



PUBLIC NOTICE
KERN VALLEY HEALTHCARE DISTRICT
AGENDA FOR BOARD OF DIRECTORS

December 11, 2025 – 2:00 p.m.

Location: Administrative Conference Room

www.kvhd.org

REMOTE PARTICIPATION: Microsoft Teams
Meeting ID: 261 037 524 926 45 Passcode: 9v4rE65q

A. CALL TO ORDER

B. APPROVAL OF AGENDA

(pages 1-3)

1. Flag Salute

2. Invocation

3. Mission Statement: We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.

C. PUBLIC COMMENT: This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. The Board cannot take action on items not listed on the agenda for action. Speakers are limited to three minutes. Please state your name before making your comment.

D. CONSENT AGENDA: The following items are considered routine and non-controversial by Hospital Staff. Consent items are listed as **ACTION** items and may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered separately.

1. Board of Directors Meeting Minutes – November 13, 2025 *(pages 4-8)*
Recommendation – Approve minutes as presented

2. Chief of Medical Staff Report *(page 9)*
Recommendation – Review report

3. Chief Nursing Officer Report *(page 10)*
Recommendation – Review report

- 4. Chief Information Officer Report** *(page 11)*
Recommendation - Review report
- 5. Foundation/Auxiliary Report** *(pages 12-14)*
Recommendation – Review report
- E. REPORTS:**
- 1. Chief Executive Officer**
 John Lovrich, Chief Executive Officer *Information*
Recommendation – Hear report
- F. OLD BUSINESS:** None
- G. NEW BUSINESS:**
- 1. Unaudited Financial Statement - October 2025** *Action*
 John Lovrich, Chief Executive Officer *(pages 15-25)*
Recommendation – Approve financial statement as presented
- 2. 13-Month Patient Statistics – October 2025** *Action*
 John Lovrich, Chief Executive Officer *(pages 26-27)*
Recommendation – Approve report as presented
- 3. Financial Report Narrative Summary – October 2025** *Action*
 John Lovrich, Chief Executive Officer *(pages 28)*
Recommendation - Accept report as presented
- 4. Contract Reviews** *Action*
 John Lovrich, Chief Executive Officer *(page 29)*
Recommendation – Continue with contracts as presented
- a. Christopher Burrows, MD – Emergency Service
 - b. Kern County EMS – Mass Casualty Storage Trailer
 - c. Cyrano Systems – Video Editing Software
 - d. DFI Enterprises – Inspector of Record
 - e. Kris Hall, MD – Emergency Service
 - f. Marvel Medical – Nurse Registry
 - g. One Legacy – Organ Procurement
 - h. Point Click Care – Skilled Nursing HER
 - i. Psychiatric Medical Practitioners – Behavioral Health Services
 - j. Sparkle – Mats/Uniforms
 - k. Teleconnect Therapies – Mental Health Telemedicine – MVHC
 - l. Texas Health Resources (Premier) – Membership for Purchasing Advantage
 - m. TGL Medstaff – Nurse Registry
- 5. Security System Proposals – Outlying Buildings** *Action*
 Bob Easterday, Plant Operations Manager *(page 30)*
Recommendation – Evaluate proposals/select vendor

- 6. Resolution 25-11 – A Resolution of the Board of Directors of Kern Valley Healthcare District Declaring Certain Property Surplus to the Needs of the District and Authorizing Disposition of the Property** *Action*
John Lovrich, Chief Executive Officer *(pages 31-34)*
Recommendation – Adopt resolution to surplus property as presented
- 7. Approval of Compensation for Dr. Orson Anderson** *Action*
John Lovrich, Chief Executive Officer *(pages 35-42)*
Recommendation – Approve salary/bonus as presented

H. DIRECTORS COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

I. CLOSED SESSION:

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD
- Existing Litigation – Rostad v. KVHD
- Potential Litigation – 3 Cases
 - Carrington v. KVHD
 - Moudy v. KVHD
 - Contreras v. KVHD
- Performance Evaluation – Chief Executive Officer

J. CLOSED SESSION REPORT

Scott Nave, Legal Counsel

K. ADJOURNMENT



**KERN VALLEY HEALTHCARE DISTRICT
MINUTES FOR BOARD OF DIRECTORS MEETING**

Location: Administrative Conference Room/Teams
Thursday, November 13, 2025 – 2:00pm

- PRESENT:** John Blythe, Board Chair
Fred Clark, 2nd Vice Chair (*arrived at 2:23pm*)
Ross Elliott, Secretary
Gene Parks, Treasurer
John Lovrich, Chief Executive Officer
Mark Gordon, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Amy Smith, Controller
Scott Nave, Legal Counsel
Dena Griffith, Risk Manager
Nicolas Caver, Marketing Manager
Greg Davis, Director of Population Health
- ABSENT:** Katheryn Elconin, 1st Vice Chair

- A. CALL TO ORDER:** The meeting was called to order at 2:00pm by Director Blythe.
- B. APPROVAL OF THE AGENDA:** A motion was made by Director Parks to approve the agenda as presented. The motion was seconded by Director Elliott. The motion passed with a vote of 3/0 (KE absent, FC late).
- 1. FLAG SALUTE:** Director Blythe
 - 2. INVOCATION:** John Lovrich, CEO
 - 3. MISSION STATEMENT:** We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.
- C. PUBLIC COMMENT:** None
- D. CONSENT AGENDA:**
1. Board of Directors Meeting Minutes – October 9, 2025
 2. Governance Committee Meeting Minutes – October 28, 2025
 3. Compliance Committee Meeting Minutes – October 28, 2025
 4. Building & Planning Committee Meeting Minutes – October 28, 2025
 5. Finance Committee Meeting Minutes – October 29, 2025
 6. Unaudited Financial Statement – September 2025
 7. 13-Month Patient Statistic – September 2025
 8. Financial Report Narrative Summary –September 2025

9. Contracts:

- a. ADT Security Service – Retail Pharmacy Security Protection
- b. Allmed Healthcare Management – Internal Peer Review Service
- c. Amazon Web Services – Data Back-Up Cold Storage
- d. E-MDs – MVHC Software Support
- e. Faxage – Digital Faxing
- f. Hospital Council of Northern and Central CA – Membership Dues
- g. Hospital Quality Institute – Health Equity Reporting
- h. Houchin Blood Bank – Blood/Packed Cells
- i. ICAHN – Patient Satisfaction Surveys (HCAPS)
- j. Kern Psychiatric Health and Wellness Center – Psychiatric Services
- k. Maria Martins, MD – Emergency Service
- l. Nuance Communications – Dragon Medical License
- m. RLH Fire Protection – Fire Sprinkler Inspection
- n. Sienna Hospitalist Group – Hospitalist Service
- o. Sienna Hospitalist Group – Medical Director Acute Care
- p. Sienna Hospitalist Group – Medical Director Skilled Nursing
- q. Touro University – Clinical Preceptorship (PA)
- r. VALIC – 401a Retirement Plan
- s. Valley Childrens Hospital – Transfer Agreement
- t. Western Healthcare – ER Locums

10. Board Personnel & Policy Meeting Minutes – October 27, 2025

11. Human Resources Report – September 2025

12. Policies:

Health Information Management:

- Admitting/Attending Physician
- Deficiencies, Physicians
- Insurance Audits
- Restricted Records
- Retention/Destruction of Confidential PHI
- Safeguarding/Access to Medical Records
- Transfer of Patient Records

Human Resources:

- Drug and Alcohol Testing
- Workplace Violence Prevention in Healthcare

Laboratory - General:

- Down-Time Procedure

Laboratory – Specimen Collection:

- Criteria for Specimen Collection

Nursing:

- Disposition and Documentation of Valuables

Pharmacy:

- Patient’s Home Medication Use and Storage

Rural Health Clinic:

- Vaccines for Children - Administration

Skilled Nursing:

- Theft and Loss Control

To Be Retired:

HR – Discounts: Employees/Board Members

HIM – Distribution of Radiology Reports

13. Manuals:

Emergency Preparedness

Surgery

Staff Development

14. Medical Appointments:

David Silber, DO – Cardiology – Provisional

Hammed Ninalowow, MD – Radiology – Provisional

15. Medical Reappointments:

Christopher Burrows, MD – Emergency Medicine – Consulting

16. Chief of Medical Staff Report

17. Chief Nursing Officer Report

18. Chief Information Officer Report

19. Foundation/Auxiliary Report – *Pulled by Director Elliott*

20. District Hospital Directed Payment Program – SCA Consulting

21. Bakersfield American Indian Health Project Agreement – *Pulled by Director Elliott*

22. Universal Healthcare IPA – Provider Agreement

23. Universal Health Plan – Hospital Provider Agreement

24. Capital Expenditure Request – ER Gurneys

Director Elliott requested that items 19 and 21, the Foundation/Auxiliary Report and the Bakerfield American Indian Health Project Agreement, be pulled from consent for further discussion. These items will be placed under New Business as items 4 and 5. A motion was made by Director Parks to approve the consent agenda as amended. The motion was seconded by Director Elliott. The motion passed with a vote of 3/0 (KE absent, FC late).

E. REPORTS:

1. Chief Executive Officer: The CEO Report was given by John Lovrich. Mr. Lovrich updated the Board on the wound care program stating we may have some issues with reimbursement for this service. Mr. Lovrich is continuing to evaluate the cost effectiveness of this program. The agreement with the Bakersfield American Indian Health Project (BAIHP) agreement is list on this agenda for consideration. They currently have 54 enrollees but anticipate as many as 200. This agreement will add BAIHP as a secondary payer for ancillary services for their enrollees and allow them access to more local services. There are also agreements with Universal Healthcare on the agenda for consideration. The Skilled Nursing Facility beautification project is ongoing. Tile repairs and painting have been completed. We are currently waiting on the new baseboards. Mr. Lovrich reported that he is working on our SNF reimbursement rates stating that our rate is lower than most facilities. This is related to keeping our expenses low. Mr. Lovrich stated he will be reaching out to Dr. Bhaika to see if he is interested in performing GI procedures here again. The District is currently in the middle of three audits – MediCare, MediCal, and annual audits. The District is continuing to evaluate the wage ranges comparing ours with the data from the HASC salary survey. Once determined, the salary ranges will be presented to the Board for approval. Mr. Gordon is working on the nurse training program which will include bringing in outside instructors and potentially partnering with other facilities. Mr. Lovrich reported that we may have a physician for the clinic. He will be coming on-site for a second interview next week. Director Blythe

asked about intensive outpatient care for addiction. Mr. Lovrich stated that staffing those services would be a struggle, but we continue to look at behavioral health services.

Director Clark arrived at this point.

