

Chief Executive Officer
Ryan Harris



Board of Directors
Jeanne Utterback, President
Abe Hathaway, Vice President
Tami Humphry, Treasurer
Lester Cufau, Secretary
James Ferguson, Director

Finance Committee
Meeting Agenda
October 29, 2025 @ 11am
Mayers Memorial Healthcare District
Fall River Boardroom
43563 Highway 299 East
Fall River Mills, CA 96028

In observance of the Americans with Disabilities Act, please notify us at 530-336-5511, Ext 1130 at least 48 hours in advance of the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations. The District will make every attempt to accommodate your request.

Attendees

Tami Vestal-Humphry, Chair, Board Member
Abe Hathaway, Board Member
Ryan Harris, CEO
Travis Lakey, CFO
Lisa Neal, Board Clerk

				Approx. Time Allotted
1	CALL MEETING TO ORDER			
2	CALL FOR REQUEST FROM THE AUDIENCE - PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS			
3	APPROVAL OF MINUTES			
3.1	Regular Meeting – September 17, 2025	Attachment A	Action Item	2 min.
4	FINANCIAL REVIEWS/BUSINESS			
4.1	August 2025 Financials & Accounts Payable (AP)/Accounts Receivable (AR)	Attachment B	Action Item	5 min.
4.2	September 2025 Financials & Accounts Payable (AP)/Accounts Receivable (AR)	Attachment C	Action Item	5 min.
4.3	New Portable X-ray Equipment Proposal – Harold Swartz	Attachment D	Discussion/ Action Item	5 min.
4.4	Accounts Receivable Report – Danielle Olson		Discussion	10 min.
5	ADMINISTRATIVE REPORT		Information	5 min.
6	OTHER INFORMATION/ANNOUNCEMENTS			
7	ADJOURNMENT: Next Regular Meeting – December 10, 2025 Posted: October 23, 2025			

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Board of Directors
Finance Committee Minutes
September 17, 2025 @ 11am
Mayers Memorial Healthcare District
Burney Annex
20641 Commerce Street
Burney, CA 96013

These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.

1	CALL MEETING TO ORDER: Tami Humphry called the meeting to order at 11:04 am on the above date.			
BOARD MEMBERS PRESENT:		STAFF PRESENT:		
Tami Vestal-Humphry, Committee Chair Abe Hathaway, Vice President		Ryan Harris, CEO Travis Lakey, CFO Libby Mee, CHRO Lisa Neal, Board Clerk		
2	CALL FOR REQUEST FROM THE AUDIENCE – PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS – None.			
3	APPROVAL OF MINUTES:			
3.1 Regular Meeting - August 27, 2025 – minutes attached. Motion moved, seconded, and carried.			<i>Hathaway, Humphry</i>	<i>Approved by All</i>
4	FINANCIAL REVIEWS			
	4.1	July 2025 Financials & Accounts Payable (AP)/Accounts Receivable (AR): AR Days are at 71 Motion moved, seconded, and carried to approve the financials.	<i>Hathaway, Humphry</i>	<i>Approved by All</i>
5	ADMINISTRATIVE REPORT: Travis provided a written report. Dr. Lewis, a locum, started in the clinic on Monday, and progress is being made with the CMO open positions. Due to H.R. 1, we are reviewing a phased modification approach over the next three years for our current programs, except for the retention programs, for which we see a direct correlation between the reduction in registry and traveler costs. The employee holiday bonus for this year was discussed, estimated to be \$320k. We will look for direction from the board on employee holiday bonuses at the October board meeting.			
6	OTHER INFORMATION/ANNOUNCEMENTS:			
7	ADJOURNMENT: 11:50 am			
	Next Finance Committee Meeting: October 29, 2025			

Finance Notes August/September FY 26

Ratios	FY 26	FY 25 Average	
Cash on Hand	278	268	Avg PY
Net Income	(90,973)	366,667	Avg PY
Current Ratio	6.4		
AR Days	77	86	Avg PY
Accounts Payable	1,177,332	830,660	Avg PY
Daily Gross Revenue	188,867	173,009	Avg PY
YE % of Gross Revenue Collected	57%	61%	Avg PY

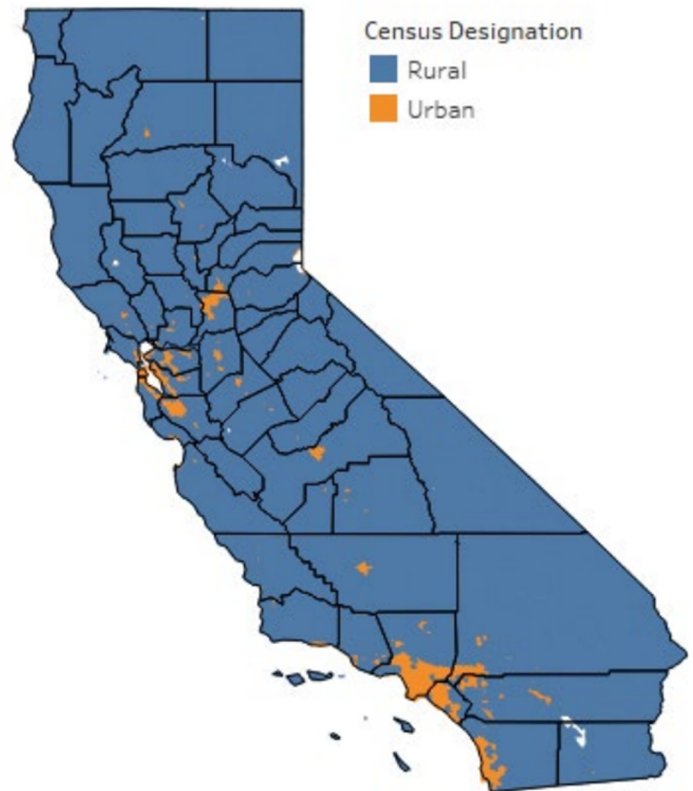
- 1) My notes will primarily focus on September as being a quarter into the year is a better indication of financial health and trends. I will gladly answer any questions from either packet.
- 2) The auditors were onsite the first week of October. Things went well and now the focus is primarily on the cost reports (Medicare, Medi-Cal and Hospice) due by the end of November. The cost report will give us our last fiscal 25 entry as we determine whether we have a payable or receivable to book.
- 3) We have started our FY 24 Medi-Cal audit. Typically, there are three to four audits/desk reviews per year between the normal district audit that Wipfli performs, Medicare audit/desk review, Medi-Cal audit, and occasionally a special payment program audit. Desk reviews are basically a lighter version of an audit that Noridian will opt for given their staffing issues and how far behind they can fall.
- 4) There was recently a notification from DHCS that a malicious actor had breached emails at one of the hospitals and was sending out wire instructions from an email address that was one letter from the original, the original's email signature and the same bank. Given the large amount of money transferred to the state for rate range they could have made off with quite a bit in funds. Any time there's a change we call and verify with the existing older contact information to verify as well checking with DHLF who is in regular contact with DHCS.
- 5) We were able to lock into the 7% on our Ginnie Mae investments.
- 6) I participated in the OHCA (Office of Health Care Affordability) Advisory Committee meeting where I was able to advocate for rural hospitals regarding the RHTP funds as they had a presentation on that and how the cost targets will be difficult for smaller facilities given our high government payer mix and low volumes.
- 7) I attended all five HCAI listening sessions for Rural Health Transformation Program and submitted comments on each. HCAI is looking to submit its application by November 7th as funding

notifications will be approved or denied by December 31st. I attached a couple of slides to show the high percentage of California that is rural.

