)	137	(22)	(16%)	942	999	(57)	(6%)	999	(57)	(6%)
Cardiology	-	-	-	-%	-	-	-%	13	4	9	225%	4	9	225%
General	64	76	(12)	(16%)	76	(12)	(16%)	539	501	38	8%	501	38	8%
Gynecology & Obstetrics	11	10	1	10%	10	1	10%	76	81	(5)	(6%)	81	(5)	(6%)
Ophthalmology	-	20	(20)	(100%)	20	(20)	(100%)	68	154	(86)	(56%)	154	(86)	(56%)
Orthopedic	25	15	10	67%	15	10	67%	134	160	(26)	(16%)	160	(26)	(16%)
Pediatric	-	1	(1)	(100%)	1	(1)	(100%)	-	1	(1)	(100%)	1	(1)	(100%)
Plastics	-	-	-	-%	-	-	-%	1	1	-	-%	1	-	-%
Podiatry	1	1	-	-%	1	-	-%	3	4	(1)	(25%)	4	(1)	(25%)
Urology	14	13	1	8%	13	1	8%	108	91	17	19%	91	17	19%
Diagnostic Image Exams	2,304	2,283	21	1%	2,283	21	1%	15,479	14,815	664	4%	14,815	664	4%
Emergency Visits	876	833	43	5%	833	43	5%	5,934	6,025	(91)	(2%)	6,025	(91)	(2%)
ED Admits	46	63	(17)	(27%)	63	(17)	(27%)	294	316	(22)	(7%)	316	(22)	(7%)
ED Admits % of ED Visits	5%	8%	-2%	(31%)	8%	-2%	(31%)	5%	5%	0%	(6%)	5%	0%	(6%)
Rehab Visits	796	725	71	10%	725	71	10%	5,370	5,924	(554)	(9%)	5,924	(554)	(9%)
OP Infusion/Wound Care Visits	518	796	(278)	(35%)	796	(278)	(35%)	4,475	3,521	954	27%	3,521	954	27%
Observation Hours	1,434	1,781	(347)	(19%)	1,781	(347)	(19%)	7,982	11,317	(3,335)	(29%)	11,317	(3,335)	(29%)

Northern Inyo Healthcare District
January 2026 – Financial Summary

** Variances are B / (W)

PAYOR MIX (Patient Days)

	Current Month				Prior MTD			Year to Date				Prior YTD		
	Actual	Budget	Variance	Variance %	Actual	Change	Change %	Actual	Budget	Variance	Variance %	Actual	Change	Change %
Blue Cross	23.2%	20.7%	2.5%	12.2%	20.7%	2.5%	12.2%	24.6%	24.5%	0.2%	0.6%	24.5%	0.2%	0.6%
Commercial	9.4%	8.2%	1.2%	14.8%	8.2%	1.2%	14.8%	6.6%	7.2%	(0.6%)	(8.9%)	7.2%	(0.6%)	(8.9%)
Medicaid	17.7%	29.5%	(11.7%)	(39.8%)	29.5%	(11.7%)	(39.8%)	22.3%	27.1%	(4.8%)	(17.7%)	27.1%	(4.8%)	(17.7%)
Medicare	47.6%	40.3%	7.4%	18.3%	40.3%	7.4%	18.3%	44.2%	38.9%	5.3%	13.7%	38.9%	5.3%	13.7%
Self-pay	1.9%	1.3%	0.6%	47.3%	1.3%	0.6%	47.3%	2.3%	1.8%	0.6%	31.4%	1.8%	0.6%	31.4%
Worker's Comp	-%	-%	-%	-%	-%	-%	-%	-%	0.5%	(0.5%)	(100.0%)	0.5%	(0.5%)	(100.0%)
Other	-%	-%	-%	-%	-%	-%	-%	-%	0.1%	(0.1%)	(100.0%)	0.1%	(0.1%)	(100.0%)

PAYOR MIX (Gross Revenue)

Blue Cross	30.3%	25.8%	4.5%	17.4%	25.8%	4.5%	17.4%	28.0%	26.9%	1.1%	4.2%	26.9%	1.1%	4.2%
Commercial	7.1%	7.6%	(0.5%)	(6.6%)	7.6%	(0.5%)	(6.6%)	6.1%	6.5%	(0.4%)	(5.8%)	6.5%	(0.4%)	(5.8%)
Medicaid	16.5%	17.3%	(0.9%)	(4.9%)	17.3%	(0.9%)	(4.9%)	18.1%	19.5%	(1.4%)	(7.4%)	19.5%	(1.4%)	(7.4%)
Medicare	42.9%	46.4%	(3.5%)	(7.6%)	46.4%	(3.5%)	(7.6%)	44.9%	43.4%	1.5%	3.4%	43.4%	1.5%	3.4%
Self-pay	1.5%	1.6%	(0.1%)	(5.4%)	1.6%	(0.1%)	(5.4%)	2.0%	2.4%	(0.4%)	(17.5%)	2.4%	(0.4%)	(17.5%)
Worker's Comp	0.9%	1.1%	(0.1%)	(13.5%)	1.1%	(0.1%)	(13.5%)	0.8%	1.2%	(0.4%)	(33.2%)	1.2%	(0.4%)	(33.2%)
Other	0.8%	0.2%	0.6%	308.5%	0.2%	0.6%	308.5%	0.2%	0.2%	0.0%	6.1%	0.2%	0.0%	6.1%

DEDUCTIONS

Contract Adjust	(11,166,102)	(9,943,164)	(1,222,938)	12%	(8,951,555)	(2,214,548)	25%	(73,593,790)	(68,960,653)	(4,633,137)	7%	(66,141,525)	(7,452,265)	11%
Bad Debt	117,631	(119,730)	237,361	(198%)	1,386,194	(1,268,563)	(92%)	(2,344,101)	(830,387)	(1,513,713)	182%	205,927	(2,550,028)	(1,238%)
Write-off	(311,625)	(731,396)	419,771	(57%)	(1,723,376)	1,411,751	(82%)	(3,146,096)	(5,072,582)	1,926,486	(38%)	(6,909,364)	3,763,269	(54%)

CENSUS

Patient Days	240	237	3	1%	237	3	1%	1,356	1,581	(225)	(14%)	1,581	(225)	(14%)
Adjusted ADC	42	45	(2)	(5%)	45	(2)	(5%)	35	41	(6)	(15%)	41	(6)	(15%)
Adjusted Days	1,317	1,432	(115)	(8%)	1,432	(115)	(8%)	7,454	8,825	(1,371)	(16%)	8,825	(1,371)	(16%)
Employed FTE	373.4	368.9	4.5	1%	368.9	4.5	1%	378.1	367.8	10.2	3%	367.8	10.2	3%
Contract Labor FTE	18.7	23.6	(4.9)	(21%)	23.6	(4.9)	(21%)	19.5	25.5	(5.9)	(23%)	25.5	(5.9)	(23%)
Total Paid FTE	392.1	392.5	(0.4)	(0%)	392.5	(0.4)	(0%)	397.6	393.3	4.3	1%	393.3	4.3	1%
EPOB (Employee per Occupied Bed)	1.6	1.7	(0.0)	(1%)	1.7	(0.0)	(1%)	2.0	1.7	0.3	18%	1.7	0.3	18%
EPOC (Employee per Occupied Case)	0.3	0.3	0.0	5%	0.3	0.0	5%	0.1	0.0	0.0	19%	0.0	0.0	19%
Adjusted EPOB	8.9	10.0	(1.1)	(11%)	10.0	(1.1)	(11%)	11.2	9.6	1.6	16%	9.6	1.6	16%
Adjusted EPOC	1.6	1.7	(0.1)	(4%)	1.7	(0.1)	(4%)	0.3	0.2	0.0	17%	0.2	0.0	17%

SALARIES

Per Adjust Bed Day	2,821	2,400	421	18%	2,770	51	2%	3,472	2,671	800	30%	2,572	900	35%
Total Salaries	3,714,863	3,435,715	279,148	8%	3,966,354	(251,491)	(6%)	25,879,816	23,574,865	2,304,950	10%	22,700,790	3,179,025	14%
Average Hourly Rate	56.16	52.58	3.58	7%	60.70	(4.54)	(7%)	55.72	52.17	3.55	7%	50.23	5.48	11%
Employed Paid FTEs	373.4	368.9	4.5	364.4	368.9	4.5	1%	378.1	367.8	10.2	3%	367.8	10.2	3%

BENEFITS

Per Adjust Bed Day	757	1,058	(300)	(28%)	1,169	(412)	(35%)	1,294	1,207	87	7%	1,199	95	8%
Total Benefits	997,381	1,514,243	(516,861)	(34%)	1,674,059	(676,678)	(40%)	9,645,710	10,652,406	(1,006,696)	(9%)	10,584,237	(938,527)	(9%)
Benefits % of Wages	27%	44%	(17%)	(39%)	42%	-15%	(36%)	37%	45%	(8%)	(18%)	47%	(9%)	(20%)
Pension Expense	355,878	371,359	(15,481)	(4%)	379,316	(23,438)	(6%)	2,499,696	2,745,584	(245,888)	(9%)	2,804,922	(305,226)	(11%)
MDV Expense	253,101	782,153	(529,052)	(68%)	895,963	(642,862)	(72%)	4,867,420	5,424,610	(557,191)	(10%)	5,557,917	(690,497)	(12%)
Taxes, PTO accrued, Other	388,402	360,730	27,672	8%	398,780	(10,378)	(3%)	2,278,594	2,482,212	(203,617)	(8%)	2,221,398	57,197	3%
Salaries, Wages & Benefits	4,712,244	4,949,957	(237,713)	(5%)	5,640,413	(928,169)	(16%)	35,525,526	34,227,271	1,298,255	4%	33,285,027	2,240,499	7%
SWB/APD	3,578	3,457	121	4%	3,939	(361)	(9%)	4,766	3,878	887	23%	3,772	994	26%
SWB % of Total Expenses	46%	50%	(4%)	(7%)	53%	(7%)	(13%)	49%	49%	(0%)	(1%)	50%	(1%)	(1%)

