



TAHOE FOREST HOSPITAL DISTRICT

# 2023-12-21 Regular Meeting of the Board of Directors

Thursday, December 21, 2023 at 4:00 p.m.

Tahoe Forest Hospital - Eskridge Conference Room

10121 Pine Avenue, Truckee, CA 96161



# TAHOE FOREST HOSPITAL DISTRICT

## Meeting Book - 2023-12-21 Regular Meeting of the Board of Directors

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# REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, December 21, 2023 at 4:00 p.m.

Tahoe Forest Hospital – Eskridge Conference Room  
10121 Pine Avenue, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

4. **INPUT AUDIENCE**

This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Clerk of the Board 24 hours prior to the meeting to allow for distribution.

5. **CLOSED SESSION**

**5.1. Hearing (Health & Safety Code § 32155)◆**

*Subject Matter: Third Quarter 2023 Corporate Compliance Report*

*Number of items: One (1)*

**5.2. Conference with Real Property Negotiator (Gov. Code § 54956.8)**

*Property Parcel Numbers: 018-570-063 & 018-570-060*

*Agency Negotiator: Louis Ward*

*Negotiating Party: Gateway Village Truckee, LLC*

*Under Negotiation: Price & Terms of Payment*

**5.3. Approval of Closed Session Minutes◆**

**5.3.1.** 11/16/2023 Regular Meeting

**5.4. Public Employee Performance Evaluation (Government Code § 54957)**

*Title: President & Chief Executive Officer*

**5.5. TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155)◆**

*Subject Matter: Medical Staff Credentials*

APPROXIMATELY 6:00 P.M.

6. **DINNER BREAK**

7. **OPEN SESSION – CALL TO ORDER**

8. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

9. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District  
**December 21, 2023 AGENDA – Continued**

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**10. INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board Chair may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

**12. CONSENT CALENDAR** ◆

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

**12.1. Approval of Minutes of Meetings**

12.1.1. 11/16/2023 Regular Meeting..... ATTACHMENT

**12.2. Financial Reports**

12.2.1. Financial Report – November 2023..... ATTACHMENT

**12.3. Board Reports**

12.3.1. President & CEO Board Report..... ATTACHMENT

12.3.2. COO Board Report ..... ATTACHMENT

12.3.3. CNO Board Report ..... ATTACHMENT

12.3.4. CMO Board Report ..... ATTACHMENT

12.3.5. CIIO Board Report..... ATTACHMENT

**12.4. Approve Quarterly Compliance Report**

12.4.1. Third Quarter 2023 Corporate Compliance Report ..... ATTACHMENT

**12.5. Approve Committee Charter**

12.5.1. Board Community Engagement Committee Charter ..... ATTACHMENT

**12.6. Approve Updated Board Policy**

12.6.1. Investment Policy, ABD-15 ..... ATTACHMENT

**13. ITEMS FOR BOARD DISCUSSION**

13.1. 2023 Cancer Center Quality Report..... ATTACHMENT

The Board of Directors will receive an annual quality report from the District’s Gene Upshaw Memorial Tahoe Forest Cancer Center.

**14. ITEMS FOR BOARD ACTION**

14.1. Memorandum of Understanding ..... ATTACHMENT

The Board of Directors will review and consider approval of a Memorandum of Understanding to transfer residential housing density between Tahoe Forest Hospital District and Gateway Village Truckee, LLC.

**15. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY**

**16. BOARD OFFICER ELECTION**

16.1. Election of 2024 Board Officers

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District  
**December 21, 2023 AGENDA – Continued**

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Election of the 2024 Chair of the Tahoe Forest Board of Directors will take place. The new Board Chair will then preside over the election of the TFHD Vice Chair, Secretary and Treasurer for the 2024 calendar year.

**17. BOARD COMMITTEE REPORTS**

**18. BOARD MEMBERS REPORTS/CLOSING REMARKS**

**19. CLOSED SESSION CONTINUED**

**20. OPEN SESSION**

**21. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY**

**22. ADJOURN**

*The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is January 25, 2024 at Tahoe Forest Hospital – Eskridge Conference Room, 10121 Pine Avenue, Truckee, CA, 96161. A copy of the board meeting agenda is posted on the District’s web site ([www.tfhd.com](http://www.tfhd.com)) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting. Materials related to an item on this Agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection in the Administration Office, 10977 Spring Lane, Truckee, CA 96161, during normal business hours.*

\*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The telephonic meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Clerk of the Board at 582-3481 at least 24 hours in advance of the meeting.



# REGULAR MEETING OF THE BOARD OF DIRECTORS **DRAFT MINUTES**

Thursday, November 16, 2023 at 4:00 p.m.  
Tahoe Forest Hospital – Eskridge Conference Room  
10121 Pine Avenue, Truckee, CA 96161

## **1. CALL TO ORDER**

Meeting was called to order at 4:01 p.m.

## **2. ROLL CALL**

Board: Alyce Wong, Board Chair; Michael McGarry, Vice Chair; Robert (Bob) Barnett, Secretary; Dale Chamblin, Treasurer; Mary Brown, Board Member

Staff in attendance: Alex MacLennan, Chief Human Resources; Matt Mushet, In-House Counsel; Martina Rochefort, Clerk of the Board

Other: David Ruderman, General Counsel

## **3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

Item 14.4. was removed from the agenda.

General Counsel read the board into Closed Session.

## **4. INPUT AUDIENCE**

No public comment was received.

Open Session recessed at 4:04 p.m.

## **5. CLOSED SESSION**

### **5.1. Conference with Labor Negotiator (Government Code § 54957.6)**

*Name of District Negotiator(s) to Attend Closed Session: Mary Brown*

*Unrepresented Employee: President & Chief Executive Officer*

Discussion was held on a privileged item.

### **5.2. Conference with Legal Counsel; Anticipated Litigation (Government Code § 54956.9(d)(2) & (d)(3))**

*A point has been reached where, in the opinion of the District Board, on the advice of its legal counsel, based on the below-described existing facts and circumstances, there is a significant exposure to litigation against the District.*

*Receipt of Claim pursuant to Tort Claims Act or other written communication threatening litigation (copy available for public inspection in Clerk's office).*

*(Gov. Code § 54956.9(e)(3))*

*Name of Person or Entity Threatening Litigation: Karla Weeks*

Discussion was held on a privileged item.

**5.3. Hearing (Health & Safety Code § 32155)**

*Subject Matter: First Quarter Fiscal Year 2024 Board Quality Dashboard*

*Number of items: One (1)*

Discussion was held on a privileged item.

**5.4. Approval of Closed Session Minutes**

**5.4.1.** 10/26/2023 Regular Meeting

Discussion was held on a privileged item.

**5.5. TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155)**

*Subject Matter: Medical Staff Credentials*

Discussion was held on a privileged item.

**6. DINNER BREAK**

**7. OPEN SESSION – CALL TO ORDER**

Open Session reconvened at 6:03 p.m.

**8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

General Counsel noted the Board heard five items in Closed Session. There was no reportable action on items 5.1., 5.2., and 5.3. Items 5.4. and 5.5. were both approved on a 5-0 vote.

**9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

Item 14.4. was pulled from the agenda.

**10. INPUT – AUDIENCE**

No public comment was received.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

No public comment was received.

**12. MEDICAL STAFF EXECUTIVE COMMITTEE**

**12.1. Medical Executive Committee (MEC) Meeting Consent Agenda**

MEC recommended the following for approval by the Board of Directors:

Revised Policies:

- *Immunizations Vaccinations for Medical Staff and Allied Health Professional Staff, MSGEN-1603*
- *Neonate – Patient Admission Care and Discharge of, DWFC-1449*
- *Neonate – Late Preterm Newborn, DWFC-1486*

Discussion was held.

**ACTION:** Motion made by Director Brown to approve the Medical Executive Committee Meeting Consent Agenda as presented, seconded by Director Barnett.

**AYES: Directors Brown, Chamblin, Barnett, McGarry and Wong**  
**Abstention: None**  
**NAYS: None**  
**Absent: None**

**13. CONSENT CALENDAR**

**13.1. Approval of Minutes of Meetings**

**13.1.1. 10/26/2023 Regular Meeting**

**13.2. Financial Reports**

**13.2.1. Financial Report – October 2023**

**13.3. Board Reports**

**13.3.1. President & CEO Board Report**

**ACTION: Motion made by Director Chamblin to approve the Consent Calendar as presented, seconded by Director McGarry.**

**AYES: Directors Brown, Chamblin, Barnett, McGarry and Wong**  
**Abstention: None**  
**NAYS: None**  
**Absent: None**

**14. ITEMS FOR BOARD ACTION**

**14.1. Fiscal Year 2023 Audited Financial Statements**

Brian Conner and Justen Gomes of Moss Adams presented the Fiscal Year 2023 Audited Financial Statements. Discussion was held.

**ACTION: Motion made by Director Brown to accept the Fiscal Year 2023 Audited Financial Statements as presented, seconded by Director McGarry.**

**AYES: Directors Brown, Chamblin, Barnett, McGarry and Wong**  
**Abstention: None**  
**NAYS: None**  
**Absent: None**

**14.2. President & CEO Annual Compensation Increase**

The Board of Directors reviewed and considered approval of the annual compensation adjustment for the President & CEO as required by his employment agreement. Discussion was held.

**ACTION: Motion made by Director Brown to approve a 6.6% increase of the President and CEO's base compensation salary for a total compensation package of \$792,004.00 base compensation and potential 30% incentive compensation as presented, seconded by Director McGarry.**

**AYES: Directors Brown, Chamblin, Barnett, McGarry and Wong**  
**Abstention: None**  
**NAYS: None**  
**Absent: None**

**14.3. Fiscal Year 2023 President & Chief Executive Officer Incentive Compensation**



The Board of Directors reviewed and approved the Fiscal Year 2023 President and Chief Executive Officer Incentive Compensation. Discussion was held.

**ACTION:** Motion made by Director Brown to consider all metrics achieved and approved a full payout (30% of base salary) of the President and CEO's Fiscal Year 2023 Incentive Compensation plan, seconded by Director Barnett. Roll call vote taken.

**AYES:** Directors Brown, Chamblin, Barnett, McGarry and Wong

**Abstention:** None

**NAYS:** None

**Absent:** None

#### **14.4. Order & Decorum**

Item was removed from the agenda.

#### **15. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY**

Not applicable.

#### **16. BOARD COMMITTEE REPORTS**

Director McGarry provided an update from the November 8, 2023 Board Quality Committee meeting and recent Tahoe Forest Health System Foundation meeting.

Chair Wong provided an update from the November 6, 2023 Board Governance Committee meeting.

#### **17. BOARD MEMBERS REPORTS/CLOSING REMARKS**

No discussion was held.

**Open Session recessed at 7:05 p.m.**

#### **18. CLOSED SESSION CONTINUED**

##### **18.1. Public Employee Performance Evaluation (Government Code § 54957)**

*Title: President & Chief Executive Officer*

Discussion was held on a privileged.

#### **19. OPEN SESSION**

**Open Session reconvened at 8:03 p.m.**

#### **20. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY**

General Counsel noted there was no reportable action taken on item 18.1.

#### **21. ADJOURN**

**Meeting adjourned at 8:04 p.m.**

**TAHOE FOREST HOSPITAL DISTRICT  
NOVEMBER 2023 FINANCIAL REPORT  
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13	STATEMENT OF CASH FLOWS

**Board of Directors**  
*Of Tahoe Forest Hospital District*  
**NOVEMBER 2023 FINANCIAL NARRATIVE**

The following is the financial narrative analyzing financial and statistical trends for the five months ended November 30, 2023.

**Activity Statistics**

- ❑ TFH acute patient days were 374 for the current month compared to budget of 354. This equates to an average daily census of 12.5 compared to budget of 11.8.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Home Health visits, Surgery cases, Lab Send Out tests, Oncology Lab, Medical Oncology procedures, Nuclear Medicine, MRI, CT Scans, PET CT, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical Therapy, Physical Therapy Aquatic, and Occupational Therapy.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Emergency Department visits, Hospice visits, EKGs, Mammography, Radiation Oncology procedures, Ultrasounds, Briner Ultrasounds, Tahoe City Occupational Therapy, and Outpatient Speech Therapy.

**Financial Indicators**

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 50.9% in the current month compared to budget of 48.2% and to last month's 44.2%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 46.2% compared to budget of 48.0% and prior year's 48.7%.
- ❑ EBIDA was \$3,385,717 (6.8%) for the current month compared to budget of \$516,263 (1.1%), or \$2,869,454 (5.7%) above budget. Year-to-date EBIDA was \$10,863,261 (4.3%) compared to budget of \$5,848,181 (2.4%), or \$5,015,080 (1.9%) above budget.
- ❑ Net Income was \$4,200,982 for the current month compared to budget of \$266,979 or \$3,934,003 above budget. Year-to-date Net Income was \$9,208,046 compared to budget of \$4,584,364 or \$4,623,682 above budget.
- ❑ Cash Collections for the current month were \$22,156,932, which is 109% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$97,938,220 at the end of November compared to \$98,067,026 at the end of October.

**Balance Sheet**

- ❑ Working Capital is at 33.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 186.8 days. Working Capital cash decreased a net \$7,162,000. Accounts Payable decreased \$745,000, Accrued Payroll & Related Costs decreased \$4,877,000, and the District had construction obligations of \$799,000. The District received funding from the CY22 HQAF program and Cash Collections were 9% above target.
- ❑ Net Patient Accounts Receivable increased a net \$253,000 and cash collections were 109% of target. EPIC Days in A/R were 59.9 compared to 57.2 at the close of October, a 2.70 days increase.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$505,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs and received \$1,979,000 for the Districts participation in the CY22 HQAF program.
- ❑ Unrealized Gain/(Loss) Cash Investment Fund decreased \$1,431,000 after recording the unrealized gains in its funds held with Chandler Investments in November.
- ❑ Investment in TSC, LLC decreased a net \$15,000 after recording the estimated loss for November and truing up the losses for October.
- ❑ To comply with GASB No. 96, the District recorded Amortization Expense for November on its Right-To-Use Subscription assets, decreasing the asset \$313,000.

November 2023 Financial Narrative

- ❑ Accounts Payable decreased \$745,000 due to the timing of the final check run in November.
- ❑ Accrued Payroll & Related Costs decreased a net \$4,877,000 after paying out the Gain Share and Incentive Comp Bonuses.
- ❑ To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for November, decreasing the liability \$271,000.

**Operating Revenue**

- ❑ Current month’s Total Gross Revenue was \$49,592,159 compared to budget of \$46,899,786 or \$2,692,373 above budget.
- ❑ Current month’s Gross Inpatient Revenue was \$6,961,246, compared to budget of \$5,979,234 or \$982,012 above budget.
- ❑ Current month’s Gross Outpatient Revenue was \$42,630,913 compared to budget of \$40,920,552 or \$1,710,361 above budget.
- ❑ Current month’s Gross Revenue Mix was 42.17% Medicare, 16.25% Medi-Cal, .0% County, .25% Other, and 41.33% Commercial Insurance compared to budget of 37.69% Medicare, 14.71% Medi-Cal, .0% County, 1.97% Other, and 45.63% Commercial Insurance. Last month’s mix was 42.97% Medicare, 15.47% Medi-Cal, .0% County, 1.45% Other, and 40.11% Commercial Insurance. Year-to-date Gross Revenue Mix was 42.00% Medicare, 15.46% Medi-Cal, .0% County, 1.12% Other, and 41.42% Commercial compared to budget of 37.94% Medicare, 14.79% Medi-Cal, .0% County, 1.96% Other, and 45.31% Commercial.
- ❑ Current month’s Deductions from Revenue were \$24,377,376 compared to budget of \$24,294,980 or \$82,396 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 4.49% increase in Medicare, a 1.54% increase to Medi-Cal, County at budget, a 1.72% decrease in Other, and Commercial Insurance was below budget 4.31%, 2) Revenues were above budget 5.70%, and 3) the District finalized its As Filed Medicare cost report for FY23, resulting in additional monies due from the program and creating a positive variance in Prior Period Settlements.

DESCRIPTION	November 2023 Actual	November 2023 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	10,504,796	10,084,254	(420,542)	We saw increases in Technical, RN, and PA/FNP wages.
Employee Benefits	3,415,511	3,522,233	106,722	Paid Leave and Sick Leave came in below budget, creating a positive variance in Employee Benefits. This is also lending to the negative variance in Salaries & Wages.
Benefits – Workers Compensation	66,677	108,106	41,429	
Benefits – Medical Insurance	2,056,748	1,953,389	(103,359)	We are witnessing some high dollar claims being processed, creating a negative variance in Benefits – Medical Insurance.
Medical Professional Fees	506,796	537,277	30,481	Anesthesia, Emergency Department & Hospitalist Physician Fees were below budget, creating a positive variance in Medical Professional Fees.
Other Professional Fees	285,542	321,617	36,075	Outsourced legal fees for Medical Staff and consulting services for Information Technology were below budget, creating a positive variance in Other Professional Fees.
Supplies	3,910,522	3,677,146	(233,376)	Drugs Sold to Patients and Oncology Drugs Sold to Patients revenues were above budget, creating a negative variance in Supplies.
Purchased Services	1,803,180	2,258,993	455,813	The District implemented GASB No. 96 which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use Asset where the monthly subscription amounts are written off to Amortization and Interest Expense. GASB No. 96 was recorded for November, creating positive variances in Purchased Services for Information Technology and Department Repairs. Outsourced billing and collection services for Patient Accounting were also below budget for the month.
Other Expenses	967,804	1,077,275	109,471	We saw positive variances in Dues and Subscriptions, Outside Training & Travel, and Utility costs, creating a positive variance in Other Expenses.
Total Expenses	23,517,575	23,540,290	22,715	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
NOVEMBER 2023

