



**BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING AGENDA
TUESDAY, MARCH 05, 2024**

**1:00 PM – OPEN SESSION – MAIN CONFERENCE ROOM
41870 GARSTIN DRIVE, BIG BEAR LAKE, CA 92315**

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

OPEN SESSION

- 1. CALL TO ORDER** **Jack Briner, Treasurer**
- 2. ROLL CALL** **Shelly Egerer, Executive Assistant**
- 3. ADOPTION OF AGENDA***
- 4. PUBLIC FORUM FOR OPEN SESSION**
Opportunity for members of the public to address the Committee on Open Session items.
(Government Code Section 54954.3, *there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.*)
- 5. DIRECTORS COMMENTS**
- 6. APPROVAL OF MINUTES***
 - A. February 06, 2024**
- 7. OLD BUSINESS***
 - None
- 8. NEW BUSINESS***
 - A. Discussion Regarding Banking and Positive Pay Program to Avoid Fraud**
 - B. Discussion and Potential Recommendation to the Board of Directors of FY 2023 Audited Financial Statements**
- 9. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS***
 - A. January 2024**
 - B. CFO Report**
- 10. ADJOURNMENT*** *** Denotes Actions Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING MINUTES
41870 GARSTIN DR., BIG BEAR LAKE, CA 92315
JANUARY 02, 2023**

MEMBERS Steven Baker, Treasurer Evan Rayner, CEO
PRESENT: Jack Briner, 2nd Vice President Shelly Egerer, Executive Assistant
Garth Hamblin, CFO

STAFF: Kerri Jex

OTHER: Suzette w/ Ovation
COMMUNITY
MEMBERS: None

ABSENT: None

OPEN SESSION

1. CALL TO ORDER:

Board Member Briner called the meeting to order at 1:00 p.m.

2. ROLL CALL:

Jack Briner and Steven Baker were present. Also present were Evan Rayner, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

3. ADOPTION OF AGENDA:

Board Member Baker motioned to adopt the February 06, 2024 Finance Committee Meeting Agenda as presented. Second by Board Member Briner to adopt the February 06, Finance Committee Meeting Agenda as presented. Board Member Briner called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

4. PUBLIC FORUM FOR OPEN SESSION:

Board Member Briner opened the Hearing Section for Public Comment on Open Session items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member Briner closed the Hearing Section at 1:00 p.m.

5. DIRECTOR'S COMMENTS:

- None

6. APPROVAL OF MINUTES:

A. November 02, 2023

Board Member Baker motioned to approve the November 02, 2023 minutes as presented. Second Board Member Briner to approve the November 02, 2023 and minutes as presented. Board Member Briner called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

7. OLD BUSINESS:

- None

8. NEW BUSINESS*

A. Discussion and Potential Recommendation to the Board of Directors of the Following Service Agreements:

- (1) Eric Saidi, OD Optometrist Clinic Service Agreement
 - Dr. Sadi would provide optometrist services and will drive surgical services to an Ophthalmologist who will provide surgery at the District
- (2) Prashanth Kumar, MD Nephrology Clinic Service Agreement (Renewal)
- (3) Omeed Ahadiat, MD Dermatology Clinic Service Agreement
- (4) Michael Chin, MD, General Surgery/Clinic Service Agreement (Renewal)
- (5) Pacific Pulmonary Medical Group Clinic Service Agreement

Board Member Baker motioned to provide a positive recommendation to the Board of Directors of service agreement one through five as presented. Second by Board Member Briner to provide a positive recommendation to the Board of Directors of service agreement one through five as presented. Board Member Briner called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

9. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS*

A. December 2023 Finances:

- Mr. Hamblin reported the following information:
 - \$40 million in cash and investments
 - Days cash on hand decreased due to settlement
 - Net revenue over budget
 - We have a surplus
 - Net patient revenue was 7.6% more than budget
 - Surplus for the month was more than budget

B. CFO Report:

- Mr. Hamblin reported the following:
 - Financial Feasibility:
 - We have begun work with WIPFLI on our Financial Feasibility Study
 - Underwriter – Seismic Project:
 - We have engaged the company selected by the Board for assisting in finance project

Board Member Baker motioned to approve the December 2023 Finance Report and CFO Report as presented. Second by Board Member Briner to approve the December 2023 Finance Report and CFO Report as presented. Board Member Briner called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

10. ADJOURNMENT*

Board Member Baker motioned to adjourn the meeting at 1:23 p.m. Second by Board Member Briner to adjourn the meeting. Board Member Briner called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

Report of Independent Auditors
and Financial Statements

BEAR VALLEY COMMUNITY
HEALTHCARE DISTRICT

June 30, 2023 & 2022

JWT & Associates, LLP
Advisory Assurance Tax

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Audited Financial Statements

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JWT & Associates, LLP

Advisory Assurance Tax

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Report of Independent Auditors

The Board of Directors
Bear Valley Community Healthcare District
Big Bear Lake, California

Opinion

We have audited the accompanying financial statements of the business-type activities and fiduciary activities of Bear Valley Community Healthcare District (the District), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary activities of the District, as of June 30, 2023 and 2022, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Emphasis of Matter

As discussed in Note 1, the District adopted GASB 87 for the year beginning July 1, 2022 and ending June 30, 2023. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 14, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

JWT & Associates, LLP

Fresno, California
February 14, 2024

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

The administration of the Bear Valley Community Healthcare District (the District) prepared the following Management Discussion and Analysis of the financial performance of the District for the fiscal year ended June 30, 2023 (FYE 2023) to accompany the financial statements prepared in accordance with the Governmental Accounting Standards Board Statement Numbers 34, 37 and 38. This discussion and the associated schedules are intended to provide an analysis, explanation, and historical basis of comparison for the reporting of financial results of the District for FYE 2023. The audited financial statements included herewith have been prepared and submitted with an unmodified opinion from the District's independent auditor.

Overview of the Bear Valley Community Healthcare District and its Financial Statements

This annual financial report consists of the audited financial statements included herewith and the associated notes to those statements that describe the District's combined financial position and results of operations for the FYE 2023. The audited financial statements of the District include the statement of net position, statement of revenues, expenses and changes in net position, and statement of cash flows.

- The statement of net position includes all of the District's assets and liabilities, using the accrual basis of accounting, as well as any indication as to which assets are intended for use to fund future capital asset expenditures or otherwise designated as to use by board of director policy.
- The Statement of Revenues, Expenses, and Changes in Net Position present the results of operating and non-operating activities during the fiscal year and the associated incomes.
- The Statement of Cash Flows reports the net cash provided by operating activities, as well as other sources and uses of cash from investing, non-capital financing activities, and capital and related financing activities.

Financial Highlights

	2023	2022	2021	Change	
				2023	2022
Current assets	\$ 7,543,050	\$ 7,205,250	\$ 5,742,318	\$ 337,800	\$ 1,462,932
Current liabilities	9,400,363	8,160,887	9,059,504	1,239,476	(898,617)
Investments	40,127,436	36,526,966	39,135,702	3,600,470	(2,608,736)
Capital assets, net of depreciation	12,731,618	12,517,059	10,678,081	214,559	1,838,978
Long term debt	2,690,000	2,735,000	2,775,000	(45,000)	(40,000)
Total net position	49,540,254	45,443,758	43,721,597	4,096,496	1,722,161
Excess of revenues over expenses	\$ 4,096,496	\$ 2,402,345	\$ 5,715,242	\$ 1,694,151	\$ (3,312,897)

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

CURRENT ASSETS

Current assets are cash or other assets that could reasonably be expected to be converted into cash in one year. Current assets increased by \$337,800 from last year. Net Patient Receivables increased by \$68,567. Cash increased by \$413,392, and investments increased by \$3,600,470.

Current Assets				Change	
	2023	2022	2021	2023	2022
Current assets	\$ 7,543,050	\$ 7,205,250	\$ 5,742,318	\$ 337,800	\$ 1,462,932
Cash	2,407,358	1,993,967	1,344,262	413,392	649,705
Net patient receivables	3,189,837	3,121,270	3,173,391	68,567	(52,121)
Other Assets	1,282,508	1,206,425	248,508	76,083	957,917
Assets whose use is limited - USDA	133,608	144,375	144,375	(10,767)	-
Inventory	226,447	212,137	279,460	14,310	(67,323)
Prepaid expenses	303,291	527,076	552,322	(223,785)	(25,246)
Investments	\$ 40,127,436	\$ 36,526,966	\$ 39,135,702	\$ 3,600,470	\$ (2,608,736)

Cash and Investments

The District maintains sufficient cash balances to pay its short-term liabilities. Other funds are invested with the Local Agency Investment Fund (LAIF) to ensure protection of amounts invested. LAIF is a voluntary fund created by California statute in 1977 as an investment alternative for California's local governments and special districts (BVCHD is a California Special District).

During the year, our balance with LAIF grew by \$3,600,470 bringing the total to \$40,127,436.

For the year ending June 30, 2023, the District's cash and investments increased by \$4,147,269. Total days cash on hand remains strong at 440 days. See audited financial statements for additional information.

Cash and Investments				Change	
	2023	2022	2021	2023	2022
Cash and cash equivalents	\$ 2,407,158	\$ 1,849,592	\$ 1,199,887	\$ 557,566	\$ 649,705
Assets whose use is limited - USDA	\$ 133,608	\$ 144,375	\$ 144,375	(10,767)	-
Investments	40,127,436	36,526,966	39,135,702	3,600,470	(2,608,736)
Total cash and investments	\$ 42,668,202	\$ 38,520,933	\$ 40,479,964	\$ 4,147,269	\$ (1,959,031)
Days cash on hand	440	442	537	-2	-95

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Net Patient Accounts Receivables

Net patient accounts receivable dollars were higher by \$68,567 at June 30, 2023, as compared to June 30, 2022, Management and staff continue to work with our Accounts Receivable Management company (outsourced Patient Financial Services / Billing functions) to manage Accounts Receivable amount and Accounts Receivable Days.

	2023	2022	2021	Change	
				2023	2022
Net patient receivables	\$ 3,189,837	\$ 3,121,270	\$ 3,173,391	\$ 68,567	\$ (52,121)

Inventory

Inventory increased by \$14,310. This is due to increased costs and services. Also, added General Surgery coverage with some additional supplies.

	2023	2022	2021	2020	Change	
					2023	2022
Inventory	\$ 226,447	\$ 212,137	\$ 279,460	\$ 178,033	\$ 14,310	\$ (67,323)

CAPITAL ASSETS

Capital assets are long term assets such as buildings, improvements, and equipment with a purchase cost of \$5,000 or more and a useful life greater than one year. Items costing less than \$5,000 are expensed as minor equipment.

Capital assets, net of accumulated depreciation, decreased \$13,453 as of June 30, 2023, over the prior year balance.

Capital Assets

	2023	2022	2021	Change	
				2023	2022
Property and equipment	\$ 31,883,467	\$ 30,594,842	\$ 27,480,692	\$ 1,288,625	\$ 3,114,150
Less: accumulated depreciation	(19,151,849)	(18,077,783)	(16,802,611)	(1,275,172)	(1,176,529)
	<u>\$ 12,731,618</u>	<u>\$ 12,517,059</u>	<u>\$ 10,678,081</u>	<u>\$ 13,453</u>	<u>\$ 1,937,621</u>

Property and equipment increased by \$1,288,625 during FYE 2023. We continue to closely monitor capital expenditures. Notable expenditures in FY 2023 included – expenditures in Surgery Department (new flooring, baseboards paint and cabinetry for OR and Recovery) Respiratory Department (spirometry device), Facilities (replace fire alarm panel), and Information Technology (expand Nutanix servers, replace and upgrade security camera system), we also purchased land at the corner of Garstin and Summit.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

CURRENT LIABILITIES

Current liabilities are short-term debts due in less than one year. At June 30, 2023, current liabilities increased by \$1,239,476. The filing of our FY 2023 cost report showed a significant amount due to Medicare.

Current Liabilities

	2023	2022	2021	Change	
				2023	2022
Current Liabilities	\$ 9,400,363	\$ 8,160,887	\$ 9,059,504	\$ 1,239,476	\$ (898,617)
Current portion of long term debt	45,000	45,000	40,000	-	5,000
Current maturities of operating lease liability	108,591	90,370	-	18,221	90,370
Accounts payable	1,185,315	1,171,854	1,485,394	13,461	(313,540)
Unearned Income	-	1,479,991	1,607,677	(1,479,991)	(127,686)
Accrued compensation	1,185,848	936,612	862,992	249,236	73,620
Third-party payor settlements	6,875,609	4,442,060	5,063,441	2,433,549	(621,381)

Accounts Payable

Accounts payable showed a small increase of \$13,461. Days in Accounts Payable increased from 29.0 to 31.3.

Third party settlements

The estimate for third party settlements is higher by \$2,433,549 at June 30, 2023, as compared to the prior year-end. The completion of our FY 2023 cost showed a significant amount, \$1,845,899, payable to Medicare. We accrued that amount on our financial statements and will pay the money in FY 2024. We also recorded settlements from prior year Cost Reports for Medicare and Medi-Cal.

Both the Medicare and Medi-Cal program administrative procedures preclude final determination of amounts due to/from the District until the cost reports are audited and settled. The administration is of the opinion that no significant adverse adjustment to the recorded settlement amounts will be required upon final settlement.

PATIENT REVENUE AND DEDUCTIONS FROM REVENUE

Under antitrust statutes, hospitals are required to charge all patients the same price for a given level of service. Accordingly, the District charges all patients uniformly based on its established charge description master (CDM) pricing structure for the services rendered. In addition, all California hospitals are required to annually file an electronic version of their CDM, also known as the "charge master", with the Office of Statewide Health Planning (OSHPD). The District complies with the OSHPD filing requirement; therefore, an electronic version of the CDM is available from the OSHPD website. As of January 2020, we complied with the requirement to post Charge Master on our Website.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Gross patient revenue for FYE 2023 increased over the previous fiscal year by \$5,631,339 or 10.0%. Inpatient Revenue saw a \$1,288,103 increase with an increase in acute patient days and a significant increase in swing patient days. Outpatient Revenue (which includes the Emergency Department and Clinics) saw a 7.0% increase. Emergency Department visits were slightly lower than the prior year, but level of acuity and therefore revenue was higher. Clinic visits were 4.3% higher for the year. Skilled Nursing Facility patient days were 13.1% higher than FY 2022.

	2023	2022	2021	Change			
				2023	2022	2023	2022
Gross Patient Charges							
Inpatient	\$ 3,451,638	\$ 2,163,535	\$ 2,813,268	\$ 1,288,103	59.5%	\$ (649,733)	-49.0%
Outpatient	54,869,470	51,264,445	48,483,914	\$ 3,605,025	7.0%	\$ 2,780,531	6.0%
Skilled Nursing Facility	3,474,129	2,735,918	2,115,752	\$ 738,211	27.0%	\$ 620,166	27.2%
Total gross revenue	<u>\$ 61,795,237</u>	<u>\$ 56,163,898</u>	<u>\$ 53,412,934</u>	<u>\$ 5,631,339</u>	10.0%	<u>\$ 3,508,158</u>	7.0%
Acute Inpatient Census Statistics							
Staffed beds 5							
Patient days	604	577	722	\$ 27	4.7%	(145)	-63.3%
Days in the year	365	365	365	\$ -	0.0%	-	0.0%
Average Daily Census	1.7	1.6	2.0	\$ 0	4.7%	(0)	-63.5%
Discharges	162	84	128	\$ 78	92.9%	(44)	-52.4%
Average Length of Stay	3.7	6.9	5.6	\$ (3)	-46.4%	1	48.1%
Swing Inpatient Census Statistics							
Staffed beds 5							
Patient days	579	138	218	\$ 441	319.6%	(80)	-29.6%
Days in the year	365	365	365	\$ -	0.0%	-	0.0%
Average Daily Census	1.6	0.4	0.6	\$ 1	319.6%	(0)	-29.7%
Discharges	31	17	8	\$ 14	82.4%	9	56.3%
Average Length of Stay	18.7	8.1	27.3	\$ 11	130.9%	(19)	-113.6%
Skilled Nursing Facility Census Statistics							
Staffed beds 21							
Patient days	5,021	4,438	4,747	\$ 583	13.1%	(309)	-6.0%
Average Daily Census	13.8	12.2	13.0	\$ 2	13.1%	(1)	-6.0%
Discharges	23	16	11	\$ 7	43.8%	5	19.2%
Emergency Department Visits	12,216	12,426	10,476	\$ (210)	-1.7%	1,950	16.5%
Clinic Visits (FHC & RHC incl dental)	20,167	19,334	21,766	\$ 833	4.3%	(2,432)	-9.6%

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Deductions from Revenue

A contractual adjustment is the difference between gross charges and a contractually agreed-upon payment rate with third-party payors. Typically, third-party payors are 1) government programs such as Medicare and Medi-Cal; 2) Independent Practice Associations (IPA) such as Heritage Victor Valley Medical Group, which are often referred to as “gatekeeper physicians”, and 3) other third-party payors or Preferred Provider Organizations (PPO) networks, which generally include insurance carriers such as Blue Cross, Blue Shield, Health Net, Aetna, etc.

Contractual adjustments are accrual-based on estimates derived from historical reimbursement experience using remittance advices by payor and by type of account (inpatient, outpatient, or clinic), adjusted for known exposures, such as payment denials, and are used to reduce the gross charges to the expected realizable value.

Contractual adjustments as a percentage of gross patient charges, excluding prior year third-party settlement adjustments, were 47.2% for FYE 2023 compared to 50.6% for FYE 2022.

FY 2014 was our first year as a Critical Access Hospital (CAH). We continue to review CAH status and impacts each year.

Additionally, deductions from revenue include other uncompensated care categories such as Charity Care, Administrative Adjustments, Patient Discounts (principally discounts offered to uninsured or private pay patients who do not qualify for financial assistance) and Employee Discounts. Effective January 1, 2007, the California State Assembly passed AB 774, which requires all hospitals in California to follow a specific state-mandated means testing process to determine if a patient qualifies for financial assistance. The charity care can range from a full write-off to a partial write-off of the patient's outstanding balance. Furthermore, OSHPD requires every hospital to file an electronic copy of its financial assistance policy. As of June 30, 2020, the District is in compliance with the financial assistance policy reporting requirement.

Total deductions from revenue, including the provision for bad debts, as a percent of gross patient revenue, was 47.8% for FYE 2023 versus 48.0% for FYE 2022.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

	2023	2022	2021	Change	
				2023	2022
Deductions from Revenue					
Contractual adjustments	\$ 29,144,284	\$ 26,884,203	\$ 24,174,850	\$ 2,260,081	\$ 2,709,353
Prior year contractual allowances	(2,846,875)	(4,330,221)	(1,270,368)	\$ 1,483,346	\$(3,059,853)
Charity Care	194,971	253,141	238,369	\$ (58,170)	\$ 14,772
Administrative	171,303	197,745	113,820	\$ (26,442)	\$ 83,925
Patient discount	208,342	264,604	180,914	\$ (56,262)	\$ 83,690
Employee discount	115,098	187,321	116,899	\$ (72,223)	\$ 70,422
Bad Debts	2,537,930	2,047,695	2,577,364	\$ 490,235	\$ (529,669)
	\$ 29,525,053	\$ 25,504,488	\$ 26,131,848	\$ 4,020,565	\$ (627,360)
Deductions from Revenue as a percent of gross revenue					
Contractual adjustments	47.2%	50.6%	45.3%		
Prior year contractual allowances	-4.6%	-8.1%	-2.4%		
Charity Care	0.3%	0.5%	0.4%		
Administrative	0.3%	0.4%	0.2%		
Patient discount	0.3%	0.5%	0.3%		
Employee discount	0.2%	0.4%	0.2%		
Bad Debts	4.1%	3.9%	4.8%		
Total	47.8%	48.0%	48.9%		

Provision for Bad Debts / Allowance for Doubtful Accounts

The provision for bad debts or Allowance for Doubtful Accounts increased for FYE 2023, as compared to the previous fiscal year. As a percentage of gross revenue, bad debts were 3.6% for the current fiscal, the same percentage as the previous year.

