



MORONGO BASIN HEALTHCARE DISTRICT

AGENDA

HI-DESERT MEMORIAL HEALTH CARE DISTRICT dba MORONGO BASIN HEALTHCARE DISTRICT **BOARD OF DIRECTORS REGULAR BUSINESS MEETING**

February 6, 2025 at 6:00 p.m.

District Offices | 760.820.9229

6530 La Contenta Road, Suite 400, Yucca Valley, CA 92284

INSTRUCTIONS FOR JOINING THIS MEETING REMOTELY

This public meeting may be accessed through the Microsoft Teams platform. Join the meeting by (1) visiting the District website at MBHDistrict.org and (2) selecting at the top of the page the purple tab "Board Meeting Agendas" (3) Click on the URL link presented under the agenda buttons and (4) enter the meeting using the ID and Passcode listed below. Access to the meeting will require the download of the Microsoft Teams application on the device being used if not already done so.

Meeting ID: 222 209 726 500 Passcode: 5Cdq34

CALL TO ORDER

ROLL CALL

READING OF MISSION, VISION & CORE VALUES STATEMENTS

- **Mission Statement:** *To improve the health and wellness of the communities we serve.*
- **Vision:** *A healthy Morongo Basin.*
- **Core Values:** *Commitment, Collaboration, Accountability, Dignity, Integrity, Equity.*

PLEDGE OF ALLEGIANCE - *Please stand as able.*

PUBLIC COMMENTS

The public comment portion of this agenda provides an opportunity for the public to address the Board of Directors on items not listed on the agenda that *are of interest to the public at large* and are within the subject matter jurisdiction of this Board. The Board of Directors is prohibited by law from taking action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Board does not respond to public comments at this time. In all such instances we will be unable to Comments are to be limited to three minutes per speaker respond publicly because of California Brown Act and/or due to patient confidentiality obligations. In all cases, your concerns will be referred to the Chief Executive Officer for review and a timely response. and shall not exceed a total of 20 minutes. All comments are to be directed to the Board of Directors and shall not consist of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during their comments. Public input may be offered on an agenda item when the item comes up for discussion and/or action. Members of the public who wish to speak should notify the meeting chairperson through the application's "Chat" option.

ACTION ITEMS

APPROVAL OF MEETING AGENDA

- **Motion 25-16** to approve the meeting agenda as presented.

APPROVAL OF CONSENT AGENDA -----Tab 1

Minutes of the regular business meeting of the Board of Directors, January 13, 2025

- **Motion 25-17** to approve the consent agenda as presented.

ACCEPT HDMC HOLDINGS, LLC REMAINING UPDATE – *Karen Faulis, CEO and Jason Reuben, CFO, Hi-Desert Medical Center*

- **Motion 25-18** to accept the updated information from HDMC Holdings, LLC.

REVIEW AND APPROVE FINANCIAL POLICIES – *Debbie Anderson, CFO*

Only the review date has been changed on these policies. They are presented for review and approval as per our policy to review policies each three-year period.

- FN-AP-102 Accrual Vendor Invoices
 - FN-AP-103 Credit Memo
 - FN-AP-105 Procurement Standards
 - FN-CA-104 Investment HDMHCD Funds
 - FN-GA-104 Grants & Compliance
 - FN-AR-101 Cash Receipts
 - FN-AR-102 Charge Capture
 - FN-AR-103 Collections
 - FN-AR-104 Billing
- **Motion 25-19** to approve financial policies as presented.

REVIEW AND APPROVE HUMAN RESOURCE POLICIES – *Cindy Schmall, CEO*

Only the review date has been changed on these policies. They are presented for review and approval as per our policy to review policies each three-year period.

- HR-226 Accident Investigation Reporting
 - HR 267 Substance Abuse
 - HR-271 Temporary Alternative Work
- **Motion 25-20** to approve human resource policies as presented.

DISCUSSION

Federal legislative changes and impact on the healthcare district – *Cindy Schmall, CEO*

REPORTS

FINANCIAL REPORT – *Debbie Anderson, CFO* -----Tab 2

- **Motion 25-21** to accept financial report(s)

CEO REPORT – *Cindy Schmall, CEO*-----Tab 3

CALENDAR REVIEW -----Tab 4

DIRECTOR COMMENTS

ADJOURN MEETING TO CLOSED SESSION

Pursuant to Government Code Section 54957 for employee evaluation: CEO.

RECONVENE TO OPEN SESSION AND ADJOURN MEETING

I CERTIFY THAT A COPY OF THIS AGENDA WAS POSTED PER SECTION 54954.2 OF THE CALIFORNIA GOVERNMENT CODE.

