



MORONGO BASIN HEALTHCARE DISTRICT

AGENDA

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

April 2, 2026 at 6:15 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. Access to the meeting will require the download of the Microsoft Teams application on the device used if not already done so.

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 should 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.

APPROVAL OF MEETING AGENDA

- ***Motion 26-23*** to approve the meeting agenda as presented.

APPROVAL OF CONSENT AGENDA----- Tab 1

Minutes of the regular business meeting of the Board of Directors, March 5, 2026

- ***Motion 26-24*** to approve the consent agenda as presented.

PRESENTATION

CHANGES TO CHC QUALITY PROGRAM – *Tricia Gehrlein, Chief Administrative Officer* Tab 2

ACTION ITEM

ANNUAL FINANCIAL AUDIT REPORT – *Shaun Johnson, CPA, Owner, DZA Accountants*

- ***Motion 26-25*** to accept the 2024-25 annual financial audit as presented. (*Deferred from March meeting.*)

REPORTS

OUTREACH & TRANSPORTATION PROGRAM UPDATE: – *Dianna Anderson, Community Programs Manager* ----- Tab 3

GRANTS UPDATE – *Tricia Gehrlein, Chief Administrative Officer* ----- Tab 4

MONTHLY FINANCIAL REPORT – *Cindy Schmall, CEO* ----- Tab 5

- **Motion 26-26+** to accept financial report(s)

CEO STAFF REPORT – *Cindy Schmall, CEO* ----- Tab 6

CALENDAR REVIEW ----- Tab 7

- Ad hoc committee special meeting April 7 at 6:15 p.m.

DIRECTOR COMMENTS

ADJOURNMENT



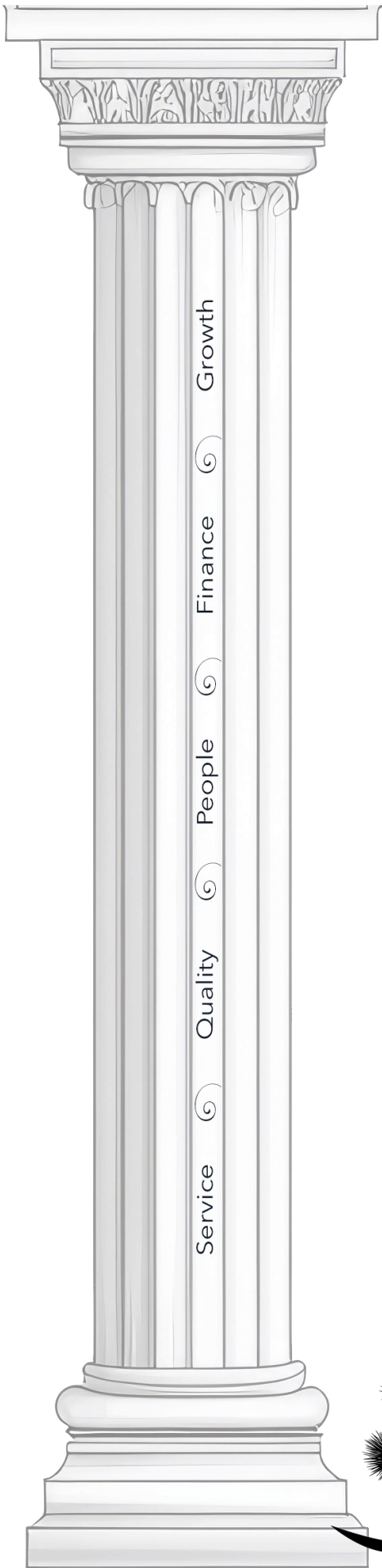
Karen Graley, Board Clerk

Posted: March 30, 2026

I certify that a copy of this Agenda was posted per Section 54954.2 of the California Government Code.

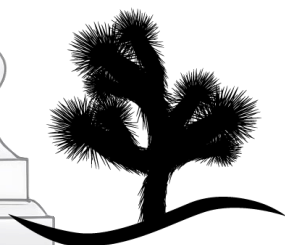
The Morongo Basin Healthcare District Board of Directors’ meeting facility is accessible to people with disabilities. If assistive listening devices or other auxiliary aids or services are needed to participate in the public meeting, requests should be made through the Staff Aide at least three (3) business days prior to the meeting. The Board Clerk’s telephone number is 760.820-9229 and the office is located at 6530 La Contenta Road #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
March 5, 2026 at 6:15 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
- Jacqueline Todd

Administrative Staff:

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

Guests

- Linda Evans, Chief Strategy Officer, Desert Care Network (*remote*)
- Shawn Johnson, CPA, Owner, DZA Accountants (*remote*)
- Tyler Anderson, CPA, Senior Accountant, DZA Accountants (*remote*)
- Marc Greenhouse, CHC board member
- Eric Menendez, community member (*remote*)

CALL TO ORDER

Director Greenhouse called the meeting to order at 6:15 p.m. The meeting was convened on the La Contenta campus and by electronic platform using Microsoft Teams.

ROLL CALL

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

OBSERVANCE

Director Evans read the mission and vision statements. Director Stiemsma led the assembly in the pledge of allegiance.

PUBLIC COMMENT

None presented.

APPROVAL OF THE MEETING AGENDA

- **Motion 26-19:** Director Stiemsma motioned to approve the meeting agenda; second by Director Todd, motion passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 26-20:** Director Evans motioned to approve the minutes of February 5, 2026, second by Director Stiemsma. Motion passed by unanimous vote.



PRESENTATION

DESERT CARE NETWORK QUARTERLY UPDATE – *Linda Evans, Chief Strategy Officer*
Ms. Evans provided the following information.

People & Services: HDMC welcomed Mak Danhounsrou as HDMC’s first Associate Administrator; search continues for a Labor & Delivery Director. Mammography screening services are now in full swing at HDMC with appointments readily available.

Event Participation:

- LifeStream Blood Drives were held December 17 and 30. Upcoming drives at HDMC are scheduled for April 15 and June 10 at the Helen Gray Education Center. Drives are also scheduled at each Desert Care Network (DCN) hospital.
- We plan to participate in the upcoming May 2 Yucca Valley Community Health Fair.
- Plans are underway for recognition and appreciation for Doctors’ Day (3/30); Nurses Week (5/6-10); Hospital Week (5/10-16); and EMS Week (5/17-23) at all DCN hospitals.

Capital Project Update: At the acute hospital the CT Scan replacement project is in process with completion estimated in Q2 2026; the mobile CT is operational. The generator project continues.

Tenet ACA Open Enrollment Initiative: November 1 – January 15 the Covered California Health Insurance Exchange program was targeted. It was considered necessary based on anticipated significant marketplace disruptions, the need for patients to re-enroll (a change from auto-renewal), and an increase in premiums for exchange programs. Certified Application Counselors within DCN & Tenet were available to the community. Events and outreach are underway to educate and promote awareness.

Trauma Update:

- 2024 Total Trauma Cases: 284
- 2025 Total Trauma Cases: 523. The number of trauma cases treated each month ranges from 27-49 with majority as falls and traffic collisions.

Measure AA – Validation Action Update: In November 2024, Measure AA passed with 72.34% support of the voters. Desert Healthcare District chose to file a validation action on the lease purchase agreement with Desert Regional / Tenet. Eisenhower Medical Center filed legal action against the District’s validation action arguing and opposing the non-compete clause and other items. The judge continued the September 30 court hearing to December 17, 2025. A Trial Setting Conference was 1/12/26, a Court Hearing on Summary Motions 2/19/26; and another hearing was held 3/10/26. The Motion for Summary Judgment hearing is scheduled for 3/23/26. He also scheduled a Court Trial (judge only; not jury) on 9/4/26 for 2-3 days if needed.

San Gorgonio Memorial Hospital: Tenet assumed management as of 1/1/26; Michele Finney is the Interim CEO. The transition to Tenet systems and processes is underway. The hospital is an “affiliate” of Desert Care Network; and remains a District hospital.