Northern Inyo Healthcare District
January 2026 – Financial Summary

** Variances are B / (W)

PROFESSIONAL FEES

Per Adjust Bed Day
 Total Physician Fee
 Total Contract Labor
 Total Other Pro-Fees
 Total Professional Fees
 Contract AHR
 Contract Paid FTEs
 Physician Fee per Adjust Bed Day

PHARMACY

Per Adjust Bed Day
 Total Rx Expense

MEDICAL SUPPLIES

Per Adjust Bed Day
 Total Medical Supplies

EHR SYSTEM

Per Adjust Bed Day
 Total EHR Expense

OTHER EXPENSE

Per Adjust Bed Day
 Total Other

DEPRECIATION AND AMORTIZATION

Per Adjust Bed Day
 Total Depreciation and Amortization

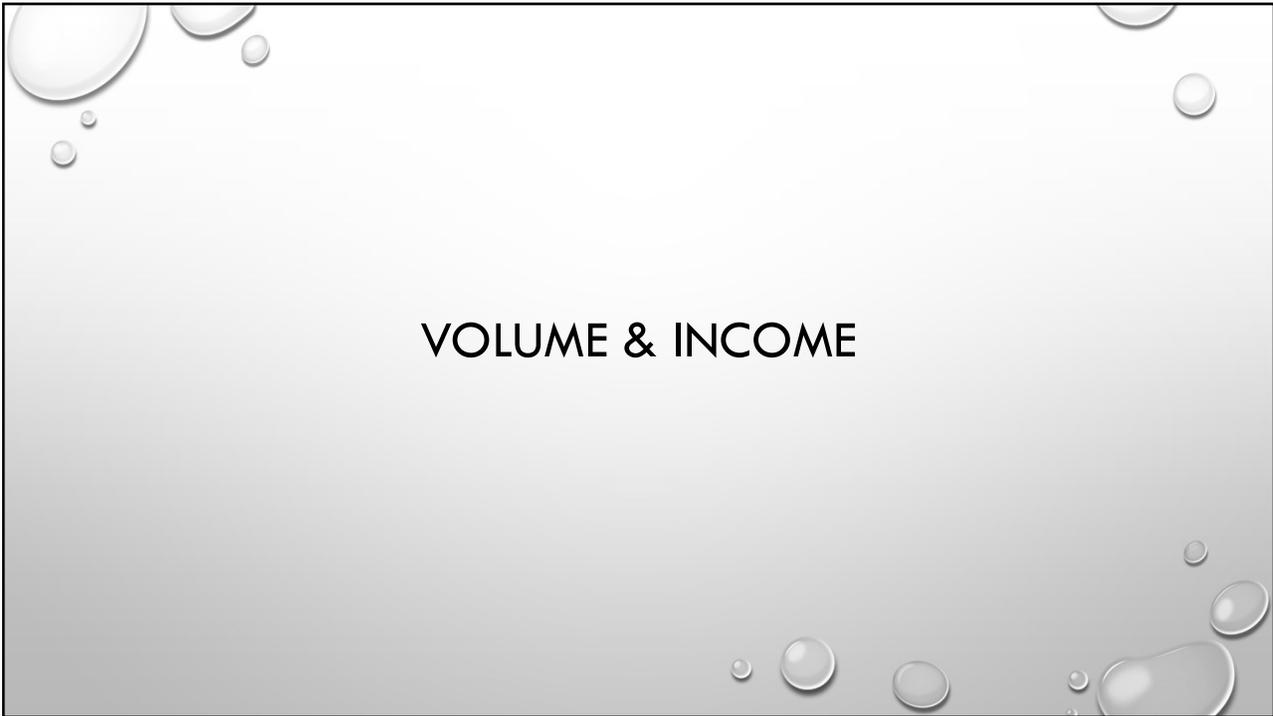
TOTAL EXPENSES

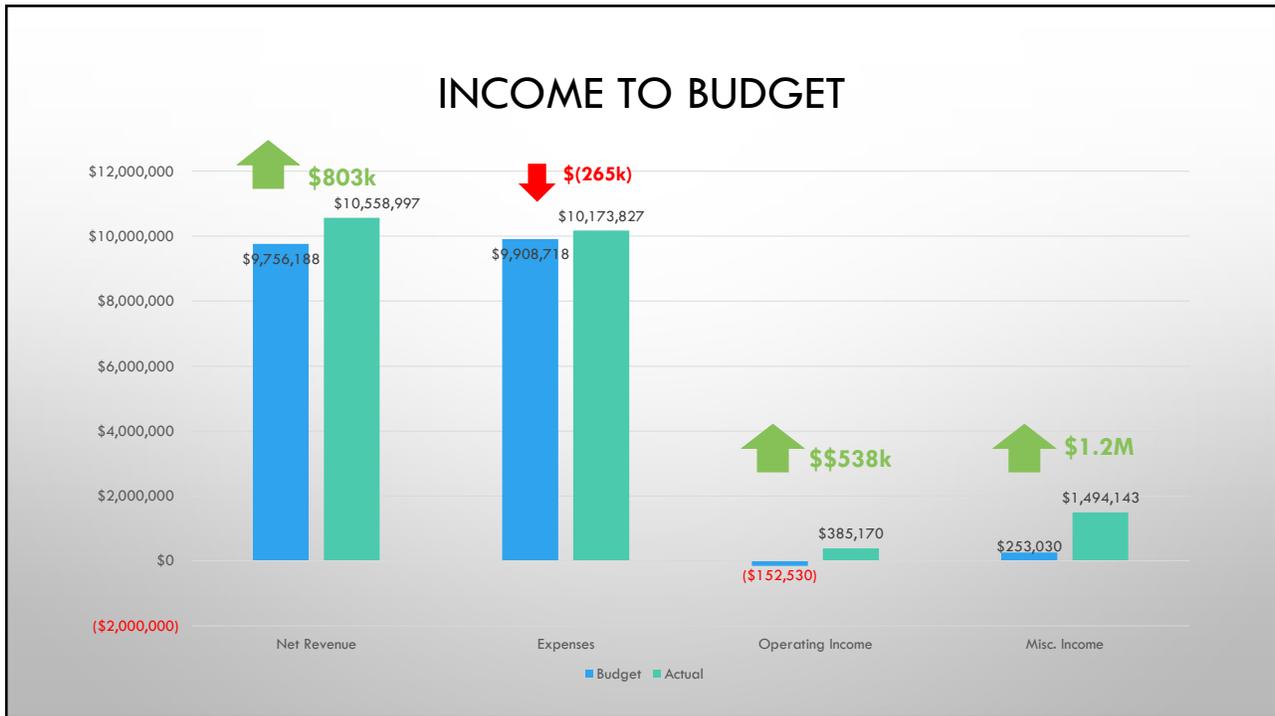
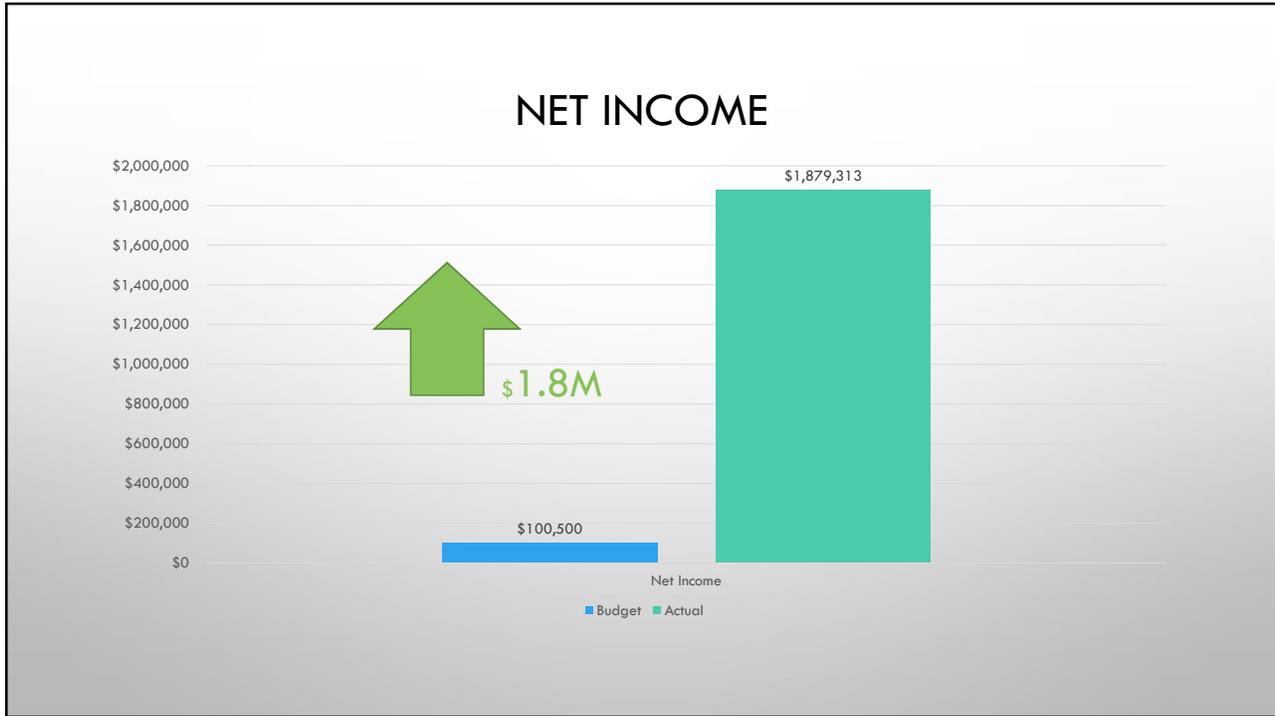
Per Adjust Bed Day
 Per Calendar Day