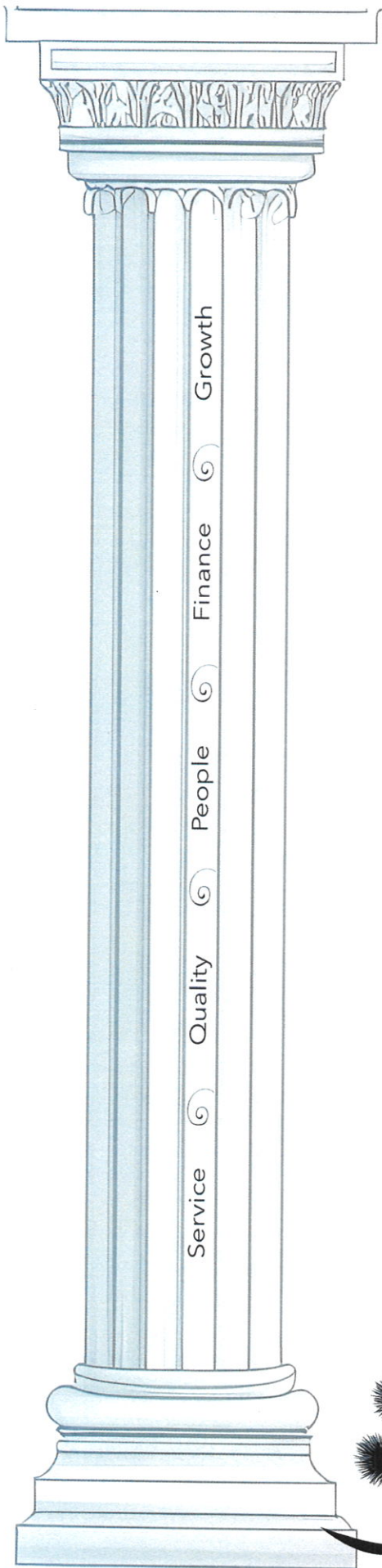


Karen Graley, Board Clerk

Posted: February 3, 2024

The Morongo Basin Healthcare District Board of Directors' meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed to participate in the public meeting, requests should be made through the Staff Aide at least three (3) business days prior to the meeting. The Board Clerk's telephone number is 760.820-9229 and the office is located at 6530 La Contenta Rd, #100, Yucca Valley, CA. California Relay Service is 711.

In conformity with Government Code Section 54957.5, any writing that is a public record, that relates to an item listed on this agenda, and that will be distributed to all or a majority of Morongo Basin Healthcare District Board of Directors less than twenty-four (24) hours prior to the meeting for which this agenda relates, will be available for public inspection at the time the writing is distributed. This inspection may be made during the meeting at the address/meeting room(s) listed above or an electronic copy may be requested in advance of the meeting via email message to kgraley@MBHDistrict.org.



TAB #1
CONSENT AGENDA

MINUTES FOR
LAST MONTH'S MEETINGS



MORONGO BASIN
HEALTHCARE DISTRICT
MorongoBasinHealth.org

Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
January 13, 2025 at 6:00 p.m.

Convened on the La Contenta campus; the public was invited to attend the meeting on campus or via Microsoft Teams, an electronic, remote platform.

- **Mission Statement:** *To improve the health and wellness of the communities we serve.*
- **Vision:** *A healthy Morongo Basin.*
- **Core Values:** *Commitment, Collaboration, Accountability, Dignity, Integrity, Equity.*

Board of Directors:

- Director Cooper
- Director Evans
- Director Markle-Greenhouse
- Director Stiemsma

- Karen Faulis, CEO HDMC (*remote*)

Administrative Staff:

- CEO Cindy Schmall
- Debbie Anderson, CFO
- Tricia Gehrlein, Chief Patient Experience Officer (*remote*)
- Karen Graley, Board Clerk (*remote*)
- Beverly Krushat, Administrative Services Manager
- Janeen Duff, Director Strategic Initiatives

CALL TO ORDER

Director Evans called the meeting to order at 6:00 p.m. The meeting was convened on the La Contenta campus and by electronic platform using Microsoft Teams platform.

ROLL CALL

Karen Graley, Board Clerk, conducted roll call and declared a quorum.

OBSERVANCES

Director Greenhouse read the mission and vision statements. Director Cooper led the assembly in the pledge of allegiance.

PUBLIC COMMENT

No public comment was presented.

OATH OF OFFICE

CEO Cindy Schmall administered the oath of office to Directors Cooper, Greenhouse and Stiemsma. There was a photoshoot following the oaths of office.

BUSINESS REQUIRING BOARD ACTION

NOMINATION & ELECTION OF BOARD OFFICERS

Board Clerk Karen Graley administered the nomination and election of board officers.

- **Motion 25-01:** Directors Evans and Greenhouse motioned to elect Director Stiemsma as President of the board; motion seconded by Director Cooper; the motion passed by unanimous vote; Director Stiemsma was elected President of the board.
- **Motion 25-02:** Director Evans motioned to elect Director Greenhouse as Vice President of the board; motion seconded by Director Stiemsma; the motion passed by unanimous vote; Director Greenhouse was elected Vice President of the board.



- **Motion 25-03:** Director Evans motioned to elect Director Cooper as Secretary of the board; motion seconded by Director Greenhouse; the motion passed by unanimous vote; Director Cooper was elected Secretary of the board.
- **Motion 25-04:** Director Greenhouse motioned to elect Director Evans as Treasurer of the board; motion seconded by Director Cooper; the motion passed by unanimous vote; Director Evans was elected Treasurer of the board.

Director Evans passed the gavel to Director Stiemsma. The officers of the Board of Directors:

- President: Director Stiemsma
- Vice President: Director Greenhouse
- Secretary: Director Cooper
- Treasurer: Director Evans

APPROVAL OF THE MEETING AGENDA

Motion 25-05: Director Evans motioned to approve the meeting agenda; second by Director Greenhouse, motion passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 25-06:** Director Evans motioned to approve the minutes of the regular meeting of the Board of Directors on December 5, 2024 as presented, second by Director Greenhouse, motion passed by unanimous vote.

APPROVAL OF THE 2025 ANNUAL BUSINESS CALENDAR

The 2025 Business Calendar was reviewed. There were no questions.

- **Motion 25-07:** Motion by Director Greenhouse to approve the 2025 Annual Business Calendar as presented; second by Director Evans, motion passed by unanimous vote.

APPOINTMENT OF DISTRICT BOARD MEMBERS TO THE CHC GOVERNING BOARD

The board engaged in a brief discussion about availability. Directors Cooper and Greenhouse agreed to represent the Board of Directors at the CHC Governing Board meetings for another term.