F. OLD BUSINESS: None.

G. NEW BUSINESS:

- 1. Triscend CAP-Ex Agreement – Amendment No. 1:** The Triscend CAP-Ex Agreement was presented by Scott Nave, Legal Counsel. Mr. Nave stated this amendment is memorializing what was discussed at the time of Mr. McGlew’s retirement. A motion was made by Director Parks to approve the amendment as presented. The motion was seconded by Director Elliott. The motion passed with a vote of 4/0 (KE absent).
- 2. Emergency Department Agreement – Bowers – Amendment 1:** The amendment to the Emergency Department Agreement for Dr. Bowers was presented by Mr. Lovrich. This rate was agreed to by previous Administration. This individual has proved to be an asset to the staffing of the ER and helps reduce the use of locums which are more costly. Director Parks made a motion to approve the amendment as presented. After lengthy discussion, the motion was seconded by Director Elliott. The motion passed with a vote of 4/0 (KE absent).
- 3. Population Health Building (4308 Birch Street):** The Board requested getting an estimate of the building and bringing back for further discussion.
- 4. Foundation/Auxiliary Report:** This item was pulled from the consent agenda by Director Elliott. Director Elliott had questions about the reference to “Bakersfield outreach” in the marketing report. Nic Caver, Marketing Manager, stated the outreach was related to efforts to increase the SNF census. Director Elliott was pleased to hear that. Director Elliott asked how we are addressing improving our reputation in the community. Mr. Caver stated we are working to improve our reputation through community outreach and events. Director Elliott stated he is hopeful that sharing patient’s stories/experiences will help with community perception. Director Elliott also asked about our efforts to capture patients that are traveling outside of our community for care. Mr. Caver stated we are continuing to communicate with the community on services that we have available. Director Elliott made a motion to receive and file the report. The motion was seconded by Director Parks. Motion passed with a vote of 4/0 (KE absent).
- 5. Bakersfield American Indian Health Project Agreement:** This item was pulled from the consent agenda by Director Elliott. Director Elliott stated the agreement lists MRI, which needs to be removed. Director Elliott also expressed concern about the indemnification section. Legal Counsel stated we requested changes to ensure the agreement includes mutual indemnification. A motion was made by Director Elliott to approve the agreement conditionally with corrections (removal of MRI and mutual indemnification). The motion was seconded by Director Parks. Motion passed with a vote of 4/0 (KE absent).

H. DIRECTOR’S COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA:

Director Clark: Director Clark apologized for his late arrival.

Director Elliott: Director Elliott thanked Director Clark for his community service.

Director Parks: Director Parks is glad Nic is out in the community.

Director Blythe: Director Blythe thanked everyone for coming.

I. CLOSED SESSION: The Board went into closed session at 3:01pm.

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD
- Existing Litigation – Rostad v. KVHD
- Potential Litigation – 1 Case
- Performance Evaluation – Chief Executive Officer

The Board came out of closed session at 3:44pm.

J. CLOSED SESSION REPORT: The closed session report was given by Legal Counsel, Scott Nave. In closed session, the Benson, Volkava, and Rostad matters were not discussed. The Board discussed one case of potential litigation and unanimously vote to reject the claim. The Board also conducted an evaluation of the CEO’s performance. No other items were discussed.

K. ADJOURNMENT: The meeting was adjourned at 3:44pm by Director Blythe.

Approved by:

Ross Elliott, Secretary

John Blythe, Chair



Chief of Staff Report – December 11, 2025 Board Meeting

Emergency Department (ED) Committee – November 5, 2025

- Committee discussed the progress of barcode scanning in the ER, EMS issues, physician and nurse staffing, and radiology turnaround times.
- Committee reviewed and approved three policies (Human Trafficking Recognition, Reporting and Documentation, Involuntary Psychiatric Hold – 5150 – Suicide Management, Emergency Care of Patients).
- Committee reviewed regular reports including Monthly Statistical Reports, ED Clinical Quality Measures, Blood Culture Analysis, and Medication Shortages.

Pharmacy & Therapeutics (P&T) Committee– November 12, 2025

- Committee received reports and discussed issues specific to winter respiratory illnesses.
- Committee reviewed ED stats for October 2025.
- Committee reviewed 14 and approved 13 policies. (Standard Insulin Infusion Protocol, Nursing Call-Off Labor Pool, Human Trafficking, Involuntary Psychiatric Hold – 5150 – Suicide Management, Mesa Clinical Pharmacy Services, Pharmacy Hours and Delivery Schedule, Attendance, Cleaning – Equipment and Clinic, Language Interpretation Services, Pregnant Personnel, Radiation Safety Cumulative Dose Report, Radiology Department Services – General, and Emergency Care of Patients.) The policy Wound Care Management was tabled. Committee also approved the retirement of policy Incident Investigation Witness Interview.
- Committee reviewed and approved Hyperglycemic Crisis (DKA) Guidelines for both Pediatrics and Adults.
- Committee reviewed regular reports. (Blood Usage, Blood Culture Analysis, CAHPS, Temperature Alert Incidents, Medication Shortages, and MERP).

Medical Executive Committee (MEC) – November 19, 2025

- Committee reviewed and approved 13 policies (from P&T above).
- Committee discussed 2 policies that have come up for review. Brain Death Determination will remain on the agenda for further discussion and Supervision of Advanced Practice Practitioners will have one revision.
- Committee reviewed regular reports (ED Monthly Statistics, Physician QI/Risk Report Monthly, Medication Shortages)

Skilled Nursing Facility Continuous Quality Improvement (SNF CQI) Committee – November 25, 2025

- Committee reviewed regular reports (CDPH Plan of Correction Tracking, SNF QA Statistics, SNF Consultant Pharmacy QA Report, SNF HAI Monthly Report, Device Usage in SNF, SNF Hand Hygiene Compliance, SNF Environment of Care Rounds Checklist, and Fluorescent Marker Assessment).
- Committee reviewed the Antibiogram through September 2025 and the Antibiotic Usage for UTI, and Wound, Respiratory & GI Reports.

CHIEF NURSING OFFICER Board Report 12/11/2025

Our nursing shortages are much improved, and we are currently covered in the med/surg and ER side of the house.

We are providing a weekly wound care program for outpatients and are looking at the revenue side of this process to ensure it will be lucrative for us.

New programs are being created for training the new nursing staff and will be worth the expense for retaining our own highly trained staff here. Mandatory training for new grads with < one year experience. Future classes include:

- Triage ESI training – Eric Wicker (mid-January)
- Precipitous delivery – Kahlie Chambers (after receipt of the new warmer)
- Chest tube insertion – Tina Bennett
- IV and Mid-line insertion and maintenance – Janel Valdez

The Nursing skills lab will require some investment in supplies and training materials which I believe we have needed for a long time. The Auxiliary has funding for many of these tools and supplies. Joy Donoho will be developing a list of supplies and products to purchase. We have ordered some preliminary tools (i.e. chest tube insertion materials, OB/precipitous delivery kit)

Chaplaincy policy revisions – I met with the Kern River Valley Pastors association and will be creating an on-call roster to meet the spiritual needs and requests of the patients, family and staff members for guidance and support.

We will reach out to CEOs in Bakersfield for discussion related to transfers and potential skilled nursing admission networking.



KVHD CIO Report 12/11/2025

- Cary, Greg, and Miranda will be traveling to AZ 12/17-12/18 to review a clinic that is using TruBridge's software. We are going to determine if moving MVHC to TruBridge is a viable option.
- The migration of our radiology server should be completed by 12/8. A meeting will take place on 12/9 to determine the cutover plan for the new servers.
- A critical piece of network equipment that was reaching end-of-life was replaced on 11/25 by our internet vendor. This new device is performing much better and has increased our bandwidth by as much as 30%. There was approximately 5-10 minutes of network downtime to replace the device.
- IT is working to remove old and outdated equipment from storage in our office and offsite. A detailed list of surplus hardware has been submitted to the Board for resolution.
- The updated contract for Tsystem was signed last month which will allow us to take advantage of their new product called EVOLVED. EVOLVED will give us a much more modern EHR for the ED and allow us to take advantage of more streamlined workflows for HIM and Billing staff. The project will not kickoff until Q1 or Q2 of 2026.

November Marketing and Outreach Performance Report

Community & Resident Engagement Highlights

Focus: November Events & Holidays

November continued our strong engagement streak with a focus on gratitude and community health. This past month we successfully launched Thanksgiving events, Veterans Day activities, or Diabetes Awareness Month campaign, Launched “Dr. Tiffany’s Takeaways” , expanded local services we offer here in the KRV.

- **Activities:** [e.g., Thanksgiving Luncheon, Veteran’s Day, Sweet Treat Social].
- **Community Connection:** Establishing a food pantry for those employees who are having tough times during the holidays and pushing this through the rest of the holiday season, since it was a large success.

Patient Insights and Feedback

Focus: Data Analysis & Story Conversion

Following the October rollout of our patient satisfaction surveys, we have moved from the initial collection phase into preliminary analysis.

- **Survey Metrics:** We are tracking official metrics, and so far results are slow, but people are utilizing the survey, and so far the results have all been positive ratings in 3 different departments. Had a discussion to possibly pivot to gain more traction on the surveys.
- **Patient Success Stories:** Regarding the leads identified in October, we successfully secured a signed & dated final release form from one individual named Mr. Duncan who shares-

“ I've been to 2 other physical therapy places in the last 9 months. The other places I have been to never took the time to explain what we were trying to accomplish, and never had any success with my therapy.....Working with Lindsey, she took the time to explain what we were trying to do, and how it would help me.”

This small excerpt from him is a small step in the right direction!

Strategic and Operational Initiatives

Area	Status/Achievement (November Progress)	Operational Needs/Next Steps
Bakersfield Outreach	Marketing materials have been updated, ordered & approved, and discussions with local Hospices (ex. Bristol) have been continually in the works, but the outreach to Bakersfield is in progress.	Distribution of materials, tracking initial inquiries, and hoping to initiate in December or even early Jan. Right now KMC is the primary target.
CAH/ Local Services Education	Digital marketing campaign regarding "Critical Access Hospital" will be in progress for the month of Dec. to Jan on social media as the primary source, where as local services has started data that was provided to be translated within Early December.	Monitoring engagement metrics primarily on facebook (views/shares).
Fall Diabetic Classes	Update on the classes: e.g., Classes successfully started/high demand & attendance.	A good amount of people that wanted to sign up (20 people) for the classes, but ultimately we could only take 10.
Auxiliary Operations	Continued growth in customer demand. Over \$1600 Daily since Sept.	Credit Card machine - still in process thought it was ordered, but still in process of being delivered will follow up. cont. need for volunteers. Meeting with community leaders to lend a hand.
Local Advertising	Lamar digital signage was secured for the month of December since we could not secure the front billboard in town (Media comm renewed contract) and will be monitoring metrics (ex. Calls, emails, walk ins, etc.)	This digital signage was the inexpensive option especially considering we are trying to actively do outreach in Bakersfield.

Summary

November served as a pivotal execution month, moving some strategic foundations laid in October into active phases. The focus on **Bakersfield Outreach** and **Diabetic Education** aligned well with our seasonal goals. I know that progress has been slow, but it has been consistent, along with starting new initiatives that I am very proud & confident that will work.

Forward-Looking Focus Areas (Moving into December)

As we approach the end of the year, some of our primary objectives shift toward holiday community engagement and year-end operational reviews & focusing on pivoting into the new year.

1. Holiday Community Engagement:

- **Events:** Planning and execution of December holiday festivities (Christmas/Holiday celebrations).
- **Community Presence:** [e.g., Toy Drives, Volunteer Work, Tree Lighting, Parades].

2. Year-End Reporting & Review:

- Compiling cumulative data for the annual marketing review.
- Assessing the full impact of the CAH Education campaign.

3. Continued Strategic Momentum:

- Maintaining the Bakersfield Outreach push.
- Finalizing the first quarter plan for 2025 based on Patient Feedback metrics collected in Nov/Dec.