Director Evans thanked Ms. Evans for the update and stated her appreciation for the Covered California outreach provided by Hi-Desert Medical Center to help community members comply with new requirements to remain insured.



ACTION ITEMS

ANNUAL FINANCIAL AUDIT REPORT – *Shawn Johnson, CPA, Owner and Tyler Anderson, CPA, Senior Accountant, DZA Accountants*

Mr. Johnson presented the report with Mr. Tyler Anderson who administered the audit. He announced that it was a “clean audit.” New industry standards were applied to the audit.

- CASH increased about three million from 2024 to 2025. This is the result of positive operating cash flow. Investment income has also increased with transfers to the investment portfolio. Patient accounts receivable, which is money owed by patients, insurance companies, Medi-Cal or Medicare, increased some as well.
- 2024-25 MANAGED CARE RECONCILIATION settlement (Medi-Cal): every year a reconciliation is prepared that uses the PPS rate that the District should have been paid, compares it against the interim payments that have been paid, plus the enhancements (code 18 payments), resulting in a settlement for that time period. The final settlement was the District owed the state for both 2024 and 2025.
- OPERATING REVENUE (net patient revenue, grants and lease revenue) increased 1.2 million due to increased patient volume, and a decrease in full-time employees, but the average amount paid to employees increased related to an imposed, sizable increase in minimum wage. Operating income showed improvement in 2024 at two million and 2025 at three million. Overall, there was a positive change in position of eight and a half million dollars, compared to five and a half million dollars in the previous year. 2025 was a very healthy fiscal year. Most of the revenue comes from Medi-Cal patients at \$8.3 million. The remainder of the ten million is from either commercially insured, Medicare, or uninsured patients.
- In accordance with government auditing standards, internal controls over financial reporting is reviewed. Any weakness in the reporting process is considered a material weakness or a significant deficiency. The review included testing the sliding fee program, the UDS measures reported and other components of the grant. No weaknesses were found and the audit shows compliance with the HRSA program grant.

FINANCIAL INDICATORS: The financial results are compared to previous fiscal years.

- OVERALL NET INCOME for the year is eight and a half million dollars divided by the revenue. Net income for 2026 is 36.4%. Typical for the industry is three to five percent. The historical trend shows a continuing increase between 2023 to 2025.
- CASH ON HAND is very healthy. It includes the investment portfolio, cash and investments. This shows that if revenue stopped, the organization could continue operations for 1,100 days based on current resources. Industry standard is to retain enough cash on hand to operate for 100 days.
- CURRENT RATIO reflects how many times present-day obligations, due in the next year, can be paid for with current available resources. Because the District has a sizeable cash investment portfolio, it could pay off current obligations eleven times. This is lower than in past years but is still an extremely healthy number. The recommended number is three or more times.



- DAYS IN ACCOUNTS RECEIVABLE is the average number of days it takes to collect accounts receivable. Currently, the average number of days is 41. Over the last five years, the number of days has hovered between 30 and 40 days to collect. This is an average number of days for health centers.
- CONTRACTUAL ADJUSTMENTS show for every dollar of revenue how much is written off because of contracts with Medicare and Medi-Cal insurances companies. 38% has been the consistent measure for the last three years.
- SLIDING FEE AND BAD DEBT summarizes the average number of patients who qualify under the sliding fee program and the amount of unpaid revenue being written off by the organization. Over the last three years, the sliding fee number has been about one percent. Bad debts have been about half of a percent. Typically, health centers range from one to ten percent for sliding fee based on the population in which they operate.
- FULL TIME EQUIVALENT reflects the average employee base. There was a small decrease in this audit from 96 to 92 employees. These are actual employees and not contracted personnel. Salaries and benefits per full-time equivalent employee went from \$90,000 to just short of \$99,000. Patient service revenue per full-time equivalent employee went from \$90,000 to \$110,000, a sizeable increase. The increase in patients and a decrease in full-time employees is what caused this jump.
- REVENUE BY SOURCE defines where the revenue comes from. Half is net patient revenue, thirteen percent from grants, six percent from taxes, and twenty-four percent related to the Tenet lease.

Director Greenhouse thanked Mr. Johnson for his report and congratulated CEO Schmall and CFO Anderson on the clean audit.

Director Evans acknowledged for the public record that the large amount of funds kept by the District is a safety net should Tenet choose to terminate the lease agreement and the District would resume operations of the medical center. As Mr. Johnson noted in his report, the lease still has another 20 years remaining. While the District does invest in our community with programs, we continue to reinvest funds and retain assets to protect the community's access to healthcare.

- **Motion 26-21** Motion by Director Evans, second by Director Stiemsma, to defer the acceptance of the auditor's report of the 2024-25 financial audit to next month's meeting to provide the Directors time to review the data. Motion passed by unanimous vote.

STAFF REPORTS

CORPORATE COMPLIANCE BIANNUAL UPDATE – *Tricia Gehrlein, Corporate Compliance Officer*

This will be high level information coming out of a vigorous process. The compliance committee, comprised of the CEO, CFO, Chief Medical Officer, Director of Quality and me, meets quarterly to review data.

Threats: This report is for 2025 third and fourth quarters.

- Malware: two IT malware attempts were caught by our software program. Both events were stopped before anything entered our network.



- HIPAA: two instances of potential HIPAA violation. Both instances were investigated thoroughly with appropriate action implemented. There was no reportable compromise.

Incident reports:

- During Q3 and Q4 there was one delay of care, three disruptive patients or destruction of property, and two patients left the health center without being seen by a provider. There were five medical emergencies where we called 911 for patient transport to a higher level of care; two potential HIPAA violations mentioned earlier; and five harmful non-violent actions towards providers or staff (heated altercations within the health center). There were a total of 36 altercations in 2025.
- There were no discernable trends identified. Staff acted appropriately in all instances. We will continue to educate staff on incident reporting, encouraging incident reporting, reinforcing HIPAA policies, and how to respond when an incident occurs, and what is the best course of action so staff feels confident they know what to do in any given situation.

Director Greenhouse clarified that the violent altercations against staff remained verbal. Director Evans inquired about the property destruction. Ms. Gehrlein noted that the vandalism events happened prior to placing the chain link fence around the Yucca Valley health center campus. There was discussion about security measures; no recommendations were made.

FINANCIAL REPORT

Ms. Anderson reported that the consolidated financials for the month of January 2026 show income of \$389,796 and year to date income of \$2,581,051. Non-clinic financials for January show income of \$32,402 and a year-to-date income of \$2,009,697. The health center financials for the month of January show income of \$357,393 and year to date income of \$571,953.

The fiscal year 24-25 audit has concluded and we have final numbers for the year. The biggest adjustments were for the patient revenue activity and the cost report liabilities. Since the cost reports were completed prior to the audit being done, we were able to use real numbers instead of estimates. As a reminder, net position for the District (non-clinics) includes investment income at \$2.6 million, and the Tenet lease monies (including the QAF funds received) at \$6.2 million. Clinics had PPS adjustments recognized for the year which helped give the clinics a positive net position.

Green: asked about the property taxes have increased to just over \$1 million.

- **Motion 26-22:** Director Stiemsma motioned to accept the financial report as presented, second by Director Todd; motion passed by unanimous vote.

CEO STAFF REPORT

Ms. Schmall gave a verbal report as follows.

- She shared the recent changes in titles and staff responsibilities that were listed in the employee newsletter. Tricia Gehrlein is now Chief Administrative Officer with an expanded role of oversight of compliance and quality. Janeen Duff has moved to the quality department as Director of Quality and will report to Tricia Gehrlein. Tela Thornett's title as Operations Manager has oversight of day-to-day operations; I remain Chief Information Officer. Dianna Anderson now manages the Wellness Wheels transportation program, and Niko Lunetta has expanded his responsibilities to include staff CPR and mask-fit training. He is also overseeing the clinic remodels. These changes distribute responsibilities more evenly and are part of a



larger strategy for better function and efficiency. Directors Stiemsma and Evans congratulated staff on their new titles and responsibilities. After further discussion, the Board requested a presentation on the new case management program.