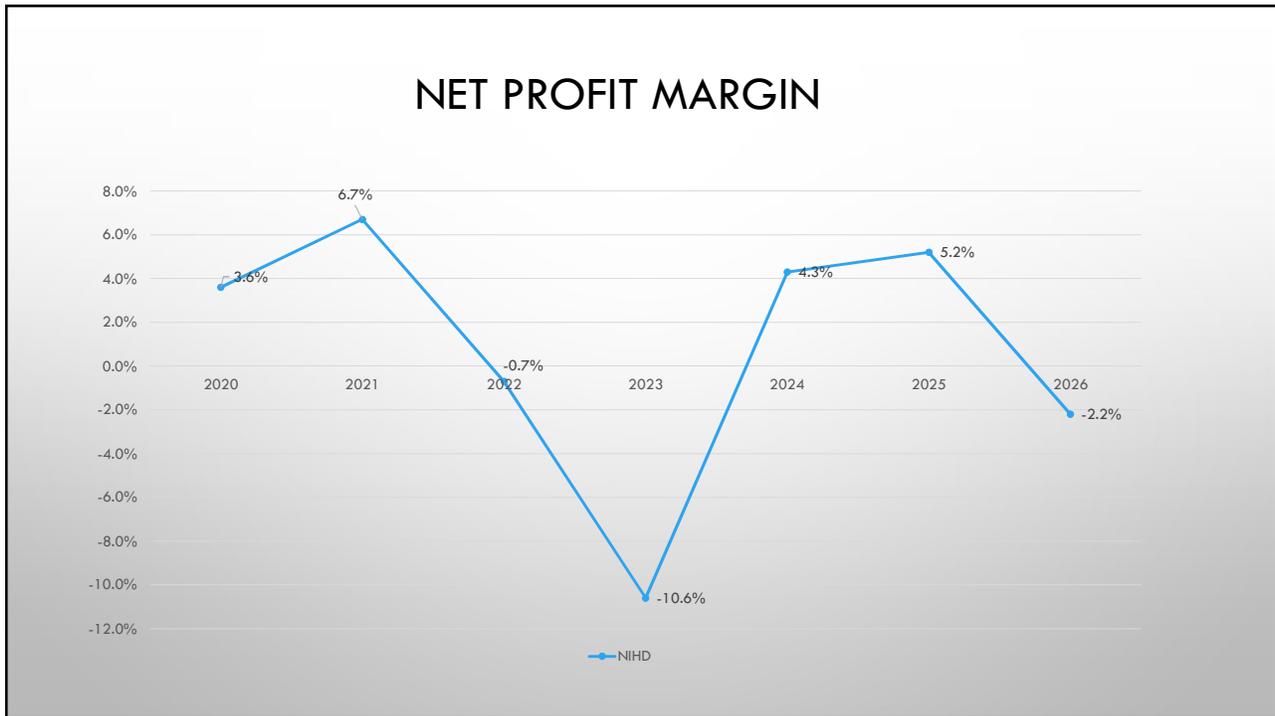
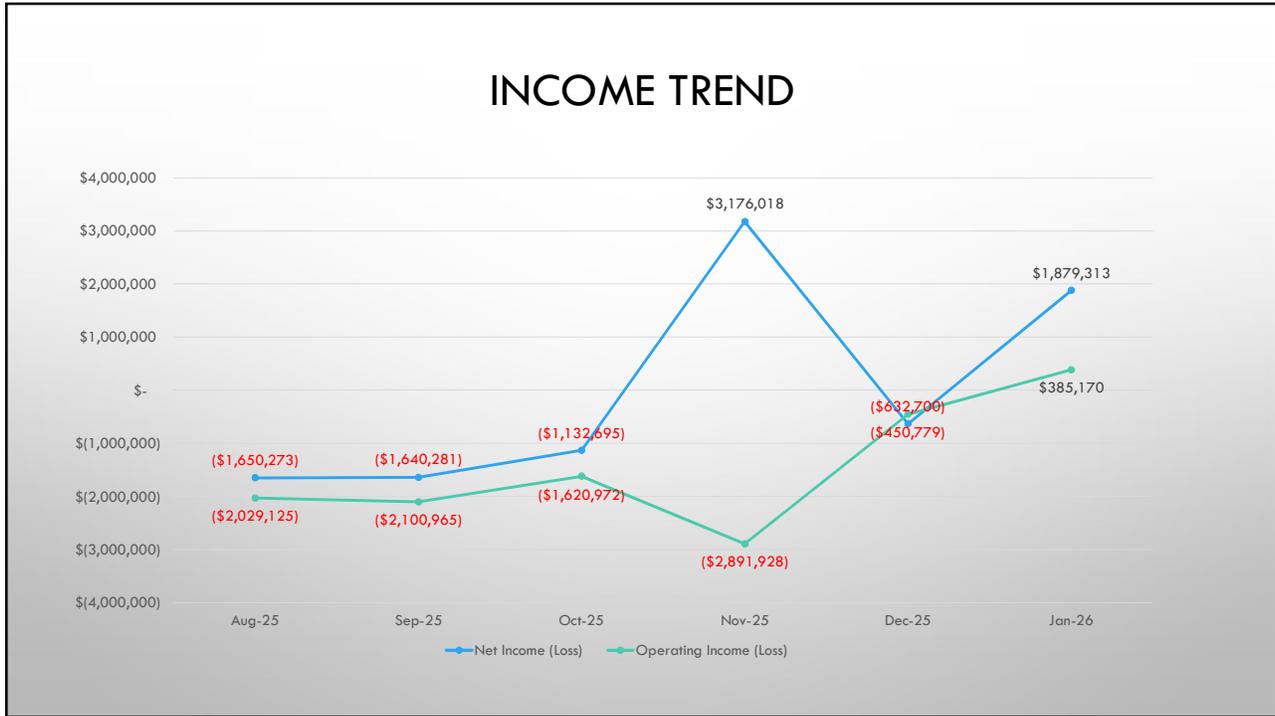
	Current Month				Prior MTD			Year to Date				Prior YTD		
	Actual	Budget	Variance	Variance %	Actual	Change	Change %	Actual	Budget	Variance	Variance %	Actual	Change	Change %
Per Adjust Bed Day	2,318	1,913	405	21%	1,788	530	30%	2,735	2,208	527	24%	1,999	735	37%
Total Physician Fee	1,942,693	1,715,762	226,930	13%	1,579,218	363,475	23%	12,239,030	11,988,824	250,205	2%	10,859,673	1,379,357	13%
Total Contract Labor	318,690	361,796	(43,106)	(12%)	312,240	6,450	2%	2,491,253	2,875,106	(383,852)	(13%)	3,336,525	(845,272)	(25%)
Total Other Pro-Fees	791,250	661,164	130,086	20%	668,438	122,812	18%	5,655,165	4,620,194	1,034,972	22%	3,449,015	2,206,151	64%
Total Professional Fees	3,052,633	2,738,722	313,910	11%	2,559,896	492,737	19%	20,385,449	19,484,124	901,325	5%	17,645,213	2,740,236	16%
Contract AHR	96.15	86.40	9.75	11%	74.57	21.59	29%	103.86	91.92	11.94	13%	106.68	(2.81)	(3%)
Contract Paid FTEs	18.7	23.6	(4.9)	(21%)	23.6	(4.9)	(21%)	19.5	25.5	(5.9)	(23%)	25.5	(5.9)	(23%)
Physician Fee per Adjust Bed Day	1,475	1,198	277	23%	1,103	372	34%	1,642	1,359	283	21%	1,231	411	33%
Per Adjust Bed Day	360	315	45	14%	330	30	9%	394	355	39	11%	294	100	34%
Total Rx Expense	474,261	451,577	22,684	5%	473,056	1,204	0%	2,934,153	3,131,904	(197,750)	(6%)	2,594,684	339,470	13%
Per Adjust Bed Day	396	309	87	28%	299	97	32%	478	347	131	38%	406	73	18%
Total Medical Supplies	521,289	442,141	79,149	18%	428,092	93,197	22%	3,566,161	3,065,977	500,185	16%	3,581,777	(15,616)	(0%)
Per Adjust Bed Day	18	22	(4)	(19%)	29	(11)	(37%)	35	25	9	36%	27	7	27%
Total EHR Expense	23,914	32,115	(8,201)	(26%)	41,264	(17,350)	(42%)	258,115	224,803	33,312	15%	241,265	16,850	7%
Per Adjust Bed Day	733	613	120	20%	705	28	4%	878	693	185	27%	728	150	21%
Total Other	965,193	877,053	88,140	10%	1,009,132	(43,939)	(4%)	6,545,533	6,115,779	429,754	7%	6,425,532	120,001	2%
Per Adjust Bed Day	322	291	31	11%	286	36	13%	403	331	73	22%	335	68	20%
Total Depreciation and Amortization	424,294	417,154	7,140	2%	409,164	15,130	4%	3,006,916	2,920,077	86,839	3%	2,960,027	46,889	2%
Per Adjust Bed Day	10,173,827	9,908,718	265,109	3%	10,561,017	(387,190)	(4%)	72,221,852	69,169,934	3,051,919	4%	66,733,524	5,488,328	8%
Per Adjust Bed Day	7,726	6,920	805	12%	7,376	350	5%	9,689	7,838	1,851	24%	7,562	2,127	28%
Per Calendar Day	328,188	319,636	8,552	3%	340,678	(12,490)	(4%)	335,916	321,721	14,195	4%	310,388	25,527	8%