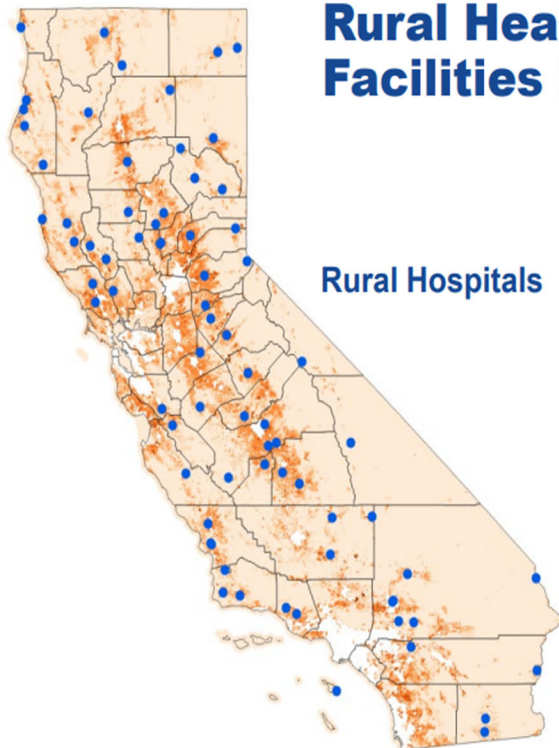
Rural in California

- 95.2% of California is a rural census block
- 2,278,733 people live in these rural census blocks
- 57 of California 58 counties have rural populations
- 279 Rural Health Clinics (RHC)
- 151 Federally Qualified Health Centers (FQHC)
- 76 rural hospitals
- Nearly 50% of rural communities are in a Primary Care Health Professional Shortage Area

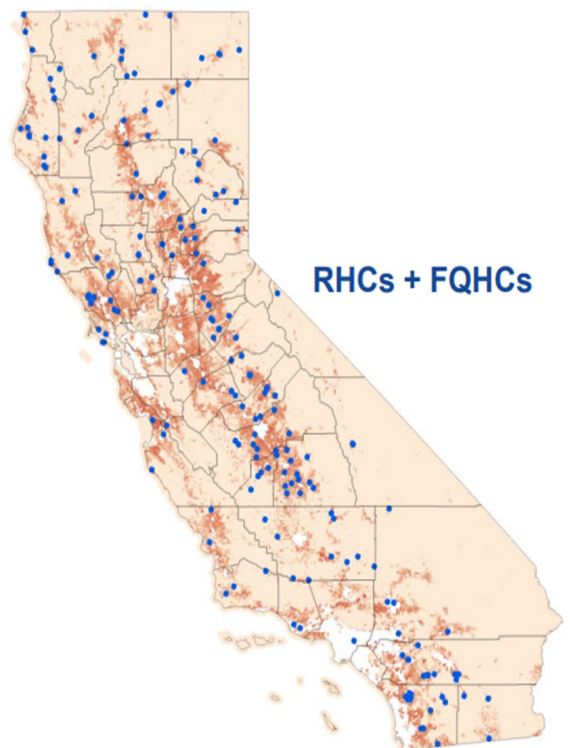
Data based on U.S. Census Bureau definitions and American Community Survey estimates