- Ms. Schmall attended the ACHD Board of Directors meeting on February 26-27 in Sacramento. ACHD invited the California Department of Health Care Access and Information (HCAI) to speak on the removal of HPSA scores from approximately 375 rural communities in California and also about the Rural Health Transformation program.
- District staff have submitted our notice to adopt CUPCCAA to the California State Controller's office and will now begin the next phase of the process. Completion of this process will allow the district to move projects along faster.
- Debbie Anderson and I met with RBC Investments February 2 to review our portfolio. No changes are recommended.
- We are still awaiting completion of the Split Rock project by Southern California Edison (SCE).
- Remodeling of the behavioral health and Yucca Valley adult departments has begun. These are capital projects and will provide better patient flow and revitalized spaces.
- We have filled a full-time LCSW and nurse practitioner role, both will start next week. We are still looking for a full-time nurse practitioner and a full-time MD.
- We have a new HRSA representative; Tricia Gehrlein, Debbie Anderson and I met with him recently.

CALENDAR REVIEW AND COORDINATION

Calendars for March, April and May were reviewed.

- March 7 and 8 Flying Doctors event at YVHS. Free care will be given to the first 50 people for vision and the first 150 for dental care. We have invited District staff to volunteer. Outreach staff will have a table at the event. SBCo will be present on Saturday for school vaccinations.
- CEO ad hoc committee: CEO Schmall noted that two board meetings on the same night is too much to add a third meeting for the ad hoc committee. She asked Directors to send Karen their available dates for a special meeting.
- May 2 is the Yucca Valley Community Health and Resource Fair, 10a-2p.
- May 25 offices are closed in observance of the Memorial Day holiday.

DIRECTOR COMMENTS

- **DIRECTOR COOPER:** She congratulated Cindy Schmall and Debbie Anderson on the clean audit.
- **DIRECTOR EVANS:** She congratulated Tricia Gehrlein on her promotion and thanked her for all she does. "And congratulations on the relatively small number of events in your compliance report. Coming from a hospital setting, hearing so few incidents is mind boggling. Kudos to you and staff."

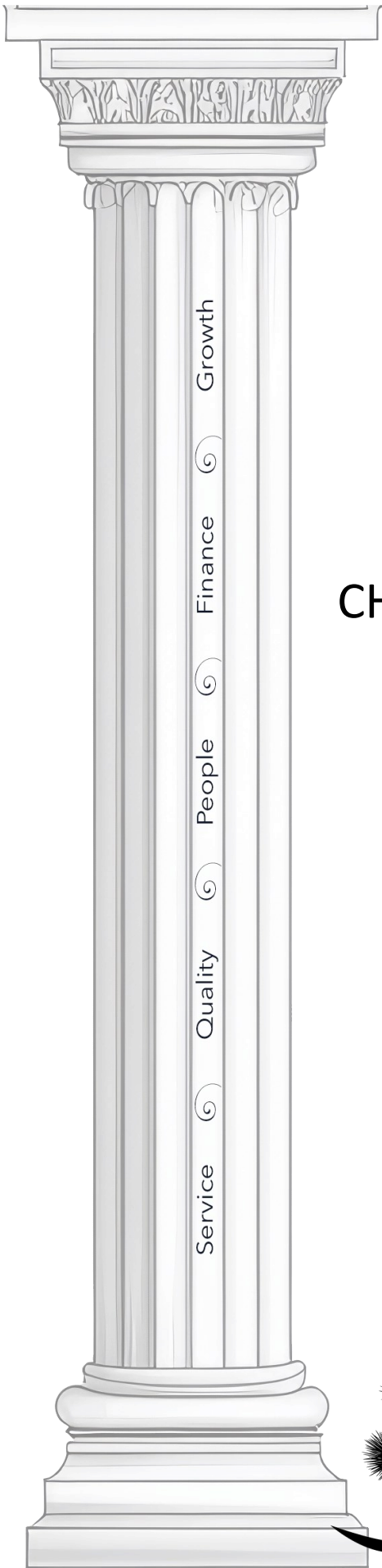


- DIRECTOR STIEMSMA: She congratulated staff on the excellent financial audit report with no material weaknesses. She also wished Cindy Schmall and Director Evans happy birthday.
- DIRECTOR TODD: No comment.
- DIRECTOR GREENHOUSE: Thanked staff for being present.

The meeting was adjourned at 7:24 p.m.

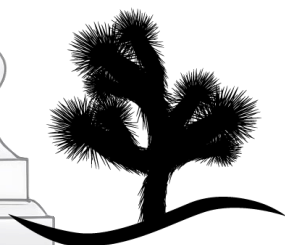
Heidi Stiemsma, Secretary of the Board

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



TAB #2 PRESENTATION

CHANGES TO THE QUALITY PROGRAM



**MORONGO BASIN
HEALTHCARE DISTRICT**

MorongoBasinHealth.org

Quality 2026

New Year New Approach

Tricia Gehrlein, Chief Administrative Officer

April 02, 2026

1

Departmental - Expansion of Expertise and Capacity

- ▶ Angie Villaluz, RN - EHR Manager
- ▶ Janeen Duff, MA, BSRDH, AS - Director of Quality
- ▶ Chantel Standberry-Noel, MA* - Quality Coordinator
 - ▶ Due to graduate from the CMC RN program in May 2027

2

Departmental - Expansion of Expertise and Capacity

- ▶ How do the department changes help the clinics & District?
 - ▶ Increased capacity to use data as intelligence, and not just information

3

Changes to the Approach for Departmental Quality Improvement Projects

- ▶ History
 - ▶ **2025:** Root Cause analysis introduced. Data driven measurements more mindfully incorporated into quality improvement projects.
 - ▶ The approach: Combining data with *what is the story* behind the data. Data + a review of process/systems in place + talking to staff helps us ask better questions, and helps us identify if the issue is a people problem or a process problem

4

Example (2025)

- ▶ IVD (Ischemic Vascular Disease) Quality Outcomes
- ▶ Data showed lower than average outcomes scores.
 - ▶ Charts audited; discrepancies found.
 - ▶ Review of charting and progress notes led to the realization that this is a process problem - the EHR was not correctly configured.
 - ▶ Reconfiguration of the EHR led to a significant increase in our IVD score. (49% to 82%)

5

From PDSA (Plan Do Study Act) to DMAIC (Define, Measure, Analyze, Improve, Control)

