



October 13, 2023

NOTICE

The Board of Directors of the Kaweah Delta Health Care District will meet in an open Finance, Property, Services and Acquisition Committee meeting at 10:00AM on Wednesday October 18, 2023 in the Kaweah Health Medical Center Executive Offices Conference Room – 305 W. Acequia Avenue – Acequia Wing, Visalia, CA.

The Board of Directors of the Kaweah Delta Health Care District will meet in a closed Finance, Property, Services and Acquisition Committee meeting immediately following the 10:00AM open meeting on Wednesday October 18, 2023 in the Kaweah Health Medical Center Executive Offices Conference Room – 305 W. Acequia – Acequia Wing pursuant to Health and Safety Code 32106.

All Kaweah Delta Health Care District regular board meeting and committee meeting notices and agendas are posted 72 hours prior to meetings (special meetings are posted 24 hours prior to meetings) in the Kaweah Health Medical Center, Mineral King Wing entry corridor between the Mineral King lobby and the Emergency Department waiting room.

The disclosable public records related to agendas are available for public inspection at Kaweah Health Medical Center – Acequia Wing, Executive Offices (Administration Department) {1st floor}, 400 West Mineral King Avenue, Visalia, CA and on the Kaweah Delta Health Care District web page <https://www.kaweahhealth.org>.

KAWEAH DELTA HEALTH CARE DISTRICT
Mike Olmos, Secretary/Treasurer

A handwritten signature in black ink that reads "Cindy Moccio". The signature is written in a cursive, flowing style.

Cindy Moccio
Board Clerk, Executive Assistant to CEO / CNO

DISTRIBUTION:
Governing Board
Legal Counsel
Executive Team
Chief of Staff

<http://www.kaweahhealth.org>



KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS FINANCE, PROPERTY, SERVICES & ACQUISITION COMMITTEE

Kaweah Health Medical Center
305 W. Acequia Avenue, Executive Office Conference Room (1st Floor)

Wednesday October 18, 2023

ATTENDING: Directors: David Francis & Mike Olmos; Gary Herbst, Chief Executive Officer; Malinda Tupper, Chief Financial Officer; Marc Mertz, Chief Strategy Officer; Jennifer Stockton, Director of Finance, Ben Cripps, Chief Compliance & Risk Officer; R. Berglund, Legal Counsel; Cindy Moccio, Recording

OPEN MEETING – 10:00AM

1. **CALL TO ORDER** – *David Francis, Board President*
2. **PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdictions of the Board are requested to identify themselves at this time. For those who are unable to attend the beginning of the Board meeting during the public participation segment but would like to address the Board, please contact the Board Clerk (Cindy Moccio 559-624-2330) or cmoccio@kaweahhealth.org to make arrangements to address the Board.
3. **INSURANCE REQUIREMENTS** – Review and discussion relative to the professional liability and medical malpractice insurance requirements.

Ben Cripps, Chief Compliance and Risk Officer and Rachele Berglund, Legal Counsel
4. **FINANCIALS** – Review of the most current fiscal year financial results and budget and a progress review and projections relative to the Kaweah Health initiatives to decrease costs and improve cost efficiencies.

Malinda Tupper – Chief Financial Officer
5. **SEMI-ANNUAL INVESTMENT REPORT** – Semi-annual review of the Kaweah Delta Health Care District Investment Report.

Jennifer Stockton, Director of Finance
6. **APPROVAL OF CLOSED PROPERTY, SERVICES, AND ACQUISITION AGENDA: Closed Agenda – immediately following the 10:00AM open meeting**
 - 6.1. **Report involving trade secrets {Health and Safety Code 32106}** – Discussion will concern a proposed new services/programs – estimated date of disclosure is December 2023 – *Marc Mertz, Chief Strategy Officer, Ryan Gates, Chief Population Health Officer, and Gary Herbst, Chief Executive Officer*
7. **ADJOURN** – *David Francis, Board President*

CLOSED MEETING – following the 10:00AM Open Meeting

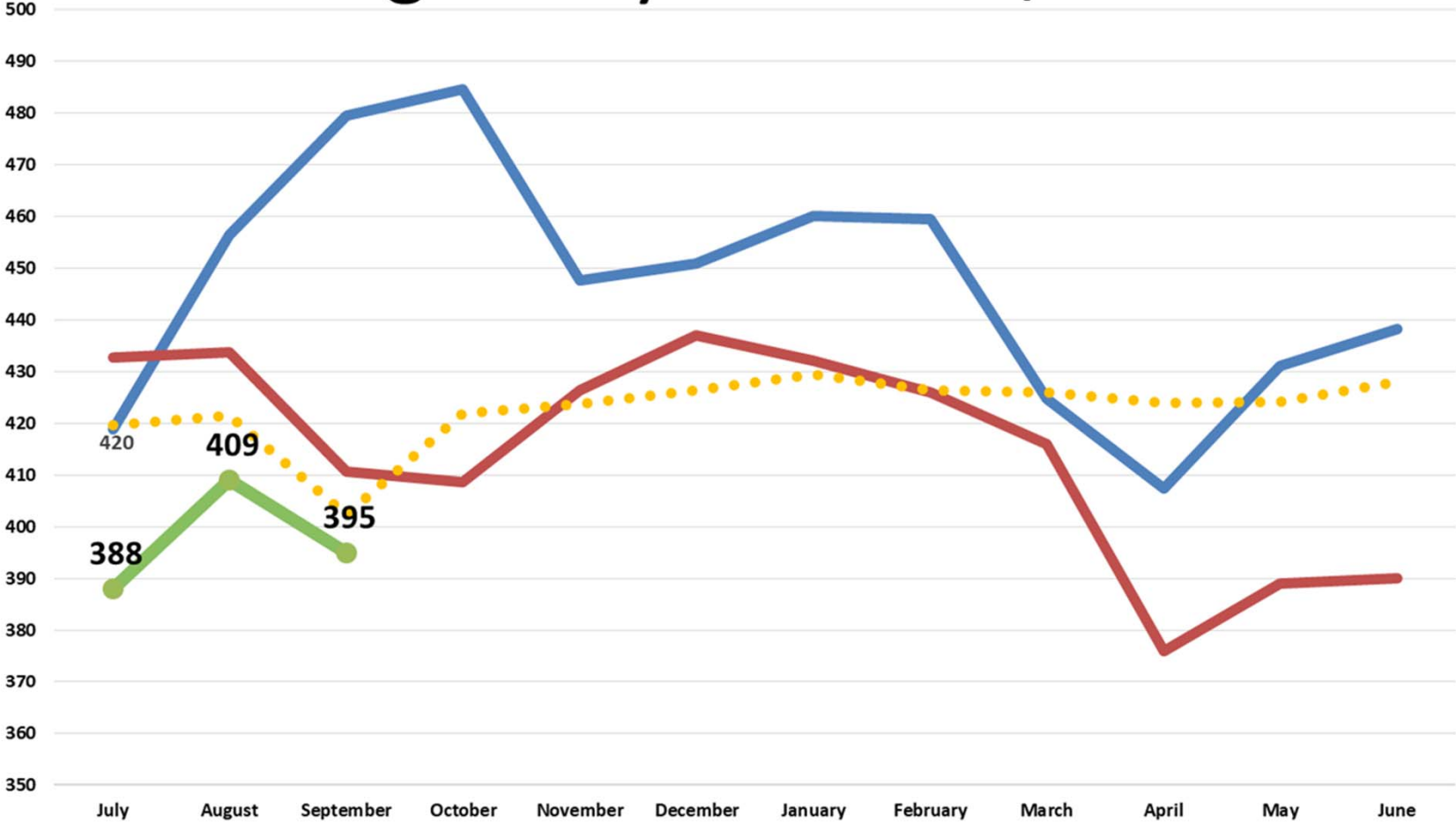
1. **CALL TO ORDER** – *David Francis, Board President*
2. **REPORT INVOLVING TRADE SECRETS {HEALTH AND SAFETY CODE 32106}** – Discussion will concern a proposed new services/programs – estimated date of disclosure is December 2023 – *Marc Mertz, Chief Strategy Officer, Ryan Gates, Chief Population Health Officer, and Gary Herbst, Chief Executive Officer*
3. **ADJOURN** – *David Francis, Board President*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate at this meeting, please contact the Board Clerk (559) 624-2330. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the Kaweah Delta Health Care District Board of Directors meeting.

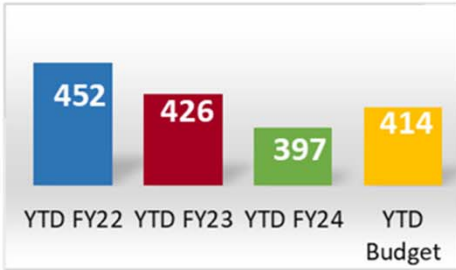
CFO Financial Report

Month Ending September 2023

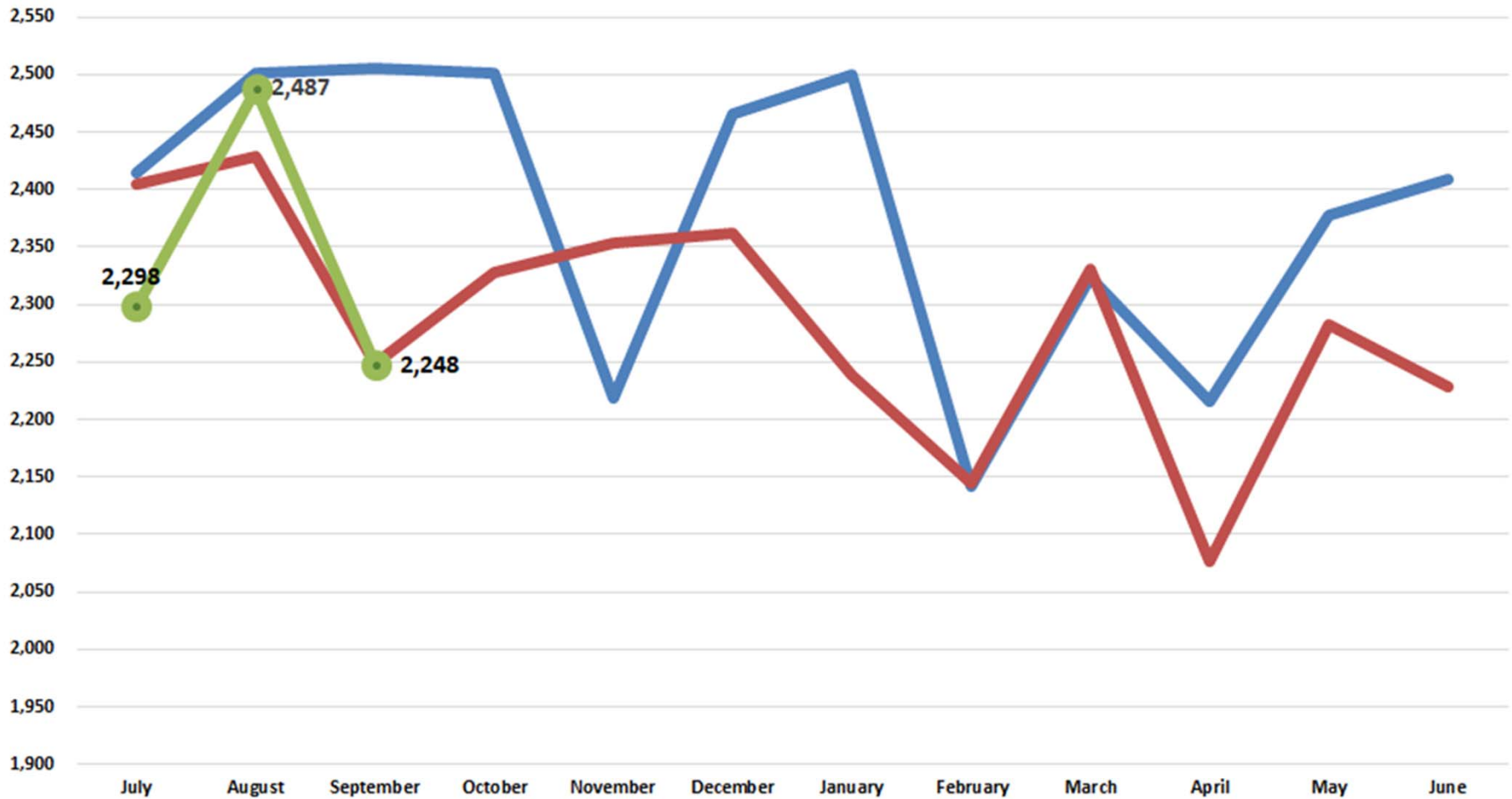
Average Daily Census w/o TCS



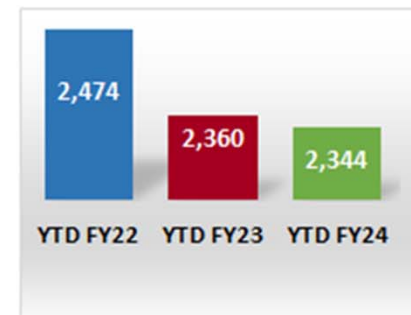
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



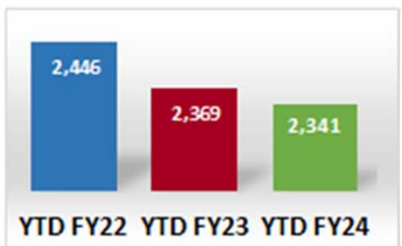
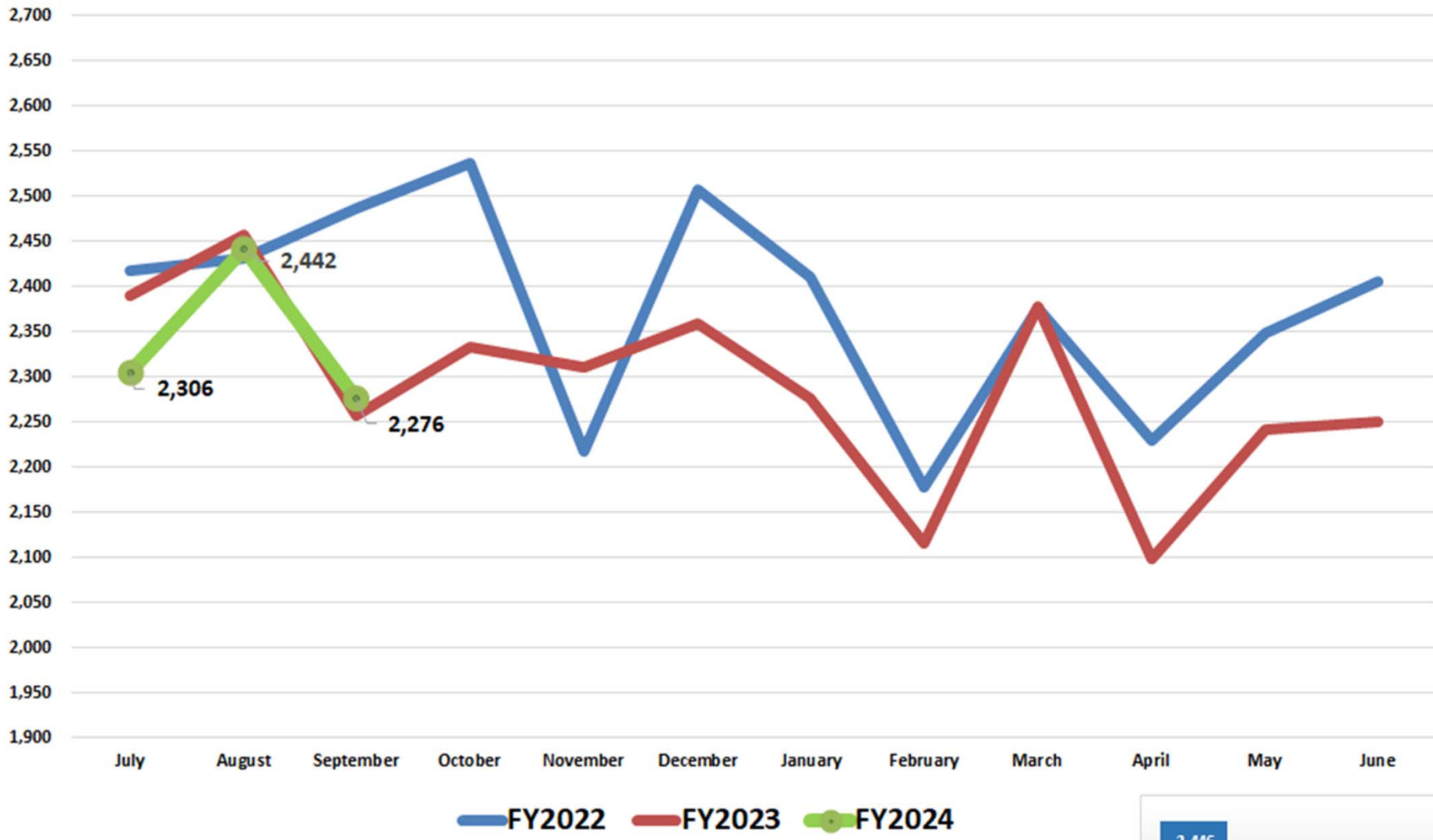
Admissions