Unaudited Financial Statements

for

Fourth Month Ending October 31, 2025

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

Amy Smith
Controller

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**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025**

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Patient Statistics

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025**

	Current Month				STATISTICS	Year-To-Date			
	Actual 10/31/25	Budget 10/31/25	Positive/ (Negative) Variance	Prior Year 10/31/24		Actual 10/31/25	Budget 10/31/25	Positive/ (Negative) Variance	Prior Year 10/31/24
Discharges									
[1]	27	30	(3)	27	Acute	98	118	(20)	106
[2]	2	2	(0)	3	Swing Beds	10	9	1	12
[3]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[4]	0	0	0	0	Respite	0	0	0	0
[5]	29	32	(3)	30	Total Adult Discharges	108	126	(18)	118
[6]	0	0	0	0	Newborn	0	0	0	0
[7]	29	32	(3)	30	Total Discharges	108	126	(18)	118
Patient Days:									
[8]	88	98	(10)	98	Acute	364	389	(25)	342
[9]	39	46	(7)	51	Swing Beds	109	182	(73)	205
[10]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[11]	0	0	0	0	Respite	0	0	0	0
[12]	127	144	(17)	149	Total Adult Patient Days	473	571	(98)	547
[13]	0	0	0	0	Newborn	0	0	0	0
[14]	127	144	(17)	149	Total Patient Days	473	571	(98)	547
Average Length of Stay (ALOS)									
[15]	3.3	3.3	0.0	3.6	Acute	3.71	3.3	(0.4)	3.2
[16]	19.5	20.8	1.3	17.0	Swing Bed	10.9	20.8	9.9	17.1
[17]	0.0	0.0	0.0	0.0	Psychiatric/Rehab	0.0	0.0	0.0	0.0
[18]	4.4	4.5	0.1	5.0	Total Adult ALOS	4.4	4.5	0.1	4.6
[19]	0.0	0.0	0.0	0.0	Newborn ALOS	0.0	0.0	0.0	0.0
[1]									
Average Daily Census (ADC)									
[20]	2.8	3.2	(0.3)	3.2	Acute	3.0	3.2	(0.2)	2.8
[21]	1.3	1.5	(0.2)	1.6	Swing Beds	0.9	1.5	(0.6)	1.7
[22]	0.0	0.0	0.0	0.0	All Other Adult	0.0	0.0	0.0	0.0
[23]	4.1	4.6	(0.5)	4.8	Total Adult ADC	3.8	4.6	(0.8)	4.4
[24]	0.0	0.0	0.0	0.0	Newborn	0.0	0.0	0.0	0.0
[1]									
Long Term Care:									
[25]	1,628	1,637	(9)	1,441	SNF/ECF Resident Days	6,404	6,494	(90)	5,708
[26]	0	3	(3)	1	SNF/ECF Resident Discharges	0	10	(10)	15
[27]	0	0	0	0	CBRF/Assisted Living Days	0	0	0	0
[28]	52.5	52.8	(0.3)	46.5	Average Daily Census	52.1	52.8	(0.7)	46.4
[1]									
Emergency Room Statistics									
[29]	24	26	(2)	24	ER Visits - Admitted	94	104	(10)	99
[30]	360	290	70	352	ER Visits - Discharged	1,433	1,160	273	1,532
[31]	241	355	(114)	264	ER - Urgent Care Visits	1,109	1,409	(300)	1,118
[32]	625	671	(46)	640	Total ER Visits	2,636	2,673	(37)	2,749
[33]	3.84%	3.92%		3.75%	% of ER Visits Admitted	3.57%	3.90%		3.60%
[34]	82.76%	88.71%		88.89%	ER Admissions as a % of Total	95.92%	88.71%		93.40%
[1]									
Outpatient Statistics:									
[35]	1,090	931	159	1,047	Total Outpatients Visits	4,262	3,694	568	3,973
[36]	15	17	(2)	21	Observation Bed Days	70	66	4	76
[37]	1,039	1,260	(221)	1,342	Clinic Visits - Primary Care	4,104	4,999	(895)	5,122
[38]	263	270	(7)	256	Clinic Visits - Specialty Clinics	986	1,071	(85)	986
[39]	0	0	0	0	IP Surgeries	0	0	0	0
[40]	0	0	0	0	OP Surgeries	0	0	0	0
[41]	0	0	0	0	Outpatient Scopes	0	0	0	0
[42]	7,121	6,489	632	5,340	Retail Pharmacy Scripts	29,277	25,747	3,530	18,965
[43]	0	0	0	11	Clinic Visits-Mobile Van	0	0	0	12
[1]									
Productivity Statistics:									
[44]	224.62	212.97	(11.65)	212.15	FTE's - Worked	223.96	212.97	(10.99)	210.31
[45]	248.82	242.06	(6.76)	234.50	FTE's - Paid	248.12	242.06	(6.06)	235.13
[46]	0.9313	1.0550	0.12	1.1602	Case Mix Index -Medicare	0.9832	1.0550	0.07	1.0495
[47]	0.9654	0.9968	0.03	0.9767	Case Mix Index - All payers	0.9646	0.9968	0.03	1.0141

KERN VALLEY HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

Fourth Month Ending October 31, 2025

BALANCE SHEET		
	10/31/2025	6/30/2025
ASSETS		
Current Assets	7,413,338	7,584,064
Assets Whose Use is Limited	15,448,612	15,669,268
Property, Plant and Equipment (Net)	11,884,881	11,735,542
Other Assets	624,276	624,276
Total Unrestricted Assets	35,371,107	35,613,150
Restricted Assets	0	0
Total Assets	35,371,107	35,613,150
LIABILITIES AND NET ASSETS		
Current Liabilities	5,301,983	5,508,276
Long-Term Debt	9,681,318	9,790,571
Other Long-Term Liabilities	2,807,487	2,677,318
Total Liabilities	17,790,788	17,976,165
Net Assets	17,580,319	17,636,985
Total Liabilities and Net Assets	35,371,107	35,613,150
STATEMENT OF REVENUE AND EXPENSES - YTD		
	ACTUAL	BUDGET
Revenue:		
Gross Patient Revenues	47,295,441	46,056,793
Deductions From Revenue	(32,535,686)	(32,003,816)
Net Patient Revenues	14,759,755	14,052,976
Other Operating Revenue	164,340	115,344
Total Operating Revenues	14,924,095	14,168,320
Expenses:		
Salaries, Benefits & Contract Labor	8,730,055	8,118,810
Purchased Services & Physician Fees	2,131,279	2,156,757
Supply Expenses	2,960,570	2,598,161
Other Operating Expenses	1,158,202	1,228,365
Bad Debt Expense	0	0
Depreciation & Interest Expense	235,049	323,822
Total Expenses	15,215,155	14,425,915
NET OPERATING SURPLUS	(291,059)	(257,594)
Non-Operating Revenue/(Expenses)	234,692	406,904
TOTAL NET SURPLUS	(56,368)	149,310
KEY STATISTICS AND RATIOS - YTD		
	ACTUAL	BUDGET
Total Acute Patient Days	364	389
Average Acute Length of Stay	3.7	3.3
Total Emergency Room Visits	2,636	2,673
Outpatient Visits	4,262	3,694
Total Surgeries	0	0
Total Worked FTE's	223.96	212.97
Total Paid FTE's	248.12	242.06
Productivity Index	0.9756	1.0000
EBITDA - YTD	-0.92%	-0.13%
Current Ratio		
Days Expense in Accounts Payable	34.00	

Balance Sheet - Assets

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025**

		ASSETS				
[1]	Net to Gross AR %	35.6%	34.8%		34.5%	
[2]	CASH -ALL SOURCES	16,598,868	16,629,380	-30,512	20,764,508	
		Current Month 10/31/2025	Prior Month 9/30/2025	Positive/ (Negative) Variance	Percentage Variance	Prior YR. UNAUDITED 6/30/2025
Current Assets						
[3]	Cash and Cash Equivalents	1,852,591	1,917,620	(65,028)	-3.39%	6,160,678
[4]	Gross Patient Accounts Receivable	23,722,068	26,284,753	(2,562,686)	-9.75%	25,088,793
[5]	Less: Bad Debt and Allowance Reserves	(15,275,053)	(17,129,967)	1,854,915	10.83%	(16,444,711)
[6]	Net Patient Accounts Receivable	8,447,015	9,154,786	(707,771)	-7.73%	8,644,083
[7]	Interest Receivable	0	0	0	0.00%	0
[8]	Other Receivables	(839,401)	(1,913,339)	1,073,938	-56.13%	(4,756,524)
[9]	Inventories	501,168	385,847	115,321	29.89%	388,816
[10]	Prepaid Expenses	758,224	743,604	14,620	1.97%	453,271
[11]	Due From Third Party Payers	(3,306,260)	(3,306,260)	0	0.00%	(3,306,260)
[12]	Due From Affiliates/Related Organizations	0	0	0	0.00%	0
[13]	Other Current Assets	0	0	0	0.00%	0
[14]	Total Current Assets	7,413,338	6,982,259	431,079	6.17%	7,584,064
Assets Whose Use is Limited						
[15]	Auxillary Cash	309,136	464,315	(155,179)	-33.42%	498,591
[16]	Investments -LAIF	289,840	289,840	0	0.00%	286,699
[17]	Debt Payment Fund	393,199	292,702	100,497	34.33%	566,847
[18]	UBS Funds	11,226,887	11,201,887	25,000	0.22%	11,126,887
[19]	Cash Westamerica	52,609	52,608	1	0.00%	52,605
[20]	Project Fund	3,176,941	3,167,425	9,515	0.30%	3,137,639
[21]	Covid Stimulus Cash Assets	0	0	0	0.00%	0
[22]	Total Limited Use Assets	15,448,612	15,468,778	(20,165)	-0.13%	15,669,268
Property, Plant, and Equipment						
[23]	Land and Land Improvements	383,800	383,800	0	0.00%	383,800
[24]	Building and Building Improvements	14,947,912	14,947,912	0	0.00%	14,947,912
[25]	Equipment	23,758,788	23,754,563	4,225	0.02%	23,478,028
[26]	Construction In Progress	7,569,904	7,546,504	23,400	0.31%	7,466,276
[27]	Capitalized Interest	0	0	0	0.00%	0
[28]	Gross Property, Plant, and Equipment	46,660,403	46,632,778	27,625	0.06%	46,276,015
[29]	Less: Accumulated Depreciation	(34,775,523)	(34,716,340)	(59,183)	-0.17%	(34,540,473)
[30]	Net Property, Plant, and Equipment	11,884,881	11,916,439	(31,558)	-0.26%	11,735,542
Other Assets						
	Unamortized Loan Costs	0	0	0	0.00%	0
[31]	Assets Held for Future Use	0	0	0	0.00%	0
	Investments in Subsidiary/Affiliated Org.	0	0	0	0.00%	0
	Other	624,276	624,276	0	0.00%	624,276
[32]	Total Other Assets	624,276	624,276	0	0.00%	624,276
[33]	TOTAL UNRESTRICTED ASSETS	35,371,107	34,991,751	379,356	1.08%	35,613,150
Restricted Assets						
[34]	TOTAL ASSETS	35,371,107	34,991,751	379,356	1.08%	35,613,150