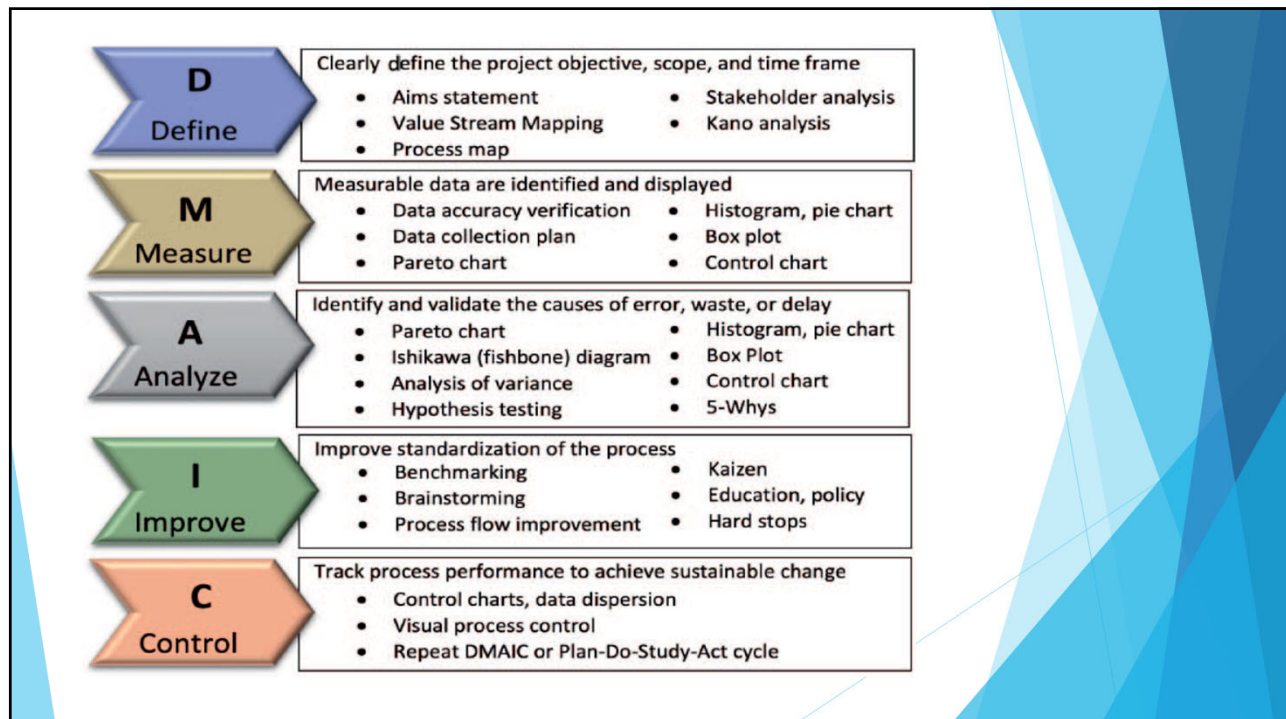
2026

- ▶ Switching to DMAIC is the next step
- ▶ Why?
 - ▶ DMAIC builds on our data driven approach - *How are we are using data to inform the creation and implementation of lasting system changes?*

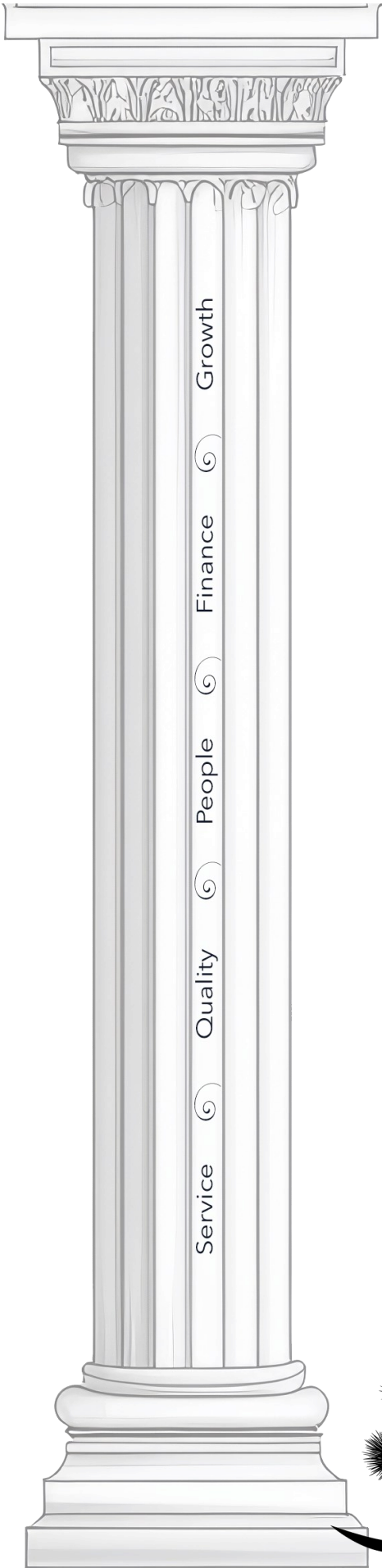
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“One advantage to DMAIC methodology compared to PDSA cycles (also known as the Deming or Shewhart cycle) is that a more robust preparation of measurement and analysis occurs before any change or improvements are proposed. Change is not proposed until step 4 of 5 (as opposed to step 2 of the PDSA cycle). Additionally, process control is required as a built-in final step, which may help impart lasting change regardless of whether the cycle is repeated.” (Monday, L 2022)

7

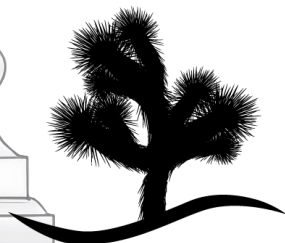


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TAB #3 REPORT

OUTREACH & TRANSPORTATION PROGRAM UPDATE



**MORONGO BASIN
HEALTHCARE DISTRICT**

MorongoBasinHealth.org



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road #100 | Yucca Valley CA 92284 | 760-820-9229 | MorongoBasinHealth.org

TO: CINDY SCHMALL, CEO

FROM: DIANNA ANDERSON, COMMUNITY PROGRAMS MANAGER

DATE: April 2, 2026

SUBJECT: MBHD BOARD OF DIRECTORS Transportation and Community Programs quarterly report (Jan – Mar 2026)

Wellness Wheels - Transportation Ridership

Morongo Basin Healthcare District provides non-emergency medical transportation to The Morongo Basin communities.

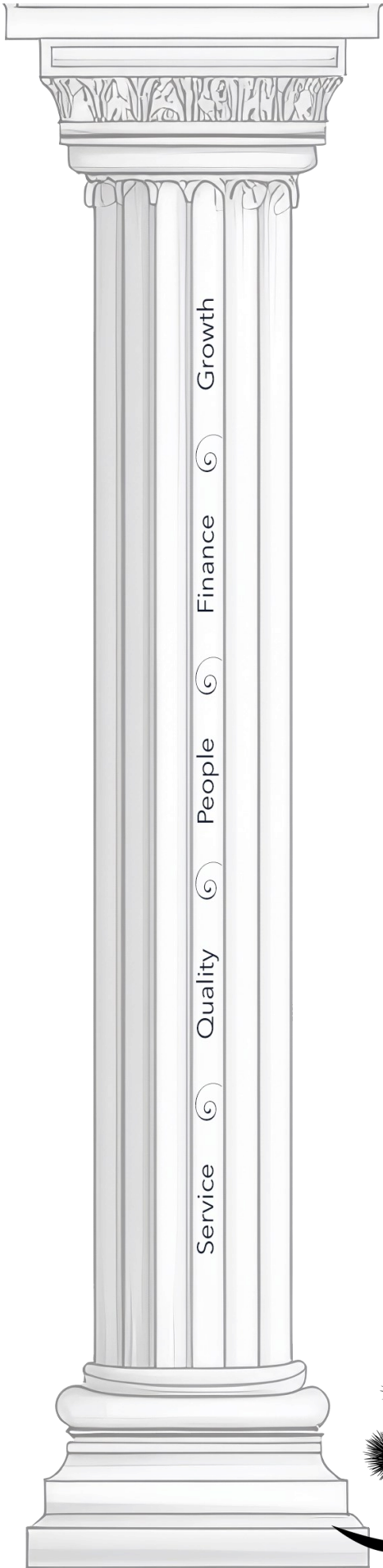
This quarter transportation department has provided the following:

1. We currently have 624 active riders.
2. We added 40 new riders this quarter: 15 new riders in the month of March, 14 in February and 11 January
3. Trips – Morongo Basin - Quarter (Jan-March)
 - a. We have made approx. 776 one-way trips in the Morongo Basin, of which 280 trips have been patients to our clinics and 496 were for other services in the Basin.
4. Trips - Down the Hill Trips – Quarter (Jan – March)
 - a. We have made approximately 128 one-way trips down the hill. We transported 32 clients.
 - b. We made Ten (10) one-way trips to the San Bernardino area (Loma Linda, ARMC etc.).
 - c. 178 one-way trips were to the lower desert.
 - d. We have put approx. 6709 miles on vehicles for down-the-hill trips.
5. Shout Outs/Info
 - a. Carole Franks has submitted her retirement paperwork, and her last day will be May 4th, 2026.
 - b. The department has two new drivers starting over the next two weeks.