- **Motion 25-08:** Motion by Director Evans to appoint Directors Cooper and Greenhouse to sit on the CHC Governing Board; second by Director Stiemsma. The motion passed by unanimous vote.

ACKNOWLEDGE BOARD VACANCY IN ZONE 3

CEO Cindy Schmall explained that Jackie Todd did not file for candidacy on the November 2024 general election ballot. She served as the public representative for voting zone 3 on the redistrict map. No other community members registered for the election. The seat is now vacant and will be appointed as defined by law.

The board's clerk provided an explanation of the vacancy process and deadlines as defined in the California Brown Act. The Board of Directors acknowledged the vacancy and instructed staff to proceed with issuing the Public Notice of Vacancy for voting zone 3.

- **Motion 25-09:** Motion by Director Evans to acknowledge the vacant board seat for voting zone 3; second by Director Greenhouse. The motion passed by unanimous vote.

APPROVAL OF AMENDMENT TO THE TENET LEASE AGREEMENT

CEO Cindy Schmall acknowledged Karen Faulis on remote attendance. Ms. Schmall gave the background history that prompted this consideration. Exhibit B in the lease agreement listed properties leased by the medical center, not owned by the medical center. The attorneys updated the Exhibit B which now lists seven properties. This does not change the lease agreement, but



simply corrects Exhibit B with an accurate list of properties. Ms. Faulis stated it does not change the annual payment amount even though the square footage has now changed.

- **Motion 25-10:** Motion by Director Evans to approve the amendment to the Tenet lease as identified in the lease amendment; second by Director Greenhouse. The motion passed by unanimous vote.

RATIFY REVISED BYLAWS

CEO Cindy Schmall noted that staff had presented recommended language from ACHD in the previous bylaws revision (December 2024). She consulted with our attorney who provided the language now presented for approval.

- **Motion 25-11:** Motion by Director Greenhouse to approve the Bylaws as revised; second by Director Cooper. The motion passed by unanimous vote.

APPROVE CONTRACT FOR BILLING SERVICES

CFO Debbie Anderson presented the action item. The Staff Recommendation under Tab 5 in the agenda packet provided background information and why staff is recommending this company to provide revenue cycle services for the health centers.

- **Motion 25-12:** Motion by Director Greenhouse to approve the contract for revenue cycle management services; second by Director Evans. The motion passed by unanimous vote.

APPROVE FINANCIAL POLICIES

Ms. Anderson explained that the policies were presented to comply with our internal policy that policies be reviewed every three-years. There were no revisions to these policies.

- FN-CA-101 Bank Reconciliations & Positive Pay
- FN-CA-102 Petty Cash and Cash Drawers
- FN-CA-103 Voided Checks
- FN-CA-105 Federal Cash Drawdowns
- FN-FA-102 Deletion Fixed Assets / Surplus
- FN-FA-103 Elimination District Surplus Real Property
- FN-GA-101 Chart of Accounts/Accounting System
- FN-GA-102 Allocations
- FN-GA-103 Financial Statements
- FN-GA-105 Budgets

- **Motion 25-13:** Motion by Director Evans to approve the financial policies as presented; second by Director Greenhouse. The motion passed by unanimous vote.

APPROVE CAPITAL EXPENDITURE

CEO Cindy Schmall referred the Directors to Tab 7 in the agenda packet and explained that the wrong flooring had been specified in the original building plans. Even though staff corrected it, the manufacturer lost the change order. This additional expenditure will correct that. The replacement product is the same sheet vinyl used in the treatment rooms, will provide visual continuity in the design, and is easy to maintain.

- **Motion 25-14** Motion by Director Greenhouse to approve the capital expenditure of \$18,929 for the Split Rock project; second by Director Evans. The motion passed by unanimous vote.

STAFF REPORTS

FINANCIAL REPORT

Ms. Anderson reported that the consolidated financials for the month of November shows income of \$174,097 and year to date income of \$1,491,323. Non-clinic financials for November shows income of \$293,420 and year to date income of \$1,977,457. The clinic financials for the month of November show a loss of \$(119,323) and year to date loss of \$(486,134).



Visits for November landed at 3,015 in comparison to budgeted visits of 2,902, the second month in a row the health centers exceeded budgeted visits. Due to this improvement, the clinics' year to date change in net position is less than budgeted. Year to date was projected to have a loss of over \$1.1 million; instead, losses are \$(486,000). Budget challenges included:

- HRSA FQHC base grant dollars have remained static since February 2019 at \$1,532,907.
- Salaries were increased to meet SB-525 requirements.
- Health benefits increased year much higher than the nominal 3-5%
- IT needs have increased substantially in the last few years

CEO Cindy Schmall pointed out that patient visit volume has steadily increased over the year, and significantly so for the last two months. Director Stiemsma asked if the trend was the result of interventions that have been implemented in clinic administration. Cindy responded she believes it is the result of multiple interventions such as more effectively tracking no-show activity, calling patients on the wait list to fill open appointments, a new physician was onboarded and physician contracts set volume goals (the target is the minimum set by Medi-Cal).

- **Motion 25-15:** Director Cooper motioned to accept the financial report as presented, second by Director Greenhouse; motion passed by unanimous vote.