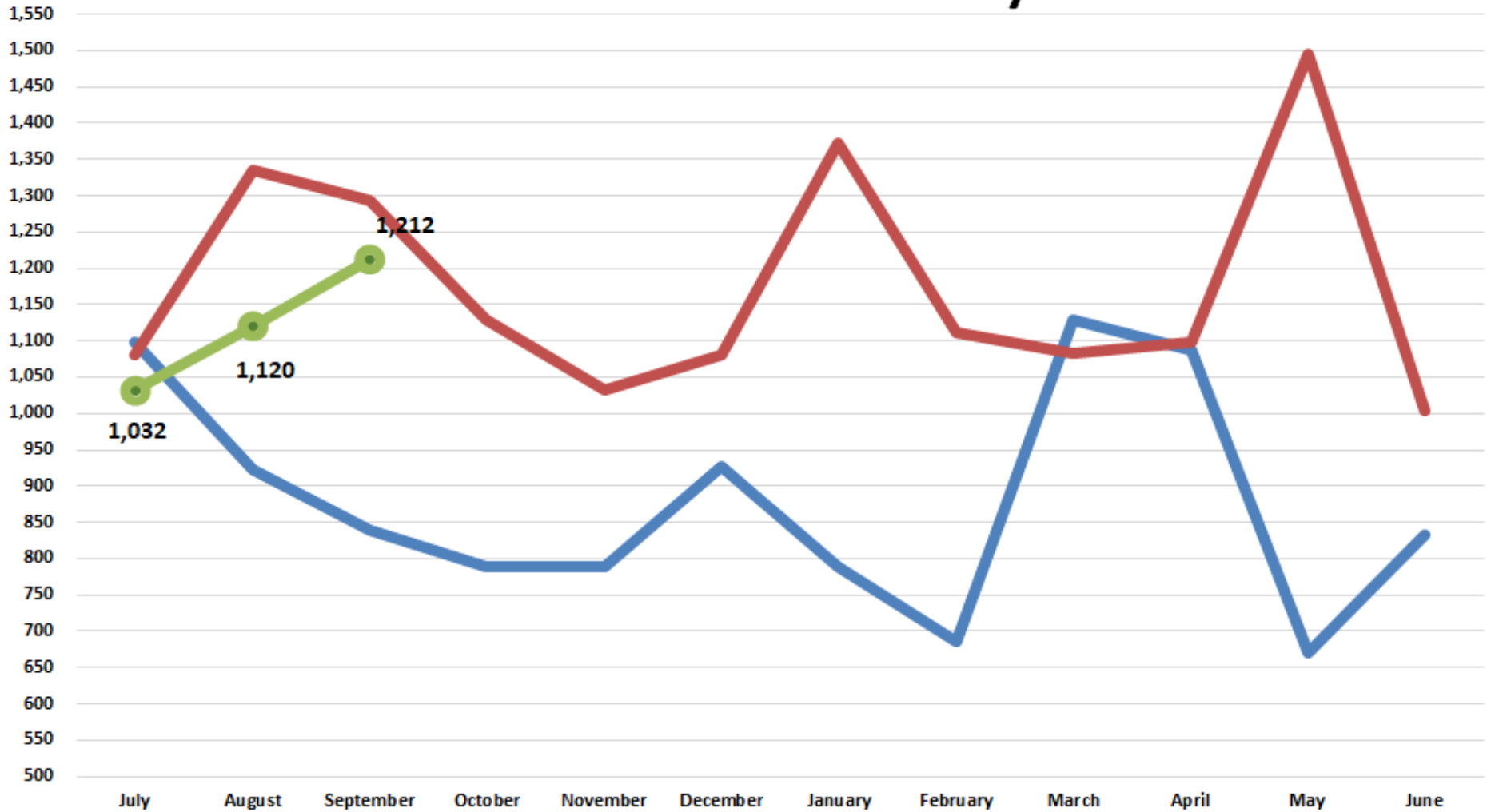
— FY2022 — FY2023 — FY2024



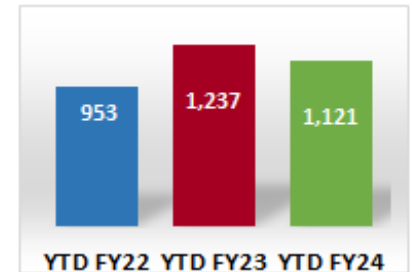
Discharges



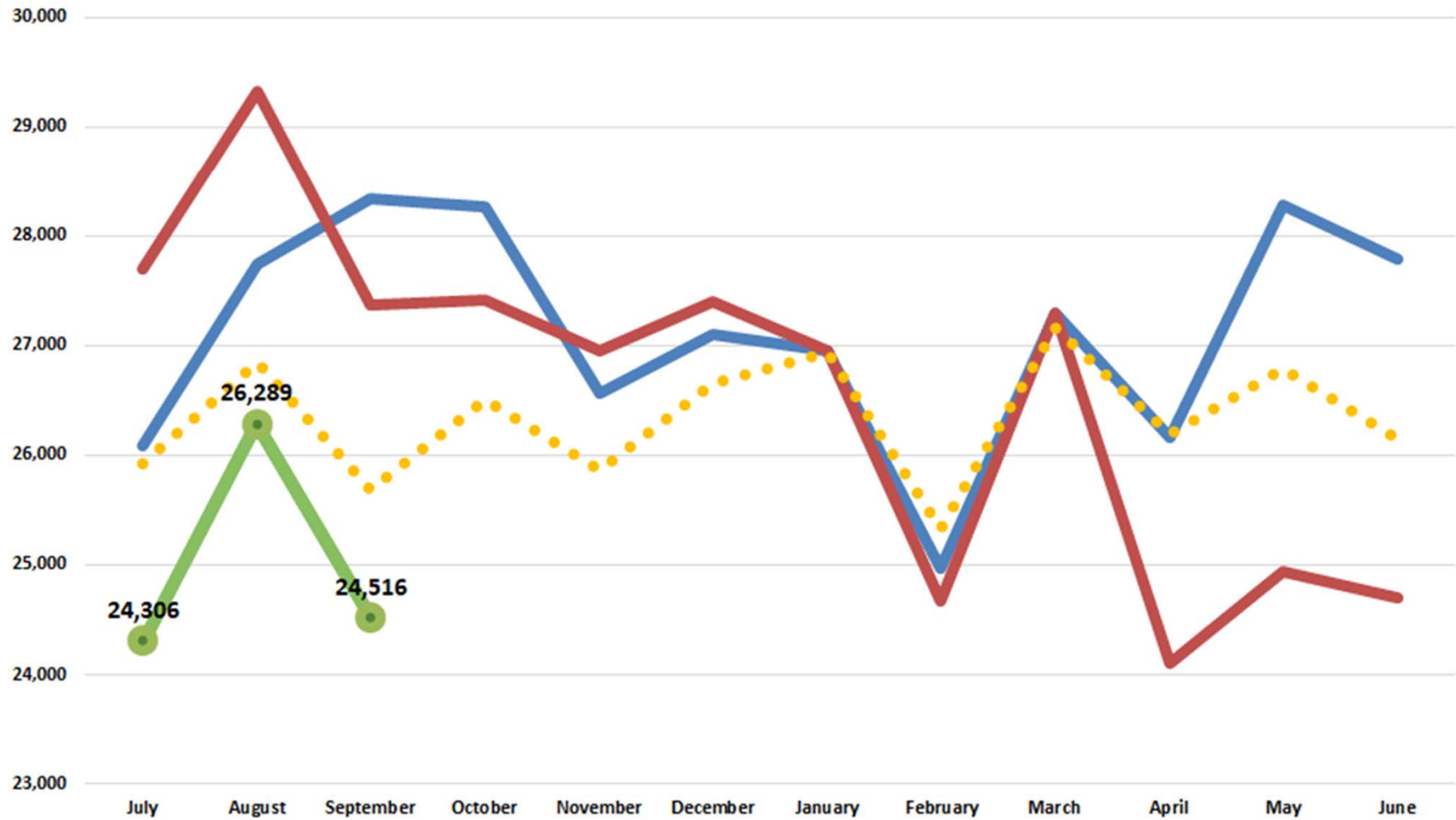
Observation Days



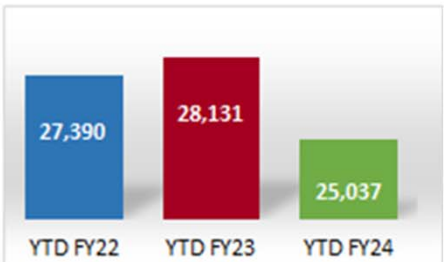
FY2022 FY2023 FY2024



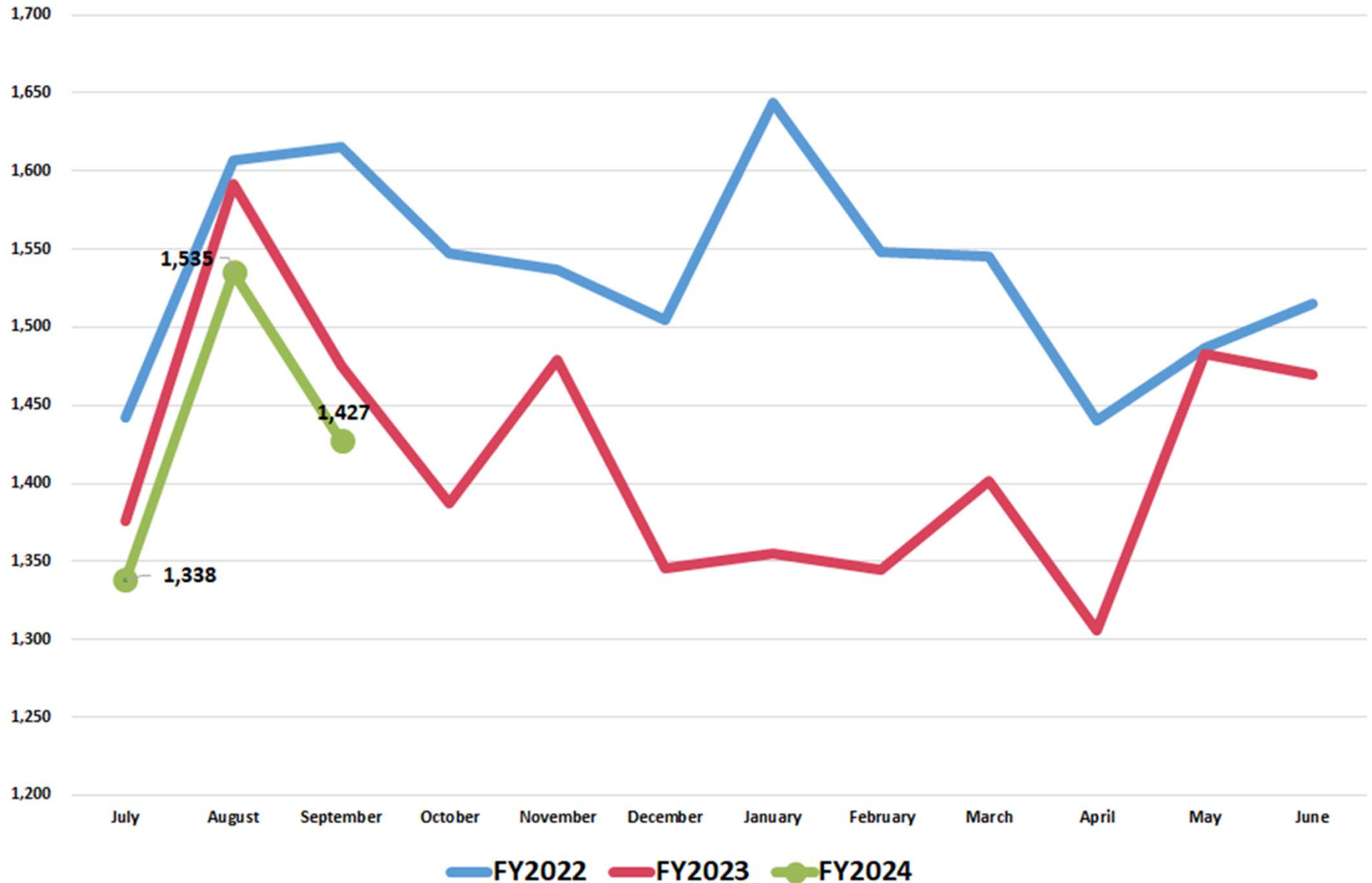
Adjusted Patient Days



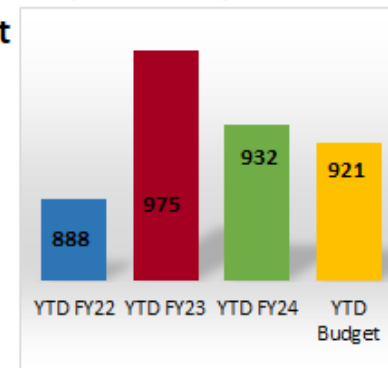
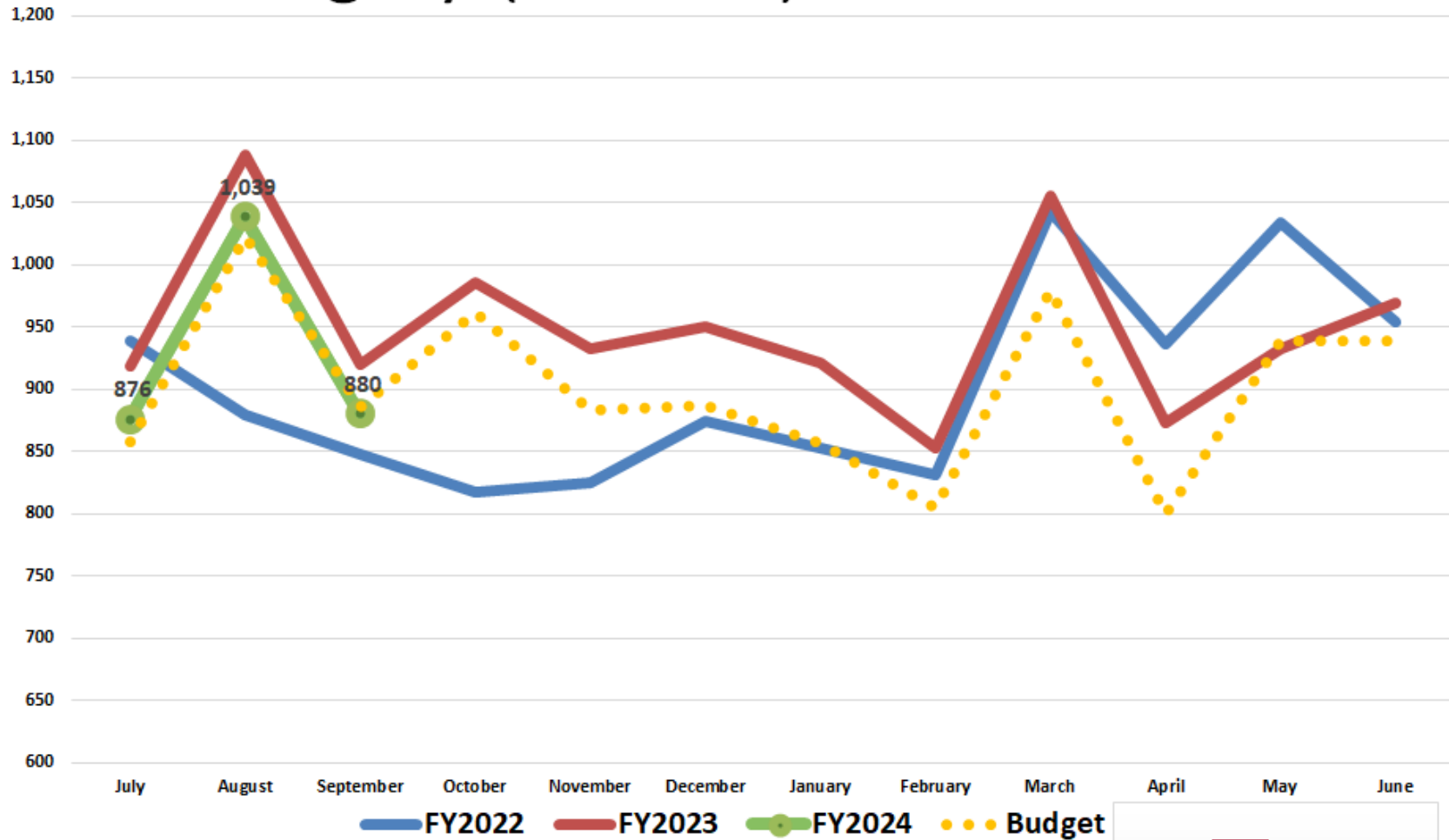
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



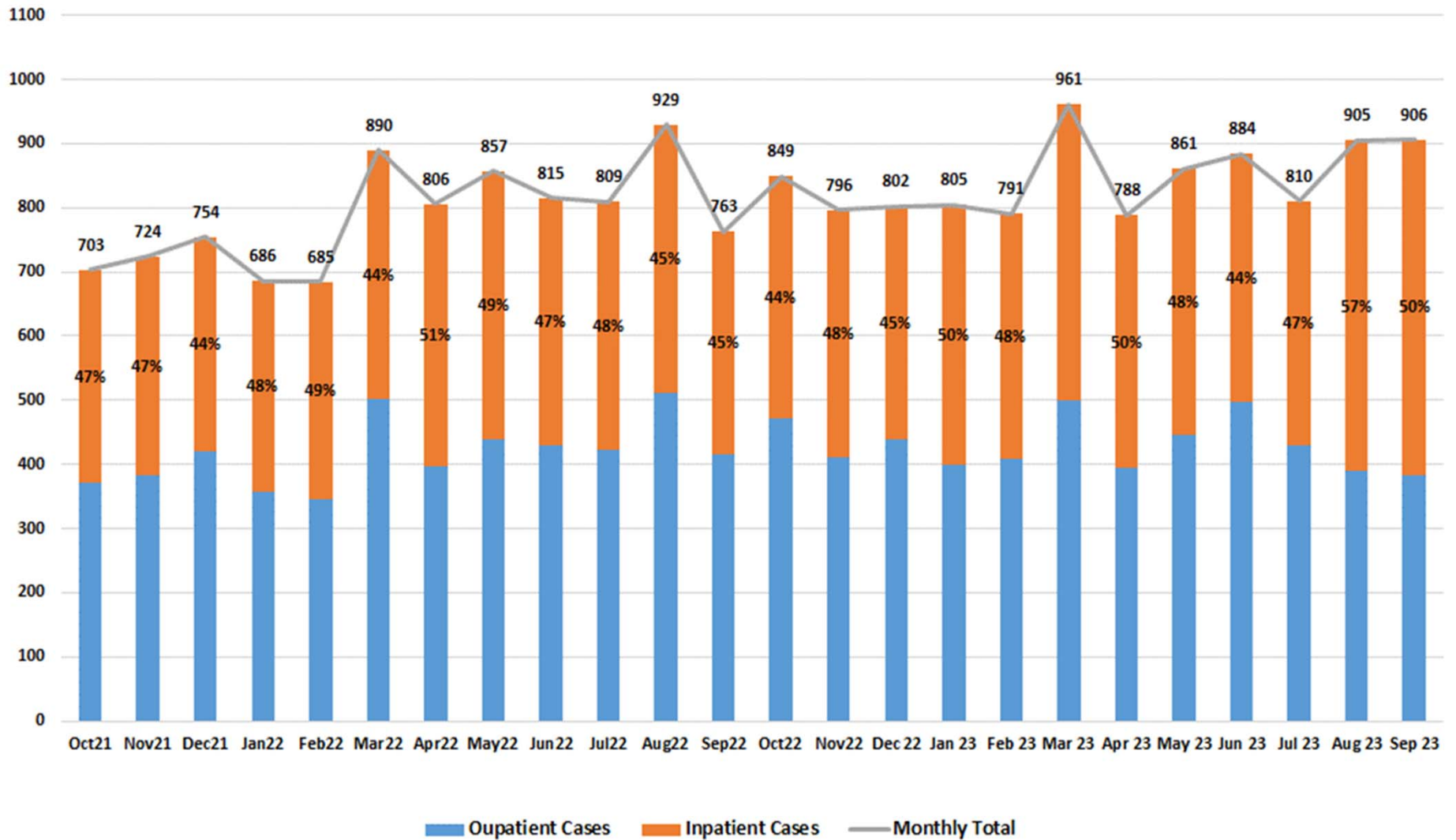
Outpatient Registrations Per Day



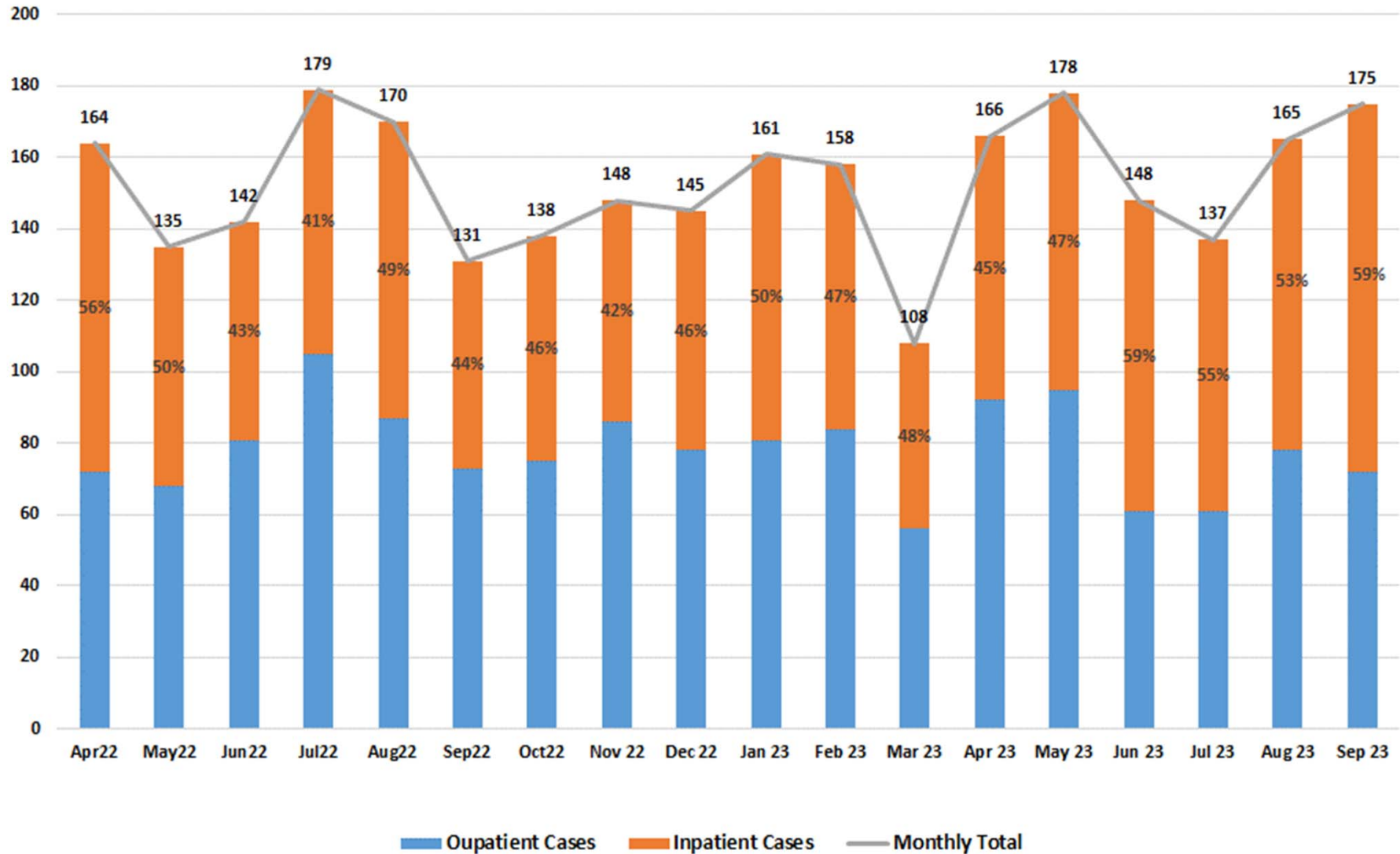
Surgery (IP & OP) – 100 Min Units



Surgery Cases (IP & OP)



Cath Lab Patients (IP & OP)



Statistical Results – Fiscal Year Comparison (Jul-Sep)

Actual Results			Budget	Budget Variance	
FYTD 2023	FYTD 2024	% Change	FYTD 2024	Change	% Change

Average Daily Census	441	397	(9.8%)	419	(22)	(5.1%)
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KDHCD Patient Days:

Medical Center	26,979	24,153	(10.5%)	25,848	(1,695)	(6.6%)
Acute I/P Psych	3,703	3,945	6.5%	4,140	(195)	(4.7%)
Sub-Acute	2,628	2,850	8.4%	2,465	385	15.6%
Rehab	1,613	1,580	(2.0%)	1,818	(238)	(13.1%)
TCS-Ortho	1,104	1,145	3.7%	1,198	(53)	(4.4%)
TCS	1,529	0	(100.0%)	0	0	(100.0%)
NICU	1,377	1,317	(4.4%)	1,464	(147)	(10.0%)
Nursery	1,610	1,571	(2.4%)	1,612	(41)	(2.5%)

Total KDHCD Patient Days	40,543	36,561	(9.8%)	38,545	(1,984)	(5.1%)
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Total Outpatient Volume	136,258	131,873	(3.2%)	126,547	5,326	4.2%
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Other Statistical Results – Fiscal Year Comparison (Sep)

	Actual Results				Budget	Budget Variance	
	Sep 2022	Sep 2023	Change	% Change	Sep 2023	Change	% Change
Adjusted Patient Days	27,367	24,516	(2,851)	(10.4%)	25,688	(1,178)	(4.6%)
Outpatient Visits	44,250	42,810	(1,440)	(3.3%)	41,265	1,545	3.7%
Endoscopy Procedures (I/P & O/P)	504	633	129	25.6%	497	136	27.4%
Infusion Center	299	361	62	20.7%	336	25	7.4%
ED Total Registered	7,253	7,836	583	8.0%	7,440	396	5.3%
Cath Lab Minutes (IP & OP)	289	308	19	6.6%	320	(12)	(3.8%)
Radiology/CT/US/MRI Proc (I/P & O/P)	16,068	16,850	782	4.9%	16,672	178	1.1%
RHC Registrations	9,413	9,684	271	2.9%	10,762	(1,078)	(10.0%)
Hospice Days	3,701	3,735	34	0.9%	3,748	(13)	(0.3%)
Dialysis Treatments	1,451	1,441	(10)	(0.7%)	1,550	(109)	(7.0%)
Home Health Visits	3,195	3,132	(63)	(2.0%)	3,111	21	0.7%
OB Deliveries	403	391	(12)	(3.0%)	409	(18)	(4.4%)
Physical & Other Therapy Units	17,411	16,791	(620)	(3.6%)	17,607	(816)	(4.6%)
O/P Rehab Units	19,343	18,248	(1,095)	(5.7%)	18,841	(593)	(3.1%)
Surgery Minutes – General & Robotic (I/P & O/P)	1,075	1,013	(62)	(5.8%)	1,056	(43)	(4.1%)
Radiation Oncology Treatments (I/P & O/P)	1,762	1,457	(305)	(17.3%)	2,090	(633)	(30.3%)
Urgent Care - Demaree	2,854	2,012	(842)	(29.5%)	2,654	(642)	(24.2%)
Urgent Care - Court	4,292	2,955	(1,337)	(31.2%)	4,215	(1,260)	(29.9%)

Other Statistical Results – Fiscal Year Comparison (Jul-Sep)

	Actual Results				Budget	Budget Variance	
	FY 2023	FY 2024	Change	% Change	FY 2024	Change	% Change
Adjusted Patient Days	84,214	75,105	(9,109)	(10.8%)	78,457	(3,352)	(4.3%)
Outpatient Visits	136,258	131,873	(4,385)	(3.2%)	126,547	5,326	4.2%
Infusion Center	924	1,193	269	29.1%	1,058	135	12.8%
Endoscopy Procedures (I/P & O/P)	1,572	1,939	367	23.3%	1,542	397	25.7%
O/P Rehab Units	55,759	60,033	4,274	7.7%	61,027	(994)	(1.6%)
ED Total Registered	22,448	23,979	1,531	6.8%	22,165	1,814	8.2%
Radiology/CT/US/MRI Proc (I/P & O/P)	49,279	52,112	2,833	5.7%	50,540	1,572	3.1%
RHC Registrations	28,474	29,915	1,441	5.1%	31,667	(1,752)	(5.5%)
Home Health Visits	8,794	9,154	360	4.1%	9,327	(173)	(1.9%)
OB Deliveries	1,218	1,243	25	2.1%	1,227	16	1.3%
Dialysis Treatments	4,475	4,540	65	1.5%	4,650	(110)	(2.4%)
Hospice Days	11,497	11,610	113	1.0%	11,292	318	2.8%
Surgery Minutes-General & Robotic (I/P & O/P)	3,304	3,262	(42)	(1.3%)	3,326	(64)	(1.9%)
Cath Lab Minutes (IP & OP)	912	882	(30)	(3.3%)	1,034	(152)	(14.7%)
Physical & Other Therapy Units	54,633	52,699	(1,934)	(3.5%)	53,981	(1,282)	(2.4%)
Radiation Oncology Treatments (I/P & O/P)	5,738	4,817	(921)	(16.1%)	6,350	(1,533)	(24.1%)
Urgent Care - Demaree	9,047	5,900	(3,147)	(34.8%)	8,447	(2,547)	(30.2%)
Urgent Care - Court	14,043	9,077	(4,966)	(35.4%)	13,168	(4,091)	(31.1%)

September Financial Comparison without KHMG (000's)

	Comparison to Budget - Month of September				Comparison to Prior Year - Month of September			
	Budget Sep-2023	Actual Sep-2023	\$ Change	% Change	Sep-2022	Sep-2023	\$ Change	% Change
Operating Revenue								
Net Patient Service Revenue	\$46,514	\$47,195	\$681	1.4%	\$44,088	\$47,195	\$3,107	6.6%
Supplemental Gov't Programs	\$6,273	\$6,383	\$109	1.7%	\$4,943	\$6,383	\$1,440	22.6%
Prime Program	\$808	\$822	\$13	1.6%	\$743	\$822	\$79	9.6%
Premium Revenue	\$7,675	\$7,675	\$0	0.0%	\$5,972	\$7,675	\$1,703	22.2%
Management Services Revenue	\$3,328	\$2,962	(\$367)	-12.4%	\$3,313	\$2,962	(\$351)	-11.9%
Other Revenue	\$2,424	\$3,199	\$775	24.2%	\$2,279	\$3,199	\$920	28.8%
Other Operating Revenue	\$20,508	\$21,039	\$531	2.5%	\$17,249	\$21,039	\$3,790	18.0%
Total Operating Revenue	\$67,023	\$68,234	\$1,212	1.8%	\$61,337	\$68,234	\$6,897	10.1%
Operating Expenses								
Salaries & Wages	\$28,177	\$27,198	(\$980)	-3.6%	\$27,468	\$27,198	(\$270)	-1.0%
Contract Labor	\$1,625	\$1,980	\$356	18.0%	\$7,067	\$1,980	(\$5,087)	-256.9%
Employee Benefits	\$6,513	\$5,847	(\$666)	-11.4%	\$3,432	\$5,847	\$2,415	41.3%
Total Employment Expenses	\$36,315	\$35,025	(\$1,290)	-3.7%	\$37,968	\$35,025	(\$2,943)	-8.4%
Medical & Other Supplies	\$9,881	\$10,435	\$555	5.3%	\$11,107	\$10,435	(\$671)	-6.4%
Physician Fees	\$6,665	\$6,225	(\$440)	-7.1%	\$6,679	\$6,225	(\$454)	-7.3%
Purchased Services	\$1,423	\$1,849	\$426	23.0%	\$1,476	\$1,849	\$373	20.2%
Repairs & Maintenance	\$2,359	\$2,643	\$284	10.8%	\$2,341	\$2,643	\$303	11.5%
Utilities	\$1,037	\$985	(\$52)	-5.2%	\$997	\$985	(\$12)	-1.2%
Rents & Leases	\$165	\$130	(\$35)	-27.0%	\$140	\$130	(\$10)	-7.9%
Depreciation & Amortization	\$2,914	\$2,810	(\$104)	-3.7%	\$2,768	\$2,810	\$42	1.5%
Interest Expense	\$568	\$604	\$37	6.1%	\$592	\$604	\$12	2.0%
Other Expense	\$2,101	\$2,169	\$67	3.1%	\$1,720	\$2,169	\$449	20.7%
Humana Cap Plan Expenses	\$3,701	\$2,832	(\$869)	-30.7%	\$3,777	\$2,832	(\$944)	-33.3%
Management Services Expense	\$3,660	\$2,676	(\$984)	-36.8%	\$3,370	\$2,676	(\$694)	-25.9%
Total Other Expenses	\$34,474	\$33,360	(\$1,114)	-3.3%	\$34,966	\$33,360	(\$1,606)	-4.8%
Total Operating Expenses	\$70,789	\$68,385	(\$2,405)	-3.5%	\$72,933	\$68,385	(\$4,549)	-6.7%
Operating Margin	(\$3,767)	(\$150)	\$3,616		(\$11,597)	(\$150)	\$11,446	
Stimulus/FEMA	\$1,558	\$0	(\$1,558)		\$0	\$0	\$0	
Operating Margin after Stimulus/FEMA	(\$2,209)	(\$150)	\$2,058		(\$11,597)	(\$150)	\$11,446	
Nonoperating Revenue (Loss)	\$465	\$626	\$162		(\$3,901)	\$626	\$4,527	
Excess Margin	(\$1,744)	\$476	\$2,220		(\$15,497)	\$476	\$15,973	

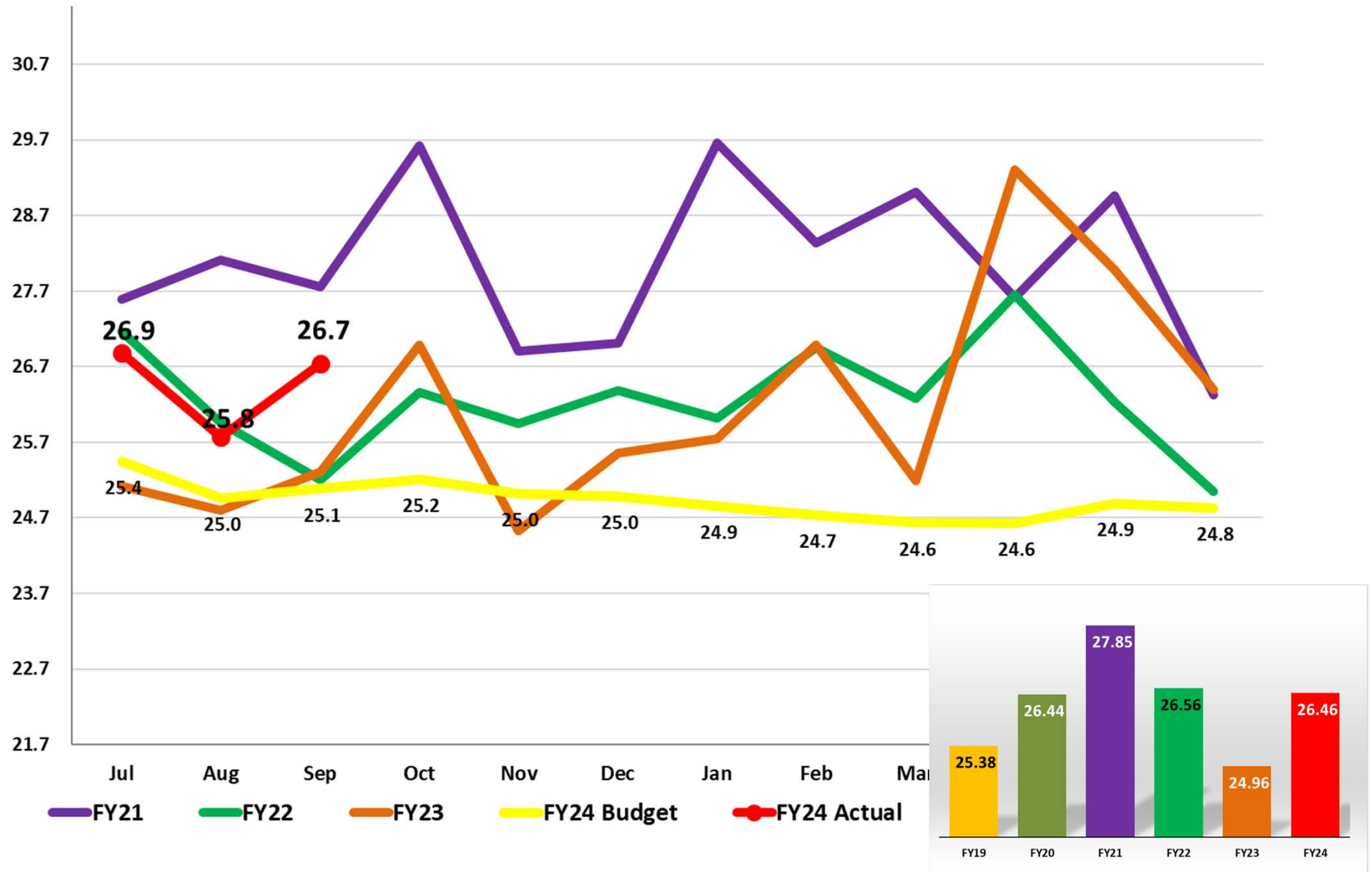
FYTD Q1 July-Sept: Financial Comparison without KHMG (000's)

	Comparison to Budget - YTD September				Comparison to Prior Year - YTD September			
	Budget Sep-2023	Actual Sep-2023	\$ Change	% Change	Sep-2022	Sep-2023	\$ Change	% Change
Operating Revenue								
Net Patient Service Revenue	\$143,278	\$142,205	(\$1,073)	-0.8%	\$143,833	\$142,205	(\$1,628)	-1.1%
Supplemental Gov't Programs	\$19,239	\$19,148	(\$91)	-0.5%	\$15,027	\$19,148	\$4,121	21.5%
Prime Program	\$2,478	\$2,465	(\$13)	-0.5%	\$2,228	\$2,465	\$237	9.6%
Premium Revenue	\$23,536	\$23,536	\$0	0.0%	\$17,800	\$23,536	\$5,736	24.4%
Management Services Revenue	\$10,206	\$9,861	(\$346)	-3.5%	\$10,042	\$9,861	(\$181)	-1.8%
Other Revenue	\$7,433	\$9,648	\$2,215	23.0%	\$7,814	\$9,648	\$1,834	19.0%
Other Operating Revenue	\$62,893	\$64,658	\$1,765	2.7%	\$52,911	\$64,658	\$11,747	18.2%
Total Operating Revenue	\$206,171	\$206,862	\$692	0.3%	\$196,743	\$206,862	\$10,119	4.9%
Operating Expenses								
Salaries & Wages	\$86,410	\$83,541	(\$2,869)	-3.4%	\$84,080	\$83,541	(\$539)	-0.6%
Contract Labor	\$5,411	\$5,722	\$311	5.4%	\$20,056	\$5,722	(\$14,334)	-250.5%
Employee Benefits	\$19,974	\$18,678	(\$1,296)	-6.9%	\$14,878	\$18,678	\$3,800	20.3%
Total Employment Expenses	\$111,795	\$107,941	(\$3,854)	-3.6%	\$119,013	\$107,941	(\$11,072)	-10.3%
Medical & Other Supplies	\$30,720	\$31,345	\$625	2.0%	\$30,901	\$31,345	\$444	1.4%
Physician Fees	\$19,996	\$20,053	\$57	0.3%	\$20,534	\$20,053	(\$482)	-2.4%
Purchased Services	\$4,365	\$5,249	\$884	16.8%	\$5,396	\$5,249	(\$147)	-2.8%
Repairs & Maintenance	\$7,100	\$6,268	(\$831)	-13.3%	\$6,578	\$6,268	(\$309)	-4.9%
Utilities	\$2,963	\$2,756	(\$208)	-7.5%	\$2,599	\$2,756	\$157	5.7%
Rents & Leases	\$495	\$378	(\$117)	-31.0%	\$388	\$378	(\$10)	-2.7%
Depreciation & Amortization	\$8,741	\$8,475	(\$266)	-3.1%	\$8,327	\$8,475	\$148	1.7%
Interest Expense	\$1,741	\$1,794	\$53	3.0%	\$1,776	\$1,794	\$18	1.0%
Other Expense	\$6,451	\$5,598	(\$852)	-15.2%	\$5,160	\$5,598	\$438	7.8%
Humana Cap Plan Expenses	\$11,104	\$11,035	(\$70)	-0.6%	\$12,012	\$11,035	(\$977)	-8.9%
Management Services Expense	\$10,686	\$9,071	(\$1,615)	-17.8%	\$9,951	\$9,071	(\$880)	-9.7%
Total Other Expenses	\$104,362	\$102,022	(\$2,340)	-2.3%	\$103,622	\$102,022	(\$1,600)	-1.6%
Total Operating Expenses	\$216,157	\$209,963	(\$6,194)	-3.0%	\$222,636	\$209,963	(\$12,672)	-6.0%
Operating Margin	(\$9,987)	(\$3,101)	\$6,886		(\$25,892)	(\$3,101)	\$22,791	
Stimulus/FEMA	\$4,777	\$3,220	(\$1,557)		\$97	\$3,220	\$3,123	
Operating Margin after Stimulus/FEMA	(\$5,210)	\$119	\$5,329		(\$25,795)	\$119	\$25,914	
Nonoperating Revenue (Loss)	\$1,434	\$1,829	\$396		(\$3,119)	\$1,829	\$4,949	
Excess Margin	(\$3,776)	\$1,949	\$5,724		(\$28,914)	\$1,949	\$30,863	