Community Programs/Outreach

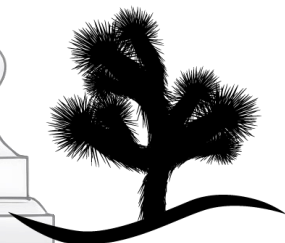
Community Programs Department is dedicated to positive promotion of the Community Health Clinics and District services. Staff participate in various community events to bring information to the Morongo Basin about our services and to promote health and wellness within our community.

1. Outreach/Community Events
 - a. This quarter we participated in 18 community events and provided 4 community education events.
 - i. Community education included Health talks in Yucca Valley, Joshua Tree and 29 Palms and a presentation to 29 Palms Rotary.
 - b. We participated in 6 outreach events in the month of March. During these events we provide information related to our organization and our services, such as Adult & Pediatric Medical and Dental Care; Insurance assistance; County/State Benefit information – such as Cal-Fresh.
 - i. Partnered with MUSD-Palm Vista Elementary at their Family Math Night
 - ii. Partnered with Flying Doctors event - Saturday
 - iii. Sponsored The Health Heart Run/Walk with the Town of Yucca Valley – we had a team of approximately 20 staff from MBHD volunteer for the event
 - iv. Joshua Tree Community Resource Fair
 - v. Aging in your community – in conjunction with YV Sr Center
 - vi. Shower Project – in conjunction with Reach Out & MB Coalition
2. Workshops/meeting attendance
 - a. Homeless Summit in San Bernardino
 - b. CBO Collaborative (Equity in Action) – Presented to the group about our organization and services
 - c. Morongo Basin Community Coalition – in partnership with Reach out
 - d. Inland Health Professions Consortium - CHW Workforce Group - Invited to participate
 - e. East Desert Regional Steering Committee & Working group – homeless resources and city/town/county collaboration for solutions
 - f. Navigator program – Covered CA – Quarterly updates
 - g. Navigating Medi- Cal – updates on new reporting and renewal requirements
3. Diaper program
 - a. January totals:
 - i. Diapers Distributed: 3,800
 - ii. Packages of wipes: 134
 - iii. Total families served: 55
 - iv. Total children served: 77
 - b. February totals:
 - i. Diapers Distributed: 3,250
 - ii. Packages of Wipes: 132
 - iii. Total families served: 48
 - iv. Total children served: 66
 - c. March totals will be presented at BOD meeting.



TAB #4 REPORT

GRANTS UPDATE



MORONGO BASIN
HEALTHCARE DISTRICT

MorongoBasinHealth.org

April 02, 2026

To: District Board of Directors
 From: Tricia Gehrlein, Chief Administrative Officer
 Re: MBHD Grants Report for April 2026

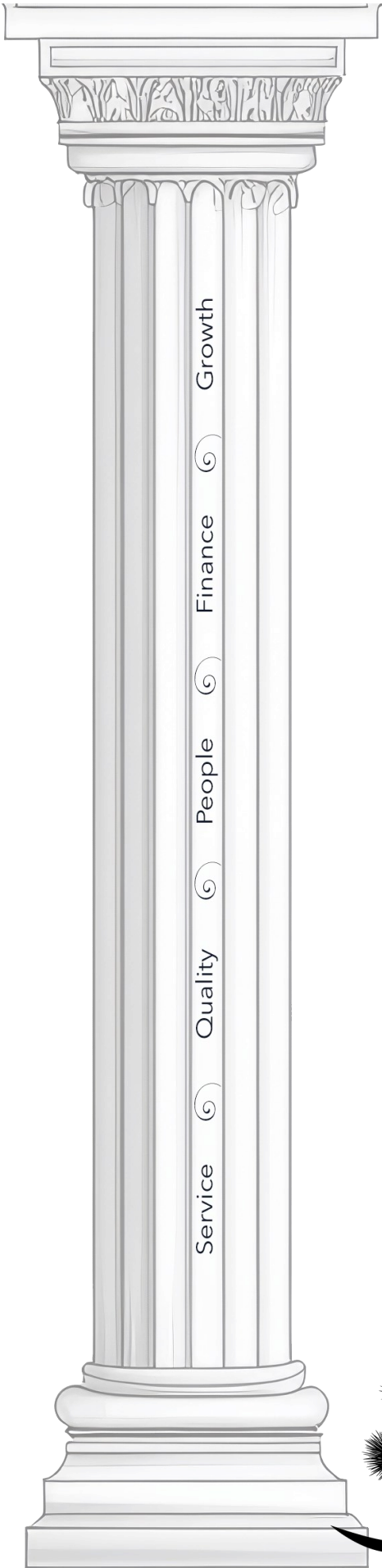


OVERVIEW

CATEGORY			
FQHC	PROJECT TITLE	GRANT TERM	NOTES
HRSA Main Grant	Health Center Program	02/01/2024-01/31/27*	See below
HRSA	FY2021 Ending the HIV Epidemic	“Rolled into base” 09/2025 **	See below
MEDI-CAL ENROLLMENT	PROJECT TITLE	GRANT TERM	NOTES
State of CA - Sub awardee through CHAIRS	Covered CA - Outreach, Education, Enrollment	07/2019-6/30/2026	Annual Application
Kaiser – Sub awardee through CHAIRS	Medi-Cal – Outreach, Education, Enrollment/Continuing Enrollment	03/01/2026 – 12/31/2026	One time funding
SUBSTANCE USE	PROJECT TITLE	GRANT TERM	NOTES
Reach Out	Medically Assisted Treatment for Substance Use Disorder	09/01/2025 – 08/31/2026	Ongoing partnership
TRANSPORTATION	PROJECT TITLE	GRANT TERM	NOTES
CalTrans 5310 – Co Awardee with Reach Out Morongo Basin	Enhanced Mobility of Seniors & Disabled	2021 – May 2027	Bi-annual application
MBTA ("Basin Transit")	Transportation Assistance Grant	2023-2026 Annual Application	Annual Application

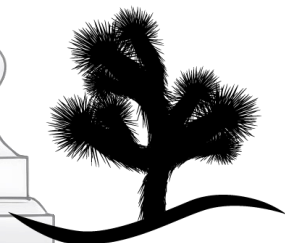
*Per HRSA website, grants are moving to 4-year cycles. Grant may be extended one year; waiting for an update from HRSA.

**Unknown if this will re-fund.



TAB #5 REPORT

MONTHLY FINANCIAL REPORT



MORONGO BASIN
HEALTHCARE DISTRICT

MorongoBasinHealth.org



MORONGO BASIN HEALTHCARE DISTRICT

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

March 26, 2026

To: MBHD Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for February 2026

OVERVIEW

The consolidated financials for the month of February show income of \$584,353 and year to date shows income of \$3,165,404. (See Tables 1 & 2)

The non-clinic financials for the month of February show income of \$554,522 and year to date shows income of \$2,563,619. (See Table 3 & 4)

The clinic financials for the month of February show income of \$29,831 and year to date shows income of \$601,785. (See Table 5 & 6)

Visits performed for the month of February came down compared to other months in the fiscal year, but were still over budgeted visits (2,903 actual vs 2,737 budget). This has contributed to the clinics being over budget by 862 visits to date, which is reflected in the financial statements patient services revenue. Capitation revenue seems to have finally leveled out from IEHP. Previous to this year, we were continually receiving increased capitation amounts, which has added more variables to trying to estimate the year end payback to Medi-Cal. Now that this has leveled out, we are hoping we can fine tune our estimates for the paybacks owed that come about from the Medi-Cal payment reconciliation process. Clinic operating expenses continue to be with 1%-2% of budget, excluding allocations.