CEO REPORT – Cindy Schmall, CEO

CEO Cindy Schmall referred Directors to her written report under tab 9 in the agenda packet. Additionally, she highlighted:

- A handout was provided showing the ACHD strategic plan.
- Director Evans asked about the county Vital Signs program mentioned in the written report. CEO Schmall does not have the details and will advise once she's received them from the county, though she expects it will be related to behavioral health..
- Ms. Schmall provided a handout as an update on the healthcare district's strategic plan.
- The employee satisfaction survey is scheduled for February.
- She played the video where the CEO of IEHP updated information on reimbursement. She noted that IEHP will not be reinstating the P4P reimbursement program.

Director Evans asked for an update on the partnership with Morongo Unified School District.

CALENDAR REVIEW AND COORDINATION

- February 24 Special board meeting to appoint the vacant seat
- March 8 and 9: Flying Doctors event

DIRECTOR COMMENTS

DIRECTOR COOPER: She thanked Debbie Anderson for the great financial report.

DIRECTOR GREENHOUSE: She offered congratulations to the board members who have committed to another term of office. "It's going to be another great year!"

DIRECTOR STIEMSMA: "I was very pleased to see the increase in patient volumes."

DIRECTOR EVANS: She thanked Cindy for the strategic plan update.

ADJOURN MEETING TO CLOSED SESSION

The Directors convened to closed session, pursuant to Government Code 54956.9(b)(1) potential litigation, Corporate Compliance report, at 7:16 p.m.

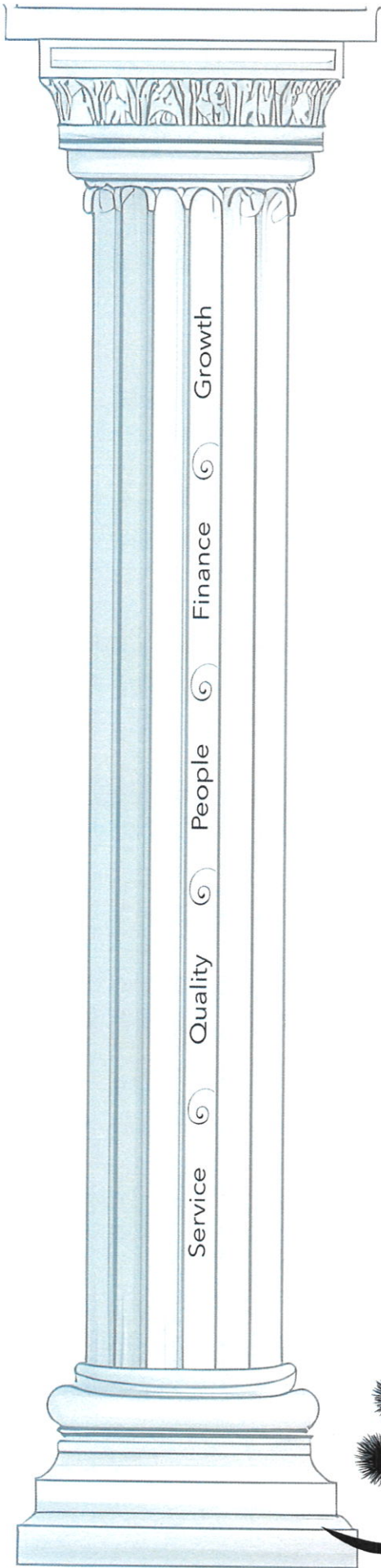


RECONVENE TO OPEN SESSION AND ADJOURN MEETING

The Directors reconvened to open session and adjourned the meeting at 7:46 p.m. Director Stiemsma stated that the staff report was received and there was no resulting action.

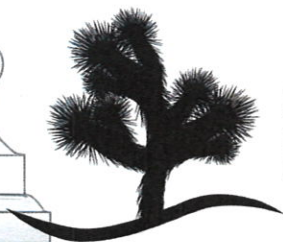
Patricia Cooper, Secretary of the Board

Board meeting minutes recorded by K. Graley, Board Clerk.



TAB #2
FINANCIAL REPORT

FINANCIAL STATEMENTS



MORONGO BASIN
HEALTHCARE DISTRICT
MorongoBasinHealth.org



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

January 30, 2024

To: MBHD Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for December 2024

OVERVIEW

The consolidated financials for the month of December show income of \$951,973 and year to date shows income of \$2,443,295. (See Table 1 & 2)

The non-clinic financials for the month of December show income of \$609,590 and year to date shows income of \$2,587,046. (See Table 3 & 4)

The clinic financials for the month of December show income of \$342,383 and year to date shows a loss of \$(143,751). (See Table 5 & 6)

Visits for December landed at 3,058 in comparison to budgeted visits of 3,206, so we did not exceed budgeted visits. However, late December & early January all the clinics were hit with sickness, and this definitely affected visit capabilities.

Additionally, in December the PPS adjustments for BH started getting paid. However, the way the state pays these is in pieces. First you get a letter from DHCS. Then you get an AR notice from MMIS. Then you get the payment (that just shows up on a Medi-Cal RA with an AR number that ties back to the letters). So we had payments come in, but not the corresponding letters. Which means it is most difficult to figure out what the payments apply to. We know they are for the BH, since they came through the BH NPI, but beyond that we are still trying to work through what goes with what year and what is for PPS adjustments and what is for normal cost report adjustments.

Another factor that plays into this is that estimated PPS amounts to come in are required to be estimated for the audited financial statements that ended June 30, 2024. Which means that when the data is figured out, we reverse the amounts from the P&L since technically the adjustments were recorded last year and this year gets the difference between what was estimated and what is actual. If all of this sounds like a process, it is. And the reason I explain this is because it WILL impact this year's P&L once everything is finalized. In other words, the P&L's today being presented for December show too much income and because of the complexities surrounding figuring out what the income is supposed to be, the true income to be recognized in this year can't be done until we receive those letters. We accrued approximately \$850,000 for the PPS adjustments, but without those letters, it is difficult to tell how much of this received relates to PPS adjustments or other year BH cost report adjustments.