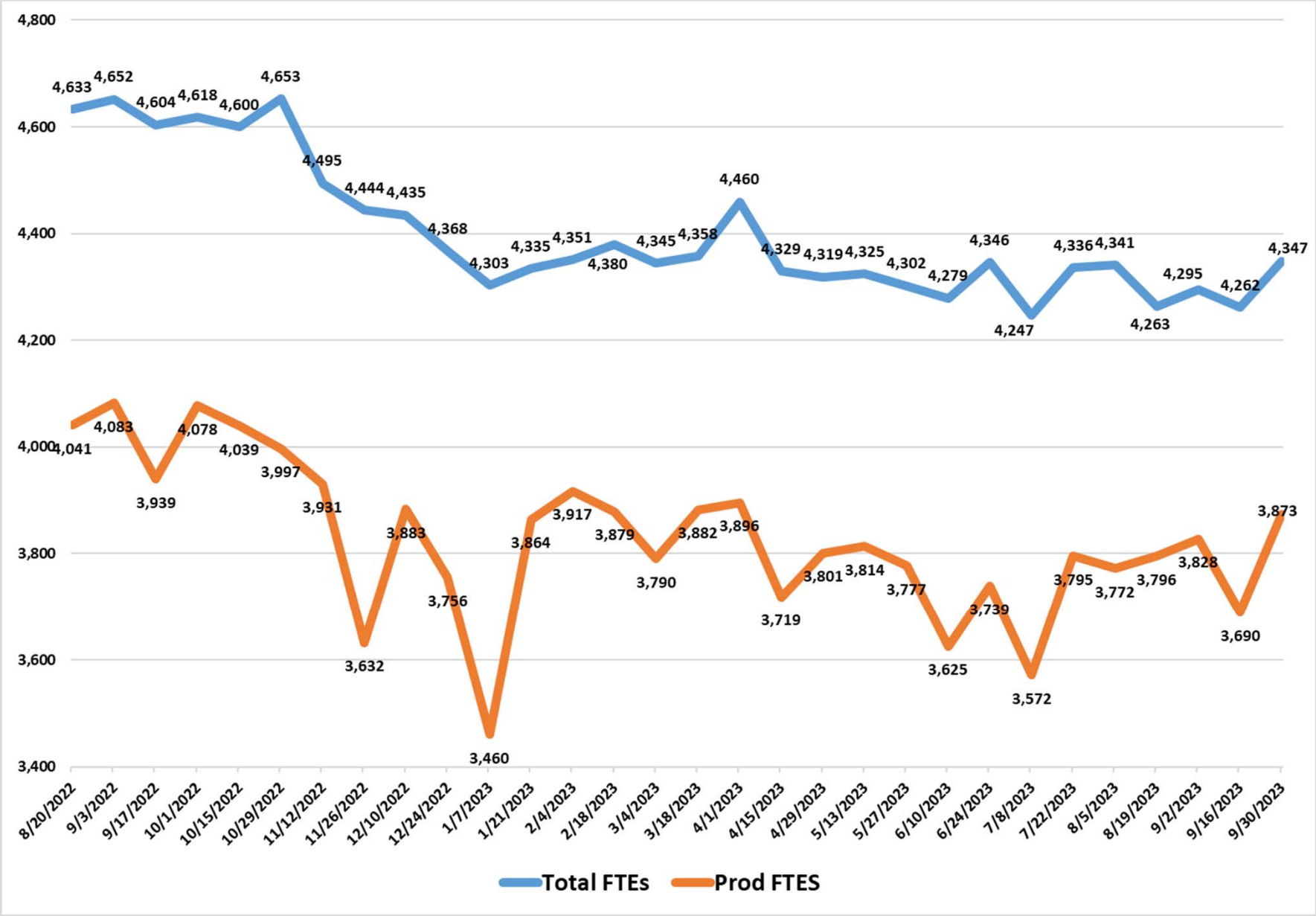
Month of September- Budget Variances

- **Other Revenue:** Other revenue was 24% over budget due to several items. Health Homes over budget by \$293K, retail pharmacy over by \$137K and two GME grants received \$234K. In addition, some of the overage was due to timing. In September, we had three pay periods post to the general ledger, so the employee deductions for Dietary, Lifestyle, and Kaweah Kids were recorded three times instead of two for \$55K.
- **Employment expenses:** Health insurance was under budget due to timing – three pay periods were recorded in September of employee deductions.
- **Purchase Services:** The \$426K overage in September had to do with several areas. One area is in patient transportation costs \$55K that historically had been offset in net patient revenue and is now separated out as part of operating expenses. Some other areas were higher primarily due to timing such as Plant Operations, ISS, Cardiac Surgery, Kaweah Cares and the Mail room.

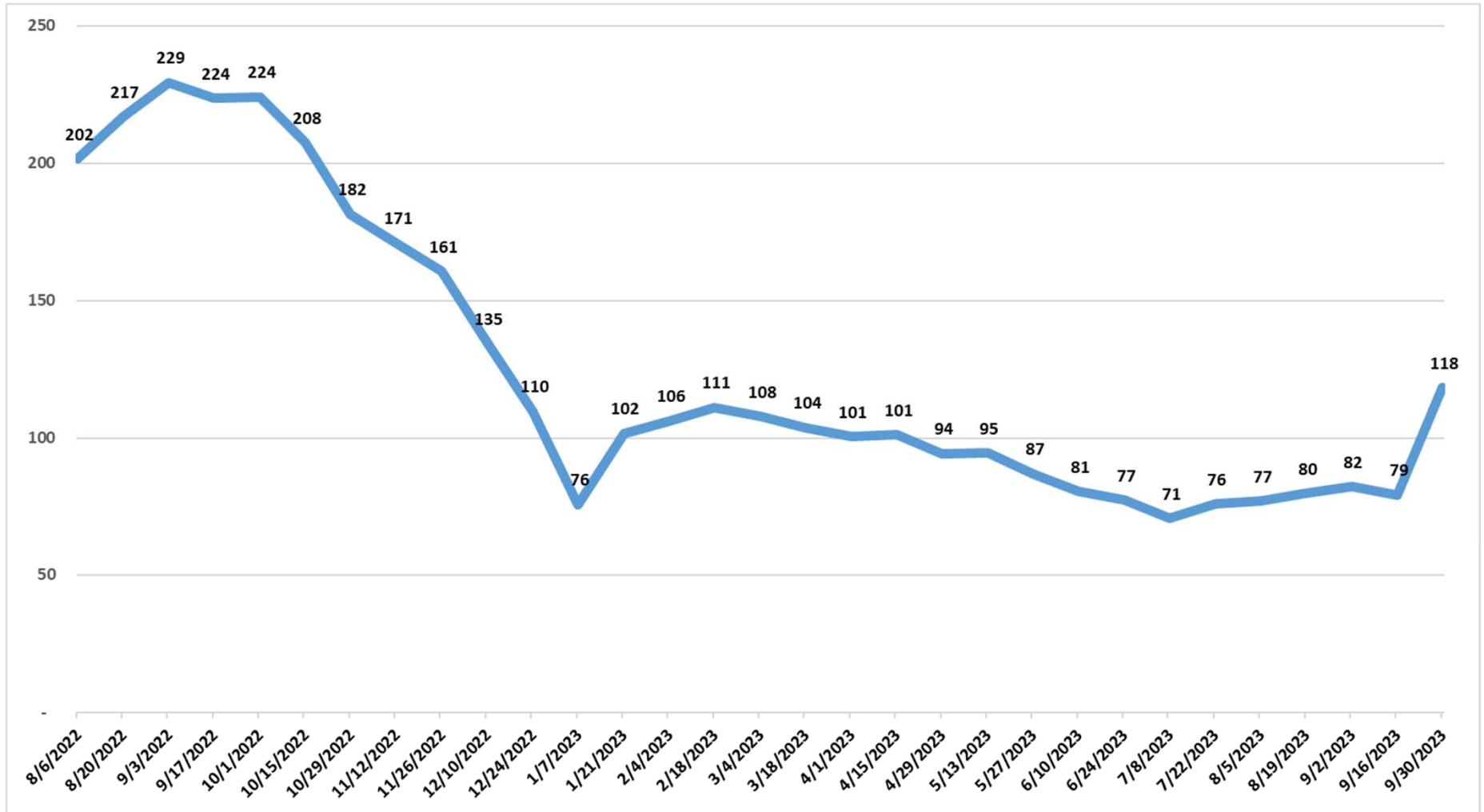
Productivity: Worked Hours/Adjusted Patient Days



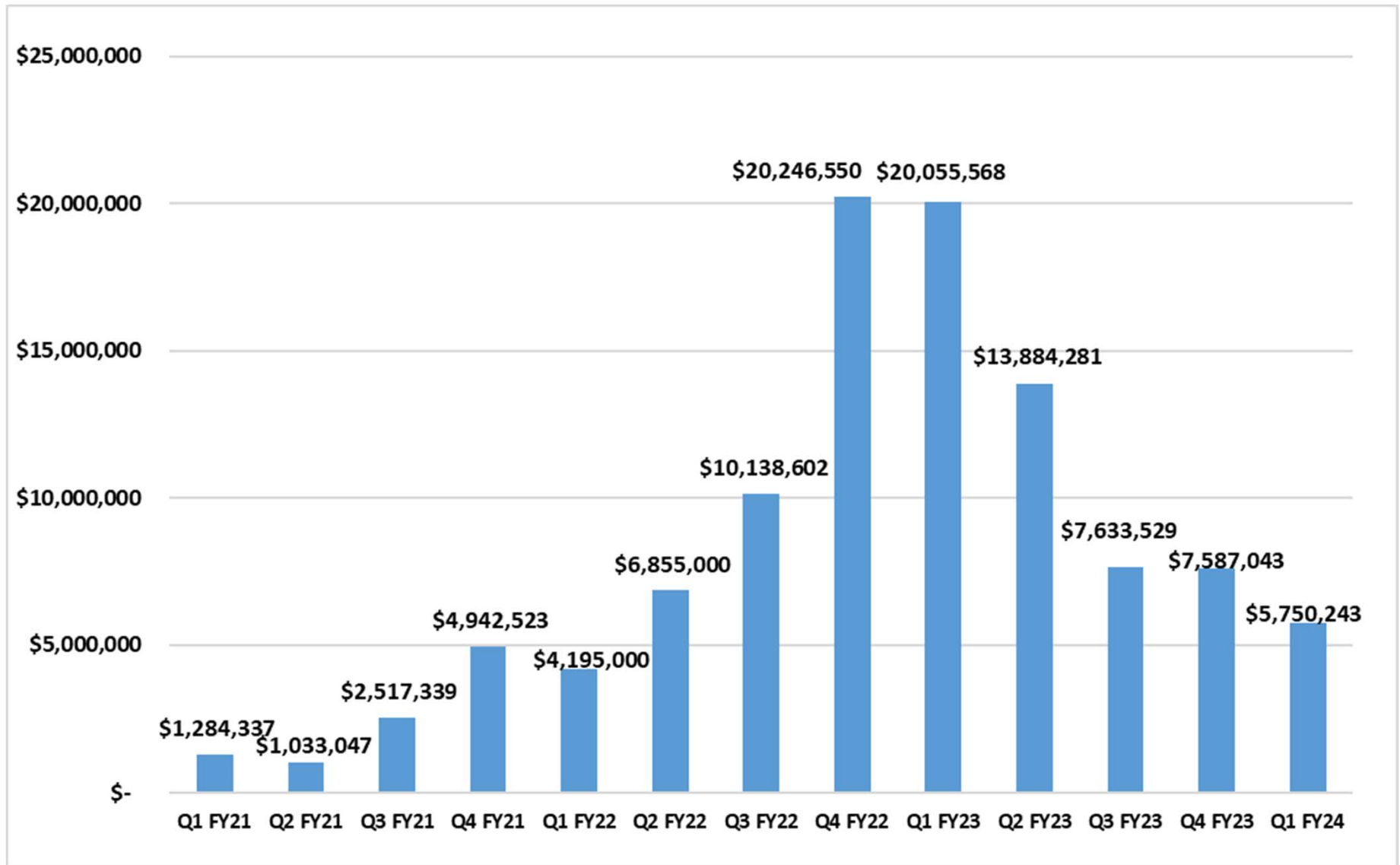
Productive and Total FTEs without KHMG



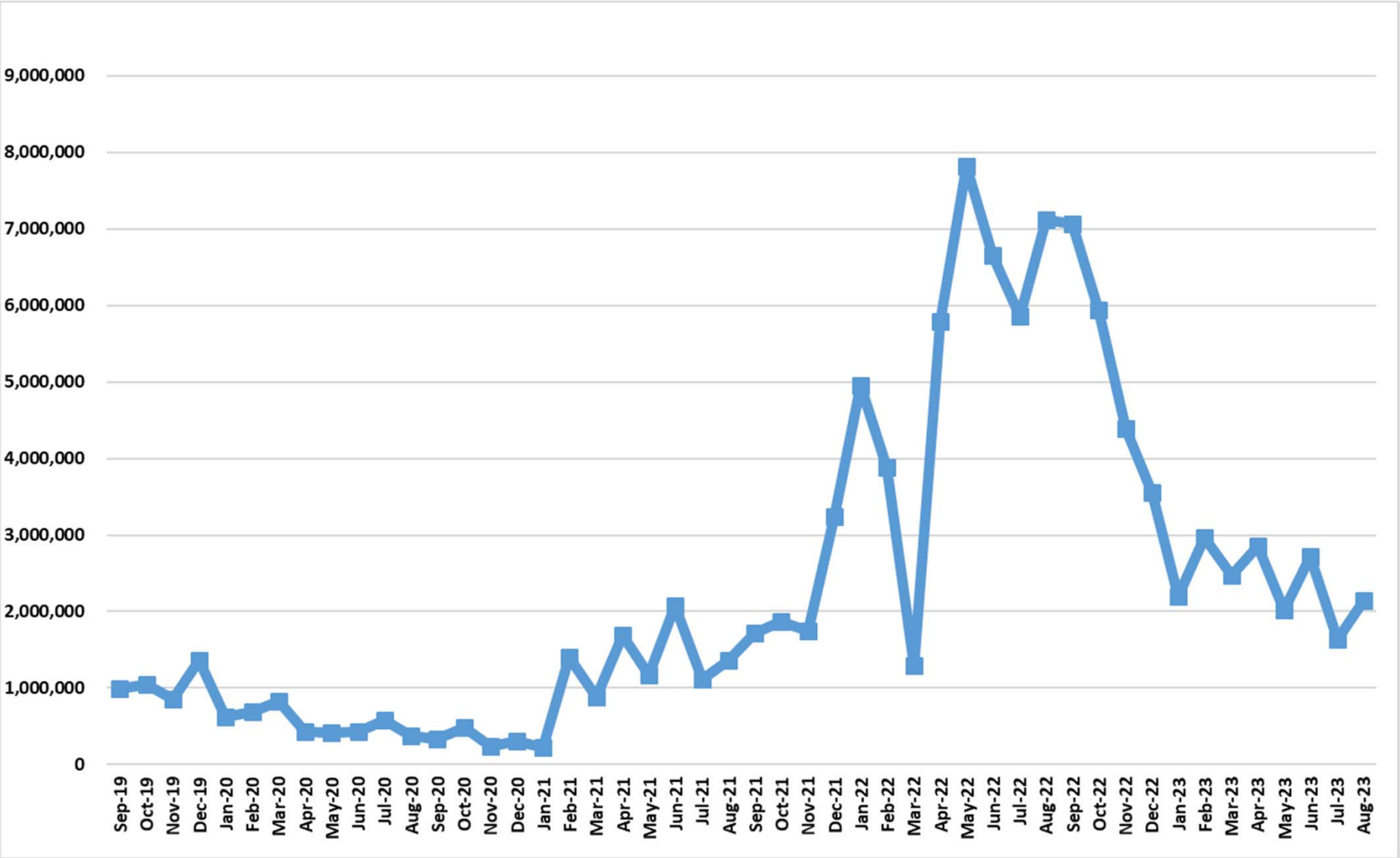
Contract Labor Full Time Equivalents (FTEs)



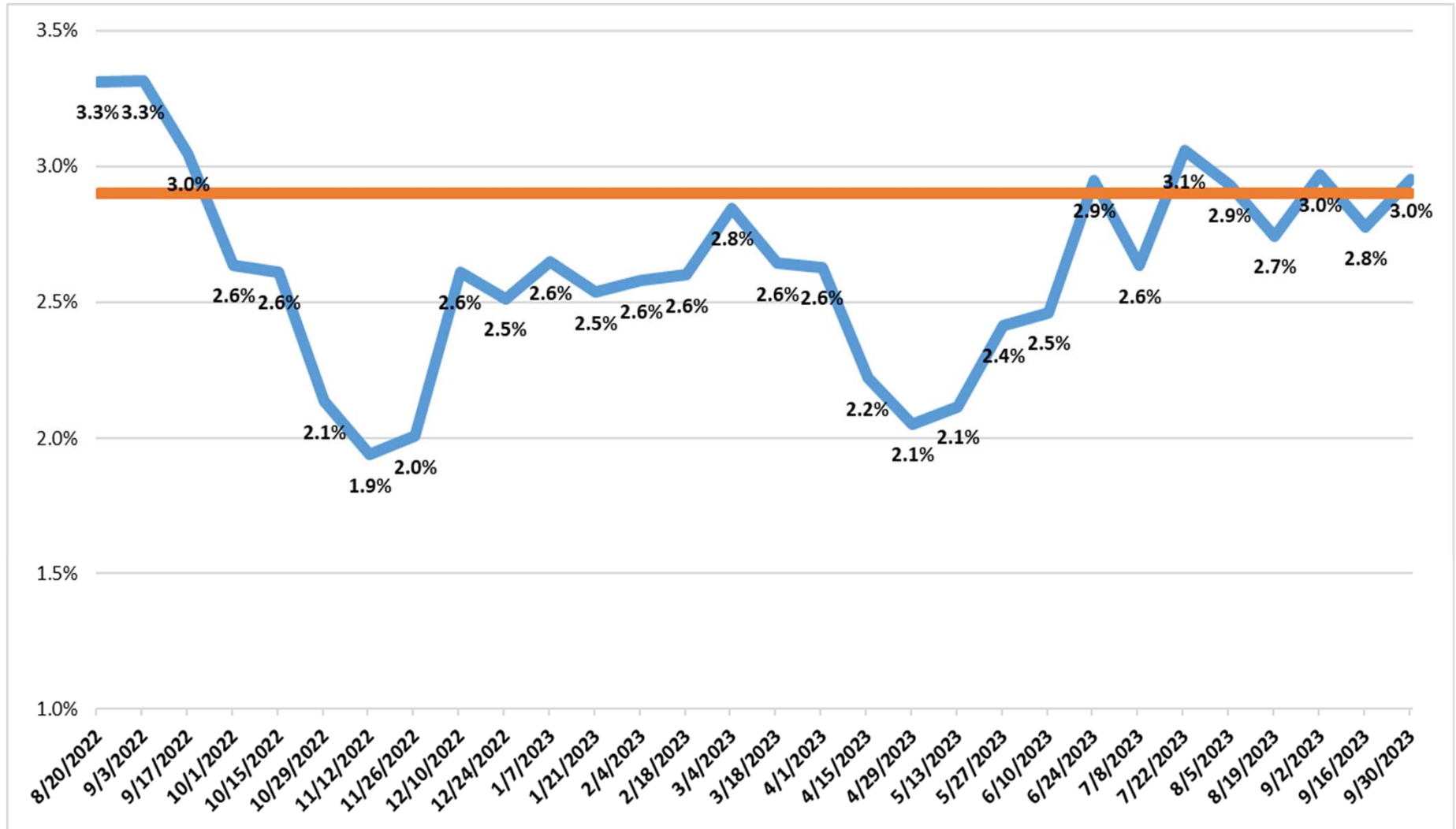
Quarterly Contract Labor Expense



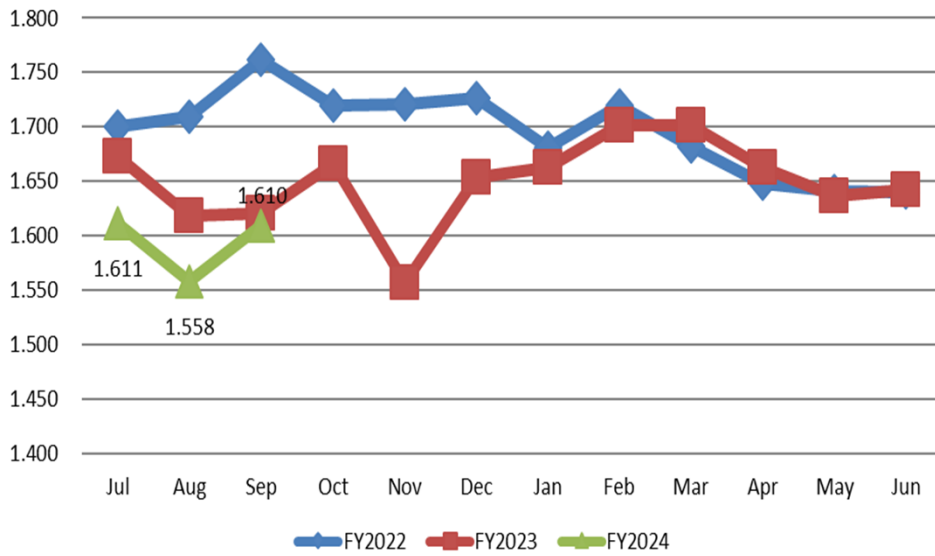
Contract Labor Expense



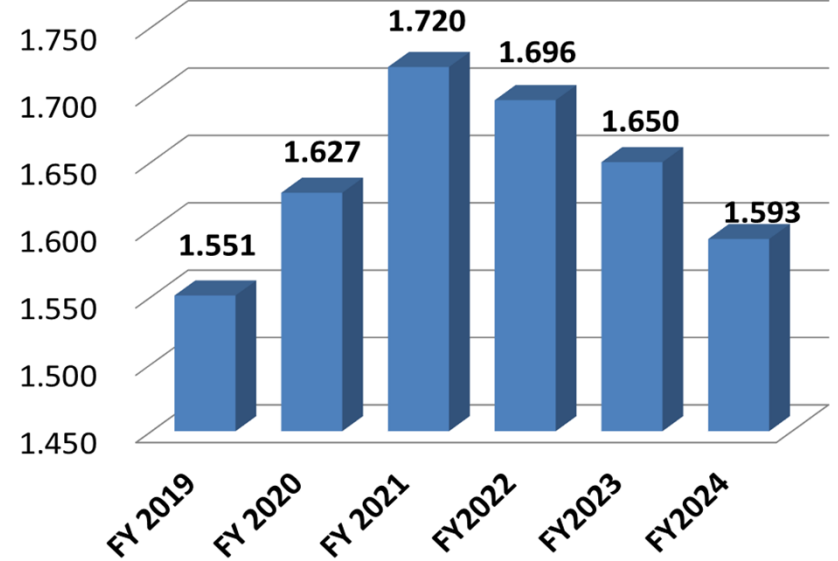
Overtime as a % of Productive Hours and \$



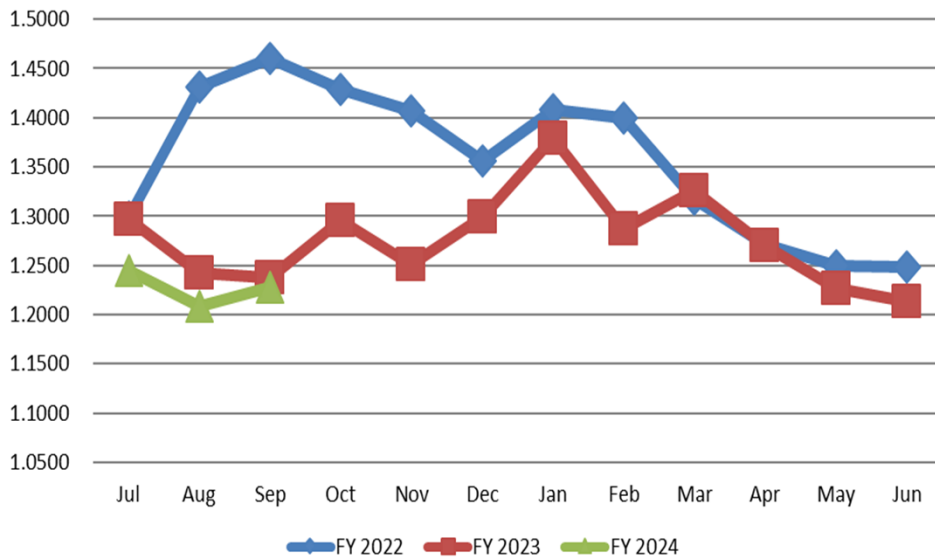
Case Mix Index w/o Normal Newborns



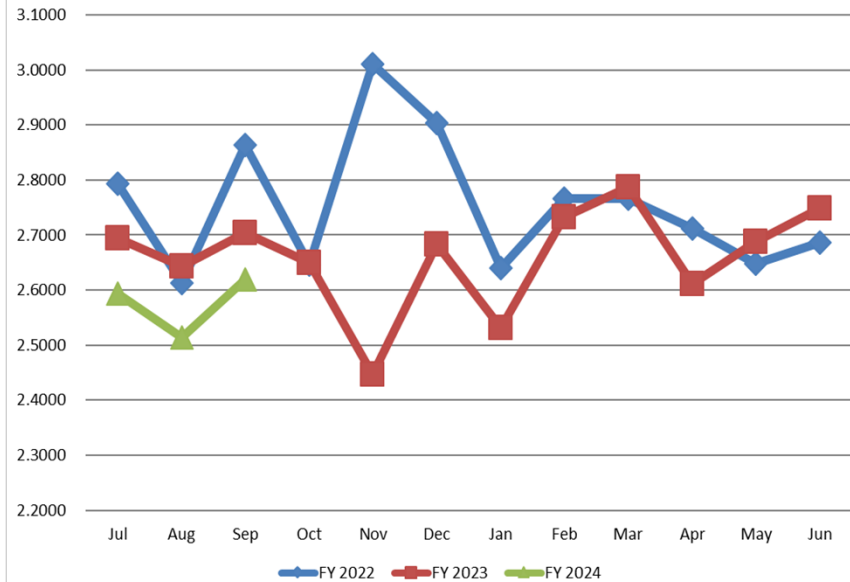
Case Mix Index w/o Normal Newborns - All