Balance Sheet - Liabilities and Net Assets

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025**

	LIABILITIES AND FUND BALANCE				Prior Yr. UNAUDITED 6/30/2025
	Current Month 10/31/2025	Prior Month 9/30/2025	Positive/ (Negative) Variance	Percentage Variance	
Current Liabilities					
[1] Accounts Payable	2,054,259	1,996,883	(57,377)	-2.87%	1,688,097
[2] Notes and Loans Payable	0	0	0	0.00%	0
[3] Accrued Payroll	744,759	577,909	(166,850)	-28.87%	881,879
[4] Accrued Payroll Taxes	226,382	189,543	(36,839)	-19.44%	211,249
[5] Accrued Benefits	1,364,163	1,369,937	5,773	0.42%	1,342,995
[6] Accrued Pension Expense (Current Portion)	(136,691)	(105,799)	30,892	-29.20%	(1,089)
[7] Other Accrued Expenses	374,242	249,570	(124,672)	-49.95%	295,335
[8] Patient Refunds Payable	760,139	846,069	85,930	10.16%	828,636
[9] Property Tax Payable	0	0	0	0.00%	0
[10] Due to Third Party Payers	(633,926)	(753,290)	(119,364)	15.85%	(652,210)
[11] Advances From Third Party Payers	0	0	0	0.00%	0
[12] Current Portion of LTD (Bonds/Mortgages)	458,000	458,000	0	0.00%	910,000
[13] Current Portion of LTD (Leases)	90,655	98,717	8,062	8.17%	3,384
[14] Other Current Liabilities	0	0	0	0.00%	0
Total Current Liabilities	5,301,983	4,927,538	(374,444)	-7.60%	5,508,276
Long Term Debt					
[15] Bonds/Mortgages Payable	8,712,000	8,712,000	0	0.00%	9,164,000
[16] Leases/Notes Payable	1,517,973	1,526,035	8,062	0.53%	1,539,955
[17] Less: Current Portion Of Long Term Debt	548,655	556,717	8,062	1.45%	913,384
Total Long Term Debt (Net of Current)	9,681,318	9,681,318	0	0.00%	9,790,571
Other Long Term Liabilities					
[18] Deferred Revenue	0	0	0	0.00%	0
[19] Accrued Pension Expense (Net of Current)	279,018	245,552	(33,466)	-13.63%	148,849
[20] Long Term Settlements	2,528,469	2,528,469	0	0.00%	2,528,469
Total Other Long Term Liabilities	2,807,487	2,774,021	(33,466)	-1.21%	2,677,318
[21] TOTAL LIABILITIES	17,790,788	17,382,877	(407,911)	-2.35%	17,976,165
Net Assets:					
[22] Unrestricted Fund Balance	16,640,302	16,640,302	0	0.00%	16,640,302
[23] Inter-Departmental Transfer (DSH)	0	0	0	0.00%	0
[24] Restricted Fund Balance	0	0	0	0.00%	0
[25] Net Revenue/(Expenses)	940,018	968,572	(28,555)	-2.95%	996,683
[26] TOTAL NET ASSETS	17,580,319	17,608,874	28,555	0.16%	17,636,985
[27] TOTAL LIABILITIES AND NET ASSETS	35,371,107	34,991,751	(379,356)	-1.08%	35,613,150

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025

	CURRENT MONTH				Prior Year 10/31/24
	Actual 10/31/25	Budget 10/31/25	Positive (Negative) Variance	Percentage Variance	
Gross Patient Revenue					
[1] Inpatient Revenue	993,847	1,197,198	(203,351)	-16.99%	1,270,022
[2] Clinic Revenue	1,507,686	1,530,341	(22,656)	-1.48%	1,507,298
[3] Outpatient Revenue	5,284,368	5,509,427	(225,059)	-4.08%	5,196,913
[4] Long Term Care Revenue	2,907,090	2,803,508	103,582	3.69%	2,941,872
[5] Retail Pharmacy Revenue	674,168	567,335	106,833	18.83%	471,467
[6] Total Gross Patient Revenue	<u>11,367,159</u>	<u>11,607,809</u>	<u>(240,650)</u>	<u>-2.07%</u>	<u>11,387,573</u>
Deductions From Revenue %	68%	69%			70%
[7] Discounts and Allowances (incl IGTs)	(7,626,640)	(7,903,428)	276,787	3.50%	(7,866,012)
[8] Bad Debt Expense (Governmental Providers Only)	(131,266)	(162,575)	31,309	19.26%	(125,840)
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	<u>(7,757,906)</u>	<u>(8,066,002)</u>	<u>308,096</u>	<u>3.82%</u>	<u>(7,991,852)</u>
[11] Net Patient Revenue	<u>3,609,253</u>	<u>3,541,807</u>	<u>67,446</u>	<u>1.90%</u>	<u>3,395,721</u>
[12] Other Operating Rev (Incl HHS Stimulus)	16,934	28,836	(11,901)	-41.27%	50,999
[13] Total Operating Revenue	<u>3,626,188</u>	<u>3,570,643</u>	<u>55,545</u>	<u>1.56%</u>	<u>3,446,720</u>
Operating Expenses					
[14] Salaries and Wages	1,731,138	1,661,664	(69,474)	-4.18%	1,522,753
[15] Fringe Benefits	354,691	321,810	(32,882)	-10.22%	305,569
[16] Contract Labor	92,882	62,730	(30,152)	-48.07%	91,485
[17] Professional & Physician Fees	378,156	400,464	22,308	5.57%	361,819
[18] Purchased Services	157,456	143,109	(14,347)	-10.03%	195,948
[19] Supply Expense	692,858	654,821	(38,037)	-5.81%	610,698
[20] Utilities	62,128	78,379	16,251	20.73%	82,582
[21] Repairs and Maintenance	11,403	5,843	(5,559)	-95.14%	13,906
[22] Insurance Expense	70,271	87,559	17,288	19.74%	74,824
[23] All Other Operating Expenses	76,037	103,722	27,685	26.69%	73,727
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	30,044	34,084	4,041	11.85%	35,178
[26] Depreciation and Amortization	59,183	81,614	22,431	27.48%	62,882
[27] Interest Expense (Non-Governmental Providers)	0	0.00	0	0.00%	0
[28] Total Operating Expenses	<u>3,716,248</u>	<u>3,635,800</u>	<u>(80,448)</u>	<u>-2.21%</u>	<u>3,431,371</u>
Net Operating Surplus/(Loss)	<u>(90,060)</u>	<u>(65,157)</u>	<u>(24,903)</u>	<u>38.22%</u>	<u>15,350</u>
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	171,089	14,007	157,081	1121.41%	0
[30] Investment Income	35,714	79,434	(43,720)	-55.04%	75,310
[31] Income Derived from Property Taxes	29,931	28,511	1,421	4.98%	27,974
[32] Interest Expense (Governmental Providers Only)	(20,049)	(21,403)	(1,354)	6.33%	(22,821)
[33] Other Non-Operating Revenue/(Expenses)	(155,179)	2,005	(157,183)	-7840.97%	9,862
[34] Total Non Operating Revenue/(Expense)	<u>61,505</u>	<u>102,553</u>	<u>(41,048)</u>	<u>-40.03%</u>	<u>90,326</u>
Total Net Surplus/(Loss)	<u>(28,555)</u>	<u>37,397</u>	<u>(65,951)</u>	<u>-176.36%</u>	<u>105,676</u>
[35] Operating Margin	-2.48%	-1.82%			0.45%
[36] Total Profit Margin	-0.79%	1.05%			3.07%
[37] EBITDA	-1.40%	-0.14%			1.61%
[38] Cash Flow Margin	1.40%	3.93%			5.55%

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Fourth Month Ending October 31, 2025

	YEAR-TO-DATE				
	Actual 10/31/25	Budget 10/31/25	Positive (Negative) Variance	Percentage Variance	Prior Year 10/31/24
Gross Patient Revenue					
[1] Inpatient Revenue	4,423,999	4,750,173	(326,175)	-6.87%	4,499,912
[2] Clinic Revenue	6,041,129	6,072,000	(30,871)	-0.51%	6,141,148
[3] Outpatient Revenue	22,629,477	21,859,984	769,492	3.52%	21,932,416
[4] Long Term Care Revenue	11,443,778	11,123,596	320,182	2.88%	10,214,267
[5] Retail Pharmacy Revenue	2,757,059	2,251,040	506,019	22.48%	1,679,015
[6] Total Gross Patient Revenue	47,295,441	46,056,793	1,238,649	2.69%	44,466,758
Deductions From Revenue	69%	69%			70%
[7] Discounts and Allowances (incl IGTs)	(31,952,277)	(31,358,762)	(593,516)	-1.89%	(30,740,514)
[8] Bad Debt Expense (Governmental Providers Only)	(583,409)	(645,054)	61,646	9.56%	(595,300)
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	(32,535,686)	(32,003,816)	(531,870)	-1.66%	(31,335,815)
[11] Net Patient Revenue	14,759,755	14,052,976	706,779	5.03%	13,130,943
[12] Other Operating Rev (Incl HHS Stimulus)	164,340	115,344	48,997	42.48%	142,481
[13] Total Operating Revenue	14,924,095	14,168,320	755,775	5.33%	13,273,424
Operating Expenses					
[14] Salaries and Wages	6,987,061	6,593,054	(394,007)	-5.98%	6,050,350
[15] Fringe Benefits	1,432,938	1,276,859	(156,079)	-12.22%	1,187,216
[16] Contract Labor	310,056	248,897	(61,159)	-24.57%	406,009
[17] Professional & Physician Fees	1,522,081	1,588,937	66,857	4.21%	1,424,830
[18] Purchased Services	609,198	567,820	(41,379)	-7.29%	607,144
[19] Supply Expense	2,960,570	2,598,161	(362,409)	-13.95%	2,257,104
[20] Utilities	277,087	310,988	33,901	10.90%	342,028
[21] Repairs and Maintenance	40,353	23,185	(17,167)	-74.04%	28,973
[22] Insurance Expense	310,328	347,412	37,083	10.67%	310,477
[23] All Other Operating Expenses	394,166	411,542	17,376	4.22%	322,035
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	136,268	135,238	(1,030)	-0.76%	114,604
[26] Depreciation and Amortization	235,049	323,822	88,773	27.41%	250,304
[27] Interest Expense (Non-Governmental Providers)	0	0.00	0	0.00%	0
[28] Total Operating Expenses	15,215,155	14,425,915	(789,240)	-5.47%	13,301,075
Net Operating Surplus/(Loss)	(291,059)	(257,594)	(33,465)	12.99%	(27,651)
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	238,694	55,578	183,116	329.47%	13,312
[30] Investment Income	147,396	315,172	(167,776)	-53.23%	322,405
[31] Income Derived from Property Taxes	119,725	113,123	6,602	5.84%	111,896
[32] Interest Expense (Governmental Providers Only)	(81,669)	(84,922)	3,253	-3.83%	(91,506)
[33] Other Non-Operating Revenue/(Expenses)	(189,454)	7,954	(197,408)	-2481.90%	40,636
[34] Total Non Operating Revenue/(Expense)	234,692	406,904	(172,213)	-42.32%	396,743
Total Net Surplus/(Loss)	(56,368)	149,310	(205,678)	-137.75%	369,093
	ACTUAL YTD	BUD YTD	ACT FYE 24	PROJ FYE 25	Prior YTD
[35] Operating Margin	-1.95%	-1.82%			-0.21%
[36] Total Profit Margin	-0.38%	1.05%			2.78%
[37] EBITDA	-0.92%	-0.13%			0.99%
[38] Cash Flow Margin	1.74%	3.94%			5.36%