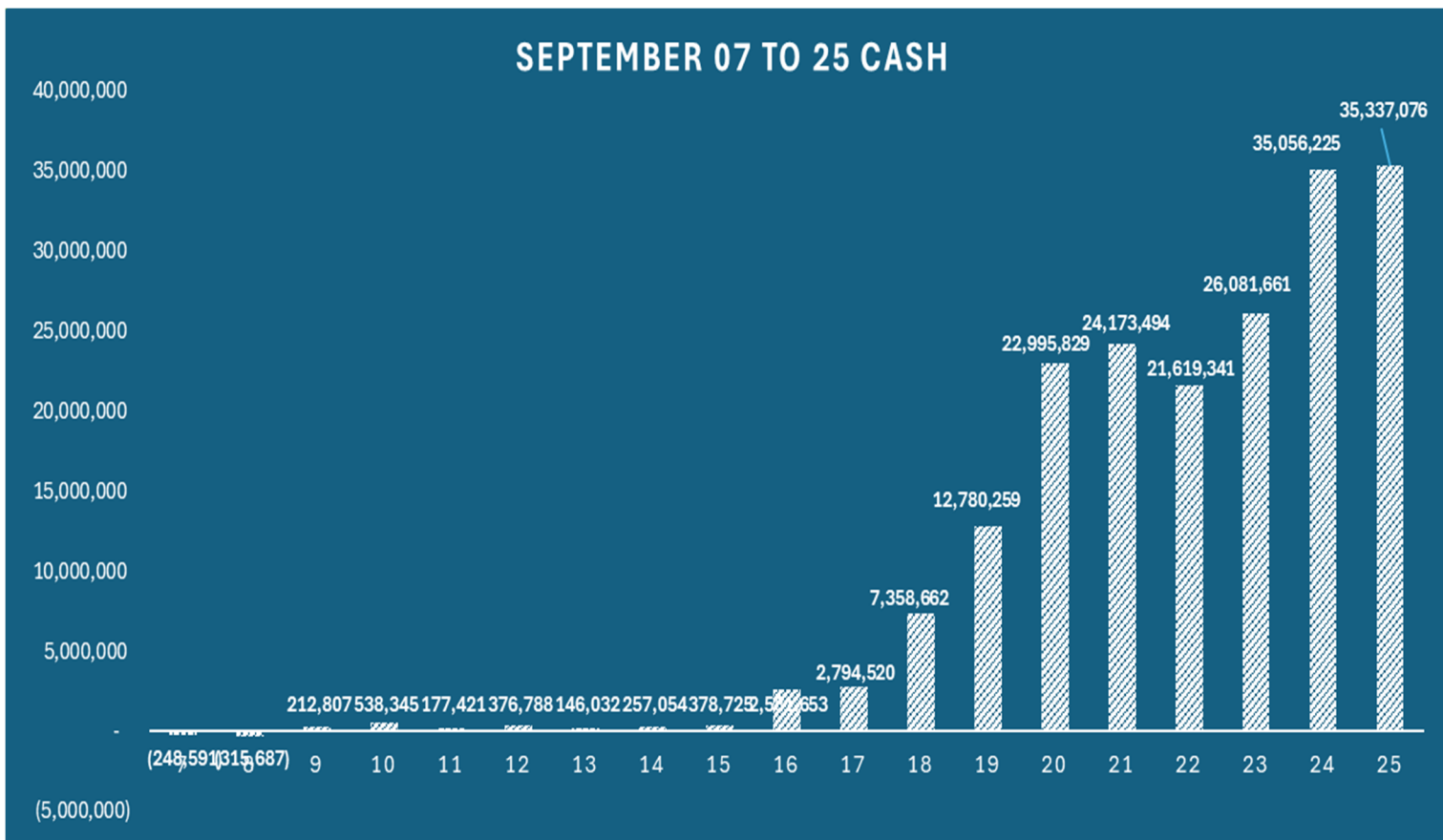
Rural Health Facilities in California



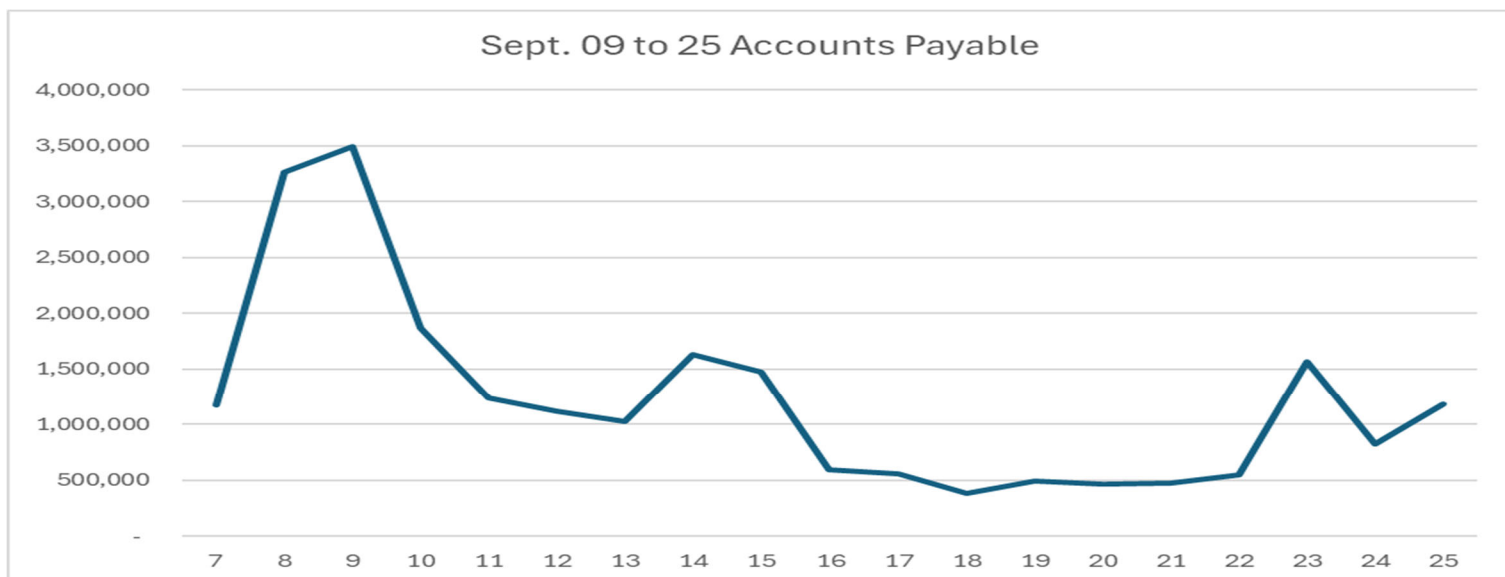
Rural
Population Density



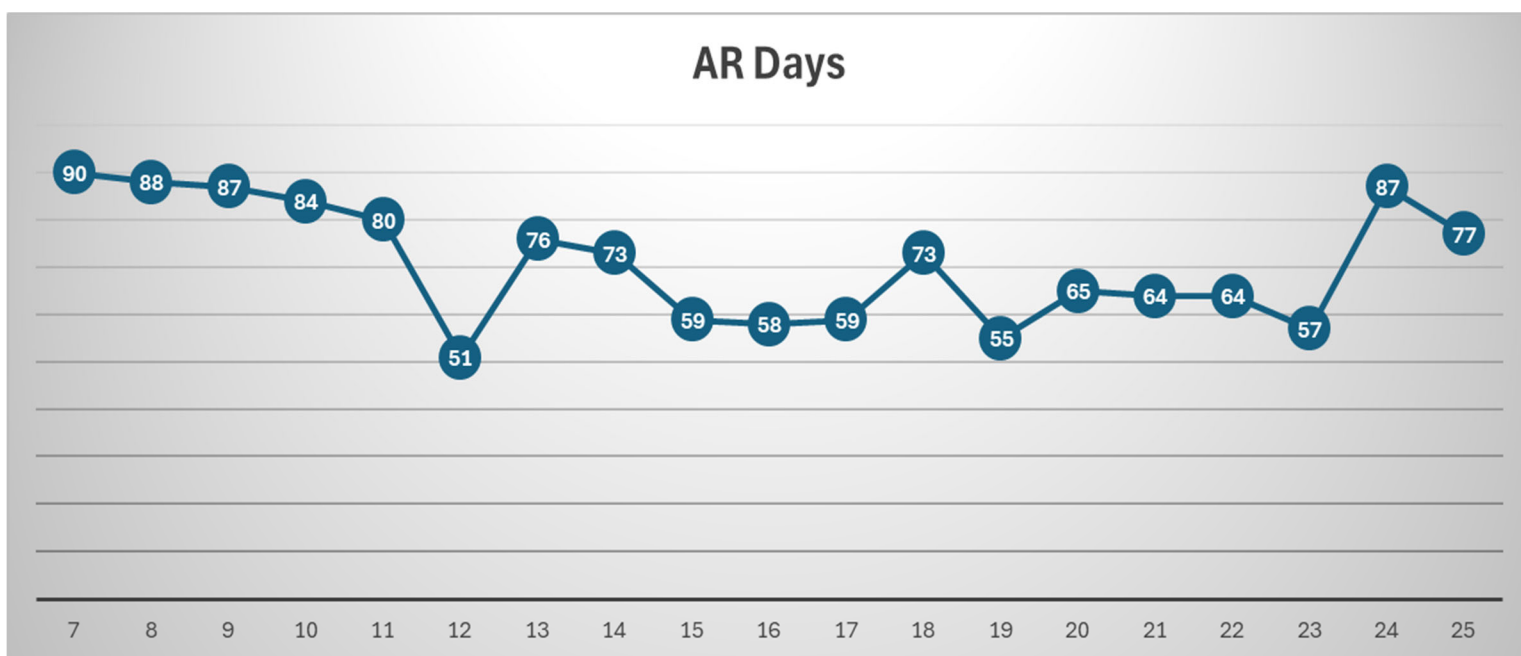
- 8) I was disappointed that CHA sued OHCA/HCAI prior to the RHTP submission and awards as we are trying to advocate for most of those funds to come to rural hospitals.
- 9) We've worked to set up the additional 457B plan for our employees to have another option besides or in addition to our 401K plan.
- 10) Health insurance costs for the employees will be increasing due to a high claims year in FY 25. I did check with a hospital that is on our previous plan (CSAC) and our increased 26 rates are still lower than their 25 rates and CSAC is increasing by 13.8% in 26 so we are much better off with the changes that were made.
- 11) The Retail Pharmacy revenue has increased 31% with only a 14% increase in expenses for a strong 414K bottom line.
- 12) The RHC is negative YTD but that was expected with the added expenses for the registry physicians.
- 13) Jeanne had mentioned after attending the ACHD meeting that showing some historical perspective of where we were compared to where we are financially would be helpful. I went back to a couple years before I started in 2007. These are a spot in time compared to prior years in September on a calendar basis.