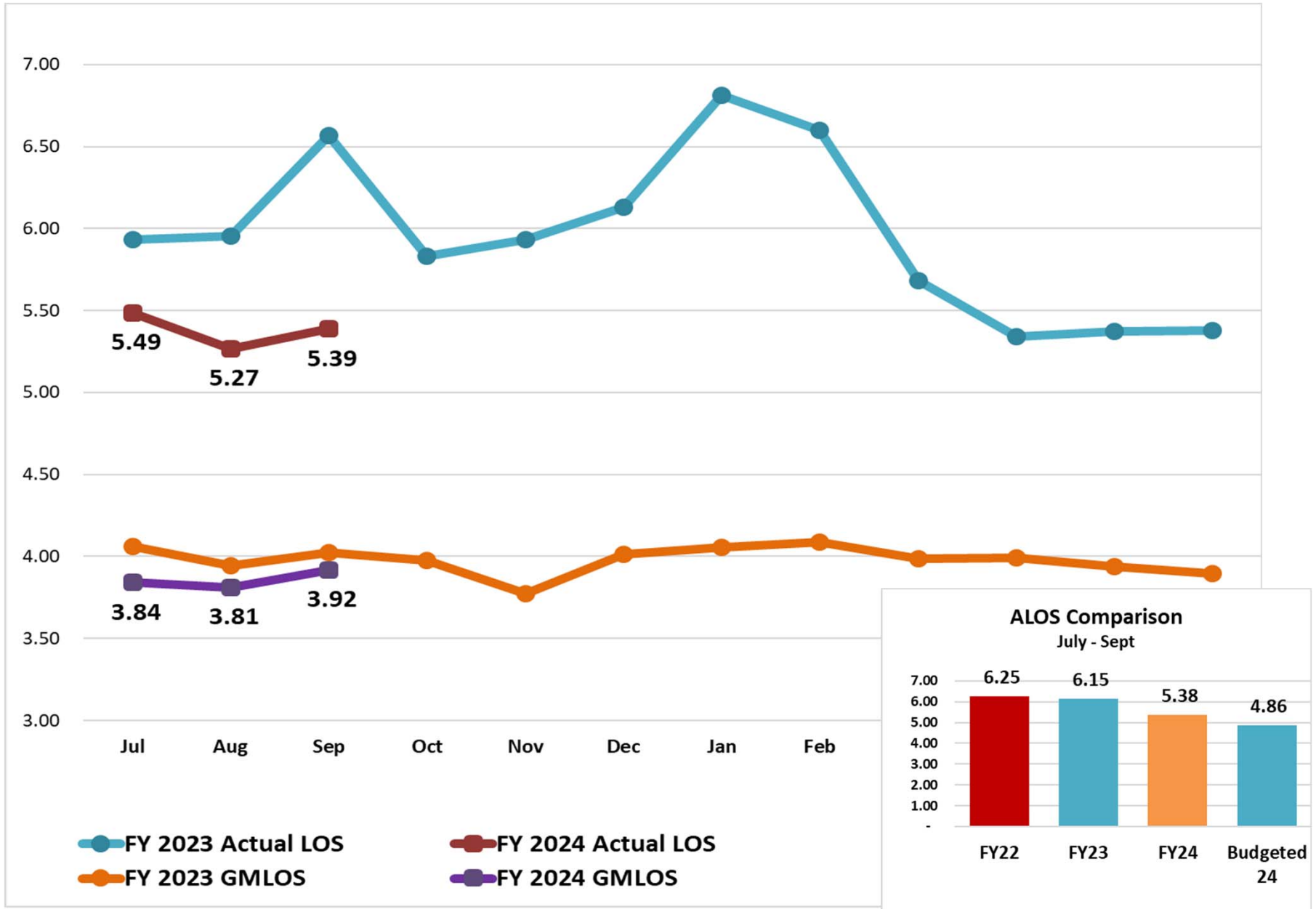
Case Mix **Medical w/o Normal Newborns**



Case Mix Index **Surgical w/o Normal Newborns**



Average Length of Stay versus National Average (GMLOS)



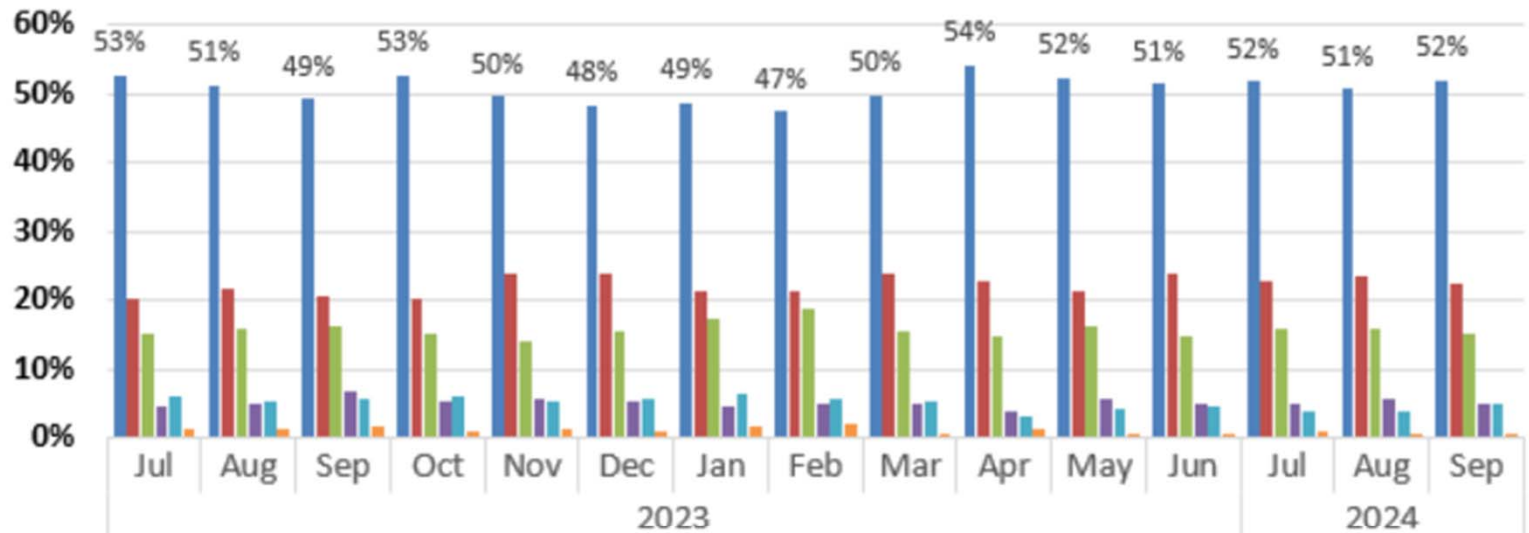
Average Length of Stay versus National Average (GMLOS)

	Including COVID Patients			Excluding COVID Patients			Gap Diff	%
	ALOS	GMLOS	GAP	ALOS	GMLOS	GAP		
Sep-21	6.72	4.52	2.20	5.89	4.08	1.81	0.39	18%
Oct-21	6.51	4.38	2.13	5.33	4.00	1.33	0.80	38%
Nov-21	7.00	4.37	2.63	5.75	3.95	1.80	0.83	32%
Dec-21	6.82	4.23	2.59	6.12	3.98	2.14	0.45	17%
Jan-22	6.09	4.26	1.83	5.96	3.96	2.00	(0.17)	-9%
Feb-22	6.61	4.23	2.38	5.86	3.83	2.03	0.35	15%
Mar-22	6.61	4.02	2.59	5.68	3.89	1.79	0.80	31%
Apr-22	5.79	3.99	1.80	5.67	3.98	1.69	0.11	6%
May-22	5.99	3.94	2.05	5.63	3.89	1.74	0.31	15%
Jun-22	6.11	3.97	2.14	5.62	3.88	1.74	0.40	19%
Jul-22	5.93	4.06	1.87	5.66	3.90	1.76	0.11	6%
Aug-22	5.95	3.94	2.01	5.62	3.82	1.80	0.21	10%
Sep-22	6.57	4.02	2.55	6.32	3.95	2.37	0.18	7%
Oct-22	5.83	3.97	1.86	5.62	3.91	1.71	0.15	8%
Nov-22	5.93	3.77	2.16	5.87	3.74	2.13	0.03	1%
Dec-22	6.13	4.01	2.12	5.68	3.92	1.76	0.36	17%
Jan-23	6.81	4.06	2.75	6.30	3.95	2.35	0.40	15%
Feb-23	6.60	4.09	2.51	6.39	4.04	2.35	0.16	6%
Mar-23	5.68	3.99	1.69	5.55	3.93	1.62	0.07	4%
Apr-23	5.34	3.99	1.35	5.06	3.95	1.11	0.24	18%
May-23	5.37	3.94	1.43	5.15	3.91	1.24	0.19	13%
Jun-23	5.38	3.89	1.49	5.32	3.86	1.46	0.03	2%
Jul-23	5.49	3.84	1.65	5.47	3.82	1.65	-	0%
Aug-23	5.27	3.81	1.46	5.21	3.77	1.44	0.02	1%
Sep-23	5.39	3.92	1.47	5.33	3.89	1.44	0.03	2%
Average	5.95	4.11	1.84	5.52	3.95	1.57	0.28	15%

Average Length of Stay Distribution

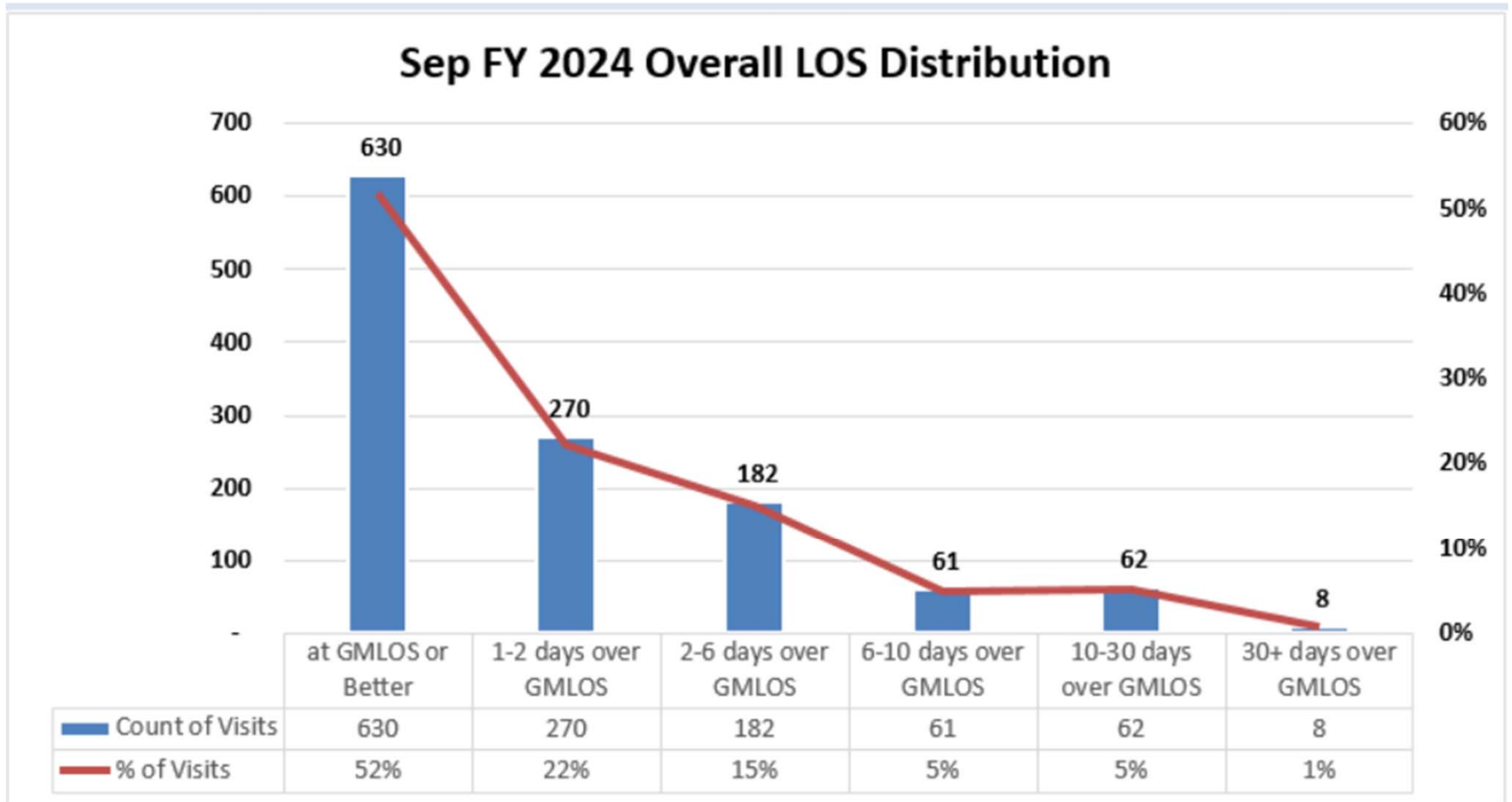
Overall

FY24 Overall LOS Distribution



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
	2023												2024		
at GMLOS or Better	53%	51%	49%	53%	50%	48%	49%	47%	50%	54%	52%	51%	52%	51%	52%
1-2 days over GMLOS	20%	22%	20%	20%	24%	24%	21%	21%	24%	23%	21%	24%	23%	23%	22%
2-6 days over GMLOS	15%	16%	16%	15%	14%	16%	17%	19%	16%	15%	16%	15%	16%	16%	15%
6-10 days over GMLOS	5%	5%	7%	5%	6%	5%	5%	5%	5%	4%	6%	5%	5%	6%	5%
10-30 days over GMLOS	6%	5%	6%	6%	5%	6%	7%	6%	5%	3%	4%	5%	4%	4%	5%
30+ days over GMLOS	1.2%	1.2%	1.7%	1.0%	1.2%	1.1%	1.6%	2.0%	0.5%	1.2%	0.5%	0.8%	0.9%	0.7%	0.7%

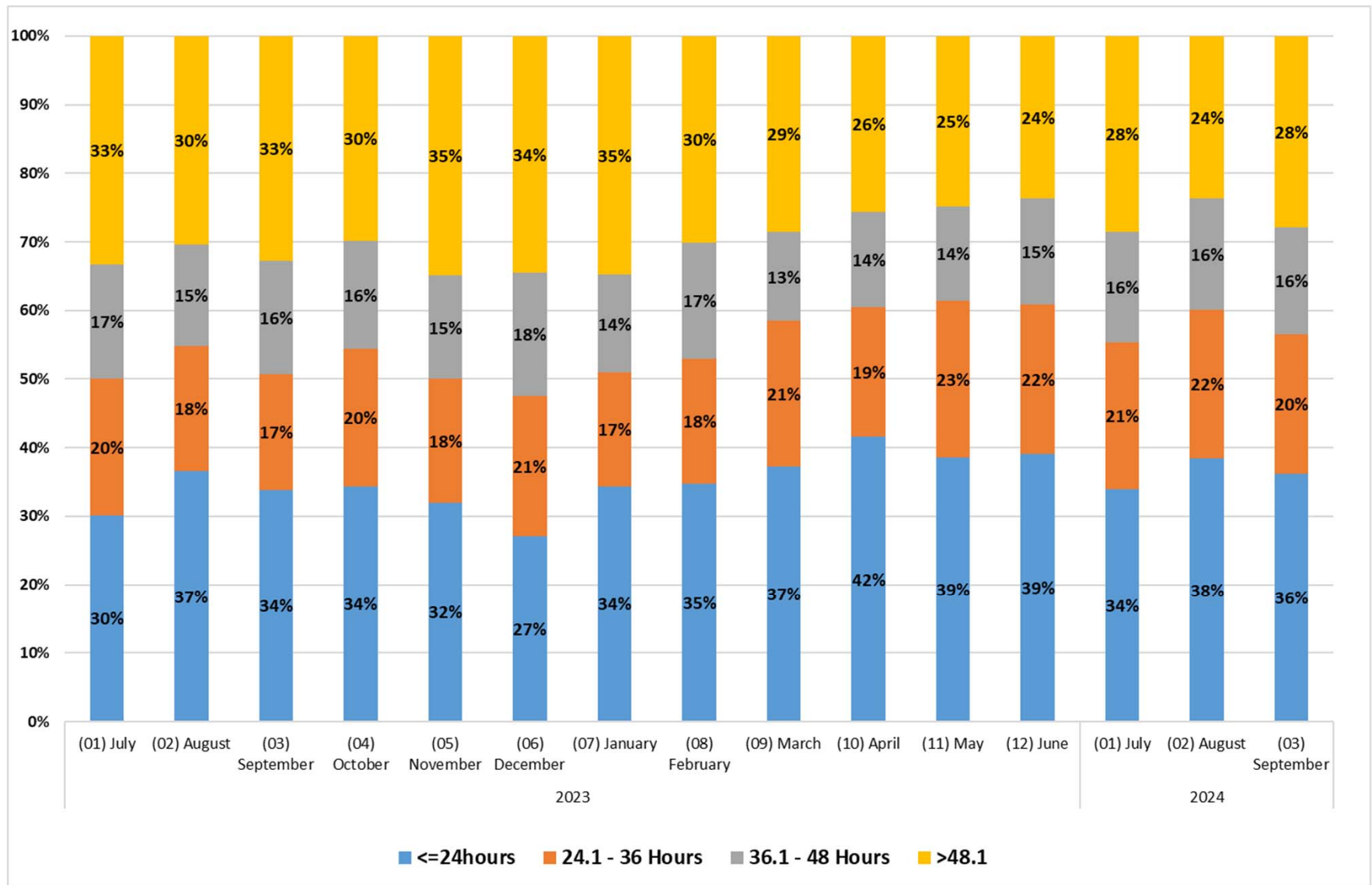
Average Length of Stay Distribution



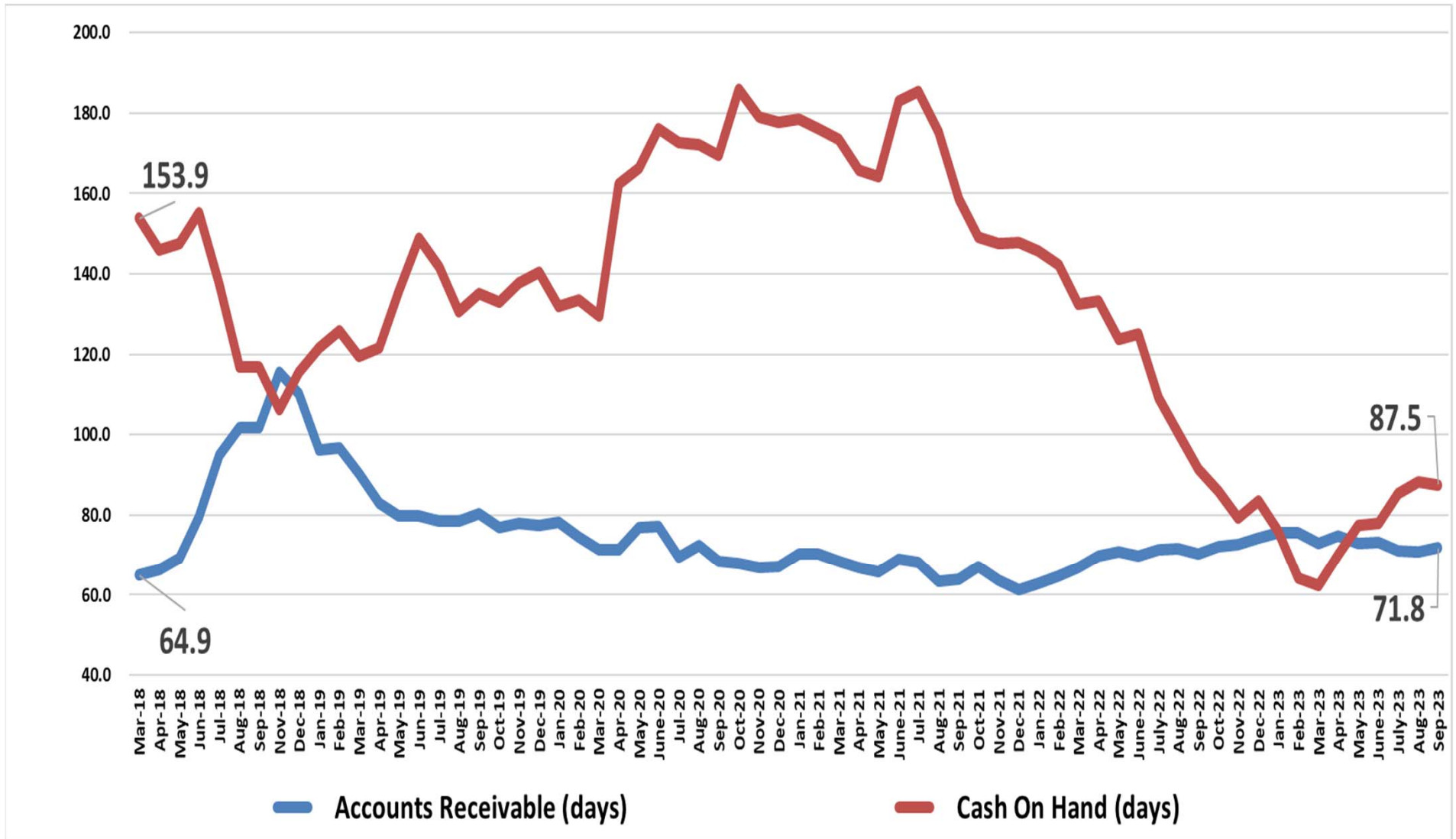
Opportunity Cost of Reducing LOS to National Average - \$82M FY22



Monthly Discharges of Observation Patients by their Length of Stay



Trended Liquidity Ratios



Ratio Analysis Report

	June 30, 2023			2021 Moody's Median Benchmark		
	Sept 23 Value	Aug 23 Value	Unaudited Value	Aa	A	Baa
LIQUIDITY RATIOS						
Current Ratio (x)	3.2	3.3	3.2	1.4	1.7	1.6
Accounts Receivable (days)	71.8	70.7	72.7	48.3	48.3	47.5
Cash On Hand (days)	87.5	87.6	78.0	341.3	268.4	206.5
Cushion Ratio (x)	10.6	10.6	10.3	52.4	31.5	19.9
Average Payment Period (days)	42.9	42.4	38.1	97.6	86.4	94.0
CAPITAL STRUCTURE RATIOS						
Cash-to-Debt	94.5%	94.7%	91.8%	323.4%	220.4%	170.1%
Debt-To-Capitalization	33.2%	33.2%	32.9%	20.6%	29.1%	36.3%
Debt-to-Cash Flow (x)	4.4	4.3	(63.3)	2.1	2.6	3.3
Debt Service Coverage	2.5	2.6	(0.2)	9.6	6.0	4.5
Maximum Annual Debt Service Coverage (x)	2.6	2.6	(0.2)	8.2	5.5	3.9
Age Of Plant (years)	14.5	14.6	13.3	10.8	12.4	13.5
PROFITABILITY RATIOS						
Operating Margin	(1.5%)	(2.1%)	(6.6%)	4.1%	3.1%	2.2%
Excess Margin	0.9%	1.0%	(5.2%)	8.1%	6.7%	4.8%
Operating Cash Flow Margin	3.5%	2.8%	(1.5%)	9.6%	8.8%	7.5%
Return on Assets	0.9%	1.0%	(5.5%)	5.8%	4.9%	3.9%

Consolidated Statements of Net Position (000's)

	Sep-23	Aug-23	Change	% Change	Jun-23 (Unaudited)
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 12,848	\$ 20,283	\$ (7,435)	-36.66%	\$ 3,628
Current Portion of Board designated and trusted assets	16,309	14,931	1,377	9.23%	14,978
Accounts receivable:					
Net patient accounts	125,288	124,968	320	0.26%	133,932
Other receivables	27,017	28,002	(985)	-3.52%	31,196
	152,304	152,970	(665)	-0.44%	165,128
Inventories	14,404	14,007	397	2.83%	13,581
Medicare and Medi-Cal settlements	95,090	88,376	6,714	7.60%	80,263
Prepaid expenses	12,554	13,484	(930)	-6.90%	10,327
Total current assets	303,509	304,051	(542)	-0.18%	287,904
NON-CURRENT CASH AND INVESTMENTS - less current portion					
Board designated cash and assets	170,462	164,403	6,060	3.69%	174,916
Revenue bond assets held in trust	18,806	18,806	1	0.00%	18,806
Assets in self-insurance trust fund	470	963	(492)	-51.15%	956
Total non-current cash and investments	189,739	184,171	5,568	3.02%	194,678
INTANGIBLE RIGHT TO USE LEASE, net of accumulated amortization	12,618	12,866	(249)	-1.93%	11,249
CAPITAL ASSETS					
Land	20,544	20,544	-	0.00%	17,542
Buildings and improvements	426,230	426,230	-	0.00%	427,105
Equipment	324,125	323,988	137	0.04%	328,663
Construction in progress	24,750	24,324	426	1.75%	25,413
	795,649	795,087	563	0.07%	798,723
Less accumulated depreciation	487,876	485,326	2,550	0.53%	485,406
	307,773	309,761	(1,987)	-0.64%	313,318
Property under capital leases - less accumulated amortization	(691)	(691)	-	0.00%	(691)
Total capital assets	307,082	309,069	(1,987)	-0.64%	312,627
OTHER ASSETS					
Property not used in operations	1,909	1,913	(4)	-0.22%	1,533
Health-related investments	2,407	2,497	(90)	-3.59%	2,841
Other	13,754	13,761	(7)	-0.05%	13,350
Total other assets	18,069	18,170	(101)	-0.56%	17,724
Total assets	831,017	828,328	2,689	0.32%	824,182
DEFERRED OUTFLOWS	33,736	33,769	(33)	-0.10%	33,835
Total assets and deferred outflows	\$ 864,753	\$ 862,097	\$ 2,656	0.31%	\$ 858,016

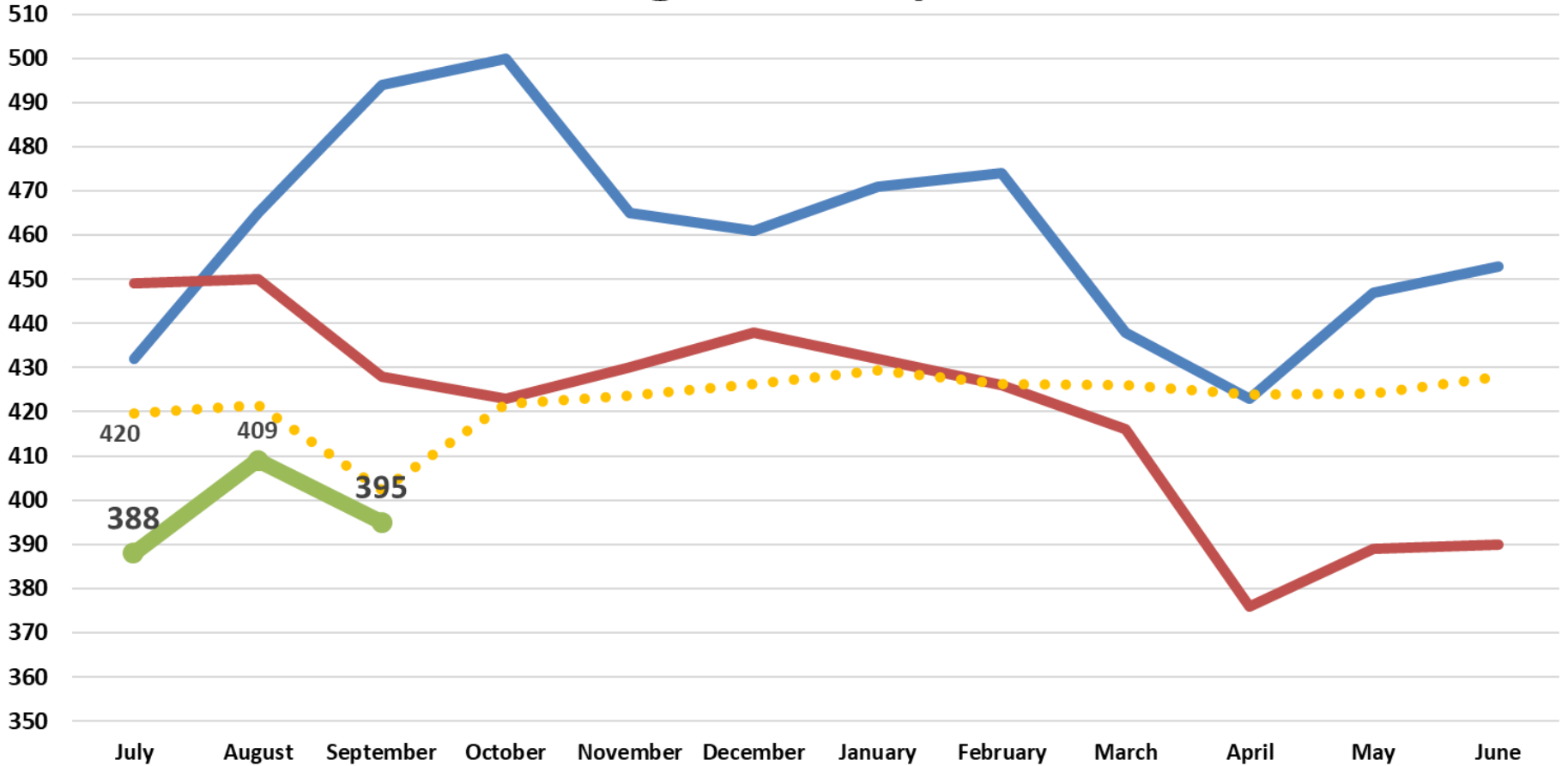
Consolidated Statements of Net Position (000's)