Finally, it may be a few months before we can get those letters. Historically, to request reprinted letters can take anywhere from 3 to 14 months since Medi-Cal does not have a phone number and all requests for MMIS adjustments must be mailed to them, and then are processed in the order received.

CONSOLIDATED CHANGE IN NET POSITION

Table 1 Consolidated December 2024

Consolidated	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Income	1,547,508	1,068,333	479,176	44.85%
Expense	(1,131,961)	(1,245,255)	113,294	9.10%
Operating Income/(Loss) before Allocation	415,547	(176,922)	592,469	334.88%
Non-Operating	536,403	400,021	136,382	34.09%
Change in Net Position	951,973	223,099	728,874	326.70%

Table 2 Consolidate Year to Date

Consolidated	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Income	7,140,884	6,512,993	627,891	9.64%
Expense	(7,016,216)	(7,572,616)	556,400	7.35%
Operating Income/(Loss) before Allocation	124,668	(1,059,623)	1,184,291	111.77%
Non-Operating	2,318,605	622,635	1,695,970	272.39%
Change in Net Position	2,443,295	(436,988)	2,880,283	659.12%

NON-CLINICS CHANGE IN NET POSITION

Table 3 Non-Clinics December 2024

Non Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
GRANT REVENUE	-	6,250	(6,250)	-100.00%
TENET LEASE -Amort of \$2M lease	203,771	203,054	717	0.35%
INTEREST INCOME (TENET LEASE)	1,051	21	1,030	4944.36%
OTHER OPERATING REVENUE	478	125	353	282.79%
	205,300	209,450	(4,150)	-1.98%
Salaries	129,905	163,332	33,427	20.47%
Fringe	4,176	28,984	24,808	85.59%
Purchased Services	10,761	7,535	(3,226)	-42.81%
IT, Network & Phones	17,690	19,216	1,527	7.95%
Supplies	2,610	4,723	2,113	44.74%
R&M	2,145	4,345	2,200	50.63%
Leases/Rentals	-	26	26	100.00%
Utilities	6,954	4,097	(2,857)	-69.75%
Insurance	30,758	36,800	6,043	16.42%
Other	17,637	20,067	2,431	12.11%
Depreciation	59,945	60,172	227	0.38%
	282,581	349,298	66,717	19.10%
Operating Income/(Loss) before Allocation	(77,280)	(139,848)	62,567	44.74%
Allocation of Overhead for Health Centers	150,444	189,309	(38,864)	-20.53%
Operating Income/(Loss) after Allocation	73,164	49,461	23,703	47.92%
Non-Operating Tax Revenue	518,647	379,330	139,317	36.73%
Non-Operating Investment Income	10,859	13,968	(3,109)	-22.26%
Non-Operating Rental Income	6,898	6,723	174	2.59%
Discontinued Operations	23	-	23	100.00%
	536,426	400,021	136,405	34.10%
Change in Net Position	609,590	449,482	160,108	35.62%

Grant revenue variance is due to transportation billing being completed earlier than anticipated (note prior months had overages of amounts billed when compared to budget & YTD still shows over budget). Salaries & fringe variance is due positions budgeted not filled, so savings took place. Allocation of overhead variance is due to less overhead being moved to the clinics.

Table 4 Non-Clinics Year to Date

Non Clinic	Actual YTD	Budget YTD	Over/(Under)	% of Budget
GRANT REVENUE	61,394	52,500	8,894	16.94%
TENET LEASE -Amort of \$2M lease	1,222,628	1,218,325	4,302	0.35%
INTEREST INCOME (TENET LEASE)	6,986	125	6,861	5488.02%
OTHER OPERATING REVENUE	960	750	210	28.06%
	1,291,968	1,271,701	20,267	1.59%
Salaries	823,394	979,989	156,595	15.98%
Fringe	164,808	204,195	39,388	19.29%
Purchased Services	65,269	45,595	(19,674)	-43.15%
IT, Network & Phones	86,128	115,299	29,171	25.30%
Supplies	18,854	28,565	9,711	34.00%
R&M	33,882	26,105	(7,777)	-29.79%
Leases/Rentals	144	155	11	7.04%
Utilities	31,524	30,072	(1,452)	-4.83%
Insurance	161,360	198,974	37,613	18.90%
Other	114,169	121,005	6,836	5.65%
Depreciation	368,110	361,030	(7,080)	-1.96%
	1,867,642	2,110,985	243,342	11.53%
Operating Income/(Loss) before Allocation	(575,675)	(839,284)	263,609	31.41%
Allocation of Overhead for Health Centers	870,094	1,144,866	(274,772)	-24.00%
Operating Income/(Loss) after Allocation	294,419	305,582	(11,163)	-3.65%
Non-Operating Tax Revenue	648,265	523,095	125,170	23.93%
Non-Operating Investment Income	1,603,651	59,200	1,544,451	2609%
Non-Operating Rental Income	40,689	40,340	349	0.86%
Discontinued Operations	23	-	23	100.00%
	2,292,627	622,635	1,669,992	268.21%
Change in Net Position	2,587,046	928,217	1,658,829	178.71%

Purchased services variance due to an increase in legal fees. Savings are occurring in IT due to software costs going down due to changes in the structuring of Microsoft licenses and applications for staff. Insurance variance due to amounts not increasing as much as they have in past years.