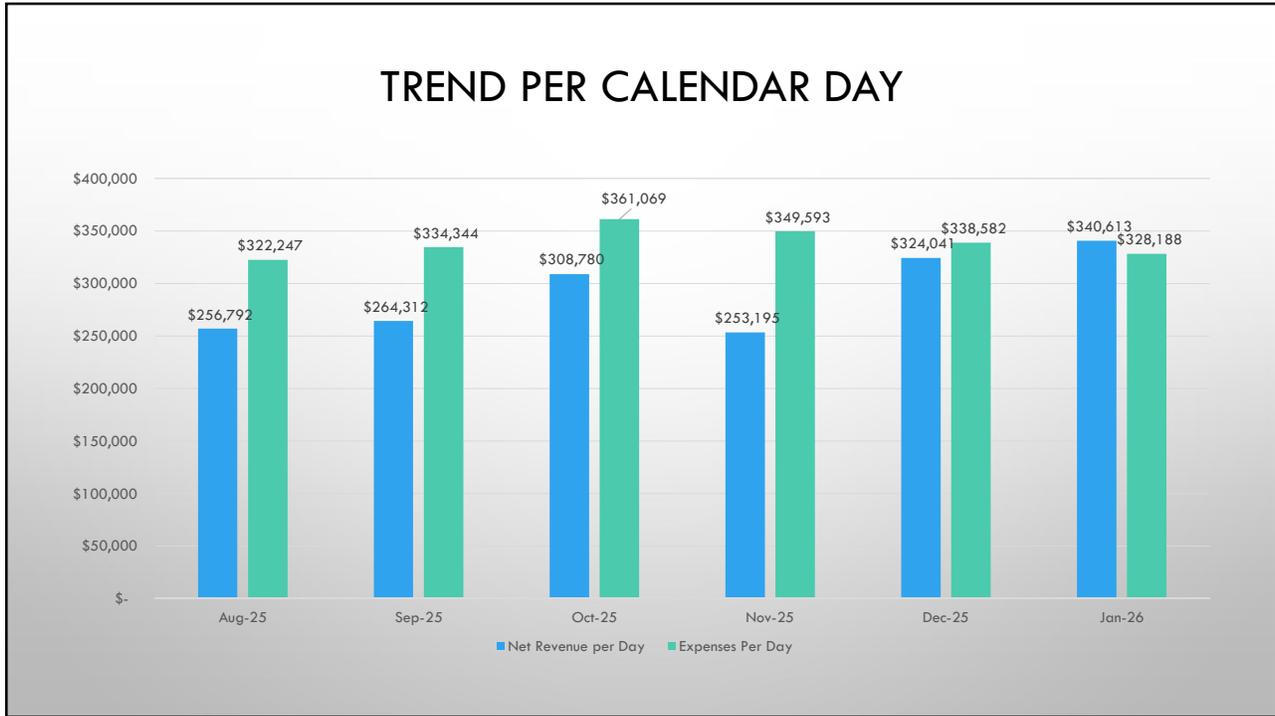
Key Financial Performance Indicators	Industry Benchmark	FYE 2024		FYE 2025		Oct-25	Nov-25	Dec-25	Jan-26	Variance to	Variance to	Variance to PYM
		Jan-24	Average	Jan-25	Average					PM	2025 Average	
Volume												
Admits	41	79	69	90	71	76	67	73	73	-	2	(17)
Deliveries	n/a	8	17	20	17	15	18	17	14	(3)	(3)	(6)
Adjusted Patient Days	n/a	1,009	977	1,432	1,125	1,161	880	1,022	1,317	295	192	(115)
Total Surgeries	153	175	146	137	140	147	112	131	115	(16)	(25)	(22)
ER Visits	659	818	826	833	852	819	726	886	876	(10)	24	43
RHC and Clinic Visits	n/a	4,859	4,607	4,943	4,772	5,154	4,384	4,976	5,001	25	229	58
Diagnostic Imaging Services	n/a	2,262	2,069	2,283	2,129	2,274	1,957	2,157	2,304	147	175	21
Rehab Services	n/a	743	662	725	838	764	769	703	796	93	(42)	71
AR & Income												
Gross AR (Cerner only)	n/a	\$ 56,381,675	\$ 52,823,707	\$ 45,458,077	\$ 50,813,697	\$ 38,777,469	\$ 37,941,078	\$ 40,266,148	\$ 42,782,472	\$ 2,516,324	\$ (8,031,225)	\$ (2,675,605)
AR > 90 Days	\$ 6,599,901.18	\$ 27,771,536	\$ 23,112,391	\$ 17,533,888	\$ 20,669,422	\$ 14,855,434	\$ 14,887,324	\$ 14,240,093	\$ 13,540,953	\$ (699,139)	\$ (7,128,468)	\$ (3,992,935)
AR % > 90 Days	15%	50.04%	44.2%	38.57%	40.6%	38.3%	39.2%	35.4%	31.7%	-3.7%	-8.9%	-6.9%
Gross AR Days (per financial statements)	60	84	85	71	80	58	66	53	61	7	(20)	(11)
Net AR Days (per financial statements)	30	69	58	76	71	36	55	67	63	(5)	(8)	(13)
Net AR	n/a	\$ 20,997,993	\$ 16,938,200	\$ 25,749,510	\$ 19,370,868	\$ 11,138,154	\$ 13,862,975	\$ 21,831,732	\$ 21,330,628	\$ (501,105)	\$ 1,959,760	\$ (4,418,882)
Net AR % of Gross	n/a	37.2%	31.9%	56.6%	38.5%	28.7%	36.5%	54.2%	49.9%	-4.4%	11.4%	-6.8%
Gross Patient Revenue/Calendar Day	n/a	\$ 671,199	\$ 619,457	\$ 638,935	\$ 634,418	\$ 671,419	\$ 571,795	\$ 752,964	\$ 707,068	\$ (45,896)	\$ 72,649	\$ 68,132
Net Patient Revenue/Calendar Day	n/a	\$ 302,421	\$ 292,759	\$ 339,299	\$ 273,563	\$ 308,780	\$ 253,195	\$ 324,041	\$ 340,613	\$ 16,572	\$ 67,050	\$ 1,314
Net Patient Revenue/APD	n/a	\$ 9,291	\$ 8,757	\$ 7,346	\$ 8,088	\$ 8,246	\$ 8,631	\$ 9,832	\$ 8,018	\$ (1,814)	\$ (70)	\$ 672
Wages												
Wages	n/a	\$ 3,251,713	\$ 3,285,431	\$ 3,966,354	\$ 3,661,965	\$ 3,694,416	\$ 3,562,811	\$ 4,037,755	\$ 3,714,863	\$ (322,892)	\$ 52,897	\$ (251,491)
Employed paid FTEs	n/a	346.54	353.69	368.89	370.77	377.37	378.81	386.31	373.41	(12.90)	2.64	4.52
Employed Average Hourly Rate	\$55.50	\$ 52.97	\$ 53.49	\$ 60.86	\$ 56.89	\$ 55.42	\$ 55.02	\$ 59.17	\$ 56.32	(2.85)	(0.57)	(4.55)
Benefits	n/a	\$ 1,248,638	\$ 1,640,216	\$ 1,674,059	\$ 1,401,858	\$ 1,826,000	\$ 1,547,641	\$ 1,094,758	\$ 997,381	\$ (97,376)	\$ (404,477)	\$ (676,678)
Benefits % of Wages	30%	38.4%	48.8%	42.2%	39.8%	49.4%	43.4%	27.1%	26.8%	-0.3%	-12.9%	-15.4%
Contract Labor	n/a	\$ 383,806	\$ 518,351	\$ 312,240	\$ 447,445	\$ 358,976	\$ 504,270	\$ 131,351	\$ 318,690	\$ 187,339	\$ (128,755)	\$ 6,450
Contract Labor Paid FTEs	n/a	21.60	23.49	23.64	23.89	19.09	19.88	18.89	18.71	(0.18)	(5.18)	(4.93)
Total Paid FTEs	n/a	368.14	377.18	392.52	394.65	396.46	398.69	405.19	392.12	(13.07)	(2.53)	(0.40)
Contract Labor Average Hourly Rate	\$ 81.04	\$ 100.31	\$ 123.22	\$ 74.77	\$ 120.98	\$ 106.43	\$ 148.37	\$ 39.36	\$ 96.42	\$ 57.05	\$ (24.56)	\$ 21.65
Total Salaries, Wages, & Benefits	n/a	\$ 4,884,157	\$ 5,443,998	\$ 5,952,653	\$ 5,511,268	\$ 5,879,392	\$ 5,614,723	\$ 5,263,863	\$ 5,030,934	\$ (232,929)	\$ (480,334)	\$ (921,719)
SWB% of NR	50%	52.1%	62.1%	56.6%	72.0%	61.4%	73.9%	52.4%	47.6%	-4.8%	-24.4%	-8.9%
SWB/APD	2,204	\$ 4,841	\$ 5,104	\$ 4,157	\$ 5,284	\$ 5,065	\$ 6,380	\$ 5,152	\$ 3,820	\$ (1,332)	\$ (1,464)	\$ (337)
SWB % of total expenses	50%	49.9%	55.4%	56.3%	55.6%	52.5%	53.5%	50.2%	49.4%	-0.7%	-6.2%	-6.9%