Statement of Revenue and Expense - 13 Month Trend

KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA

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	31	30	31	30	31	30	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	10/31/25	09/30/25	08/31/25	07/31/25	06/30/25	05/31/25	04/30/25	03/31/25	02/28/25
Gross Patient Revenue									
[1] Inpatient Revenue	993,847	1,043,247	973,987	1,412,918	878,031	919,766	1,178,765	1,284,233	1,211,376
[2] Clinic Revenue	1,507,686	1,484,378	1,434,986	1,614,079	1,443,923	1,506,100	1,454,900	1,455,217	1,337,711
[3] Outpatient Revenue	5,284,368	5,901,662	5,484,908	5,958,538	5,822,291	5,131,157	4,937,503	5,087,083	4,787,593
[4] Long Term Care Revenue	2,907,090	2,716,734	2,857,113	2,962,842	2,813,800	2,794,698	2,657,872	2,731,394	2,484,620
[5] Retail Pharmacy Revenue	674,168	625,071	739,348	718,471	716,476	594,645	528,898	488,497	494,336
[6] Total Gross Patient Revenue	11,367,159	11,771,092	11,490,342	12,666,849	11,674,521	10,946,365	10,757,938	11,046,425	10,315,637
Deductions From Revenue									
[7] Discounts and Allowances (incl IGTs)	(7,626,640)	(7,923,166)	(7,555,625)	(8,846,846)	(7,964,781)	(7,294,455)	(7,225,317)	(7,333,013)	(6,828,153)
[8] Bad Debt Expense (Governmental Providers Only)	(131,266)	(146,919)	(153,678)	(151,546)	(95,513)	(108,897)	(140,024)	(133,860)	(141,973)
[7B] Medi-Cal Deductions due to IGTs	0	0	0	0	0	0	0	0	0
[9] Charity Care	0	0	0	0	0	0	0	0	0
[10] Total Deductions From Revenue	(7,757,906)	(8,070,085)	(7,709,303)	(8,998,392)	(8,060,294)	(7,403,352)	(7,365,340)	(7,466,872)	(6,970,126)
[11] Net Patient Revenue	3,609,253	3,701,007	3,781,038	3,668,456	3,614,226	3,543,013	3,392,597	3,579,553	3,345,511
[12] Other Operating Rev (Incl HHS Stimulus)	16,934	14,349	57,207	75,849	12,398	13,869	15,316	14,822	13,026
[13] Total Operating Revenue	3,626,188	3,715,357	3,838,245	3,744,306	3,626,624	3,556,882	3,407,913	3,594,375	3,358,537
Operating Expenses									
[14] Salaries and Wages	1,731,138	1,662,964	1,829,589	1,763,370	1,656,279	1,648,035	1,654,167	1,702,621	1,449,506
[15] Fringe Benefits	354,691	355,301	376,530	346,415	326,522	326,902	332,810	338,337	309,541
[16] Contract Labor	92,882	80,271	71,738	65,166	78,264	79,951	95,657	92,401	92,061
[17] Professional & Physician Fees	378,156	391,393	375,135	377,397	354,404	384,120	377,024	381,284	345,689
[18] Purchased Services	157,456	158,577	143,475	149,690	119,935	169,025	150,363	136,423	144,838
[19] Supply Expense	692,858	627,492	838,255	801,965	785,215	677,345	583,304	610,130	657,134
[20] Utilities	62,128	74,699	73,972	66,288	61,519	92,322	67,955	71,311	87,258
[21] Repairs and Maintenance	11,403	8,287	9,808	10,855	11,241	(1,411)	20,186	13,905	2,474
[22] Insurance Expense	70,271	105,200	67,428	67,428	106,726	67,043	39,371	102,241	67,042
[23] All Other Operating Expenses	76,037	105,490	98,026	114,613	93,575	125,211	89,736	126,676	122,447
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[25] Leases and Rentals	30,044	39,484	29,950	36,790	24,052	21,687	33,523	19,438	48,534
[26] Depreciation and Amortization	59,183	59,183	58,910	57,774	59,348	60,983	61,216	62,599	62,511
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[28] Total Operating Expenses	3,716,248	3,668,341	3,972,816	3,857,750	3,677,079	3,651,213	3,505,312	3,657,368	3,389,037
Net Operating Surplus/(Loss)	(90,060)	47,015	(134,570)	(113,445)	(50,455)	(94,331)	(97,399)	(62,992)	(30,499)
Non-Operating Revenue:									
[29] Contributions/Grants/PPP/ERC	171,089	54,552	13,053	0	11,335	50,000	35,372	0	0
[30] Investment Income	35,714	37,810	37,278	36,594	24,384	73,241	71,937	71,922	75,712
[31] Income Derived from Property Taxes	29,931	29,931	29,931	29,931	57,491	27,974	27,974	27,974	27,974
[32] Interest Expense (Governmental Providers Only)	(20,049)	(20,301)	(20,201)	(21,117)	(29,005)	(23,657)	(21,252)	(21,219)	(21,357)
[33] Other Non-Operating Revenue/(Expenses)	(155,179)	(48,902)	(352)	14,979	185	(26,297)	10,157	12,755	10,214
[34] Total Non Operating Revenue/(Expense)	61,505	53,091	59,708	60,387	64,390	101,261	124,187	91,431	92,543
Total Net Surplus/(Loss)	(28,555)	100,107	(74,862)	(53,058)	13,935	6,930	26,789	28,439	62,043
[35] Operating Margin	-2.48%	-3.51%	-3.51%	-3.03%	-1.39%	-2.65%	-2.86%	-1.75%	-0.91%
[36] Total Profit Margin	-0.79%	-1.95%	-1.95%	-1.42%	0.38%	0.19%	0.79%	0.79%	1.85%
[37] EBITDA	-1.40%	-2.50%	-2.50%	-2.05%	-0.55%	-1.60%	-1.69%	-0.60%	0.32%
[38] Cash Flow Margin	1.40%	0.11%	0.11%	0.69%	2.82%	2.57%	3.21%	3.12%	4.34%

Statement of Revenue and Expense - 13 Month
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA

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	31	31	30	31
	Actual	Actual	Actual	Actual
	01/31/25	12/31/24	11/30/24	10/31/24
Gross Patient Revenue				
[1] Inpatient Revenue	1,135,510	1,306,206	988,923	1,270,022
[2] Clinic Revenue	1,539,352	1,464,884	1,450,778	1,507,298
[3] Outpatient Revenue	5,179,894	4,968,077	4,910,316	5,196,913
[4] Long Term Care Revenue	2,678,085	2,622,111	2,545,925	2,941,872
[5] Retail Pharmacy Revenue	512,293	485,298	428,228	471,467
[6] Total Gross Patient Revenue	11,045,134	10,846,577	10,324,169	11,387,573
Deductions From Revenue				
[7] Discounts and Allowances (incl IGTs)	68%	68%	68%	70%
[8] Bad Debt Expense (Governmental Providers Only)	(7,373,039)	(7,153,760)	(6,875,691)	(7,866,012)
[7B] Medi-Cal Deductions due to IGTs	0	0	0	0
[9] Charity Care	0	0	0	0
[10] Total Deductions From Revenue	(7,502,159)	(7,391,483)	(7,024,153)	(7,991,852)
[11] Net Patient Revenue	3,542,974	3,455,094	3,300,016	3,395,721
[12] Other Operating Rev (Incl HHS Stimulus)	37,551	16,291	18,404	50,999
[13] Total Operating Revenue	3,580,525	3,471,386	3,318,420	3,446,720
Operating Expenses				
[14] Salaries and Wages	1,596,692	1,528,996	1,502,965	1,522,753
[15] Fringe Benefits	333,485	305,656	303,150	305,569
[16] Contract Labor	90,138	120,093	121,450	91,485
[17] Professional & Physician Fees	346,313	382,994	361,950	361,819
[18] Purchased Services	177,262	97,464	135,518	195,948
[19] Supply Expense	587,830	604,025	549,141	610,698
[20] Utilities	69,307	83,915	61,188	82,582
[21] Repairs and Maintenance	3,498	6,888	6,771	13,906
[22] Insurance Expense	143,408	66,818	66,818	74,824
[23] All Other Operating Expenses	116,907	102,655	92,438	73,727
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0
[25] Leases and Rentals	30,076	35,006	33,070	35,178
[26] Depreciation and Amortization	63,250	63,250	63,250	62,882
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0
[28] Total Operating Expenses	3,558,166	3,397,761	3,297,709	3,431,371
Net Operating Surplus/(Loss)	22,359	73,625	20,711	15,350
Non-Operating Revenue:				
[29] Contributions/Grants/PPP/ERC	60,239	67,285	0	0
[30] Investment Income	76,592	72,436	72,573	75,310
[31] Income Derived from Property Taxes	27,974	27,974	27,974	27,974
[32] Interest Expense (Governmental Providers Only)	(22,295)	(30,435)	(22,342)	(22,821)
[33] Other Non-Operating Revenue/(Expenses)	10,738	(56,167)	10,315	9,862
[34] Total Non Operating Revenue/(Expense)	153,247	81,093	88,520	90,326
Total Net Surplus/(Loss)	175,606	154,718	109,231	105,676
[35] Operating Margin	0.62%	2.12%	0.62%	0.45%
[36] Total Profit Margin	4.90%	4.46%	3.29%	3.07%
[37] EBITDA	1.77%	3.07%	1.86%	1.61%
[38] Cash Flow Margin	7.29%	7.16%	5.87%	5.55%

Statement of Cash Flows

KERN VALLEY HEALTHCARE DISTRICT LAKE ISABELLA, CALIFORNIA Fourth Month Ending October 31, 2025

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	CASH FLOW	
	Current Month 10/31/2025	Current Year-To-Date 10/31/2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
[1] Net Income (Loss)	(28,555)	(56,368)
[2] Adjustments to Reconcile Net Income to Net Cash		
[3] Provided by Operating Activities:		
[4] Depreciation	59,183	235,049
[5] (Increase)/Decrease in Net Patient Accounts Receivable	707,771	197,068
[6] (Increase)/Decrease in Other Receivables	(1,073,938)	(3,917,123)
[7] (Increase)/Decrease in Inventories	(115,321)	(112,352)
[8] (Increase)/Decrease in Pre-Paid Expenses	(14,620)	(304,953)
[9] (Increase)/Decrease in Other Current Assets	0	0
[10] Increase/(Decrease) in Accounts Payable	57,377	365,865
[11] Increase/(Decrease) in Notes and Loans Payable	0	0
[12] Increase/(Decrease) in Accrued Payroll and Benefits	167,023	(236,421)
[13] Increase/(Decrease) in Accrued Expenses	124,672	78,907
[14] Increase/(Decrease) in Patient Refunds Payable	(85,930)	(68,496)
[15] Increase/(Decrease) in Third Party Advances/Liabilities	119,364	18,284
[16] Increase/(Decrease) in Other Current Liabilities	0	0
[17] Net Cash Provided by Operating Activities:	(82,973)	(3,800,541)
CASH FLOWS FROM INVESTING ACTIVITIES:		
[18] Purchase of Property, Plant and Equipment	(27,625)	(384,388)
[19] (Increase)/Decrease in Limited Use Cash and Investments	155,179	186,313
[20] (Increase)/Decrease in Other Limited Use Assets	(135,013)	34,343
[21] (Increase)/Decrease in Other Assets	0	0
[22] Net Cash Used by Investing Activities	(7,460)	(163,732)
CASH FLOWS FROM FINANCING ACTIVITIES:		
[23] Increase/(Decrease) in Bond/Mortgage Debt	0	(452,000)
[24] Increase/(Decrease) in Capital Lease Debt	(8,062)	(21,982)
[25] Increase/(Decrease) in Other Long Term Liabilities	33,466	130,169
[26] Net Cash Used for Financing Activities	25,404	(343,813)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	0
[27] Net Increase/(Decrease) in Cash	(65,028)	(4,308,086)
[28] Cash, Beginning of Period	1,917,620	6,160,678
[29] Cash, End of Period	1,852,591	1,852,591