	Nov-23	Oct-23	Nov-22	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
* CASH	\$ 25,795,884	\$ 32,957,705	\$ 12,451,182	1
PATIENT ACCOUNTS RECEIVABLE - NET	39,969,222	39,716,242	43,999,214	2
OTHER RECEIVABLES	14,876,730	13,602,326	12,385,865	
GO BOND RECEIVABLES	2,165,668	1,720,532	2,103,280	
ASSETS LIMITED OR RESTRICTED	12,154,102	10,935,895	10,217,086	
INVENTORIES	5,259,360	5,263,284	4,476,779	
PREPAID EXPENSES & DEPOSITS	4,619,685	4,525,419	2,860,173	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	23,373,831	22,869,076	22,430,314	3
<b>TOTAL CURRENT ASSETS</b>	<b>128,214,482</b>	<b>131,590,479</b>	<b>110,923,892</b>	
<b>NON CURRENT ASSETS</b>				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	10,337,968	10,337,968	34,788,423	1
* CASH INVESTMENT FUND	105,949,774	105,825,237	80,258,849	1
UNREALIZED GAIN/(LOSS) CASH INVESTMENT FUND	(1,670,886)	(3,102,038)	(4,269,879)	4
MUNICIPAL LEASE 2018	-	-	726,485	
TOTAL BOND TRUSTEE 2017	21,501	21,415	20,598	
TOTAL BOND TRUSTEE 2015	723,458	584,565	691,251	
TOTAL BOND TRUSTEE GO BOND	5,764	5,764	5,764	
GO BOND TAX REVENUE FUND	1,358,370	1,358,370	1,066,917	
DIAGNOSTIC IMAGING FUND	3,462	3,462	3,364	
DONOR RESTRICTED FUND	1,159,431	1,159,430	1,141,617	
WORKERS COMPENSATION FUND	36,736	15,338	(20,059)	
TOTAL	117,925,579	116,209,511	114,413,330	
LESS CURRENT PORTION	(12,154,102)	(10,935,895)	(10,217,086)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	105,771,477	105,273,615	104,196,244	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(3,641,847)	(3,627,100)	(2,692,164)	5
PROPERTY HELD FOR FUTURE EXPANSION	1,715,390	1,715,390	1,694,072	
PROPERTY & EQUIPMENT NET	196,038,225	194,394,657	190,318,624	
GO BOND CIP, PROPERTY & EQUIPMENT NET	1,791,406	1,791,406	1,843,196	
<b>TOTAL ASSETS</b>	<b>429,889,133</b>	<b>431,138,447</b>	<b>406,283,863</b>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	255,358	258,590	294,146	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	124,578	124,578	343,424	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	4,442,282	4,465,986	4,726,738	
GO BOND DEFERRED FINANCING COSTS	433,124	435,445	460,974	
DEFERRED FINANCING COSTS	119,632	120,672	132,115	
INTANGIBLE LEASE ASSET NET OF ACCUM AMORTIZATION	7,401,503	7,630,395	8,448,459	
RIGHT-TO-USE SUBSCRIPTION ASSET NET OF ACCUM AMORTIZATION	29,122,177	29,434,637	-	6
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<b>\$ 41,898,654</b>	<b>\$ 42,470,304</b>	<b>\$ 14,405,858</b>	
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	\$ 9,877,543	\$ 10,622,247	\$ 10,934,264	7
ACCRUED PAYROLL & RELATED COSTS	21,235,683	26,112,393	18,331,116	8
INTEREST PAYABLE	487,986	421,048	402,317	
INTEREST PAYABLE GO BOND	1,046,477	784,858	1,075,260	
SUBSCRIPTION LIABILITY	30,409,917	30,681,210	-	9
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	290,618	290,618	320,626	
HEALTH INSURANCE PLAN	2,722,950	2,722,950	2,224,062	
WORKERS COMPENSATION PLAN	3,287,371	3,287,371	2,947,527	
COMPREHENSIVE LIABILITY INSURANCE PLAN	2,586,926	2,586,926	2,082,114	
CURRENT MATURITIES OF GO BOND DEBT	2,195,000	2,195,000	1,945,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	3,979,480	4,125,869	5,594,718	
<b>TOTAL CURRENT LIABILITIES</b>	<b>78,119,951</b>	<b>83,830,489</b>	<b>45,857,004</b>	
<b>NONCURRENT LIABILITIES</b>				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	25,311,509	25,604,961	28,240,905	
GO BOND DEBT NET OF CURRENT MATURITIES	90,669,499	90,687,454	93,329,966	
DERIVATIVE INSTRUMENT LIABILITY	124,578	124,578	343,424	
<b>TOTAL LIABILITIES</b>	<b>194,225,537</b>	<b>200,247,482</b>	<b>167,771,299</b>	
<b>NET ASSETS</b>				
NET INVESTMENT IN CAPITAL ASSETS	276,402,819	272,201,838	251,776,804	
RESTRICTED	1,159,431	1,159,430	1,141,617	
<b>TOTAL NET POSITION</b>	<b>\$ 277,562,250</b>	<b>\$ 273,361,269</b>	<b>\$ 252,918,421</b>	

\* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF NET POSITION  
NOVEMBER 2023

1. Working Capital is at 33.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 186.8 days. Working Capital cash decreased a net \$7,162,000. Accounts Payable decreased \$745,000 (See Note 7), Accrued Payroll & Related Costs decreased \$4,877,000 (See Note 8), and the District had Construction obligations of \$799,000. The District received funding from the CY22 HQAF program and Cash Collections were above target by 9% (See Note 2).
2. Net Patient Accounts Receivable increased a net \$253,000. Cash collections were 109% of target. EPIC Days in A/R were 59.9 compared to 57.2 at the close of October, a 2.70 days increase.
3. Estimated Settlements, Medi-Cal & Medicare increased a net \$505,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs and received \$1,979,000 for the Districts participation in the CY22 HQAF program.
4. Unrealized Gain/(Loss) Cash Investment Fund decreased \$1,431,000 after recording the unrealized gains in its funds held with Chandler Investments for the month of November.
5. Investment in TSC, LLC decreased a net \$15,000 after recording the estimated loss for November and truing up the losses for October.
6. To comply with GASB No. 96, the District recorded Amortization Expense for November on its Right-To-Use Subscription assets, decreasing the asset \$313,000.
7. Accounts Payable decreased \$745,000 due to the timing of the final check run in November.
8. Accrued Payroll & Related Costs decreased a net \$4,877,000 after paying out the Gain Share and Incentive Comp bonuses.
9. To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for November, decreasing the liability \$271,000.

**Tahoe Forest Hospital District  
Cash Investment  
November 30, 2023**

**WORKING CAPITAL**

US Bank	\$ 24,754,489	4.97%	
US Bank/Incline Village Thrift Store	5,180		
US Bank/Truckee Thrift Store	20,459		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,015,756</u>	0.01%	
Total			\$ 25,795,884

**BOARD DESIGNATED FUNDS**

US Bank Savings	\$ -		
Chandler Investment Fund	<u>105,949,774</u>	4.98%	
Total			\$ 105,949,774

Building Fund	\$ -		
Cash Reserve Fund	<u>10,337,968</u>	3.87%	
Local Agency Investment Fund			\$ 10,337,968

Municipal Lease 2018			\$ -
Bonds Cash 2017			\$ 21,501
Bonds Cash 2015			\$ 723,458
GO Bonds Cash 2008			\$ 1,364,135

DX Imaging Education	\$ 3,462		
Workers Comp Fund - B of A	36,736		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 40,198</u>

<b>TOTAL FUNDS</b>			<b>\$ 144,232,918</b>
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**RESTRICTED FUNDS**

Gift Fund			
US Bank Money Market	\$ 8,372	0.10%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,123,750</u>	3.87%	
<b>TOTAL RESTRICTED FUNDS</b>			<b><u>\$ 1,159,431</u></b>

<b>TOTAL ALL FUNDS</b>			<b><u><u>\$ 145,392,349</u></u></b>
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TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
NOVEMBER 2023

CURRENT MONTH				YEAR TO DATE				PRIOR YTD		
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	NOV 2022		
<b>OPERATING REVENUE</b>										
\$ 49,592,159	\$ 46,899,786	\$ 2,692,373	5.7%	Total Gross Revenue	\$ 255,469,870	\$ 246,052,483	\$ 9,417,387	3.8%	1	\$ 226,847,473
Gross Revenues - Inpatient				Gross Revenues - Inpatient						
\$ 3,243,982	\$ 2,966,911	\$ 277,071	9.3%	Daily Hospital Service	\$ 16,278,289	\$ 16,233,825	\$ 44,464	0.3%		\$ 15,090,314
3,717,264	3,012,323	704,941	23.4%	Ancillary Service - Inpatient	19,010,030	17,800,948	1,209,082	6.8%		16,799,644
6,961,246	5,979,234	982,012	16.4%	Total Gross Revenue - Inpatient	35,288,319	34,034,773	1,253,546	3.7%	1	31,889,958
42,630,913	40,920,552	1,710,361	4.2%	Gross Revenue - Outpatient	220,181,551	212,017,710	8,163,841	3.9%		194,957,515
42,630,913	40,920,552	1,710,361	4.2%	Total Gross Revenue - Outpatient	220,181,551	212,017,710	8,163,841	3.9%	1	194,957,515
Deductions from Revenue:				Deductions from Revenue:						
25,910,214	22,642,953	(3,267,261)	-14.4%	Contractual Allowances	136,841,348	119,311,174	(17,530,174)	-14.7%	2	112,195,920
(330,982)	937,996	1,268,978	135.3%	Charity Care	193,996	4,921,050	4,727,054	96.1%	2	1,900,142
340,041	714,031	373,990	52.4%	Bad Debt	2,690,960	3,747,425	1,056,465	28.2%	2	2,416,851
(1,541,898)	-	1,541,898	0.0%	Prior Period Settlements	(2,241,709)	-	2,241,709	0.0%	2	(75,440)
24,377,376	24,294,980	(82,396)	-0.3%	Total Deductions from Revenue	137,484,594	127,979,649	(9,504,945)	-7.4%		116,437,473
102,532	100,710	(1,822)	-1.8%	Property Tax Revenue- Wellness Neighborhood	533,254	507,113	(26,141)	-5.2%		518,961
1,585,977	1,351,037	234,940	17.4%	Other Operating Revenue	7,663,032	6,927,095	735,937	10.6%	3	6,525,791
26,903,292	24,056,553	2,846,739	11.8%	<b>TOTAL OPERATING REVENUE</b>	<b>126,181,562</b>	<b>125,507,042</b>	<b>674,520</b>	<b>0.5%</b>		<b>117,454,752</b>
<b>OPERATING EXPENSES</b>				<b>OPERATING EXPENSES</b>						
10,504,796	10,084,254	(420,542)	-4.2%	Salaries and Wages	50,845,681	51,774,787	929,106	1.8%	4	47,075,519
3,415,511	3,522,233	106,722	3.0%	Benefits	16,748,560	16,775,260	26,700	0.2%	4	16,066,219
66,677	108,106	41,429	38.3%	Benefits Workers Compensation	418,758	540,528	121,770	22.5%	4	520,185
2,056,748	1,953,389	(103,359)	-5.3%	Benefits Medical Insurance	10,465,635	9,766,945	(698,690)	-7.2%	4	7,345,019
506,796	537,277	30,481	5.7%	Medical Professional Fees	2,687,533	2,788,590	101,057	3.6%	5	2,468,265
285,542	321,617	36,075	11.2%	Other Professional Fees	1,216,064	1,457,896	241,832	16.6%	5	1,038,761
3,910,522	3,677,146	(233,376)	-6.3%	Supplies	19,558,004	19,980,961	422,957	2.1%	6	17,682,663
1,803,180	2,258,993	455,813	20.2%	Purchased Services	8,815,617	11,385,830	2,570,213	22.6%	7	10,050,256
967,804	1,077,275	109,471	10.2%	Other	4,562,449	5,188,064	625,615	12.1%	8	5,056,532
23,517,575	23,540,290	22,715	0.1%	<b>TOTAL OPERATING EXPENSE</b>	<b>115,318,301</b>	<b>119,658,861</b>	<b>4,340,560</b>	<b>3.6%</b>		<b>107,303,419</b>
<b>3,385,717</b>	<b>516,263</b>	<b>2,869,454</b>	<b>555.8%</b>	<b>NET OPERATING REVENUE (EXPENSE) EBIDA</b>	<b>10,863,261</b>	<b>5,848,181</b>	<b>5,015,080</b>	<b>85.8%</b>		<b>10,151,333</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>				<b>NON-OPERATING REVENUE/(EXPENSE)</b>						
759,968	761,790	(1,822)	-0.2%	District and County Taxes	3,779,246	3,805,387	(26,141)	-0.7%	9	3,455,265
445,136	445,136	(0)	0.0%	District and County Taxes - GO Bond	2,225,678	2,225,678	(0)	0.0%		2,157,544
337,323	174,331	162,992	93.5%	Interest Income	1,329,358	875,226	454,132	51.9%	10	449,385
17,200	61,115	(43,915)	-71.9%	Donations	350,959	305,573	45,386	14.9%	11	400,989
(14,747)	(67,000)	52,253	78.0%	Gain/(Loss) on Joint Investment	(231,000)	(335,000)	104,000	31.0%	12	(616,294)
1,428,360	100,000	1,328,360	-1328.4%	Gain/(Loss) on Market Investments	1,721,413	500,000	1,221,413	-244.3%	13	(663,744)
-	-	-	0.0%	Gain/(Loss) on Sale of Equipment	-	-	-	0.0%	14	-
(1,686,452)	(1,364,931)	(321,521)	-23.6%	Depreciation	(8,427,948)	(6,824,544)	(1,603,404)	-23.5%	15	(6,709,385)
(201,834)	(90,036)	(111,798)	-124.2%	Interest Expense	(1,047,278)	(460,495)	(586,783)	-127.4%	16	(541,415)
(269,689)	(269,689)	(0)	0.0%	Interest Expense-GO Bond	(1,355,642)	(1,355,642)	0	0.0%		(1,391,750)
815,265	(249,284)	1,064,549	427.0%	<b>TOTAL NON-OPERATING REVENUE/(EXPENSE)</b>	<b>(1,655,215)</b>	<b>(1,263,817)</b>	<b>(391,398)</b>	<b>-31.0%</b>		<b>(3,459,405)</b>
<b>\$ 4,200,982</b>	<b>\$ 266,979</b>	<b>\$ 3,934,003</b>	<b>1473.5%</b>	<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>\$ 9,208,046</b>	<b>\$ 4,584,364</b>	<b>\$ 4,623,682</b>	<b>100.9%</b>		<b>\$ 6,691,928</b>
<b>NET POSITION - BEGINNING OF YEAR</b>				<b>268,354,204</b>						
<b>NET POSITION - AS OF NOVEMBER 30, 2023</b>				<b>\$ 277,562,250</b>						
<b>6.8%</b>	<b>1.1%</b>	<b>5.7%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>4.3%</b>	<b>2.4%</b>	<b>1.9%</b>		<b>4.5%</b>	



**TAHOE FOREST HOSPITAL DISTRICT**  
**NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**NOVEMBER 2023**

		<b>Variance from Budget</b>	
		<b>Fav / &lt;Unfav&gt;</b>	
		<b>NOV 2023</b>	<b>YTD 2023</b>
<b>1) Gross Revenues</b>			
Acute Patient Days were above budget 5.65% or 20 days. Swing Bed days were above budget 170.59% or 29 days. Inpatient Ancillary Revenues were above budget due to the increase in patient days.	Gross Revenue -- Inpatient	\$ 982,012	\$ 1,253,546
	Gross Revenue -- Outpatient	1,710,361	8,163,841
	Gross Revenue -- Total	\$ 2,692,373	\$ 9,417,387
<p>Outpatient volumes were above budget in the following departments: Home Health visits, Surgery cases, Lab Send Out tests, Oncology Lab, Medical Oncology procedures, Nuclear Medicine, MRI, CT Scan, PET CT, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, Gastroenterology cases, Tahoe City Physical Therapy, and Outpatient Physical Therapy, Physical Therapy Aquatic, and Occupational Therapy.</p> <p>Outpatient volumes were below budget in the following departments: Emergency Department visits, Hospice visits, EKG's, Diagnostic Imaging, Mammography, Radiation Oncology procedures, Ultrasounds, Briner Ultrasounds, Tahoe City Occupational Therapy, and Outpatient Speech Therapy.</p>			
<b>2) Total Deductions from Revenue</b>			
The payor mix for November shows a 4.49% increase to Medicare, a 1.54% increase to Medi-Cal, 1.72% decrease to Other, County at budget, and a 4.31% decrease to Commercial when compared to budget. We saw a shift in our Payor Mix from Commercial to Medicare and Medi-Cal, revenues were above budget 5.70%, and the Business Office continues its efforts in cleaning up older claims in EPIC, lending to the negative variance in Contractual Allowances.	Contractual Allowances	\$ (3,267,261)	\$ (17,530,174)
	Charity Care	1,268,978	4,727,054
	Bad Debt	373,990	1,056,465
	Prior Period Settlements	1,541,898	2,241,709
	Total	\$ (82,396)	\$ (9,504,945)
<p>We finalized the As Filed Medicare cost report for FY23, resulting in additional monies due to the District. This is creating a positive variance in Prior Period Settlements.</p>			
<b>3) Other Operating Revenue</b>			
Retail Pharmacy revenues were above budget 35.71%.	Retail Pharmacy	155,509	455,084
	Hospice Thrift Stores	(6,747)	15,073
	The Center (non-therapy)	12,127	10,756
Occupational Health testing and Fitness Center revenues were above budget, creating a positive variance in The Center (non-therapy).	IVCH ER Physician Guarantee	33,117	60,277
	Children's Center	27,810	114,900
	Miscellaneous	(17,543)	110,514
IVCH ER Physician Guarantee is tied to collections which exceeded budget in November.	Oncology Drug Replacement	-	-
	Grants	30,667	(30,667)
Children's Center revenues were above budget 18.28%.	Total	\$ 234,940	\$ 735,937
<p>Rebates &amp; Refunds were below budget, creating a negative variance in Miscellaneous.</p>			
<b>4) Salaries and Wages</b>			
We saw increases in Technical, RN, and PA/FNP wages, coupled with a decrease in Paid Leave and Sick Leave, creating a negative variance in Salaries and Wages.	Total	\$ (420,542)	\$ 929,106
<b>Employee Benefits</b>			
Paid Leave & Sick Leave were below budget, creating a positive variance in PL/SL.	PL/SL	\$ 126,408	\$ 30,836
	Nonproductive	63,051	218,128
	Pension/Deferred Comp	-	7,020
A reduction in year-to-date accrued Physician RVU Bonuses created a positive variance in Nonproductive.	Standby	15,125	(55,002)
	Other	(97,862)	(174,281)
Negative variance in Other is related to Employer Payroll taxes.	Total	\$ 106,722	\$ 26,700
<b>Employee Benefits - Workers Compensation</b>	Total	\$ 41,429	\$ 121,770
<b>Employee Benefits - Medical Insurance</b>	Total	\$ (103,359)	\$ (698,690)
<p>We continue to see higher claims being processed through our Third Party Administrator creating a negative variance in Employee Benefits - Medical Insurance.</p>			
<b>5) Professional Fees</b>			
Locums coverage in Medical Oncology is creating a negative variance in Multi-Specialty Clinics.	Multi-Specialty Clinics	\$ (10,793)	\$ (108,437)
	Oncology	(5,328)	(30,095)
	Administration	(9,120)	(26,878)
Contracting support created a negative variance in Managed Care.	Managed Care	(20,086)	(12,788)
	IVCH ER Physicians	(6,618)	(9,733)
	Multi-Specialty Clinics Administration	(3,441)	(8,349)
Anesthesia physician fees were below budget, creating a positive variance in Miscellaneous.	Marketing	1,158	(5,183)
	Home Health/Hospice	-	-
	Patient Accounting/Admitting	-	-
A decrease in Outsourced Legal services created a positive variance in Medical Staff Services.	Respiratory Therapy	-	-
	The Center	-	-
	TFH/IVCH Therapy Services	-	-
Budgeted consulting services for Information Technology were below budget, creating a positive variance in this category.	Corporate Compliance	2,000	10,000
	Human Resources	(6,049)	36,487
	Miscellaneous	18,762	38,757
Emergency Department and Hospitalist physician fees were below budget, creating a positive variance in TFH Locums.	Medical Staff Services	12,675	63,900
	Information Technology	34,090	92,713
	Financial Administration	37,275	147,106
	TFH Locums	22,032	155,388
	Total	\$ 66,556	\$ 342,888

**TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
NOVEMBER 2023**

		<b>Variance from Budget</b>	
		<b>Fav / &lt;Unfav&gt;</b>	
		<b>NOV 2023</b>	<b>YTD 2023</b>
<b>6) <u>Supplies</u></b>	Pharmacy Supplies	\$ (382,204)	\$ (209,414)
Drugs Sold to Patients, Oncology Drugs Sold to Patients, and Retail Pharmacy volumes were above budget 17.77%, creating a negative variance in Pharmacy Supplies.	Other Non-Medical Supplies	(40,231)	(76,212)
The IVCH Foundation purchased Logowear and Scrubs for the staff, creating a negative variance in Other Non-Medical Supplies. The purchases are covered by a grant which will be transferred to the District to offset the costs.	Food	7,145	(7,680)
Implant costs and Non-Patient Chargeable supplies were below budget, creating a positive variance in Patient & Other Medical Supplies.	Office Supplies	1,533	12,174
	Minor Equipment	4,449	59,464
	Patient & Other Medical Supplies	175,932	644,624
	<b>Total</b>	<b>\$ (233,376)</b>	<b>\$ 422,957</b>
<b>7) <u>Purchased Services</u></b>	Laboratory	\$ (7,713)	\$ (62,875)
Lab Send Out tests were above budget, creating a negative variance in Laboratory.	Home Health/Hospice	(3,078)	672
Record retention and outsourced coding services were below budget, creating a positive variance in Medical Records.	Pharmacy IP	5,894	10,747
Employee Health Screenings and support services for the UKG Dimensions implementation created a negative variance in Human Resources.	Community Development	2,033	14,867
Bank and Credit Card fees and a Community Survey created negative variances in Miscellaneous.	The Center	7,884	23,919
Outsourced billing and collection services were below budget, creating a positive variance in Patient Accounting.	Diagnostic Imaging Services - All	4,042	43,692
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense with an offsetting entry to Purchased Services, creating positive variances in Information Technology and Department Repairs.	Medical Records	30,959	72,785
	Human Resources	(38,281)	111,166
	Multi-Specialty Clinics	(5,246)	117,725
	Information Technology	15,991	219,236
	Miscellaneous	(66,246)	321,012
	Patient Accounting	137,550	338,175
	Department Repairs	372,025	1,359,091
	<b>Total</b>	<b>\$ 455,813</b>	<b>\$ 2,570,213</b>
<b>8) <u>Other Expenses</u></b>	Miscellaneous	\$ (57,905)	\$ (123,736)
Timing of the transfer of Construction Labor to Construction Projects created a negative variance in Miscellaneous.	Other Building Rent	(2,483)	(36,988)
Oxygen tank rentals created a negative variance in Equipment Rent.	Equipment Rent	(13,238)	(9,260)
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense with an offsetting entry to Other Expenses, creating a positive variance in Dues and Subscriptions.	Multi-Specialty Clinics Equip Rent	430	(5,057)
Natural Gas/Propane, Telephone, and Electricity costs were below budget, creating a positive variance in Utilities.	Insurance	(1,162)	(4,007)
	Multi-Specialty Clinics Bldg. Rent	(58)	(3,791)
	Physician Services	-	139
	Human Resources Recruitment	7,448	20,317
	Marketing	6,126	68,148
	Dues and Subscriptions	31,303	130,214
	Outside Training & Travel	17,732	206,447
	Utilities	121,278	383,190
	<b>Total</b>	<b>\$ 109,471</b>	<b>\$ 625,615</b>
<b>9) <u>District and County Taxes</u></b>	<b>Total</b>	<b>\$ (1,822)</b>	<b>\$ (26,141)</b>
<b>10) <u>Interest Income</u></b>	<b>Total</b>	<b>\$ 162,992</b>	<b>\$ 454,132</b>
We saw increases in our interest rates at US Bank, Chandler Investments, and LAIF, creating a positive variance in Interest Income.			
<b>11) <u>Donations</u></b>	IVCH	\$ (16,667)	\$ 90,235
	Operational	(27,248)	(44,849)
	<b>Total</b>	<b>\$ (43,915)</b>	<b>\$ 45,386</b>
<b>12) <u>Gain/(Loss) on Joint Investment</u></b>	<b>Total</b>	<b>\$ 52,253</b>	<b>\$ 104,000</b>
<b>13) <u>Gain/(Loss) on Market Investments</u></b>	<b>Total</b>	<b>\$ 1,328,360</b>	<b>\$ 1,221,413</b>
The District booked the value of unrealized gains in its holdings with Chandler Investments.			
<b>14) <u>Gain/(Loss) on Sale or Disposal of Assets</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>15) <u>Depreciation Expense</u></b>	<b>Total</b>	<b>\$ (321,521)</b>	<b>\$ (1,603,404)</b>
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense, creating a negative variance in Depreciation Expense.			
<b>16) <u>Interest Expense</u></b>	<b>Total</b>	<b>\$ (111,798)</b>	<b>\$ (586,783)</b>
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense, creating a negative variance in Interest Expense.			

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
NOVEMBER 2023

CURRENT MONTH				YEAR TO DATE				PRIOR YTD NOV 2022			
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%			
				<b>OPERATING REVENUE</b>							
\$ 2,974,768	\$ 3,408,727	\$ (433,959)	-12.7%	Total Gross Revenue	\$ 18,477,287	\$ 17,422,737	\$ 1,054,550	6.1%	1	\$ 16,103,248	
				<b>Gross Revenues - Inpatient</b>							
\$ -	\$ 5,627	\$ (5,627)	-100.0%	Daily Hospital Service	\$ -	\$ 11,255	\$ (11,255)	-100.0%		\$ 10,719	
-	2,461	(2,461)	-100.0%	Ancillary Service - Inpatient	-	9,488	(9,488)	-100.0%		11,270	
-	8,088	(8,088)	-100.0%	Total Gross Revenue - Inpatient	-	20,743	(20,743)	-100.0%	1	21,989	
2,974,768	3,400,639	(425,871)	-12.5%	Gross Revenue - Outpatient	18,477,287	17,401,994	1,075,293	6.2%		16,081,259	
2,974,768	3,400,639	(425,871)	-12.5%	Total Gross Revenue - Outpatient	18,477,287	17,401,994	1,075,293	6.2%	1	16,081,259	
				<b>Deductions from Revenue:</b>							
1,528,129	1,549,113	20,984	1.4%	Contractual Allowances	8,954,712	7,896,401	(1,058,311)	-13.4%	2	7,496,593	
53,726	68,175	14,449	21.2%	Charity Care	176,009	348,455	172,446	49.5%	2	386,142	
76,768	51,131	(25,637)	-50.1%	Bad Debt	582,276	261,341	(320,935)	-122.8%	2	409,180	
(149,617)	-	149,617	0.0%	Prior Period Settlements	(149,617)	-	149,617	0.0%	2	-	
1,509,006	1,668,419	159,413	9.6%	Total Deductions from Revenue	9,563,379	8,506,197	(1,057,182)	-12.4%	2	8,291,915	
80,843	47,775	33,068	69.2%	Other Operating Revenue	371,972	297,528	74,444	25.0%	3	297,852	
1,546,604	1,788,083	(241,479)	-13.5%	<b>TOTAL OPERATING REVENUE</b>	9,285,880	9,214,068	71,812	0.8%		8,109,185	
				<b>OPERATING EXPENSES</b>							
659,401	714,724	55,323	7.7%	Salaries and Wages	3,292,930	3,282,318	(10,612)	-0.3%	4	2,958,950	
193,734	215,471	21,737	10.1%	Benefits	948,223	1,027,862	79,639	7.7%	4	991,794	
2,660	3,157	497	15.7%	Benefits Workers Compensation	13,300	15,785	2,485	15.7%	4	11,377	
127,179	119,744	(7,435)	-6.2%	Benefits Medical Insurance	641,278	598,720	(42,558)	-7.1%	4	465,796	
153,518	147,567	(5,951)	-4.0%	Medical Professional Fees	758,273	751,875	(6,398)	-0.9%	5	754,810	
2,250	2,306	56	2.4%	Other Professional Fees	11,781	11,531	(250)	-2.2%	5	11,006	
152,178	62,438	(89,740)	-143.7%	Supplies	627,911	332,553	(295,358)	-88.8%	6	282,810	
68,819	66,953	(1,866)	-2.8%	Purchased Services	276,793	463,598	186,805	40.3%	7	357,869	
130,672	127,031	(3,641)	-2.9%	Other	629,347	500,011	(129,336)	-25.9%	8	489,982	
1,490,412	1,459,391	(31,021)	-2.1%	<b>TOTAL OPERATING EXPENSE</b>	7,199,838	6,984,253	(215,585)	-3.1%		6,324,394	
<b>56,193</b>	<b>328,692</b>	<b>(272,499)</b>	<b>-82.9%</b>	<b>NET OPERATING REV(EXP) EBIDA</b>	<b>2,086,042</b>	<b>2,229,815</b>	<b>(143,773)</b>	<b>-6.4%</b>		<b>1,784,791</b>	
				<b>NON-OPERATING REVENUE/(EXPENSE)</b>							
-	16,667	(16,667)	-100.0%	Donations-IVCH	173,569	83,334	90,235	108.3%	9	228,387	
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10	-	
(122,785)	(121,338)	(1,447)	1.2%	Depreciation	(615,487)	(608,891)	(6,596)	-1.1%	11	(474,808)	
(1,395)	(1,353)	(42)	3.1%	Interest Expense	(7,211)	(7,017)	(194)	2.8%	12	(8,705)	
(124,180)	(106,024)	(18,156)	-17.1%	<b>TOTAL NON-OPERATING REVENUE/(EXP)</b>	(449,130)	(532,574)	83,445	15.7%		(255,126)	
<b>\$ (67,987)</b>	<b>\$ 222,668</b>	<b>\$ (290,655)</b>	<b>-130.5%</b>	<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 1,636,913</b>	<b>\$ 1,697,241</b>	<b>\$ (60,328)</b>	<b>-3.6%</b>		<b>\$ 1,529,665</b>	
<b>1.9%</b>	<b>9.6%</b>	<b>-7.8%</b>		<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>11.3%</b>	<b>12.8%</b>	<b>-1.5%</b>			<b>11.1%</b>	

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
NOVEMBER 2023**

		<b>Variance from Budget</b>	
		<b>Fav&lt;Unfav&gt;</b>	
		<b>NOV 2023</b>	<b>YTD 2023</b>
<b>1) Gross Revenues</b>			
Acute Patient Days were below budget by 1 at 0 and Observation Days were below budget by 2 at 0.	Gross Revenue -- Inpatient	\$ (8,088)	\$ (20,743)
Outpatient volumes were below budget in Emergency Department visits, Laboratory tests, EKGs, CT Scans, Respiratory Therapy, and Drugs Sold to Patients.	Gross Revenue -- Outpatient	(425,871)	1,075,293
Outpatient volumes were above budget in Surgery cases, Lab Send Out tests, Ultrasounds, Physical Therapy, Speech Therapy, and Occupational Therapy.	Total	\$ (433,959)	\$ 1,054,550
<b>2) Total Deductions from Revenue</b>			
We saw a shift in our payor mix with a 4.28% increase in Medicare, a .31% increase in Medicaid, a 1.97% decrease in Commercial insurance, a 2.62% decrease in Other, and County was at budget.	Contractual Allowances	\$ 20,984	\$ (1,058,311)
We saw a shift in Payor Mix from Commercial to Medicare and Medicaid and revenues were below budget 12.70%, creating a positive variance in Contractual Allowances.	Charity Care	14,449	172,446
We finalized the As Filed Medicare Cost Report for FY23, resulting in additional monies due to the District. This is creating a positive variance in Prior Period Settlements.	Bad Debt	(25,637)	(320,935)
	Prior Period Settlement	149,617	149,617
	Total	\$ 159,413	\$ (1,057,182)
<b>3) Other Operating Revenue</b>			
IVCH ER Physician Guarantee is tied to collections, coming in above budget in November.	IVCH ER Physician Guarantee	\$ 33,117	\$ 60,277
	Miscellaneous	(49)	14,168
	Total	\$ 33,068	\$ 74,444
<b>4) Salaries and Wages</b>			
	Total	\$ 55,323	\$ (10,612)
<b>Employee Benefits</b>			
We saw decreased use of Paid Leave and Sick Leave, creating a positive variance in PL/SL.	PL/SL	\$ 5,050	\$ 59,337
	Pension/Deferred Comp	446	445
	Standby	2,867	(5,061)
	Other	4,435	(14,317)
	Nonproductive	8,939	39,234
	Total	\$ 21,737	\$ 79,639
<b>Employee Benefits - Workers Compensation</b>			
	Total	\$ 497	\$ 2,485
<b>Employee Benefits - Medical Insurance</b>			
	Total	\$ (7,435)	\$ (42,558)
<b>5) Professional Fees</b>			
	IVCH ER Physicians	\$ (6,618)	\$ (9,733)
	Foundation	56	(250)
	Administration	-	-
	Miscellaneous	-	-
	Multi-Specialty Clinics	667	3,334
	Total	\$ (5,895)	\$ (6,649)
<b>6) Supplies</b>			
Oncology Drugs Sold to Patients revenues exceeded budget by 12.79%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	\$ (33,252)	\$ (231,775)
The IVCH Foundation purchased Logowear and Scrubs for the staff, creating a negative variance in Non-Medical Supplies. The purchases are covered by a grant which will be transferred to the District to offset the costs.	Non-Medical Supplies	(60,329)	(61,250)
	Patient & Other Medical Supplies	1,313	(7,904)
	Office Supplies	432	(198)
	Food	532	1,048
	Minor Equipment	1,564	4,721
	Total	\$ (89,740)	\$ (295,358)

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
NOVEMBER 2023**

		<b>Variance from Budget</b>	
		<b>Fav&lt;Unfav&gt;</b>	
		<b>NOV 2023</b>	<b>YTD 2023</b>
<b>7) <u>Purchased Services</u></b>			
Laundry & Linen costs per week have increased, creating a negative variance in EVS/Laundry.	EVS/Laundry	\$ (2,494)	\$ (9,815)
Snow removal services created a negative variance in Miscellaneous.	Laboratory	1,110	(8,630)
Printing of the year-end appeal letters created a negative variance in Foundation.	Diagnostic Imaging Services - All	(285)	(3,513)
	Miscellaneous	(1,614)	(2,840)
	Engineering/Plant/Communications	584	(1,326)
	Pharmacy	133	670
	Multi-Specialty Clinics	134	1,096
	Department Repairs	1,848	7,111
	Foundation	(1,283)	204,051
	<b>Total</b>	<b>\$ (1,866)</b>	<b>\$ 186,805</b>
<b>8) <u>Other Expenses</u></b>			
Purchases for the IVCH Foundation's Oral Health Improvement initiative created a negative variance in Miscellaneous.	Miscellaneous	\$ (25,890)	\$ (166,382)
Mobile CT Rental fees came in below budget, creating a positive variance in Equipment Rent.	Other Building Rent	(3,920)	(19,700)
Natural Gas/Propane, Electricity, and Telephone costs were below budget, creating a positive variance in Utilities.	Dues and Subscriptions	(213)	(11,053)
	Equipment Rent	3,539	(4,504)
	Multi-Specialty Clinics Bldg. Rent	(315)	(1,823)
	Physician Services	-	-
	Insurance	716	1,745
	Marketing	1,545	6,684
	Outside Training & Travel	4,414	15,816
	Utilities	16,483	49,881
	<b>Total</b>	<b>\$ (3,641)</b>	<b>\$ (129,336)</b>
<b>9) <u>Donations</u></b>	<b>Total</b>	<b>\$ (16,667)</b>	<b>\$ 90,235</b>
<b>10) <u>Gain/(Loss) on Sale</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>11) <u>Depreciation Expense</u></b>	<b>Total</b>	<b>\$ (1,447)</b>	<b>\$ (6,596)</b>
<b>12) <u>Interest Expense</u></b>	<b>Total</b>	<b>\$ (42)</b>	<b>\$ (194)</b>

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	AUDITED FYE 2023		BUDGET FYE 2024	PROJECTED FYE 2024	ACTUAL NOV 2023	PROJECTED NOV 2023	DIFFERENCE	ACTUAL 1ST QTR	PROJECTED 2ND QTR	PROJECTED 3RD QTR	PROJECTED 4TH QTR
Net Operating Rev/(Exp) - EBIDA	31,312,720		12,535,783	17,550,864	\$ 3,385,717	\$ 516,263	\$ 2,869,454	6,814,877	5,672,818	2,815,796	2,247,373
Interest Income	1,348,932		2,000,000	2,280,718	273,726	75,000	198,726	582,090	698,628	500,000	500,000
Property Tax Revenue	10,063,960		10,190,000	10,256,101	-	-	-	596,999	119,101	5,400,000	4,140,000
Donations	1,574,358		6,733,375	6,835,039	93,620	26,115	67,506	149,171	529,180	78,344	6,078,344
Debt Service Payments	(5,216,044)		(3,981,665)	(3,976,604)	(353,055)	(352,963)	(92)	(1,054,410)	(915,195)	(727,486)	(1,279,514)
Property Purchase Agreement	(811,927)		(811,927)	(811,928)	(67,661)	(67,661)	-	(202,983)	(202,982)	(202,982)	(202,982)
2018 Municipal Lease	(1,717,326)		(715,553)	(715,417)	(142,975)	(143,111)	135	(429,332)	(286,086)	-	-
Copier	(63,919)		(47,871)	(42,945)	(5,322)	(5,094)	(228)	(10,803)	(14,835)	(15,282)	(2,025)
2017 VR Demand Bond	(840,606)		(761,145)	(761,145)	-	-	-	-	-	(97,930)	(663,215)
2015 Revenue Bond	(1,782,266)		(1,645,169)	(1,645,169)	(137,097)	(137,097)	0	(411,292)	(411,292)	(411,292)	(411,292)
Physician Recruitment	(476,666)		(1,146,666)	(943,331)	(30,000)	(116,666)	86,666	(83,333)	(146,666)	(379,999)	(333,333)
Investment in Capital											
Equipment	(2,315,113)		(4,545,602)	(4,545,602)	(778,226)	(602,653)	(175,573)	(682,703)	(1,483,125)	(1,209,137)	(1,170,637)
IT/EMR/Business Systems	(710,081)		(2,818,739)	(2,818,739)	(29,400)	(610,047)	580,647	-	(644,347)	(1,213,244)	(961,149)
Building Projects/Properties	(21,471,856)		(21,287,010)	(21,287,010)	(2,067,490)	(2,447,107)	379,617	(2,714,000)	(5,087,072)	(7,327,260)	(6,158,678)
Change in Accounts Receivable	(6,688,560)	N1	(2,859,354)	(2,995,819)	(252,980)	(1,445,136)	1,192,156	1,910,240	2,004,567	(6,597,671)	(312,955)
Change in Settlement Accounts	(8,255,522)	N2	4,265,118	1,777,246	(504,754)	1,220,477	(1,725,231)	(2,878,378)	(2,174,782)	(5,624,286)	12,454,692
Change in Other Assets	(8,902,354)	N3	(3,500,000)	(4,801,599)	(907,505)	200,000	(1,107,505)	(2,377,128)	(1,074,471)	(100,000)	(1,250,000)
Change in Other Liabilities	328,247	N4	(4,400,000)	(6,054,482)	(5,866,936)	(5,413,727)	(453,209)	(3,216,855)	(5,412,879)	(2,987,374)	5,562,626
Change in Cash Balance	(9,407,979)		(8,814,760)	(8,723,219)	(7,037,283)	(8,950,445)	1,913,161	(2,953,429)	(7,914,242)	(17,372,317)	19,516,769
Beginning Unrestricted Cash	154,252,753		144,844,775	144,844,775	149,120,909	149,120,909	-	144,844,775	141,891,346	133,977,104	116,604,787
Ending Unrestricted Cash	144,844,775		136,030,015	136,121,556	142,083,626	140,170,465	1,913,161	141,891,346	133,977,104	116,604,787	136,121,556
Operating Cash	144,844,775		136,030,015	136,121,556	142,083,626	140,170,465	1,913,161	141,891,346	133,977,104	116,604,787	136,121,556
Expense Per Day	750,945		803,035	792,751	760,559	785,094	(24,535)	753,622	768,182	786,889	792,751
Days Cash On Hand	193		169	172	187	179	8	188	174	148	172

Footnotes:

N1 - Change in Accounts Receivable reflects the 30 day delay in collections.

N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.

N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.



## Board Informational Report

**By: Harry Weis**  
President and CEO

**DATE: December 11, 2023**

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Dear Chair and Members of the Board.

It is hard to believe this is the last report to share for calendar year 2023! This calendar year has gone by very quickly.

As we look at our health system through October, as the November financials aren't complete as of the above date, we are seeing a slowing year over year, overall volume growth for the health system of about 7.6%. It had been a year over year growth rate earlier of 10% but this level of increase is declining.

Our bottom lines have been slightly negative in September and October. Even with the bottom lines, just cited for September and October, year to date we are about \$700,000 higher than budget in Net Income and \$1,700,000 higher than this same period of the prior year.

We are grateful for this positive team performance when 17 rural hospitals and many urban hospitals in California and Nevada are having severe struggles right now. Thirty six percent of rural hospitals in America are on the verge of closing now. Every week we read of a closure or bankruptcy.

As our team really works hard all year long and they provide 24/7 coverage rain or shine, it is also appropriate to play hard. It was great to see the smiles and hear the chatter of our medical staff at their annual medical staff meeting and dinner and from our team at our annual holiday party this past week.