Allowance for Doubtful Accounts

	2023	2022	2021	2020	Change	
					2023	2022
Bad debt expense	\$ 2,216,470	\$ 2,047,695	\$ 2,694,660	\$ 1,619,494	\$ 168,775	\$ (646,965)
Bad debt expense as a percent of gross revenue	3.6%	3.6%	5.0%	3.2%	-1.4%	1.8%

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Net Patient Revenue

Net patient revenue is the difference between gross patient charges and revenue deductions. For FYE June 30, 2023, net patient services revenues increased \$932,513 or 3.0% over the previous fiscal year. Net patient revenue increased due to decreases in volume in Inpatient, Outpatient (Emergency Room and Clinics revenues), and Skilled Nursing Facility.

Net Patient Revenue

	2023	2022	2021	Change	
				2023	2022
Net patient service revenue	\$ 31,591,923	\$ 30,659,410	\$ 27,281,086	\$ 932,513	\$ 3,378,324

OPERATING EXPENSES

Total operating expenses in FYE 2023 were \$33,454,021 as compared to \$33,096,927 for FYE 2020 – an increase of 1.2%.

Salaries, Wages, and Benefits (which comprised over 51% of Total Operating Expenses) increased by 8.9%. We continue to see expenses in Purchased Services for contract staff - nursing, laboratory, radiology, and other departments.

	2023		2022		2021		Change	
							2023	2022
Salaries and wages	\$ 13,885,807	41.5%	\$ 14,298,221	43.2%	\$ 13,249,079	46.2%	\$ (412,414)	\$ 1,049,142
Employee benefits	4,719,435	14.1%	2,785,966	8.4%	2,593,416	9.0%	1,933,469	\$ 192,550
Total salaries and benefits	18,605,242	55.6%	17,084,187	51.6%	15,842,495	55.2%	1,521,055	1,241,692
Professional fees	3,245,197	9.7%	4,153,788	12.6%	2,750,523	9.6%	(908,591)	1,403,265
Purchased services	5,086,384	15.2%	5,096,782	15.4%	4,244,710	14.8%	(10,398)	852,072
Supplies	2,146,354	6.4%	2,461,159	7.4%	2,274,933	7.9%	(314,805)	186,226
Repairs and maintenance	596,924	1.8%	561,529	1.6%	669,264	2.2%	35,395	(107,735)
Utilities	555,745	1.7%	567,875	1.7%	498,793	1.7%	(12,130)	69,082
Rentals and leases	511,586	1.5%	365,927	1.1%	353,969	1.2%	145,659	11,958
Depreciation and amortization	1,046,330	3.1%	1,275,173	3.9%	1,176,528	4.1%	(228,843)	98,645
Insurance	856,604	2.6%	922,772	2.8%	451,421	1.6%	(66,168)	471,351
Other operating expenses	803,655	2.4%	607,735	1.8%	437,517	1.5%	195,920	170,218
Total Operating Expenses	\$ 33,454,021	100.0%	\$ 33,096,927	100%	\$ 28,700,153	100%	\$ 357,094	\$ 4,396,774

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Supply Costs

Supply costs as a percentage of gross revenue decreased from 4.4% in FYE 2022 to 3.5% in FYE 2023. Management continues to work with our group purchasing organization (GPO), HealthTrust Purchasing Group (HPG); and Elevate through Ovation Healthcare to identify opportunities for supply cost reductions.

	2023	2022	2021	Change	
				2023	2022
Supply costs	2,146,354	2,461,159	2,274,933	\$ (314,805)	\$ 186,226
Supply costs as a percent of gross revenue	3.5%	4.4%	4.3%	0.1%	0.4%

FISCAL YEAR 2024 BUDGET AND ECONOMIC FACTORS

The District's Board of Directors approved the Budget for FYE ending June 30, 2024 (FY 2024) at a general board meeting. The financial plan for FYE 2024, compared to projected results during the budget process, included a increase in Gross Revenue due to volume projections and an increase in Net Revenue. Operating Expense is budgeted to decrease with reductions in purchased services. The net result is a budgeted Surplus of \$3,273,039.

Capital expenditure plans for FY 2024 include continuing to add and upgrade some surgery equipment, new infusion pumps, upgrade and replacement of some Food Services equipment, and dialysis equipment.

Current and future favorable operations are helped by the continuation of a parcel tax assessed on property located in the Big Bear Valley area and an allocation of county tax revenue. During FYE 2023, the District received \$2,864,754 in such tax revenue. The projected tax revenue for FYE 2024 is \$2,564,899.

BUSINESS STRATEGIES

In May 2014, the District converted to Critical Access Hospital (CAH) status. Our Analysis after filing FYE 2021 Cost Report showed a favorable impact of \$1,310,558 for the year from CAH status as compared to payments we would have received as a PPS (Prospective Payment System) Hospital. FY 2020 favorable impact was \$1,067,607.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

Revenue cycle management and cost containment strategies

Administration is continuing its efforts to improve the revenue cycle process by monitoring provider contract administration, accounts receivable through our Accounts Receivable Management agreement, and working with Ovation Healthcare (was QHR Health) (Management Company) consultants.

Also, the administration will continue to work to monitor revenue opportunities and effectively manage operating expenses, as possible, to improve the net operating margin.

Status of Regulatory Requirements

- The District is in compliance with applicable state and federal regulations.
- The facility was reclassified as SPC-2 under HAZUS to comply with Senate Bill (SB) 1953.

The administration is working to meet the SB 1953 deadline under NPC-3 performance levels that requires healthcare institutions to be in compliance by the year 2030. Accordingly, the objective is to identify the full extent of equipment and non-structural items that must meet NPC-3 anchorage requirement. Once a plan is established, the administration will develop a timetable to ensure compliance with NPC-3 performance level as quickly as possible. We continue to focus on operations to improve cash flow to have funds to pay toward such a costly undertaking.

- On January 1, 2007, Assembly Bill (AB) 774 Charity Care and Discount Payment law was effective. The District implemented and updated its charity and discount payment policy to conform to the requirements of AB 774. Additionally, in 2008 all acute care hospitals were required to file electronically their Charity Care and Discount Payment Policy with OSHPD. The District is in compliance with OSHPD policy.
- Administration reviewed the charge description master (CDM), updated it as necessary, and as required filed the electronic CDM with OSHPD.
- The State of California had proposed a reduction in the Distinct-Part Skilled Nursing Facility (DP/SNF) reimbursement rate to 90% of the 2008-2009 level in AB 97, with a caveat to apply this reduction retroactively with a "clawback" demand for repayment. The Department of Health Care Services (DHCS) did announce in August 2013 that rural DP/SNFs would be exempted from this rate reduction. The clawback provision was eliminated during FYE 2016.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Management's Discussion and Analysis

June 30, 2023

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Beginning in 2002, the District began an effort to comply with the Health Insurance Portability and Accountability Act (HIPAA) enacted by the federal government. Required steps to comply with the provisions of the Act have been put into place within the periods specified therein. Upgrades to our patient information system have already been installed to meet the security requirements. The information system infrastructure will continue to be reviewed throughout the stages of HIPAA enforcement to ensure continued compliance. The employees of the District continue to be educated in the privacy requirements of the Act. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in the regulations. Moreover, the state of California passed a law requiring additional state requirements regarding patient confidentiality. The District complies with the HIPAA and the new California law.

ELECTRONIC HEALTH RECORD (EHR)

In 2009, the American Recovery and Reinvestment Act (ARRA) was signed into law. The Health Information Technology Economic and Clinical Health (HITECH) Act is part of the ARRA. The HITECH Act created the Medicare and Medicaid (Medi-Cal in California) EHR incentive programs, which will provide incentive payments to eligible professionals and hospitals that adopt and demonstrate Meaningful Use (MU) of certified EHR technology. These incentives are considered to be of high strategic importance by virtually all healthcare organizations in the United States to further the federal government's goal of achieving health care reform and improvement of clinical outcomes for the population. The District implemented its electronic medical records system effective April 1, 2013 and attested that it has achieved MU as of October 2013. We continue to meet the requirements of MU.

ACCOUNTABLE CARE ACT (ACA)

The future of the ACA still seems to be uncertain. National election results and claims to revise or even repeal come on the heels of uncertainty of what will happen with the Healthcare Exchanges in light of likely high increase in premium cost and some carriers no longer being willing to offer coverage in certain locations. Congressional efforts to repeal or repair or replace the ACA have not been successful. Major healthcare reform could have a huge impact on California and Bear Valley Community Healthcare District.

Bear Valley Community Healthcare District

Statements of Net Position

June 30, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 42,534,595	\$ 38,520,933
Patient accounts receivable, net of allowances	3,189,837	3,121,270
Other receivables and physician advances	1,744,609	1,206,425
Assets whose use is limited	133,608	144,375
Supplies	226,447	212,137
Prepaid expenses and deposits	303,291	527,076
Total current assets	48,132,387	43,732,216
Right-of-use assets	427,342	440,507
Capital assets, net of accumulated depreciation	12,731,618	12,517,059
Total assets	<u>\$ 61,291,347</u>	<u>\$ 56,689,782</u>
Current portion of long-term debt		
Liabilities and Net Position		
Current liabilities		
Current maturities of operating lease liability	\$ 108,591	\$ 90,370
Current portion of long-term debt	45,000	45,000
Accounts payable and accrued expenses	1,185,315	1,171,854
Accrued payroll and related liabilities	1,185,848	936,612
Third-party payor settlements	6,875,609	4,442,060
Deferred revenue	-	1,479,991
Total current liabilities	9,400,363	8,165,887
Operating lease liability, net of current maturities	324,654	350,137
Long-term debt, less current portion	2,685,000	2,730,000
Total liabilities	12,410,017	11,246,024
Net position		
Invested in capital assets, net of related debt	10,001,618	9,742,059
Unrestricted	38,879,712	35,701,699
Total net position	48,881,330	45,443,758
Total liabilities and net position	<u>\$ 61,291,347</u>	<u>\$ 56,689,782</u>

See accompanying notes to the financial statements

Bear Valley Community Healthcare District
Statements of Revenues, Expenses and Changes in Net position
For The Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating revenues		
Net patient service revenue	\$ 31,748,643	\$ 30,128,496
Other operating revenue	<u>2,368,932</u>	<u>2,627,183</u>
Total operating revenues	34,117,575	32,755,679
Operating expenses		
Salaries & wages	15,328,698	14,298,221
Employee benefits	3,401,094	2,785,966
Professional Fees	3,399,764	4,153,788
Purchased services	5,131,637	5,096,782
Supplies	2,263,627	2,461,159
Repairs & maintenance	596,923	561,529
Utilities	589,454	567,875
Rentals and leases	497,609	365,927
Depreciation & amortization	1,074,066	1,275,173
Insurance	856,604	922,772
Other operating expenses	<u>564,350</u>	<u>607,735</u>
Total operating expenses	<u>33,703,826</u>	<u>33,096,927</u>
Operating income (loss)	413,749	(341,248)
Nonoperating revenues (expenses)		
District tax revenues	2,820,720	2,675,025
Capital grants and donations	335,943	186,493
Investment income	555,003	147,885
Interest expense	(107,432)	(100,315)
Other revenue (expense)	<u>28,576</u>	<u>(165,495)</u>
Total nonoperating revenues (expenses)	<u>3,632,810</u>	<u>2,743,593</u>
Excess of revenues (expenses)	4,046,559	2,402,345
Inter-governmental transfers	<u>(608,987)</u>	<u>(680,184)</u>
Increase in net position	3,437,572	1,722,161
Net position, beginning of the year	<u>45,443,758</u>	<u>43,721,597</u>
Net position, end of year	<u><u>\$ 48,881,330</u></u>	<u><u>\$ 45,443,758</u></u>

See accompanying notes to the financial statements

Bear Valley Community Healthcare District

Statements of Cash Flows

For The Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Cash received from patients and third-party payers	\$ 34,113,625	\$ 29,559,236
Other receipts	350,757	1,541,580
Cash payments to suppliers and contractors	(13,677,032)	(14,967,227)
Cash payments to employees and benefit programs	(18,480,556)	(17,010,567)
Net cash provided by operating activities	2,306,794	(876,978)
Cash flows from non-capital and related financing activities		
District tax revenue	2,820,720	2,675,025
Net cash provided by non-capital and related financing activities	2,820,720	2,675,025
Cash flows from capital and related financing activities		
Purchase of property, plant & equipment	(1,288,625)	(3,114,150)
Net change in assets whose use is limited	10,767	-
Net change in right-of-use assets	13,165	(440,507)
New operating lease liability	83,089	494,624
Payments of operating lease liability	(90,351)	(54,117)
Capital grants and contributions	335,943	186,493
Payments of long-term debt	(45,000)	(40,000)
Interest paid on capital debt	(107,432)	(87,037)
Net cash used in capital and related financing activities	(1,088,444)	(3,054,694)
Cash flows from investing activities		
Inter-governmental transfers	(608,987)	(680,184)
Other non-operating expense	28,576	(170,084)
Investment income	555,003	147,885
Net cash used in investing activities	(25,408)	(702,383)
Increase (decrease) in cash and cash equivalents	4,013,662	(1,959,030)
Cash and cash equivalents at beginning of year	38,520,933	40,479,963
Cash and cash equivalents at end of year	<u>\$ 42,534,595</u>	<u>\$ 38,520,933</u>

See accompanying notes to the financial statements

Bear Valley Community Healthcare District

Statements of Cash Flows (continued)

For The Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income	\$ 413,749	\$ (349,937)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	1,074,066	1,275,173
Changes in operating assets and liabilities		
Patient accounts receivable	(68,567)	52,121
Other receivables	(538,184)	(957,917)
Supplies	(14,310)	67,323
Prepaid expenses	223,785	25,246
Accounts payable and accrued expenses	13,461	(313,540)
Accrued payroll and related expenses	249,236	73,620
Deferred revenue	(1,479,991)	(127,686)
Third-party payor settlements	2,433,549	(621,381)
Net cash provided by operating activities	<u><u>\$ 2,306,794</u></u>	<u><u>\$ (876,978)</u></u>

See accompanying notes to the financial statements

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND ACCOUNTING POLICIES

Reporting Entity: Bear Valley Community Health Care District (the District) is a public entity organized under Local Hospital District Law as set forth in the Health and Safety Code of the State of California. The District operates a hospital, Bear Valley Community Hospital (the Hospital), for the community of Big Bear Lake and the surrounding area. The Hospital is a 30-bed facility that provides general acute and skilled nursing care. As a political subdivision of the State of California, the District is generally not subject to federal or state income taxes.

Basis of Preparation: The accounting policies and financial statements of the District generally conform with the recommendations of the audit and accounting guide, *Health Care Organizations*, published by the American Institute of Certified Public Accountants. The financial statements are presented in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB). For purposes of presentation, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operational revenues and expenses.

The District uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. Based on GASB Statement Number 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, as amended, the District has elected to apply the provisions of all relevant pronouncements as the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Financial Statement Presentation: The District applies the provisions of GASB 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (Statement 34), as amended by GASB 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, and Statement 38, *Certain Financial Statement Note Disclosures*. Statement 34 established financial reporting standards for all state and local governments and related entities. Statement 34 primarily relates to presentation and disclosure requirements. The impact of this change was related to the format of the financial statements; the inclusion of management's discussion and analysis; and the preparation of the statement of cash flows on the direct method. The application of these accounting standards had no impact on the total net position.

Management's Discussion and Analysis: Statement 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the District's financial activities in the form of "management's discussion and analysis" (MD&A). This analysis is similar to the analysis provided in the annual reports of organizations in the private sector.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND ACCOUNTING POLICIES (continued)

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents and Investments: The District considers cash and cash equivalents to include certain investments in highly liquid debt instruments, when present, with an original maturity of a short-term nature or subject to withdrawal upon request. Exceptions are for those investments which are intended to be continuously invested. Investments in debt securities are reported at market value. Interest, dividends and both unrealized and realized gains and losses on investments are included as investment income in non-operating revenues when earned.

Patient Accounts Receivable: Patient accounts receivable consist of amounts owed by various governmental agencies, insurance companies and private patients. The District manages its receivables by regularly reviewing the accounts, inquiring with respective payors as to collectability and providing for allowances on their accounting records for estimated contractual adjustments and uncollectible accounts. Significant concentrations of patient accounts receivable are discussed further in the footnotes.

Supplies: Inventories are consistently reported from year to year at cost determined by average costs and replacement values which are not in excess of market. The District does not maintain levels of inventory values such as those under a first-in, first out or last-in, first out method.

Assets Limited as to Use: Assets limited as to use include amounts designated by the Board of Directors for replacement or purchases of capital assets and other specific purposes. Assets limited as to use consist of money market accounts on hand with banking institutions.

Capital Assets: Capital assets consist of property and equipment and are reported on the basis of cost, or in the case of donated items, on the basis of fair market value at the date of donation. Routine maintenance and repairs are charged to expense as incurred. Expenditures which increase values, change capacities, or extend useful lives are capitalized. Depreciation of property and equipment and amortization of property under capital leases are computed by the straight-line method for both financial reporting and cost reimbursement purposes over the estimated useful lives of the assets, which range from 10 to 30 years for buildings and improvements, and 3 to 10 years for equipment. The District periodically reviews its capital assets for value impairment. As of June 30, 2023, and 2022, the District has determined that no capital assets are impaired.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND ACCOUNTING POLICIES (continued)

Compensated Absences: The employees of the District earn paid time off (“PTO”) benefits at varying rates. The rate is determined based on their years of service. This PTO benefit can accumulate up to specified maximum levels. Employees may use their accumulated PTO for vacation, holidays and sick leave. Accumulated PTO benefits are paid to an employee upon either termination or retirement. Accrued PTO liabilities as of June 30, 2023, and 2022 are \$736,297 and \$636,230, respectively.

Risk Management: The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and medical malpractice. Commercial insurance coverage is purchased for claims arising from such matters.

Net Position: Net position (formally net assets) is presented in three categories. The first category is net position “invested in capital assets, net of related debt”. This category of net position consists of capital assets (both restricted and unrestricted), net of accumulated depreciation and reduced by the outstanding principal balances of any debt borrowings that were attributable to the acquisition, construction, or improvement of those capital assets.

The second category is “restricted” net position. This category consists of externally designated constraints placed on assets by creditors (such as through debt covenants), grantors, contributors, law or regulations of other governments or government agencies, or law or constitutional provisions or enabling legislation.

The third category is “unrestricted” net position. This category consists of net assets that do not meet the definition or criteria of the previous two categories.

Net Patient Service Revenues: Net patient service revenues are reported in the period at the estimated net realized amounts from patients, third-party payors and others including estimated retroactive adjustments under reimbursement agreements with third-party programs. Normal estimation differences between final reimbursement and amounts accrued in previous years are reported as adjustments of current year's net patient service revenues.

Charity Care: The District accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the District. Essentially, these policies define charity services as those services for which no payment is anticipated. Because the District does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenues. Services provided are recorded as gross patient service revenues and then written off entirely as an adjustment to net patient service revenues.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND ACCOUNTING POLICIES (continued)

District Tax Revenues: The District receives financial support from property taxes. These funds are used to support operations. They are classified as non-operating revenue as the revenue is not directly linked to patient care. Property taxes are levied by the County on the Hospital's behalf during the year, and are intended to help finance the District's activities during the same year. Amounts are levied on the basis of the most current property values on record with the County. The County has established certain dates to levy, lien, mail bills, and receive payments from property owners during the year. Property taxes are considered delinquent on the day following each payment due date. The District received tax revenue totaling \$2,820,720 and \$2,675,025 for the years ended June 30, 2023 and 2022, respectively. Property tax revenues accounted for 7.5% of the District's total revenues for the years ended June 30, 2023 and 2022.

Grants and Contributions: From time to time, the District receives grants from various governmental agencies and private organizations. The District also receives contributions from related foundation and auxiliary organizations, as well as from individuals and other private organizations. Revenues from grants and contributions are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or capital acquisitions. These amounts, when recognized upon meeting all requirements, are reported as components of the statement of revenues, expenses and changes in net assets.

Operating Revenues and Expenses: The District's statement of revenues, expenses and changes in net position distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, which is the District's principal activity. Operating expenses are all expenses incurred to provide health care services, other than financing costs. Non-operating revenues and expenses are those transactions not considered directly linked to providing health care services.

Recently Adopted Accounting Pronouncement: In June, 2017 the Governmental Accounting Standards Board released GASB 87 regarding changes in the way leases are accounted for. GASB 87 superseded GASB 13 and GASB 62 and more accurately portrays lease obligations by recognizing lease assets and lease liabilities on the statement of net position and disclosing key information about leasing arrangements. The District has adopted GASB 87 effective July 1, 2021 in accordance with the timetable established by GASB 87.