	Industry Benchmark	FYE 2024			FYE 2025			Variance to			Variance to FYE		
		Jan-24	Average	Jan-25	Average	Oct-25	Nov-25	Dec-25	Jan-26	PM	2025 Average	Variance to PYM	
Physician Spend													
Physician Expenses	n/a	\$ 1,586,690	\$ 1,613,172	\$ 1,099,861	\$ 1,507,510	\$ 1,932,281	\$ 1,597,620	\$ 1,946,664	\$ 1,942,693	\$ (3,971)	\$ 435,183	\$ 842,832	
Physician expenses/APD	n/a	\$ 1,108	\$ 1,565	\$ 768	\$ 1,476	\$ 1,664	\$ 1,815	\$ 1,905	\$ 1,475	\$ (430)	\$ (1)	\$ 707	
Supplies													
Supply Expenses	n/a	\$ 900,961	\$ 832,644	\$ 1,159,592	\$ 776,504	\$ 1,004,885	\$ 835,043	\$ 1,169,433	\$ 995,550	\$ (173,883)	\$ 219,046	\$ (164,042)	
Supply expenses/APD		\$ 629	\$ 822	\$ 810	\$ 744	\$ 866	\$ 949	\$ 1,145	\$ 756	\$ (389)	\$ 12	\$ (54)	
Other Expenses													
Other Expenses	n/a	\$ 2,127,997	\$ 1,939,040	\$ 1,566,740	\$ 1,824,207	\$ 2,376,590	\$ 2,440,391	\$ 2,116,095	\$ 2,204,650	\$ 88,555	\$ 380,443	\$ 637,910	
Other Expenses/APD	n/a	\$ 1,486	\$ 1,861	\$ 1,094	\$ 1,787	\$ 2,047	\$ 2,773	\$ 2,071	\$ 1,674	\$ (397)	\$ (113)	\$ 580	
Margin													
Net Income	n/a	\$ 173,184	\$ 253,100	\$ (322,849)	\$ 383,722	\$ (1,132,695)	\$ 3,176,018	\$ (632,700)	\$ 1,879,313	\$ 2,512,013	\$ 1,495,591	\$ 2,202,162	
Net Profit Margin	n/a	1.6%	3.7%	-3.4%	3.0%	-11.8%	41.8%	-6.3%	17.8%	24.1%	14.8%	21.2%	
Operating Income	n/a	\$ (50,046)	\$ (1,557,761)	\$ (404,286)	\$ (686,444)	\$ (1,620,972)	\$ (2,891,928)	\$ (450,779)	\$ 385,170	\$ 835,950	\$ 1,071,615	\$ 789,456	
Operating Margin	2.9%	-0.5%	-26.1%	-4.3%	-10.9%	-16.9%	-38.1%	-4.5%	3.6%	8.1%	14.6%	7.9%	
EBITDA	n/a	\$ 582,348	\$ 676,999	\$ 197,779	\$ 841,891	\$ (697,302)	\$ 3,593,558	\$ (197,022)	\$ 2,303,607	\$ 2,500,629	\$ 1,461,716	\$ 2,105,828	
EBITDA Margin	12.7%	5.5%	9.4%	2.1%	8.7%	-7.3%	47.3%	-2.0%	21.8%	23.8%	13.1%	19.7%	
Debt Service Coverage Ratio	3.70	7.1	3.9	2.4	3.3	(5.0)	(0.6)	(0.7)	0.4	1.1	(2.9)	(2.0)	
Cash													
Avg Daily Disbursements (excl. IGT)	n/a	\$ 359,843	\$ 350,828	\$ 424,036	\$ 355,328	\$ 416,814	\$ 388,940	\$ 380,372	\$ 354,878	\$ (25,494)	\$ (450)	\$ (69,158)	
Average Daily Cash Collections (excl. IGT)	n/a	\$ 239,449	\$ 340,919	\$ 289,440	\$ 299,110	\$ 388,454	\$ 278,666	\$ 325,614	\$ 289,881	\$ (35,732)	\$ (9,229)	\$ 441	
Average Daily Net Cash		\$ (120,394)	\$ (9,908)	\$ (134,596)	\$ (56,218)	\$ (28,360)	\$ (110,274)	\$ (54,758)	\$ (64,996)	\$ (10,238)	\$ (8,779)	\$ 69,599	
Upfront Cash Collections		\$ 60,336	\$ 54,286	\$ 34,946	\$ 36,146	\$ 77,539	\$ 43,734	\$ 42,688	\$ 62,345	\$ 19,658	\$ 26,200	\$ 27,400	
Upfront Cash % of Gross Charges	1%	0.3%	0.3%	0.2%	0.2%	0.4%	0.3%	0.2%	0.3%	0.1%	0.1%	0.1%	
Unrestricted Funds	n/a	\$ 22,744,726	\$ 23,774,285	\$ 18,888,305	\$ 23,536,438	\$ 26,719,622	\$ 21,356,431	\$ 21,028,877	\$ 23,124,630	\$ 2,095,753	\$ (411,808)	\$ 4,236,325	
Change of cash per balance sheet	n/a	\$ 7,670,424	\$ 321,485	\$ (2,016,685)	\$ (321,485)	\$ 300,674	\$ (5,363,191)	\$ (327,554)	\$ 2,095,753	\$ 2,423,306	\$ 2,417,238	\$ 4,112,438	
Days Cash on Hand (assume no more cash is collected)	196	74	73	45	72	84	66	65	72	7	(0)	27	
Estimated Days Until Depleted (operating cash only)		370	2,399	337	406	671	396	389	416	27	10	79	
Years Until Cash Depletion (operating cash only)		1.01	6.57	0.92	1.11	1.84	1.09	1.07	1.14	0.07	0.03	0.22	

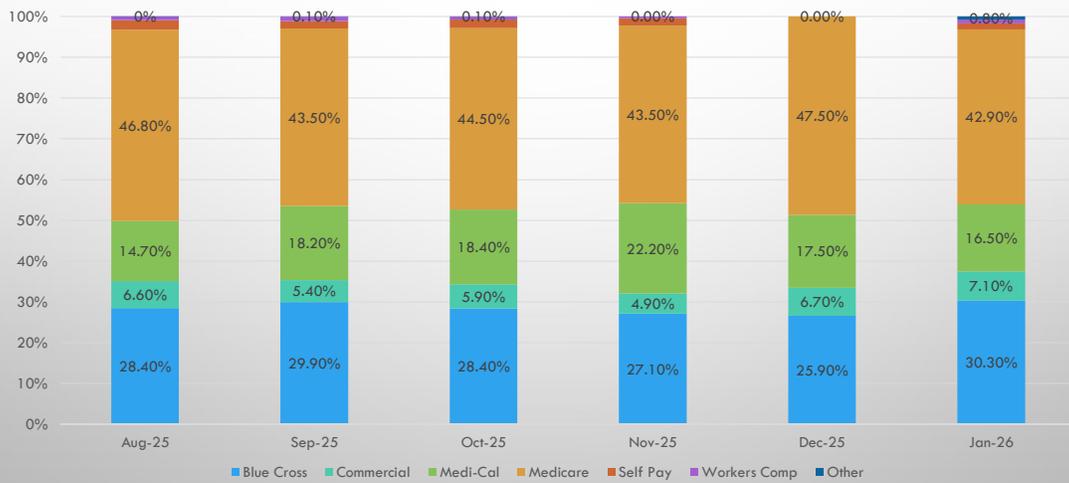








PAYOR MIX TREND



WAGE COSTS

	YTD 2025	YTD 2026	YTD Budget
Total Paid FTEs	393.3	397.6	393.3
Salaries, Wages, Benefits (SWB) Expense (incl. contract labor)	\$36,621,552	\$38,016,779	\$37,102,377
SWB % of total expenses (including contract labor)	55%	53%	54%
Employed Average Hourly Rate	\$50.23	\$55.72	\$52.17
Benefits % of Wages	47%	37%	45%

VOLUME & INCOME ACTION PLAN

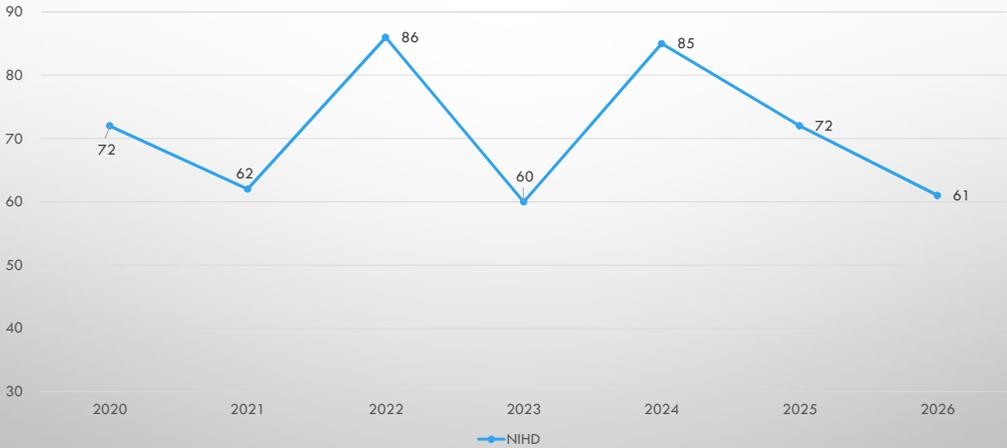
- THE MAMMOTH ORTHOPEDIC INSTITUTE BEGAN ORTHOPEDIC SURGERIES IN JULY. THEIR SURGICAL VOLUME HAS STEADILY INCREASED THE PAST FEW MONTH. THE ORTHO CLINIC EXCEEDED THEIR BUDGET FOR DECEMBER AND ORTHOPEDICS SURGERIES ALSO WERE ABOVE BUDGET.
- WE ARE WORKING ON REVIEWING OPERATIONAL EFFICIENCY INCLUDING OR UTILIZATION AND SPACE UTILIZATION REVIEWS TO MAXIMIZE PATIENT FLOW AND CARE.
- WE ARE BEING MORE DELIBERATE IN OUR SERVICE LINE STRATEGY.
- ADDITIONALLY, WE ARE EDUCATING LEADERS TO BE THE “CEO OF THEIR OWN COST CENTER” AND MANAGE THEIR EXPENSES TO BUDGETS FYE 2026.
- WE HAVE DEVELOPED REPORTS TO MONITOR OUR LARGEST EXPENSE BETTER INCLUDING OVERTIME, MISSED MEAL AND REST BREAKS, AND CALL PAY TO ENSURE WE ARE STAFFING EFFECTIVELY. REPORTS WILL BE SENT TO LEADERS MONTHLY WITH ACCOUNTABILITY PLANS BEING PUT IN PLACE TO REDUCE PREMIUM PAY.