We are one of the few healthcare companies in California and in the US that has a workforce-housing agency that we actively participate in each year. Being a quality employer here suggests we also reflect on the living conditions that are available for our team as well! We thank all those who have supported us in this Workforce Housing Agency important work!

We continue on our important journey of Management Systems improvement work focusing first on patient access to care and our mental health services. These efforts will last many months and there will be transitions to other topics and areas of the health system. These change steps allow front line staff to acknowledge that a status quo future is not sustainable and it does not honor our patients or our team either. The beauty of this Management Systems change process is after our front line team acknowledges that status quo is not ok, then they get to propose changes to make it much better.

California is experiencing a growing deficit and currently the largest deficit in the history of the state! I can remember when the Total General Fund budget of the state was around 100 billion per year when I was working in Salinas, CA just a few years back and right now, the deficit is expected to be 68 billion. These state losses will likely touch every entity who receives disbursements from the state including us in some way. The State is now relooking at the huge healthcare minimum wage increase the Governor signed into law at the last minute to see if the state can modify or back out of this arrangement.

One of our many major improvement efforts this year is to greatly improve our annual investment income, making sure the hospital and all subsidiaries have strong cash and investment strategies in place. We hope to talk about this a bit more after this fiscal year ends.

We do need to talk a bit more granularly about the early intentions of the California Office of Healthcare Affordability. Crystal has spoken in the past about some of their growing involvement dates and micromanagement dates for all California hospital systems. Again, it appears they are keeping hands off on healthcare payors and healthcare suppliers including drug companies and only focusing on physician and hospital type providers.

The desire of the CA Office of Healthcare Affordability is to assign all residents of the state to each health system and to drop down further, the state wishes to assign all residents assigned to a hospital system to each appropriate medical staff member in that health system. Further, they wish to identify a total cost figure for this patient population assigned to each health system and the number of residents. So they will attempt to then identify what is the total healthcare cost for those residents assigned to us on a per member per month basis and contrast this with other health system performance.

We are not paid on any capitated basis like Medicare Advantage programs, Kaiser, Anthem, United, Cigna or Aetna and our patients have great freedom where they go for care. Therefore, with this “reality back drop” of no capitated contracts and great freedom by our patients as to where they receive care, the math results from the CA Office of Healthcare Affordability should be all over the board.

We continue to be active on many fronts with the Town, State and the Feds.

Keeping you informed.



**By: Louis Ward**  
Chief Operating Officer

**DATE: December 2023**

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### **Service: Deliver Outstanding Patient & Family Experience**

*Continuously improve access to care*

- **Ski First Aid Station agreements**

2023-2024 ski season First Aid agreements have all been executed and returned to Tahoe Forest Health System. TFHS RNs will be providing First Aid services Fri-Sun and 7 day a week coverage on agreed upon Holiday Weeks throughout the 23-24 winter season at the below resorts:

- Sugarbowl
- Diamond Peak
- Boreal

TFHS Registered Nurses will be providing 7 day a week first aid station coverage throughout the winter season at Alpine Meadows as Alpine Meadows leadership have requested and funded the additional coverage.

- **Tahoe Forest Retail Pharmacy**

The Tahoe Forest Retail Pharmacy has experienced a large increase in new patients in the past month. This increase is primarily due to the closure of two Rite aid stores in the area. We strive to provide the highest level of customer service while patients pick up their prescriptions; we continue to increase staffing while we are experiencing increased demand. We are alerting patients of various ways to improve their experience at the TFH Retail Pharmacy:

- Download the RxLocal mobile app, from which you can manage prescriptions for you and your family. Get the app by texting RXLOCAL to 64890 or visit [app.rxlocal.com](http://app.rxlocal.com) to create an account and get started.
- Use the Pharmacy's voicemail system if you prefer to refill your prescriptions by phone: (530) 587-7607
- Expect a 24 to 48-hour turnaround time when filling prescriptions
- Prescriptions will be held for 10 days before being returned to back to stock, so plan accordingly

The Tahoe Forest Pharmacy is open 365 days, 7 days a week, 9 a.m. – 6 p.m., including all holidays, 9am-3pm.

### **Community: Expand and foster community and regional relationships**

*Enhance and promote our value to the community*

- **Tahoe Forest Health System to celebrate 75 Years!**

Tahoe Forest Health System, established in 1949 will be celebrating 75 years in 2024.

Administration has created a committee chaired by the COO to manage the activities of celebrating our 75<sup>th</sup> year.

**Quality: Provide excellent patient focused quality care**

*Identify and promote best practice and evidence-based medicine*

○ **Incline Village CT/ X-ray Replacement Projects**

The Staff and Providers of the Incline Village Community Hospital are excited to announce IVCH has completed the CT / X-ray replacement project and will begin seeing patients on the brand new state of the art equipment in late December. The Diagnostic Imaging Department at Incline Village Hospital has recently underwent a \$5 million dollar renovation with all new equipment, with the majority of the funding for the project coming from the Helmsley Family Charitable Trust and Community Donors. We are so appreciative for all of the community support and we are so excited to share this beautiful space with the community.

**Service: Optimize Deliver Model to Achieve Operational and Clinical Efficiency**

Implement a focused master plan

Report provided by Dylan Crosby, Director Facilities and Construction Management

**Active Moves:**

**Planned Moves:**

**Care Coordination October 23, 2023**

**Active Projects:**

**Project:** Martis Outlook Plastics

**Background:** Staff have focused on providing health care services in the Eastern portion of Truckee. Property was acquired in 2021 at the Martis Outlook Building to realize this goal.

**Summary of Work:** Demo interiors of existing suite to build out new clinic space.

**Update Summary:** Drywall is underway complete.

**Start of Construction:** Spring 2023

**Estimated Completion:** Spring 2024

**Project:** Martis Outlook Primary Care

**Background:** Staff have focused on providing health care services in the Eastern portion of Truckee. Property was acquired in 2021 at the Martis Outlook Building to realize this goal.

**Summary of Work:** Demo interiors of existing suite to build out new clinic space.

**Update Summary:** Construction is complete. First Patient day is scheduled for 12/27/23.

**Start of Construction:** Spring 2023

**Estimated Completion:** Winter 2023

**Project:** Incline Village Community Hospital X-Ray and CT Replacement

**Background:** Incline Village Community Hospital has been provided a grant opportunity to support the replacement of the X-Ray and CT at the Hospital. Various components of the X-Ray are end of service and end of support. The CT is approaching end of service. The new CT will be replaced with a new 128 slice machine, existing 16 slices. Install new Mammography Machine.

**Summary of Work:** Provide temporary accommodations to ensure hospital can provide X-Ray and CT services during the project. Replace X-Ray and CT equipment and modify space for code compliance and improved staff and patient workflow.

**Update Summary:** Construction is complete and accepted. First Patient day is scheduled for 12/19/23. Mammography is in gross maximum price negotiation.

**Start of Construction:** Spring 2023

**Estimated Completion:** Spring 2024

## **Projects in Planning:**

**Project:** Tahoe Forest Hospital Seismic Improvement

**Background:** In 2012, Tahoe Forest Hospital completed an expansive seismic improvement job to extend the allowance of acute care service in many of the Hospital buildings up to and beyond the 2030 deadline determined by Senate Bill 1953. This project is Phase one of three in a compliance plan to meet the full 2030 deadline.

**Summary of Work:** Upgrade four buildings (the 1978, 1990, 1993 and Med Gas) to Non-Structural Performance Category “NPC” 4 status. Renovate the Diagnostic Imaging reception, waiting room and X-Ray to increase capacity and receive new equipment. Renovate Emergency Department beds 8-15 to provide addition patient privacy. Renovate Emergency Department beds 4-7 to private rooms. Aesthetic upgrades of the 1978 and 1990 buildings including but not limited to flooring, ceilings, signage and painting.

1978 Building – Diagnostic Imaging, portions of Emergency Department

1990 Building – Portions of the Surgical Department

1993 Building – Portions of the Dietary Department

Med Gas Building – Primary Med Gas distribution building.

**Update Summary** Project has been put on hold.

**Start of Construction:** Summer 2024

**Estimated Completion:** Winter 2026

**Project:** Levon Parking Structure

**Background:** Demand for parking Tahoe Forest Hospital has far exceeded its capacity. This project is to create a staff parking structure to meet the current and future needs of staff and importantly provide accessible parking for our patients.

**Summary of Work:** Project intent is to concurrently work on this project thru the entitlements effort on the Tahoe Forest Master Plan effort. This project being dependent on the Master Plan approval. This project will provide upwards of 225 parking stalls and various biking parking opportunities to support the parking need of the Tahoe Forest campus. The use intent is for this structure to service staff being located off Levon Ave, the Hospital service corridor.

**Update Summary:** Project is in programming. Site survey has been completed and site design has commenced.

**Start of Construction:** TBD

**Estimated Completion:** TBD

**Project:** Gateway RHC Expansion

**Background:** With the longevity of the existing Gateway Building in the Master Plan staff are looking to maximize the utilization. Staff will be working to expand the current RHC to provide Dental, Opto, Behavioral Health and Out Patient Lab Services.

**Summary of Work:** Remodel 8 suites within the Building.

**Update Summary** Tenant Improvement is awaiting an approved program. Site design and demolition plan have commenced. Development permit is scheduled to be submitted at the end of January 2024

**Start of Construction:** Spring 2024

**Estimated Completion:** Fall 2026



## CNO Board Report

December 2023

Eskridge Conference Room  
10121 Pine Ave, Truckee, CA 96161

By: Jan Iida, RN, MSN, CEN, CENP  
Chief Nursing Officer

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### **Service: Optimize delivery model to achieve operational and clinical efficiency**

- Integration of the IV pump is progressing with the nursing departments in ED, ICU, Med-Surg and Cancer Center. The week of November 6<sup>th</sup> Epic, Mercy and Baxter were on site with our staff to work through any issues with testing. We are making progress towards a timely go-live. Training begins in February with go live in March.
- Mercy Epic's team of nurses, bedside nurses, and IT analysis nurses are working together to improve the efficiency of charting in Epic.

### **Quality: Provide clinical excellence in clinical outcomes**

- The OB Department is currently working on the next phase in transitioning C-sections to the OB Team. RN Staff have begun to shadow OR Staff in the circulation of OB cases. OB techs are continuing their online curriculum and scrubbing of C-section cases.

### **Growth: Meeting the needs of the community**

- The Emergency Department and Case Management has been working with the AC to resolve the issues of homeless patients arriving at the ED because they are cold and there is no warming shelter. This month, there will hopefully be a solution on a new site.
- Both emergency departments employ Registered Nurses to provide basic First Aid in Alpine, Boreal and Sugar Bowl throughout the winter season. TFHD and Ski Areas are working together to provide excellent customer service for the ski community.



## Board CMO Report

**By: Brian Evans, MD, MBA**  
Chief Medical Officer

**DATE: December 14, 2023**

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### **People: Strengthen a highly-engaged culture that inspires teamwork & joy**

- The medical staff holiday party was held on December 7. This was a great opportunity for medical staff members and significant others to gather and celebrate a very successful year.
- Journal club was held on November 7<sup>th</sup> and all medical staff were invited. The subject for discussion was misinformation and how it impacts healthcare in our community. A vigorous discussion was enjoyed by all.

### **Service: Deliver Outstanding Patient & Family Experience**

- The Access to Care project had several key meetings including Rapid Improvement Events (RIE's). These sessions were designed to map the processes involved in ordering CT and MRI studies, and also clinic operations. Many inefficiencies were identified and the actions from these events are being implemented now. Our goal is to improve access as well as provider and staff engagement.

### **Quality: Provide excellent patient focused quality care**

- The Quality team continued its work on process measurement and standardization to ensure strong results in the CMS 5 star dashboard.

### **Finance: Ensure strong operational & financial performance for long term sustainability**

- Medical director meetings have shifted to be more data-driven, with standard metrics around productivity and visits.
- We held a physician steering committee on December 5 to restructure physician compensation. We are utilizing the consulting firm ECG to help analyze data and make recommendations.

### **Growth: Expand and foster community and regional relationships**

- We had a second meeting with administrative council, marketing and led by Megan Shirley to review the current state relationships between local ski resorts and TFHD. We are looking at the best ways to ensure high quality care, limit liability, and reduce cost.



## Board Informational Report

**By: Jake Dorst**  
Chief Information and Innovation Officer

**DATE: December 2023**

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**Service: Optimize delivery model to achieve operational and clinical efficiency**

### Project Management Office

#### Initiating

- EEG Department
- VIP inpatient Masking  
Quest Interface Vegas  
Epiphany  
Aura for EPIC (predecessor to Natera and Invitae)  
ParEx upgrade

#### Executing

- Medtel IVR for retail rx
- EPIC contract renewal negotiations
- Access to Care A2C Vizient
- Relyco Check writing replacement
- TFMC Plastics Department
- TFMC ENT/AUD department
- UKG timekeeping and scheduling
- Axiom Sandbox
- CashArc
- Dashboards
- eConsent
- Smartpump Integration
- TFMC NorthStar Urgent Care

#### Complete

- Volpara imaging analysis solution
- Palisades Urgent Care
- Tahoe City Urgent Care
- IVMC Neurology
- PEDS direct scheduling
- PEDS questionnaires

### General IT

- Maintenance and repair of Primary Rate Interface (PRI) lines at IVCH.
  - Preventive maintenance is necessary to minimize disruption to voice, data, and video communication needs.

- Workstation on wheels (WoW) battery conversion complete at Incline Village Community Hospital & ASD. Regularly upgrading the power supply and batteries of these clinical mobile workstations is crucial to extend daily use for patient care.
- Deleted over 4000 user accounts in preparation for Active Director Cloud migration and Privileged Access Management solution (PAM). This helps reduce complexity of the move to the new environment and ensure the PAM solution is tailored “as needed” for TFHS. PAM will prevent unauthorized privileged access to our critical resources.
- Reviewed and tuned legacy security patches and updates. Over the years the need to keep systems secure via patches and updates has grown exponentially. Many of these patches are built in a vacuum and do not consider the changes made by previous ones. Via system registry tuning and replacing single instance patches with “bulk” builds we have seen a minimum of 19% and maximum of 31% performance increase in systems across the enterprise.
- Began asset tagging project. Asset tagging will help us to simplify the identification, tracking, and management of technical assets. This makes it easier to gather data about their location and maintenance history. It also allows us to adhere to compliance requirements.
- Recovered over 500gb of storage. Team performed an audit of storage systems and identified a large amount that can be archived or removed. We suspect we will be able to free up additional space in the future as we continue to audit and pull in automated solutions to assist. This will allow us to reduce storage costs in the future.
- Office 2013 has been removed from all systems in the TFHD environment and upgraded to more recent versions. This effort allows us to migrate to Office 365 seamlessly while also addressing the immediate needs to maintain access to the latest features, functionality, and enhancements.
- NTT Upgrade (ECC EMR solution). Upgrade includes improved interoperability with new operating systems, enhance provider experience and system/performance enhancements.
- 769 Total tickets complete for user requests and system break/fix.

### **Incoming Email Summary 14 Oct – 12 Nov**

- 1,427,038 emails were sent to TFHD addresses.
- 154,089 passed quarantine and were delivered to user inboxes.

Message Category	%	Messages
Stopped by IP Reputation Filtering	80.3%	1,377,336
Stopped by Domain Reputation Filtering	0.0%	367
Stopped as Invalid Recipients	0.4%	7,106
Spam Detected	2.3%	38,690
Virus Detected	0.0%	0
Detected by Advanced Malware Protection	0.0%	0
Messages with Malicious URLs	0.0%	137
Stopped by Content Filter	0.2%	3,402
Stopped by DMARC	0.8%	14,559
S/MIME Verification/Decryption Failed	0.0%	0
<b>Total Threat Messages:</b>	<b>83.2%</b>	<b>1,427,038</b>
Marketing Messages	4.3%	73,401
Social Networking Messages	0.1%	1,482
Bulk Messages	3.5%	59,256
<b>Total Graymails:</b>	<b>7.8%</b>	<b>134,139</b>
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	9.0%	154,089
<b>Total Attempted Messages:</b>		<b>1,715,266</b>

## Top Attackers by Source Countries Last Calendar Month

Panorama : 2023/10/01 - 2023/10/31

Source Country	Count
United States	2.74 M
Mexico	7.80 k
Canada	5.85 k
Nicaragua	4.94 k
Taiwan	3.34 k
Portugal	2.16 k
Norway	1.99 k
United Kingdom	1.02 k
Netherlands	1 k
India	571

Note: Attackers may be using Virtual Private Network to obfuscate their true origin



# Top Threats Last Calendar Month

Panorama : 2023/10/01 - 2023/10/31

Threat ID/Name	ID	Threat Category	Threat Type	Count
Microsoft Windows NTLMSSP Detection	92322	info-leak	vulnerability	7.74 M
Microsoft Windows RPC Encrypted Data Detected	33836	code-execution	vulnerability	7.48 M
Suspicious TLS Evasion Found	14978	spyware	spyware	6.16 M
Suspicious HTTP Evasion Found	14984	spyware	spyware	2.81 M
Microsoft Windows Registry Read Attempt	34940	info-leak	vulnerability	159.06 k
SMB: User Password Brute Force Attempt	40004	brute-force	vulnerability	149.44 k
Windows Local Security Architect Isardelete access	30857	info-leak	vulnerability	135.38 k
Compromised username and/or password from previous data breach in inbound FTP login	58317	insecure-credentials	vulnerability	31.47 k
Microsoft Windows Registry Write Attempt	34941	code-execution	vulnerability	29.90 k
Microsoft Windows Registry Enumeration	30840	info-leak	vulnerability	25.39 k

- Info-leak: attempt to expose information a system may unintentionally publish.
- code-execution: potential for arbitrary malicious code execution
- spyware: Malicious software that collects and shares information about a computer or network.
- brute-force: Large volume of requests/responses from the same source to overwhelm and disrupt systems.
- insecure credentials: Attempt to use weak, compromised and manufacturer default passwords to gain access to environment.

Countries attempting to access TFHD network; however, blocked by policy

## Policy Block Geo-Location

Panorama : Monday, November 13, 2023

Action	Application	Destination Zone	Source Address	Source Host Name	Source Country	Source Zone	Rule
deny	not-applicable	DMVPN-INTERNET	185.162.20.71	h71-20.162.185.beetec.od.ua	Ukraine	OUTSIDE	Block_Source_Countries
deny	gre	INSIDE	109.106.235.118	109.106.235.118	Serbia	OUTSIDE	Block_Source_Countries
deny	not-applicable	DMVPN-INTERNET	171.83.138.176	171.83.138.176	China	OUTSIDE	Block_Source_Countries
deny	ping	DMVPN-INTERNET	117.187.38.151	117.187.38.151	China	OUTSIDE	Block_Source_Countries
deny	not-applicable	OUTSIDE	113.77.102.111	113.77.102.111	China	OUTSIDE	Block_Source_Countries
deny	not-applicable	OUTSIDE	109.100.62.148	109.100.62.148	Romania	OUTSIDE	Block_Source_Countries
deny	not-applicable	INSIDE	202.150.153.76	host76.subnet153.comnet.net.id	Indonesia	OUTSIDE	Block_Source_Countries
deny	not-applicable	OUTSIDE	186.251.103.253	186.251.103.253	Brazil	OUTSIDE	Block_Source_Countries
deny	not-applicable	OUTSIDE	92.241.253.110	host92-241-253-110.ethn.mark-itt.net	Russian Federation	OUTSIDE	Block_Source_Countries
deny	not-applicable	DMVPN-INTERNET	120.193.94.104	120.193.94.104	China	OUTSIDE	Block_Source_Countries

## Clinical Informatics

### General:

1. Update build to PCP Notifications-in Basket
2. Provider Communications and Secure Chat
3. Enhancing the opportunities with affiliate builder program with Mercy
4. Preparing to January Upgrade-start planning/prep/review changes/timeline
5. Slicer Dicer trainings
6. Support for MarketWare Physician Onboarding software and tweak process
7. Prep and messaging for Paperless Billing on MyChart
8. Nursing Project ANEW-Mercy

### AMB:

1. 1:1 follow ups with behavior health teams
2. Provider and support staff trainings
3. Support Staff refreshers/Epic efficiencies
4. Urgent Care Tahoe City and Olympic Valley go live.