	Sep-23	Aug-23	Change	% Change	Jun-23
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued expenses	\$ 31,635	\$ 32,148	\$ (513)	-1.60%	\$ 30,063
Accrued payroll and related liabilities	54,198	52,775	1,424	2.70%	51,024
Long-term debt, current portion	8,051	8,051	-	0.00%	10,105
Total current liabilities	93,885	92,974	911	0.98%	91,192
LEASE LIABILITY, net of current portion	12,808	13,043	(235)	-1.80%	11,355
LONG-TERM DEBT, less current portion					
Bonds payable	229,412	229,419	(7)	0.00%	229,432
Notes payable	17,745	17,745	-	0.00%	17,745
Total long-term debt	247,157	247,164	(7)	0.00%	247,177
NET PENSION LIABILITY	54,124	53,200	924	1.74%	51,352
OTHER LONG-TERM LIABILITIES	32,359	31,835	524	1.64%	30,575
Total liabilities	440,333	438,216	2,117	0.48%	431,651
NET ASSETS					
Invested in capital assets, net of related debt	54,903	56,916	(2,013)	-3.54%	58,471
Restricted	50,395	50,150	245	0.49%	49,954
Unrestricted	319,122	316,816	2,307	0.73%	317,940
Total net position	424,420	423,881	539	0.13%	426,366
Total liabilities and net position	\$ 864,753	\$ 862,097	\$ 2,656	0.31%	\$ 858,016

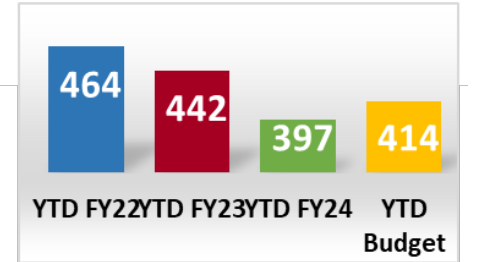
Statistical Report

September 2023

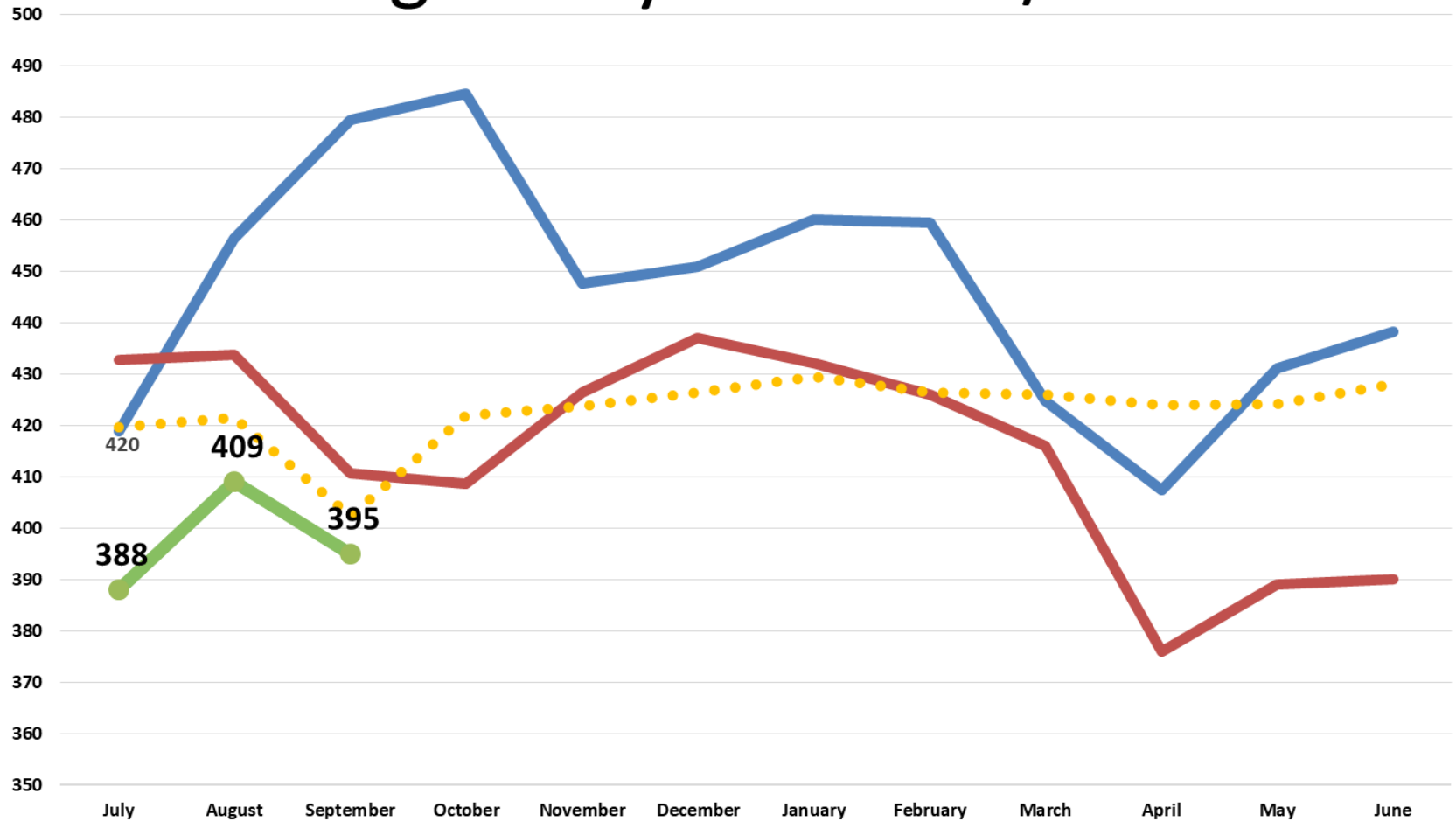
Average Daily Census



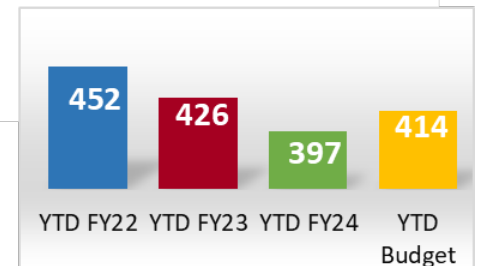
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



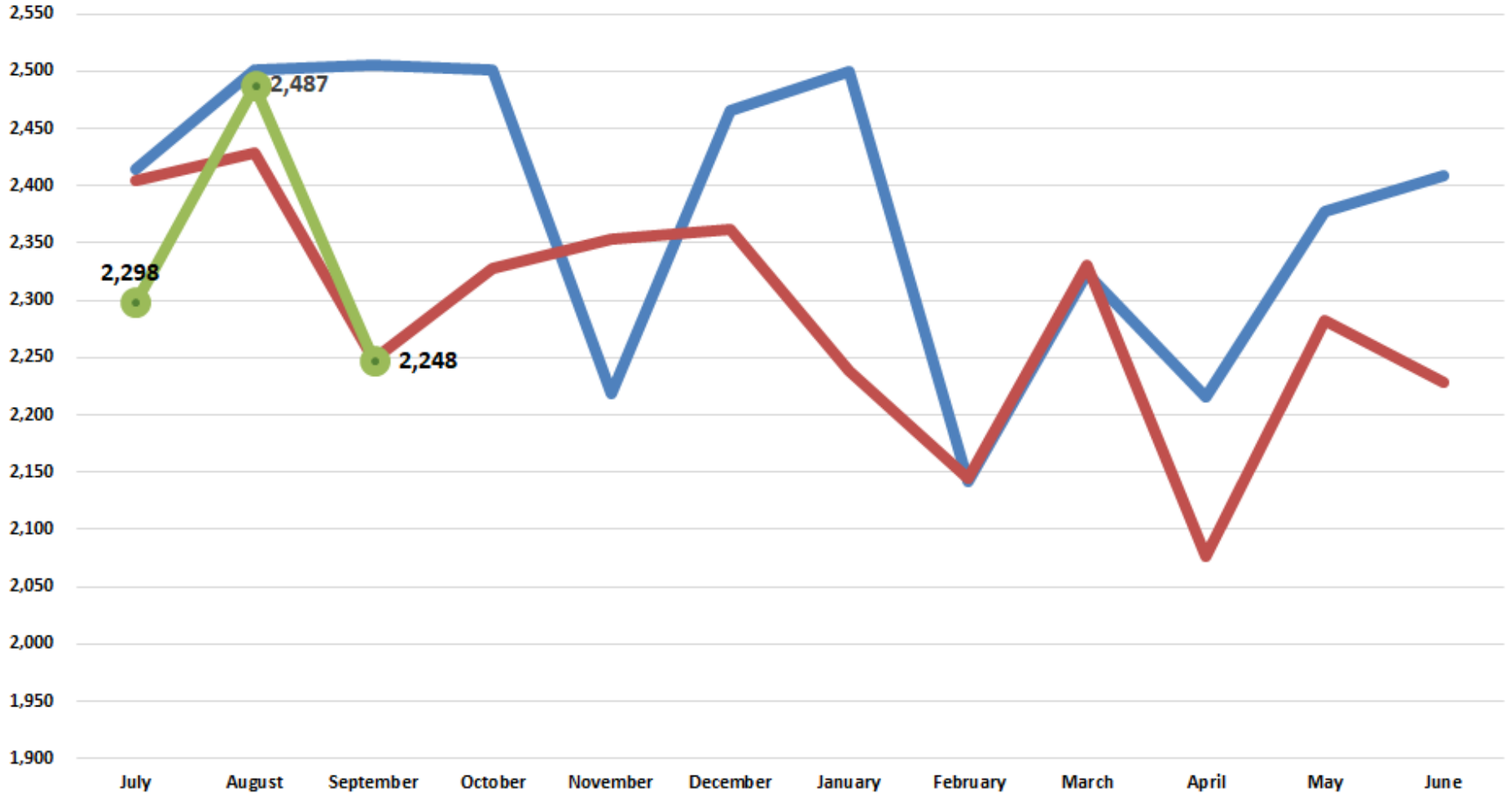
Average Daily Census w/o TCS



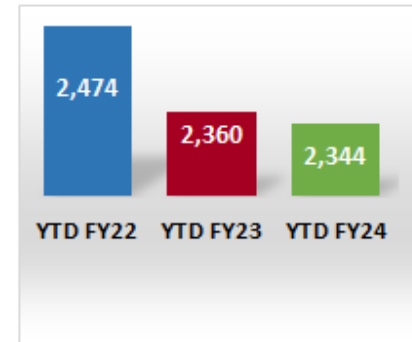
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



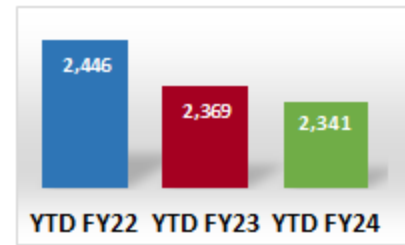
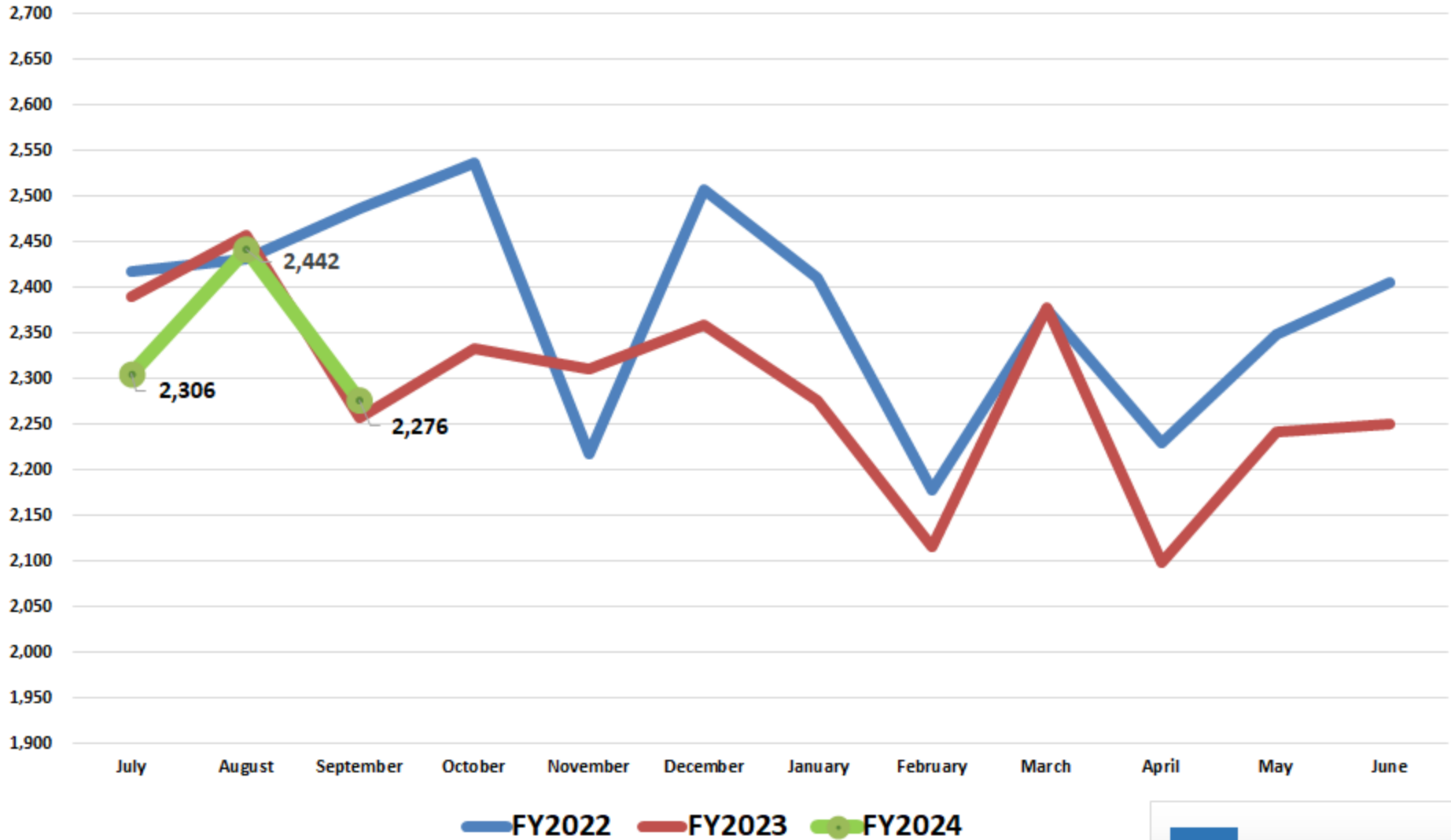
Admissions



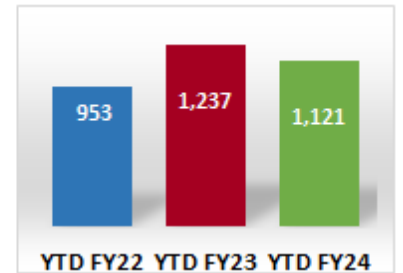
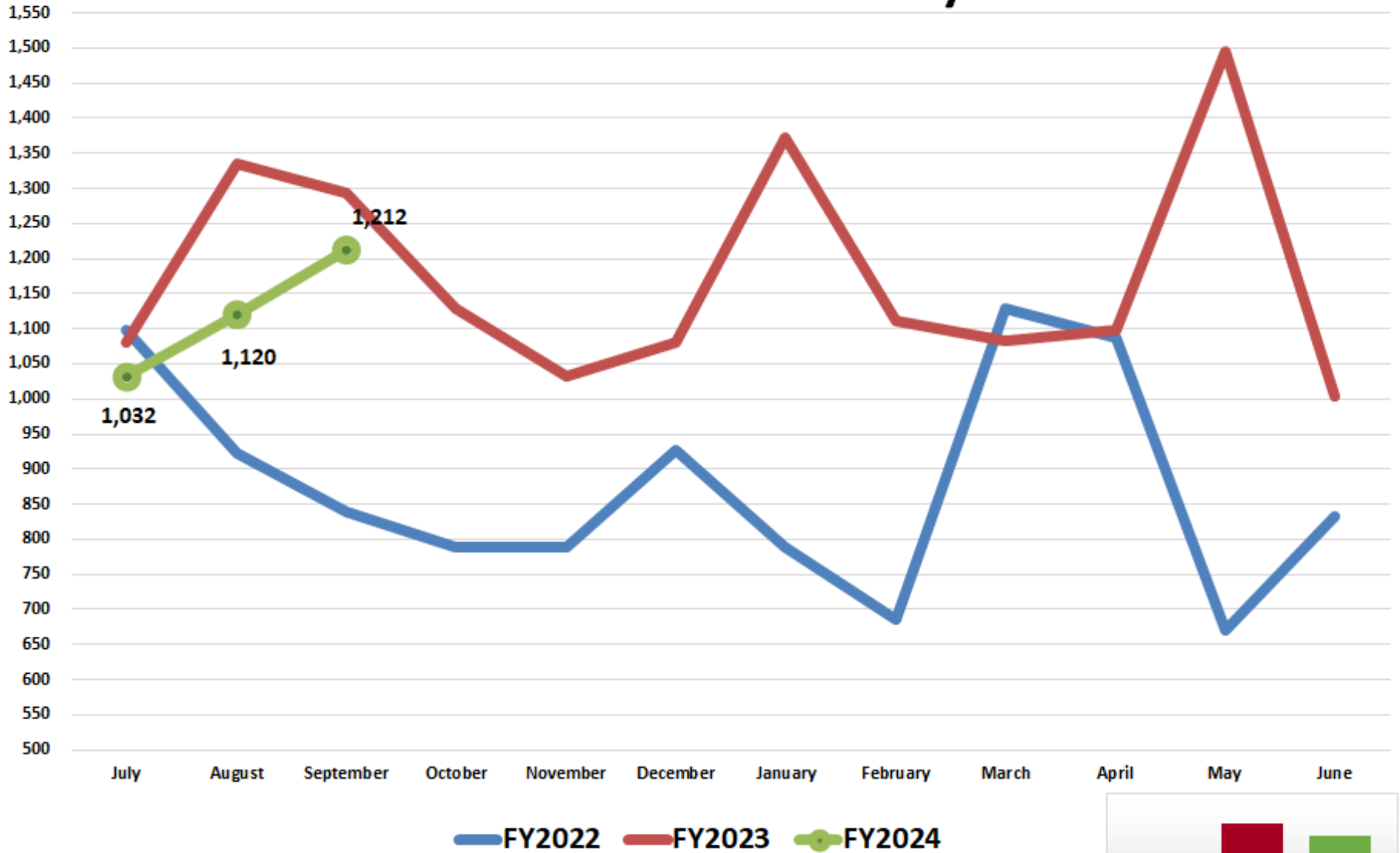
— FY2022 — FY2023 — FY2024



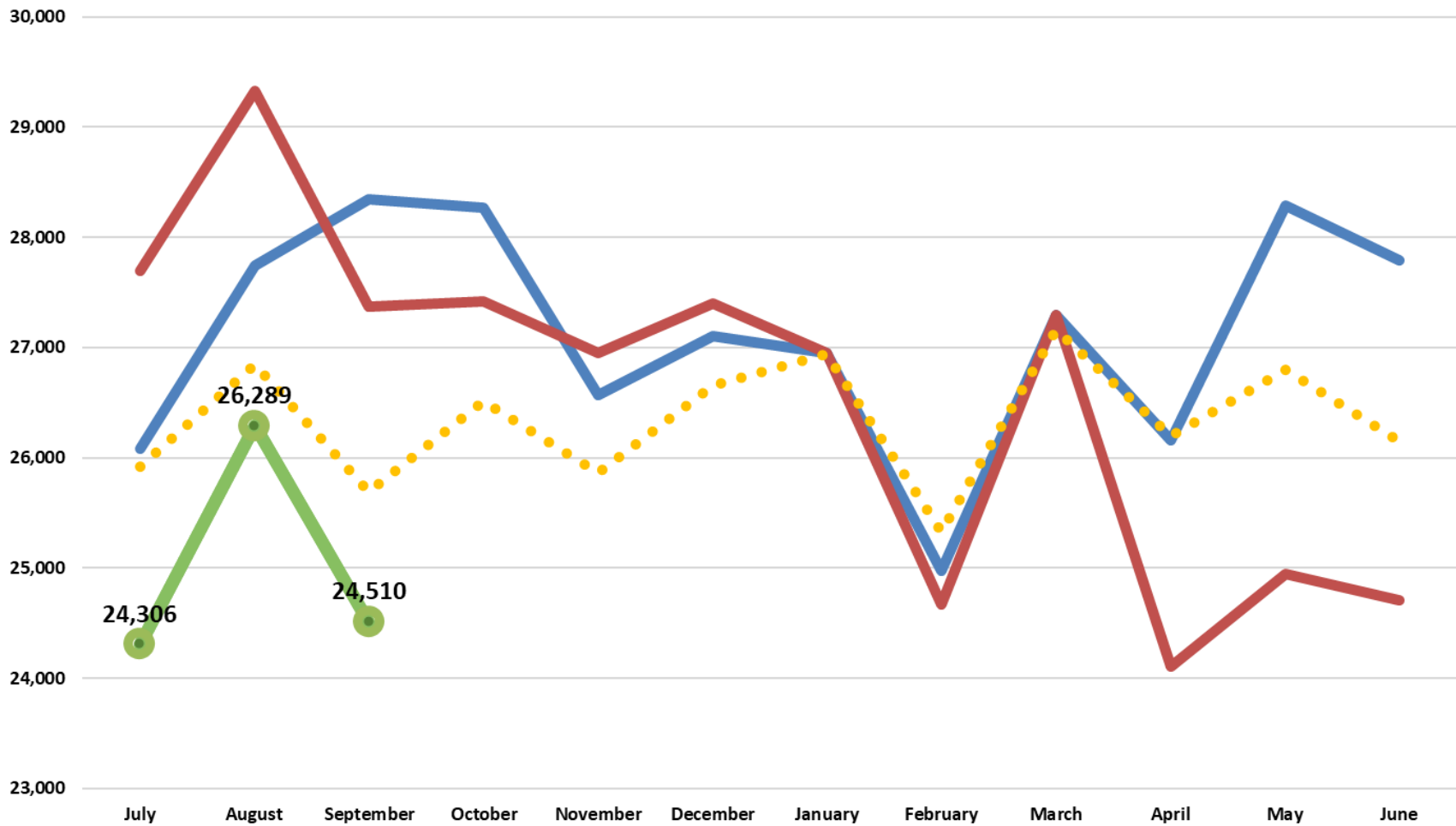
Discharges



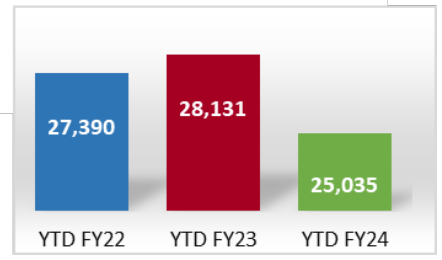
Observation Days



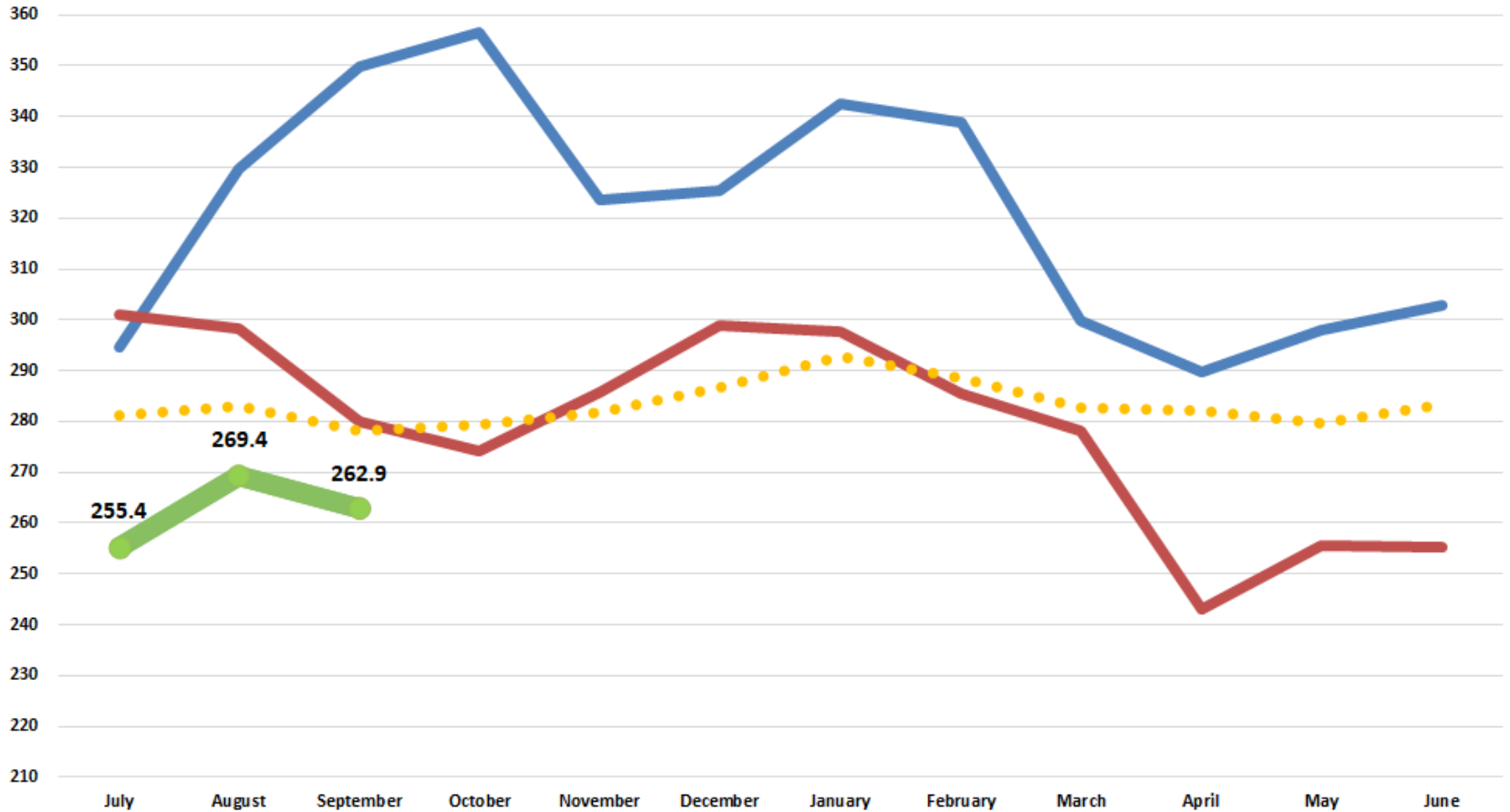
Adjusted Patient Days



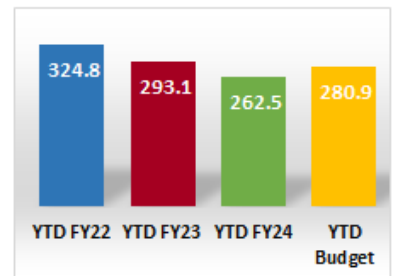
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 —●— FY2024
 ●●● Budget