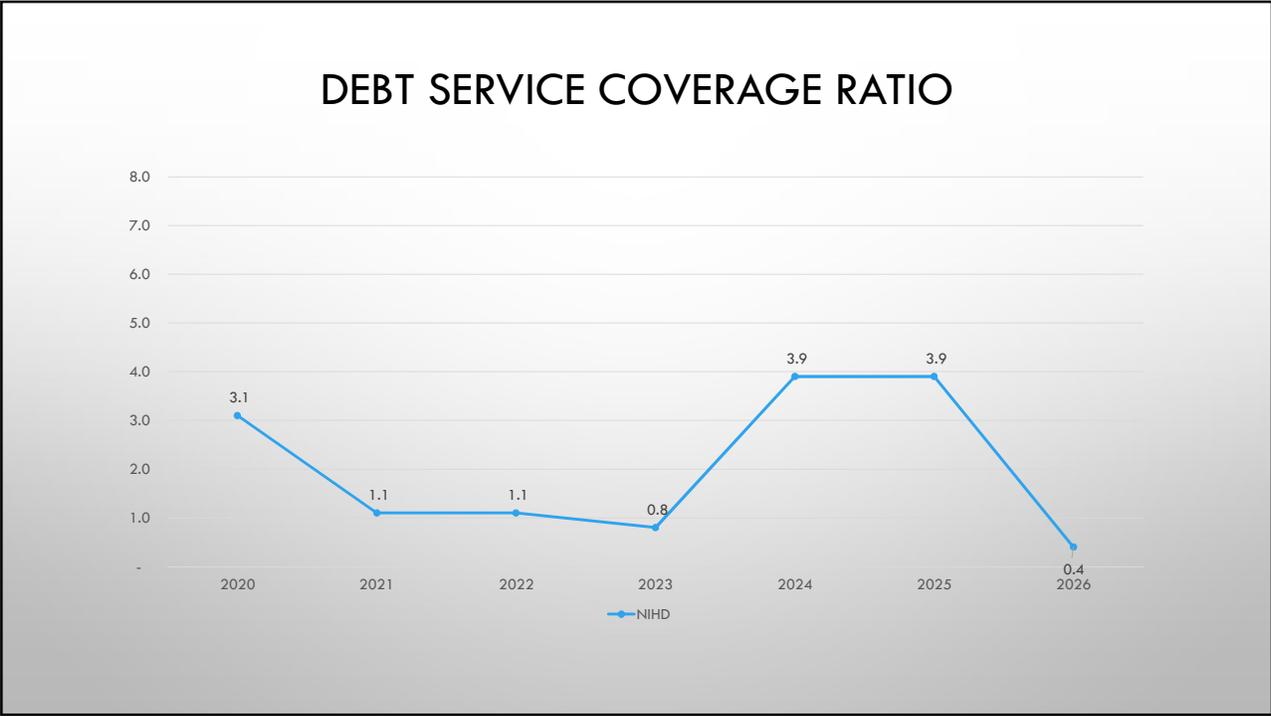
CASH PERFORMANCE

INCOME TO CASH

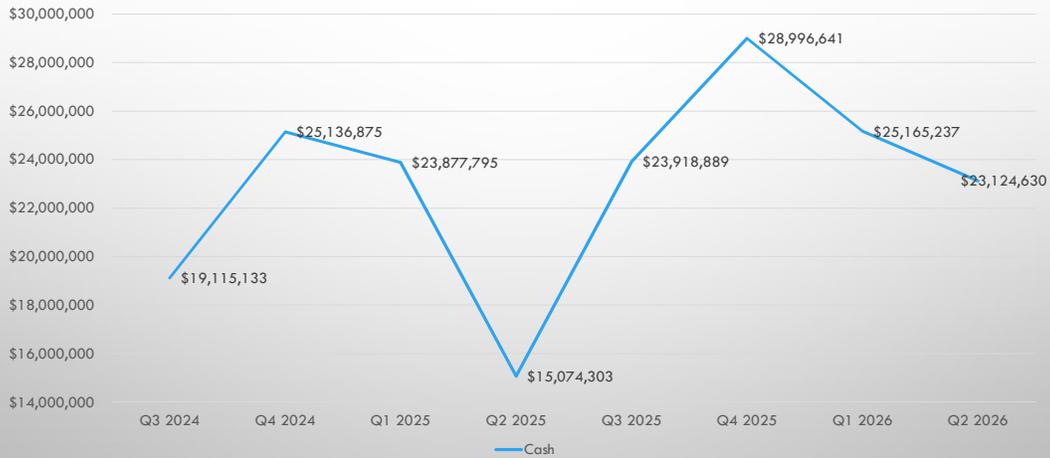
	FYE 2026
Net Income (loss)	\$(1,343,839)
Principal Payments on Long-Term Debt (balance sheet only)	\$(1,861,947)
Other Debt (long-term leases & subscriptions – balance sheet only)	\$(563,846)
Capital purchases (balance sheet only)	\$(568,351)
IGT Revenue Recognized but Cash Not Received (cash vs. accruals)	\$(1,036,942)
Impact to Cash	\$(4,031,086)
Adjusted Net Income (cash basis)	\$(5,374,925)

GROSS AR DAYS





UNRESTRICTED FUNDS



CASH ACTION PLAN

- THE CASH FLOW ACTION TEAM IS WORKING TO IMPROVE PROCESSES IN ALL ASPECTS OF BILLING AND COLLECTIONS.
- WE HAVE HIRED A NEW AI-BASED BILLING COMPANY, JORIE, AND HAVE HIT RECORD CASH COLLECTIONS THE PAST FEW MONTHS. THE AUTOMATION IS NOW LIVE IN SEVERAL AREAS.
- WE HAVE MOVED \$11M IN CASH TO FIVE STAR BANK TO EARN BETTER RETURNS ON OUR CASH.
- WE HAVE ANOTHER \$5.5M IN THE LAIF EARNING OVER 4% INTEREST.
- WE COLLECTED \$220K MORE IN CY 2025 UPFRONT THAN WE DID IN EITHER CY 2023 OR CY 2024.
- AR DAYS ARE AT A RECORD LOW FOR THE ORGANIZATION.
- WE HAVE SWITCHED OUR MEDI-CAL BILLING TO JORIE AS OF DECEMBER TO IMPROVE COLLECTIONS EVEN FURTHER.
- WE HAVE RECEIVED A NET OF \$900K FROM UNDERPAYMENTS ON CLAIMS