CLINIC CHANGE IN NET POSITION

Table 5 Clinics December 2024

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	973,327	632,289	341,038	53.94%
Grant Revenue	191,289	127,742	63,546	49.75%
340B Revenue	45,490	30,473	15,017	49.28%
Capitation Fees	187,130	166,695	20,435	12.26%
Records & Interest	215	134	82	61.00%
Cost Report Adjustments	(91,307)	(141,667)	50,360	35.55%
Quality	36,064	43,217	(7,153)	-16.55%
	1,342,208	858,883	483,325	56.27%

Table 5 (continued)

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Salaries - Clinic	449,160	528,194	79,034	14.96%
Fringe - Clinic	84,793	98,426	13,633	13.85%
Phys Fees - Clinic	101,115	104,903	3,788	3.61%
Purchases Services - Clinic	66,821	64,986	(1,834)	-2.82%
IT, Network & Phones - Clinic	24,556	17,393	(7,164)	-41.19%
Supplies - Clinic	57,480	29,999	(27,481)	-91.60%
Supplies - 340B	34,216	20,528	(13,688)	-66.68%
R&M - Clinic	2,114	4,610	2,496	54.15%
Leases/Rentals - Clinic	259	377	118	31.38%
Utilities - Clinic	4,373	4,650	277	5.96%
Ins - Clinic	486	152	(334)	-219.14%
Other - Clinic	7,142	7,149	7	0.10%
Depreciation	16,867	14,590	(2,277)	-15.61%
	849,380	895,957	46,577	5.20%
Operating Income/(Loss) before Allocation	492,827	(37,075)	529,902	1429.28%
Allocation of Overhead for Health Centers	(150,444)	(189,309)	38,864	20.53%
Change in Net Position	342,383	(226,383)	568,766	251.24%

Grant revenue variance due to bookings for the ARP equipment grant and the continuation of the HIV grant. The 340B revenue variance is due to a one time release of claims that are now being counted in the 340B program due to compliance with drug manufacturer uploading of data. Capitation fees variance is due to higher capitation due to absorbing patients from a local doctor's office that no longer services IEHP patients. Salaries & fringe variance is due to positions budgeted not filled, so savings took place. Due to the ARP grant, supplies & IT continue to be over budget as we purchase items for that grant that was not accounted for in the budget. 340B supplies are higher since revenue for 340B increased. Since there were less expenses than budgeted in district (non-clinics P&L) for the month, the allocation of overhead expenses is not as much as budgeted.

Table 6 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	4,131,991	3,823,843	308,148	8.06%
Grant Revenue	1,059,785	822,884	236,901	28.79%
340B Revenue	181,224	184,288	(3,064)	-1.66%
Capitation Fees	1,063,422	1,000,169	63,253	6.32%
Records & Interest	926	808	118	14.58%
Cost Report Adjustments	(799,640)	(850,000)	50,360	5.92%
Quality	211,208	259,300	(48,091)	-18.55%
	5,848,917	5,241,293	607,624	11.59%
Salaries - Clinic	2,651,734	3,169,166	517,432	16.33%
Fringe - Clinic	571,055	658,681	87,626	13.30%
Phys Fees - Clinic	716,530	634,413	(82,117)	-12.94%
Purchases Services - Clinic	376,258	388,529	12,271	3.16%
IT, Network & Phones - Clinic	136,146	104,356	(31,790)	-30.46%
Supplies - Clinic	288,404	181,424	(106,980)	-58.97%
Supplies - 340B	121,114	123,820	2,706	2.19%
R&M - Clinic	40,097	27,746	(12,351)	-44.51%

Table 6 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Leases/Rentals - Clinic	1,340	2,264	924	40.80%
Utilities - Clinic	43,568	39,705	(3,863)	-9.73%
Ins - Clinic	1,546	914	(633)	-69.27%
Other - Clinic	101,200	43,076	(58,124)	-134.94%
Depreciation	99,581	87,538	(12,044)	-13.76%
	5,148,574	5,461,631	313,058	5.73%
Operating Income/(Loss) before Allocation	700,343	(220,339)	920,682	417.85%
Allocation of Overhead for Health Centers	(870,094)	(1,144,866)	274,773	24.00%
Operating Income/(Loss) after Allocation	(169,751)	(1,365,205)	1,195,454	87.57%
Non-Operating	26,000	-	26,000	-100.00%
	26,000	-	26,000	-100.00%
Change in Net Position	(143,751)	(1,365,205)	1,221,454	89.47%

Quality payments are not as high due to complexities of timing, bundled scores, improvement from the previous year, and other factors. The physician fees are over due to increases in visits being done by BH, Peds, and Chiro. The R&M variance is due to higher supply costs for the peds & adult renovations. The other variance is due to recruitment fees paid for the new Split Rock doctor.