Subsequent events: Management evaluated the effect of subsequent events on the financial statements through February 14, 2024, the date the financial statements are issued, and determined that there are no material subsequent events that have not been disclosed.

Reclassifications: Certain financial statement amounts as presented in the prior year financial statements have been reclassified in these, the current year financial statements, in order to conform to the current year financial statement presentation.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 2 - INFORMATION REGARDING LIQUIDITY AND AVAILABILITY OF RESOURCES

The District regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while striving to maximize the investment of its available funds. The District has various sources of liquidity at its disposal as itemized in the table presented below. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the District considers all expenditures related to its ongoing activities of providing health care services as well as the conduct of services undertaken to support those activities, to be general expenditures.

The District strives to maintain liquid financial assets sufficient to cover at least 30 days of expenditures. The District's policy is that excess cash on hand is invested in investment instruments with liquidity requirements to enable District usage of those assets within a short time period.

The following table reflects the District's financial assets as of June 30, 2023 and 2022, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

	2023	2022
Cash and cash equivalents	\$ 42,668,203	\$ 38,665,308
Patient accounts receivable, net of allowances	3,189,837	3,121,270
Other receivables	1,744,609	1,206,425
Total financial assets	47,602,649	42,993,003
Less reduction of financial assets not available for general expenses	(133,608)	(144,375)
Total financial assets available for one year of general expenses	<u>\$ 47,469,041</u>	<u>\$ 42,848,628</u>

In addition to financial assets available to meet general expenditures over the next 12-month period, the District operates a balanced budget and anticipates collecting sufficient patient service revenue to cover general expenditures not covered by assets limited as to use and donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the District's cash flow and shows positive cash generated by operations for fiscal years 2023 and 2022.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 3 – CASH AND CASH EQUIVALENTS

As of June 30, 2023 and 2022, the District had deposits invested in various financial institutions in the form of cash and cash equivalents amounting to \$42,665,603 and \$38,662,708. All of these funds were held in deposits, which are collateralized in accordance with the California Government Code (CGC), except for \$250,000 per account that is federally insured.

Under the provisions of the CGC, California banks and savings and loan associations are required to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District's deposits. California law also allows financial institutions to secure Hospital deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total deposits. The pledged securities are held by the pledging financial institution's trust department in the name of the District.

Investments consist of U.S. Government securities and state and local agency funds invested in U. S. Government securities and are stated at quoted market values. Changes in market value between years are reflected as a component of investment income in the accompanying statement of revenues, expenses and changes in net assets.

NOTE 4 - NET PATIENT SERVICE REVENUES AND REIMBURSEMENT PROGRAMS

The District renders services to patients under contractual arrangements with the Medicare and Medi-Cal programs, health maintenance organizations (HMOs), preferred provider organizations (PPOs) and other insurance programs. Patient service revenues from these programs approximate 97% of gross patient service revenues.

The Medicare Program reimburses the District on a cost basis payment system for inpatient and outpatient hospital services. The cost-based reimbursement is determined based on filed Medicare cost reports. Skilled nursing services are reimbursed on a predetermined amount based on the Medicare rates for the services.

The District contracts to provide services to Medi-Cal, HMO and PPO inpatients on negotiated rates. Certain outpatient reimbursement is subject to a schedule of maximum allowable charges for Medi-Cal and to a percentage discount for HMOs and PPOs. The skilled nursing facility (SNF) is reimbursed by the Medi-Cal program on a prospective per diem basis subject to audit by the state. The results of the state audits are incorporated prospectively and are subject to appeal by the provider.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 4 - NET PATIENT SERVICE REVENUES AND REIMBURSEMENT PROGRAMS (continued)

Both the Medicare and Medi-Cal program's administrative procedures preclude final determination of amounts due to the District for services to program patients until after patients' medical records are reviewed and cost reports are audited or otherwise reviewed by and settled with the respective administrative agencies. The Medicare and Medi-Cal cost reports are subject to audit and possible adjustment. Management is of the opinion that no significant adverse adjustment to the recorded settlement amounts will be required upon final settlement.

Medicare and Medi-Cal revenue accounts for approximately 35% and 26% of the District's net patient revenues for the years ended June 30, 2023 and 2022, respectively. Laws and regulations governing the Medicare and Medi-Cal programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

NOTE 5 - INVESTMENTS

The District's investment balances, and average maturities were as follows at June 30, 2023 and 2022:

2023				
	Fair Value	Investment Maturities in Years		
		Less than 1	1 to 5	Over 5
Government investment funds	\$ 40,127,436	\$ 40,127,436	\$ -	\$ -
Total investments	<u>\$ 40,127,436</u>	<u>\$ 40,127,436</u>	<u>\$ -</u>	<u>\$ -</u>
2022				
	Fair Value	Investment Maturities in Years		
		Less than 1	1 to 5	Over 5
Government investment funds	\$ 36,526,966	\$ 36,526,966	\$ -	\$ -
Total investments	<u>\$ 36,526,966</u>	<u>\$ 36,526,966</u>	<u>\$ -</u>	<u>\$ -</u>

The District's investments are reported at fair value as previously discussed. The District's investment policy allows for various forms of investments generally set to mature within a few months to others over 15 years. The policy identifies certain provisions which address interest rate risk, credit risk and concentration of credit risk. Currently all investments have a maturity of less than one year.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 5 – INVESTMENTS (continued)

Interest income, dividends, and both realized and unrealized gains and losses on investments are recorded as investment income. These amounts were \$555,003 and \$147,885 for the years ended June 30, 2023 and 2022, respectively. Total investment income includes both income from operating cash and cash equivalents and cash and cash equivalents related to assets limited as to use. Debt securities, when present, are recorded at market price or the fair market value as of the date of each balance sheet.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District's exposure to interest rate risk is minimal as 100% of their investments have a maturity of less than one year. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the preceding schedules that shows the distribution of the District's investments by maturity.

Credit Risk: Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, such as Moody's Investor Service, Inc. The District's investments in such obligations are in government investment funds. The District believes that there is minimal credit risk with these obligations at this time.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer), the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investments are generally held by banks or government agencies. The District believes that there is minimal custodial credit risk with their investments at this time. District management monitors the entities which hold the various investments to ensure they remain in good standing.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investments are held as follows: governmental agencies 100%. The District's investment policy generally allows for different concentrations in selected investment portfolios such as government-backed securities, which are deemed to be lower risk. District management monitors the entities which hold the various investments to ensure they remain in good standing.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 6 - ASSETS LIMITED AS TO USE

Assets limited as to use as of June 30, 2023, were comprised of cash held in a Debt Service Reserve Fund for the USDA Debt Service Reserve as required in the terms of a sale and leaseback agreement entered into by the District in January 2016. Under the agreement the District was initially required to make annual payments into the Debt Service Reserve Fund equal to 1/10th of the current annual lease payment. The District established this fund accordingly and at June 30, 2023 the balance totaled \$133,608. See Note 9.

NOTE 7 - CONCENTRATION OF CREDIT RISK

The District grants credit without collateral to its patients and third-party payors. Patient accounts receivable from government agencies represent the only concentrated group of credit risk for the District and management does not believe that there is any credit risk associated with these governmental agencies. Contracted and other patient accounts receivable consist of various payors including individuals involved in diverse activities, subject to differing economic conditions and do not represent any concentrated credit risks to the District. Concentration of patient accounts receivable at June 30, 2023 and 2022 were as follows:

	2023	2022
Medicare	\$ 1,196,601	\$ 1,008,190
Medi-Cal and Medi-Cal pending	2,736,091	2,564,007
Other third party payors	4,197,013	3,557,646
Self pay and other	<u>3,113,760</u>	<u>2,825,340</u>
Gross patient accounts receivable	11,243,465	9,955,183
Less allowances for contractual adjustments and bad debts	<u>(8,053,628)</u>	<u>(6,833,913)</u>
Net patient accounts receivable	<u>\$ 3,189,837</u>	<u>\$ 3,121,270</u>

NOTE 8 - OTHER RECEIVABLES

Other receivables as of June 30, 2023 and 2022 were comprised of the following:

	2023	2022
Grants	\$ 116,753	\$ 183,315
District tax revenue	69,432	71,404
Urgent Care	1,558,424	948,327
Other	<u>-</u>	<u>3,379</u>
	<u>\$ 1,744,609</u>	<u>\$ 1,206,425</u>

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 9 - CAPITAL ASSETS

Capital assets as of June 30, 2023 and 2022 were comprised of the following:

	Balance at June 30, 2022	Transfers & Additions	Transfers & Retirements	Balance at June 30, 2023
Land and land improvements	\$ 3,618,392	\$ 598,293	\$ -	\$ 4,216,685
Buildings and improvements	11,201,847	125,557	-	11,327,404
Equipment	15,288,313	466,493	-	15,754,806
Construction-in-progress	486,291	98,282	-	584,573
Totals at historical cost	30,594,843	<u>\$ 1,288,625</u>	<u>\$ -</u>	31,883,468
Less accumulated depreciation	(18,077,784)	<u>\$ (1,074,066)</u>	<u>\$ -</u>	(19,151,850)
Capital assets, net	<u>\$ 12,517,059</u>			<u>\$ 12,731,618</u>

	Balance at June 30, 2021	Transfers & Additions	Transfers & Retirements	Balance at June 30, 2022
Land and land improvements	\$ 3,061,292	\$ 557,100	\$ -	\$ 3,618,392
Buildings and improvements	10,194,722	1,007,125	-	11,201,847
Equipment	13,850,498	1,437,815	-	15,288,313
Construction-in-progress	374,181	371,133	(259,023)	486,291
Totals at historical cost	27,480,693	<u>\$ 3,373,173</u>	<u>\$ (259,023)</u>	30,594,843
Less accumulated depreciation	(16,802,611)	<u>\$ (1,275,173)</u>	<u>\$ -</u>	(18,077,784)
Capital assets, net	<u>\$ 10,678,082</u>			<u>\$ 12,517,059</u>

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 - DEBT BORROWINGS

Long-term debt at June 30, 2023 and 2022 consists of the following:

	<u>2023</u>	<u>2022</u>
Note payable to the Public Property Financing Corporation of California, original amount of \$3,000,000, bearing interest at 3.125%, principal payable annually and interest payable biannually per schedule, maturing in December 2055, secured by property, building and improvements.	\$ 2,730,000	\$ 2,775,000
Total debt borrowings	2,730,000	2,775,000
Less current maturities	(45,000)	(45,000)
Debt borrowings, net of current maturities	<u>\$ 2,685,000</u>	<u>\$ 2,730,000</u>

Effective January 1, 2016, the District entered into a sale and leaseback agreement with the United States Department of Agriculture, acting through the Rural Housing Service and the Public Property Financing Corporation of California, for the Brenda Boss Family Resource Center. The Brenda Boss Family Resource Center is a building recently constructed by the District on the District's main hospital campus and was put into service during the fiscal year ended June 30, 2014. In accordance with GAAP, the sale and leaseback agreement will be treated as a financing transaction. The principal amount borrowed totaled \$3,000,000, with an annual interest rate of 3.125%. Principal is payable annually on December 1st starting in 2016 and continuing through 2055 per a schedule with payments ranging in amounts from \$35,000 to \$140,000. Interest is payable biannually on June 1st and December 1st in an amount equal to the current outstanding principal balance multiplied by the annual interest rate of 3.125% and divided by two, for a six-month interest amount. There is no provision for a pre-payment penalty. The District must establish and maintain a Debt Service Reserve Fund throughout the term of the sale and leaseback agreement. The District is required to make annual payments into the Debt Service Reserve Fund equal to 1/10th of the current annual lease payment. The District established this fund and at June 30, 2023, the balance totals \$133,608. Upon completion of the sale and leaseback agreement, ownership and title of the Brenda Boss Building will revert to the District with no encumbrances.

Future principal maturities for debt borrowings for the next five years are: \$45,000 in 2024; \$45,000 in 2025; \$45,000 in 2026; \$50,000 in 2027; \$50,000 in 2027 and \$2,495,000 thereafter.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 11 - LEASES

The District leases certain office space under operating leases. Lease commencement occurs on the date the District takes possession or control of the property. Original terms for facility related leases are generally between three to five years. Some of the District's leases also include rental escalation clauses and/or termination provisions. Renewal options and termination options are included in determining the lease payments when management determines the options are reasonably certain of exercise.

If readily determinable, the rate implicit in the lease is used to discount lease payments to present value; however, substantially all of the District's leases do not provide a readily determinable implicit rate. When the implicit rate is not determinable, the District's estimated incremental borrowing rate is utilized, determined on a collateralized basis, to discount lease payments based on information available at lease commencement.

The District's leases typically require payment of common area maintenance and real estate taxes which represent the majority of variable lease costs. Certain lease agreements also provide for variable rental payments based on sales performance in excess of specified minimums, usage measures, or changes in the consumer price index. Variable rent payments based on future performance, usage, or changes in indices were not significant for any of the periods presented. Variable lease costs are excluded from the present value of lease obligations.

The District's lease agreements do not contain any material restrictions, covenants, or any material residual value guarantees.

Lease related assets and liabilities as of June 30, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Assets		
Right-of-use assets	<u>\$ 427,342</u>	<u>\$ 440,507</u>
Liabilities		
Operating lease liability, current	\$ 108,591	\$ 90,370
Operating lease liability, less current portion	<u>324,654</u>	<u>350,137</u>
	<u>\$ 433,245</u>	<u>\$ 440,507</u>

Total operating lease expense for the year ended June 30, 2023 and 2022 was \$497,609 and \$365,927, respectively.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 11 – LEASES (continued)

The future minimum rental payments required under operating lease obligations as of June 30, 2023, having initial or remaining non-cancelable lease terms in excess of one year are summarized as follows:

Years ended June 30,	
2024	\$ 123,168
2025	119,665
2026	81,132
2027	81,132
Thereafter	<u>65,553</u>
	470,650
Less interest	<u>(37,405)</u>
Present value of lease liability	<u>\$ 433,245</u>

The weighted-average remaining lease term and discount rate as of June 30, 2023 are as follows:

Weighted-average remaining lease term	
Operating leases (months)	51.00
Weighted-average discount rate	
Operating leases	3.79%

NOTE 12 - RETIREMENT PLANS

The District has a defined contribution retirement plan covering substantially all of the District's employees. In a defined contribution retirement plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The District contributes to the plan at a rate of two to four percent of eligible compensation, based on the length of the employee's service as defined by the plan. The District's contributions become fully vested after three years of continuous service. The District's pension expense for the plan was \$186,044 and \$185,588 during the years ended June 30, 2023 and 2022, respectively.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 14 - INCOME TAXES

The District is a political subdivision of the State of California organized under the Local Health Care District Law as set forth in the Health and Safety Code of the State of California. The District has been determined to be exempt from income taxes under Local Health Care District Law. Accordingly, no provision for income taxes is included in the accompanying financial statements. In accordance with guidance on accounting for uncertainty in income taxes, the District's management has evaluated the District's tax positions and does not believe the District has any uncertain tax positions that require disclosure or adjustment to the financial statements. The District is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Construction-in-Progress: As of June 30, 2023, the District has \$486,291 recorded as construction-in-progress which represents cost capitalized for various remodeling, major repair, and expansion projects on the District's premises. No interest was capitalized under FAS 62 during the years ended June 30, 2023 and 2022. Estimated costs to complete current obligated construction-in-progress projects as of June 30, 2023 are approximately \$2,750,000. Costs are to be financed with District reserves and continued District operations.

Litigation: The District may from time-to-time be involved in litigation and regulatory investigations which arise in the normal course of doing business. After consultation with legal counsel, management estimates that matters existing as of June 30, 2023, will be resolved without material adverse effect on the District's future financial position, results from operations or cash flows.

Workers Compensation Program: The District is a participant in the Association of California Hospital District's ALPHA Fund which administers a self-insured worker's compensation plan for participating hospital employees of its member hospitals. The District pays premiums to the ALPHA Fund which is adjusted annually. If participation in the ALPHA Fund is terminated by the District, the District would be liable for its share of any additional premiums necessary for final disposition of all claims and losses covered by the ALPHA Fund.

Health Insurance Portability and Accountability Act: The Health Insurance Portability and Accountability Act (HIPAA) was enacted August 21, 1996, to ensure health insurance portability, reduce health care fraud and abuse, guarantee security and privacy of health information, and enforce standards for health information. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in the regulations. Management continues to evaluate the impact of this legislation on its operations including future financial commitments that will be required.

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 15 - COMMITMENTS AND CONTINGENCIES (continued)

Health Care Reform: The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements and reimbursement for patient services, antitrust, anti-kickback and anti-referral by physicians, false claims prohibitions and, in the case of tax-exempt organizations, the requirement of tax exemption. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of reimbursement, false claims, anti-kickback and anti-referral statutes and regulations, quality of care provided to patients, and handling of controlled substances. Violations of these laws and regulations could result in expulsion from government health care programs with the imposition of significant fines and penalties as well as significant repayments for patient services previously billed.

Laws and regulations concerning government programs, including Medicare, Medicaid and various other programs, are complex and subject to varying interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. As a result of nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements.

Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines and penalties and exclusion from related programs. The District expects that the level of review and audit to which it and other health care providers are subject will increase. There can be no assurance that regulatory authorities will not challenge the District's compliance with these regulations, and it is not possible to determine the effect (if any) such claims or penalties would have upon the District.

JWT & Associates, LLP

Advisory Assurance Tax

1111 E. Herndon Avenue, Suite 211, Fresno, California 93720
Voice: (559) 431-7708 Fax: (559) 431-7685

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

The Board of Directors
Bear Valley Community Healthcare District
Big Bear Lake, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the comptroller General of the United States, the financial statements of Bear Valley Community Healthcare District (the District), which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated February 14, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

JWT & Associates, LLP

Fresno, California
February 14, 2023

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2023

I. Summary of Auditor's Results

Type of auditor's report issued:	Unmodified	
Internal Control over financial reporting:		
Material weakness identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