Northern Inyo Healthcare District
Income Statement
Fiscal Year 2026

	10/31/2025	Oct Budget	10/31/2024	11/30/2025	Nov Budget	11/30/2024	12/31/2025	Dec Budget	12/31/2024	1/31/2026	Jan Budget	1/31/2025	2026 YTD	Budget Variance	PYM Change
Gross Patient Service Revenue															
Inpatient Patient Revenue	3,663,512	3,432,674	3,316,543	3,068,437	3,683,029	3,654,138	4,837,635	3,265,690	2,658,147	3,998,937	3,720,076	3,280,133	25,610,425	278,861	718,805
Outpatient Revenue	15,012,546	16,276,892	16,328,013	12,251,051	12,068,831	12,133,332	16,353,865	14,301,930	12,983,214	15,795,037	15,129,676	14,664,711	101,310,896	665,361	1,130,326
Clinic Revenue	2,137,938	2,016,861	2,003,181	1,834,353	1,712,532	1,695,930	2,150,379	1,649,095	1,632,767	2,125,119	1,880,288	1,862,148	13,906,358	244,831	262,971
Gross Patient Service Revenue	20,813,996	21,726,427	21,647,737	17,153,841	17,464,392	17,483,401	23,341,878	19,216,715	17,274,128	21,919,093	20,730,040	19,806,992	140,827,679	1,189,053	2,112,101
Deductions from Revenue															
Contractual Adjustments	(10,574,256)	(9,943,164)	(10,328,421)	(9,501,354)	(9,622,417)	(9,645,351)	(11,815,242)	(9,943,164)	(8,575,086)	(11,166,102)	(9,943,164)	(8,951,555)	(73,593,790)	(1,222,938)	(2,214,548)
Bad Debt	242,346	(119,730)	(302,126)	226,725	(115,868)	2,304,836	(1,124,188)	(119,730)	(526,905)	117,631	(119,730)	1,386,194	(2,344,101)	237,361	(1,268,563)
A/R Writeoffs	(909,911)	(731,396)	(1,472,830)	(283,363)	(707,802)	(1,097,867)	(357,172)	(731,396)	(1,479,007)	(311,625)	(731,396)	(1,723,376)	(3,146,096)	419,771	1,411,751
Other Deductions from Revenue	-	(179,562)	-	-	(173,770)	-	-	(179,562)	-	-	(179,562)	-	-	179,562	-
Deductions from Revenue	(11,241,821)	(10,973,852)	(12,103,377)	(9,557,992)	(10,619,856)	(8,438,382)	(13,296,602)	(10,973,852)	(10,580,998)	(11,360,096)	(10,973,852)	(9,288,737)	(79,083,987)	(386,244)	(2,071,359)
Other Patient Revenue															
Incentive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Oper Rev - Rehab Thera Serv	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Office Net Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Patient Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Patient Service Revenue	9,572,175	10,752,575	9,544,361	7,595,849	6,844,535	9,045,019	10,045,276	8,242,864	6,693,130	10,558,997	9,756,188	10,518,255	61,743,692	802,809	40,742
CNR%	46.0%	49.5%	44.1%	44.3%	39.2%	51.7%	43.0%	42.9%	38.7%	48.2%	47.1%	53.1%	43.8%	1.1%	-4.9%
Cost of Services - Direct															
Salaries and Wages	3,155,300	2,899,508	3,033,243	3,026,638	2,790,979	2,944,227	3,435,111	2,888,220	3,119,241	3,119,201	2,884,813	3,402,211	22,004,391	234,388	(283,010)
Benefits	1,561,958	1,289,162	1,587,436	1,252,353	1,191,782	1,617,715	933,385	1,288,785	1,445,404	846,729	1,285,519	1,412,693	8,168,977	(438,790)	(565,965)
Professional Fees	2,141,550	1,828,541	1,956,752	1,817,462	1,683,241	1,765,895	2,193,430	1,864,795	1,757,982	2,160,806	1,878,634	1,769,446	13,690,995	282,172	391,361
Contract Labor	257,899	303,030	466,567	423,986	347,300	495,129	84,298	270,699	366,331	210,212	238,645	373,323	1,882,703	(28,433)	(163,111)
Pharmacy	432,888	451,577	363,699	308,065	437,010	628,990	491,024	451,577	446,090	474,261	451,577	473,056	2,934,153	22,684	1,204
Medical Supplies	571,996	442,141	496,964	526,979	427,637	406,800	678,410	442,141	348,884	521,289	442,141	428,092	3,566,161	79,149	93,197
Hospice Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EHR System Expense	42,185	32,115	25,930	45,755	32,115	47,276	35,831	32,115	12,263	23,914	32,115	41,264	258,115	(8,201)	(17,350)
Other Direct Expenses	829,934	699,541	687,481	787,124	660,753	854,548	566,683	630,395	554,226	677,001	615,178	764,432	4,883,348	61,823	(87,431)
Total Cost of Services - Direct	8,993,710	7,945,613	8,618,072	8,188,360	7,570,816	7,759,581	8,418,171	7,868,725	8,050,420	8,033,412	7,828,621	8,664,517	57,388,843	204,791	(631,105)
General and Administrative Overhead															
Salaries and Wages	539,116	495,411	588,796	536,174	494,427	519,714	602,644	506,699	540,406	595,662	550,901	564,143	3,875,424	44,760	31,519
Benefits	264,041	217,926	308,829	295,289	281,007	96,641	161,373	222,818	233,464	150,653	228,724	261,366	1,476,733	(78,071)	(110,713)
Professional Fees	649,380	554,467	294,687	726,582	672,923	231,039	609,538	518,213	235,635	573,136	498,292	478,210	4,203,201	74,844	94,926
Contract Labor	101,078	118,766	77,262	80,283	65,763	88,238	47,053	151,097	306,137	108,478	123,151	(61,083)	608,551	(14,673)	169,561
Depreciation and Amortization	435,393	417,154	409,531	417,540	417,154	409,531	435,678	417,154	409,164	424,294	417,154	409,164	3,006,916	7,140	15,130
Other Administrative Expenses	210,428	177,367	149,642	243,549	204,448	481,883	221,599	246,514	262,025	288,192	261,875	244,700	1,662,185	26,317	43,492
Total General and Administrative Overhead	2,199,437	1,981,092	1,828,748	2,299,417	2,135,721	1,827,047	2,077,884	2,062,494	1,986,831	2,140,415	2,080,097	1,896,500	14,833,009	60,318	243,915
Total Expenses	11,193,147	9,926,705	10,446,820	10,487,777	9,706,537	9,586,628	10,496,055	9,931,219	10,037,251	10,173,827	9,908,718	10,561,017	72,221,852	265,109	(387,190)
Financing Expense	181,041	196,180	215,407	171,993	196,180	206,574	174,430	196,180	201,339	171,708	196,180	205,348	1,256,809	(24,472)	(33,640)
Financing Income	260,000	181,031	181,031	260,000	181,031	181,031	260,000	181,031	181,031	1,393,000	181,031	181,031	2,953,000	1,211,969	1,211,969
Investment Income	73,728	47,322	40,963	66,342	47,322	56,648	347,664	47,322	45,165	102,405	47,322	46,487	732,090	55,082	55,918
Miscellaneous Income	335,591	1,214,625	293,111	5,913,597	217,829	248,404	(615,154)	9,215,471	9,187,671	170,446	220,857	201,059	6,706,041	(50,411)	(30,613)
Net Income (Change in Financial Position)	(1,132,695)	2,072,668	(602,761)	3,176,018	(2,611,999)	(262,101)	(632,700)	7,559,289	5,868,407	1,879,313	100,500	180,468	(1,343,839)	1,778,813	1,698,845
Operating Income	(1,620,972)	825,870	(902,460)	(2,891,928)	(2,862,001)	(541,610)	(450,779)	(1,688,355)	(3,344,121)	385,170	(152,530)	(42,761)	(10,478,160)	537,700	427,932
EBIDA	(697,302)	2,489,822	(193,230)	3,593,558	(2,194,845)	147,431	(197,022)	7,976,443	6,277,571	2,303,607	517,654	589,632	1,663,077	1,785,953	1,713,975
Net Profit Margin	-11.8%	19.3%	-6.3%	41.8%	-38.2%	-2.9%	-6.3%	91.7%	87.7%	17.8%	1.0%	1.7%	-2.2%	16.8%	16.1%
Operating Margin	-16.9%	-9.5%	-9.5%	-38.1%	-41.8%	-6.0%	-4.5%	-20.5%	-50.0%	3.6%	-1.6%	-0.4%	-17.0%	5.2%	4.1%
EBIDA Margin	-7.3%	-2.0%	-2.0%	47.3%	-32.1%	1.6%	-2.0%	96.8%	93.8%	21.8%	5.3%	5.6%	2.7%	16.5%	16.2%

**Northern Inyo Healthcare District
Balance Sheet
Fiscal Year 2026**

	PY Balances	10/31/2025	10/31/2024	11/30/2025	11/30/2024	12/31/2025	12/31/2024	1/31/2026	1/31/2025	PM Change	PY Change
Assets											
Current Assets											
Cash and Liquid Capital	20,757,956	19,711,431	16,909,058	14,348,583	10,295,002	14,510,441	9,262,111	16,796,957	16,381,395	2,286,516	415,562
Short Term Investments	7,741,599	6,511,054	6,876,555	6,271,772	6,872,978	6,021,285	6,873,880	6,069,608	7,420,527	48,323	(1,350,919)
PMA Partnership	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable, Net of Allowance	16,645,748	11,138,154	19,252,585	13,862,975	20,054,289	21,831,732	18,106,671	21,330,628	21,232,772	(501,105)	97,855
Other Receivables	9,238,007	12,675,718	4,771,477	18,836,206	9,458,105	13,490,140	18,665,903	12,584,787	8,279,368	(905,353)	4,305,419
Inventory	5,334,241	5,325,812	6,079,443	5,329,753	6,117,401	5,368,712	6,141,928	5,345,822	6,129,163	(22,890)	(783,342)
Prepaid Expenses	1,106,127	1,495,596	1,353,383	1,423,818	1,091,960	1,500,971	852,094	1,904,391	1,483,581	403,420	420,811
Total Current Assets	60,823,678	56,857,764	55,242,502	60,073,106	53,889,735	62,723,281	59,902,587	64,032,193	60,926,806	1,308,911	3,105,386
Assets Limited as to Use											
Internally Designated for Capital Acquisition	-	-	-	-	-	-	-	-	-	-	-
Short Term - Restricted	1,469,292	1,469,800	1,468,293	1,469,924	1,468,417	(711,423)	1,468,545	(711,295)	1,468,673	128	(2,179,968)
Limited Use Assets	-	-	-	-	-	-	-	-	-	-	-
LAIF - DC Pension Board Restricted	-	-	-	-	-	-	-	-	-	-	-
LAIF - DB Pension Board Restricted	9,393,030	9,393,030	10,346,490	9,393,030	10,346,490	9,393,030	10,346,490	9,393,030	10,346,490	-	(953,460)
PEPRA - Deferred Outflows	-	-	-	-	-	-	-	-	-	-	-
PEPRA Pension	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflow - Excess Acquisition	573,097	573,097	573,097	573,097	573,097	573,097	573,097	573,097	573,097	-	-
Total Limited Use Assets	9,966,127	9,966,127	10,919,587	9,966,127	10,919,587	9,966,127	10,919,587	9,966,127	10,919,587	-	(953,460)
Revenue Bonds Held by a Trustee	297,382	274,405	353,592	268,661	347,848	262,916	342,104	257,439	336,360	(5,477)	(78,921)
Total Assets Limited as to Use	11,732,801	11,710,332	12,741,473	11,704,712	12,735,852	9,517,621	12,730,236	9,512,271	12,724,620	(5,349)	(3,212,349)
Long Term Assets											
Long Term Investment	497,086	497,137	999,950	736,076	747,654	497,152	748,961	258,065	747,838	(239,086)	(489,772)
Fixed Assets, Net of Depreciation	81,644,252	80,788,073	83,828,939	80,414,574	83,555,961	80,152,672	83,368,289	79,823,636	83,497,234	(329,036)	(3,673,599)
Total Long Term Assets	82,141,338	81,285,210	84,828,890	81,150,650	84,303,615	80,649,823	84,117,250	80,081,701	84,245,072	(568,123)	(4,163,371)
Total Assets	154,697,817	149,853,306	152,812,864	152,928,467	150,929,203	152,890,725	156,750,074	153,626,165	157,896,498	735,439	(4,270,334)
Liabilities											
Current Liabilities											
Current Maturities of Long-Term Debt	3,599,764	3,733,143	4,780,264	3,746,074	4,742,849	3,734,182	4,616,414	3,735,906	4,601,872	1,724	(865,966)
Accounts Payable	4,413,297	5,934,043	3,949,738	5,086,695	4,337,497	4,804,574	4,496,145	6,329,466	4,559,038	1,524,892	1,770,429
Accrued Payroll and Related	3,525,333	5,038,910	3,453,920	3,953,250	1,532,265	4,825,174	2,073,837	4,441,717	2,929,795	(383,457)	1,511,923
Accrued Interest and Sales Tax	83,538	109,061	166,600	10,834	192,433	80,904	275,828	142,138	358,675	61,234	(216,537)
Notes Payable	339,892	339,892	446,860	339,892	446,860	339,892	446,860	339,892	446,860	-	(106,968)
Unearned Revenue	-	-	(4,542)	-	(4,542)	-	(4,542)	-	(4,542)	-	4,542
Due to 3rd Party Payors	3,324,903	3,324,903	693,247	4,331,882	693,247	4,331,882	693,247	4,331,882	693,247	-	3,638,635
Due to Specific Purpose Funds	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Credits - Pension & Leases	8,758,790	8,750,511	12,591,545	8,748,442	12,589,475	8,746,372	12,589,475	8,744,302	12,585,336	(2,070)	(3,841,033)
Total Current Liabilities	24,045,518	27,230,464	26,077,633	26,217,069	24,530,084	26,862,981	25,187,264	28,065,305	26,170,281	1,202,323	1,895,024
Long Term Liabilities											
Long Term Debt	33,367,666	31,853,055	34,797,823	30,916,770	34,698,029	30,808,805	33,927,979	30,675,496	33,830,169	(133,309)	(3,154,673)
Bond Premium	127,973	115,425	153,070	112,288	149,933	109,151	146,796	106,014	143,659	(3,137)	(37,645)
Accreted Interest	17,272,679	16,708,764	16,560,403	16,793,152	16,653,761	16,877,539	16,742,795	16,961,927	16,831,830	84,388	130,097
Other Non-Current Liability - Pension	31,874,258	31,874,258	32,946,355	31,874,258	32,946,355	31,874,258	32,946,355	31,874,258	32,946,355	-	(1,072,097)
Total Long Term Liabilities	82,642,576	80,551,502	84,457,651	79,696,468	84,448,078	79,669,753	83,763,925	79,617,695	83,752,012	(52,058)	(4,134,317)
Suspense Liabilities	-	-	-	-	-	-	-	-	-	-	-
Uncategorized Liabilities (grants)	61,310	54,957	127,821	34,957	127,821	34,957	127,821	34,957	127,821	-	(92,864)
Total Liabilities	106,749,404	107,836,923	110,663,105	105,948,494	109,105,983	106,567,691	109,079,010	107,717,956	110,050,114	1,150,265	(2,332,158)
Fund Balance											
Fund Balance	40,722,935	46,313,053	37,326,592	48,100,501	37,262,030	48,076,134	37,241,338	45,781,867	37,236,063	(2,294,267)	8,545,804
Temporarily Restricted	1,469,292	1,469,800	1,468,293	1,469,924	1,468,417	1,470,052	1,468,545	1,470,180	1,468,673	128	1,507
Net Income	5,756,186	(5,766,469)	3,354,874	(2,590,452)	3,092,773	(3,223,152)	8,961,180	(1,343,839)	9,141,648	1,879,313	(10,485,487)
Total Fund Balance	47,948,412	42,016,384	42,149,759	46,979,974	41,823,220	46,323,034	47,671,064	45,908,208	47,846,384	(414,826)	(1,938,176)
Liabilities + Fund Balance	154,697,817	149,853,306	152,812,864	152,928,467	150,929,203	152,890,725	156,750,074	153,626,165	157,896,498	735,439	(4,270,334)
(Decline)/Gain		(1,937,979)	(2,419,435)	3,075,161	(1,883,661)	(37,742)	5,820,871	735,439	1,146,425	773,181	(410,985)