Statement of Net Position

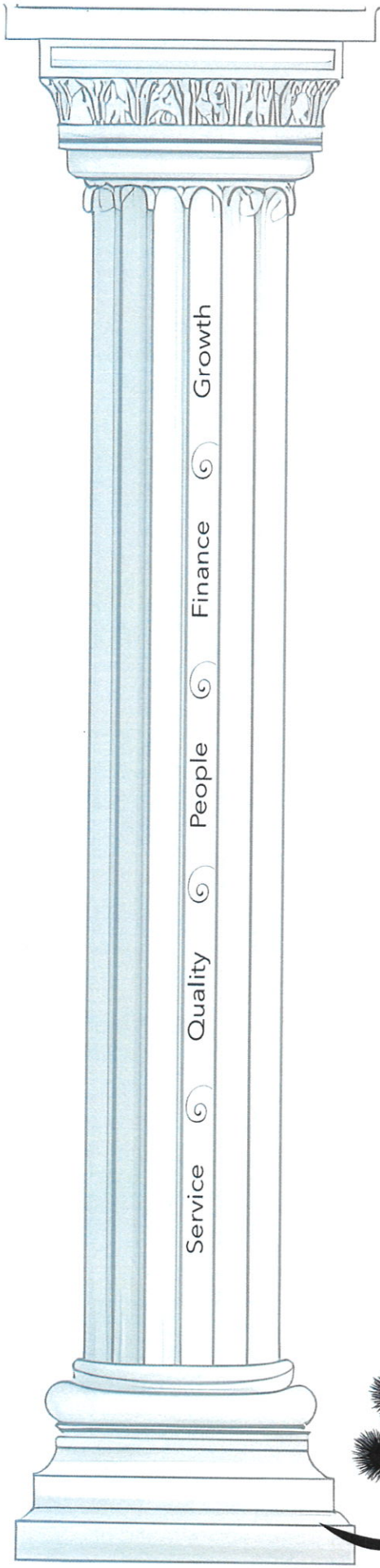
Assets and Deferred Outflow of Resources	June 30, 2024 (UnAudited)	Dec 31, 2024 (Unaudited)	Difference
Current Assets			
Cash and cash equivalents	2,848,886	3,299,398	450,512
Investments	35,667,736	35,271,387	(396,349)
Receivables			-
Patients	726,951	74,722	(652,228)
Estimated third-party payer settlements	-	-	-
Accrued Interest	582,899	1,165,798	582,899
Lease	834,202	834,202	-
Rentals	81,901	42,319	(39,582)
Grants	273,957	462,924	188,968
Other	248,691	1,913,649	1,664,958
Receivables Sub-Total	2,748,601	4,493,615	1,745,015
Prepaid expenses	180,606	157,908	(22,697)
Total current assets	41,445,828	43,222,309	1,776,480
Noncurrent Assets			
Lease receivable	26,019,890	26,019,890	-
Capital assets, net	8,195,555	8,004,797	(190,758)
Total Noncurrent Assets	34,215,445	34,024,687	(190,758)
Deferred Outflow of Resources			
Prepaid water capacity fee	223,831	149,221	(74,610)
Total Assets and Deferred Outflow of Resources	75,885,105	77,396,217	1,511,112
Liabilities, Deferred Inflow of Resources, and Net Position			
Current Liabilities			
Accounts payable	547,811	31,453	(516,358)
Accrued payroll and related liabilities	314,215	372,165	57,950
Accrued paid time off	236,880	196,974	(39,906)
Estimated 3rd party payor settlements	2,774,073	3,120,400	346,327
Current portion of long term debt	167,667	135,341	(32,327)
Deferred Revenue	-	-	-
Total Current Liabilities	4,040,647	3,856,333	(184,314)
Noncurrent Liabilities			
Long-term debt, net of current portion	270,910	203,108	(67,801)
Total Liabilities	4,311,556	4,059,441	(252,115)
Deferred inflow of resources			
Deferred lease revenue for hospital and equipment	27,015,408	26,335,340	(680,068)
Total Deferred Inflow of Resources	27,015,408	26,335,340	(680,068)
Net position			
Net investment in capital assets	26,019,890	26,019,890	-
Restricted by donors for specific operating purposes	-	-	-
Unrestricted	18,538,250	20,981,545	2,443,295
Total net position	44,558,140	47,001,436	2,443,295
Total Liabilities, Deferred Inflow of Resources, and Net Position	75,885,105	77,396,217	1,511,112

MORONGO BASIN HEALTHCARE DISTRICT
Schedule of Investments
Dec 31, 2024

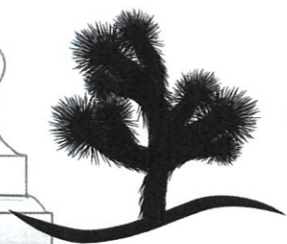
Description	Institution	11/30/2024	12/31/2024	Variance
Public Interest Acct	PWB	4,114,919.74	3,340,882.90	(774,036.84)
Less O/S checks	PWB	(83,133.90)	(46,685.15)	36,448.75
		4,031,785.84	3,294,197.75	(737,588.09)
M & O Acct	PWB	1,000.00	1,000.00	-
Revenue Acct	PWB	1,000.00	1,000.00	-
Payroll Acct	PWB	1,000.00	1,000.00	-
FSA Acc't	PWB	1,000.00	1,000.00	-
Sub-Total		4,035,785.84	3,298,197.75	(737,588.09)
Investment Access**	RBC	33,260,364.52	33,235,957.03	(24,407.49)
Money Market	RBC	1,699,786.90	1,705,705.11	5,918.21
Total Value of Accts		34,960,151.42	34,941,662.14	(18,489.28)
Est Accrued Bond Int.		300,377.11	329,725.19	29,348.08
Total Portfolio Value		35,260,528.53	35,271,387.33	10,858.80
Total Cash		38,995,937.26	38,239,859.89	(756,077.37)
Total Market Value		39,296,314.37	38,569,585.08	(726,729.29)

Chart A – Visits History Chart

Month	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Jul	3,055	3,283	3,091	2,877	2,670	2,758	3,054
Aug	3,886	3,587	3,016	3,425	3,315	3,195	2,992
Sep	3,140	3,501	3,069	3,134	3,256	2,593	3,047
Oct	3,562	3,892	3,267	3,282	3,071	3,026	3,748
Nov	3,249	3,353	2,632	3,116	2,936	2,974	3,014
Dec	2,898	3,304	2,984	2,705	2,881	2,613	3,058
Jan	3,698	4,011	2,926	2,925	3,001	3,258	
Feb	3,198	3,763	3,192	3,068	2,882	2,998	
Mar	3,515	2,927	3,521	3,332	3,331	3,057	
Apr	3,660	2,066	3,461	3,094	2,896	3,026	
May	3,662	2,200	3,043	3,239	3,247	3,160	
Jun	3,344	2,786	3,086	3,218	2,939	2,679	
Total	40,867	38,673	37,288	37,415	36,425	35,337	18,913
Total July - Dec	19,790	20,920	18,059	18,539	18,129	17,159	18,913