II. Current Year Audit Findings and Questioned Costs

Financial Statement Findings

None reported

III. Prior Year Audit Findings and Questioned Costs

None reported

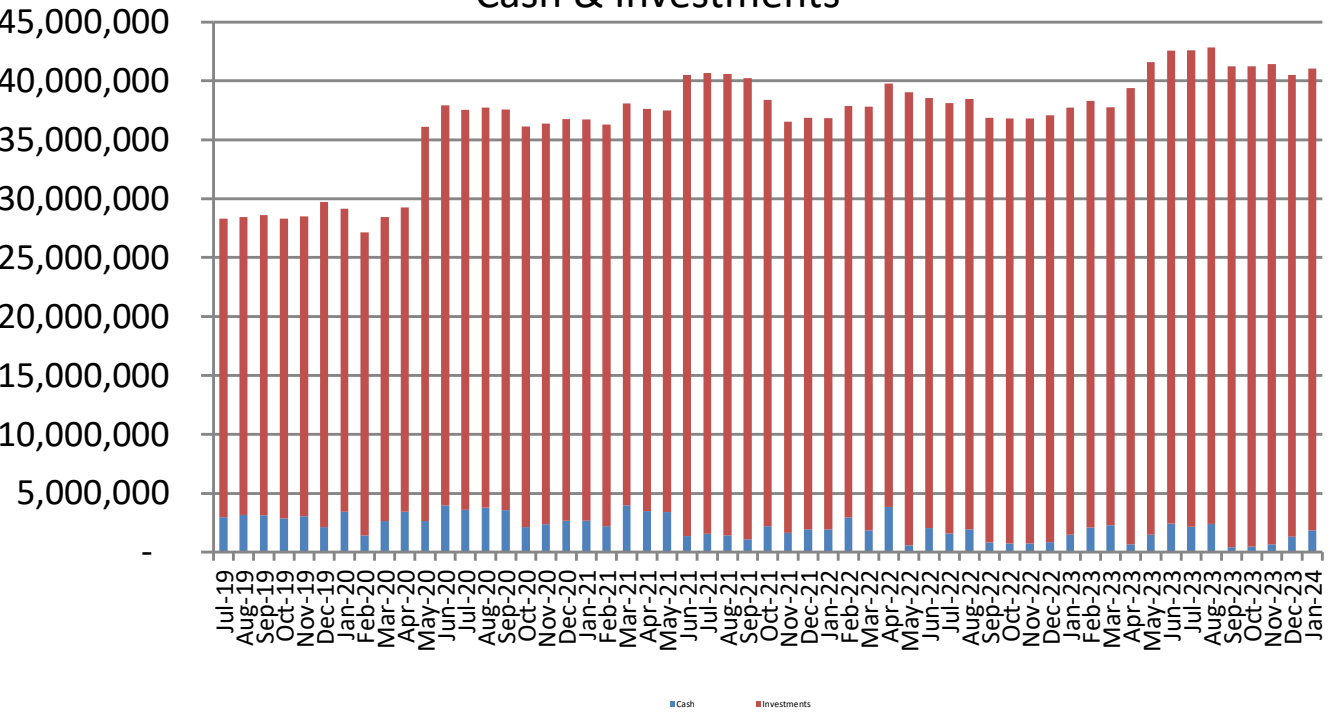


Finance Report
January 2024 Results

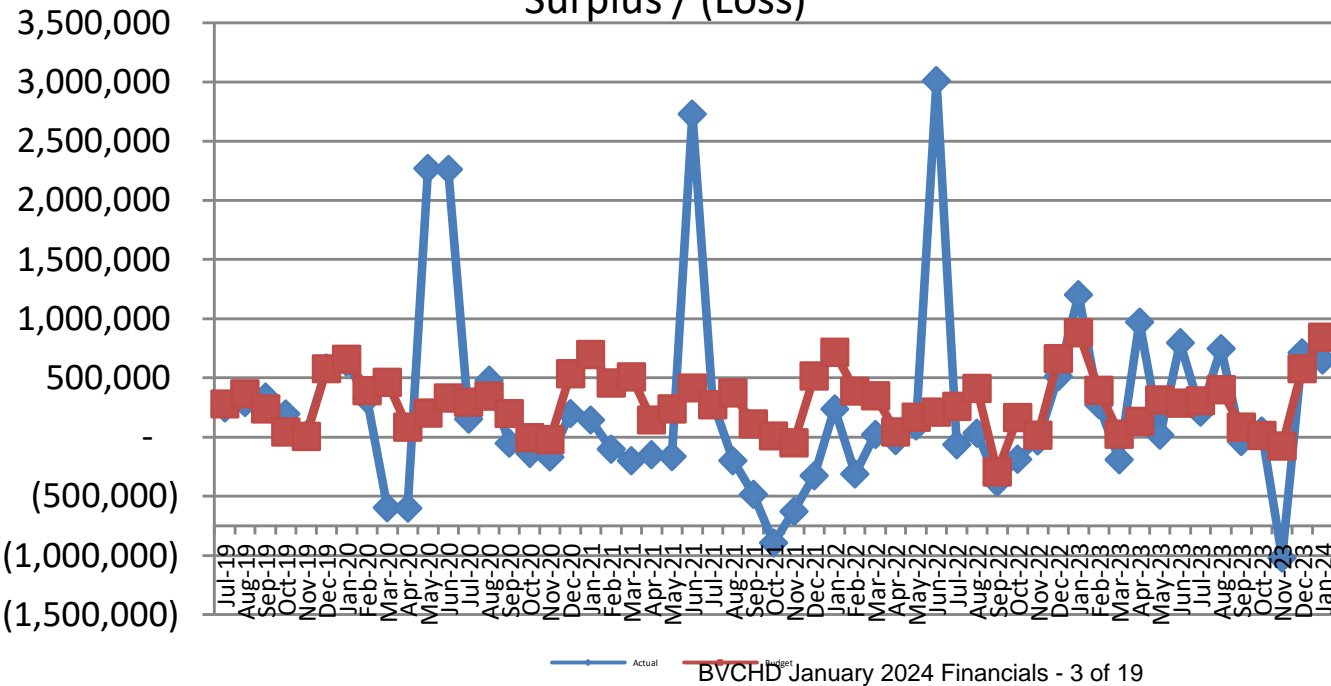
Summary for January 2024

- Cash on hand \$ 1,847,051
Investments \$ 39,208,154
- Days Cash on hand, including investments with LAIF – 383
- Surplus for the month was more than Budget
- Total Patient Revenue was 2.6% higher than Budget for the month
- Net Patient Revenue was 15.3% more than budget
- Total Expenses were 11.7% more than budget

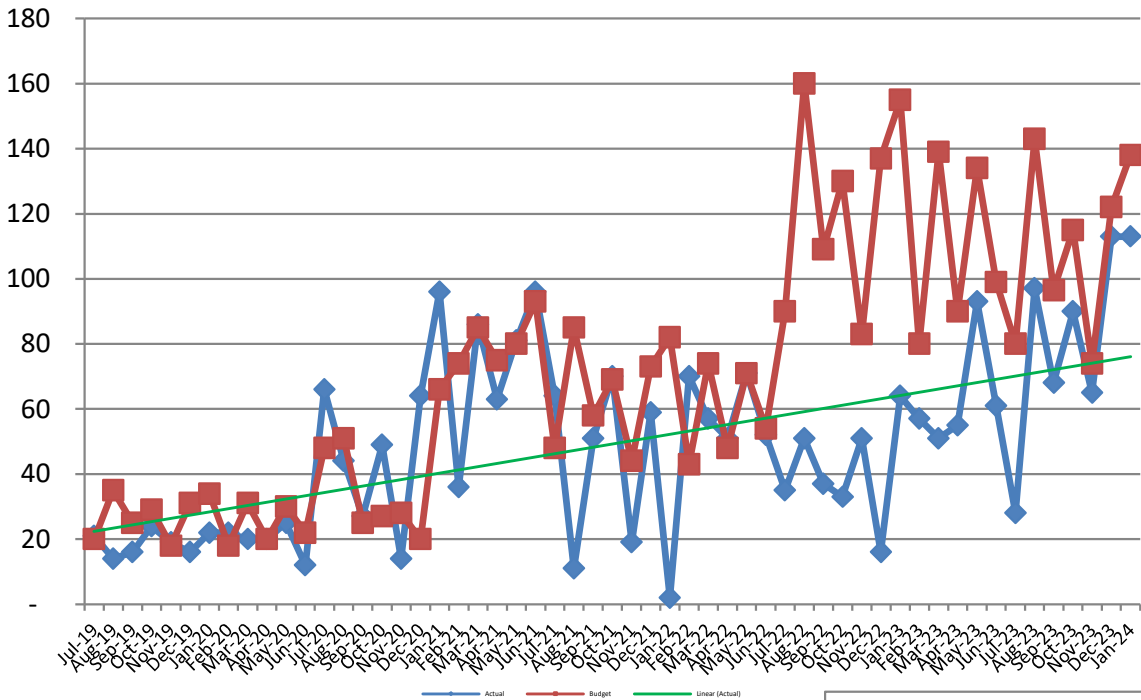
Cash & Investments



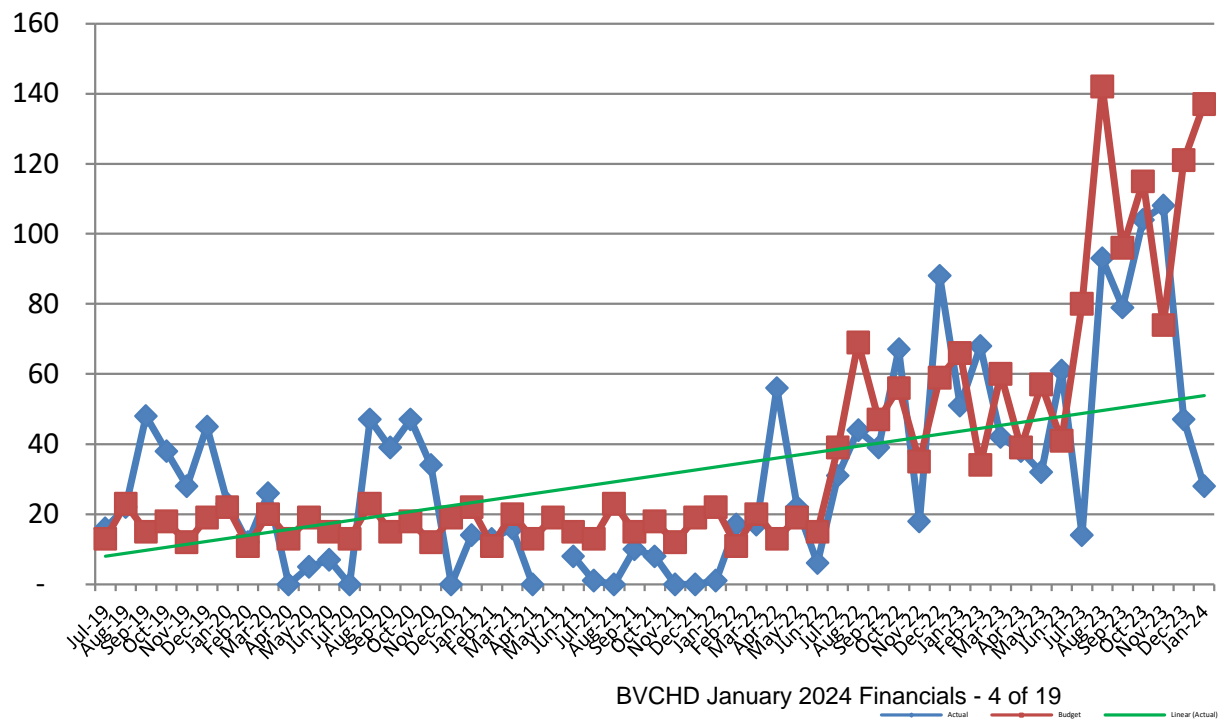
Surplus / (Loss)