KVHD
Patient Statistics
Thirteen Months Ended October 31, 2025

STATISTICS	Actual 10/31/24	Actual 11/31/24	Actual 12/31/2024	Actual 1/31/2025	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025
Discharges													
[1] Acute	27	18	26	31	27	28	29	24	22	27	21	23	27
[2] Swing Beds	3	1	4	1	2	1	1	0	0	4	1	3	2
[3] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[4] Respite	0	0	0	0	0	0	0	0	0	0	0	0	0
[5] Total Adult Discharges	30	19	30	32	29	29	30	24	22	31	22	26	29
[6] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
[7] Total Discharges	30	19	30	32	29	29	30	24	22	31	22	26	29
Patient Days:													
[8] Acute	98	76	102	90	84	103	93	73	79	109	76	91	88
[9] Swing Beds	51	24	54	24	20	34	13	0	0	39	17	14	39
[10] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[11] Respite	0	0	0	0	0	0	0	0	0	0	0	0	0
[12] Total Adult Patient Days	149	100	156	114	104	137	106	73	79	148	93	105	127
[13] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
[14] Total Patient Days	149	100	156	114	104	137	106	73	79	148	93	105	127
Average Length of Stay (ALOS)													
[15] Acute	3.6	4.2	3.8	2.9	3.1	3.7	3.2	3.0	3.6	4.0	3.6	4.0	3.3
[16] Swing Bed	17.0	24.0	13.5	24.0	10.0	34.0	13.0	0.0	0.0	9.8	17.0	4.7	19.5
[17] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[18] Total Adult ALOS	5.0	5.3	5.2	3.6	3.6	4.7	3.5	3.0	3.6	4.8	4.2	4.0	4.4
[19] Newborn ALOS	0	0	0	0	0	0	0	0	0	0	0	0	0
[1]													
Average Daily Census (ADC)													
[20] Acute	3.16	2.5	3.3	2.9	3.0	3.3	3.1	2.4	2.6	3.5	2.5	3.0	2.8
[21] Swing Beds	1.64	0.8	1.7	0.8	0.7	1.1	0.4	0.0	0.0	1.3	0.5	0.5	1.3
[22] All Other Adult	0	0	0	0	0	0	0	0	0	0	0	0	0
[23] Total Adult ADC	4.8	3.3	5.0	3.7	3.7	4.4	3.5	2.4	2.6	4.8	3.0	3.5	4.1
[24] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
Long Term Care:													
[25] SNF/ECF Resident Days	1441	1425	1463	1487	1393	1531	1487	1571	1573	1662	1593	1521	1628
[26] SNF/ECF Resident Discharges	1	0	1	1	1	1	1	2	1	0	3	2	2
[27] CBRF/Assisted Living Days	0	0	0	0	0	0	0	0	0	0	0	0	0
[28] Average Daily Census	46.5	47.5	47.2	48.0	49.8	49.4	49.6	50.7	52.4	53.6	51.4	50.7	52.5
Emergency Room Statistics													
[29] ER Visits - Admitted	24	17	22	29	22	28	25	23	22	27	23	23	24
[30] ER Visits - Discharged	352	330	355	308	302	343	311	324	344	381	328	364	360
[31] ER - Urgent Care Visits	264	277	299	330	288	310	322	310	312	316	304	270	241
[32] Total ER Visits	640	624	676	667	612	681	658	657	678	724	655	657	625
[33] % of ER Visits Admitted	3.75%	2.72%	3.36%	4.35%	3.59%	4.11%	3.80%	3.50%	3.24%	3.73%	3.51%	3.50%	3.84%
[34] ER Admissions as a % of Total	80.00%	89.47%	70.97%	85.29%	75.86%	87.50%	86.21%	79.31%	75.86%	96.43%	95.83%	85.19%	88.89%

KVHD
Patient Statistics
Thirteen Months Ended October 31, 2025

STATISTICS	Actual 10/31/24	Actual 11/31/24	Actual 12/31/2024	Actual 1/31/2025	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025
Outpatient Statistics:													
[35] Total Outpatients Visits	1047	935	874	1001	846	868	1047	1025	1055	1135	955	1082	1090
[36] Observation Bed Days	21	14	16	22	18	11	27	19	25	17	21	17	15
[37] Clinic Visits - Primary Care	1342	1199	1145	1276	1138	1253	1054	1145	976	1168	975	922	1039
[38] Clinic Visits - Specialty Clinics	256	222	228	223	228	248	264	222	261	264	224	235	263
[39] IP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0
[40] OP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0
[41] Outpatient Scopes	0	0	0	0	0	0	0	0	0	0	0	0	0
[42] Retail Pharmacy Scripts	5340	4871	5360	5620	5167	5101	5541	5858	6654	7799	7499	6858	7121
[43] Clinic Visits-Mobile Van	11	0	0	0	0	0	0	0	0	0	0	0	0
[44] FTE's - Worked	212.15	211.24	211.30	221.42	217.79	222.25	223.42	220.81	216.58	220.73	227.94	222.87	224.62
[45] FTE's - Paid	234.5	234.03	234.69	240.10	239.27	241.63	247.25	246.07	242.25	248.21	248.35	247.12	248.82
[46] Case Mix Index -Medicare	1.1602	1.0987	0.9632	0.8510	0.9070	1.0770	1.1230	1.3689	1.0734	0.9978	0.9270	1.0765	0.9313
[47] Case Mix Index - All payers	0.9767	1.0204	0.9527	0.9030	0.9520	1.0170	0.9990	1.1085	0.9517	1.0036	0.9840	0.9601	0.9654

**Kern Valley Healthcare District
Financial Report**

For the month of October 2025 (4th month in FY 26)

Profit/Loss Summary

Net loss in October was \$28,555, a (-.79%) total profit margin, and \$65,951 below budget.

Net Patient Revenue- MTD positive-YTD positive

Month-The Net Patient Revenue in October was \$3,609,253 (1.90%) above budget. The volume was higher in the acute areas where patient days were up by 22 from September and under budget (17 days below budget), Gross Inpatient Revenues were below budget (\$203,351). Skilled Nursing revenues increased in October (\$190,356 above prior month) (days were up by 107, and census was up by 1.8 days and revenues were over budget by \$103,582. Outpatient revenues were \$225,059 below budget (4.08%) Outpatient visits were over budget by 159 and ER Visits were under budget by 46. Retail Pharmacy revenue was 18.83% over budget for the month (prescriptions were 632 over budget, and 263 above prior month).

YTD-Net Patient Revenue is over budget by \$706,779 (5.03%). Volumes are under budget in the acute (98 days) and Skilled Nursing (90 days) and ER (37 visits). Volumes are over budget in the Outpatient (568 visits) and the retail pharmacy (3,530 prescriptions). Inpatient (\$326,175) and Clinic revenue (\$30,871) are under budget. Outpatient revenue (\$769,492), Skilled nursing revenue (\$320,182) and Retail pharmacy (\$506,019) are over budget.

Operating Expenses- MTD Negative YTD Negative

Month-Operating Expenses in October were \$80,448 (2.21%) above budget (unfavorable). Labor expenses were over budget with October salaries and wages and fringe benefits above budget by \$102,356 and contract labor was \$30,152 above budget. Supply expense was over budget by \$38,037 primarily due to the retail pharmacy drug expenses being over budget by \$60,762. We are starting to realize more of the savings from the 340B program.

YTD- Operating Expenses are \$789,240 (5.47%) above budget (unfavorable). Labor expenses are over budget with salaries and wages and fringe benefits above budget by \$550,086 and contract labor is \$61,159 above budget. Supply expense is over budget by \$362,409 primarily due to the retail pharmacy drug expenses being over budget by \$382,893 due to prescriptions filled being over budget by 3,530.

Balance Sheet/Cash Flow

Patient cash collections in September were up from \$2,500,973 in September to \$3,109,471 in October. The Gross AR Days decreased to 63 days in October from 67 in September. Gross AR decreased by \$2,562,686. We are still reviewing all of the accounts to get the AR days down. Cash Balances (all sources) decreased to \$16,598,868 compared to \$16,629,380 in September.

The Accounts Payable balances increased by \$57,377 in October.

Concluding Summary

Positive takeaways for the month:

- 1) Long Term Care revenue was over budget.
- 2) Net patient revenue was over budget.
- 3 Retail pharmacy revenue was over budget.
- 4) There was net income for the month.
- 5) Gross AR days decreased by 5.

Negative takeaways for the month:

- 1) Operating expenses were over budget.
- 2) Most volumes were under budget.
- 3) Operating expenses increased.

Prepared by John Lovrich, CEO
December 3, 2025

**KERN VALLEY
HEALTHCARE DISTRICT**

**November
2025**

CONTRACT	VEN #	CONTRACT TYPE	DESCRIPTION	COST	BEGIN	RENEW	FINANCE REVIEW	TERMS
BURROWS, CHRISTOPHER M.D.	52609	PHYSICIAN	EMERGENCY SERVICE	75.00 PER VISIT 70.00 STANDBY MIN 285.00	MO	02/01/25	01/31/28	11/01/25 60 DAY WRITTEN NOTICE
COUNTY OF KERN DEPARTMENT OF EMERGENCY MEDICAL SERVICES		SERVICE	MASS CASUALTY STORAGE TRAILER SUPPLIED BY COUNTY	\$ -	ANN	02/01/06	OPEN	11/01/25 30 DAY ADVANCE NOTICE
CYRANO SYSTEMS	53188	SERVICE	VIDEO EDITING SOFTWARE	\$ 9,720.00	ANN	02/01/25	01/31/26	11/01/25 60 DAY WRITTEN NOTICE
DFI ENTERPRISES (DEREK FARMER)	53335	SERVICE	INSPECTOR OF RECORD	\$ 100.00	PER HOUR	02/23/22	OPEN	11/01/25 WILL PAY 1.5 X THE RATE IF OVER 8 HRS A DAY. MAY TERMINATE AT ANY TIME
HALL, KRIS M.D.		PHYSICIAN	EMERGENCY SERVICE	75.00 PER VISIT 70.00 S.B. MIN 285.00 HR	MO	02/01/25	01/31/28	11/01/25 60 DAY WRITTEN NOTICE
MARVEL MEDICAL		REGISTRY	NURSE REGISTRY	VARIOUS		02/29/24	OPEN	11/01/25 ONE YEAR TERM RENEW YEARLY
ONE LEGACY	52218	PROCUREMENT AGENCY	ORGAN PROCUREMENT	\$ -		02/07/03	OPEN	11/01/25 ANNUAL RENEWAL 30 DAY WRITTEN NOTICE
POINT CLICK CARE	53585	SOFTWARE	SKILLED NURSING EHR	\$ 12,103.83	1 1/2 YRS	06/24/24	01/31/26	11/01/25
PSYCHIATRIC MEDICAL PRACTITIONERS - Jagdeep S. Garewall M.D.	04844	PHYSICIAN	BEHAVIORAL HEALTH SERVICES	\$ 200.00	HR	02/01/10	OPEN	11/01/25 30 DAY WRITTEN NOTICE
SPARKLE	02068	SUPPLY	MATS / UNIFORMS	VARIOUS	MO	02/01/22	01/31/27	11/01/25 AFTER 5 YRS RENEWS FOR 1 YR EQUAL TERM CERTIFIED MAIL 90 DAYS PRIOR TO EXP OF CURRENT TERM
TELECONNECT THERAPIES	05099	PSY.D.	MENTAL HEALTH TELEMEDICINE- MVHC	\$ 139.00	HR	03/01/24	2/29/26	11/01/25
TEXAS HEALTH RESOURCES (PREMIER)		SERVICE	MEMBERSHIP FOR PURCHASING ADVANTAGE			02/01/24	OPEN	11/01/25
TGL MEDSTAFF		REGISTRY	NURSE REGISTRY	VARIOUS	MO	02/20/25	02/19/28	11/01/25 INITIAL 1 YEAR TERM WITH MAX 3 YEARS