### Lab:

1. Wellsky Blood Bank Application Upgrade- Targeted go live January 2024. We are completing round trip testing with Epic internally, but Mercy still does not have access set up for Korchek to complete the third-party validation which will take 6-8 weeks. Should be resolving this soon.
2. Aura- Natera interface project has kicked off. We had a call with the vendor to discuss how this will work. Still waiting for Mercy to coordinate how this will be rolled out to us. Natera will be the first lab we connect with. At least one other will follow.
3. Testing interfaces (Wellsky, Quest, Aurora) for the January Epic upgrade.

### Inpatient:

1. Daily physician tickets
2. Ortho-Dodd-revenue -coding project – a lot of work on this collaborative fix
3. Work on EPCS failing ticket for Hospitalist (trending, repeat issue from last month)
4. Work on multiple tickets on GE fetal monitoring (ADT messages, Restore patient function)
5. Work on the acute alcohol withdrawal order set edits, referral builds, medication nuances. This whole bundle went live/completed in Oct!
6. Work on TFH Paracentesis panel edits- took months – completed in Oct!
7. Work on ECC projects and tickets (CAIRS interface for 2023 Covid vaccines, e-prescribe, MDS changes)
8. Outgoing orders testing for Baxter pump project is complete (had to test all the drugs in the pump library before the full record testing event)
9. Day one of the full record testing is complete. Only 6 failures out of 240. This is 6 months in the making. 2 more days but the bulk of the work is complete.
10. Continued work on OB circulation project. OB nurses have begun circulating on c-section cases. Over 75% of OB nurses have been trained on PACU

### ER:

1. Northstar urgent care clinic build and go live
2. Continued work with the Pump integration project
3. Multiple changes/new builds for ED quick lists

## Surgery:

1. PreOp Workflow
2. Project ANEW department champions
3. Coding/Post Op workflow modifications for Dr. Dodd (working with Cassy and Max Hambrick)
4. Integrating Nihon Kohden rooms A, B, C, and D in ASD into Epic
5. Onboarded a new anesthesiologist



## **Board Informational Report**

**By: Linda Howard**  
Corporate Compliance  
Consultant, The Fox Group

**DATE:** November 16, 2023

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### **2023 Compliance Program 3rd Quarter Report (Open Session)**

The Compliance Committee is providing the Board of Directors (BOD) with a report of the 3rd Quarter 2023 Compliance Program activities (Open Session). This report assists the BOD to meet its obligations to be knowledgeable about the content and operation of the seven components of the Compliance Program.

OPEN SESSION

Period Covered by Report: **July 1, 2023 - September 30, 2023**

Completed by: Linda Howard, Compliance Officer, The Fox Group

**1. Written Policies and Procedures**

1.1. The District's Corporate Compliance Policies and Procedures are reviewed and updated as needed. No Compliance Policies were updated in the third quarter of 2023.

**2. Compliance Oversight / Designation of Compliance Individuals**

2.1. Corporate Compliance Committee Membership as of June 30, 2023:

Linda Howard, The Fox Group – Compliance Officer (Effective August 2023)

Katherine Gaffney - Privacy Officer and Risk Manager (Effective August 2023)

Garrett Smith The Fox Group – Compliance Consultant

Louis Ward, Chief Operating Officer

Jan Iida, RN- Chief Nursing Officer

Harry Weis – Chief Executive Officer

Crystal Felix – Chief Financial Officer

Jake Dorst – Chief Information and Innovation Officer

Alex MacLennan – Chief Human Resources Officer

Matt Mushet – In-house Legal Counsel

Bernice Zander, Health Information Management Director

Scott Baker, Vice President of Physician Services

Tobriah Hale, Legal and Compliance Specialist

**3. Education & Training**

3.1. All employees are assigned annual HIPAA Privacy and Security Rule training, and Compliance Program training, via Health Stream.

3.2. Code of Conduct and Health Stream compliance and privacy training for new Medical staff members and physician employees are completed as part of initial orientation.

**4. Effective Lines of Communication/Reporting**

4.1. A Compliance log is maintained for all calls to the Compliance Hotline and other reports made to the Compliance Department. One report was made through the hot line in the 3<sup>rd</sup> Quarter of 2023, resulting in one privacy investigation.

4.2. HIPAA violations are reported to the Privacy Officer. The Privacy Officer maintains a log of reported events and investigations. 9 reports were investigated by the Privacy Officer in the 3<sup>rd</sup> Quarter of 2023.

2023 Corporate Compliance Program 3rd Quarter Report

OPEN SESSION

Nature of Breach Reports 2023	No. of Reports YTD	No. of Reports 1st Quarter 2023	No. of Reports 2nd Quarter 2023	No. of Reports 3rd Quarter 2023	No. of Reports 4th Quarter 2023
Billing/Registrations	1	1	0	0	0
Patient Results	1	1	0	0	0
Mailings	1	0	1	0	0
Electronic File	0	0	0	0	0
Faxing	2	2	0	0	0
Patient Complaint	0	0	0	0	0
Record Disposal	1	1	0	0	0
Public Disclosure	4	0	2	2	0
Employee Access	7	4	1	2	0
BAA reported breach	0	0	0	0	0
Incorrect Registration	0	0	0	0	0
Incorrect Guarantor	1	0	0	1	0
Unsecure/misdirected email	7	2	1	4	0
Total	25	11	5	9	0
	Total YTD	Q1	Q2	Q3	Q4

4.3. The Compliance Department published one article in the Pacesetter in the third quarter of 2023.

**5. Enforcing Standards through well-publicized Disciplinary Guidelines**

- 5.1. 59 new hires completed 100% of the required Health Stream courses in Corporate Compliance and HIPAA in the 3<sup>rd</sup> quarter.
- 5.2. Completion of employee annual Corporate Compliance & HIPAA courses: 98.6%
- 5.3. All new staff hires, and newly privileged physicians, receive criminal background checks and are checked against the OIG and GSA list of exclusions prior to hiring/appointment. Members of the Medical Staff are checked against the OIG/GSA exclusion lists each month. All employees are screened against the OIG/GSA exclusion list every quarter. All vendors are checked continuously using the vendor credentialing program.

OPEN SESSION

**6. Auditing & Monitoring**

6.1. Two audits were completed during the 3rd<sup>nd</sup> Quarter of 2023 as part of the 2023 Corporate Compliance Work Plan.

6.1.1. Evaluation and Management Coding. An external audit by CodingAide of professional charges for each provider from 2022-23, showed accuracy rates ranging from 20% to 100%. Rebilling claims as necessary. Virtual provider training also provided.

6.1.2. Home Health. An audit of home health charts showed 100% documentation of medical necessity along with documentation of face-to-face visits with a physician as part of the home health order process.

6.1.3. Hospice Billing. An audit of Hospice cases showed no cases exceeding the inpatient or outpatient payment caps in the past fiscal year.

6.1.4. Medicare Outpatient Observation Notice (MOON). The MOON delivery processes were recently updated, with an 80% compliant delivery of the MOON for the quarter.

6.1.5. Advance Beneficiary Notice (ABN). Hospitals must issue an ABN to a patient when a Medicare item or service isn't reasonable and necessary under Program standards. 2 of 25 encounters requiring an ABN did not have a signed ABN on file. Employee education provided & no negative impact to billing.

6.1.6. HFAP Audit. An internal audit for clinical contracted services identified zero deficiencies for the 3rd quarter of 2023.

**7. Responding to Detected Offenses & Corrective Action Initiatives**

7.1. There were no investigations of suspected and actual compliance incidents initiated during the 3rd Quarter of 2023.

**8. Routine Compliance Support**

8.1. The Compliance Department provides routine support to important TFHD initiatives, such as the terms and conditions of physician employment, and questions about billing, and compliance with other laws and regulations.

## COMMITTEE CHARTER: COMMUNITY ENGAGEMENT COMMITTEE

### Purpose

The **Community Engagement Committee** of the hospital district board is established to support the Community Pillar of the Strategic Plan in our exceptionally healthy and thriving community. The Committee ensures collaboration between diverse community partners through active listening and advocacy for our community members. This committee is about improving health over just providing healthcare.

### Definition

Engagement is:

- The act of intentionally collaborating with individuals, communities, constituencies and organizations to help generate ideas, share best practices, better understand issues, identify concerns and considerations
- Collective problem-solving to leverage the work of our organizations
- Lifting community voice
- Ongoing and multi-directional
- Embracing a strategic approach to building lasting relationships

### Responsibilities

- Aid in the identification of unmet, community health needs and the means by which those gaps can be filled.
- Assist in strategic plan and budget for the community benefit, health and wellness services offered to our community.
- Provide a safe-collaborative space for open ideas, active listening and creative problem solving for community health and wellness.
- Identify community partners to convene, discuss and collaboratively implement strategies to improve community health.
- Identify qualitative and quantitative metrics, complementary to the triannual Community Health Needs Assessment and Community Health Improvement Plan, to track Committee engagement and progress.
- Leverage media to engage the community and regularly share Committee updates on progress.
- Annually summarize and transparently report on activities related to the Community Engagement Committee including overall community benefit, health system wide community health and wellness events, charity care, housing, transportation, community grants, community sponsorships, and the activities of the Community Health Department.



### Guiding Principles

- **Build Trust Through Collaboration**
- **Be Agile and ~~Learning as we go and Evolving~~ Evolve as we Learn**
- **Exemplify Integrity and Stewardship**
- **Prioritize Health over Healthcare**
- **Remain Curious**

### Composition

The committee will consist of two members of the TFHD Board of Directors.

### Meeting Schedule

Quarterly

DRAFT

## AGENDA ITEM COVER SHEET

<b>ITEM</b>	Investment Policy ABD-15
<b>RESPONSIBLE PARTY</b>	Crystal Felix, Chief Financial Officer
<b>ACTION REQUESTED?</b>	For Board Action
<b>BACKGROUND:</b>	
<p>Due to recent code changes, Chandler Investment has recommended a few minor changes to the TFHD Investment Policy ABD-15</p>	
<b>SUMMARY/OBJECTIVES:</b>	
<p>The policy was updated to reflect the code changes and to add a “Risk” statement.</p> <p>The details are summarized below:</p> <p><u>Risk Statement</u> Risk statement was added to update for adherence to our current format</p> <p><u>Procedures(C) Reporting</u> SB 1489 (2022): Quarterly reporting is now required within 45 days, rather than 30 days.</p> <p><u>Appendix A.(C)(7)</u> SB 998 (2020): Added a provision that allows agencies to invest up to 40% in commercial paper if the AUM is &gt; \$100 million, which expires 01/01/2026 unless extended.</p> <p><u>Appendix A.(C)(19)</u> SB 1489 (2022): Investments are prohibited to have a forward settlement &gt; 45 days from the date of investment.</p> <p><u>Glossary of Investment Terms</u> SB 1489 (2022): Specifies the term to maturity is measured from the settlement date.</p>	
<b>SUGGESTED DISCUSSION POINTS:</b>	
None.	
<b>SUGGESTED MOTION/ALTERNATIVES:</b>	
Move to approve via consent calendar.	
<b>LIST OF ATTACHMENTS:</b>	
<ul style="list-style-type: none"> <li>Investment Policy, ABD-15</li> </ul>	

**PURPOSE/Risk:**

~~The purpose of~~ This policy is to establish Tahoe Forest Hospital District cash investment objectives, authority and responsibility, approval, instrument limitations (Appendix A, California Health & Safety Code Section 32127), concentrations, terms, reporting, judgment and care, and District Treasurer's, Chief Executive Officer and Chief Financial Officer (CFO) liability for all of its funds. The risk associated with not establishing this policy, is the District could make inappropriate investments or investments that violate California Health & Safety Code Section 32127.

This investment policy was endorsed and adopted by the District's Board of Directors and is effective as of the 24th day of February, 2022, and replaces any previous versions.

**SCOPE:**

This policy covers all funds and investment activities under the direct authority of the District, as set forth in the State Government Code, Sections 53600 et seq., with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the District's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the Board.

**POOLING OF FUNDS:**

Except for cash in certain restricted and special funds, the District will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

**FOUNDATION FUNDS:**

This policy covers cash investments of the Tahoe Forest Health System Foundation and the Incline Village Community Hospital Foundation. Longer term investment that are identified by the District's Board of Directors may be exempt from this policy.

**POLICY:**

**1. OBJECTIVE**

The District's investment objective is to maximize the return on invested cash while minimizing risk of capital loss, providing sufficiently liquidity to meet all operating requirements that may be reasonably anticipated, and adhering to the investment policy as allowed for herein.

**2. AUTHORITY AND RESPONSIBILITY**

The Board of Directors is responsible for the management of the District's funds, including the administration of this investment policy. The District Treasurer shall have the authority and responsibility to purchase and invest prudently. The Chief Executive Officer is delegated the authority and responsibility by the District Treasurer to purchase and invest within the limitations defined below. Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the Prudent Investor Standard:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring,

exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The District may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the District's investment portfolio in a manner consistent with the District's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.

#### LIMITATIONS ON INSTRUMENTS

The District shall adopt and use California Health & Safety Code Section 32127 as the limitation on instruments of investment. Refer to Appendix A.

#### PROCEDURE:

##### A. CONCENTRATION OF INVESTMENTS

1. Unlimited investments in the State Of California Local Agency Investment Fund.
2. Unlimited investment in the U.S. Government guaranteed investments.
3. Sufficient principal funds in any single bank or savings should comply with the regulatory collateralization requirements.  
No more than \$250,000 principal in any single bank or savings and loan association with insurance through FDIC or FSLIC, when FDIC or FSLIC is applicable.
4. Banks or savings and loan associations must also have consistently profitable operations, and must have net worth ratios which exceed their regulatory requirements.
5. No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer except US Treasuries, agencies, supranationals, LAIF, money market mutual funds, mutual funds, or unless otherwise specified in this investment policy.

##### B. TERMS OF INVESTMENTS

1. Limited to the terms specified in Government Code Section 53601 or if not specified:
2. Maximum terms of any investment to 5 years.
3. Board of Directors' approval required for terms in excess of 5 years for Treasuries, Agencies or Municipal Securities.
4. Investments must be redeemable prior to maturity, even if with a penalty, or salable in an established secondary market.

##### C. REPORTING

The District Treasurer or CFO shall report, at a minimum, the following to the Board of Directors of the District:

###### MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the Board of Directors within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

###### QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the Board of Directors which provides full disclosure of the District's investment activities within ~~30~~<sup>45</sup> days after the end of the quarter. These reports will disclose, at a minimum, the following information about the District's portfolio:

•An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date and interest rate.

Commented [AS1]: SB 1489 (effective 01/01/2023)

- Transactions for the period.

- A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)

- A one-page summary report that shows:

- Average maturity of the portfolio and modified duration of the portfolio;

- Maturity distribution of the portfolio;

- Percentage of the portfolio represented by each investment category;

- Average portfolio credit quality; and,

- Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the District's market benchmark returns for the same periods;

- A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.

- A statement that the District has adequate funds to meet its cash flow requirements for the next six months.

#### ANNUAL REPORTS

A comprehensive annual report will be presented to the Board of Directors. This report will include comparisons of the District's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

#### D. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the Board of Directors for their consideration and adoption.

#### E. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The District's Treasurer will determine which financial institutions are authorized to provide investment services to the District. It shall be the District's policy to purchase securities only from authorized institutions and firms. The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the District. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the District are reputable and trustworthy, knowledgeable, and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the District include:

- Institutions licensed by the state as a broker-dealer.

- Institutions that are members of a federally regulated securities exchange.

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.

- Nationally or state-chartered banks.

- The Federal Reserve Bank.

- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the District, except where the District utilizes an external investment adviser in which case the District may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 et seq. and the District's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the District will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price

**F. DELIVERY, SAFEKEEPING AND CUSTODY**

**DELIVERY-VERSUS-PAYMENT (DVP).** All investment transactions shall be conducted on a delivery-versus-payment basis.

**SAFEKEEPING AND CUSTODY.** To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments, and maturity proceeds, all cash and securities in the District's portfolio shall be held in safekeeping in the District's name by a third party custodian, acting as agent for the District under the terms of a custody agreement executed by the bank and the District. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the District from the custodian listing all the securities held in safekeeping with current market data and other information.

The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit; and (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

**G. DISTRICT TREASURER LIABILITY**

When the District funds are invested in accordance with this Statement Of Investment Policy, the District Treasurer shall not be liable for any loss resulting from the default or insolvency of an authorized depository in the absence of negligence, malfeasance, misfeasance or nonfeasance on the part of the Treasurer.

**H. CFO AND CHIEF EXECUTIVE OFFICER PERFORMANCE**

As experts in the field of finance, healthcare and hospital operations, the CFO and Chief Executive Officer are expected to guide, recommend and provide oversight to the Treasurer, Board Finance Committee and Directorship in all matters related to investment activities. It is incumbent upon these above mentioned employees to ensure that all investments suggested and/or executed are in compliance with all applicable California State law, code, regulation and procedure, all federal laws and District policy. Any and all deviation from law or policy shall be brought to the immediate attention of the Treasurer, the Board Finance Committee and brought through the Board of Directors.

**LIMITATION ON INSTRUMENTS**

**APPENDIX A**

- A. The District shall adopt and use the following as the limitation on instruments of investment.
- B. California Health & Safety Code Section 32127, which outlines the duties of the Treasurer of the District, provides generally that any monies in the treasury of the District may be deposited in

accordance with the provisions of the general laws of the State of California governing the deposit of public monies of cities or counties. That provision is supplemented by the provisions of Government Code Section 53600, et seq. which deals with investment of funds by local agencies.

C. Government Code Section 53601 provides that the legislative body of a local agency having money in a sinking fund or surplus money in its treasury not required for immediate necessities of the local agency may invest in the following categories based on Government Code Section 53601.

1. Bonds issued by the District;
2. U.S. Treasury Notes, bonds or certificates of indebtedness;
3. Warrants, treasury notes or bonds issued by the State of California or by any department, board, agency or authority of the state;
4. Bonds, notes, warrants or other evidences of indebtedness of any local agency in California;
5. Obligations, participation or other instruments of, or issued by, a federal agency including Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (FHLMC) and Federal National Mortgage Association (FNMA). No more than 30% of the portfolio may be invested in any single Agency/GSE issuer. The maximum percent of agency callable securities in the portfolio will be 20%.
6. Bankers' acceptances provided that such documents may not exceed 180 days maturity and no more than 30 percent of surplus funds may be invested in the bankers' acceptances of any one commercial bank and 40 percent of the surplus funds total in such investments;
7. Commercial paper of prime quality or the highest rating by Moody's or Standard and Poor's, ("A-1" or higher) provided that issuing corporations must have total assets in excess of \$500,000,000. Purchases of eligible commercial paper may not exceed 270 days maturity or represent more than 10 percent of the outstanding paper of any issuing corporation, and purchases of commercial paper may not exceed 25 percent of the agency's surplus money. Under a provision sunseting on January 1, 2026, no more than 40% of the portfolio may be invested in Commercial Paper if the Agency's investment assets under management are greater than \$100,000,000.
8. Negotiable certificates of deposit issued by nationally or state chartered banks or savings and loan associations or state license branches of a foreign bank, provided that purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's surplus money (and certificates of deposit may not exceed the shareholder's equity of any depository bank or the total net worth of any depository savings and loan association);
9. Repurchase agreements or reverse repurchase agreements of any securities authorized by Section 53601, provided the term of repurchase agreements shall be one year or less.
10. Medium-term notes with a maximum remaining maturity of five years issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized statistical rating organization (NRSRO). Purchases of medium-term notes may not exceed 30 percent of the agency's surplus money which may be invested pursuant to this section.
11. (1) Shares of beneficial interest issued by diversified management companies, investing in the securities and obligations as authorized by subdivisions (a) to (k) inclusive, or subdivision (m) to (q), inclusive, of Government Code section 53601, and which comply with the investment restriction of Article 1 (commencing with Section 53600) and Article 2 (commencing with Section 53630). (2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to paragraph (1), these companies shall either: (A) Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSROs, or (B) Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized by subdivisions (a) to (k), inclusive or subdivisions (m) to (q), inclusive, of Government Code section 53601 and with asset under management in

**Commented [AS2]:** CAM recommends adding language on CP to be in line with the passing of SB 998 (2020)

excess of \$500,000,000. (4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500,000,000. The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the agency's surplus money which may be invested pursuant to this section. However no more than 10 percent of the surplus funds may be invested in shares of beneficial interest of any one mutual fund and no more than 20% may be invested in any one money market mutual fund pursuant to this paragraph.