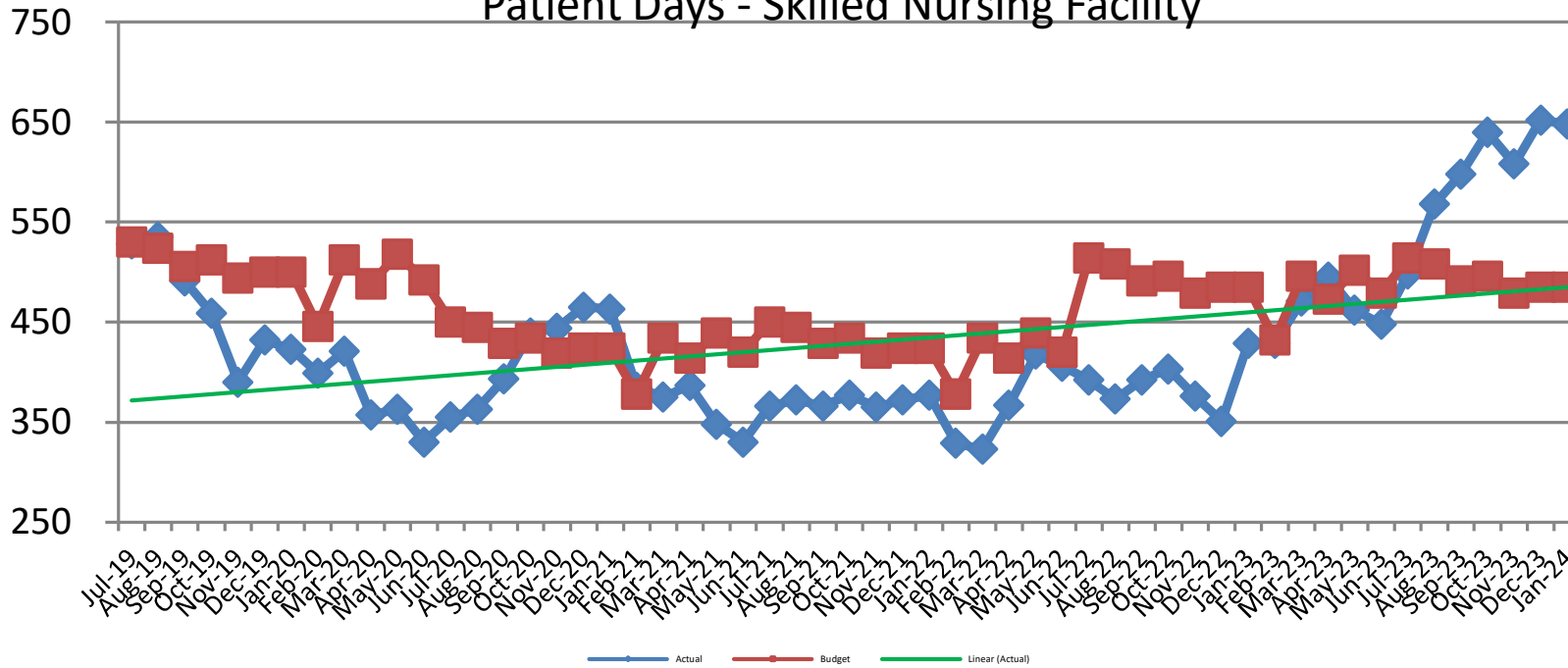
Patient Days - Acute



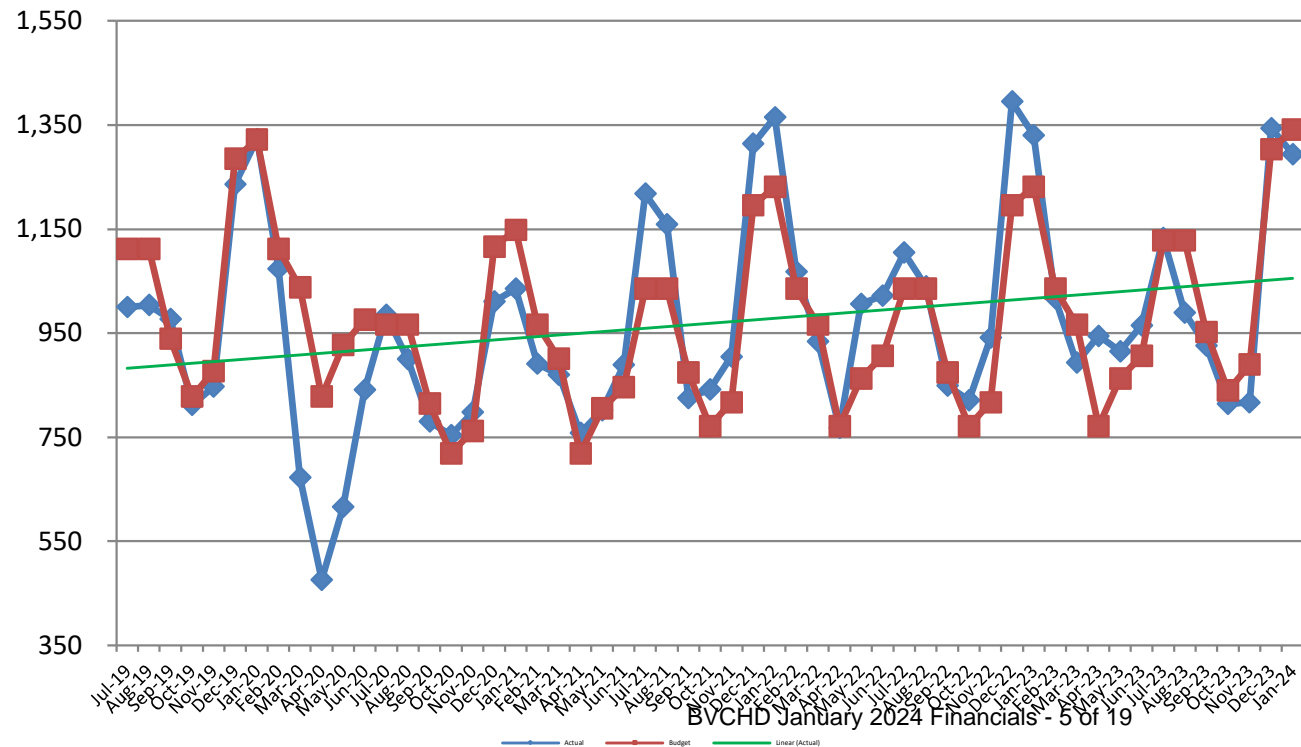
Patient Days - Swing



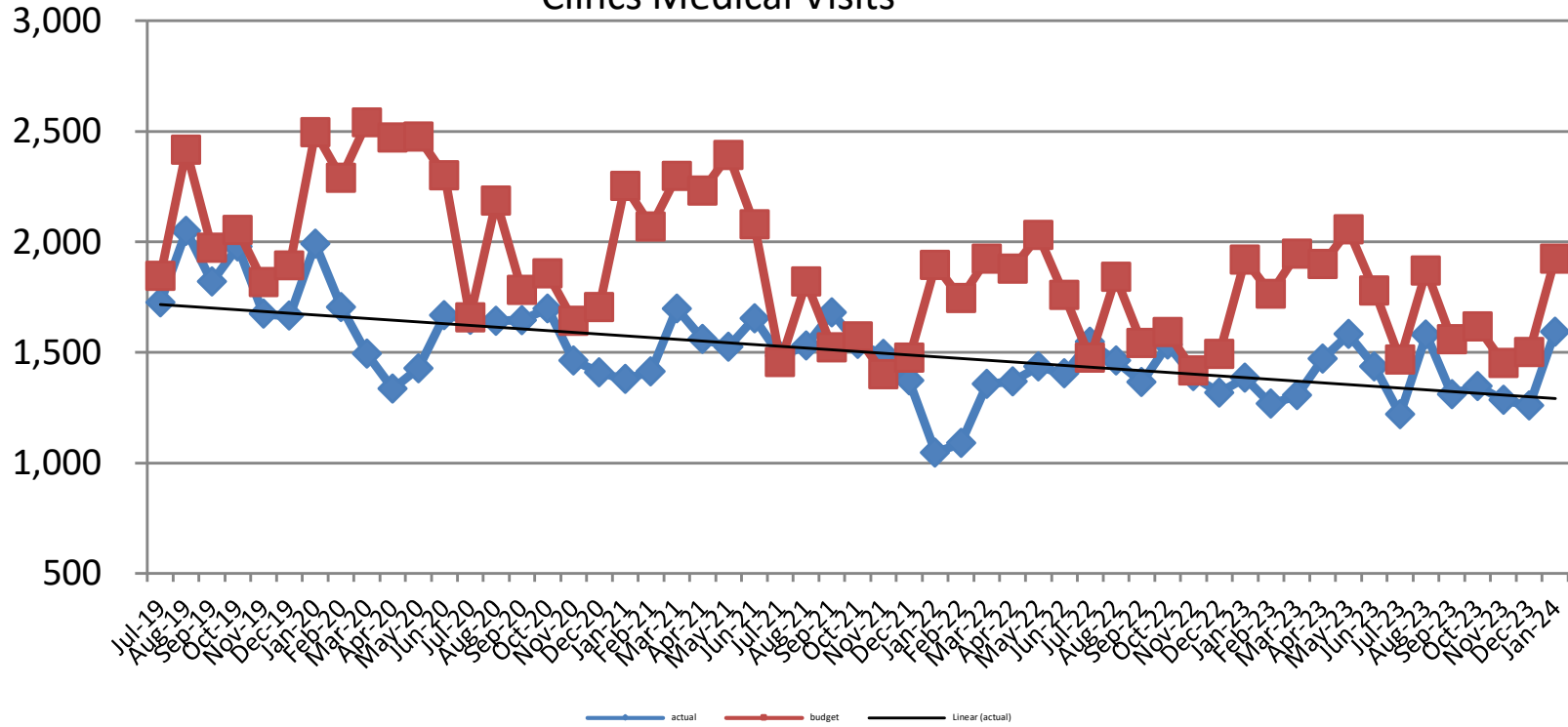
Patient Days - Skilled Nursing Facility



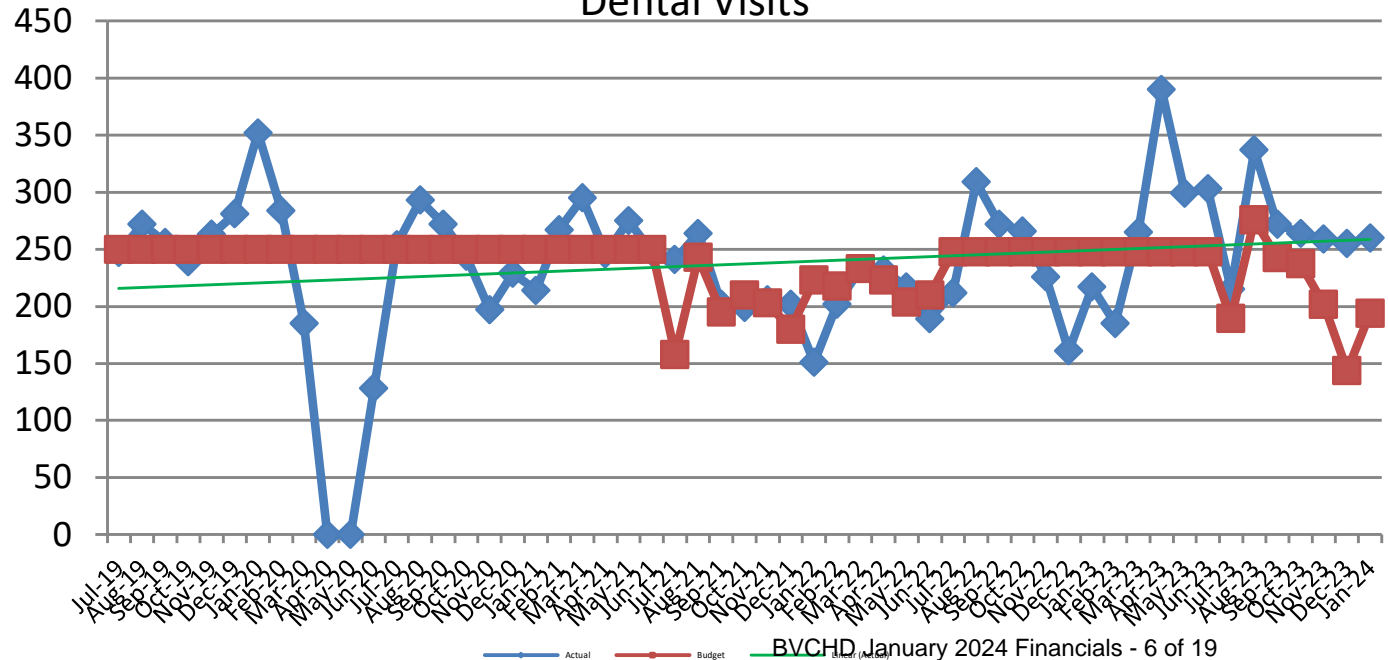
Emergency Room Visits



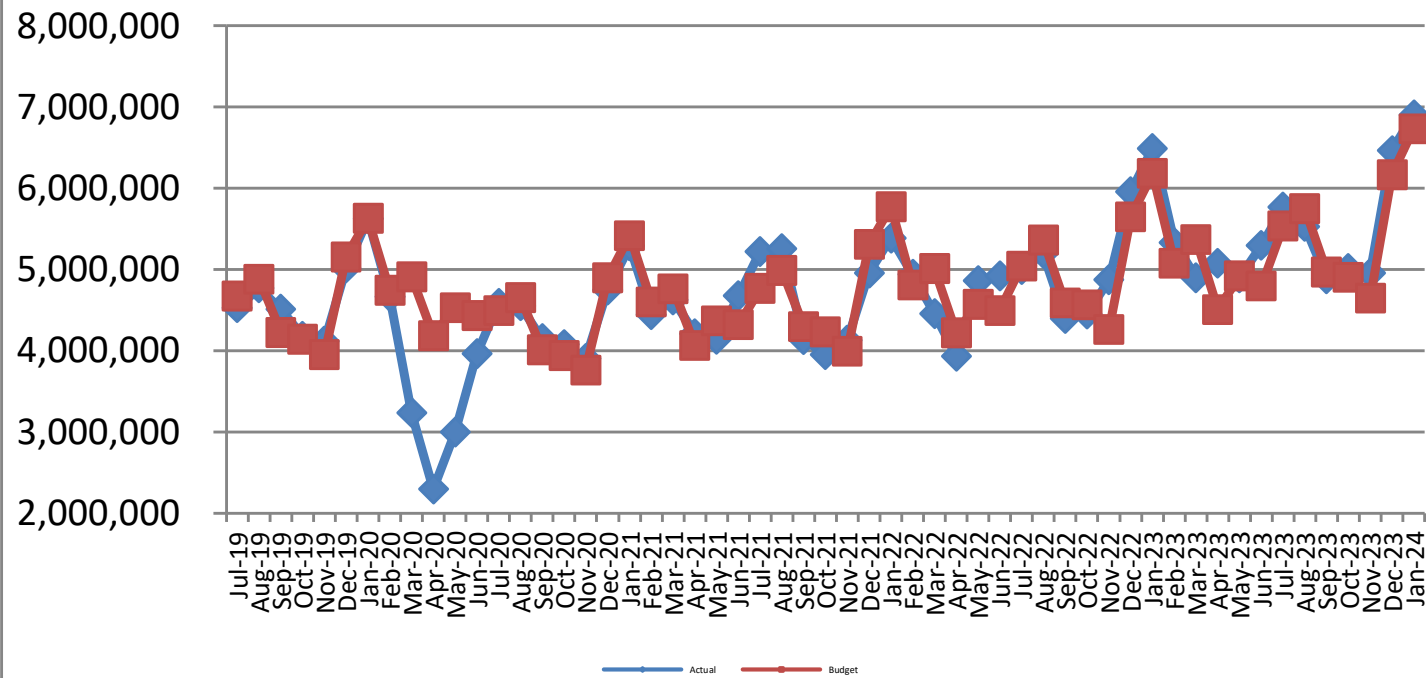
Clinics Medical Visits



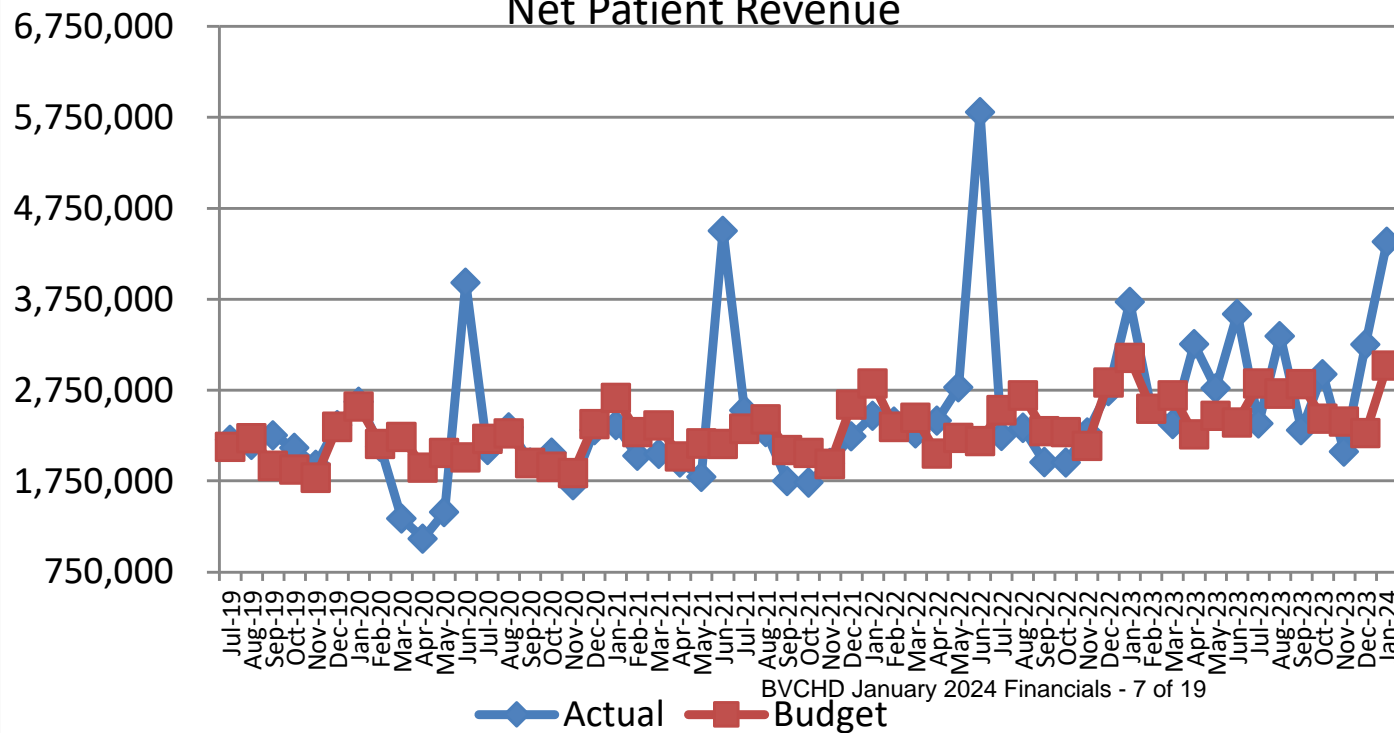
Dental Visits



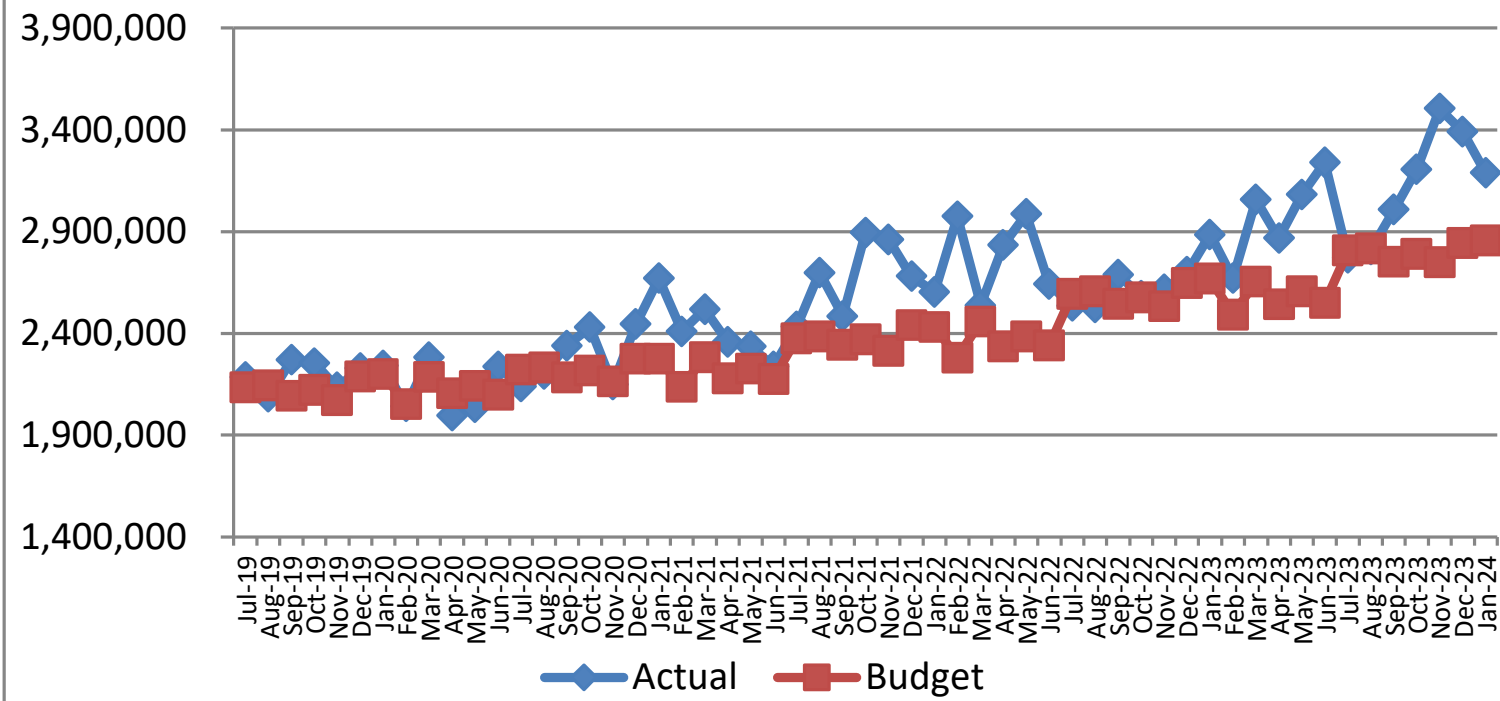
Gross Patient Revenue



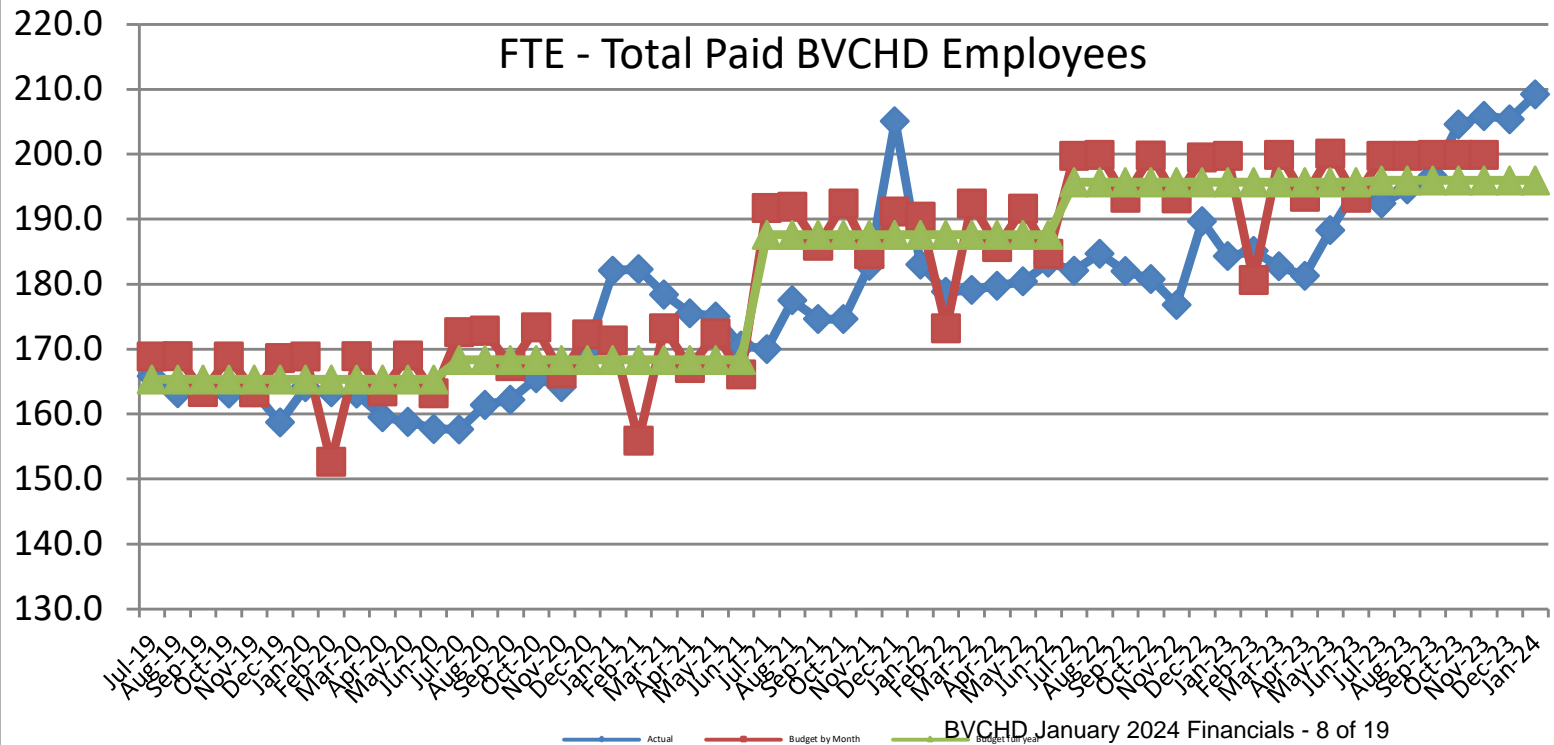
Net Patient Revenue



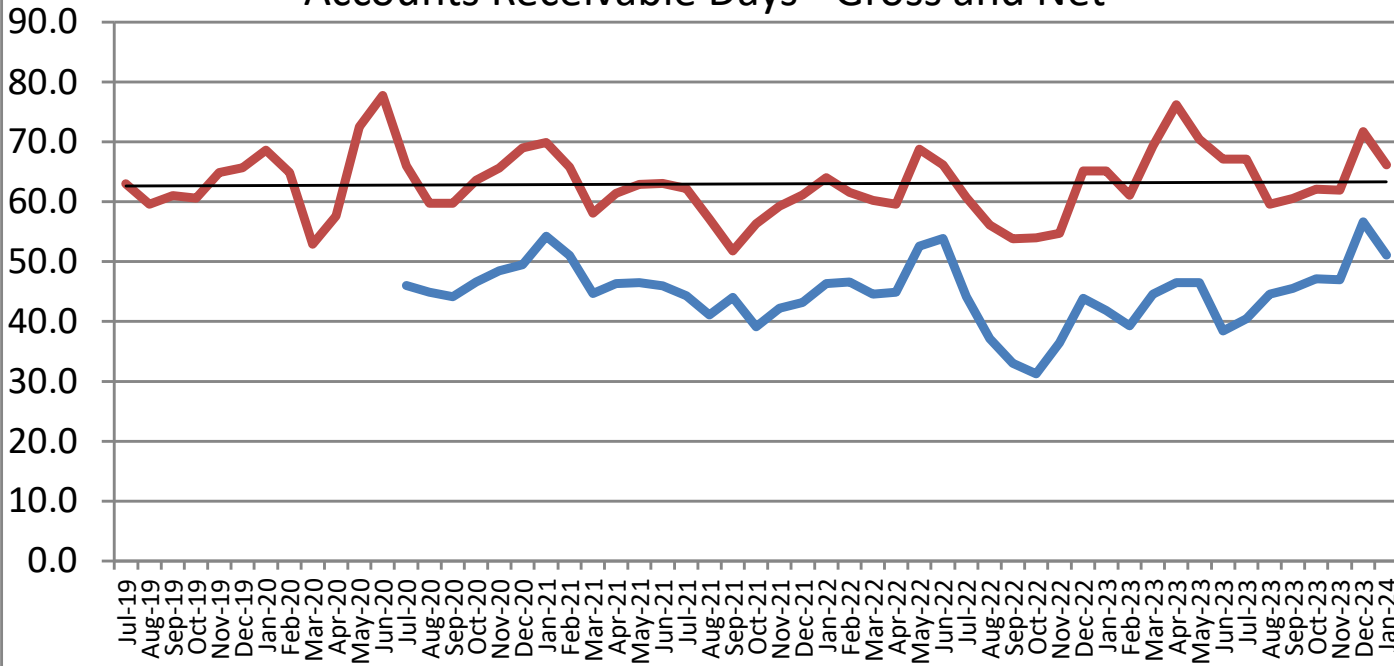
Total Expenses



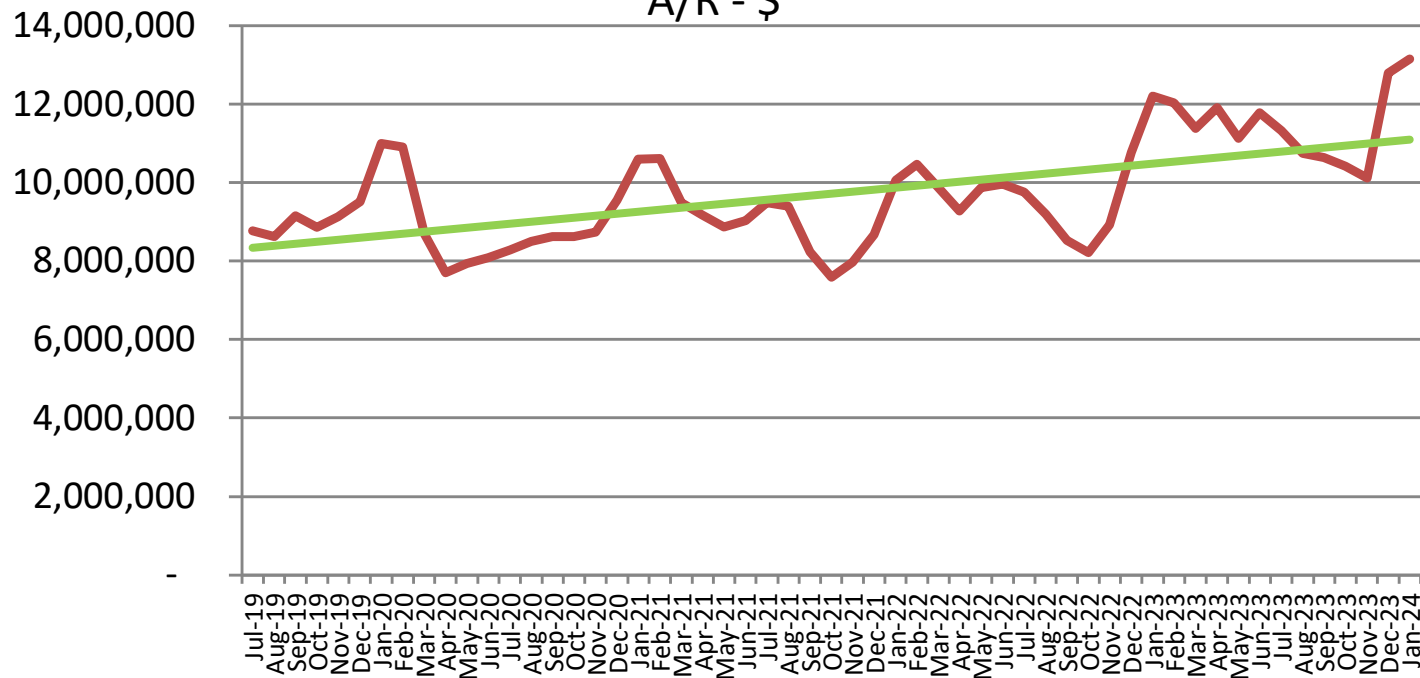
FTE - Total Paid BVCHD Employees



Accounts Receivable Days - Gross and Net



A/R - \$





January 2024 Financial Results

For the month . . .