Cash is the best metric to look at as it's indicative of financial stability. You can tell in 07 & 08 they had cut some checks before their collections were in the bank, so they had some negative month end balances. The last year we have been self-financing solar and other projects, so we didn't have much of an increase from September 24 to September 25.



When I started in 09 we had 3.5 million in Accounts Payable and negative current ratios. Given our drug spend with two pharmacies and registry spend invoices that come in late that get accrued back into the appropriate period AP overall these last few years tends to skew higher than 2016 to 2022.



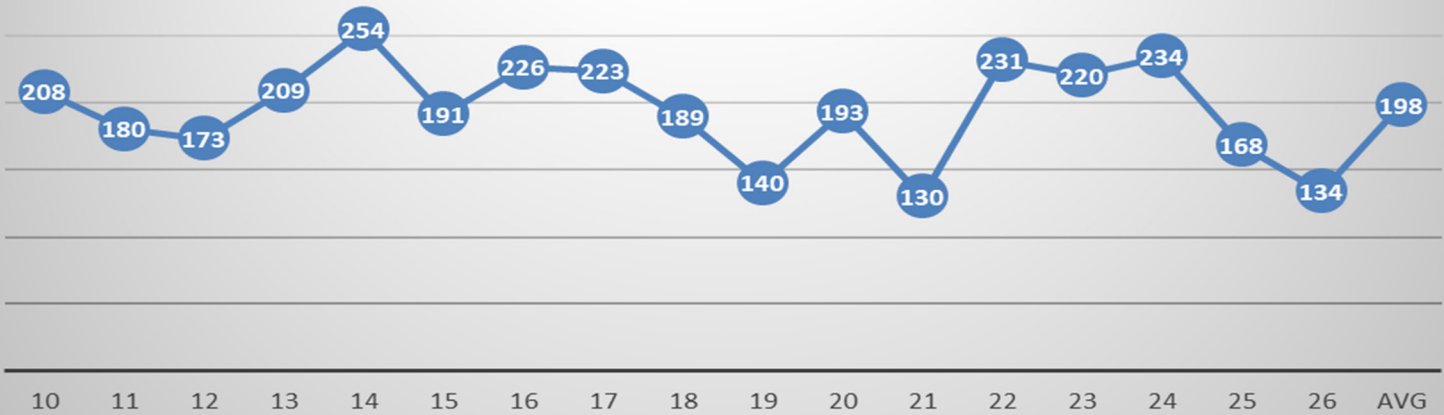
AR days were high when I started, and we outsourced billing which went well until we went live with our first EMR Paragon (Dec 2012) and days got out of control (Dec 2013 111 days) and we had to bring the billing back in-house where it took a couple years to bring it back to industry standards.

- 14) I have been attending the Partnership Health Finance Committee meetings monthly to see how HR1 is affecting them and eventually us. 11% of Partnerships assigned lives are non-citizens so they will see a drop in revenue and the pool of funds for supplemental payments will shrink as well. Partnership is having a meeting with its rural hospitals next month in Redding. I've enjoyed

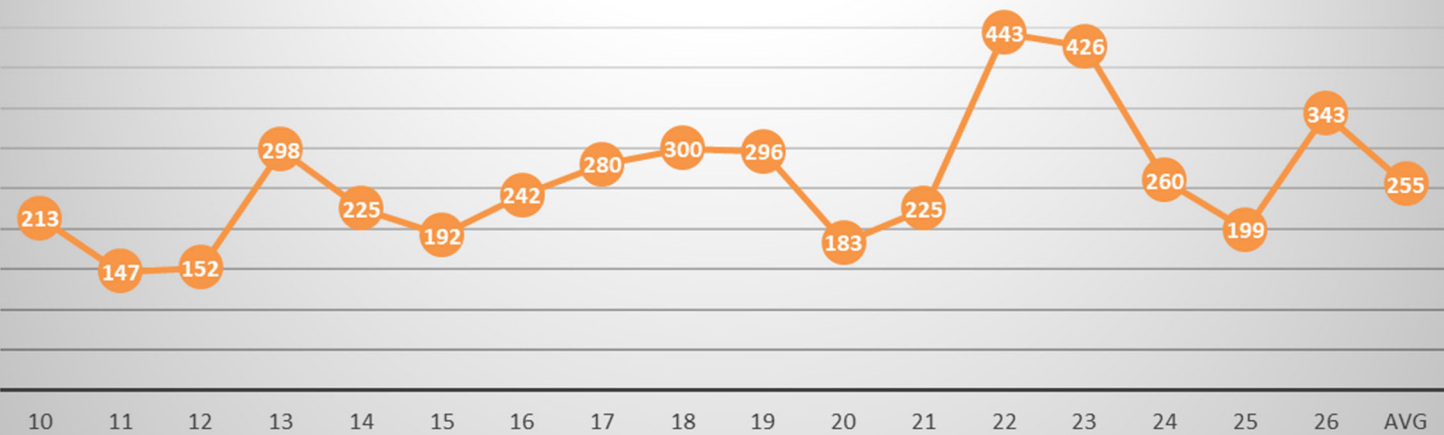
attending as they will ask me questions about items affecting rural hospitals and give an OHCA report even though I'm not a member of their finance committee.