12. Notwithstanding anything to the contrary contained in this section, Section 53635 or any other provision of law, monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale or other agreement of a local agency, or certificates of participation in those bonds, indebtedness or lease installment sale, or other agreements may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture or agreement of the local agency providing for the issuance.
13. Notes, bonds or other obligations which are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirement of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
14. Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's surplus money that may be invested pursuant to this section.
15. Supranational issues that are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO. No more than 30% of the total portfolio may be invested in these securities and no more than 10% of the portfolio may be invested in any single issuer.
16. Prohibited from borrowing short-term and using these funds to invest in long-term securities.
17. The District shall not invest in inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.
18. The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation shall not apply to the District investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section 53601.



~~18.19.~~ The District shall not purchase of a security with a forward settlement date exceeding 45 days from the time of the investment.

Commented [A53]: SB 1489 (effective 01/01/2023)

## GLOSSARY OF INVESTMENT TERMS

**AGENCIES.** Shorthand market terminology for any obligation issued by a government-sponsored entity (GSE), or a federally related institution. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

**FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

**FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

**FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "Freddie Mac" issues discount notes, bonds and mortgage pass-through securities.

**FNMA.** Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "Fannie Mae," issues discount notes, bonds and mortgage pass-through securities.

**GNMA.** The Government National Mortgage Association, known as "Ginnie Mae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

**PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

**TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

**ASSET BACKED SECURITIES.** Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

**AVERAGE LIFE.** In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

**BANKER'S ACCEPTANCE.** A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

**BENCHMARK.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

**BROKER.** A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

**CALLABLE.** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

**CERTIFICATE OF DEPOSIT (CD).** A time deposit with a specific maturity evidenced by a certificate.

**CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS).** A private placement

service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

**COLLATERAL.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**COLLATERALIZED BANK DEPOSIT.** A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**COLLATERALIZED MORTGAGE OBLIGATIONS (CMO).** Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

**COLLATERALIZED TIME DEPOSIT.** Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**COMMERCIAL PAPER.** The short-term unsecured debt of corporations.

**COUPON.** The rate of return at which interest is paid on a bond.

**CREDIT RISK.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

**DEALER.** A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

**DEBENTURE.** A bond secured only by the general credit of the issuer.

**DELIVERY VS. PAYMENT (DVP).** A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**DERIVATIVE.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

**DISCOUNT.** The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**DIVERSIFICATION.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**DURATION.** The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC).** The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

**FEDERALLY INSURED TIME DEPOSIT.** A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

**LEVERAGE.** Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

**LIQUIDITY.** The speed and ease with which an asset can be converted to cash.

**LOCAL AGENCY INVESTMENT FUND (LAIF).** A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

**LOCAL GOVERNMENT INVESTMENT POOL.** Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

**MAKE WHOLE CALL.** A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

**MARGIN.** The difference between the market value of a security and the loan a broker makes using that security as collateral.

**MARKET RISK.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

**MARKET VALUE.** The price at which a security can be traded.

**MATURITY.** The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

**MEDIUM TERM NOTES.** Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

**MODIFIED DURATION.** The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

**MONEY MARKET.** The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

**MONEY MARKET MUTUAL FUND.** A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

**MORTGAGE PASS-THROUGH SECURITIES.** A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

**Commented [A54]:** SB 1489 (Effective 1/1/2023)  
Clarifies maturity based on settlement date rather than generally understood trading date.

**MUNICIPAL SECURITIES.** Securities issued by state and local agencies to finance capital and operating expenses.

**MUTUAL FUND.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

**NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO).**

A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

**NEGOTIABLE CERTIFICATE OF DEPOSIT (CD).** A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

**PRIMARY DEALER.** A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

**PRUDENT PERSON (PRUDENT INVESTOR) RULE.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

**REPURCHASE AGREEMENT.** Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

**SAFEKEEPING.** A service to bank customers whereby securities are held by the bank in the customer's name.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

**SECURITIES AND EXCHANGE COMMISSION SEC) RULE 15C3-1.** An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

**STRUCTURED NOTE.** A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such

notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

**SUPRANATIONAL.** A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

**TOTAL RATE OF RETURN.** A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. TREASURY OBLIGATIONS.** Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**TREASURY BILLS.** All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

**TREASURY NOTES.** All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

**TREASURY BONDS.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**YIELD TO MATURITY.** The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

# Gene Upshaw Memorial Tahoe Forest Cancer Center 2023 Quality Report to Board

Ahrin Koppel, M.D.