TAB #3 CEO REPORT



MORONGO BASIN
HEALTHCARE DISTRICT
MorongoBasinHealth.org



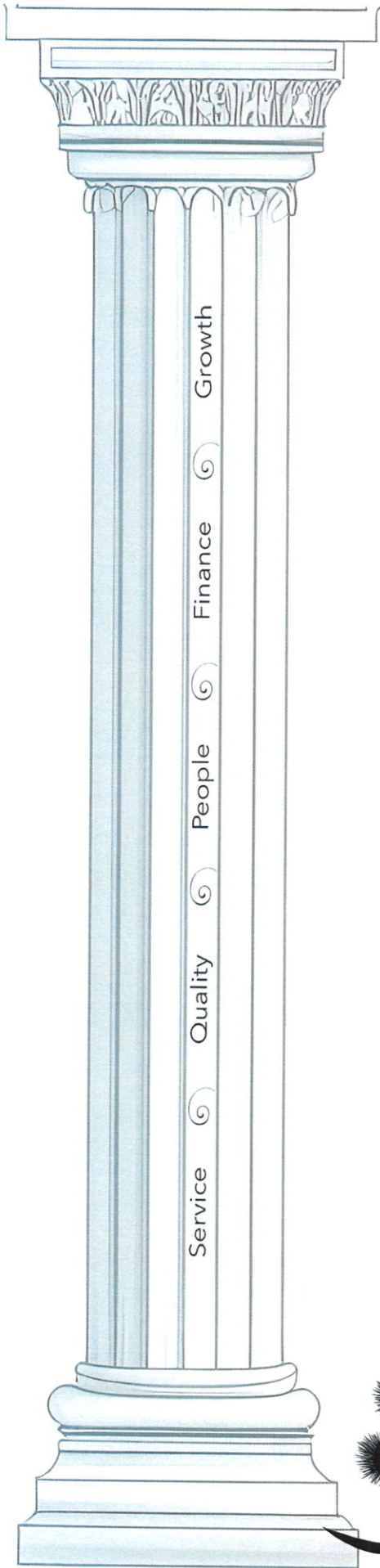
MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

February 3, 2025

To: Board of Directors
From: Cindy Schmall, CEO
Re: CEO Board Report

- The HRSA site visit has been postponed.
- We are changing our phone system to resolve degradation that has been interfering with our ability to communicate with patients. We expect to make the switch by March.
- We have agreement with HDMC to transition Airway suites 205 and 206 by February 15. We will use the space to facilitate renovations in some departments by temporarily relocating departments to Airway spaces while we do maintenance and repairs.
- I am working with a group of FQHCs through CHAISR regarding issues and delays in credentialing and other concerns. We have sent a letter to Jarrod McNaughton detailing those concerns.
- I will be attending the ACHD board of directors meeting in Sacramento on February 27 and 28.
- We have almost completed the purchase of all the capital equipment for the grant. Items are still in process, but the current amount spent is \$219,613.
- Transportation has purchased a new vehicle. We opted to go with an all-wheel drive to better meet patient needs.
- Copper Mountain College is hosting a fundraising dinner in support of the nursing scholarship program. Staff will attend and represent the District.



TAB #4
CALENDAR REVIEW

BOARD MEETING
MONTHLY CALENDARS



MORONGO BASIN
HEALTHCARE DISTRICT
MorongoBasinHealth.org

CALENDAR OF BOARD MEETINGS

FEBRUARY 2025

JANUARY 2025

S M T W T F S
 5 6 7 8 9 10 11
 12 13 14 15 16 17 18
 19 20 21 22 23 24 25
 26 27 28 29 30 31

MARCH 2025

S M T W T F S
 2 3 4 5 6 7 8
 9 10 11 12 13 14 15
 16 17 18 19 20 21 22
 23 24 25 26 27 28 29
 30 31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13 6:00p District Board of Directors	14	15
16	17 VACANCY: Deadline for candidate filing Letter of Interest	18	19	20	21	22
23	24 6:00p District SPECIAL Meeting to appoint vacant seat	25	26	27	28	1

FEBRUARY 2025

S M T W T F S
 2 3 4 5 6 7 8
 9 10 11 12 13 14 15
 16 17 18 19 20 21 22
 23 24 25 26 27 28

CALENDAR OF BOARD MEETINGS

MARCH 2025

APRIL 2025

S M T W T F S
 1 2 3 4 5
 6 7 8 9 10 11 12
 13 14 15 16 17 18 19
 20 21 22 23 24 25 26
 27 28 29 30

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
23	24	25	26	27	28	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

FLYING DOCTORS AT YVHS

6:00p District Board of Directors

5:00p Governing Board

CALENDAR OF BOARD MEETINGS

APRIL 2025

MARCH 2025

S	M	T	W	T	F	S
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

MAY 2025

S	M	T	W	T	F	S
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	31	1	2	3	4	5
6	7	8	9	10 6:00p District Board of Directors	11	12
13	14	15	16	17 5:00p Governing Board	18 Good Friday	19
20 Easter Sunday	21	22	23	24	25	26
27	28	29	30	1	2	3