Statistics

Acute Days YTD FY 10 to 26



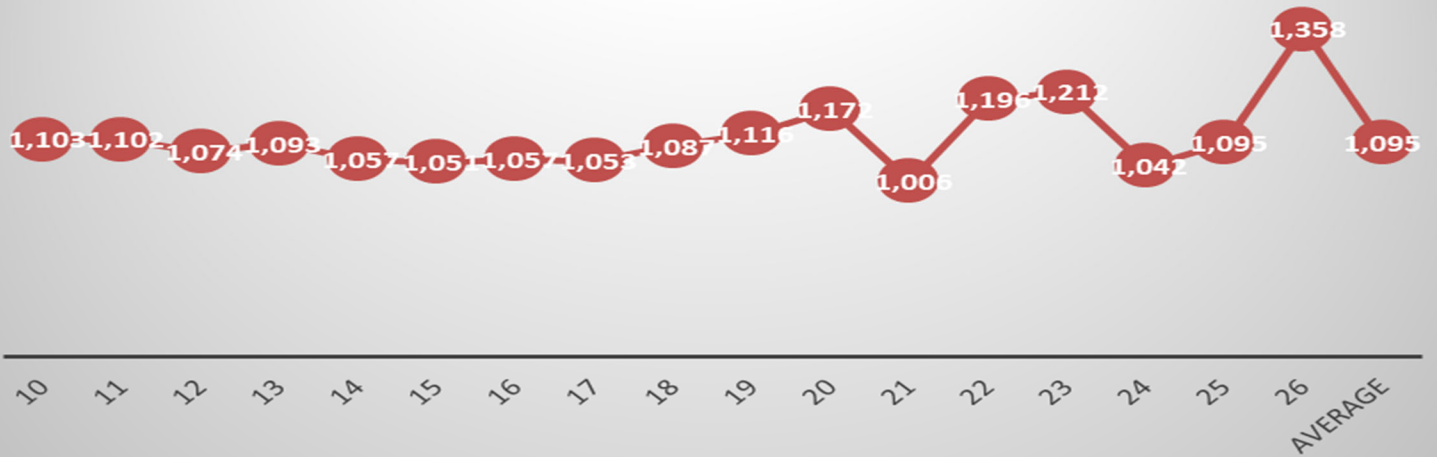
Swing Days YTD FY 10 to 26



SNF Days YTD FY 11 to 26

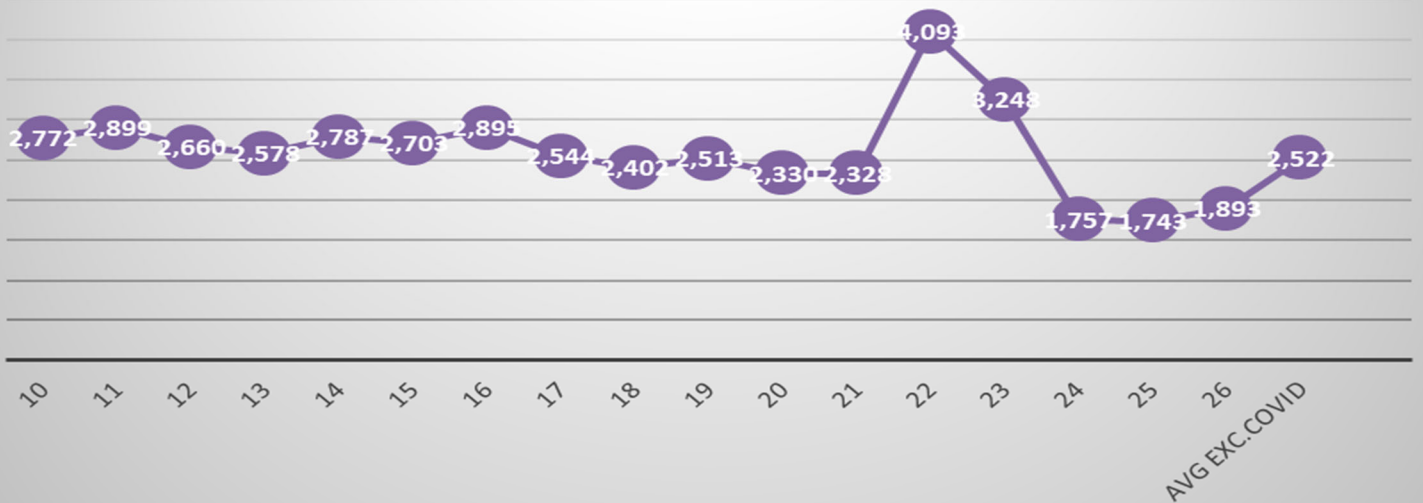


ER visits YTD FY 10-26

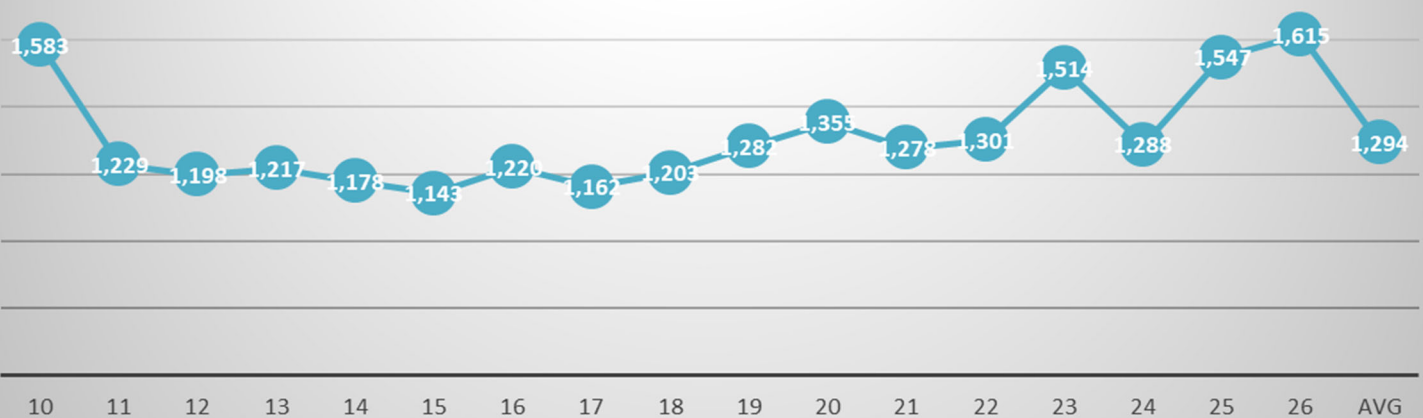


ER Visits are an average of 14.9 per day vs the historical average of 12 per day.