Medical Oncologist

Medical Director/Cancer Committee/Interim Quality Program Chair

and

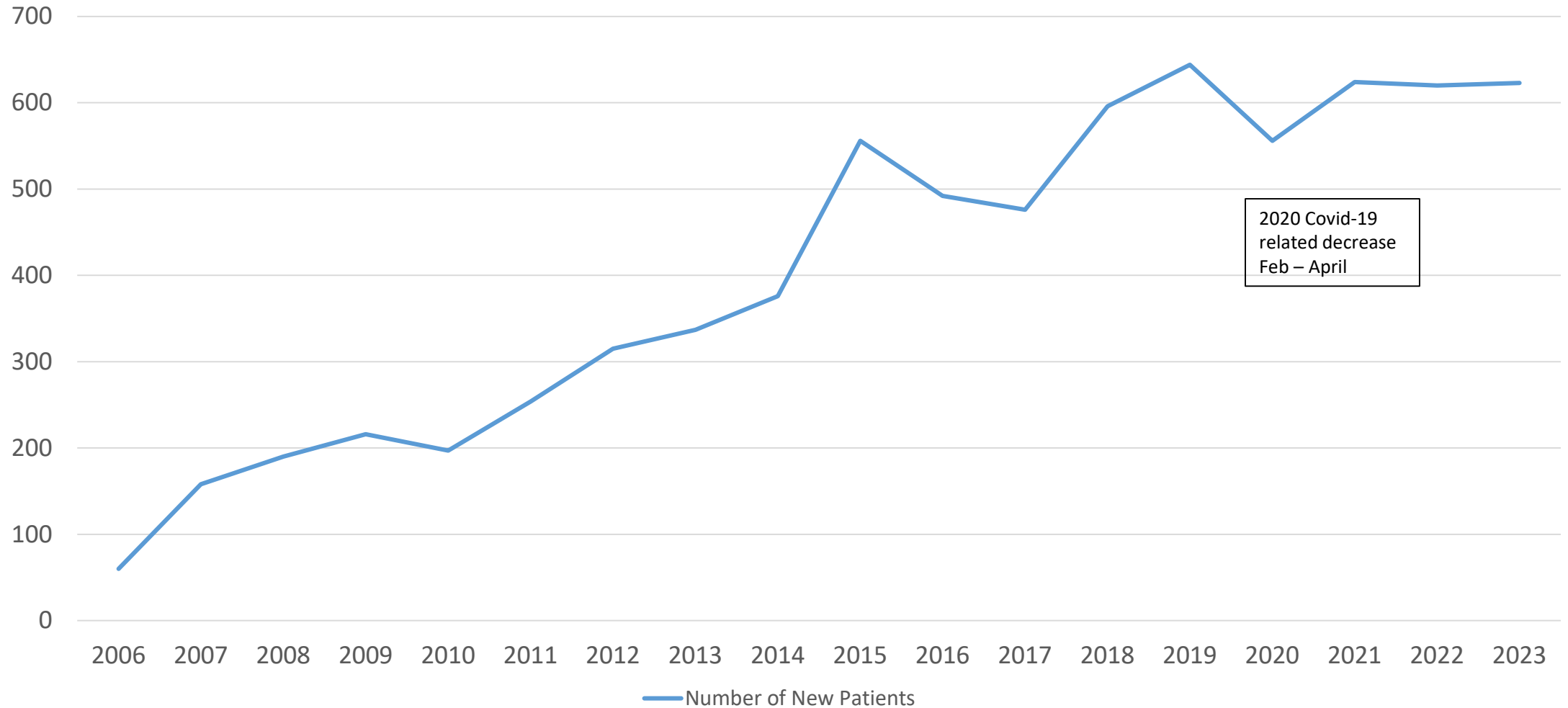
Kelley Bottomley, CTR

Coordinator, Quality Improvement Outcomes & Accreditation Compliance

December 2023

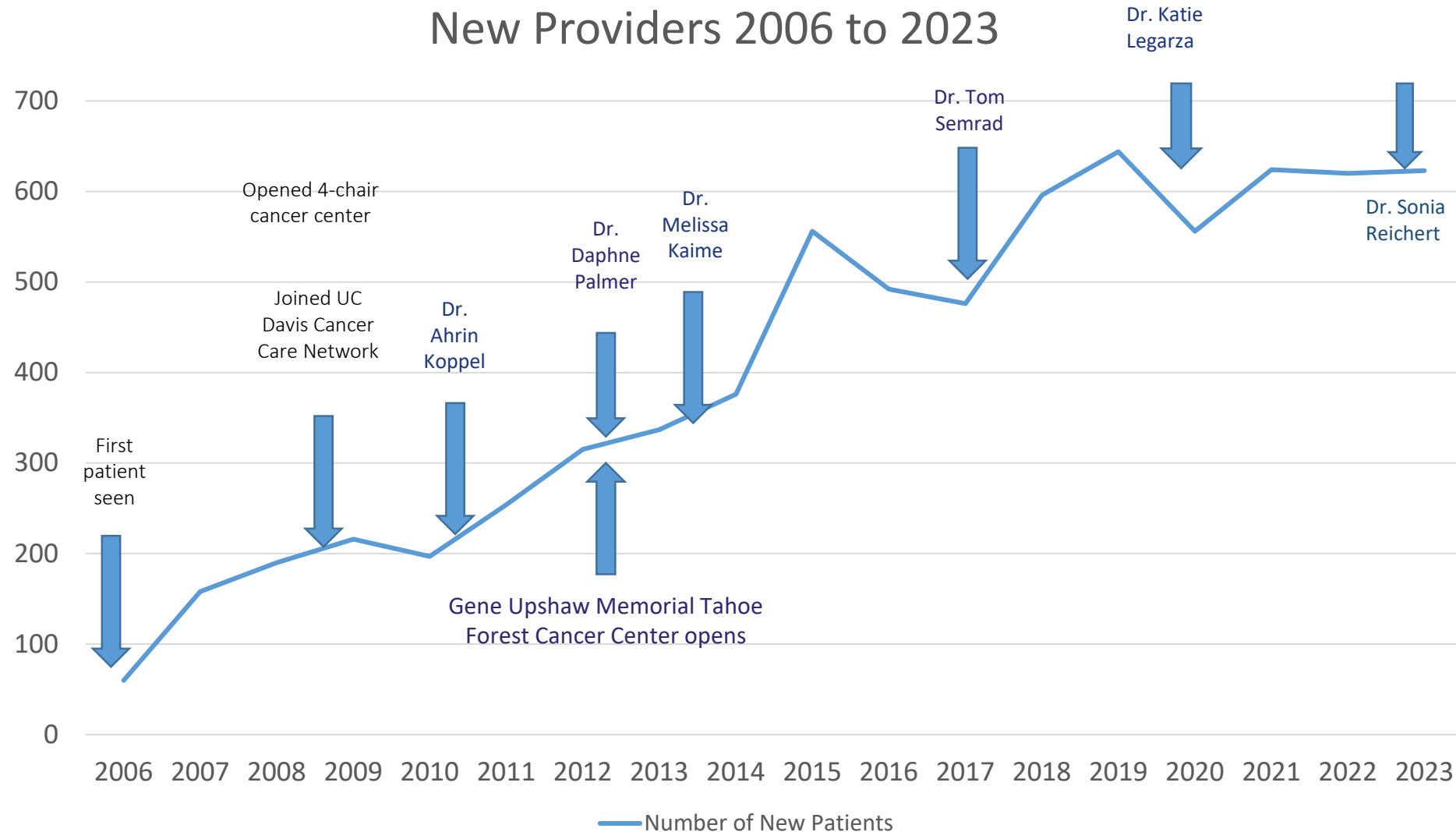
# Cancer Center Milestones

## Number of New Patients 2006 to 2023



# Cancer Center Milestones

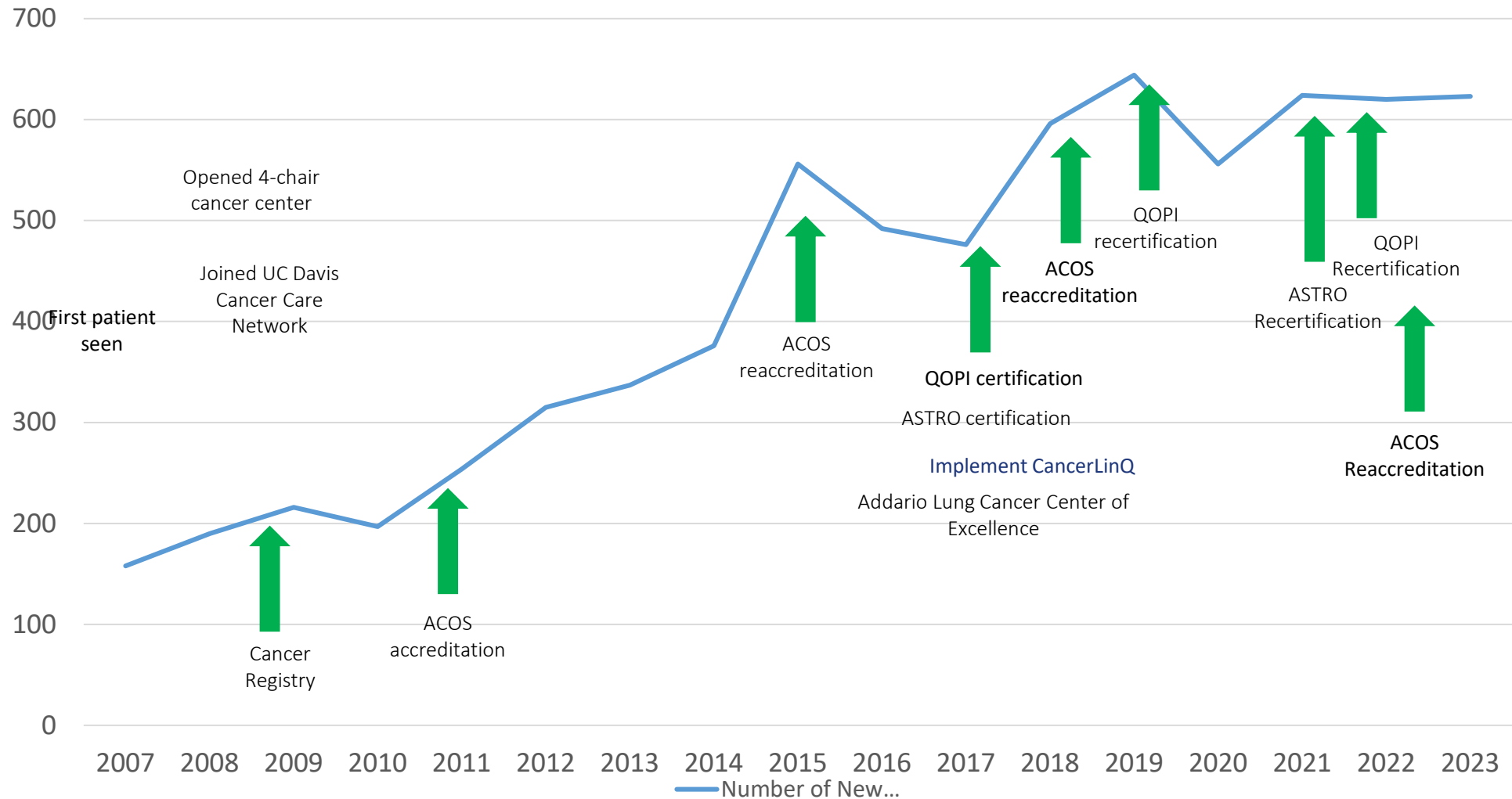
## New Providers 2006 to 2023





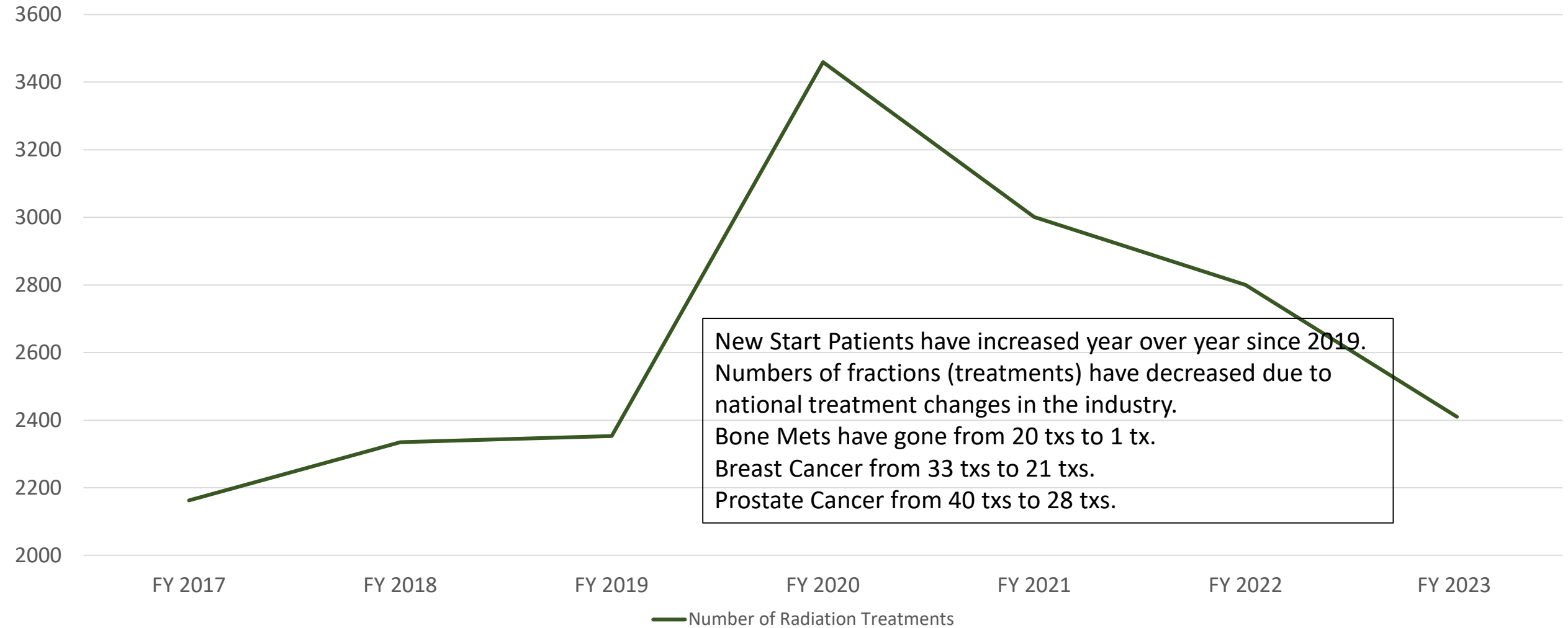
# Cancer Center Milestones

## Accreditations 2006 to 2023

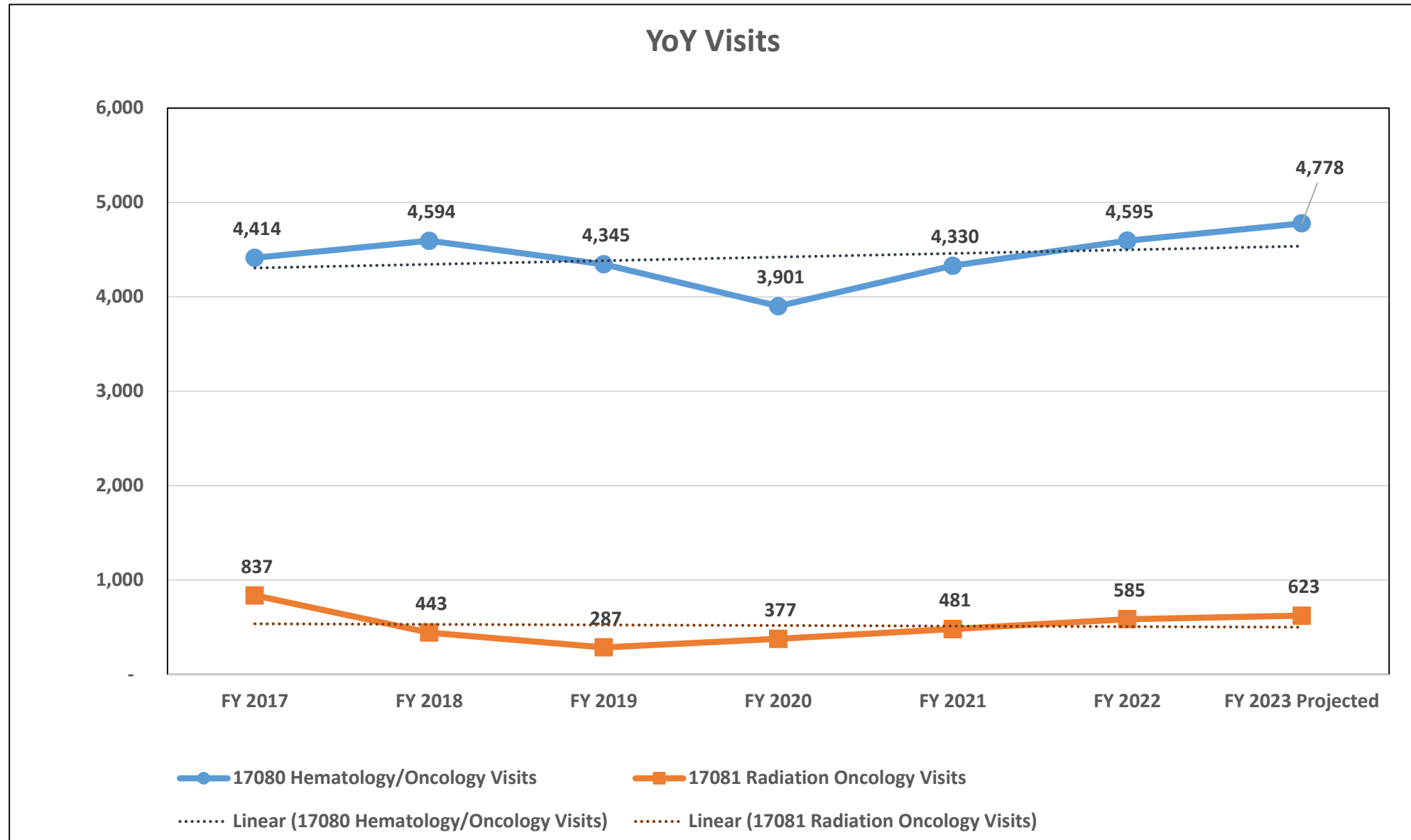


# Cancer Center Radiation Program

Number of Radiation Treatments Fiscal Year 2017 to Fiscal Year 2023



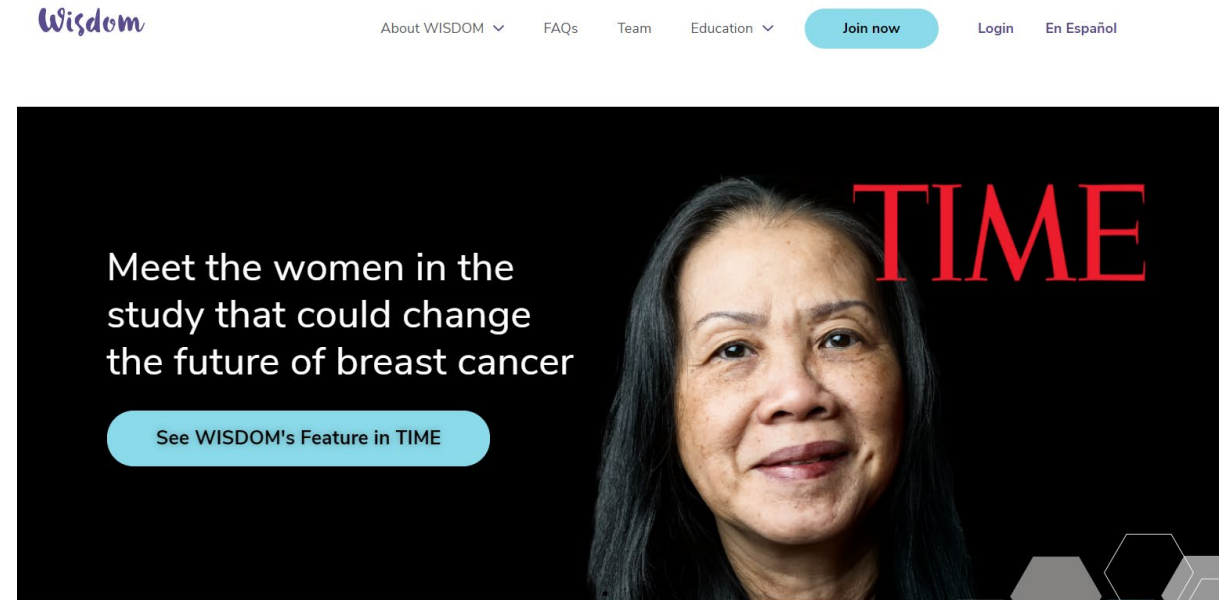
# Total Patient Visits



# Clinical Trials Program

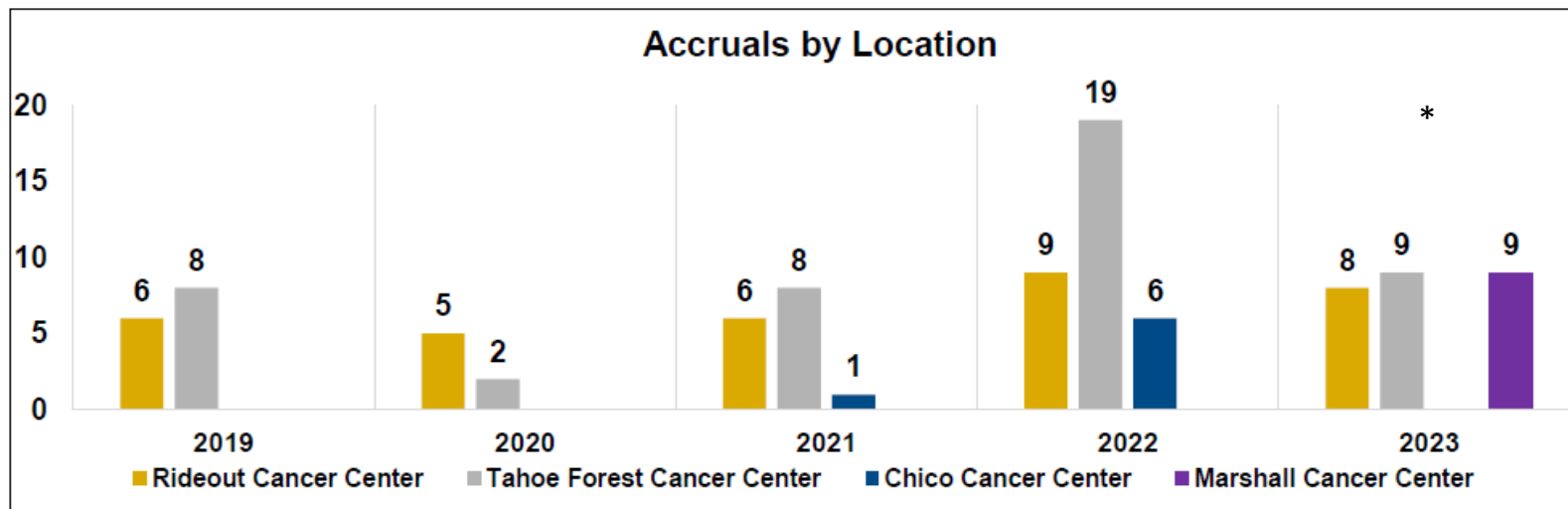
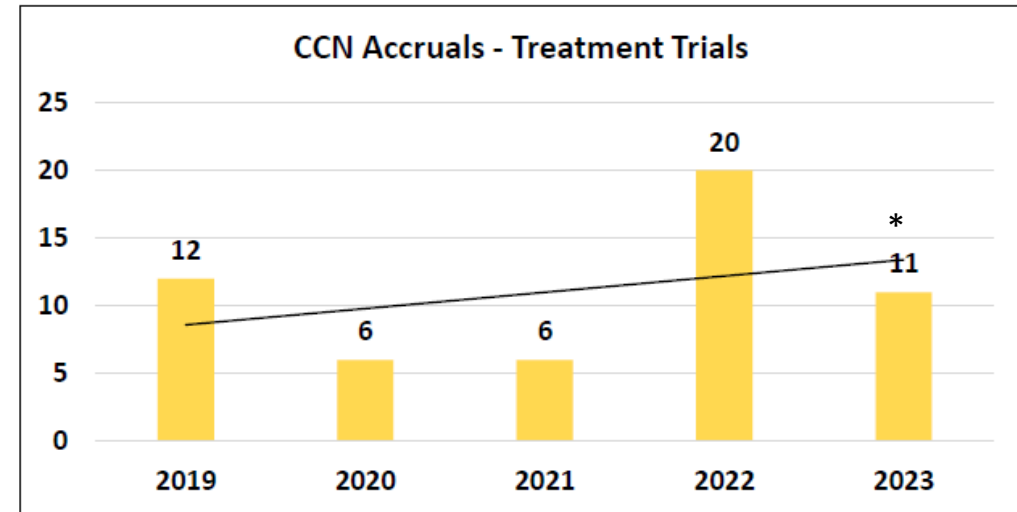
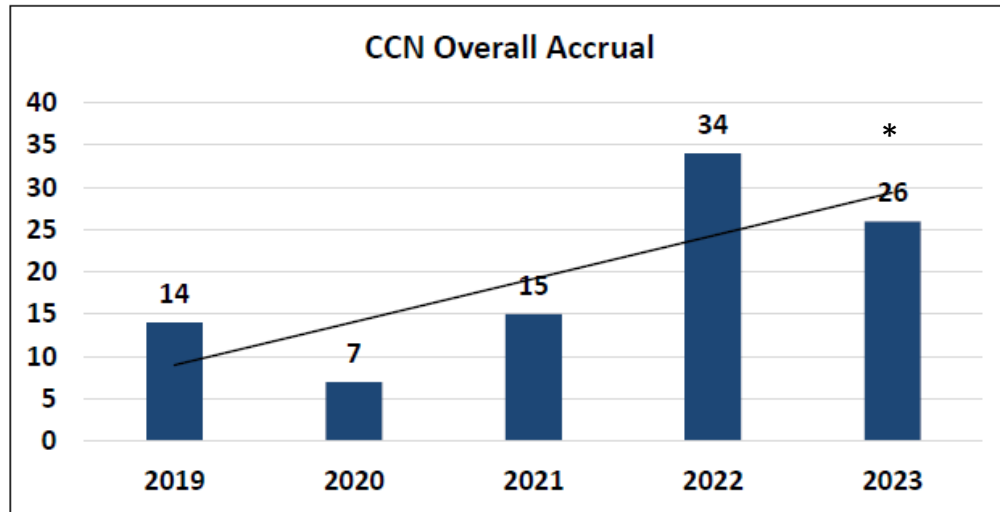
# Clinical Research Portfolio – 2023

- 23 Total Clinical Trials
- 16 Therapeutic Trials testing a New Drug or Treatment Strategy
- 4 Newly Activated Studies 2023
- 1 in Activation Process



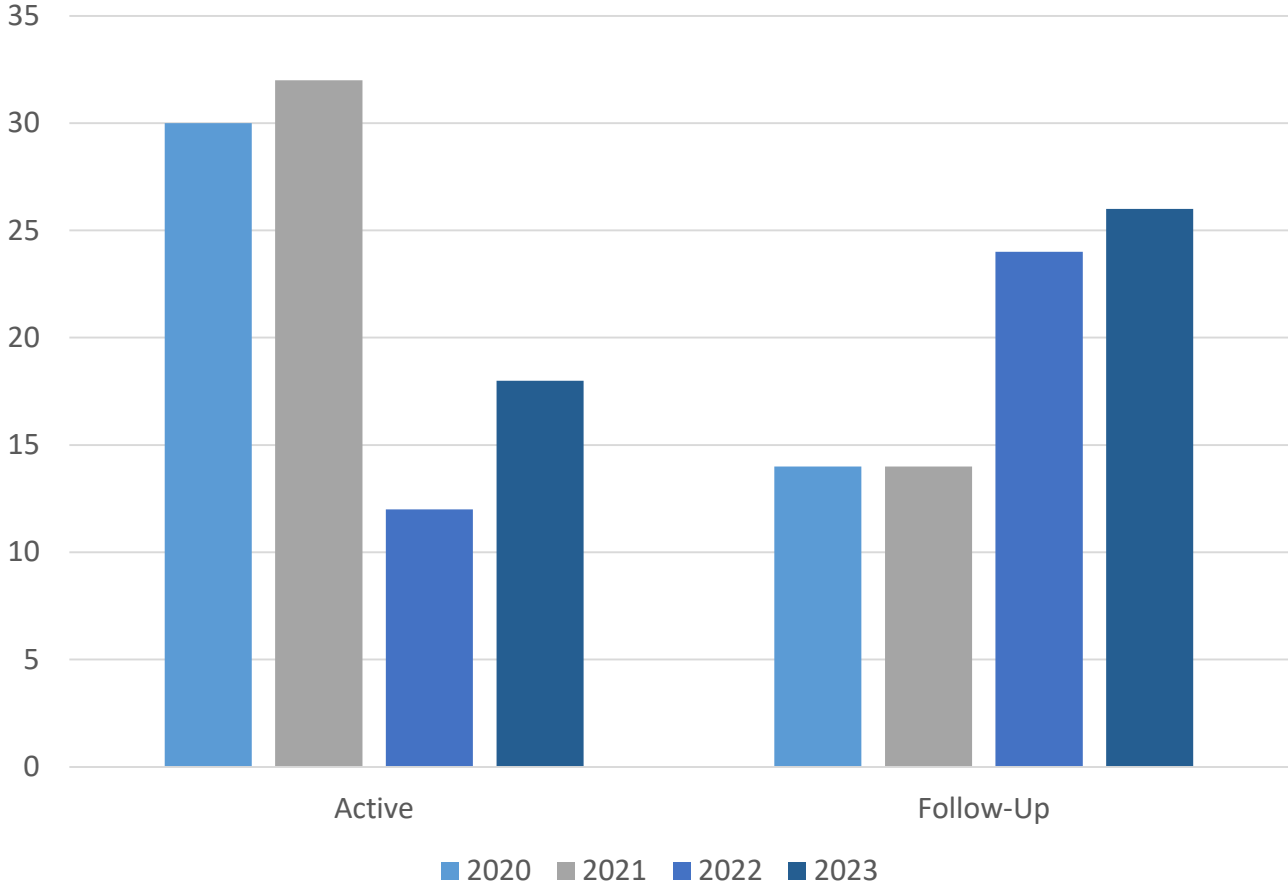
Actively supporting the WISDOM Study which is testing a personalized approach to breast cancer screening (16 referrals from Tahoe Forest in 2023)

# UC Davis Network Clinical Trial Accruals by Affiliate Location



\* 2023 Data Through November 1

# Number of Clinical Trial Patients in Treatment and Follow-Up



**Actively Managing 44 Research Patients**

# Cancer Program Accreditations & Affiliations

Accreditation/Affiliation	Status
American College of Surgeons - Commission on Cancer (CoC) Accreditation Reaccreditation Years 2015-2017, 2018-2021 Annual Compliance with 27 Standards	Fully Accredited In 2011, 2015, 2018 and 2022. Reaccreditation in 2025
American Society of Clinical Oncology (ASCO) Quality Oncology Practice Initiative (QOPI) Certification Compliance with 26 Quality Measures, of 195 potential Quality Measures	Certification February 2017, 2020 Reaccreditation, 2024 Reaccreditation
American Society of Radiation Oncology (ASTRO) Accreditation Program for Excellence (APEX) 3-Year Accreditation Annual Compliance with 156 Standards	Fully Accredited March 2017, and 2021. Reaccreditation 2025
GO2 for Lung Cancer Center of Excellence Annual Submission of 22 Quality Measures in August 2023	Center of Excellence Member since 2017
Implementation of CancerLinQ Data System Assessment of 17 Quality Measures	Completed January 2017 System Updated 2022



# American College of Surgeons - Commission on Cancer (CoC) Accreditation

- Most Recent Survey 9/28/2022
- Exceeded all 9 National Quality Measures (6 breast and 3 Colorectal)
- Gene Upshaw Tahoe Forest Cancer Center was found to have no deficiencies
- Only about 4% of all programs are found to have no deficiencies at the time of survey

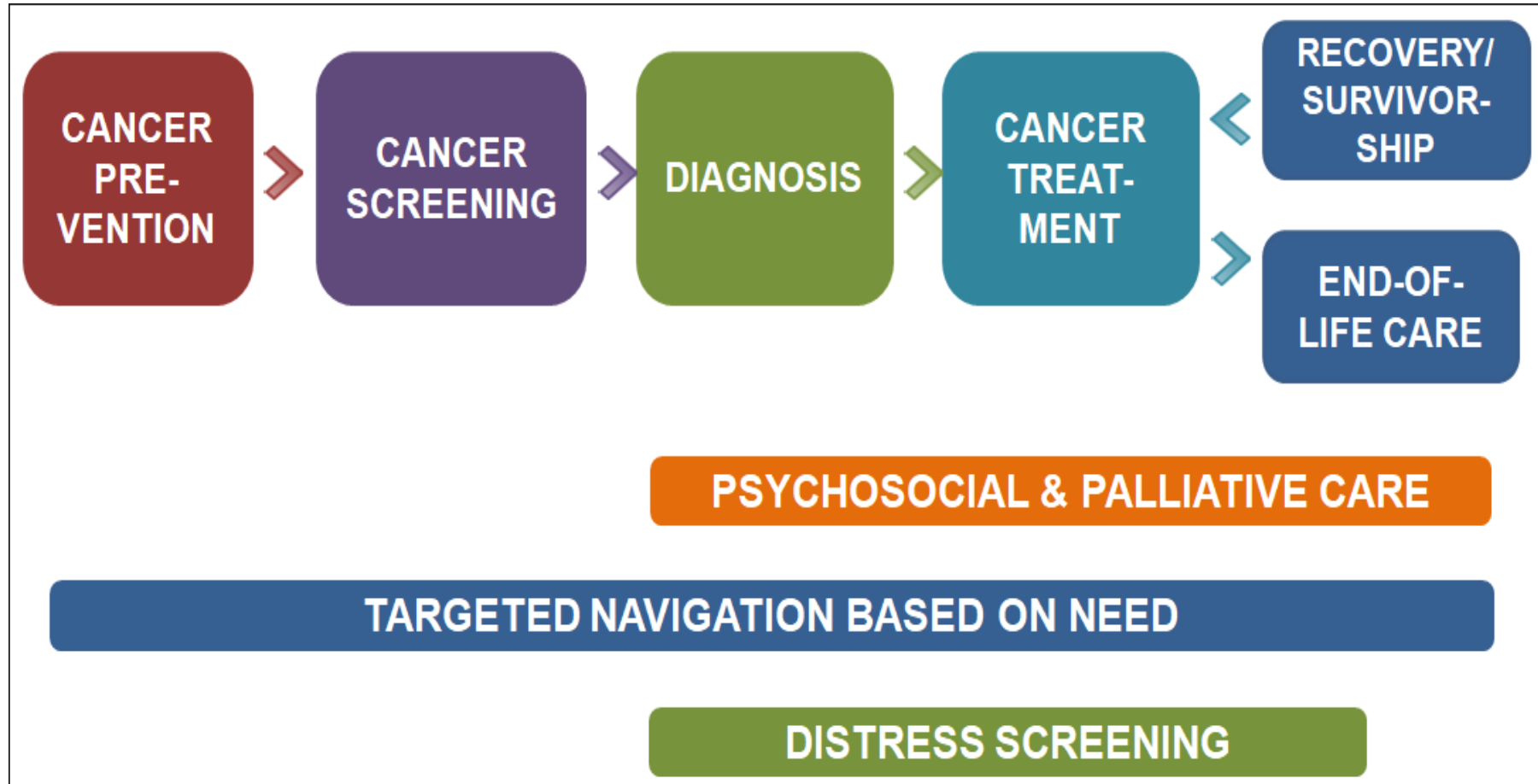
# CoC Tangible Benefits-Patient Impact

- Quality cancer care
  - Comprehensive care offering a range of state- of-the-art services and equipment
  - Assessment of treatment planning based on evidence-based national treatment guidelines
  - A multidisciplinary, team approach to coordinate the best cancer treatment options available
- Information about clinical trials and new treatment options
- Access to cancer-related information and education
- Options for genetic assessment and counseling, and palliative care services
- Follow-up care at the completion of treatment, including survivorship services
- Access to patient-centered services such as psychosocial distress screening and navigation
- A cancer registry that collects data on cancer type, stage, and treatment results, and offers patient follow-up