**Security System Proposals
New Admin Building/Human Resources**

Companies	Suite A and B	Suite C	Suite D and E	Human Resources	Total Cost	Comments
Secure Systems	Equip and Install	Equip and Install	Equip and Install	Equip and Install	Total Cost	System is wired, so no wireless battery issues. Includes two panic buttons in the pharmacy.
	\$7,600.00			\$3,557.00	\$11,157.00	
Monthly Monitoring	\$40.00 Since they are using one head end box, there is only one charge for the whole building.			\$40.00	\$80.00	
Alpha Technologies	Equip and Install	Equip and Install	Equip and Install	Equip and Install	Total Cost	Sensors are wireless w/batteries which is a maintenance issue but lowers the cost of installation. Includes panic button in pharmacy.
	\$2,460.00	\$2,000.00	\$2,800.00	\$1,600.00	\$8,860.00	
Monthly Monitoring	\$48.00	\$48.00	\$48.00	\$48.00	\$192.00	
Tel Tec	Equip and Install	Equip and Install	Equip and Install	Equip and Install	Total Cost	Sensors are wireless with batteries which is a maintenance issue but lowers the cost of installation
	\$2,529.74	\$2,355.85	\$4,404.36	\$4,209.33	\$13,499.28	
Monthly Monitoring	\$45.00	\$45.00	\$45.00	\$45.00	\$180.00	
ADT	Equip and Install	Equip and Install	Equip and Install	Equip and Install	Total Cost	System and Sensors are wireless with batteries which is a maintenance issue, but lowers the cost of installation
	\$1,601.00		\$1,189.67	\$1,568.54	\$4,359.21	
Monthly Monitoring	\$52.99 One head end equipment for these three suites		\$52.99	\$52.99	\$105.98	

RESOLUTION NO. 25-11

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
KERN VALLEY HEALTHCARE DISTRICT
DECLARING CERTAIN PROPERTY SURPLUS TO
THE NEEDS OF THE DISTRICT AND AUTHORIZING
DISPOSITION OF THE PROPERTY**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF KERN VALLEY
HEALTHCARE DISTRICT** as follows:

1. Purpose.

This resolution declares certain property surplus to the needs of the District and authorizes the Chief Executive Officer to dispose of such property.

2. Disposition of Property.

The Board finds and declares:

(a) The Board of Directors hereby finds and declares the property identified in Exhibit 1 attached hereto, and incorporated herein by reference, (the “Surplus Property”) to be surplus property and no longer suitable to the District’s needs.

(b) The District’s Chief Executive Officer is directed to dispose of the Surplus Property in a manner in the best interests of the District.

(c) The Chief Executive Officer is authorized to determine which offer to acquire the Surplus Property is in the best interests of the District.

(d) If no offers are received the Chief Executive Officer is authorized to dispose of the Surplus Property in a manner that is in the best interests of the District and in accordance with law.

(e) The District’s Chief Executive Officer shall report the results of the disposal of the property to the Board of Directors.

PASSED, APPROVED AND ADOPTED on December 11, 2025.

John Blythe, President

ATTEST:

Ross Elliott, Secretary

EXHIBIT 1

DESCRIPTION OF SURPLUS PROPERTY

Old IT Equipment

<u>Item Name</u>	<u>Serial Number</u>
HP ProCurve 6120XG Blade Switch	3C41280167
HP ProCurve 6120XG Blade Switch	TW20150020
HP Brocade 16GB/16C Embedded SAN Switch	1CG731E01F
HP Brocade 16Gb/16C Embedded SAN Switch	CN8531E00D
HP ProLiant 460 Series G7 Blade	MXQ1510625
HP ProLiant 460 Series Gen9 Blade System Board Components	2M255002J6
HP ProLiant 460 Series Gen9 Blade System Board Components	2M255002GQ
HP ProLiant 460 Series Gen9 Blade System Board Components	2M255002KG
HP ProLiant 460 Series Gen9 Blade System Board Components	MXQ2510D0N
HP ProLiant 460 Series Gen9 Blade System Board Components	2M27180356
HP proLiant BL460c G6 Server Blade Compnents	3UV10125PK
HP ProLiant 460 Series Gen9 Blade System Board Components	2M245003K1
HP ProLiant 460 Series Gen9 Blade System Board Components	2M255002GX
HP ProLiant 460 Series Gen8 Blade System Board Components	MXQ3150B9X
HP Server	USE340H04P
HP ProLiant 460 Series Gen8 Blade System Board Components	MXQ2420JJ4
HP Brocade 8Gb SAN Switch	CN8448A015
HP Brocade 8Gb SAN Switch	CN8831A003
WS-CBS3020-HPQ V02	FOC11401019
WS-CBS3020-HPQ VO2	FOC1239T1KK
OA Default Network Settings	0835CP1776
Dell Server Power Bar	ZA0835020841
Dell Server Power Bar	ZA0621018965
Misc Server Power Cords	N/A
NACE DirecTV 4 Port Server Rack	4706
Rack Mount extra drawer	N/A
FirstData FD130 credit card machine	FD1000687309
FirstData FD130 credit card machine	FD1000687306
FirstData FD130 credit card machine	FC1000693767
3COM Switch 5500-SI 28-Port	9KSF6VH298820
CISCO SF300-08 8Port Switch	PSJ16020901
CISCO SF300-08 8Port Switch	PSJ15450AIN
CISCO SF 100-16 16 Port Switch	PSJ16290CJK
CISCO SG300-10 10 Port Switch	PSJ145006RQ
3Com OfficeConnect Dual Speed Switch 8 Port	RR/9E7C720028106
3Com OfficeConnect Dual Speed Switch 8 Port	0700/YK3W6U0271020

Allied Telesyn AT-FS708 8 Port Fast Ethernet Switch	A00251L05010002A B
USRobotics 56K Business Modem 3453C	5MBRZ8GL0081
CISCO ASA 5505 Series Adaptive Security Appliance	JMX142642TP
CISCO ASA 5505 Series Adaptive Security Appliance	JMX14256Z2TN
CISCO ASA 5505 Series Adaptive Security Appliance	JMX1133Z0EK
Dell Power Connect 2216	CN-OWJ568-28298-75Q-0158
CentreCOM GS924L V2 Switch	007675G131100039 D2
Dell Power Connect 3024	CN-08H424-28298-250-0157
Dell Power Connect 3024	CN-08H424-28298-250-0158
CISCO SF 200-24 24 Port Smart Switch	DNI150501TF
3COM Switch 5500-SI 28-Port	9KSSF6EDBA32CO
3com 3300 XM 24 PT	KMASB52EBB
LAN Interface FE0/0	FGL16081022
Catalyst3560G Series	FOC1219W2N0
Cisco Small Business SF 100D-08	PSJ14180DHT
TP-LINK 8 Port Gb Easy Smart Switch TL-SG108E	UNABLE TO READ
Dawning Secure Network Interface (Celldyne Ruby)	0.0.58.59
Dawning Secure Network Interface (Microscan Auto 4)	0.0.58.57
Dawning Secure Network Interface (Roche Urisys 1100)	0.0.58.58
Dawning Secure Network Interface (All Elite Pro)	0.0.58.56
Netgear 5 Port Fast Ethernet Switch FS105	1D52993R03E34
Netis 300Mbps Wireless N Router WF2419	2419US4C101665 V2. 4
KINGDEL Router FQC-00730 windows7	00188-030-100-949
CREATIVE Modem Blaster V.92	DE5621
SENSATRONICS server senser	SG3DO15
(3) Kensington MicroSaver 2.0 Keyed Laptop Lock	N/A
HL Compact DVD disk drive	BOHCDV1420961
PHILIPS Compact DVD-ROM Drive	OWH522-55081-71A-4143
Polycom HDX 7000	10230D 88092510330DCN
Polycom HDX 8000	11212C 88112311212CCG
Polycom HDX Camera MPTZ-8	08645710
Polycom HDX Camera MPTZ-6	08341324
Polycom Microphone	821121030ADEC5
Polycom Microphone	820817007E6EC6
Polycom Remote and misc. cords	N/A
Polycom HDX 7000	099581 820811099581CN
Polycom HDX Camera MPTZ-6	08341623
Polycom Microphone	820805005C14C5
Polycom HDX Camera MPTZ-6	08341623
AMD- 2500 Global Telemedicine Camera Interetek 2001356	PAT5442489
TANDBERG C20 TTC7-18	F1AK34C00154
TANDBERG Camera	N/A
Bose Speakers Series II (LEFT)	040274Z02150435BP

Bose Speakers Series II (RIGHT)	040274Z02150435BP
Misc. cords for unit	N/A
Brother PT-1290 label printer	U62266-J1G593597
Sony KDL-22BX320 TV	7804236
Tandberg Camera TTCB-02	A1AB33C00083
Tandberg C20 TTC7-18	F1AN33C00322
Tandberg remote TRC V	N/A

Items in storage since 2023

- 1 Brother fax machine
- 2- HP desk top printers (1505 -1022)
- 4-covid scan units
- all Nortel equipment 1 SWITCH BORD PHONE
- 2- CISCO switches
- 1-power bottom UPS
- 1-12 X variable zoom old telemed camera unit
- 17 square monitors (6 without stands) 3-HP,3Dell,3 Acaer,6 Planar,1 Microtouch and I Acula.
- 1-HD Moterolla Nanny Cam
- 1-square privacy screen
- 2 -Panasonic CF-H2 Toughbook tablets (01-04)
- 5 old credit card machines FD100,FD35,FD35,OMNI 3740
- 1-star label printer
- 2-AT&T phones/ansering machines
- 1-laptop docking station Panasonic CF-VEBH21
- 2-verizon boxes
- 2boxes of misc. network cables
- 1-APC server
- 3" network cables
- 3 Lexmark printer drawers
- 1-battery backup- smart UPS 2200XL
- 1 Hypercom T4205 hand held scanner
- 8- 4 port hubs
- 1 iPad stand with lock
- 8- computer locks with keys
- 1 box misc.printer cords
- 2-lap tops(Dell Precision/ HP NX9420
- 1-CAT 5 wall mount



December 1, 2025

Orson A. Anderson, M.D.



Dear Dr. Anderson,

We are pleased to offer you a ***Full-time Exempt*** position with the Kern Valley Healthcare District as a family practice ***physician*** for the ***Mountain View Health Center***. The anticipated start date is **January 5, 2026**. Your initial base rate of pay will be **\$320,000.00 annually**. You will be scheduled for 40 hours per week, with three 12-hour shifts and 4 hours for handling phone calls, documentation, and prescription refills. New patient visits will generally be scheduled for 30 minutes, and follow-up visits will be scheduled for 15 minutes.

In addition to PTO and paid leave available under District policy, the District provides up to 40 paid hours used solely for continuing medical education. Any hours not used do not carry over and are provided on a “use-it-or-lose-it” basis.

Your malpractice liability will be covered under a BETA Healthcare Group (BETA) Healthcare Entity Comprehensive Liability Coverage Contract. The coverage is a "claims made" policy and remains in force as long as professional services were rendered while the physician was covered. If the BETA coverage contract is terminated, KVHD will purchase extended reporting period coverage from BETA or a prior acts coverage policy from a new insurer.