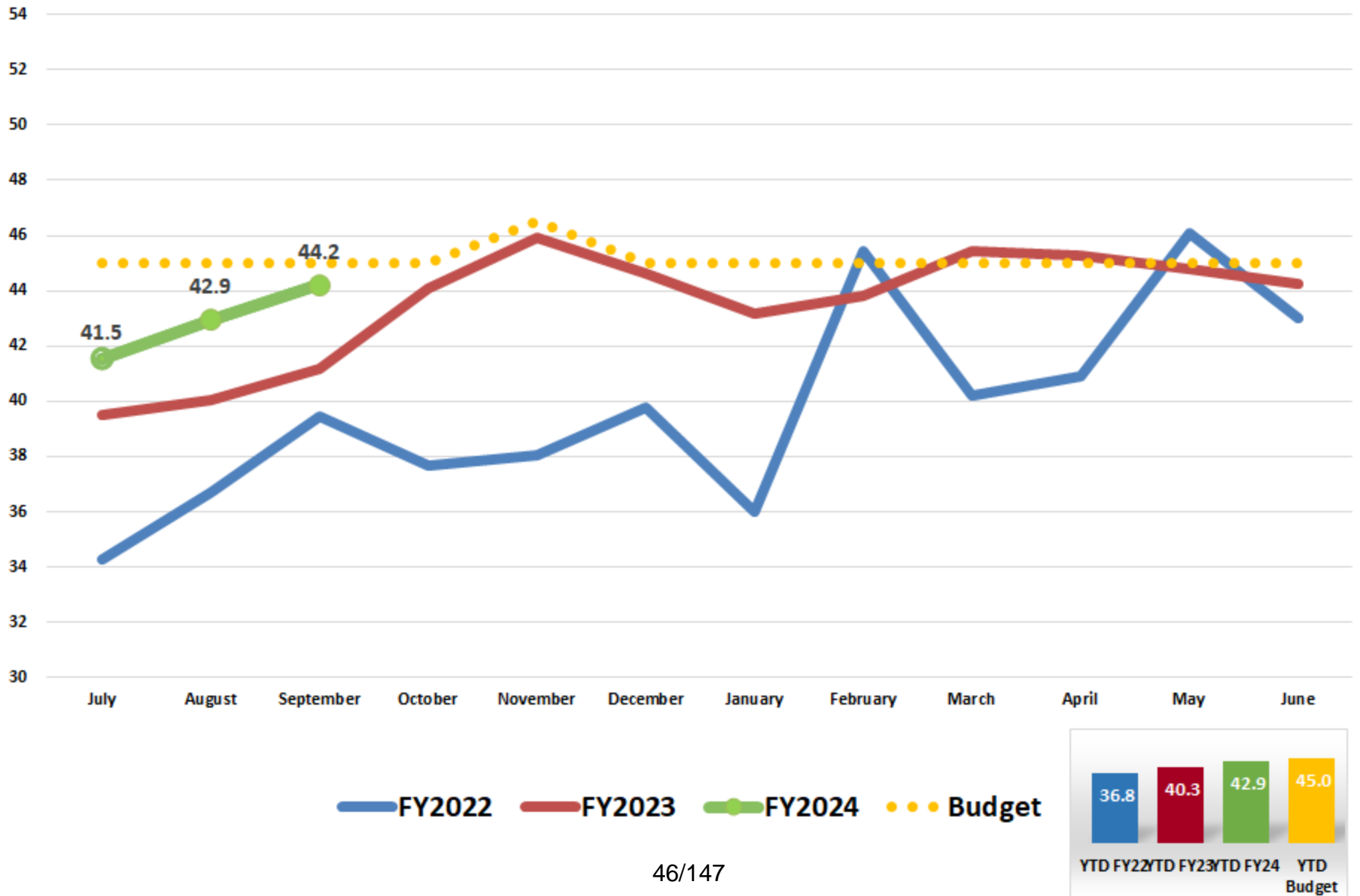
Medical Center (Avg Patients Per Day)



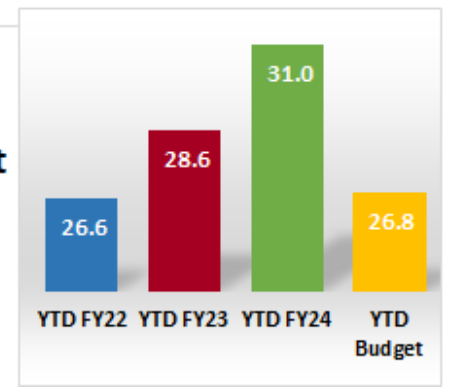
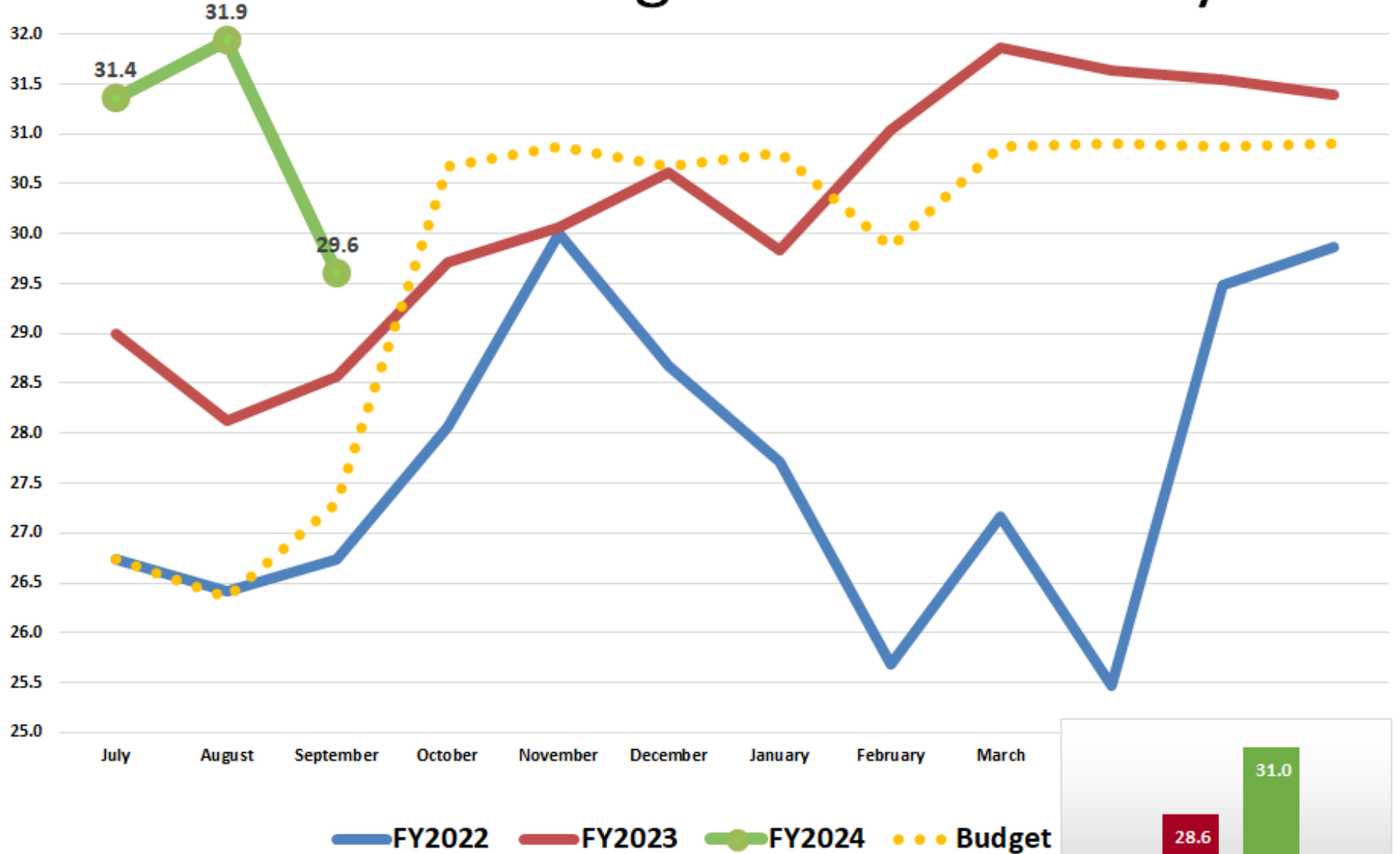
— FY2022
 — FY2023
 —●— FY2024
 ●●● Budget



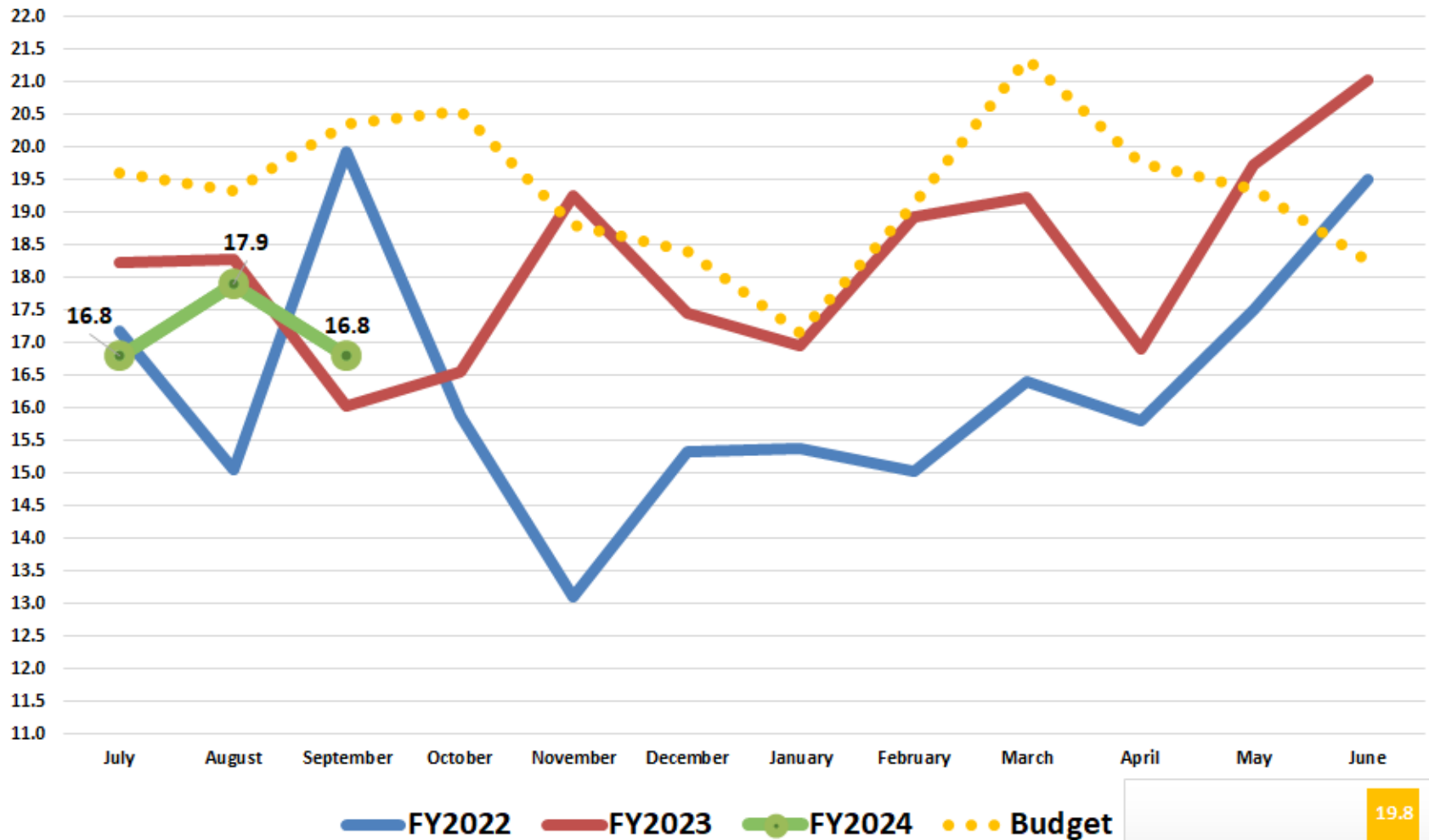
Acute I/P Psych (Avg Patients Per Day)



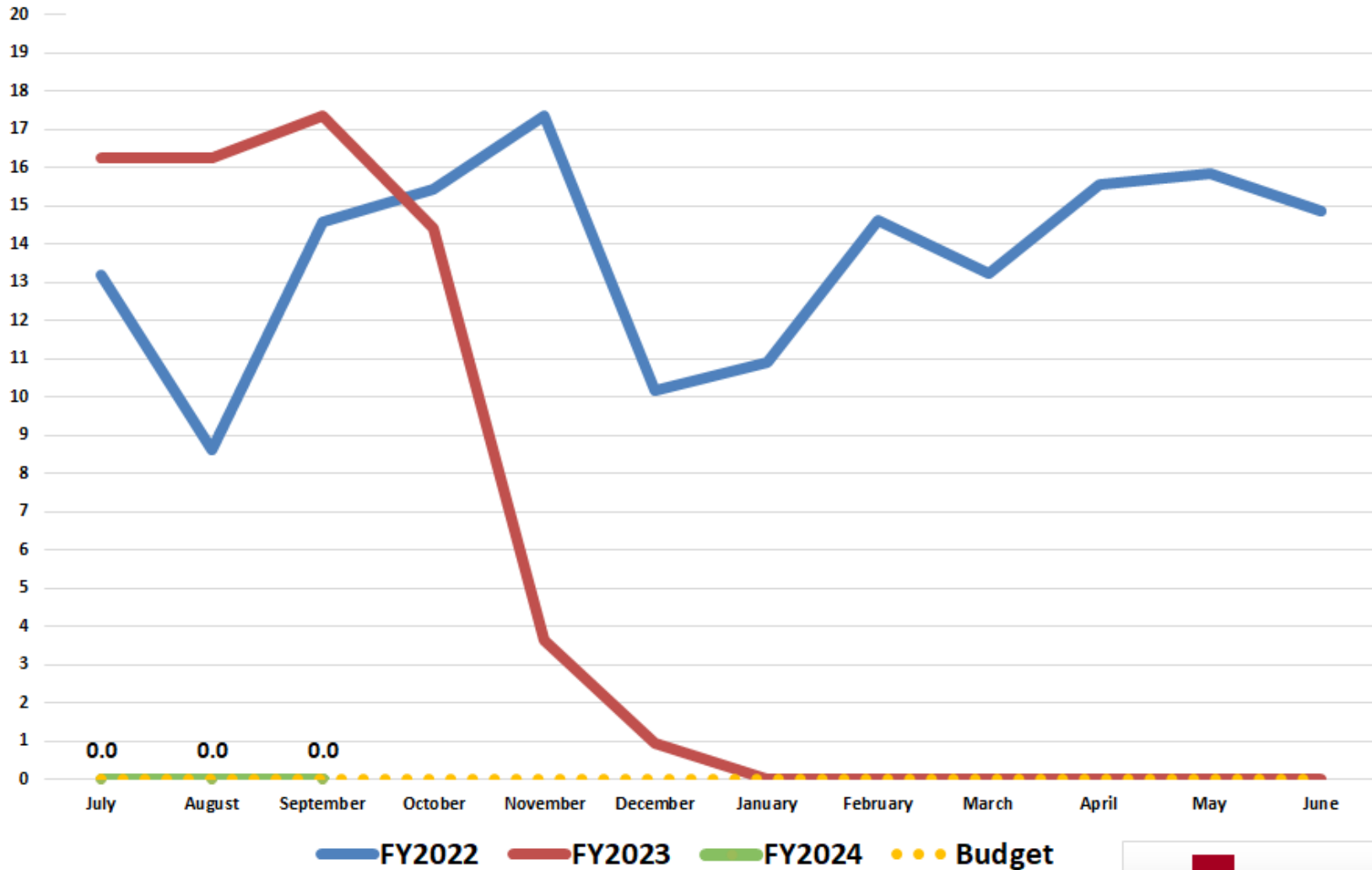
Sub-Acute - Avg Patients Per Day



Rehabilitation Hospital - Avg Patients Per Day

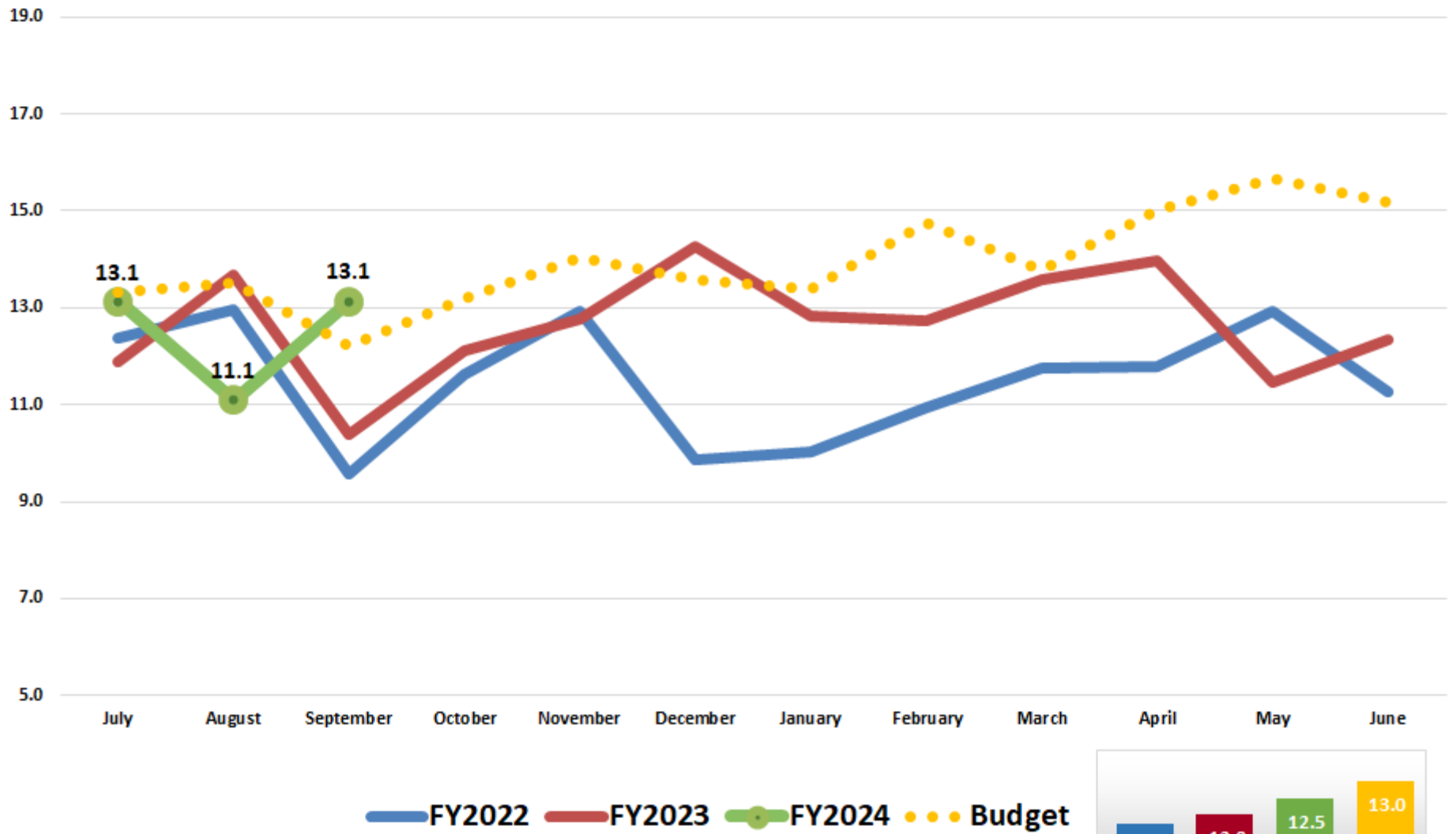


Transitional Care Services (TCS) - Avg Patients Per Day

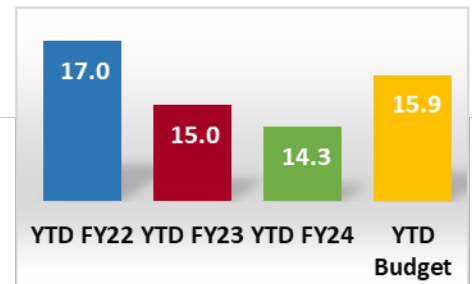
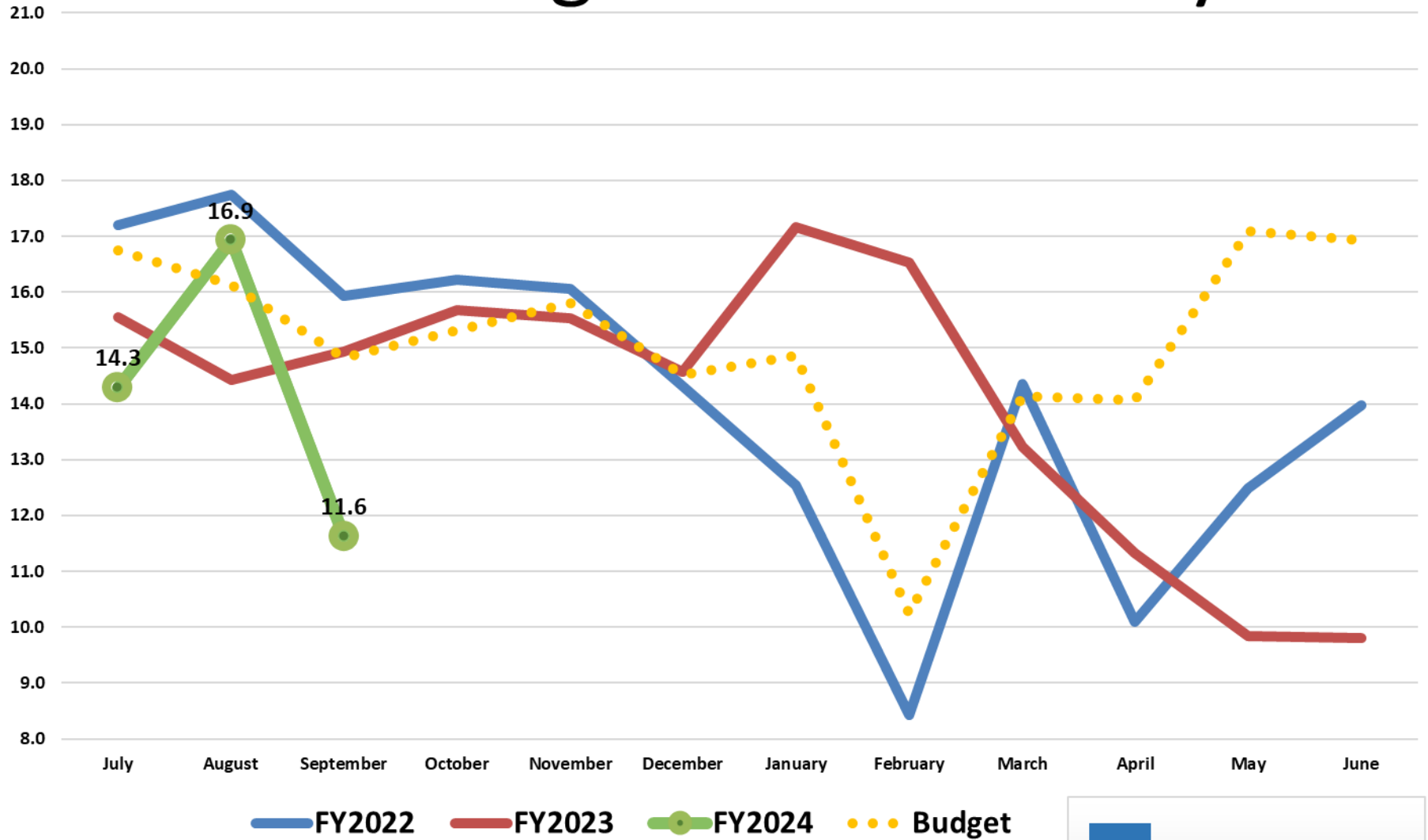


12.1	16.6	-	-
YTD FY22	YTD FY23	YTD FY24	YTD Budget

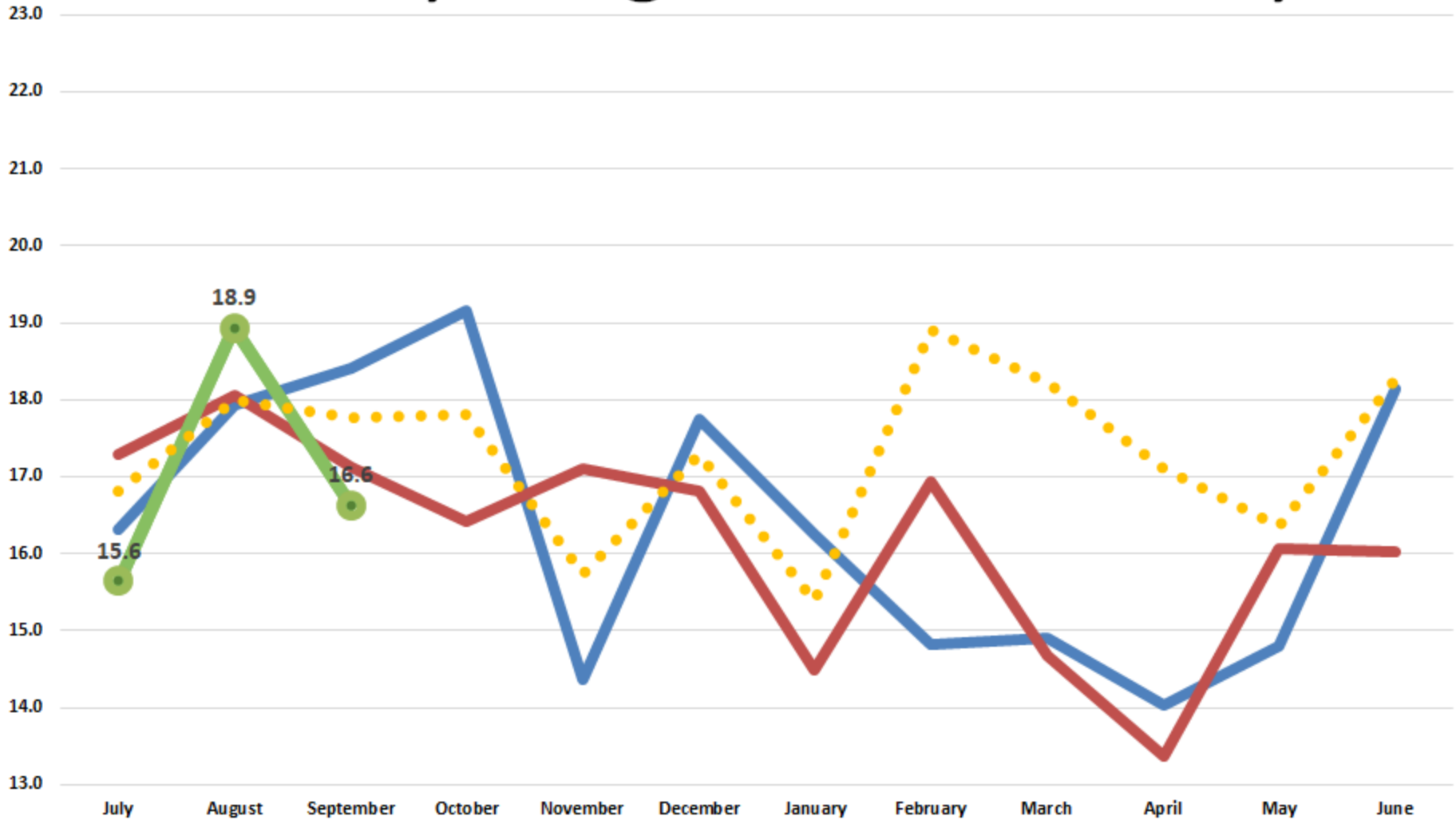
TCS Ortho - Avg Patients Per Day



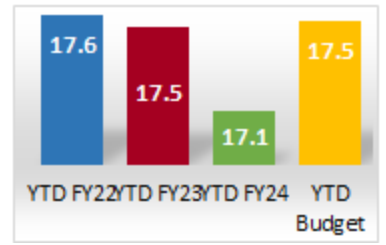
NICU - Avg Patients Per Day



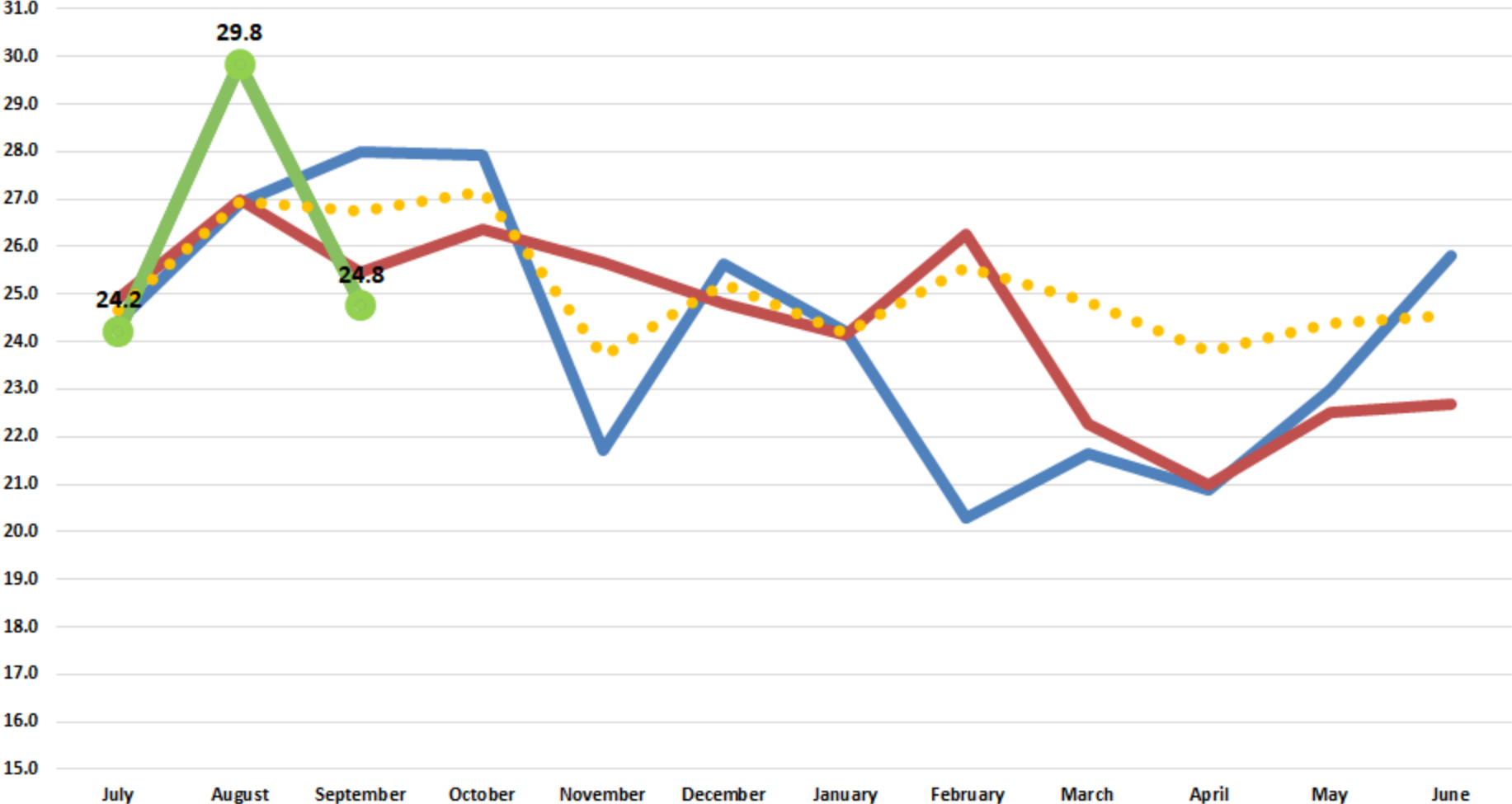
Nursery - Avg Patients Per Day



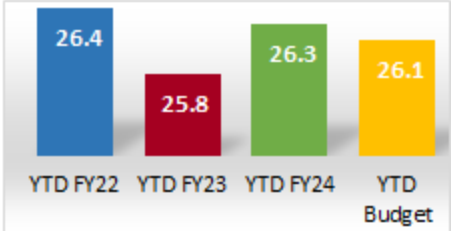
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 ●●● Budget