CONSOLIDATED CHANGE IN NET POSITION

Table 1 Consolidated February 2026

Consolidated	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Income	1,169,302	993,075	176,226	17.75%
Expense	(1,099,851)	(1,136,551)	36,700	3.23%
Operating Income/(Loss) before Allocation	69,450	(143,476)	212,927	148.41%
Non-Operating	514,841	101,852	412,989	405.48%
Change in Net Position	584,353	(41,624)	625,977	1503.88%

Table 2 Consolidated Year to Date

Consolidated	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Income	10,319,761	8,464,399	1,855,363	21.92%
Expense	(9,399,436)	(9,649,754)	250,318	2.59%
Operating Income/(Loss) before Allocation	920,325	(1,185,355)	2,105,680	177.64%
Non-Operating	2,244,354	1,157,657	1,086,697	93.87%
Change in Net Position	3,165,404	(27,698)	3,193,102	11528.18%

NON-CLINICS CHANGE IN NET POSITION

Table 3 Non-Clinics February 2026

Non Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
GRANT REVENUE	2,820	3,125	(305)	-9.75%
TENET LEASE -Amort of \$2M lease	197,321	197,321	-	0.00%
INTEREST INCOME	248	263	(16)	-5.90%
OTHER OPERATING REVENUE	4,956	125	4,831	3864.84%
	205,346	200,835	4,511	2.25%
Salaries	136,272	130,508	(5,763)	-4.42%
Fringe	32,200	30,511	(1,689)	-5.54%
Purchased Services	8,911	11,798	2,887	24.47%
IT, Network & Phones	12,689	20,425	7,736	37.88%
Supplies	1,327	3,447	2,120	61.50%
R&M	3,276	4,559	1,283	28.15%
Leases/Rentals	152	42	(110)	-264.38%
Utilities	3,701	5,408	1,707	31.56%
Insurance	34,098	33,429	(670)	-2.00%
Other	13,728	18,364	4,636	25.24%
Depreciation	58,845	59,525	680	1.14%
	305,200	318,017	12,817	4.03%
Operating Income/(Loss) before Allocation	(99,854)	(117,182)	17,328	14.79%
Allocation of Overhead for Health Centers	139,473	160,556	(21,083)	-13.13%
Operating Income/(Loss) after Allocation	39,619	43,374	(3,755)	-8.66%
Non-Operating Tax Revenue	44,959	31,561	13,398	42.45%
Non-Operating Investment Income	462,058	63,568	398,490	626.88%
Non-Operating Rental Income	6,723	6,723	(0)	-0.00%
Gain/Loss Sale of Assets	1,100	-	1,100	100.00%
Discontinued Operations	62	-	62	100.00%
	514,903	101,852	413,051	405.54%
Change in Net Position	554,522	145,226	409,296	281.83%

Table 4 Non-Clinics Year to Date

Non Clinic	Actual YTD	Budget YTD	Over/(Under)	% of Budget
GRANT REVENUE	18,417	25,000	(6,583)	-26.33%
TENET LEASE -Amort of \$2M lease	1,597,536	1,597,537	(1)	-0.00%
INTEREST INCOME	3,849	3,743	106	2.84%
OTHER OPERATING REVENUE	10,207	1,000	9,207	920.73%
	1,630,010	1,627,280	2,729	0.17%
Salaries	1,109,657	1,135,423	25,765	2.27%
Fringe	216,778	266,508	49,730	18.66%
Purchased Services	77,789	95,386	17,597	18.45%
IT, Network & Phones	125,956	163,404	37,448	22.92%

Table 4 (continued)

Non Clinic		Actual YTD	Budget YTD	Over/(Under)	% of Budget
Supplies		21,425	30,293	8,868	29.27%
R&M		32,731	37,422	4,692	12.54%
Leases/Rentals		826	333	(493)	-147.83%
Utilities		33,649	45,282	11,634	25.69%
Insurance		266,399	267,428	1,029	0.38%
Other		131,126	155,256	24,130	15.54%
Depreciation		477,756	476,203	(1,552)	-0.33%
		2,494,092	2,672,939	178,847	6.69%
Operating Income/(Loss) before Allocation		(864,082)	(1,045,659)	181,577	17.36%
Allocation of Overhead for Health Centers		1,183,191	1,411,202	(228,011)	-16.16%
Operating Income/(Loss) after Allocation		319,109	365,543	(46,434)	-12.70%
Non-Operating Tax Revenue		755,714	665,415	90,298	13.57%
Non-Operating Donations		20,000	-	20,000	100.00%
Non-Operating Investment Income		1,411,301	438,455	972,846	222%
Non-Operating Rental Income		53,966	53,787	179	0.33%
Gain/Loss Sale of Assets		2,805	-	2,805	100.00%
Discontinued Operations		725	-	725	100.00%
		2,244,510	1,157,657	1,086,853	93.88%
Change in Net Position		2,563,619	1,523,200	1,040,419	68.30%

Fringe benefit variance is due to savings on retirement & PTO earned. Purchased services variance is due to savings on legal fees. IT, Network & Phones variance is due to anticipated IT projects have not started yet. Other variance is due to savings on vehicle expenses. Since we've had savings on expenses, there is not as much movement of costs between the District and the Clinics. Investment income variance is due to market factors including interest / dividend rates and realized/unrealized losses on investments. The non-operating donation is from the Foundation towards the purchase of a vehicle for the Wellness Wheels Program.

CLINIC CHANGE IN NET POSITION

Table 5 Clinics February 2026

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	690,508	574,048	116,461	20.29%
Grant Revenue	134,793	127,742	7,051	5.52%
340B Revenue	34,354	25,805	8,549	33.13%
Capitation Fees	178,792	180,832	(2,040)	-1.13%
Records & Interest	341	133	208	156.87%
Cost Report Adjustments	(137,361)	(137,360)	(0)	-0.00%
Quality & TRI/Prop 56, Misc	62,528	21,042	41,486	197.16%
	963,956	792,240	171,715	21.67%

Table 5 (continued)

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Salaries - Clinic	432,733	465,432	32,699	7.03%
Fringe - Clinic	115,522	115,330	(192)	-0.17%
Phys Fees - Clinic	86,745	63,121	(23,624)	-37.43%
Purchases Services - Clinic	55,979	60,559	4,580	7.56%
IT, Network & Phones - Clinic	19,849	24,459	4,611	18.85%
Supplies - Clinic	18,620	28,518	9,897	34.71%
Supplies - 340B	32,339	22,467	(9,873)	-43.94%
R&M - Clinic	4,496	6,199	1,703	27.47%
Leases/Rentals - Clinic	272	142	(130)	-91.85%
Utilities - Clinic	6,900	6,025	(875)	-14.53%
Ins - Clinic	287	302	14	4.75%
Other - Clinic	4,490	7,191	2,701	37.56%
Depreciation	16,419	18,792	2,372	12.62%
	794,651	818,535	23,883	2.92%
Operating Income/(Loss) before Allocation	169,305	(26,294)	195,599	743.89%
Allocation of Overhead for Health Centers	(139,473)	(160,556)	21,083	13.13%
Change in Net Position	29,831	(186,850)	216,681	115.97%