Total Patient Revenue for January 2024 was \$6,908,682. This was 2.6% higher than budget. Inpatient revenue was 9.3% more than budget. Outpatient revenue was 7.6% more than budget. Clinic revenue was 2.2% lower than budget. Emergency Room revenue was 1.1% lower than budget. Skilled Nursing Facility revenue was 34.6% higher than budget.

Total Revenue deductions were 9.6% lower than budget.

Total Operating Revenue of \$3,843,935 was 12.9% more than budget.

Total Expenses of \$3,189,915 were 11.7% more than budget. Salaries and Benefits were more than budget with higher FTE. We continue to see expenses for registry and contract staff. Professional fees are over budget with increased general surgeon and anesthesia coverage.

Our Operating Cash and Investments totaled \$41,055,205. January was a good month for cash collections. Days Cash on hand as of the end of January 20234 were 383.

Key Statistics

Acute patient days were 113 for the month, 18% lower than budget. We had 28 Swing Patient days for the month, 80% lower than the budgeted number. Skilled Nursing Facility days of 648 were 34% higher than budget. ER Visits of 1,2944 were 3.5% lower than budget. Clinics Medical visits were 17.2% lower than budget. Dental visits were 260 for month.

FTE (Full Time Equivalents, BVCHD employed) for the month were 209.2.

Year to date, the first sevenmonths of our fiscal year

Total Patient Revenue is 2.1% higher than budget

Total Operating Revenue is 4.8% more than budget

Total Expenses are 11.6% more than budget

Our loss surplus is lower than budget.



Bear Valley Community Healthcare District
Financial Statements January 2024

Financial Highlights—Hospital
STATEMENT OF OPERATIONS

		A	B	C	D	E	F	G	H	I	J
		Current Month				Year-to-Date					
		FY 22/23	FY 23/24		VARIANCE		FY 22/23	FY 23/24		VARIANCE	
		Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1	Total patient revenue	6,471,467	6,908,682	6,734,198	174,484	2.6%	36,310,598	39,534,544	38,714,300	820,244	2.1%
2	Total revenue deductions	2,767,219	3,103,111	3,433,708	(330,597)	-9.6%	19,128,280	19,423,773	19,741,604	(317,831)	-1.6%
3	% Deductions	43%	45%	51%			53%	49%	51%		
4	Net Patient Revenue	3,704,247	3,805,571	3,300,490	505,081	15.3%	17,182,318	20,110,771	18,972,697	1,138,075	6.0%
5	% Net to Gross	57%	55%	49%			47%	51%	49%		
6	Other Revenue	113,357	38,364	103,708	(65,344)	-63.0%	343,686	537,185	720,724	(183,539)	-25.5%
7	Total Operating Revenue	3,817,604	3,843,935	3,404,198	439,737	12.9%	17,526,005	20,647,956	19,693,421	954,536	4.8%
8	Total Expenses	2,885,420	3,189,915	2,856,948	332,967	11.7%	18,536,284	21,882,238	19,614,640	2,267,598	11.6%
9	% Expenses	45%	46%	42%			51%	55%	51%		
10	Surplus (Loss) from Operations	932,184	654,020	547,250	106,770	-19.5%	(1,010,279)	(1,234,281)	78,781	(1,313,062)	1666.7%
11	% Operating margin	14%	9%	8%			-3%	-3%	0%		
12	Total Non-operating	253,379	218,800	297,200	(78,400)	-26.4%	2,049,158	2,780,209	2,080,400	699,809	33.6%
13	Surplus/(Loss)	1,185,563	872,820	844,450	28,370	-3.4%	1,038,880	1,545,928	2,159,181	(613,253)	28.4%
14	% Total margin	18%	13%	13%			3%	4%	6%		

BALANCE SHEET

		A	B		C	D	E
		January	January	December			
		FY 22/23	FY 23/24	FY 23/24	VARIANCE		
					Amount	%	
15	Gross Accounts Receivables	12,216,349	13,159,897	12,799,482	360,415	2.8%	
16	Net Accounts Receivables	3,874,666	4,383,234	4,090,975	292,259	7.1%	
17	% Net AR to Gross AR	32%	33%	32%			
18	Days Gross AR	64.0	71.7	71.7	(0.0)	0.0%	
19	Cash Collections	1,798,958	3,626,576	2,292,751	1,333,824	58.2%	
21	Investments	34,930,232	39,208,154	39,208,154	(0)	0.0%	
22	Cash on hand	1,925,620	1,847,051	1,330,782	516,269	38.8%	
23	Total Cash & Invest	36,855,852	41,055,205	40,538,936	516,269	1.3%	
24	Days Cash & Invest	440	383	397	(14)	-3.4%	
Total Cash and Investments		36,855,852	41,055,205	40,538,936			
Increase Current Year vs. Prior Year			4,199,353				

Bear Valley Community Healthcare District
Financial Statements January 2024

Statement of Operations

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 22/23	FY 23/24		VARIANCE		FY 22/23	FY 23/24		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
Gross Patient Revenue										
1 Inpatient	344,751	524,038	479,643	44,395	9.3%	1,711,332	3,119,135	2,756,766	362,368	13.1%
2 Outpatient	699,988	993,414	923,590	69,824	7.6%	4,951,475	6,487,173	5,761,020	726,152	12.6%
3 Clinic Revenue	273,212	326,606	333,887	(7,281)	-2.2%	2,033,914	1,992,847	2,059,778	(66,930)	-3.2%
4 Emergency Room	4,857,658	4,606,311	4,656,471	(50,160)	-1.1%	25,741,274	25,013,621	25,774,463	(760,842)	-3.0%
5 Skilled Nursing Facility	295,858	458,314	340,607	117,707	34.6%	1,872,604	2,921,768	2,362,273	559,495	23.7%
6 Total patient revenue	6,471,467	6,908,682	6,734,198	174,484	2.6%	36,310,598	39,534,544	38,714,300	820,244	2.1%
Revenue Deductions										
7 Contractual Allow	2,475,565	2,472,129	3,065,051	(592,922)	-19.3%	17,743,723	17,286,611	17,620,704	(334,093)	-1.9%
8 Contractual Allow PY	(151,228)	-	-	-	#DIV/0!	(1,047,777)	-	-	-	#DIV/0!
9 Charity Care	12,599	19,114	20,378	(1,264)	-6.2%	109,788	145,805	117,490	28,315	24.1%
10 Administrative	2,092	3,612	20,177	(16,565)	-82.1%	71,376	12,242	116,335	(104,093)	-89.5%
11 Policy Discount	13,970	22,131	29,991	(7,860)	-26.2%	131,766	89,997	172,918	(82,921)	-48.0%
12 Employee Discount	10,360	5,543	20,462	(14,919)	-72.9%	89,316	43,722	117,976	(74,254)	-62.9%
13 Bad Debts	335,460	527,670	277,649	250,021	90.0%	1,590,826	1,233,853	1,596,181	(362,328)	-22.7%
14 Denials	34,777	52,913	-	52,913	#DIV/0!	439,262	611,543	-	611,543	#DIV/0!
15 Total revenue deductions	2,767,219	3,103,111	3,433,708	(330,597)	-9.6%	19,128,280	19,423,773	19,741,604	(317,831)	-1.6%
16 Net Patient Revenue	3,704,247	3,805,571	3,300,490	505,081	15.3%	17,182,318	20,110,771	18,972,697	1,138,075	6.0%
gross revenue including Prior Year	42.8%	44.9%	51.0%	-6.1%		52.7%	49.1%	51.0%	-1.9%	
									0.0%	
17 Other Revenue	113,357	38,364	103,708	(65,344)	-63.0%	343,686	537,185	720,724	(183,539)	-25.5%
18 Total Operating Revenue	3,817,604	3,843,935	3,404,198	439,737	12.9%	17,526,005	20,647,956	19,693,421	954,536	4.8%
Expenses										
19 Salaries	1,183,475	1,227,037	1,145,474	81,563	7.1%	7,841,140	8,393,572	7,943,777	449,795	5.7%
20 Employee Benefits	418,696	492,304	461,179	31,125	6.7%	2,670,721	2,939,803	3,188,006	(248,203)	-7.8%
21 Registry	114,863	159,149	-	159,149	#DIV/0!	495,710	944,538	-	944,538	#DIV/0!
22 Salaries and Benefits	1,717,034	1,878,490	1,606,653	271,837	16.9%	11,007,571	12,277,913	11,131,783	1,146,130	10.3%
23 Professional fees	157,740	278,354	180,257	98,097	54.4%	1,086,682	1,587,504	1,257,585	329,919	26.2%
24 Supplies	209,857	198,928	215,904	(16,976)	-7.9%	1,262,280	1,383,557	1,375,807	7,750	0.6%
25 Utilities	43,994	55,499	45,775	9,724	21.2%	305,514	372,968	316,047	56,921	18.0%
26 Repairs and Maintenance	47,141	48,665	47,941	724	1.5%	323,318	431,827	335,185	96,642	28.8%
27 Purchased Services	464,119	466,395	466,810	(415)	-0.1%	2,827,826	3,434,105	3,143,553	290,552	9.2%
28 Insurance	71,183	89,104	82,814	6,290	7.6%	499,476	688,186	579,698	108,488	18.7%
29 Depreciation	92,066	78,149	82,903	(4,754)	-5.7%	586,000	625,192	580,321	44,871	7.7%
30 Rental and Leases	31,740	24,330	32,847	(8,517)	-25.9%	213,407	143,378	229,929	(86,551)	-37.6%
32 Dues and Subscriptions	7,788	17,570	9,159	8,411	91.8%	56,882	117,815	64,113	53,702	83.8%
33 Other Expense.	42,758	54,432	85,885	(31,453)	-36.6%	367,328	819,792	600,619	219,173	36.5%
34 Total Expenses	2,885,420	3,189,915	2,856,948	332,967	11.7%	18,536,284	21,882,238	19,614,640	2,267,598	11.6%
35 Surplus (Loss) from Operations	932,184	654,020	547,250	106,770	-19.5%	(1,010,279)	(1,234,281)	78,781	(1,313,062)	1666.7%
Non-Operating Income										
36 Tax Revenue	215,833	215,833	213,742	2,091	1.0%	1,510,831	1,510,831	1,496,194	14,637	1.0%
38 Other non-operating	43,620	9,590	83,458	(73,868)	-88.5%	276,270	229,244	584,206	(354,962)	-60.8%
Interest Income	971	482	-	482	#DIV/0!	313,653	1,083,510	-	1,083,510	#DIV/0!
Interest Expense	(7,046)	(7,105)	-	(7,105)	#DIV/0!	(51,596)	(43,377)	-	(43,377)	#DIV/0!
IGT Expense	-	-	-	-	#DIV/0!	-	-	-	-	#DIV/0!
39 Total Non-operating	253,379	218,800	297,200	(78,400)	-26.4%	2,049,158	2,780,209	2,080,400	699,809	33.6%
40 Surplus/(Loss)	1,185,563	872,820	844,450	28,370	-3.4%	1,038,880	1,545,928	2,159,181	(613,253)	28.4%

**Bear Valley Community Healthcare District
Financial Statements**

Current Year Trending Statement of Operations

A Statement of Operations—CURRENT YEAR 2024

		1	2	3	4	5	6	7	8	9	10	11	12	
		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
Gross Patient Revenue														
1	Inpatient	340,168	462,604	350,063	457,697	428,931	555,634	524,038	-	-	-	-	-	3,119,135
2	Outpatient	902,263	1,030,938	819,702	948,398	867,397	925,062	993,414	-	-	-	-	-	6,487,173
3	Clinic	257,886	317,748	276,266	278,391	280,235	255,716	326,606	-	-	-	-	-	1,992,847
4	Emergency Room	3,920,840	3,322,631	3,026,657	2,886,971	2,973,534	4,276,677	4,606,311	-	-	-	-	-	25,013,621
5	Skilled Nursing Facility	345,594	395,272	415,260	443,466	410,377	453,487	458,314	-	-	-	-	-	2,921,768
6	Total patient revenue	5,766,751	5,529,193	4,887,947	5,014,923	4,960,473	6,466,575	6,908,682	-	-	-	-	-	39,534,544
Revenue Deductions		C/A	0.58	0.32	0.49	0.38	0.51	0.44	0.36	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.44
7	Contractual Allow	3,331,916	1,794,836	2,409,446	1,898,456	2,526,641	2,853,188	2,472,129	-	-	-	-	-	17,286,611
8	Contractual Allow PY	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Charity Care	26,144	6,584	63,545	69	22,281	8,068	19,114	-	-	-	-	-	145,805
10	Administrative	1,247	1,779	3,502	(1,399)	1,734	1,767	3,612	-	-	-	-	-	12,242
11	Policy Discount	11,493	12,173	8,792	9,366	9,622	16,420	22,131	-	-	-	-	-	89,997
12	Employee Discount	8,349	5,839	7,292	4,737	9,243	2,719	5,543	-	-	-	-	-	43,722
13	Bad Debts	(71,983)	255,782	10,007	23,350	229,416	259,611	527,670	-	-	-	-	-	1,233,853
14	Denials	75,175	104,327	72,599	149,807	85,623	71,099	52,913	-	-	-	-	-	611,543
15	Total revenue deductions	3,382,341	2,181,320	2,575,182	2,084,385	2,884,561	3,212,872	3,103,111	-	-	-	-	-	19,423,773
16	Net Patient Revenue	2,384,410	3,347,872	2,312,766	2,930,538	2,075,911	3,253,703	3,805,571	-	-	-	-	-	20,110,771
	net / tot pat rev	41.3%	60.5%	47.3%	58.4%	41.8%	50.3%	55.1%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	50.9%
17	Other Revenue	26,463	-	64,589	89,878	185,659	132,233	38,364	-	-	-	-	-	537,185
18	Total Operating Revenue	2,410,873	3,347,872	2,377,355	3,020,416	2,261,570	3,385,936	3,843,935	-	-	-	-	-	20,647,956
Expenses														
19	Salaries	1,080,639	924,382	1,181,195	1,300,784	1,339,232	1,340,302	1,227,037	-	-	-	-	-	8,393,572
20	Employee Benefits	328,211	334,873	455,171	441,934	437,704	449,606	492,304	-	-	-	-	-	2,939,803
21	Registry	90,136	112,039	145,820	118,087	103,401	215,905	159,149	-	-	-	-	-	944,538
22	Salaries and Benefits	1,498,985	1,371,295	1,782,187	1,860,805	1,880,337	2,005,814	1,878,490	-	-	-	-	-	12,277,913
23	Professional fees	198,102	216,638	181,932	218,219	219,661	274,598	278,354	-	-	-	-	-	1,587,504
24	Supplies	173,543	248,762	187,897	178,874	199,885	195,668	198,928	-	-	-	-	-	1,383,557
25	Utilities	54,273	51,006	52,694	49,960	56,043	53,493	55,499	-	-	-	-	-	372,968
26	Repairs and Maintenance	78,742	57,208	54,101	52,562	71,565	68,984	48,665	-	-	-	-	-	431,827
27	Purchased Services	432,691	539,130	467,951	502,377	547,856	477,706	466,395	-	-	-	-	-	3,434,105
28	Insurance	150,353	89,104	90,619	90,001	89,901	89,104	89,104	-	-	-	-	-	688,186
29	Depreciation	92,066	142,381	78,149	78,149	78,149	78,149	78,149	-	-	-	-	-	625,192
30	Rental and Leases	23,379	16,691	21,786	20,430	18,220	18,544	24,330	-	-	-	-	-	143,378
32	Dues and Subscriptions	9,186	10,191	11,198	29,820	18,211	21,641	17,570	-	-	-	-	-	117,815
33	Other Expense	59,996	68,722	79,467	124,939	324,540	107,695	54,432	-	-	-	-	-	819,792
34	Total Expenses	2,771,317	2,811,128	3,007,981	3,206,134	3,504,367	3,391,395	3,189,915	-	-	-	-	-	21,882,238
Surplus (Loss) from Operations		(360,444)	536,744	(630,626)	(185,718)	(1,242,797)	(5,460)	654,020	-	-	-	-	-	(1,234,281)
Non-Operating Income														
37	Tax Revenue	215,833	215,833	215,833	215,833	215,833	215,833	215,833	-	-	-	-	-	1,510,831
38	Other non-operating	52,935	4,019	23,451	29,590	11,895	97,764	9,590	-	-	-	-	-	229,244
	Interest Income	309,747	656	364,841	131	454	407,200	482	-	-	-	-	-	1,083,510
	Interest Expense	(7,222)	(7,359)	(7,233)	(7,271)	(6,939)	(248)	(7,105)	-	-	-	-	-	(43,377)
	IGT Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Total Non-operating	571,292	213,149	596,892	238,284	221,243	720,549	218,800	-	-	-	-	-	2,780,209
40	Surplus/(Loss)	210,848	749,893	(33,734)	52,566	(1,021,554)	715,090	872,820	-	-	-	-	-	1,545,928

BALANCE SHEET

FINAL
PY

ASSETS:

Current Assets

Cash and Cash Equivalents (Includes CD's)	2,173,570	2,408,840	447,054	451,768	645,960	1,330,782	1,847,051	0	0	0	0	0	0
Gross Patient Accounts Receivable	11,324,271	10,749,794	10,635,625	10,414,199	10,117,057	12,799,482	13,159,897	0	0	0	0	0	0
Less: Reserves for Allowances & Bad Debt	7,340,161	7,379,295	7,332,965	7,108,093	6,999,851	8,708,507	8,776,663	0	0	0	0	0	0
Net Patient Accounts Receivable	3,984,110	3,370,499	3,302,660	3,306,106	3,117,206	4,090,975	4,383,234	0	0	0	0	0	0
Tax Revenue Receivable	690,185	690,185	690,185	690,185	495,675	-71,412	852,936	0	0	0	0	0	0
Other Receivables	187,337	131,122	176,306	319,255	-301,174	543,821	613,703	0	0	0	0	0	0
Inventories	237,085	243,173	252,907	255,345	262,824	278,473	284,600	0	0	0	0	0	0
Prepaid Expenses	1,116,627	1,049,919	1,058,717	994,775	919,223	823,604	736,901	0	0	0	0	0	0
Due From Third Party Payers	0	0											
Due From Affiliates/Related Organizations	0	0											
Other Current Assets	0	0											
Total Current Assets	8,388,913	7,893,738	5,927,828	6,017,434	5,139,714	6,996,243	8,718,425	0	0	0	0	0	0

Assets Whose Use is Limited

Investments	40,436,455	40,436,455	40,801,102	40,801,102	40,801,102	39,208,154	39,208,154	0	0	0	0	0	0
Other Limited Use Assets	144,375	144,375	144,375	144,375	144,375	133,608	133,608	0	0	0	0	0	0
Total Limited Use Assets	40,580,830	40,580,830	40,945,477	40,945,477	40,945,477	39,341,762	39,341,762	0	0	0	0	0	0