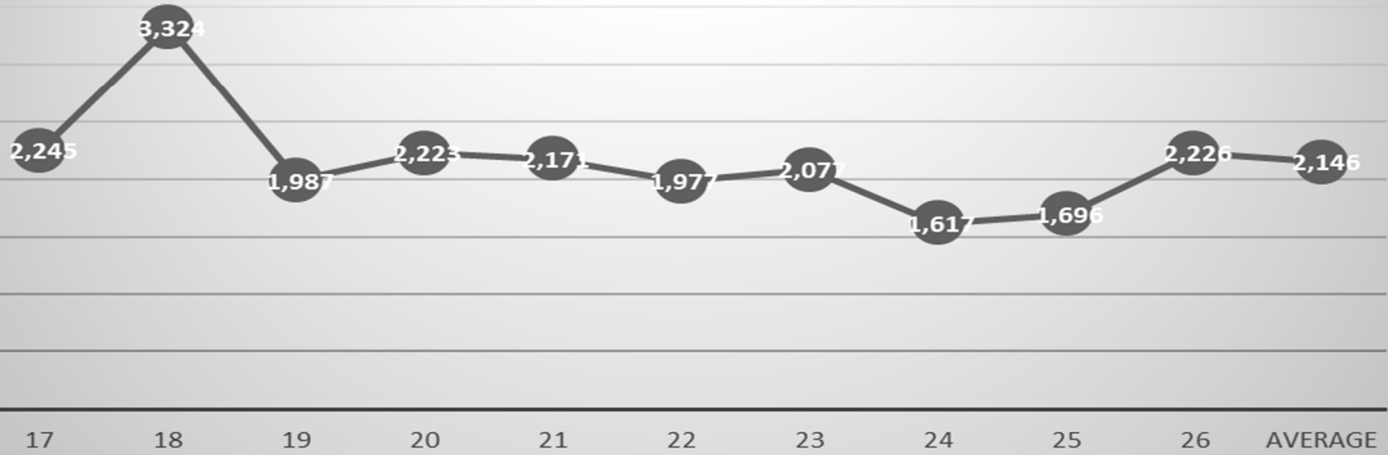
Labs YTD FY 10-26



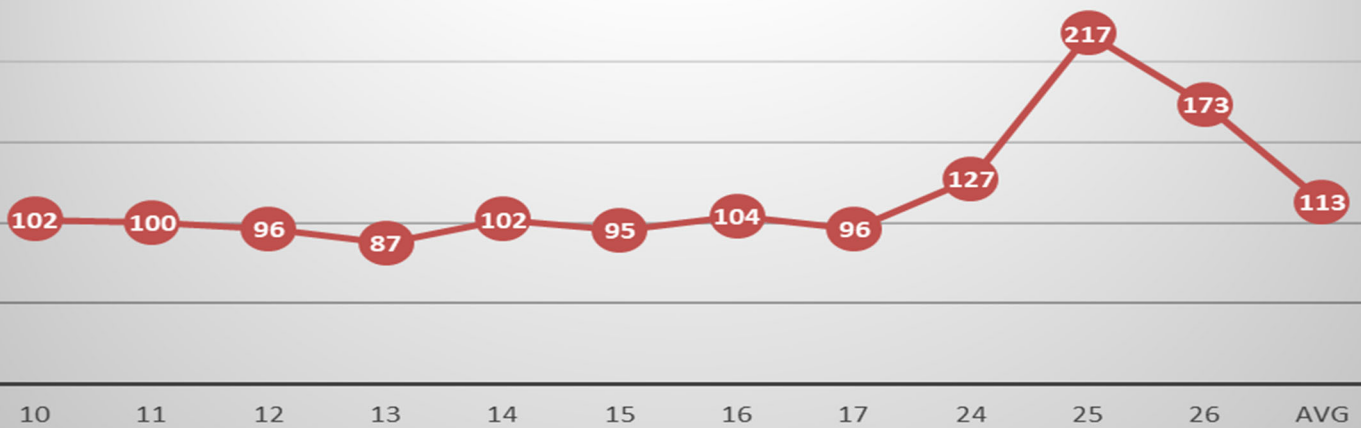
Rad Procedures YTD FY 10-26



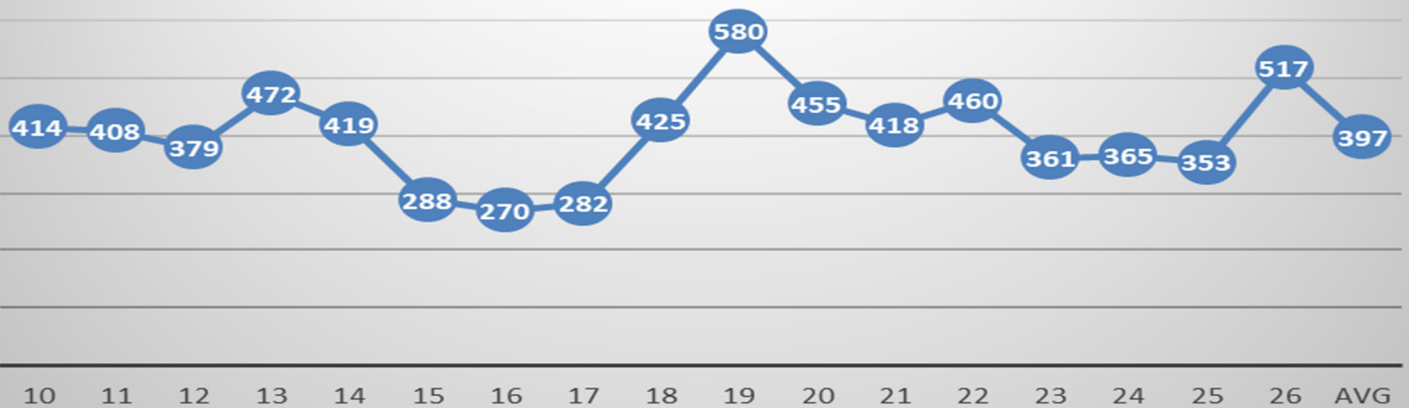
PT Procedures YTD FY 17 to 26



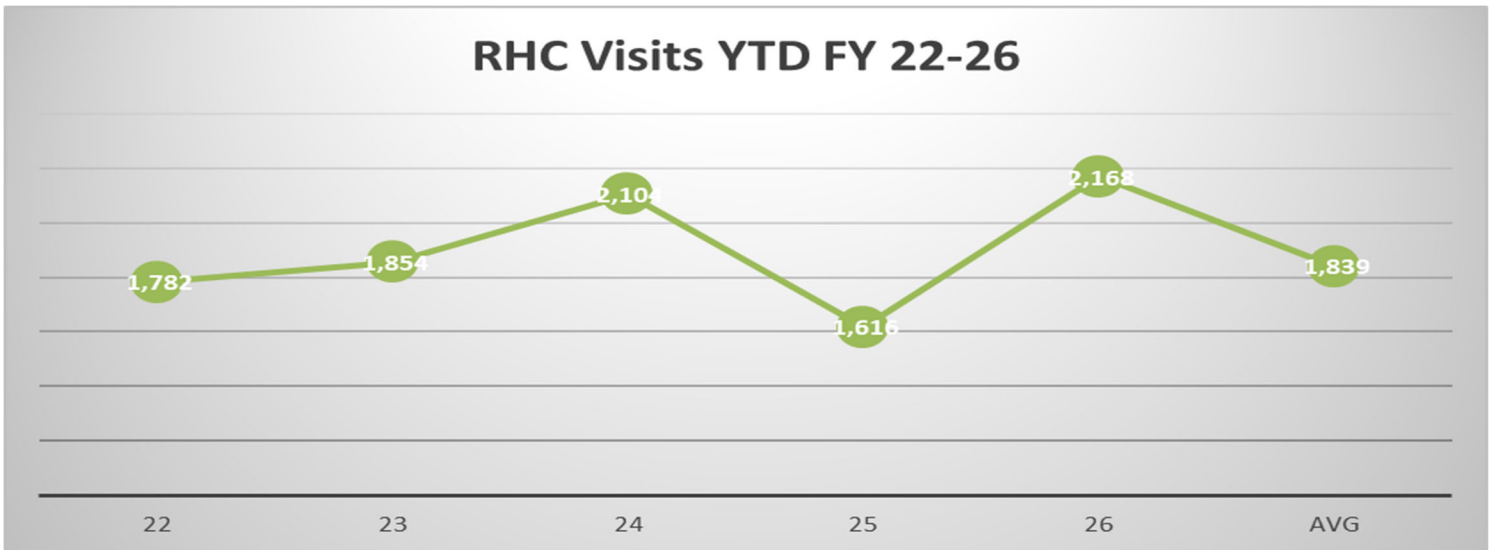
Ambulance Runs YTD FY 10-17, 24-26



Outpatient Med Procedures FY 10-26



RHC Visits YTD FY 22-26



Income Statement

- 1) Acute Revenue is up due to the large increase in Swing Days
- 2) SNF Revenue is down with extended period where we couldn't admit anyone.
- 3) Outpatient Revenue is up due to almost every outpatient department having higher volumes this year.
- 4) Contractuals are up this year due to the timing of supplemental payments vs the prior year.
- 5) Salaries and Wages are down which corresponds to the increase in Traveler Costs.
- 6) Employee Benefits are up due to claims.
- 7) Supplies are down as the Purchasing Manager has started a supply committee where she meets with departments about switching to lower cost supplies.
- 8) Physician Fees are up with higher ER wages than this point last year.
- 9) Legal Fees are up due to higher attorney usage.
- 10) Audit Fees are up as we are further into our audit this year through September.
- 11) Acute and SNF Travelers are up due to employee turnover.
- 12) Other Purchased Services are up due to locum docs in the clinic and the radiology group that charges us to read studies.
- 13) Counting down the days on the Utilities until the solar field is online.
- 14) Our USDA payment was taken on the 1st of September so we had 319K in interest expense.