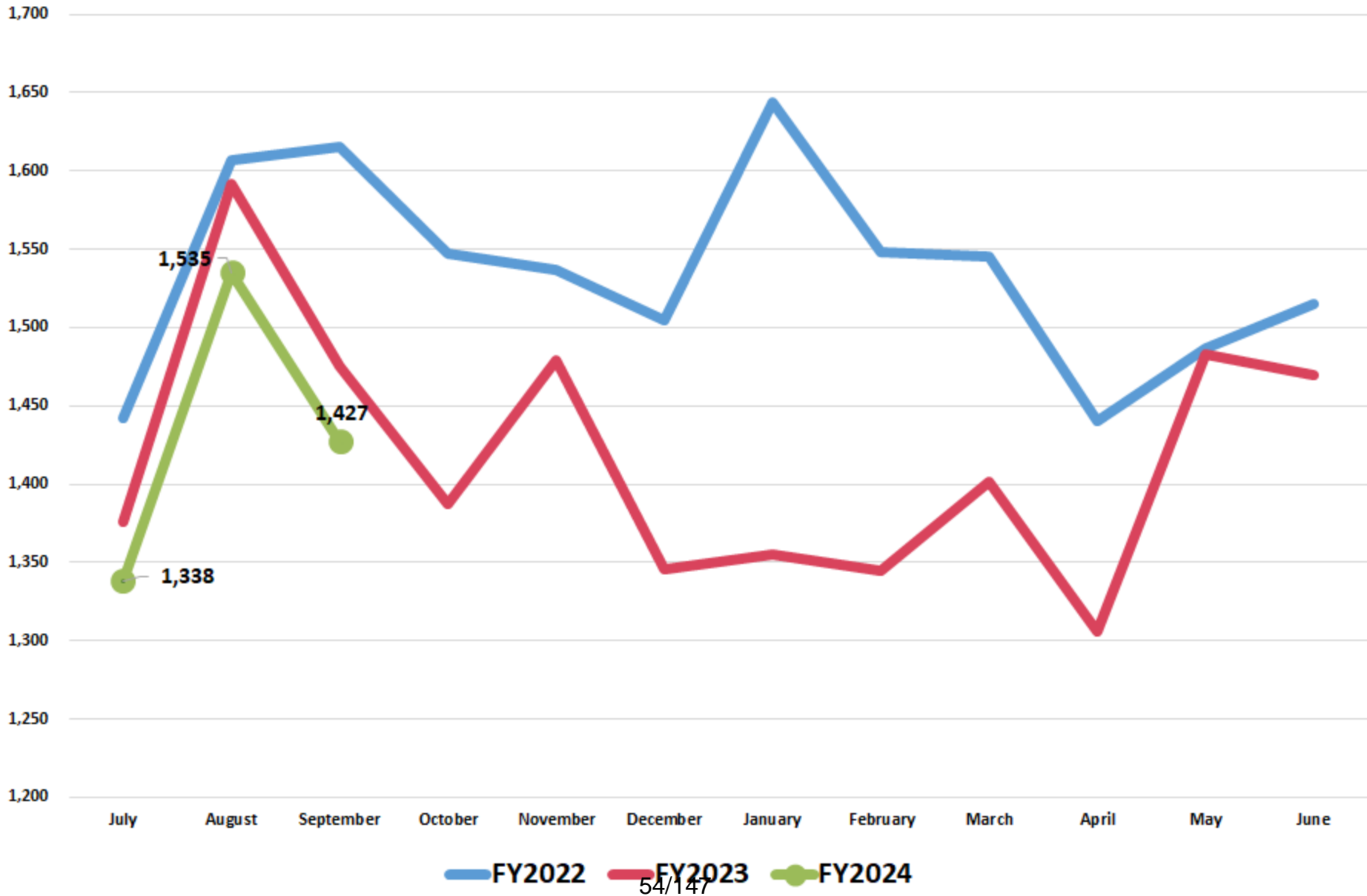
Obstetrics - Avg Patients Per Day



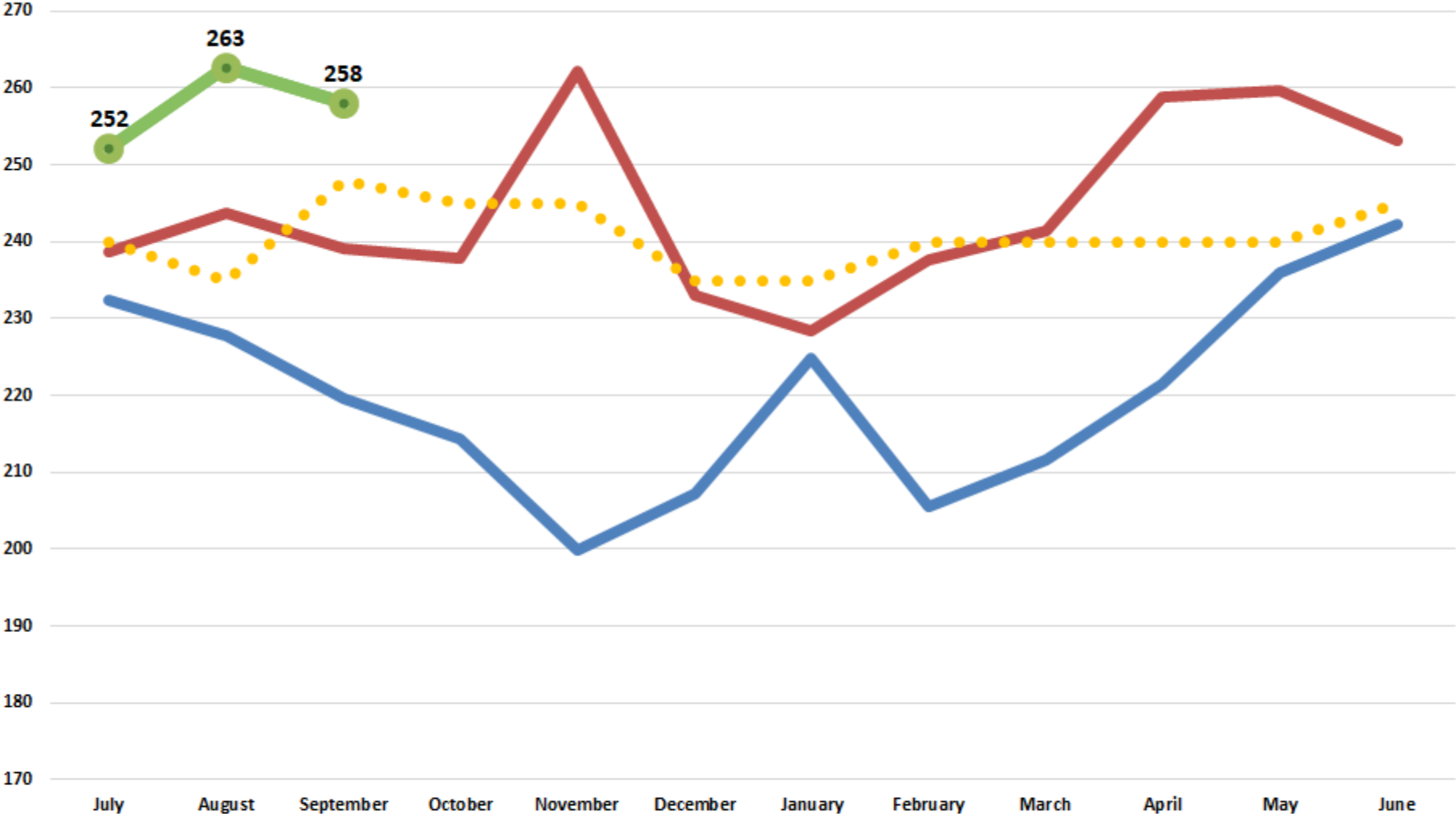
—●— FY2022
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 —●— FY2024
 ●●● Budget



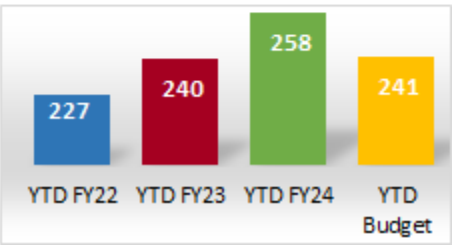
Outpatient Registrations Per Day



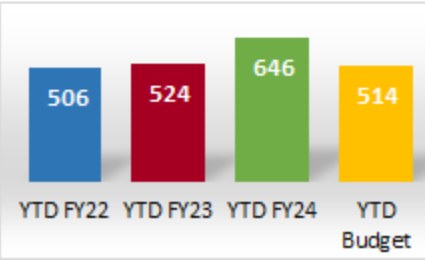
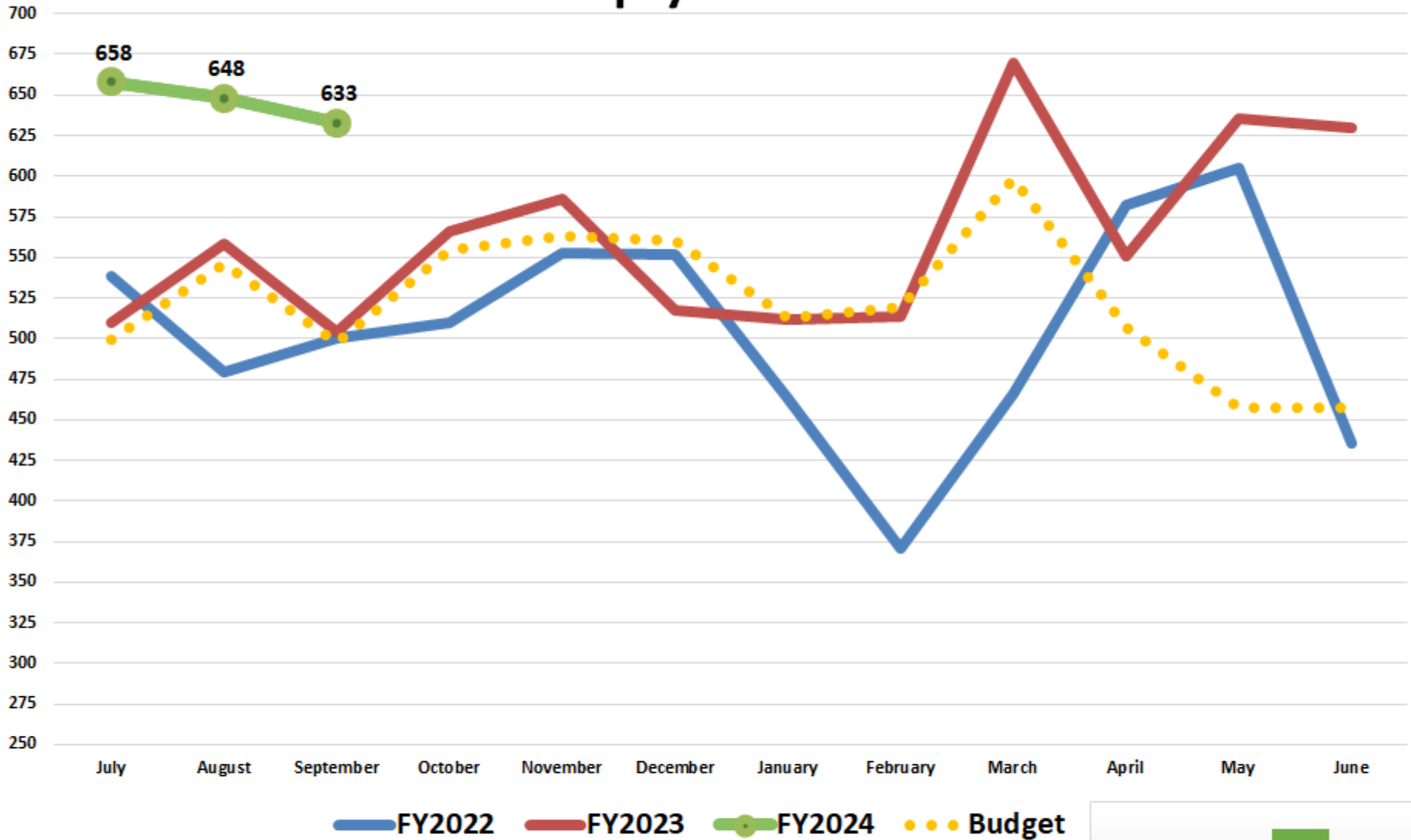
ED - Avg Treated Per Day



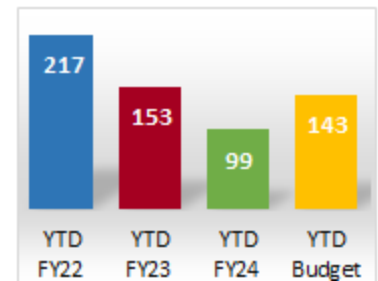
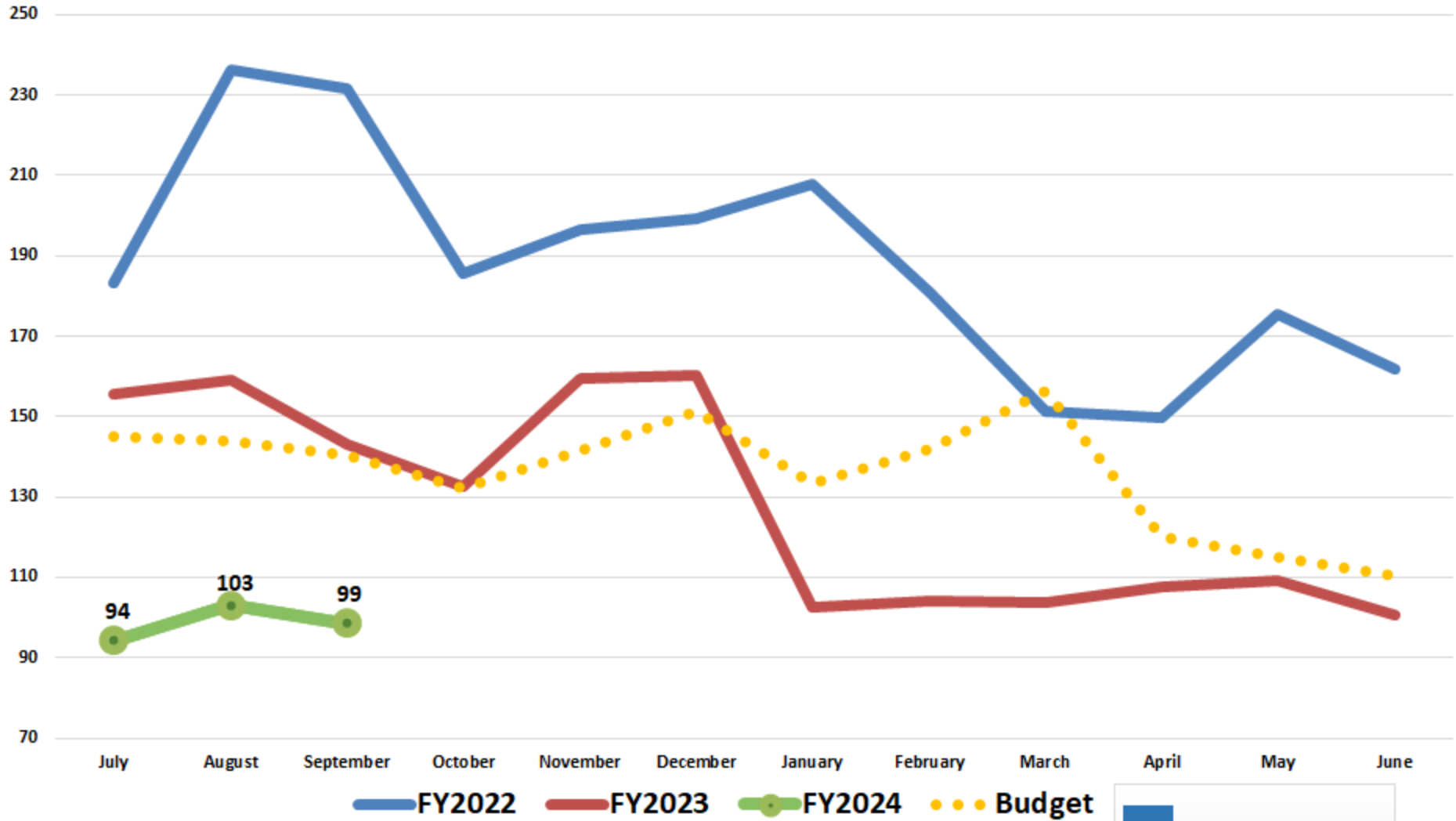
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



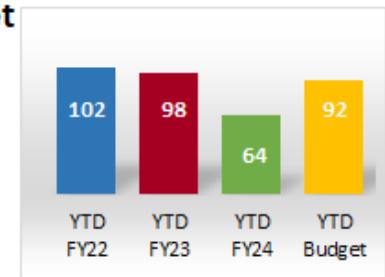
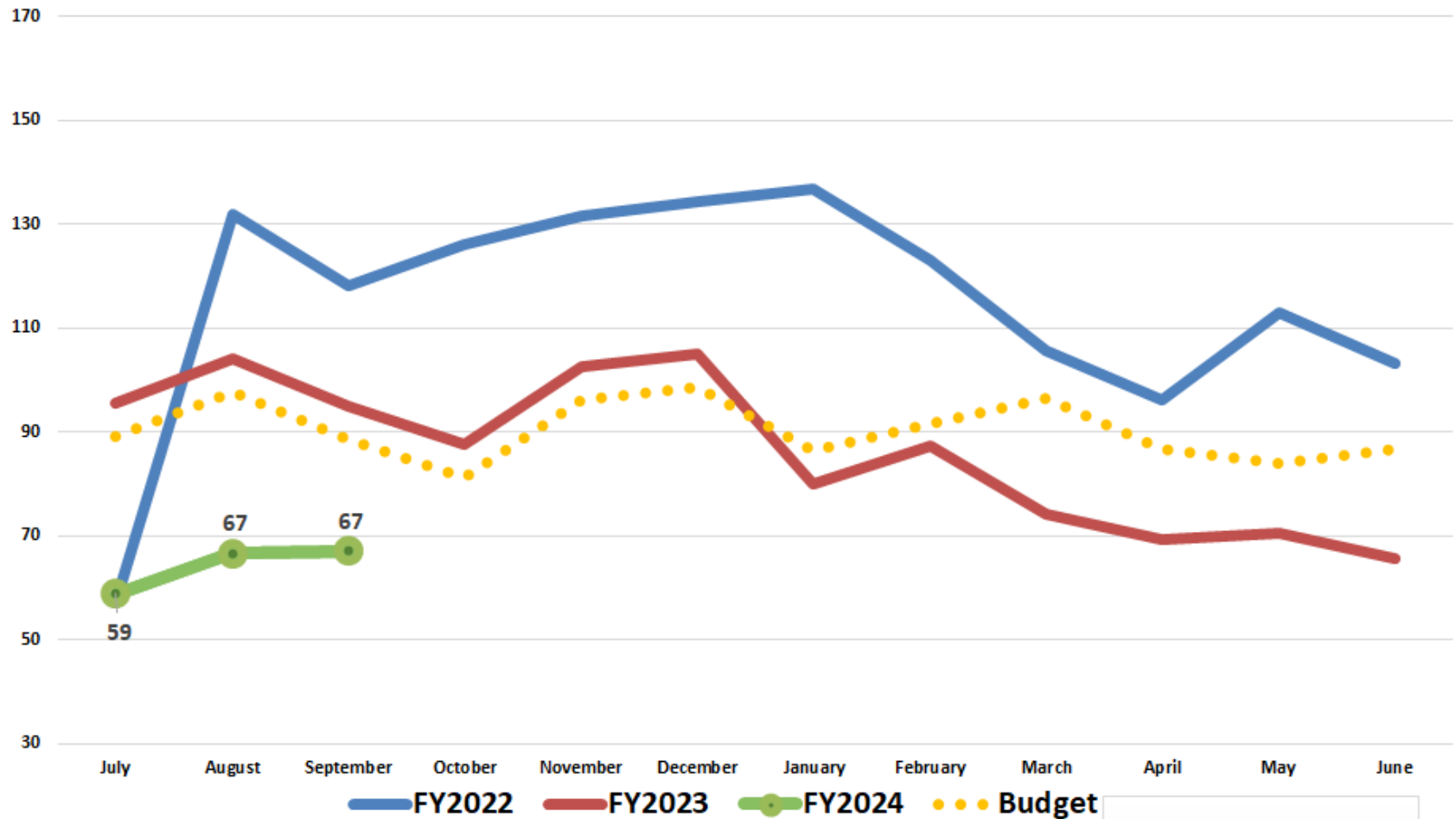
Endoscopy Procedures



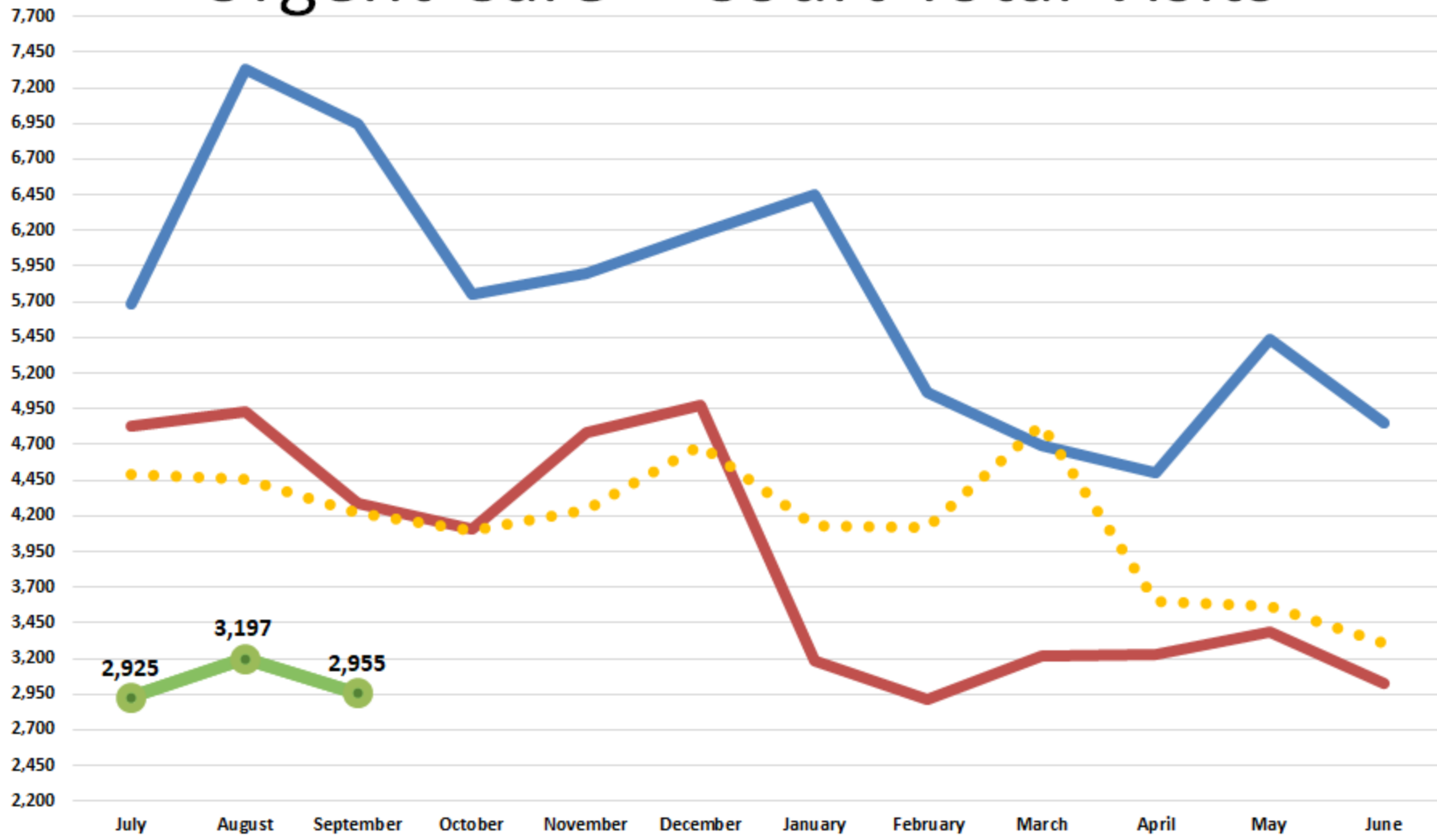
Urgent Care – Court Avg Visits Per Day



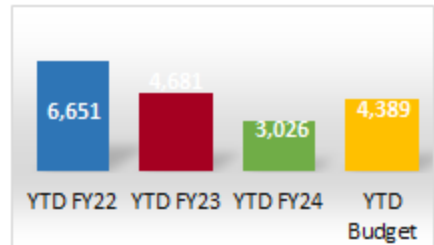
Urgent Care – Demaree Avg Visits Per Day