# Tangible Benefits-Value of CoC Accreditation

- Enhances the patient experience
- Validates improvement process via NCDB data
- Requirements in the standards support programs in obtaining resources for patient-centered services
- Gives patients the acknowledgment and reassurance the cancer program is invested in providing quality care
- The CoC standards and accreditation process:
  - Challenges our cancer program to provide optimal, high-quality care
  - Has a direct impact on the way our cancer program delivers patient care
  - Provide a structure and methodology for continuous quality improvement and growth in cancer services
  - Has helped anchor the large hospital system to work together to find common areas for quality improvement and enhanced patient care opportunities

# Tangible Benefits



Address the full continuum of cancer— from prevention to survivorship and end-of-life care—while addressing both survival and quality of life

# Optimal Resources for Cancer Care (2022 Standards) Address Full Continuum of Care



## Foundations

Administrative; organization; facility: 1.1; 2.1; 2.3; 2.4; 3.1  
 Quality improvement and Accountability: 2.2, 7.1, 7.3, 7.4  
 Evidence and Research: 7.2, 9.1, 9.2

# CoC Quality of Care Measures

- Cancer registry data elements are nationally standardized and endorsed by
  - CoC – Commission on Cancer
  - NQF – National Quality Forum
  - CMS – Centers for Medicare & Medicaid Services
- The CoC uses the registry data to assess quality of care
- Measures assess performance at the hospital, not just the Cancer Center
  - Accountability measures can be used for public reporting, payment incentives, selection of providers by consumers, health plans, purchasers
  - Quality improvement measures are intended for internal monitoring of performance within an organization
- Responsibility of Cancer Committee to annually assess and monitor measure outcomes

# Commission on Cancer Quality Measures

Number of CP3R Quality Measures	
Breast Cancer	6
Colon Cancer	2
Rectal Cancer	1
Gastric Cancer	1
Lung Cancer	3
Cervical Cancer	3
Endometrial Cancer	2
Ovarian Cancer	2
<b>Total Quality Measures in 2023</b>	<b>20</b>

# Breast Cancer Outcomes



# Tahoe Forest Cancer Program

## CoC Measures for Quality of Breast Cancer Care in 2023

Site of Cancer	Expected Performance Rate	Measure Description	Tahoe Forest	State of California	National CoC Programs
Breast	90%	Radiation therapy is administered within 1 year (365 days) of diagnosis for women under age 70 receiving breast conserving surgery for breast cancer	100%	85%	85%
Breast	90%	Combination chemotherapy is recommended or administered within 4 months (120 days) for stage IB-III hormone receptor negative breast cancer	98%	87%	87.6%
Breast	90%	Tamoxifen or third generation aromatase inhibitor is recommended or administered within 1 year (365 days) of diagnosis for women with AJCC T1N0M0, or stage IB-III hormone positive breast cancer	100%	89%	87.4%
Breast	90%	Radiation Therapy is recommended or administered following any mastectomy within 1 year (365 days) of diagnosis of breast cancer for women with $\geq 4$ positive regional lymph nodes	100%	87%	86.2%
Breast	80%	Image or palpation-guided needle biopsy to the primary site is performed to establish diagnosis of breast cancer	98%	94%	92%
Breast	NA Surveillance	Breast conservation surgery rate for women with AJCC clinical stage 0, I, or II breast cancer	100%	78.6%	69%

# Cancer Program Quality Oncology Program Initiative (QOPI) Accreditation Maintenance

## QOPI Accreditation Maintenance and Re-accreditation Update:

- 2023 Maintenance Data Submission was completed through CancerLinQ on June 29, 2022
  - The data was submitted at 89.51% compliance
  - One of the highest scoring programs in the nation
- 2023 we begin to prepare for reaccreditation
  - Updated standards will be reviewed to ensure any updates to policies and/or process will be completed. We will focus on:
    - Standard 4.2 Patient Ability to Adhere to Oral Chemotherapy
    - Standard 4.3 Oral Chemotherapy Assessment at Meaningful Intervals
    - Pregnancy testing prior to chemotherapy – Planned Quality Project 2024
  - The reaccreditation application will be completed and submitted with a survey scheduled in early 2024

# Quality Program and Improvement

Cancer Program general and specialty accreditations help shape the quality program for the cancer center

- Accreditation requires compliance with required standards
- Data analysis and outcome studies for identified national measures
- Program goal setting completed annually
- Quality studies identified through Cancer Committee program review
- Quality improvement projects identified annually and in “real time”

**Clinical Studies**  
**Genetic Counseling and Risk Assessment**  
**Monitoring Concordance with Evidence-based Guidelines**

Assessment of the Evaluation of and First Course Treatment  
in Patients with Colon Cancer at Tahoe Forest District  
Hospital

Submitted by Melissa Kaime, MD

# Genetics Risk Assessment & Monitoring Cancer Evidence-based Guidelines

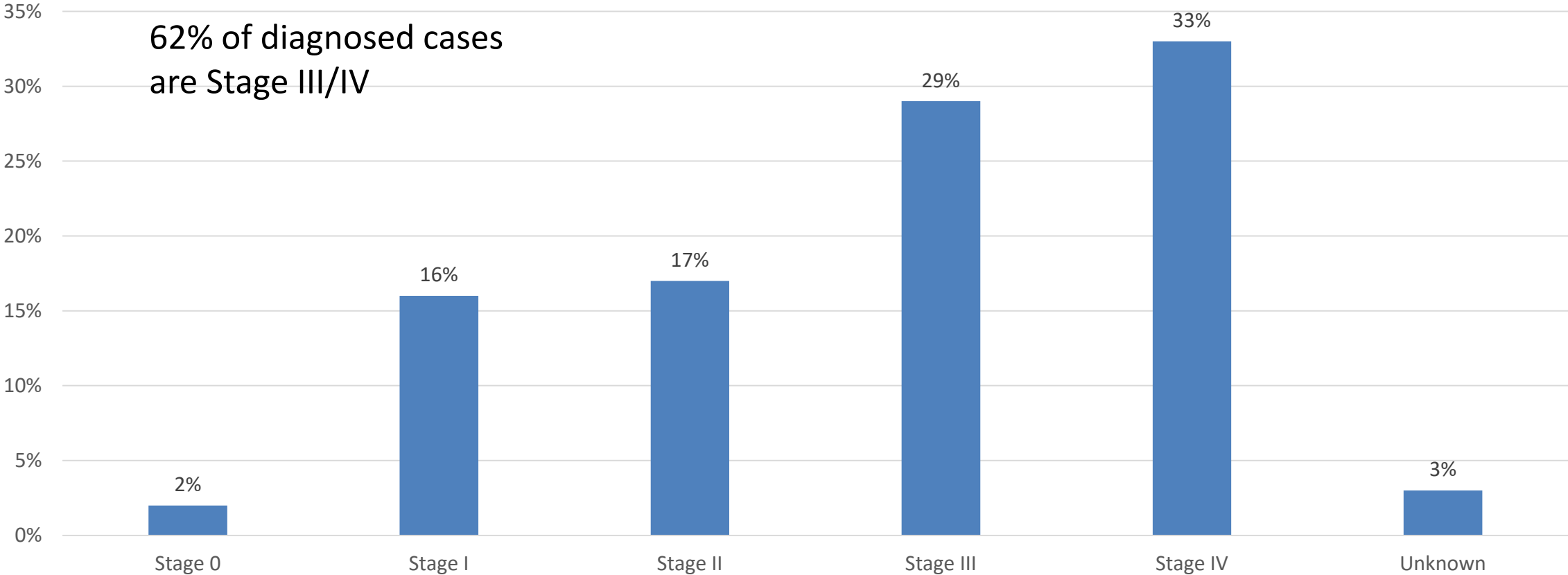
- 23 Colon Cancer patients identified for review (14 male & 9 female)
- This analysis of all patients with colon cancer seen at Tahoe Forest Hospital District with a diagnosis in 2022 shows that care after diagnosis aligns with standard guidelines.
- The staging was appropriate with the correct laboratory and diagnostic imaging.
- There was appropriate initial treatment with resection and adjuvant chemotherapy when indicated.
- The approach to genetic testing was appropriate based on the tumor biology in all cases.

# Opportunities for Improvement

- This study highlights the need for improved screening for colon cancer.
- In this cohort of colon cancer patients, 16 patients over the age of 50 had never had a screening colonoscopy by the time of their diagnosis.
- There is an opportunity for improvement in this area with improved education, outreach and improved access to screening colonoscopies and other screening modalities.

# Colorectal Stage at Diagnosis 2018-2022, n=95

Colorectal Cancer Stage by Percentage



**Clinical Study**  
**Barriers to Care – Commission on Cancer National**  
**Study in Radiation Oncology**

Review of Missed Radiation treatments at Tahoe  
Forest District Hospital

By Katie Legarza, Bruno Carlini & Kelley Bottomley



# 2023 Quality Study & Improvement Initiatives

## Details:

- Assessment of patients who missed Radiation Treatment from 1-1-2023 thru 10-14-2023.
- Study inclusion criteria includes patients missing 3 or more times during their course of treatment (SRS and metastatic patients excluded). Our program has chosen to internally review (100%) of patients. Only patients meeting this criteria were included in the national data submission. Issues contributing to missed appointments were attributed to:
  - Weather (winter storms)
  - Transportation
  - Patient Illness not related to treatment

# 2023 Quality Study & Improvement Initiatives

## Efforts to Address Radiation Patient Barriers

- Services put in place to address barriers:
  - Weather – we cannot control the weather, closed and/or impassible mountain roads.
  - Transportation – we have the following resources:
    - American Cancer Society Grant of \$20,000 to provide gas cards to patients in need. Additionally, a Tahoe Forest fund is available to assist.
    - South Lake Tahoe Cancer League Drivers
    - Tahoe Forest program for lodging at Truckee Hampton Inn (also includes transportation to and from the Inn).

# Internal Review of Financial Barriers to Care – Financial Navigation Program

# Addressing Barriers to Care – Financial Navigation

- **Financial Assistance Program Development:**
  - Internal Cancer Center processes have been put in place for referrals and follow up. Referrals are a team process between Nurse Navigation, Psycho/Social Workers, Promotora and Financial Navigators. Additional FTE requested for FY 24 pending.
  - Goal is to have 100% of cancer patients meet with financial navigator after their consultation as well starting any planned treatment to assess immediate financial and resource needs (transportation, housing, food and other).

## **Copay and Patient Assistance ~ Alisha Ockerman, OFN and Barb Arnstein ~ November 2023**

### **Year to Date Data 2023 (thru 11/8/23)**

<p>I. Total Copay Assistance Dollars (*Infusion only)</p> <p style="margin-left: 20px;">A. Oncology Drugs</p> <p style="margin-left: 20px;">B. Non-Oncology Drugs</p> <p style="margin-left: 20px;">C. Free Drug Program</p> <p style="margin-left: 20px;">D. CPA Dollars Pending</p>	<p>Total Collected: \$132,767.99</p> <p>Total Collected: \$ 80,034.01</p> <p>Total Collected: \$ 52,733.98</p> <p>Total \$127,978.00</p> <p>Total \$20,418.00</p>
<p>II. Number of patients enrolled in CPA programs</p>	<p>Total Enrollments: 47</p>
<p>III. Disease Specific Grant Enrollments</p>	<p>Total Enrollments: 11 (LLS)</p> <p style="margin-left: 20px;">1 (Breast, 6 pending)</p> <p>Total Assistance \$75,750</p>
<p>IV: Number of Financial Visits/Outreach</p>	<p>Total Encounters: 515 (New patient)</p> <p style="margin-left: 20px;">559 (Outreach)</p> <p>Total Encounters: 1074</p>

\*data does not include copay assistance for oral oncolytics\*

# Cancer Program Accreditations & Affiliations

Accreditation/Affiliation	Number of US Participating Practices
American College of Surgeons - Commission on Cancer (CoC) Accreditation (83% of patients are treated in CoC Accredited Centers)	1385
American Society of Clinical Oncology (ASCO) Quality Oncology Practice Initiative (QOPI) Certification	362
American Society of Radiation Oncology (ASTRO) Accreditation Program for Excellence	226
GO2 for Lung Cancer Center of Excellence Membership	36
Implementation of CancerLinQ Data System	169

# Cancer Program Highlights

Accreditation/Affiliation	
American College of Surgeons - Commission on Cancer (CoC) Accreditation (83% of patients are treated in CoC Accredited Centers)	Only 4% of programs surveyed with no deficiencies
American Society of Clinical Oncology (ASCO) Quality Oncology Practice Initiative (QOPI) Certification	One of the highest scoring programs
Clinical Trial Accrual	On par with NCI-designated cancer centers
Patient Satisfaction Survey Results	High 90% consistently

# The Secret Sauce

- We are a small center; this allows for more personalized service
- We discuss every patient every day
- From top to bottom, every employee is deeply committed to excellent patient care
- Process improvement is not a directive, policy or regulation; it is an organic self-driven way of life in the cancer center



# Change is Inevitable

- Dr. Kaime retired from full-time practice at TFHD 1 July 2023.
- We welcome Dr. Sonia Reichert to the team. Dr. Reichert will assume the role of Cancer Committee Chair, Quality Program Chair partnering with Kelley Bottomley in the Cancer Center Quality Program.
- Karen Aaron, Nurse Navigator, will retire from fulltime work in navigation in January 2024. Karen started and built the current TFHD navigation program over the last 9 years. Karen will stay on (per diem) to assist in development of the oral chemotherapy program.
- Abby Thomas, RN will be stepping down from the Clinical Manager position and transitioning into Nurse Navigation.
- Katja Lektorich, RN, BSN, OCN has been hired as the new Clinical Manager (anticipated start 12/18/23).
- Mark Lawson, PharmD/BCOP has been hired as Oncology Pharmacist Program Specialist
- JB Topal, PharmD has been hired as a new Oncology Pharmacist.
- **The quality care provided by the Cancer Center will continue...**

# TAHOE FOREST HOSPITAL DISTRICT

## MEMORADUM OF UNDERSTANDING

This MEMORADUM OF UNDERSTANDING (“MOU”), is effective as of **December 22, 2023**, by and among **Tahoe Forest Hospital District**, a California local health care district (the "Transferor") and **Gateway Village Truckee, LLC, a California based Limited Liability Company** (the “Transferee”), each of which may be referred to as a “Party” and together as “Parties”.

WHEREAS, Tahoe Forest Hospital District (“Transferor”), is the owner of certain real property located at 10121 Pine Ave, Truckee, CA 96162, hereinafter referred to as the "Sending Property" and;

WHEREAS, Gateway Village Truckee, LLC (“Transferee”), is the owner of real property located at 11166-11174 Donner Pass Road, Truckee, CA 96161, hereinafter referred to as the "Receiving Property" and;

WHEREAS, Transferor possesses the right to transfer development rights of Sending Property, subject to Board approval, applicable laws and regulations governing such transfers.

NOW, THEREFORE, the Parties agree as follows:

1. Terms of Transfer.

- a) The Transferor agrees to transfer 16 units of density, representing the development rights from the Sending Property to the Receiving Property, subject to approval by the relevant municipal or governmental authorities. It will receive residential credit for the transfer.
- b) Both Parties agree to cooperate fully in obtaining all necessary approvals for the transfer of development rights.
- c) The Transferee acknowledges that the use of the transferred development rights on the Receiving Property shall be in accordance with applicable zoning ordinances, regulations, and laws in Truckee, California.

2. Responsibilities of the Parties.

- a) The Transferor is responsible for initiating and completing all required paperwork and applications for the transfer of development rights.
- b) The Transferee is responsible for ensuring that the Receiving Property complies with all relevant zoning and land use regulations and will use the transferred development rights for the intended purposes agreed upon in this MOU.

3. Compensation. The Parties have agreed that in exchange for the transfer of development rights, Transferor shall be granted the right to lease up to 16,000 sq ft of Transferee’s commercially built property and 25% of his residentially built property with an option to

purchase at fair market value upon lease term end.

4. Termination. This MOU may be terminated by either party with written notice to the other party if any of the terms and conditions contained herein are not met within one (1) year.
5. Governing Law. This Agreement will be interpreted under the laws of the State of California with venue in Nevada County, California for any action arising hereunder.
6. Entire MOU. This MOU, the Exhibits hereto, and other related documents constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior written or oral, and all contemporaneous oral, agreements, understandings and negotiations between the parties with respect to the subject matter hereof
7. Severability. Except as provided herein, any portion or provision of this MOU which is deemed to be invalid, illegal or unenforceable shall be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining portions or provisions hereof.
8. Waiver of Compliance. The failure of any Party to observe or perform any obligation, covenant, agreement or condition in this MOU on its part to be observed or performed may only be waived in writing by the other Parties to this MOU, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
9. Assignment. Except as specifically provided herein, neither Party may assign this MOU or any interest herein without the prior written consent of the other Party
10. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been given when delivered personally, when deposited with an overnight courier or in the United States mail, certified, and with proper postage prepaid, addressed as follows, or when sent by fax or email, addressed as follows:

**If to Transferor:**

Tahoe Forest Hospital District  
10121 Pine Avenue  
Truckee, California 96161

**If to Transferee:**

Gateway Village Truckee, LLC  
18 Winding Creek Way  
San Ramon, CA 94583

11. Counterparts. This MOU, and any amendment hereto, may be executed by the parties in separate counterparts, and provided that each party shall have originally executed at least one such counterpart, each such executed counterpart, and any photocopies or facsimile copies thereof, shall be deemed an original, but all such counterparts and any such photocopies and

facsimile copies, together shall constitute one and the same instrument, even though all of the parties have not originally executed the same counterparts.

IN WITNESS WHEREOF, the parties hereto, for themselves or by their authorized officers, as applicable, have caused this Agreement to be executed effective as of the Effective Date set forth herein above.

AGREED AND ACCEPTED:

**TAHOE FOREST HOSPITAL DISTRICT**

\_\_\_\_\_  
*Harry Weis, President & CEO*

\_\_\_\_\_  
*Date*

**GATEWAY VILLAGE TRUCKEE, LLC**

\_\_\_\_\_  
*Sohail Siddiqi, Owner*

\_\_\_\_\_  
*Date*