- 15) We added a new category for Interest Income from Mortgage Based Securities (MBS) where we have earned 42K from our Fannie Mae investment so far.
- 16) Non-Operating Revenue is up due to the Retail Pharmacy.
- 17) Interest Income is down but when you add in the 42,863 from the new MBS category we are doing better than the prior year.
- 18) We have a net income of 613K which is probably conservative with my Rate Range estimates. Given the traditional population and expanded population have different match rates it makes forecasting a little challenging. Once we get closer and I have more information I can revise the receivable.

Balance Sheet

- 1) Cash shows that it's down but if we add in the Mortgage Based Securities we are actually ahead of last year.
- 2) Patient Accounts Receivable has grown with the increase in revenue this year with a lot of larger Swing Accounts that you can't bill until they discharge. We have one account that is about four days in AR by itself.
- 3) Property Plant and Equipment are up mostly due to the solar project sitting in CIP.
- 4) Accounts Payable is up due to larger invoices from NPH and McKesson Drug that come in after the last check run of the month.
- 5) Current Subscription Based Liability has increased due some reclasses of software that we discussed with our auditors.
- 6) Our Rate Range Payable will grow to 8.1 million which will be contributed in November and we can expect our receivable by February.
- 7) We ended with a robust current ratio of 6.37. The average CAH in California has a 2.77 ratio per the CAH Financial Indicators Report April 2025 [state-medians-2023data_report-final_2025.pdf](#)

MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2025

COMPARISON TO ACTUAL

2025 AUGUST Month Actual	2024 AUGUST Month Actual		2025 AUGUST YTD Actual	2024 AUGUST YTD Actual
1,022,453	837,955	184,498	2,193,373	1,592,431
1,250,728	1,335,723	(84,995)	2,526,296	2,760,291
3,548,964	2,992,681	556,283	7,052,189	6,394,495
5,846,751	5,169,106	677,645	11,613,386	10,753,855
(1,258,563)	(1,005,661)	(252,903)	(2,476,858)	(1,892,557)
17,000	57,190	(40,190)	43,122	442,722
(1,241,563)	(948,470)	(293,093)	(2,433,737)	(1,449,835)
(397,637)	(344,131)	(53,507)	(875,416)	(698,758)
(1,639,200)	(1,292,601)	(346,599)	(3,309,153)	(2,148,593)
(1,410)	(21,421)	20,011	(8,059)	(22,792)
(13,523)	(29,491)	15,968	(18,944)	(45,320)
(25,019)	(341,622)	316,603	(17,293)	(347,759)
(1,679,152)	(1,685,135)	5,983	(3,353,449)	(2,564,465)
89,871	51,452	38,419	181,226	177,964
4,257,469	3,535,423	722,046	8,441,163	8,367,354
2,128,037	2,058,591	69,445	3,906,094	3,971,674
408,351	444,360	(36,009)	821,265	1,288,936
427,871	379,358	48,513	638,798	680,476
133,123	118,912	14,211	249,179	225,748
0	0	0	0	0
2,417	14,558	(12,142)	16,068	17,200
5,257	479	4,778	9,068	479
3,024	29,000	(25,976)	19,554	29,000
4,066	(2,093)	6,159	26,490	4,265
147,887	160,856	(12,969)	320,360	276,692
78,797	12,253	66,544	140,786	31,172
337,056	296,737	40,319	669,944	580,570
81,496	112,896	(31,400)	172,957	236,725
0	0	0	0	0
497,349	421,887	75,462	983,686	848,466
245,344	177,788	67,556	505,594	374,515
28,308	33,723	(5,415)	61,760	51,383
119,768	132,866	(13,098)	255,794	271,245
28,627	56,083	(27,456)	57,076	98,008
150,789	110,466	40,324	286,545	243,658

MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2025

COMPARISON TO ACTUAL

2025	2024		2025	2024
SEPTEMBER	SEPTEMBER		SEPTEMBER	SEPTEMBER
Month Actual	Month Actual		YTD Actual	YTD Actual
		Patient Revenue		
1,139,258	997,423	141,834 Acute Revenue	3,332,631	2,589,854
1,151,163	1,295,344	(144,181) Revenue - SNF Inpatient	3,677,459	4,055,634
3,531,894	2,855,223	676,671 Outpatient Revenue	10,584,083	9,249,718
5,767,603	5,149,852	617,751 Patient Revenue	17,380,989	15,903,707
(1,201,593)	407,829	(7,610) Contractuals	32,840	440,050
(511,239)	(423,608)	(87,631) Contractuals- PPO	(1,386,655)	(1,122,367)
(16,016)	(13,092)	(2,925) Charity and Write-Offs	(24,075)	(35,884)
(8,520)	(31,087)	22,567 Admin Adjustments and Employee Discounts	(27,464)	(76,408)
5,693	(9,307)	14,999 Provision for Bad Debt	(11,601)	(357,066)
(1,731,676)	(69,264)	(1,662,412) Total Deductions	(5,085,125)	(2,633,730)
90,603	104,070	(13,467) Other Operating Revenues	271,830	282,034
4,126,530	5,184,658	(1,058,128) Net Revenue	12,567,693	13,552,011
1,638,493	1,749,658	(111,165) Salaries and Wages	5,544,587	5,721,332
747,676	590,717	156,959 Employee Benefits	1,920,051	1,879,653
395,672	382,954	12,719 Supplies	1,034,470	1,063,430
162,551	137,224	25,327 Physician Fee	411,731	362,972
2,417	2,642	(225) Consulting Fees	18,485	19,842
14,093	18,519	(4,426) Legal Fees	23,161	18,998
13,909	0	13,909 Audit Fees	33,463	29,000
3,714	1,661	2,053 Other Fees	30,204	5,926
67,083	6,089	60,995 Other Purchased Service Nurse Travel Acute	207,870	37,260
265,273	271,718	(6,445) Other Purchased Service Nurse Travel SNF	935,217	852,288
92,205	108,983	(16,778) Other Purchased Service Travel Ancillary	265,161	345,708
424,562	386,790	37,771 Travelers	1,408,248	1,235,257
234,423	201,843	32,580 Other Purchased Services	740,017	576,359
19,034	58,123	(39,088) Repairs & Maintenance	80,794	109,506
132,787	107,750	25,036 Utilities	388,581	378,995
28,577	41,381	(12,804) Insurance Other	89,302	139,389
149,046	142,136	6,909 Other Expenses	435,591	385,794

Portable X-Ray Service Contract vs. New System Investment

Summary

Renewing the current portable X-ray service contract would cost **\$33,693 annually**, totaling approximately **\$168,465 over the next five years, without any technology upgrades**. In contrast, investing in a **new United Imaging portable X-ray unit** would require an initial purchase cost of **approximately \$150,000**, followed by an **annual service contract of \$25,000** starting in year two. This investment would provide:

- **Modern, Secure Technology:** A fully supported operating system with ongoing security updates and future-proof compatibility for new software needs
- **Advanced Imaging Features:** Built-in enhancements such as line placement assist and bone suppression software for improved diagnostic accuracy
- **AI-Powered Automation:** All future software and advancements included at no additional cost
- **Downtime Reimbursement:** Hourly compensation in the event of system outages, protecting against revenue loss

Continuing with the current unit would require significant ongoing costs while relying on outdated, unsupported technology with increasing cybersecurity and operational risks. Replacing the system now enhances patient care, improves operational efficiency, and represents a strategic, cost-effective long-term investment for the organization.

Current Siemens Portable Challenges

- **Outdated Platform:** Windows 7 is unsupported, creating cybersecurity and compliance risks.
- **Financial Burden:** \$33,693 per year service cost, \$5,000 detector deductible, and no downtime coverage.
- **Clinical Limitations:** Lower 35 kW generator limits imaging for critical or bariatric patients; lacks advanced image tools and remote support.

United Imaging uDR 380i Pro Benefits

- **Secure & Modern:** Built on the latest Windows OS with lifetime AI and software upgrades.
- **Advanced Performance:** 50 kW generator, edge enhancement and bone suppression tools for clearer imaging.
- **Operational Efficiency:** Remote live support (uVision), downtime reimbursement, and zero detector deductible.

Portable X-Ray Service Contract vs. New United Imaging Unit

Category	Current System (Renew Existing Service Contract)	New United Imaging Portable
Initial Purchase Cost	\$0 (already owned)	~\$150,000 (one-time Year 1)
Annual Service Cost	\$33,693	\$25,000 (starting Year 2)
Technology Upgrades	None	Included (OS +Software)
Cybersecurity Risk	High (windows 7, unsupported)	Low (modern, secure OS)
Future Advancements	Not available	Included at no cost
Downtime Reimbursement	Not covered	Hourly reimbursement
Estimated Downtime Risk	Higher (aging system)	Lower (covered contractually)
Strategic Value	Limited - Investing in outdated technology	High - future proof investment with advanced imaging capabilities



Recommendation

Move forward with the purchase of the United Imaging uDR 380i Pro portable X-ray system in place of renewing the Siemens service contract. This investment strengthens regulatory compliance, enhances diagnostic precision, minimizes equipment downtime, and reflects sound fiscal stewardship.