Table 6 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	5,662,964	5,045,576	617,388	12.24%
Grant Revenue	1,668,057	1,047,465	620,592	59.25%
340B Revenue	340,913	226,810	114,103	50.31%
Capitation Fees	1,467,631	1,446,655	20,976	1.45%
Records & Interest	1,719	1,163	556	47.79%
Cost Report Adjustments	(1,098,468)	(1,098,884)	416	0.04%
Quality & TRI/Prop 56, Misc	571,936	168,333	403,603	239.76%
Mat Grant	75,000	-	75,000	100.00%
	8,689,752	6,837,118	1,852,633	27.10%
Salaries - Clinic	3,743,359	4,049,261	305,902	7.55%
Fringe - Clinic	839,734	916,699	76,965	8.40%
Phys Fees - Clinic	688,630	554,796	(133,834)	-24.12%
Purchases Services - Clinic	493,066	492,707	(359)	-0.07%
IT, Network & Phones - Clinic	178,159	195,676	17,516	8.95%
Supplies - Clinic	351,184	250,655	(100,530)	-40.11%
Supplies - 340B	244,514	192,395	(52,119)	-27.09%
R&M - Clinic	87,399	51,130	(36,269)	-70.93%
Leases/Rentals - Clinic	1,072	1,133	62	5.43%
Utilities - Clinic	61,939	58,616	(3,323)	-5.67%
Ins - Clinic	2,299	2,413	115	4.75%

Table 6 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Other - Clinic	73,001	61,001	(12,000)	-19.67%
Depreciation	140,988	150,332	9,344	6.22%
	6,905,344	6,976,814	71,470	1.02%
Operating Income/(Loss) before Allocation	1,784,408	(139,696)	1,924,104	1377.35%
Allocation of Overhead for Health Centers	(1,183,191)	(1,411,202)	228,011	16.16%
Operating Income/(Loss) after Allocation	601,216	(1,550,898)	2,152,115	138.77%
Non-Operating	568	-	568	-100.00%
	568	-	568	-100.00%
Change in Net Position	601,785	(1,550,898)	2,152,683	138.80%

Grant revenue variance is due to spending for the ARP capital and HIV grant that was not budgeted (the supplies – clinic line is also higher because some of the expenses for this grant spending is in this line). 340B revenue is higher because we anticipated a trend of more restrictions on the program for the budget period. Quality is higher because we anticipated cuts to quality because the cuts will take another year before they are realized. Other/Misc revenue variance is due to grant monies for the MAT program. Physician fees are higher due to increased services being done by all providers. 340B supplies expense is higher due to drug manufacturer restrictions. R&M is higher than budgeted due to clinics replacing some windows at the various buildings, which individually don't meet the criteria for capitalization.

Statement of Net Position

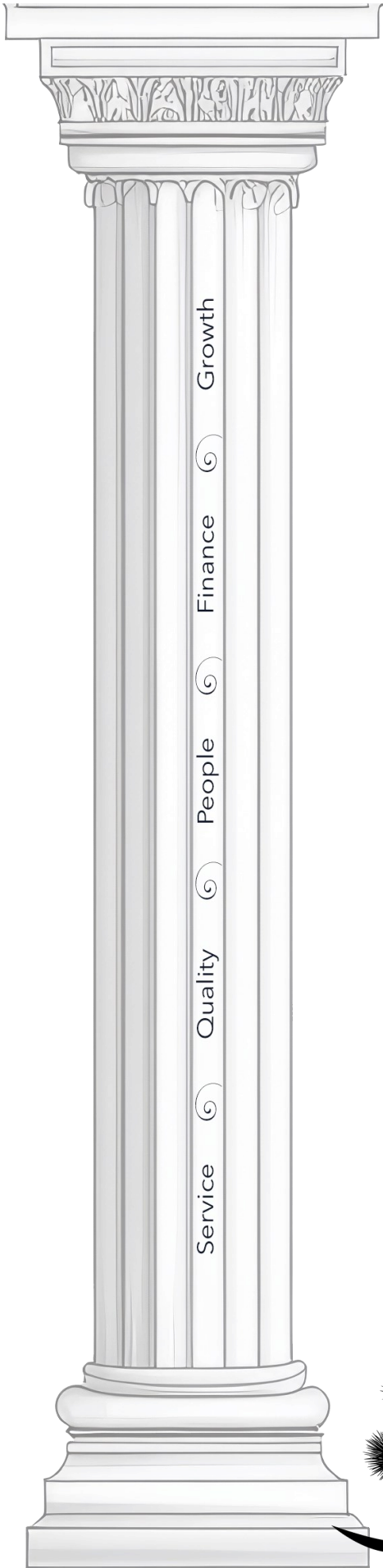
Assets and Deferred Outflow of Resources	June 30, 2025 (Audited)	Feb 28, 2026 (Unaudited)	Difference
Current Assets			
Cash and cash equivalents	5,863,721	2,630,367	(3,233,354)
Investments	39,305,358	46,566,659	7,261,301
Receivables			-
Patients	1,108,512	586,102	(522,411)
Estimated third-party payer settlements	-	-	-
Accrued Interest	563,165	181,400	(381,765)
Lease	873,671	911,600	37,929
Rentals	75,663	14,478	(61,184)
Grants	15,148	468,946	453,799
Other	303,839	260,154	(43,685)
Receivables Sub-Total	2,939,997	2,422,681	(517,316)
Prepaid expenses	172,408	125,479	(46,930)
Total current assets	48,281,485	51,745,186	3,463,701
Noncurrent Assets			
Lease receivable	25,070,557	24,158,957	(911,600)
Capital assets, net	9,616,009	10,062,731	446,721
Total Noncurrent Assets	34,686,566	34,221,687	(464,879)
Deferred Outflow of Resources			
Prepaid water capacity fee	149,221	74,610	(74,610)
Total Assets and Deferred Outflow of Resources	83,117,271	86,041,483	2,924,212
Liabilities, Deferred Inflow of Resources, and Net Position			
Current Liabilities			
Accounts payable	330,394	(29,735)	(360,128)
Accrued payroll and related liabilities	378,220	246,237	(131,983)
Accrued paid time off	375,723	345,947	(29,775)
Estimated 3rd party payor settlements	2,994,520	4,336,598	1,342,078
Current portion of long term debt	184,179	104,164	(80,015)
Deferred Revenue	-	-	-
Total Current Liabilities	4,263,035	5,003,212	740,176
Noncurrent Liabilities			
Long-term debt, net of current portion	103,011	28,401	(74,610)
Total Liabilities	4,366,046	5,031,612	665,566
Deferred inflow of resources			
Deferred lease revenue for hospital and equipment	25,655,272	24,748,514	(906,758)
Total Deferred Inflow of Resources	25,655,272	24,748,514	(906,758)
Net position			
Net investment in capital assets	9,616,009	10,062,731	446,721
Restricted by donors for specific operating purposes	-	-	-
Unrestricted	43,479,944	46,198,627	2,718,682
Total net position	53,095,953	56,261,357	3,165,404
Total Liabilities, Deferred Inflow of Resources, and Net Position	83,117,271	86,041,483	2,924,212

MORONGO BASIN HEALTHCARE DISTRICT
Schedule of Investments
Feb 28, 2026

Description	Institution	1/31/2026	2/28/2026	Variance
Public Interest Acct	PWB	3,152,512.38	2,687,683.28	(464,829.10)
Less O/S checks	PWB	(127,121.53)	(62,515.90)	64,605.63
		3,025,390.85	2,625,167.38	(400,223.47)
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		3,029,390.85	2,629,167.38	(400,223.47)
Investment Access**	RBC	43,688,925.91	44,088,787.73	399,861.82
Money Market	RBC	2,026,856.27	2,031,805.09	4,948.82
Total Value of Accts		45,715,782.18	46,120,592.82	404,810.64
Est Accured Bond Int.		388,818.61	446,066.03	57,247.42
Total Portfolio Value		46,104,600.79	46,566,658.85	462,058.06
Total Cash		48,745,173.03	48,749,760.20	4,587.17
Total Market Value		49,133,991.64	49,195,826.23	61,834.59