Northern Inyo Healthcare District
 Long-Term Debt Service Coverage Ratio
 FYE 2026

Calculation method agrees to SECOND and THIRD
 SUPPLEMENTAL INDENTURE OF TRUST 2021 Bonds Indenture

Long-Term Debt Service Coverage Ratio Calculation

Numerator:	HOSPITAL FUND ONLY
Excess of revenues over expense	\$ (1,343,839)
+ Depreciation Expense	3,006,916
+ Interest Expense	1,256,809
Less GO Property Tax revenue	2,067,000
Less GO Interest Expense	273,717
"Income available for debt service"	\$ 579,170

Denominator:	
Maximum "Annual Debt Service"	
2021A Revenue Bonds	\$ 112,700
2021B Revenue Bonds	892,400
2009 GO Bonds (Fully Accreted Value)	
2016 GO Bonds	
Financed purchases and other loans	1,506,725
Total Maximum Annual Debt Service	\$ 2,511,825
	1,465,231
Ratio: (numerator / denominator)	0.40

Required Debt Service Coverage Ratio: 1.10

In Compliance? (Y/N) **No**

Unrestricted Funds and Days Cash on Hand

	HOSPITAL FUND ONLY
Cash and Investments-current	\$ 22,866,565
Cash and Investments-non current	258,065
Sub-total	23,124,630
Less - Restricted:	
PRF and grants (Unearned Revenue)	-
Held with bond fiscal agent	-
Building and Nursing Fund	-
Total Unrestricted Funds	\$ 23,124,630

Total Operating Expenses	\$ 72,221,852
Less Depreciation	3,006,916
Net Expenses	69,214,937
Average Daily Operating Expense	\$ 321,930

Days Cash on Hand **72**

Northern Inyo Healthcare District
Statement of Cash Flows
Fiscal Year 2026

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from and on Behalf of Patients	61,780,802
Payments to Suppliers and Contractors	(37,836,874)
Payments to and on Behalf of Employees	(38,016,779)
Other Receipts and Payments, Net	<u>364,095</u>
Net Cash Provided (Used) by Operating Activities	<u>(13,708,756)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Noncapital Contributions and Grants	4,679,760
Property Taxes Received	<u>886,000</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,565,760</u>

CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES

Principal Payments on Long-Term Debt	(1,861,947)
Proceeds from the Issuance of Refunding Revenue Bonds	-
Payment to Defease Revenue Bonds	-
Interest Paid	(1,256,809)
Purchase and Construction of Capital Assets	2,721,942
Payments on Lease Liability	(52,880)
Payments on Subscription Liability	(510,966)
Property Taxes Received	2,953,000
Net Cash Provided (Used) by Capital and Capital Related Financing Activities	<u>1,992,339</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment Income	732,090
Rental Income	<u>43,641</u>
Net Cash Provided (Used) by Investing Activities	<u>775,731</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS

(5,374,925)

Cash and Cash Equivalents - Beginning of Year

28,499,555

CASH AND CASH EQUIVALENTS - END OF YEAR

23,124,630



STRATEGIC FINANCIAL PLAN

- **COMPLETED**
 - REVENUE CYCLE MANAGEMENT UTILIZING AI (JORIE)
 - ORTHOPEDICS SERVICE LINE RECOVERY
 - NEGOTIATED LABOR AGREEMENT
- **IN PROGRESS**
 - RENEW PROVIDER CONTRACTS UNDER WRVU/PRODUCTIVITY MODEL
 - PATIENT THROUGHPUT PROCESS IMPROVEMENT
 - INPATIENT DIALYSIS SERVICE
 - MAMMOTH HOSPITAL PARTNERSHIP ON WOMEN'S HEALTH

STRATEGIC FINANCIAL PLAN

- **SHORT TERM INITIATIVES (3-12 MONTHS)**
 - STAFFING – RURAL HOSPITAL BENCHMARKING (HEALTH TRUST)
 - SUPPLY CHAIN RE-ENGINEERING – LEAN (RSM), CONTRACT REVIEW (MOI CASE ANALYSIS)
 - OUTPATIENT PHARMACY PROGRAM WITH 340B PRICING
 - HOSPITAL BASED PROCEDURE ROOM (OUTPATIENT PROCEDURES)
 - DEVELOP A PROGRAM TO SUPPORT LAUNDRY SERVICES FOR THE LOCAL HOTELS/MAMMOTH HOSPITAL
 - PROP 13 TAX TO THE APPROPRIATE LEVEL (NO GANN APPROPRIATIONS LIMIT)
- **LONG TERM STRATEGY (12-24 MONTHS)**
 - STRATEGIC SERVICE LINE GROWTH (WIPFLI)
 - DISTINCT PART SKILLED NURSING PROGRAM (DP/SNF)
 - RURAL HEALTH TRANSFORMATION PROGRAM



DATE: March 2026
TO: Board of Directors, Northern Inyo Healthcare District
FROM: Christian Wallis, CEO
RE: HealthTrust Contract

MEMORANDUM

Background

Northern Inyo Healthcare District received a proposal from HealthTrust Workforce Solutions (HWS) to conduct a Labor Benchmarking and Optimization Assessment. HealthTrust provides consulting services focused on workforce management, productivity benchmarking, and staffing optimization for healthcare organizations nationwide.

Labor represents the largest operating expense for most healthcare organizations, and benchmarking performance against peer hospitals can help identify opportunities to improve efficiency while maintaining quality patient care.

Discussion

The proposed engagement includes a facility-wide review of staffing, scheduling, and labor productivity, using department-level data and leadership interviews to compare NIHD's labor utilization against peer hospital benchmarks.

The assessment is expected to take approximately 1–2 months and will result in a report outlining benchmarking results and recommended opportunities to improve workforce efficiency and operational performance.

The proposed professional fee is \$44,000, with 50% due upon contract execution and 50% upon delivery of the draft report, plus travel expenses if incurred.

Recommendation

Administration recommends that the Board approve entering into an agreement with HealthTrust Workforce Solutions to conduct the Labor Benchmarking and Optimization Assessment.

Approval would authorize a professional services contract in the amount of \$44,000, plus travel expenses if incurred.

Department-Led Budget Calendar

Task	Due Date
Financial & Stat History completed	1/8/2026
Budget schedule completed	1/8/2026
Budget templates completed	1/13/2026
Department Leaders Training	1/14/2026
Volume rollforward completed	2/20/2026
FTEs Completed	2/20/2026
Wages, Contract Labor, & Benefits Completed	2/20/2026
Supplies Completed	2/20/2026
Physician Expenses Completed	2/20/2026
All Other Expenses Completed	2/20/2026
Department Leaders Expense Budget Draft Due	2/20/2026
Exec Team Finalizes Expense Budget Draft	2/27/2026
Department Leaders Revenue Budget Draft Due	3/20/2026
Exec Team Finalizes Revenue Budget Draft	3/31/2026
Exec Team Reviews Dept Budgets	4/10/2026
Dept Leaders Adjust Budget	4/17/2026
Dept Leaders Meetings to Review Final Budgets	4/24/2026
Exec Team Final Approval of Draft	5/1/2026
Final Draft Presented to Finance Committee	5/12/2026
Final Draft Presented to Board	5/20/2026
Final Budget Approved by Board (if needed)	6/17/2026