Your employment with the Kern Valley Healthcare District is contingent upon proof of Kern Valley Healthcare District Medical Staff credentialing approval, ***California physician license, DEA license and BLS certification***, successful completion of a pre-employment physical, as well as background and reference checks satisfactory to the District. Your post-offer appointment includes a drug screen for illegal substances; a fitness for duty physical; an N-95 Respirator fit test; two Tuberculosis skin plants or chest x-ray, and proof of your eligibility to work in the United States. (The second TB skin plant may be waived if you have proof of clearance within the last year.) The physical will be conducted at the Mountain View Health Center and must occur within a minimum of one week prior to the initial date of employment. If you fail to successfully complete any of the post- or pre-employment requirements, we have the right to rescind the offer.

If you accept this offer and begin employment, you will be eligible to participate in the District's insurance and employee benefits program, subject to the terms, conditions, limitations, and exclusions in those programs. It is anticipated your enrollment for health insurance *will be effective the first day of the month following a 60-day wait period*. In this case the *anticipated enrollment date is April 1st*. If you do not want the insurance offering, you are required to sign a Declination Notice. For more information regarding California insurance requirements, go to www.coveredca.com. Assuming you meet the terms and conditions, you will remain eligible for participation in the District's benefits as long as you continue to average a minimum of 30 hours worked per week. You may discuss all the available benefits with the Human Resources Department.

We offer a variety of medical insurance plans to choose from and low-cost dental and vision plans. Also, as an exempt employee you will be eligible for 1x Annual Salary Life (Up to \$200,000) and AD&D insurance through New York Life at no cost. The District also offers its employees additional voluntary supplemental insurance products. These plans include Accident, Short Term Disability, Personal Cancer Indemnity, Hospital Protection, etc.

In addition to the healthcare benefits, the District offers a Retirement Incentive Plan with an employer-matching component through Corebridge. It is available upon completion of 1,000 hours or one year of service, KVHD will match dollar for dollar up to 4% of your base earnings. Our Corebridge representative typically visits our facility once a month to establish employee accounts, initiate roll-overs, and maintain existing accounts. The annual match is subject to semi-annual board approval.

The District offers a Paid Time Off program. For a full-time exempt employee, *PTO accrual for 0 - 5 years of service is 9.24 hours per pay period which equals 240 hours per year and caps out at 380 hours*. The accrual rate is based on 80 hours worked in a pay period. If you work less than 80 hours in a pay period, the accrual rate will be reduced by a prorated percentage. *In addition, you will receive 40 hours of paid sick leave that will be available to use 90 days after employment begins*. Every year thereafter, on January 1st, paid sick leave will be replenished to 40 hours for the year.

KVHD requests a two-year commitment. If separation occurs before two years you will be responsible for reimbursing the District for the signing bonus and relocation expense on a prorated basis. Please note employees retain the right to resign at any time, either with or without cause or notice. The District retains the same right to end its relationships with employees. Accordingly, your employment is not for any specified or definite term and may be terminated at will, either at your option or, in accordance with District policy at the option of the District, at any time.

All new and rehired employees work in an "introductory" status for 6 months. Your employment with KVHD is "at-will" you may resign at any time, either with or without cause or notice and Kern Valley Healthcare District may terminate the employment relationship at any time, for any lawful reason, with or without cause or advance notice.

Final approval of this agreement will be contingent on KVHD Board approval.

Congratulations, we look forward to working with you in your new role!

You may either send this in PDF format to Mirandaeverett@kvhd.org or send it to our confidential FAX (760) 379-3133. ***This employment offer is effective fourteen (14) days from the date of this letter.*** If you have any questions, please feel free to contact me at 760-379-2681 ext. 511.

Sincerely,

John Lovrich, CEO



Signature _____

Date _____

PHYSICIAN SIGN-ON BONUS AND RELOCATION AGREEMENT

This Physician Sign-On Bonus and Relocation Agreement (“Agreement”) is entered into as of December 1st, 2025 (“Effective Date”) by and between Kern Valley Healthcare District, a California special district (“Hospital”), and Dr. Orson A. Anderson, M.D. (“Physician”).

This Agreement is separate from Physician’s offer letter and governs only the discretionary sign-on bonus and relocation assistance described below.

1. Purpose and Nature of Payments

1.1 Discretionary, Unearned Payments. Hospital agrees to provide Physician with certain discretionary, unearned payments made at the outset of employment, namely a sign-on bonus and relocation assistance (together, the “Upfront Payments”), as an incentive for Physician to accept employment with Hospital and to remain employed for a defined period.

1.2 Not Wages or Earned Compensation. The Upfront Payments are not wages, salary, or earned compensation for hours worked or services performed. They are separate from and in addition to any compensation, benefits, or other terms and conditions set forth in any employment agreement, offer letter, or Hospital policy.

1.3 Not Condition of Employment. Physician may accept employment with Hospital without accepting the Upfront Payments. Physician’s employment is not contingent upon entering into this Agreement.

2. Definitions

2.1 Sign-On Bonus means a discretionary payment in the gross amount of \$40,000. \$20,000 to be paid on or about January 5th, 2026 and \$20,000 on or about July 15th, 2026.

2.2 Relocation Assistance means a one-time discretionary payment and/or reimbursement of relocation-related expenses in a total gross amount not to exceed \$10,000.

2.3 Upfront Payments means, collectively, the Sign-On Bonus and Relocation Assistance, not to exceed \$50,000 in total.

2.4 Payment Date means the date on which each Upfront Payment (or portion thereof) is actually disbursed to Physician.

2.5 Retention Period means the period beginning on the first Payment Date for any Upfront Payment and ending no later than two (2) years thereafter (the exact end date to be specified in Section 3.2).

2.6 Voluntary Resignation means Physician’s voluntary decision to terminate employment with Hospital for any reason.

2.7 Misconduct means conduct that would justify termination for cause under Hospital policy or any applicable employment agreement (e.g., negligence, willful misconduct, dishonesty, loss of license, or material policy violations).

3. Upfront Payments and Deferral Option

3.1 Amounts and Timing. Subject to Section 3.3 (Deferral Option), Hospital will pay on or about January 5th, 2026 (the “Initial Payment Date”), or in such installments as Hospital may reasonably determine:

- The Sign-On Bonus in the amount of \$40,000, and
- Relocation Assistance up to \$10,000,

3.2 Retention Period (Maximum Two Years). The Retention Period shall commence on the Initial Payment Date and shall continue until January 5th, 2028 (not more than two (2) years after the Initial Payment Date).

3.3 Deferral Option (No Repayment if Deferred).

(a) Physician may elect to defer receipt of some or all of the Upfront Payments until after successful completion of the entire Retention Period.

(b) If Physician elects this deferral option for a particular Upfront Payment that amount shall not be paid until after the Retention Period is completed, and no repayment obligation will ever arise with respect to the deferred amount, regardless of when or why employment ends before payment.

(c) Physician’s election to receive Upfront Payments at the outset of employment rather than deferring them is entirely voluntary.

Physician’s elections as to timing of each Upfront Payment are set forth in Exhibit A (Deferral Election), which is incorporated by this reference.

4. Retention Commitment (No Non-Compete)

4.1 Expectation to Remain for Retention Period. In consideration of any Upfront Payments that Physician elects to receive before completion of the Retention Period, Physician agrees to make a good-faith commitment to remain employed by Hospital through the end of the Retention Period, subject at all times to:

- Physician’s right to voluntarily resign; and
- Hospital’s right to terminate employment for any lawful reason.

4.2 No Restriction on Future Practice. Nothing in this Agreement restricts Physician from practicing medicine for any other employer or in any other location after employment with Hospital ends.

5. Repayment Obligations

5.1 Triggers for Repayment. For any Upfront Payment (or portion) that Physician chose not to defer under Section 3.3 and that was actually paid before

completion of the Retention Period, Physician shall be obligated to repay the unearned portion of that payment only if:

(a) Physician voluntarily resigns from employment with Hospital before the end of the Retention Period; or

(b) Hospital terminates Physician's employment before the end of the Retention Period for Misconduct.

5.2 No Repayment in Other Circumstances. Physician shall not be obligated to repay any portion of the Upfront Payments if employment ends before the end of the Retention Period due to:

(a) Termination by Hospital without cause or for reasons other than Misconduct;

(b) Physician's death or permanent disability; or

(c) Any other reason not described in Section 5.1.

5.3 Interest-Free, Pro-Rated Repayment.

(a) No Interest or Fees. Any repayment obligation shall be strictly limited to repayment of the principal amount of the unearned portion of the Upfront Payments. No interest, collection fee, penalty, or other charge shall be imposed.

(b) Pro-Rated Formula. The "unearned" portion to be repaid shall be calculated on a straight-line, pro-rated basis as follows:

- Unearned Portion = Upfront Payment received × (Remaining days in Retention Period ÷ Total days in Retention Period)
- Hospital may, in its discretion, use months rather than days for ease of calculation, provided the result is substantially equivalent.

(c) No Acceleration. Repayment shall never exceed the pro-rated unearned portion. There shall be no accelerated repayment obligation based on early separation.

5.4 Repayment Schedule. Any repayment owed under this Section 5 shall be due within sixty (60) days after the employment-ending event described in Section 5.1, unless Hospital and Physician mutually agree in writing on a longer interest-free installment plan.

5.5 No Unlawful Wage Deduction. Hospital shall not deduct any repayment amount from Physician's wages in any manner that would violate applicable wage-and-hour laws, including minimum wage and overtime requirements. Any deduction shall comply with all applicable law and shall not operate as an unlawful rebate of wages.

7. Miscellaneous

7.1 At-Will Employment. Nothing in this Agreement alters the at-will nature of Physician's employment with Hospital. Both parties retain the right to terminate the employment relationship at any time, with or without cause and with or

without advance notice, subject to applicable law and any written employment contract.

7.2 No Assignment to Debt Collector to Evade Law. Hospital will not assign any repayment obligation under this Agreement to a third-party debt collector in a manner that would violate applicable law regulating repayment agreements.

7.3 Entire Agreement. This Agreement constitutes the entire understanding between the parties regarding the Upfront Payments and supersedes all prior or contemporaneous oral or written agreements concerning the same subject. It does not modify the terms of any employment agreement or Hospital policy except as expressly stated herein.

7.4 Amendments. This Agreement may be amended only by a written instrument signed by Physician and an authorized representative of Hospital.

7.5 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action arising out of or relating to this Agreement shall be brought in a court of competent jurisdiction in the State of California in the county in which this Agreement is to be performed.

7.6 Severability. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect and shall be enforced to the maximum extent permitted by law.

8. Acknowledgments and Signatures

Physician acknowledges that Physician has read this Agreement, understands its terms, has had the opportunity to consult independent legal counsel, and voluntarily agrees to be bound by it.

HOSPITAL

Kern Valley Healthcare District

Name: John Lovrich

Title: Chief Executive Officer

Date: _____

PHYSICIAN

Dr. _____

Date: _____

Exhibit A – Deferral Election

Physician makes the following elections regarding timing of Upfront Payments:

1. Sign-On Bonus of \$_____

I elect to receive this amount on the Initial Payment Date and understand it will be subject to the pro-rated repayment terms of this Agreement.

I elect to defer this amount until I have completed the full Retention Period. If I complete the Retention Period, the amount will be paid then with no repayment obligation. If I do not complete the Retention Period, this amount will not be paid and no debt will arise.

2. Relocation Assistance up to \$_____

I elect to receive this amount (or reimbursements) during the Retention Period and understand it will be subject to the pro-rated repayment terms of this Agreement.

I elect to defer payment of relocation assistance until after I have completed the full Retention Period. If I complete the Retention Period, the amount will be paid then with no repayment obligation. If I do not complete the Retention Period, this amount will not be paid and no debt will arise.

Physician Initials: _____ Date: _____