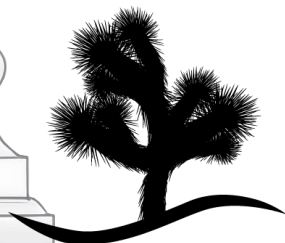
Chart A – Visits History Chart

Month	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Jul	2,942	3,283	3,091	2,877	2,670	2,758	3,030	3,467
Aug	3,766	3,587	3,015	3,425	3,315	3,195	2,975	3,099
Sep	3,043	3,501	3,065	3,134	3,256	2,593	3,041	3,346
Oct	3,551	3,892	3,264	3,282	3,071	3,027	3,697	3,296
Nov	3,229	3,353	2,627	3,116	2,936	2,928	2,952	2,595
Dec	2,858	3,304	2,976	2,705	2,881	2,556	3,027	3,000
Jan	3,698	4,010	2,921	2,925	3,001	3,226	3,316	3,210
Feb	3,198	3,763	3,190	3,068	2,882	2,980	3,303	2,903
Mar	3,515	2,927	3,516	3,332	3,331	3,032	3,338	-
Apr	3,660	2,066	3,460	3,094	2,896	3,016	3,648	-
May	3,662	2,200	3,043	3,239	3,247	3,143	3,564	-
Jun	3,344	2,786	3,082	3,218	2,939	2,652	3,275	-
Total	40,466	38,672	37,250	37,415	36,425	35,106	39,166	24,916
Total YTD	26,285	28,693	24,149	24,532	24,012	23,263	25,341	24,916



TAB #6 REPORT

CEO STAFF REPORT



MORONGO BASIN
HEALTHCARE DISTRICT

MorongoBasinHealth.org



MORONGO BASIN HEALTHCARE DISTRICT

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

April 2, 2026

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

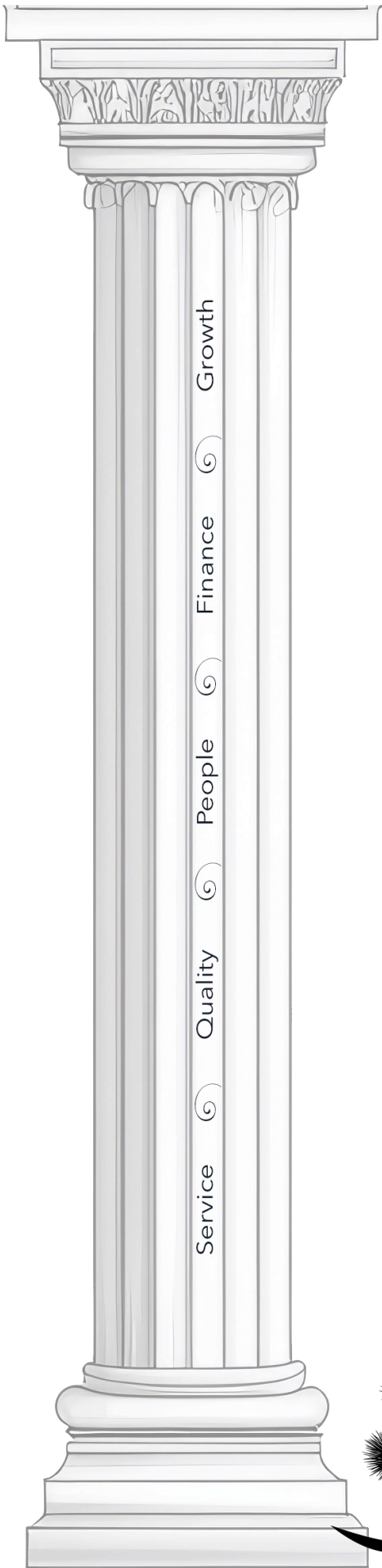
DISTRICT

- Karen Graley and I have begun the recertification process to ensure we remain a certified district with ACHD.
- I am happy to report that we received the Letter of Welcome from the California State Controller's office regarding the transition to CUPCCAA for public works. Our attorney has confirmed that we are now listed and may proceed to use the CUPCCAA rules. You may recall this board completed the resolution and ordinance a couple of months ago for district staff to get work on projects done without the need for a formal bidding process. This simplifies our workflow and speeds up staff ability to get things done.
- All the annual insurance renewals for provider liability, Directors and Officers, Cyber Security, Ransomware, property, workers compensation and automobile have been submitted and we await the certificates.
- Leases have been renewed for two of the three tenants at the La Contenta site. The last one will not be renewed; we anticipate taking back that suite May 1, 2026.
- We have renewed the dental services lease for an additional two years to give us time to complete some construction on our owned properties which has not yet been presented to the board. The landlord is very fair to us and is aware that we will likely not renew after this.
- The budget process has begun. Debbie, Tricia and I are planning to present to you a preliminary budget for your review in May.
- Transportation has purchased a new van with lift and now has two new drivers to ensure we can meet clients' needs.

HEALTH CENTER

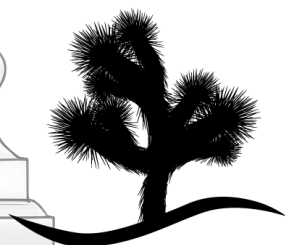
- I am pleased to announce that Lorraine Kirkpatrick NP, and Daniela Attia LCSW have started orientation and are doing well. Our search for an additional provider is still ongoing to help us meet the needs of the patient volume.
- Dr. Kim will be back full-time in April and is doing well.
- Kelly Hedges Wehner and JJ Greer participated in an IEHP audit of patients screened for lead testing; we scored 95% which is excellent.

- Work on the Yucca Valley health center and behavioral health office has begun. The goal is to do minor updates and remodeling to accommodate growth, and space needs to get all the supporting services on clinic sites.
- The Yucca Valley health center has been experiencing plumbing malfunctions due largely to the old cast iron pipes. This is being addressed but will require some major updating to the plumbing lines.



TAB #7
CALENDAR REVIEW

BOARD MEETING
MONTHLY CALENDARS



MORONGO BASIN
HEALTHCARE DISTRICT

MorongoBasinHealth.org

BOARD CALENDAR

March 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5 CHC Board 4:45p MBHD Board 6:15p	6	7 Flying Doctors YV High School 9:00a-3:00p
8 Flying Doctors YV High School 9:00a-3:00p Continues (no outreach tables)	9	10	11 Resource Fair Joshua Tree Community Center 12:30p – 3:30p	12 Morongo Basin Coalition 12:00p-1:00p Reachout YV	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28 Town of YV Heart Walk 2K/5K Event Essig Park
29	30	31				
			NOTE: Math Night w/Palm Vista Elementary School 5:00p – 7:00p – March 5th.			

BOARD CALENDAR

April 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2 CHC Board 4:45p MBHD Board 6:15p	3	4
5	6	7 Adhoc Committee For CEO Evaluation 6:15p (District Boardroom)	8 Joshua Tree Community Resource Fair 12:30p – 3:30p	9 Morongo Basin Coalition 12:00p-1:00p Reachout YV	10	11 Help Yourself Help Your Neighbor Emergency Fair Walmart Parking Lot 9:00a -1:00p
12	13	14	15	16 Health Talks 29P Senior Center 10:30a -12:00p ***** Bingo for Books w/ Palm Vista Elementary 5:00p – 7:00p	17	18 City Youth Olympics Luckie Park 29 Palms 9:00a-12:00p
19	20 Joshua Tree Community Health Talk 10:45a	21 YV Senior Center Health Talk 11:30a	22	23	24	25
26	27	28	29	30		

BOARD CALENDAR

May 2026

	Mon	Tue	Wed	Thu	Fri	Sat
					1	2 MBHD HEALTH FAIR!!! YV COMMUNITY CENTER 10a-2p
3	4	5	6	7 Employee Forum 11:30a CHC Board 4:45p MBHD Board 6:15p	8	9 Family Fun Day Palm Vista Elementary 10:30a-2:30p
10	11	12	13 Joshua Tree Community Center Resource Fair 12:30p-3:30p	14 Morongo Basin Coalition Reachout YV 12:00p-1:30p	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30 <hr/> 31

BOARD CALENDAR

June 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5 CHC Board 4:45p MBHD Board 6:15p	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					