Property, Plant, and Equipment

Land and Land Improvements	4,216,685	4,216,685	4,216,685	4,261,115	4,216,685	4,216,685	4,216,685	0	0	0	0	0	0
Building and Building Improvements	9,618,188	9,618,188	9,618,188	9,618,188	9,618,188	9,618,188	9,618,188	0	0	0	0	0	0
Equipment	14,951,504	17,723,504	17,845,678	17,872,096	17,945,864	18,107,310	18,140,173	0	0	0	0	0	0
Construction In Progress	3,276,653	642,303	671,858	699,783	744,116	768,491	808,034	0	0	0	0	0	0
Capitalized Interest													
Gross Property, Plant, and Equipment	32,063,031	32,200,681	32,352,409	32,451,182	32,524,853	32,710,674	32,783,080	0	0	0	0	0	0
Less: Accumulated Depreciation	19,243,915	19,386,296	19,464,445	19,542,594	19,620,743	19,698,892	19,777,041	0	0	0	0	0	0
Net Property, Plant, and Equipment	12,819,116	12,814,385	12,887,964	12,908,588	12,904,110	13,011,781	13,006,038	0	0	0	0	0	0
TOTAL UNRESTRICTED ASSETS	61,788,859	61,288,952	59,761,269	59,871,499	58,989,301	59,349,785	61,066,225	0	0	0	0	0	0

Restricted Assets

Restricted Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	61,788,859	61,288,952	59,761,269	59,871,499	58,989,301	59,349,785	61,066,225	0	0	0	0	0	0

BALANCE SHEET

FINAL
PY

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	June
LIABILITIES:													
Current Liabilities													
Accounts Payable	618,768	749,259	645,650	775,670	788,492	1,216,870	954,526	0	0	0	0	0	0
Notes and Loans Payable													
Accrued Payroll	1,549,949	1,371,742	756,000	882,166	1,051,692	1,124,579	1,144,398	0	0	0	0	0	0
Patient Refunds Payable													
Due to Third Party Payers (Settlements)	7,202,749	7,151,041	7,160,841	7,214,869	7,218,470	4,216,846	4,268,379	0	0	0	0	0	0
Advances From Third Party Payers													
Current Portion of Def Rev - Txs,	755,385	499,552	283,719	67,886	0	112,194	1,028,982	0	0	0	0	0	0
Current Portion - LT Debt	0	40,000	40,000	40,000	45,000	45,000	45,000	0	0	0	0	0	0
Current Portion of AB915													
Other Current Liabilities (Accrued Interest & Accrued Other)	465,458	428,292	540,328	503,612	524,904	376,714	494,539	0	0	0	0	0	0
Total Current Liabilities	10,592,308	10,239,885	9,426,538	9,484,203	9,628,558	7,092,203	7,935,823	0	0	0	0	0	0
Long Term Debt													
USDA Loan	2,690,000	2,690,000	2,690,000	2,690,000	2,685,000	2,640,000	2,640,000	0	0	0	0	0	0
Leases Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Current Portion Of Long Term Debt	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Long Term Debt (Net of Current)	2,690,000	2,690,000	2,690,000	2,690,000	2,685,000	2,640,000	2,640,000	0	0	0	0	0	0
Other Long Term Liabilities													
Deferred Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Long Term Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	13,282,308	12,929,885	12,116,538	12,174,203	12,313,558	9,732,203	10,575,823	0	0	0	0	0	0
Fund Balance													
Unrestricted Fund Balance	48,506,550	48,359,067	47,644,731	47,697,297	46,675,743	49,617,583	50,490,402				0	0	0
Temporarily Restricted Fund Balance	0	0				0							
Equity Transfer from FRHG	0	0				0							
Net Revenue/(Expenses)	2,165,769	2,915,309	-33,734	52,566	0	0	0	0	0	0	0	0	0
TOTAL FUND BALANCE	50,672,319	51,274,376	47,610,997	47,749,863	46,675,743	49,617,583	50,490,402	0	0	0	0	0	0
TOTAL LIABILITIES & FUND BALANCE	63,954,627	64,204,261	59,727,535	59,924,065	58,989,301	59,349,786	61,066,225	0	0	0	0	0	0

Units of Service For the period ending January 2024												
31						215						
Current Month						Year-To-Date						
Bear Valley Community Hospital												
Jan-24		Jan-23	Actual -Budget		Act.-Act.	Jan-24		Jan-23	Actual -Budget		Act.-Act.	
Actual	Budget	Actual	Variance	Var %	Var %	Actual	Budget	Actual	Variance	Var %	Var %	
113	138	64	(25)	-18.1%	76.6%	Med Surg Patient Days	574	769	287	(195)	-25.3%	100.0%
28	137	51	(109)	-79.6%	-45.1%	Swing Patient Days	473	765	338	(292)	-38.2%	39.9%
648	485	429	163	33.6%	51.0%	SNF Patient Days	4,212	3,458	2,716	754	21.8%	55.1%
789	760	544	29	3.8%	45.0%	Total Patient Days	5,259	4,992	3,341	268	5.4%	57.4%
32	20	17	12	60.0%	88.2%	Acute Admissions	177	140	99	37	26.4%	78.8%
36	20	16	16	80.0%	125.0%	Acute Discharges	172	140	93	32	22.9%	84.9%
3.1	6.9	4.0	(1.6)	-22.6%	-21.5%	Acute Average Length of Stay	3.3	5.5	3.1	(6.1)	-110.7%	8.1%
3.6	4.5	2.06	(0.81)	-18.1%	76.6%	Acute Average Daily Census	2.7	4	1.3	(0.9)	-25.3%	100.0%
21.8	20.1	15.5	1.7	8.7%	40.8%	SNF/Swing Avg Daily Census	21.8	20	14.2	2.1	10.9%	53.4%
25.5	24.5	17.5	0.9	3.8%	45.0%	Total Avg. Daily Census	24.5	23	15.5	1.2	5.4%	57.4%
57%	54%	39%	2%	3.8%	45.0%	% Occupancy	54%	52%	35%	3%	5.4%	57.4%
28	12	12	16	133.3%	133.3%	Emergency Room Admitted	156	64	60	92	143.8%	160.0%
1,260	1,326	1,318	(66)	-5.0%	-4.4%	Emergency Room Discharged	7,155	7,482	7,321	(327)	-4.4%	-2.3%
1,288	1,341	1,330	(53)	-3.9%	-3.2%	Emergency Room Total	7,311	7,581	7,381	(270)	-3.6%	-0.9%
42	43	43	(2)	-3.9%	-3.2%	ER visits per calendar day	34	35	34	(1)	-3.6%	-0.9%
88%	60%	71%	75%	125.0%	24.0%	% Admits from ER	88%	46%	61%	40%	88.0%	45.4%
6	-	2	6	#DIV/0!	200.0%	Surgical Procedures I/P	19	-	2	19	#DIV/0!	850.0%
8	16	-	(8)	0.0%	#DIV/0!	Surgical Procedures O/P	80	142	15	(62)	-43.5%	433.3%
14	16	2	(2)	-12.9%	600.0%	TOTAL Procedures	99	142	17	(43)	-30.1%	482.4%
150	150	176	-	0.0%	-14.8%	Surgical Minutes Total	6,391	278	5,349	6,113	2198.9%	19.5%

Units of Service
For the period ending January 2024

Bear Valley Community Hospital												
Current Month						Year-To-Date						
Jan-24	Jan-24	Jan-23	Actual	-Budget	Act.-Act.	Jan-24	Jan-24	Jan-23	Actual	-Budget	Act.-Act.	
Actual	Budget	Actual	Variance	Var %	Var %	Actual	Budget	Actual	Variance	Var %	Var %	
6,791	6,426	6,125	365	5.7%	10.9%	Lab Procedures	42,531	41,154	43,815	1,377	3.3%	-2.9%
1,152	1,078	1,203	74	6.9%	-4.2%	X-Ray Procedures	5,977	5,665	5,585	312	5.5%	7.0%
599	614	630	(15)	-2.4%	-4.9%	C.T. Scan Procedures	2,996	3,140	2,625	(144)	-4.6%	14.1%
143	146	158	(3)	-2.1%	-9.5%	Ultrasound Procedures	1,044	999	1,089	45	4.5%	-4.1%
29	94	44	(65)	-69.1%	-34.1%	Mammography Procedures	364	492	306	(128)	-26.0%	19.0%
346	300	362	46	15.3%	-4.4%	EKG Procedures	2,097	1,989	2,073	108	5.4%	1.2%
136	160	127	(24)	-15.0%	7.1%	Respiratory Procedures	763	735	848	28	3.8%	-10.0%
2,608	1,811	1,929	797	44.0%	35.2%	Physical Therapy Procedures	13,337	12,860	12,687	477	3.7%	5.1%
1,593	1,823	1,601	(230)	-12.6%	-0.5%	Primary Care Clinic Visits	10,000	9,935	10,143	65	0.7%	-1.4%
260	194	217	66	34.2%	19.8%	Specialty Clinic Visits	1,663	1,485	1,465	178	12.0%	13.5%
1,853	2,017	1,818	(164)	-8.1%	1.9%	Clinic	11,663	11,420	11,608	243	2.1%	0.5%
71	78	70	(6)	-8.1%	1.9%	Clinic visits per work day	64	63	64	1	2.1%	0.5%
9.7%	15.00%	11.80%	-5.30%	-35.33%	-17.80%	% Medicare Revenue	15.34%	15.00%	14.73%	0.34%	2.29%	4.17%
38.30%	37.00%	32.00%	1.30%	3.51%	19.69%	% Medi-Cal Revenue	35.23%	37.00%	34.93%	-1.77%	-4.79%	0.86%
46.00%	45.00%	50.60%	1.00%	2.22%	-9.09%	% Insurance Revenue	45.93%	45.00%	45.24%	0.93%	2.06%	1.52%
6.00%	3.00%	5.60%	3.00%	100.00%	7.14%	% Self-Pay Revenue	3.50%	3.00%	5.10%	0.50%	16.67%	-31.37%
28,313.8	177.0	160.0	28,136.8	15900.0%	17596.1%	Productive FTE's	1,108.18	718.0	1,089.7	390.2	54.3%	1.7%
33,475.3	209.2	160.0	33,266.1	15900.0%	20822.1%	Total FTE's	1,332.96	799.4	1,382.2	533.6	66.7%	-3.6%

**Bear Valley Community Healthcare District
Financial Statements**

Statement of Operations - 12 month trend

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	12 mo average
Gross Patient Revenue													
Inpatient	347,062	238,158	351,086	430,788	373,213	340,168	462,604	350,063	457,697	428,931	555,634	524,038	404,953
Outpatient	768,905	795,618	887,460	863,944	893,104	902,263	1,030,938	819,702	948,398	867,397	925,062	993,414	891,350
Clinic	249,139	267,268	302,925	331,631	300,448	257,886	317,748	276,266	278,391	280,235	255,716	326,606	287,022
Emergency Room	3,669,587	3,272,633	3,195,026	2,953,064	3,420,212	3,920,840	3,322,631	3,026,657	2,886,971	2,973,534	4,276,677	4,606,311	3,460,345
Skilled Nursing Facility	300,602	325,660	344,231	320,283	310,750	345,594	395,272	415,260	443,466	410,377	453,487	458,314	376,941
Total patient revenue	5,335,296	4,899,337	5,080,728	4,899,710	5,297,727	5,766,751	5,529,193	4,887,947	5,014,923	4,960,473	6,466,575	6,908,682	5,420,612
Revenue Deductions	C/A 0.49	0.49	0.41	0.51	0.33	0.58	0.32	0.49	0.38	0.51	0.44	0.44	0.44
Contractual Allow	2,609,719	2,392,514	2,078,806	2,519,551	1,758,114	3,331,916	1,794,836	2,409,446	1,898,456	2,526,641	2,853,188	2,472,129	2,387,110
Contractual Allow PY	(149,975)	(149,359)	(499,764)	(500,000)	(500,000)	-	-	-	-	-	-	-	(163,554)
Charity Care	27	39,498	7,411	22,704	15,544	26,144	6,584	63,545	69	22,281	8,068	19,114	19,249
Administrative	4,471	3,641	33,954	56,810	1,051	1,247	1,779	3,502	(1,399)	1,734	1,767	3,612	9,347
Policy Discount	15,803	15,481	16,979	(83,520)	111,833	11,493	12,173	8,792	9,366	9,622	16,420	22,131	13,881
Employee Discount	6,802	4,672	6,542	3,526	4,239	8,349	5,839	7,292	4,737	9,243	2,719	5,543	5,792
Bad Debts	231,253	80,815	80,710	37	232,829	(71,983)	255,782	10,007	23,350	229,416	259,611	527,670	154,958
Denials	66,275	130,328	98,149	109,101	85,009	75,175	104,327	72,599	149,807	85,623	71,099	52,913	91,700
Total revenue deductions	2,784,373	2,517,589	1,822,787	2,128,210	1,708,620	3,382,341	2,181,320	2,575,182	2,084,385	2,884,561	3,212,872	3,103,111	2,532,113
	0.52	0.51	0.36	0.43	0.32	0.59	0.39	0.53	0.42	0.58	0.50	0.50	0.50
Net Patient Revenue	2,550,923	2,381,748	3,257,941	2,771,500	3,589,107	2,384,410	3,347,872	2,312,766	2,930,538	2,075,911	3,253,703	3,805,571	2,888,499
net / tot pat rev	47.8%	48.6%	64.1%	56.6%	67.7%	41.3%	60.5%	47.3%	58.4%	41.8%	50.3%	55.1%	53.3%
Other Revenue	174,410	27,355	326,904	108,322	304,878	26,463	-	64,589	89,878	185,659	132,233	38,364	123,255
Total Operating Revenue	2,725,333	2,409,103	3,584,845	2,879,822	3,893,985	2,410,873	3,347,872	2,377,355	3,020,416	2,261,570	3,385,936	3,843,935	3,011,754
Expenses													
Salaries	1,090,355	1,167,299	1,110,339	1,237,878	1,438,795	1,080,639	924,382	1,181,195	1,300,784	1,339,232	1,340,302	1,227,037	1,203,187
Employee Benefits	347,208	442,479	393,183	403,340	462,504	328,211	334,873	455,171	441,934	437,704	449,606	492,304	415,710
Registry	142,413	151,990	122,457	146,260	147,141	90,136	112,039	145,820	118,087	103,401	215,905	159,149	137,900
Salaries and Benefits	1,579,976	1,761,768	1,625,979	1,787,478	2,048,440	1,498,985	1,371,295	1,782,187	1,860,805	1,880,337	2,005,814	1,878,490	1,756,796
Professional fees	161,011	158,485	204,937	214,070	214,042	198,102	216,638	181,932	218,219	219,661	274,598	278,354	211,671
Supplies	187,676	162,957	146,766	226,852	159,823	173,543	248,762	187,897	178,874	199,885	195,668	198,928	188,969
Utilities	49,507	51,157	53,165	51,841	44,562	54,273	51,006	52,694	49,960	56,043	53,493	55,499	51,933
Repairs and Maintenance	37,504	49,876	65,965	49,460	70,800	78,742	57,208	54,101	52,562	71,565	68,984	48,665	58,786
Purchased Services	416,682	430,281	495,710	491,862	424,022	432,691	539,130	467,951	502,377	547,856	477,706	466,395	474,389
Insurance	71,183	71,183	72,192	71,284	71,285	150,353	89,104	90,619	90,001	89,901	89,104	89,104	87,109
Depreciation	92,066	92,066	92,066	92,066	92,066	92,066	142,381	78,149	78,149	78,149	78,149	78,149	90,460
Rental and Leases	28,028	203,170	26,357	20,115	20,509	23,379	16,691	21,786	20,430	18,220	18,544	24,330	36,796
Dues and Subscriptions	8,460	8,879	9,866	10,864	6,671	9,186	10,191	11,198	29,820	18,211	21,641	17,570	13,546
Other Expense.	38,940	67,464	73,841	66,702	87,756	59,996	68,722	79,467	124,939	324,540	107,695	54,432	100,006
Total Expenses	2,671,034	3,057,288	2,866,844	3,082,595	3,239,976	2,771,317	2,811,128	3,007,981	3,206,134	3,504,367	3,391,395	3,189,915	3,070,462
Surplus (Loss) from Operations	54,299	(648,185)	718,001	(202,773)	654,009	(360,444)	536,744	(630,626)	(185,718)	(1,242,797)	(5,460)	654,020	(58,709)
Non-Operating Income													
Tax Revenue	215,833	215,833	253,085	215,833	215,833	215,833	215,833	215,833	215,833	215,833	215,833	215,833	218,937
Other non-operating	9,220	9,287	9,191	9,340	(65,243)	52,935	4,019	23,451	29,590	11,895	97,764	9,590	16,753
Interest Income	379	239,901	(1,090)	1,931	229	309,747	656	364,841	131	454	407,200	482	110,405
Interest Expense	(7,193)	(7,100)	(7,175)	(7,243)	(7,245)	(7,222)	(7,359)	(7,233)	(7,271)	(6,939)	(248)	(7,105)	(6,611)
IGT Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-operating	218,238	457,921	254,011	219,861	143,574	571,292	213,149	596,892	238,284	221,243	720,549	218,800	339,485
Surplus/(Loss)	272,537	(190,264)	972,012	17,088	797,583	210,848	749,893	(33,734)	52,566	(1,021,554)	715,090	872,820	280,776

- Patient Days Acute
- Patient Days Swing
- Patient Days SNF
- ER Visits
- FHC Clinic Visits
- RHC Clinic Visits
- Dental Visits
- Surgey - IP
- Surgey - OP
- Physical Therapy
- Respiratory Therapy
- Laboratory
- Radiology - X-Ray
 - Mammography
 - CT
 - Ultrasound
- Urgent Care

- Patient Days Acute
- Patient Days Swing
- Patient Days SNF
- ER Visits
- FHC Clinic Visits
- RHC Clinic Visits
- Dental Visits
- Surgey - IP
- Surgey - OP
- Physical Therapy
- Respiratory Therapy
- Laboratory
- Radiology - X-Ray
 - Mammography
 - CT
 - Ultrasound
- Urgent Care



CFO REPORT for

March 2024 Finance Committee and Board

Financial Feasibility

We continue work with WIPFLi on our Financial Feasibility project as required by USDA. As we work with the architectural team, we may have a slight pause as we get cost estimates, environmental, and etc. done

January 2024 check register

Attached is our January 2024 check register for the information of the committee.



RUN DATE:02/13/24
TIME:13:21

BEAR VALLEY COMMUNITY
CHECK REGISTER
01/01/24 THRU 01/31/24

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BANK--CHECK-----

CODE	NUMBER	DATE	AMOUNT	PAYEE
FMB *	110872	01/31/24	370.34	CR STERLING
FMB *	111396	01/08/24	472.00	CR CALIF DEPT OF PUBLIC HEALTH
FMB *	111509	01/31/24	4,317.75	CR RAM HEALTHCARE CONSULTING GROU
FMB	111875	01/04/24	1,321.04	AESULAP
FMB	111876	01/04/24	1,014.19	AGILITI HEALTH, INC.
FMB	111877	01/04/24	286.90	AMERISOURCEBERGEN
FMB	111878	01/04/24	329.00	APRIL EARLY
FMB	111879	01/04/24	5,623.22	ARTHREX, INC
FMB	111880	01/04/24	86.66	AUTOZONE STORES, LLC
FMB	111881	01/04/24	1,005.06	BEAR VALLEY ELECTRIC
FMB	111882	01/04/24	390.00	BELLA NATALIE CERVATES
FMB	111883	01/04/24	1,935.00	BETA HEALTHCARE GROUP
FMB	111884	01/04/24	197.42	BIG BEAR CITY CSD
FMB	111885	01/04/24	532.50	BIO RAD LABORATORIES, INC.
FMB	111886	01/04/24	2,146.22	BUTCHERS BLOCK
FMB	111887	01/04/24	337.00	C&D TERMITE & PEST CONTROL
FMB	111888	01/04/24	113.00	CALIF DEPT OF PUBLIC HEALTH
FMB	111889	01/04/24	3,294.15	CALIF TOOL & WELDING SUPPLY
FMB	111890	01/04/24	5,592.23	CANON MEDICAL SYSTEMS USA, INC
FMB	111891	01/04/24	.00	CARDINAL HEALTH
FMB	111892	01/04/24	1,125.00	CAW DBA VTECH
FMB	111893	01/04/24	30,434.75	CONMED LINVATEC
FMB	111894	01/04/24	41,850.00	D CRITEL NURSING ANESTH INC
FMB	111895	01/04/24	912.00	DEPT OF MOTOR VEHICLES
FMB	111896	01/04/24	671.52	DIY HOME CENTER
FMB	111897	01/04/24	85.60	DWP CITY OF BIG BEAR LAKE
FMB	111898	01/04/24	3,453.14	EMERALD TEXTILES
FMB	111899	01/04/24	15,029.42	FISHER HEALTHCARE
FMB	111900	01/04/24	33,840.25	GATEWAY ACCEPTANCE CO.
FMB	111901	01/04/24	256.35	GEIGER SUPPLY
FMB	111902	01/04/24	75.00	GNXCOR USA INC
FMB	111903	01/04/24	66.35	HEATHER LOOSE
FMB	111904	01/04/24	10,486.00	HOST HEALTHCARE INC.
FMB	111905	01/04/24	350.00	IBM
FMB	111906	01/04/24	3,619.11	INSTRUMENTATION LABORATORY
FMB	111907	01/04/24	34,124.50	IRIS TELEHEALTH MEDICAL GROUP
FMB	111908	01/04/24	2,993.96	JOHNSON CNTRLS FIRE PROT. LP
FMB	111909	01/04/24	36.81	JOSHUA WEBB
FMB	111910	01/04/24	3,187.66	M. O. DION & SONS, INC.
FMB	111911	01/04/24	5,000.00	MASCARI DINH ARCHITECTS
FMB	111912	01/04/24	2,102.99	MATHESON TRI GAS INC.
FMB	111913	01/04/24	7,766.67	MEDLINE INDUSTRIES INC
FMB	111914	01/04/24	33.93	MONICA GOMEZ
FMB	111915	01/04/24	660.59	NOVA BIOMEDICAL CORP
FMB	111916	01/04/24	5,528.28	OLYMPUS AMERICA INC.
FMB	111917	01/04/24	3,717.99	ORTHO-CLINICAL DIAGNOSTICS INC
FMB	111918	01/04/24	1,278.59	QUADIENT FINANCE USA, INC
FMB	111919	01/04/24	1,283.75	RAM HEALTHCARE CONSULTING GROU
FMB	111920	01/04/24	195.00	ROTARY CLUB OF BIG BEAR LAKE
FMB	111921	01/04/24	4,458.88	SOFTSCRIPT INC

RUN DATE:02/13/24
TIME:13:21

BEAR VALLEY COMMUNITY
CHECK REGISTER
01/01/24 THRU 01/31/24

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BANK--CHECK-----

CODE	NUMBER	DATE	AMOUNT	PAYEE
FMB	111922	01/04/24	16,547.67	SOUTHWEST GAS CORPORATION
FMB	111923	01/04/24	1,005.00	STALCUP LANDSCAPE INNOVATIONS
FMB	111924	01/04/24	1,831.31	STAPLES ADVANTAGE
FMB	111925	01/04/24	810.27	STERICYCLE INC
FMB	111926	01/04/24	3,126.45	STERIS CORPORATION
FMB	111927	01/04/24	51.12	STERLING
FMB	111928	01/04/24	157.20	STEVE LONG
FMB	111929	01/04/24	2,686.09	STRYKER SALES CORPORATION
FMB	111930	01/04/24	8,091.00	SYSCO RIVERSIDE INC
FMB	111931	01/04/24	2,467.00	TASTY PRODUCTS, INC
FMB	111932	01/04/24	464.62	THE CARPET BARN
FMB	111933	01/04/24	32.61	UNITED PARCEL SERVICE
FMB	111934	01/04/24	7,330.18	US FOOD SERVICE INC
FMB	111935	01/04/24	234.85	WAGEWORKS, INC.
FMB *	111936	01/04/24	742.00	WIPFLI CPA & CONSULTANTS
FMB	111941	01/11/24	10.05	ANTHEM BLUE CROSS
FMB	111942	01/11/24	1,621.44	BLUE CROSS OF CA
FMB	111943	01/11/24	779.30	ROAGONZALEZ ELIAS
FMB	111944	01/11/24	7,727.00	AB STAFFING SOLUTIONS LLC
FMB	111945	01/11/24	38.70	ABBOTT LABORATORIES
FMB	111946	01/11/24	246.62	ADP SCREENING AND SELECTION SE
FMB	111947	01/11/24	706.48	AGILITI HEALTH, INC.
FMB	111948	01/11/24	374.36	AMAZON CAPITAL SERVICES, INC
FMB	111949	01/11/24	1,250.00	ANDY WERKING
FMB	111950	01/11/24	413.20	ARTHREX, INC
FMB	111951	01/11/24	415.38	AT&T MOBILITY LLC
FMB	111952	01/11/24	23,300.89	BEAR VALLEY ELECTRIC
FMB	111953	01/11/24	201.90	BECKMAN COULTER INC
FMB	111954	01/11/24	950.00	BELLA NATALIE CERVATES
FMB	111955	01/11/24	16,845.00	BIG BEAR FAMILY MEDICINE, INC
FMB	111956	01/11/24	1,861.00	BIG BEAR GRIZZLY
FMB	111957	01/11/24	700.00	BIG BEAR OUTDOOR ADVERTISING
FMB	111958	01/11/24	51.27	BIG BEAR PAINT CENTER INC
FMB	111959	01/11/24	720.00	BIG BEAR URGENT CARE INC.
FMB	111960	01/11/24	8,088.61	BIG TEX TRAILERS - CALIFORNIA
FMB	111961	01/11/24	1,981.60	BIO RAD LABORATORIES, INC.
FMB	111962	01/11/24	2,405.00	CALVIN PRAMANN, DC
FMB	111963	01/11/24	152.38	CARDINAL HEALTH
FMB	111964	01/11/24	.00	CARDINAL HEALTH
FMB	111965	01/11/24	1,703.70	CARDINAL HEALTH PHARMACY SERVI
FMB	111966	01/11/24	715.87	CHARTER COMMUNICATIONS HOLDING
FMB	111967	01/11/24	62,066.26	CPSI/EVIDENT
FMB	111968	01/11/24	100.00	CSHE
FMB	111969	01/11/24	11,200.00	DAVID HORNER PC
FMB	111970	01/11/24	11,293.09	DELTA DENTAL OF CA
FMB	111971	01/11/24	972.58	DWP CITY OF BIG BEAR LAKE
FMB	111972	01/11/24	3,191.07	EMERALD TEXTILES
FMB	111973	01/11/24	508.90	EVA PIERCE
FMB	111974	01/11/24	1,857.98	FIDELITY SECURITY LIFE INS CO
FMB	111975	01/11/24	491.94	FISHER HEALTHCARE
FMB	111976	01/11/24	35,298.31	FRESENIUS KABI LLC

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FMB	111977	01/11/24	2,385.12	FRONTIER COMMUNICATIONS
FMB	111978	01/11/24	12,069.37	GATEWAY ACCEPTANCE CO.
FMB	111979	01/11/24	14,686.76	GETINGE USA SALES, LLC
FMB	111980	01/11/24	133.37	GLOBALSTAR USA
FMB	111981	01/11/24	702.05	GRAINGER PARTS
FMB	111982	01/11/24	16,900.00	HABEN PROF. CHIROPRACTIC CORP.
FMB	111983	01/11/24	8,750.00	HEARTWORKS, INC
FMB	111984	01/11/24	2,000.00	HIGH DESERT PATHOLOGY MDCL GRP
FMB	111985	01/11/24	3,274.05	HUNTINGTON HARDWARE CO., INC.
FMB	111986	01/11/24	3,900.00	INLAND MECHANICAL CONSTRUCTION
FMB	111987	01/11/24	1,193.17	IPITOMY COMMUNICATIONS LLC
FMB	111988	01/11/24	26,010.00	IRIS TELEHEALTH MEDICAL GROUP
FMB	111989	01/11/24	1,642.77	J AND J PRODUCE CO
FMB	111990	01/11/24	455.00	JAMES SKOEN
FMB	111991	01/11/24	888.00	JAMIE DAVIDSON
FMB	111992	01/11/24	5,392.80	JON BOOTH
FMB	111993	01/11/24	1,447.00	KBHR FM
FMB	111994	01/11/24	1,929.75	KNIGHT'S AUTOMOTIVE AND PERFOR
FMB	111995	01/11/24	3,536.70	KONICA MINOLTA
FMB	111996	01/11/24	45,039.51	LITECURE, LLC
FMB	111997	01/11/24	4,636.00	LUDECKES ELECTRIC SVC INC
FMB	111998	01/11/24	64.99	MATTHEW BATHGATE
FMB	111999	01/11/24	51,618.09	MEDELY, INC.
FMB	112000	01/11/24	7,219.63	MEDLINE INDUSTRIES INC
FMB	112001	01/11/24	1,500.00	MICHAEL NORMAN DO
FMB	112002	01/11/24	1,500.00	MICHAEL S CHIN, MD, INC
FMB	112003	01/11/24	421.58	MOONRIDGE FUEL
FMB	112004	01/11/24	4,375.00	NAVE LAW OFFICE, PC
FMB	112005	01/11/24	5,052.00	O'HAGAN MEYER LLC
FMB	112006	01/11/24	2,626.09	OLYMPUS AMERICA INC.
FMB	112007	01/11/24	372.71	ORTHO-CLINICAL DIAGNOSTICS INC
FMB	112008	01/11/24	23,500.00	PAUL F STEMMER MD
FMB	112009	01/11/24	232.36	PERFORMANCE HEALTH SUPPLY INC.
FMB	112010	01/11/24	475.38	PETTY CASH - DIANA ALVAREZ
FMB	112011	01/11/24	277.52	PETTY CASH - VICTORIA SHIVELY
FMB	112012	01/11/24	193.00	PTS COMMUNICATIONS
FMB	112013	01/11/24	3,990.00	RAM HEALTHCARE CONSULTING GROU
FMB	112014	01/11/24	2,061.33	READY REFRESH BY NESTLE
FMB	112015	01/11/24	750.00	ROSHAN T MELVANI MD INC
FMB	112016	01/11/24	70.00	S-CURVE TECHNOLOGIES INC.
FMB	112017	01/11/24	4,323.31	STAPLES ADVANTAGE
FMB	112018	01/11/24	20,250.00	STEVEN MICHAEL KNAPIK
FMB	112019	01/11/24	1,501.56	SYSCO RIVERSIDE INC
FMB	112020	01/11/24	165.52	TAVOCA INC
FMB	112021	01/11/24	9,308.00	TELE CONNECT THERAPIES
FMB	112022	01/11/24	2,500.00	THE DOCTOR'S HOUSE, INC
FMB	112023	01/11/24	6,800.00	THE FARNSWORTH GROUP, LTD
FMB	112024	01/11/24	1,645.10	TRI ANIM HEALTH SERVICES INC
FMB	112025	01/11/24	5,280.00	TRYSPARROW.COM INC
FMB	112026	01/11/24	639.33	UNITED NURSES ASSOCIATION
FMB	112027	01/11/24	281.39	UNITED PARCEL SERVICE

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CODE	NUMBER	DATE	PAYEE
FMB	112028	01/11/24	1,533.91 US FOOD SERVICE INC
FMB	112029	01/11/24	13,700.00 V. MADHU ANVEKAR MD, INC.
FMB	112030	01/11/24	367.53 VISA
FMB	112031	01/11/24	2,227.98 WAXIE SANITARY SUPPLY
FMB	112032	01/11/24	38,500.00 WILLIAM CANNATA, MD
FMB	112033	01/11/24	45.00 EVAN RAYNER
FMB	112034	01/11/24	45.00 GARTH HAMBLIN
FMB	112035	01/18/24	358.91 AMAZON CAPITAL SERVICES, INC
FMB	112036	01/18/24	28,500.00 AMN LEADERSHIP SOLUTIONS INC
FMB	112037	01/18/24	1,179.75 ARTHREX, INC
FMB	112038	01/18/24	34,220.91 BETA HEALTHCARE GROUP
FMB	112039	01/18/24	24,587.87 BETA HEALTHCARE GROUP
FMB	112040	01/18/24	1,337.16 C R BARD INC
FMB	112041	01/18/24	1,173.30 CALIF TOOL & WELDING SUPPLY
FMB	112042	01/18/24	3,951.72 CALIFORNIA BOILER INC
FMB	112043	01/18/24	7,391.50 CANON MEDICAL SYSTEMS USA, INC
FMB	112044	01/18/24	.00 CARDINAL HEALTH
FMB	112045	01/18/24	48,450.00 CENTER FOR ORAL HEALTH
FMB	112046	01/18/24	90.00 DOOLEY COMPANY
FMB	112047	01/18/24	3,503.27 EMERALD TEXTILES
FMB	112048	01/18/24	501.08 EXPERIAN HEALTH, INC
FMB	112049	01/18/24	996.00 EXTRA SPACE MANAGEMENT INC
FMB	112050	01/18/24	9,606.42 FISHER HEALTHCARE
FMB	112051	01/18/24	9,874.19 GATEWAY ACCEPTANCE CO.
FMB	112052	01/18/24	1,961.67 GRAINGER PARTS
FMB	112053	01/18/24	5,995.00 I2I POPULATION HEALTH
FMB	112054	01/18/24	656.00 INFLUENCE MARKETING SERVICES
FMB	112055	01/18/24	20.00 INNOVATIVE CREDIT SOLUTIONS
FMB	112056	01/18/24	886.78 INSTRUMENTATION LABORATORY
FMB	112057	01/18/24	2,431.65 IRON MOUNTAIN INC
FMB	112058	01/18/24	4,171.00 LIFESTREAM
FMB	112059	01/18/24	15,442.18 MEDELY, INC.
FMB	112060	01/18/24	2,400.00 MEDICAL DISPATCH
FMB	112061	01/18/24	3,950.33 MEDLINE INDUSTRIES INC
FMB	112062	01/18/24	105.25 MOUNTAIN WATER CO
FMB	112063	01/18/24	76,143.10 NUWEST GROUP HOLDINGS, LLC
FMB	112064	01/18/24	33.90 OJ'S DONUT HOUSE
FMB	112065	01/18/24	398.59 ORTHO-CLINICAL DIAGNOSTICS INC
FMB	112066	01/18/24	343.57 PERFORMANCE HEALTH SUPPLY INC.
FMB	112067	01/18/24	10.00 PL MEDICAL CO., LLC
FMB	112068	01/18/24	1,995.00 RAM HEALTHCARE CONSULTING GROU
FMB	112069	01/18/24	1,025.90 RELIAS LLC
FMB	112070	01/18/24	2,757.75 SOFTSCRIPT INC
FMB	112071	01/18/24	21,833.00 SOL RADIOLOGY INC
FMB	112072	01/18/24	2,550.00 STANLEY K MATHIS, DPM, INC.
FMB	112073	01/18/24	3,590.67 STAPLES ADVANTAGE
FMB	112074	01/18/24	5,254.50 TRI RAD INC
FMB	112075	01/18/24	145.20 TWIN BEAR EQUIP RENTAL INC
FMB	112076	01/18/24	49.83 UNITED PARCEL SERVICE
FMB	112077	01/18/24	22.89 WAXIE SANITARY SUPPLY
FMB	112078	01/18/24	23,790.00 WIPFLI CPA & CONSULTANTS

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FMB	112079	01/18/24	10,553.40	WISCONSIN STE LAB HYGIENE
FMB *	112080	01/18/24	692.60	ZONES INC
FMB	112082	01/25/24	20.00	ATENZA HELEN
FMB	112083	01/25/24	33.00	GANDARARAMIREZ ERICK
FMB	112084	01/25/24	2,220.80	IEHP
FMB	112085	01/25/24	30.78	UNITED HEALTHCARE
FMB	112086	01/25/24	2,110.10	AESCU LAP
FMB	112087	01/25/24	3,764.78	AFLAC
FMB	112088	01/25/24	179.00	AHMICQUI BRIBIESCAS-PAGE
FMB	112089	01/25/24	277.45	AIRGAS USA,LLC
FMB	112090	01/25/24	574.36	ALBERTSONS SAFEWAY
FMB	112091	01/25/24	3,960.00	ALOIS, LLC
FMB	112092	01/25/24	2,275.00	AM DEVELOPMENT GROUP
FMB	112093	01/25/24	922.06	AMAZON CAPITAL SERVICES, INC
FMB	112094	01/25/24	351.31	BEAR VALLEY ELECTRIC
FMB	112095	01/25/24	4,993.91	BIG BEAR DISPOSAL
FMB	112096	01/25/24	1,137.00	BIG BEAR GRIZZLY
FMB	112097	01/25/24	1,839.60	CAHF
FMB	112098	01/25/24	1,299.00	CALIFORNIA CHAMBER OF COMMERCE
FMB	112099	01/25/24	189,297.39	CALPERS1486578418
FMB	112100	01/25/24	.00	CARDINAL HEALTH
FMB	112101	01/25/24	18,500.00	CARE DIRECTIVES, LLC
FMB	112102	01/25/24	.00	CASSANDRAE DIZON
FMB	112103	01/25/24	965.58	CHARTER COMMUNICATIONS HOLDING
FMB	112104	01/25/24	4,188.28	CLEAN HARBORS ENVRMTL SERV INC
FMB	112105	01/25/24	65,311.62	CPSI/EVIDENT
FMB	112106	01/25/24	11,553.38	DELTA DENTAL OF CA
FMB	112107	01/25/24	2.00	DEPT OF MOTOR VEHICLES
FMB	112108	01/25/24	270.00	E AND W THEATRES INC
FMB	112109	01/25/24	2,914.36	EMERALD TEXTILES
FMB	112110	01/25/24	464.67	FASTENAL CO
FMB	112111	01/25/24	3,960.00	FLEXCARE, LLC
FMB	112112	01/25/24	17,077.50	G.L. HICKS FINANCIAL, LLC
FMB	112113	01/25/24	6,973.08	GATEWAY ACCEPTANCE CO.
FMB	112114	01/25/24	190.15	GLOBO LANGUAGE SOLUTIONS LLC
FMB	112115	01/25/24	454.92	GRAPHICS DESIGNED INK INC.
FMB	112116	01/25/24	3,528.00	HOST HEALTHCARE INC.
FMB	112117	01/25/24	1,628.29	J AND J PRODUCE CO
FMB	112118	01/25/24	22.00	JAMES STEWART
FMB	112119	01/25/24	22.00	KEVIN REYES
FMB	112120	01/25/24	7,959.44	LABORATORY CORP OF AMERICA
FMB	112121	01/25/24	79.70	LEGALSHIELD
FMB	112122	01/25/24	2,402.09	LUDECKES ELECTRIC SVC INC
FMB	112123	01/25/24	36.81	MARLON DELAS ALAS
FMB	112124	01/25/24	780.00	MASCARI DINH ARCHITECTS
FMB	112125	01/25/24	5,594.12	MATHESON TRI GAS INC.
FMB	112126	01/25/24	2,295.00	MCNEIL, TROPP & BRAUN, LLP
FMB	112127	01/25/24	34,104.97	MEDELY, INC.
FMB	112128	01/25/24	.00	VOIDED
FMB	112129	01/25/24	24,373.53	MEDLINE INDUSTRIES INC
FMB	112130	01/25/24	130.00	MINDWAYS SOFTWARE INC

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FMB	112131	01/25/24	10,444.25	MUTUAL OF OMAHA
FMB	112132	01/25/24	43.26	NATASHIA JOHNSON
FMB	112133	01/25/24	525.00	NICHOLAS O. ALIBERTI
FMB	112134	01/25/24	5,842.78	NRC HEALTH
FMB	112135	01/25/24	483.61	PETTY CASH - DIANE LOPEZ
FMB	112136	01/25/24	95,234.09	QUORUM HEALTH RESOURCES LLC
FMB	112137	01/25/24	9,980.00	RIGHT-HAND CYBER SECURITY, INC
FMB	112138	01/25/24	7,671.40	SYSCO RIVERSIDE INC
FMB	112139	01/25/24	5,695.43	SYSMEX AMERICA, INC.
FMB	112140	01/25/24	1,353.99	TASTY PRODUCTS, INC
FMB	112141	01/25/24	1,215.10	TEAMSTERS LOCAL 1932
FMB	112142	01/25/24	808.13	TRUMED FINANCIAL SERVICES - LB
FMB	112143	01/25/24	745.31	UNITED NURSES ASSOCIATION
FMB	112144	01/25/24	35.51	UNITED PARCEL SERVICE
FMB	112145	01/25/24	5,381.65	US FOOD SERVICE INC
FMB	112146	01/25/24	256.52	WATER AND SANITATION DIVISION
FMB	112147	01/25/24	523.62	WAXIE SANITARY SUPPLY
FMB	112148	01/25/24	96.81	WENDY ZIMMERMAN
FMB	112149	01/26/24	523.00	CALIF STATE BOARD OF PHARMACY
TOTALS:			1,794,727.90	