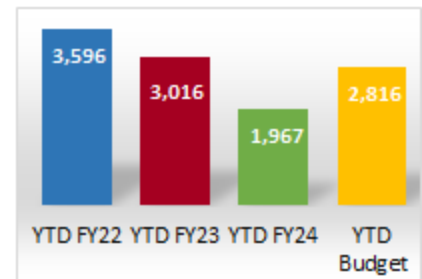
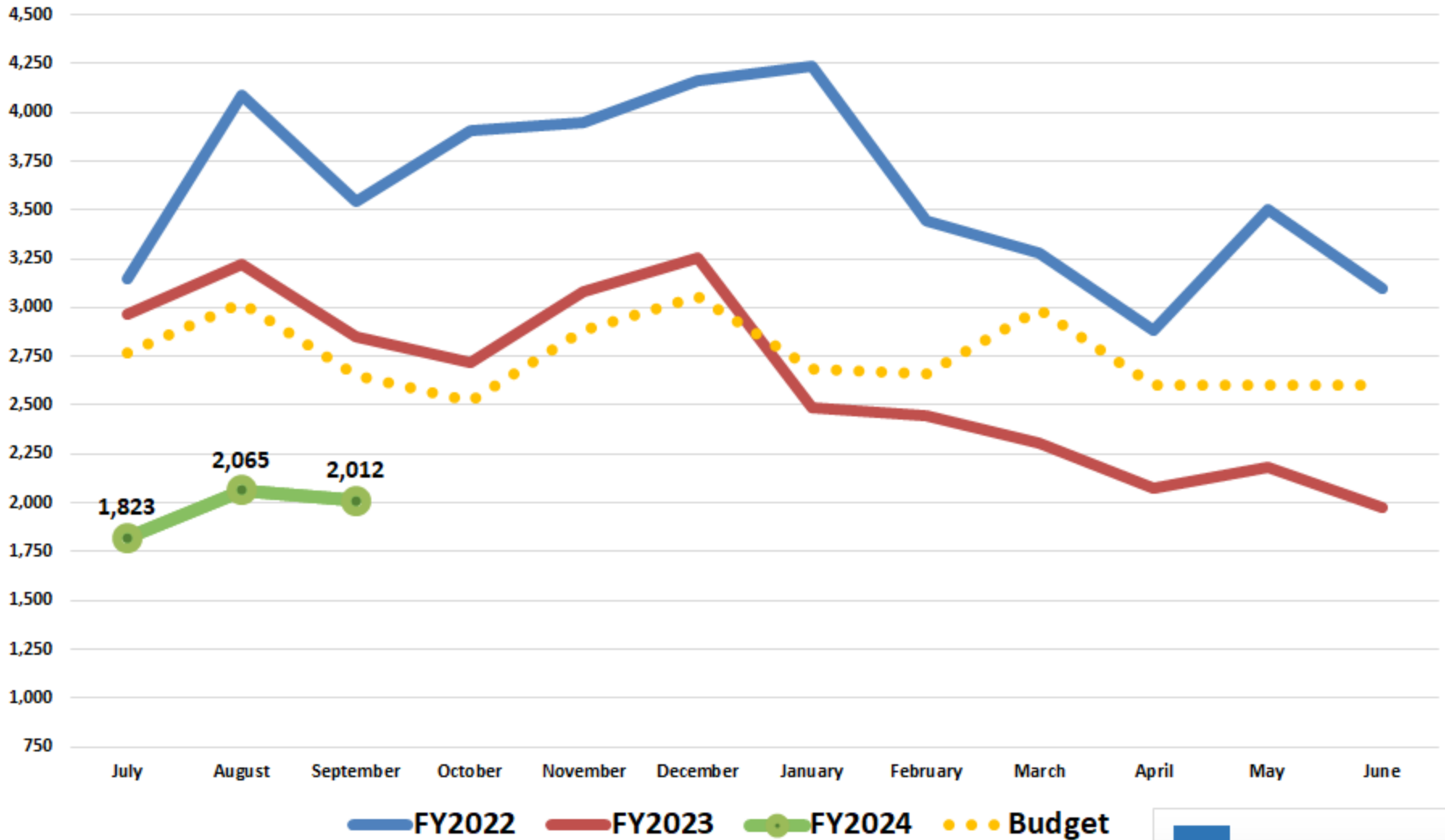
Urgent Care – Court Total Visits



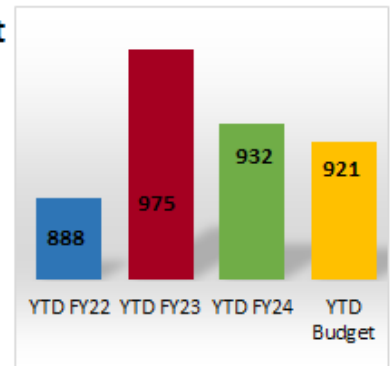
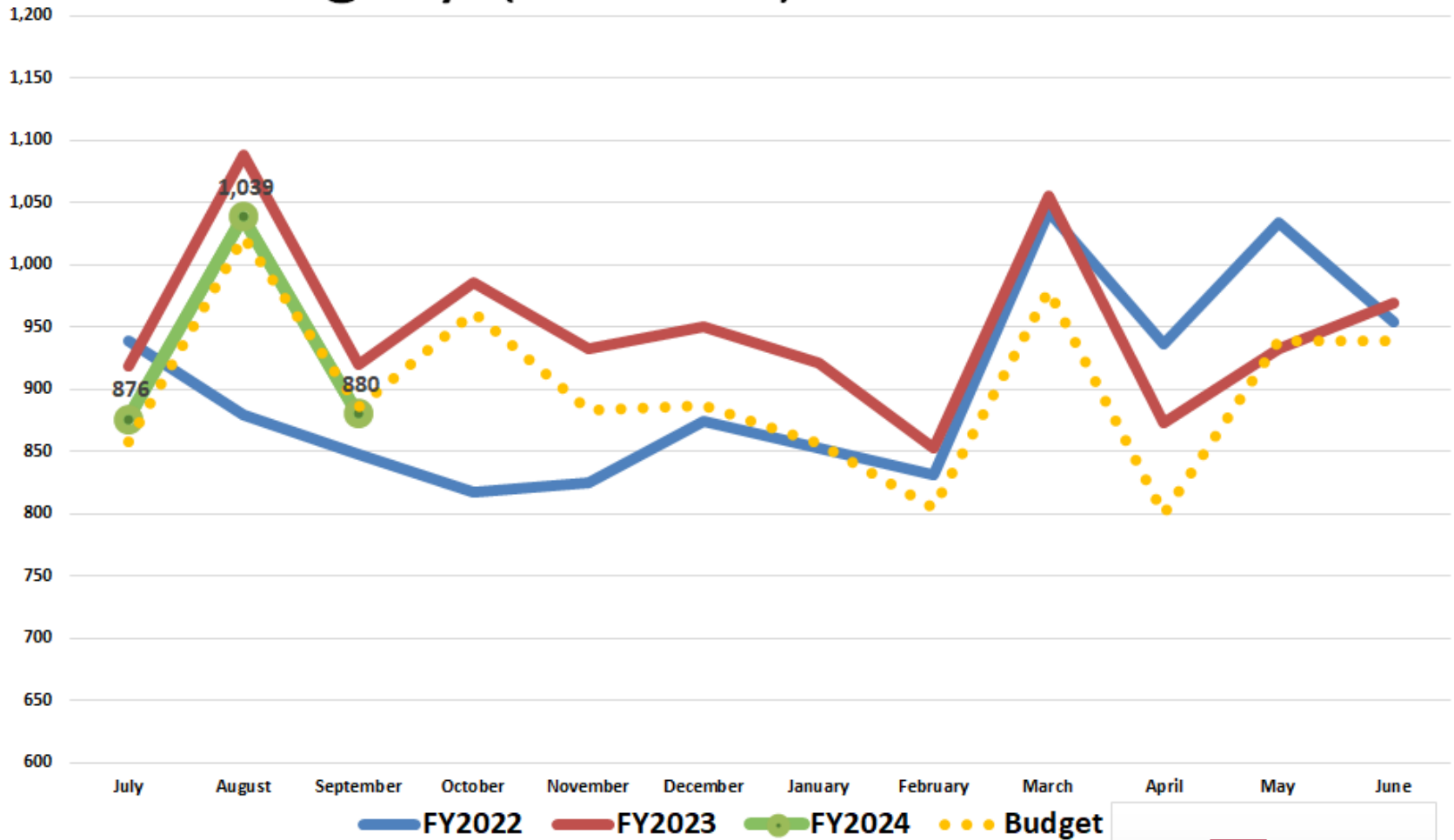
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



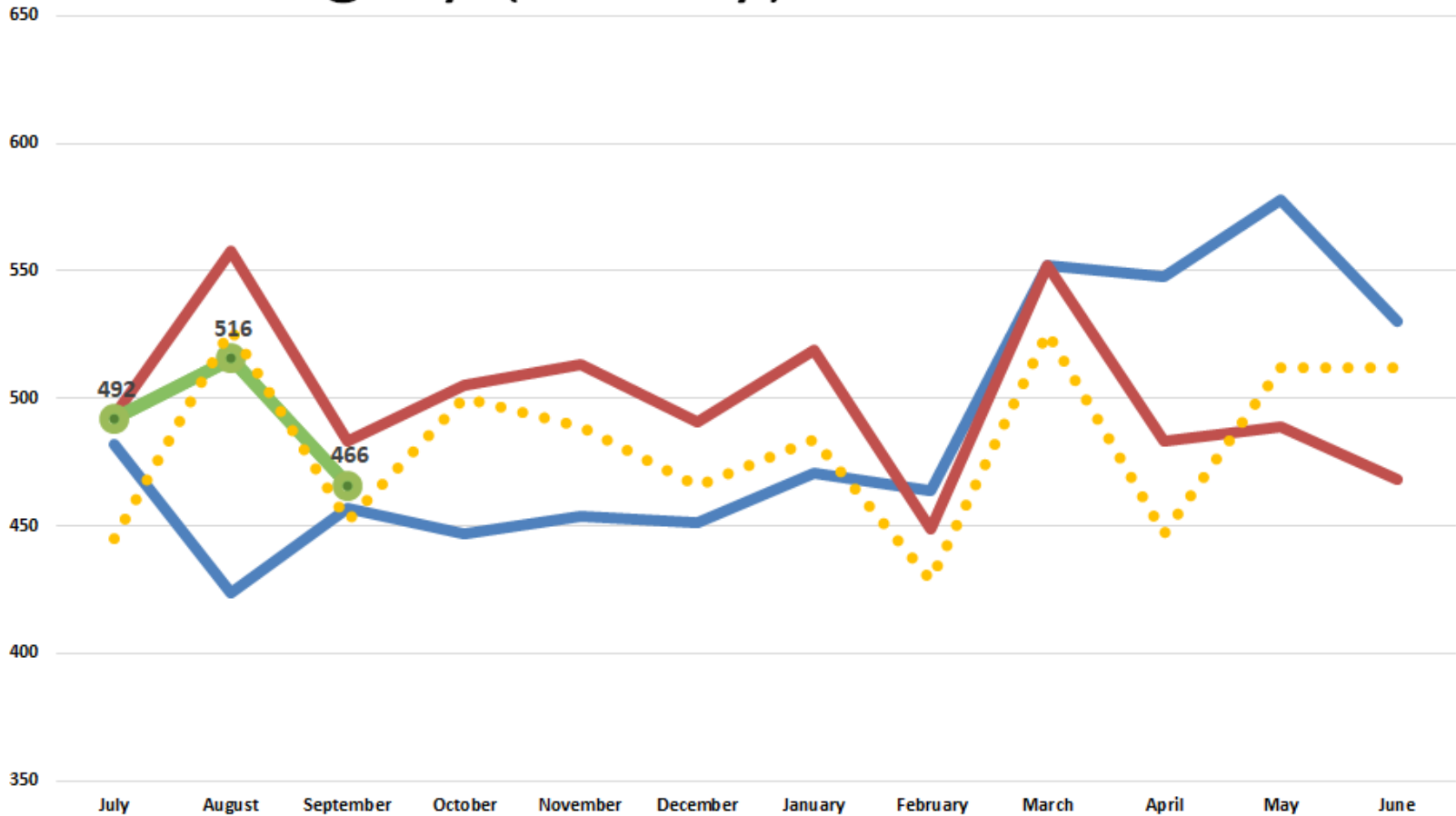
Urgent Care – Demaree Total Visits



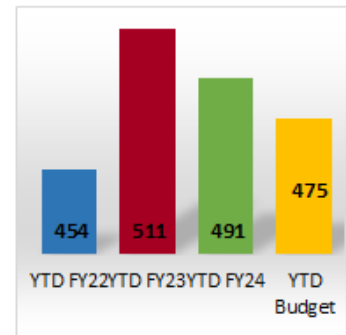
Surgery (IP & OP) – 100 Min Units



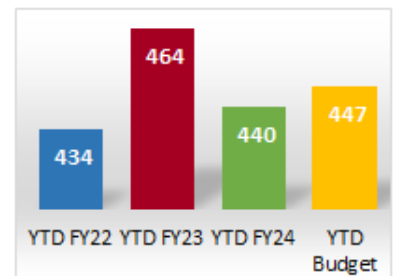
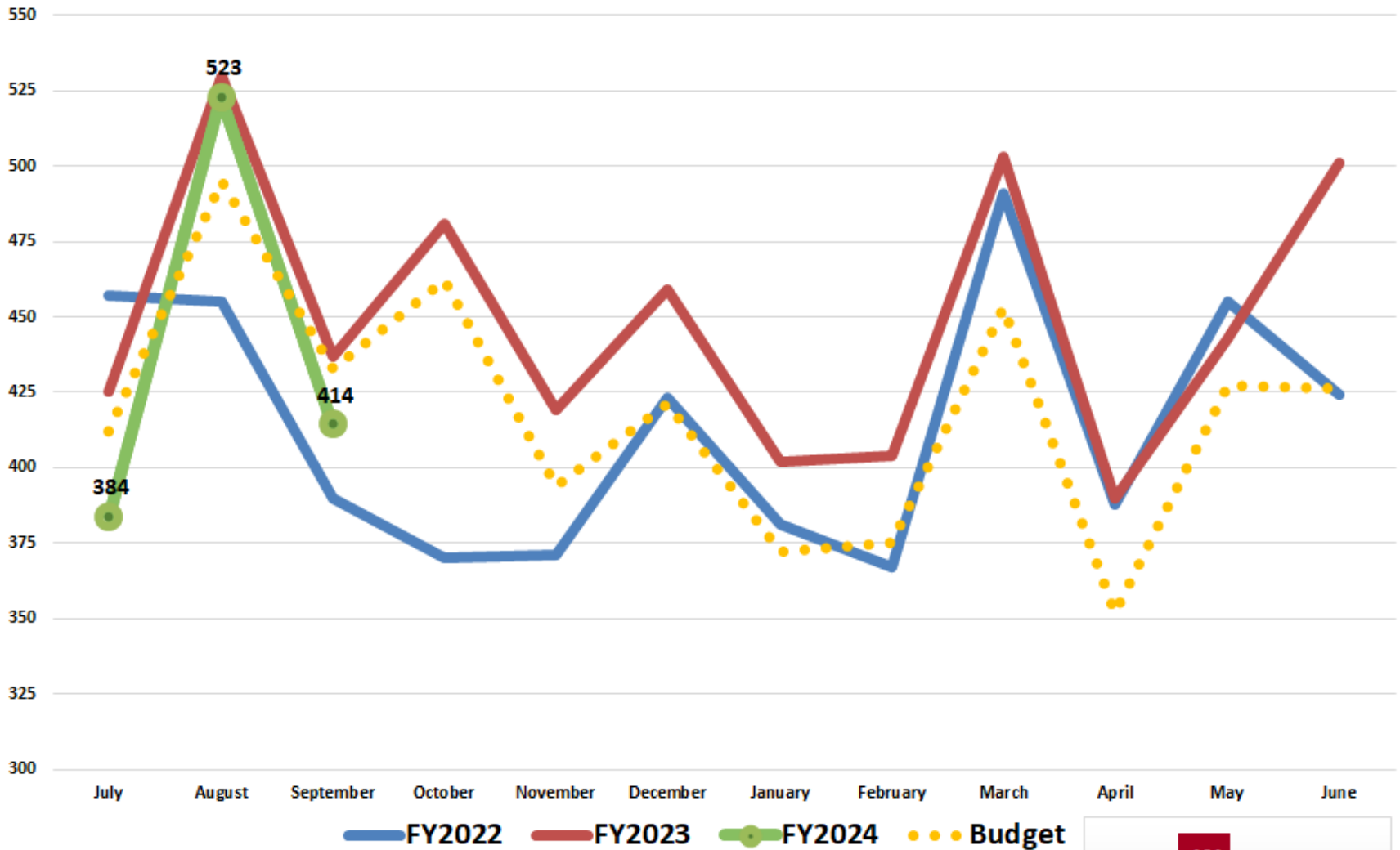
Surgery (IP Only) - 100 Min Unit



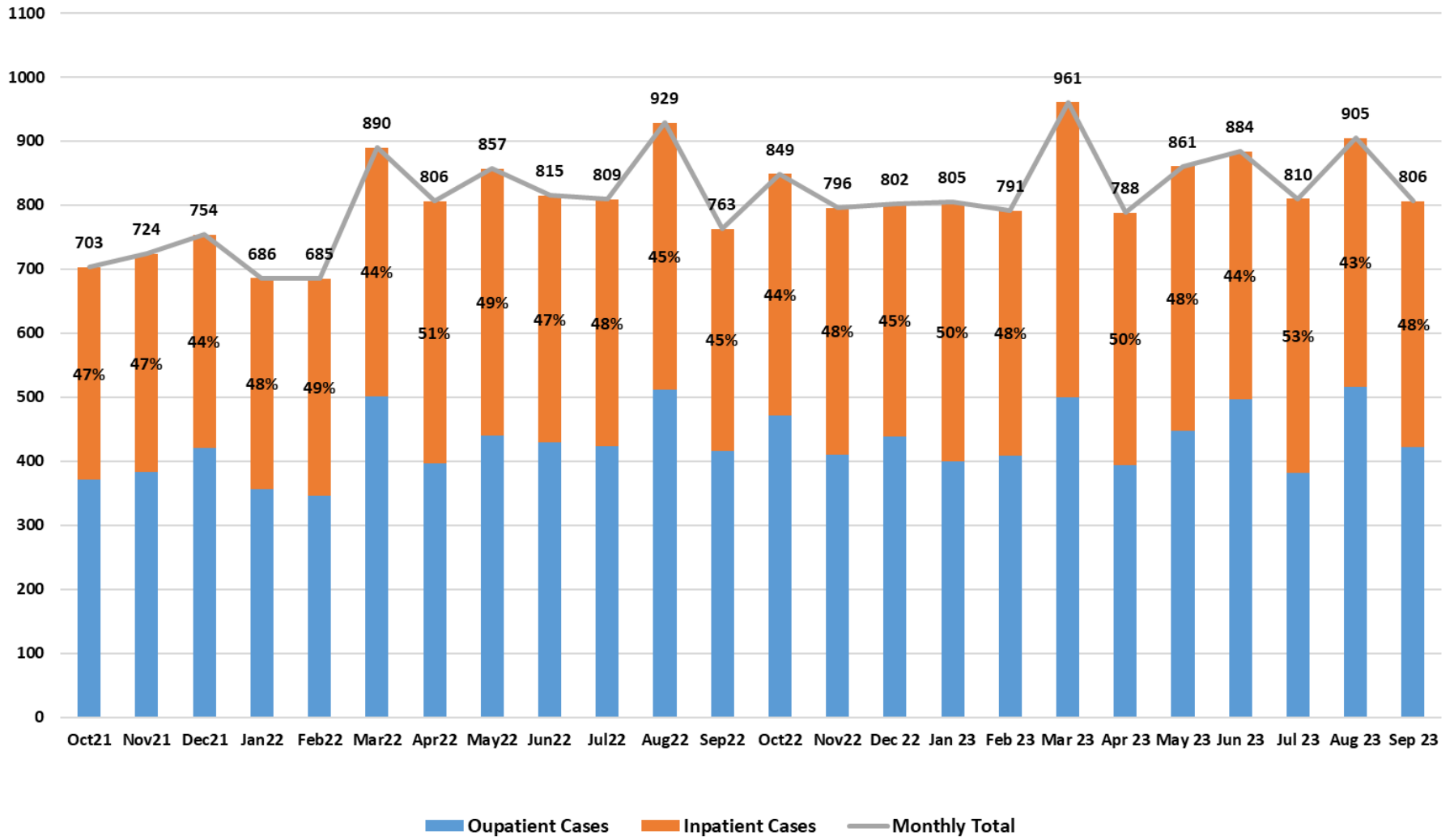
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



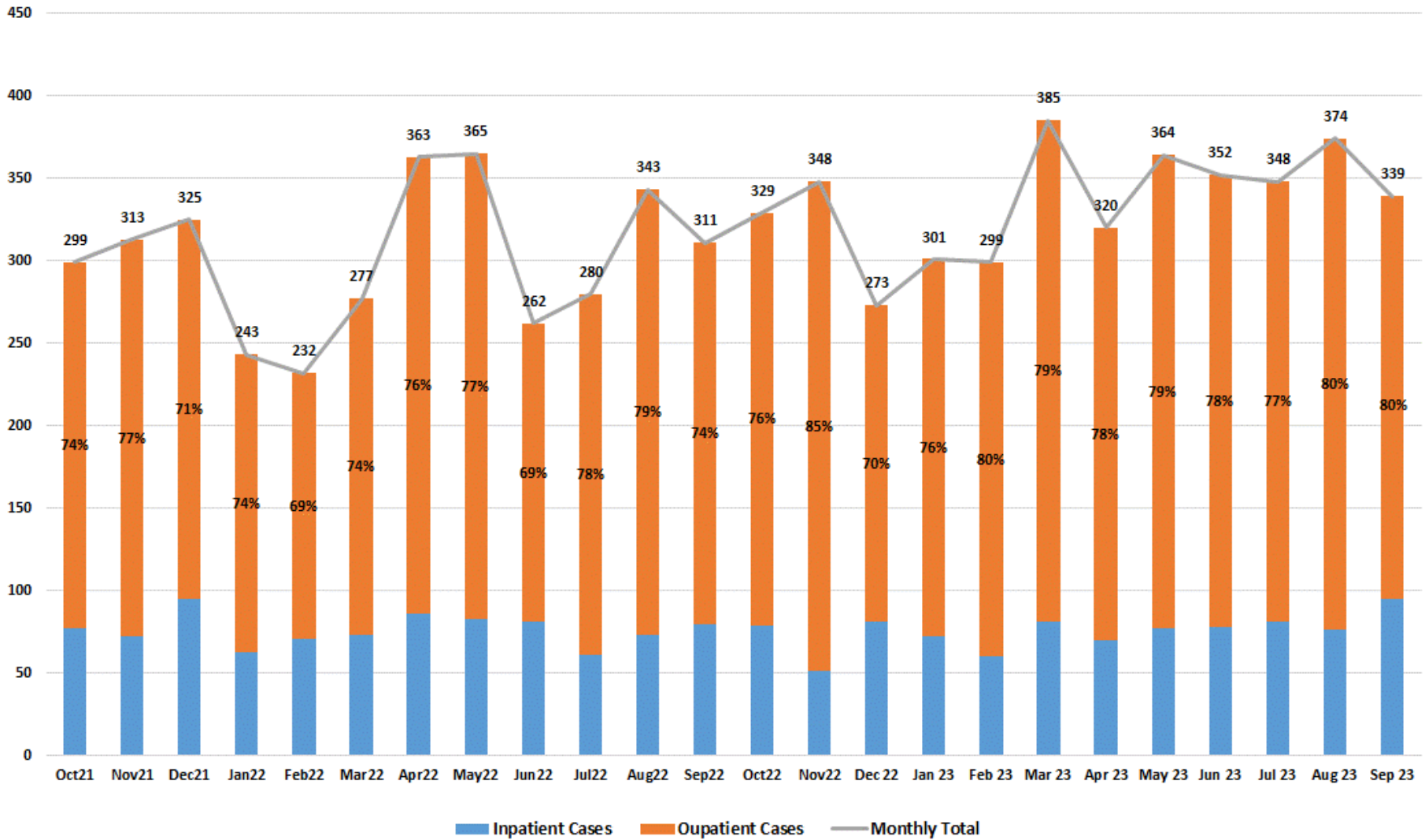
Surgery (OP Only) - 100 Min Units



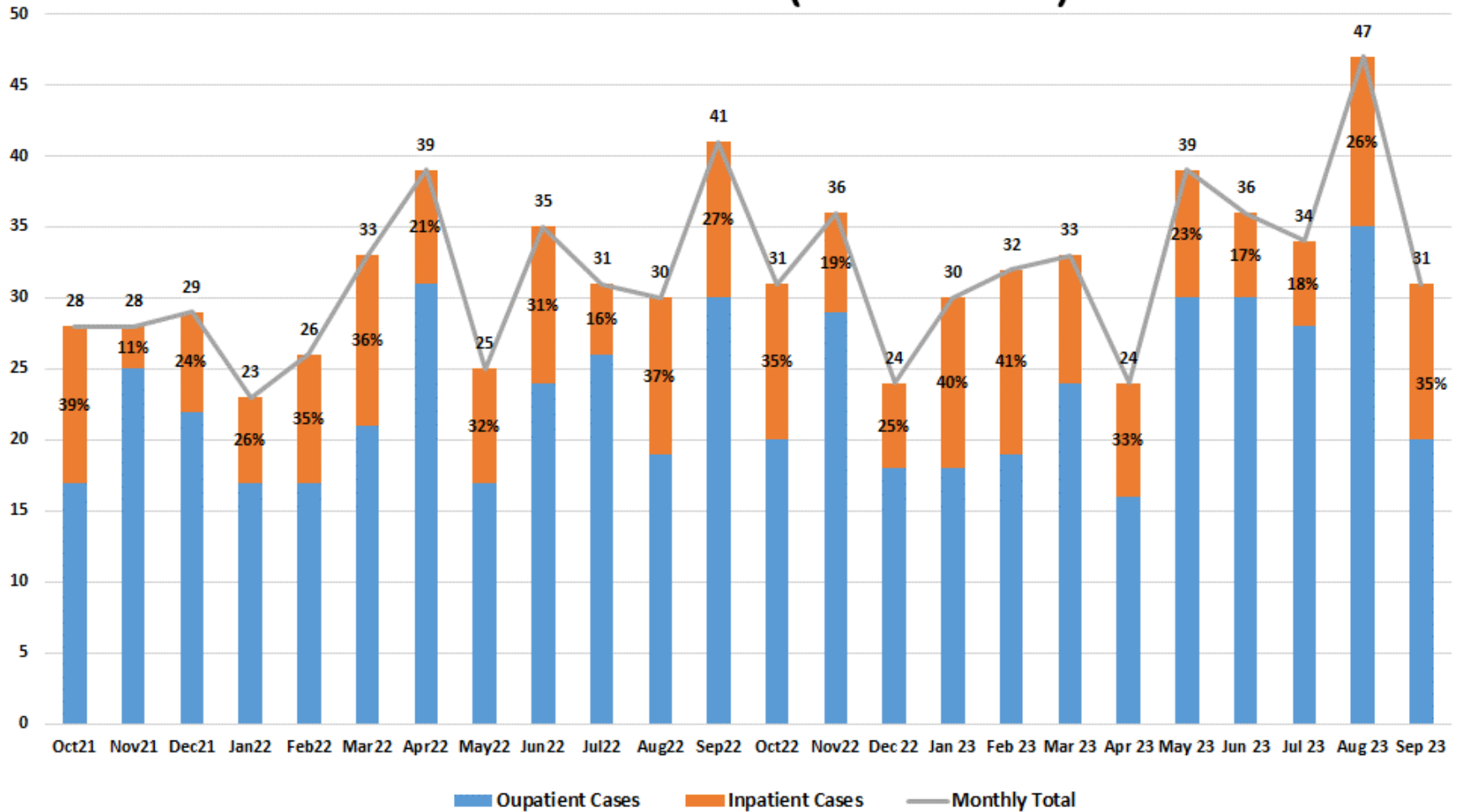
Surgery Cases (IP & OP)



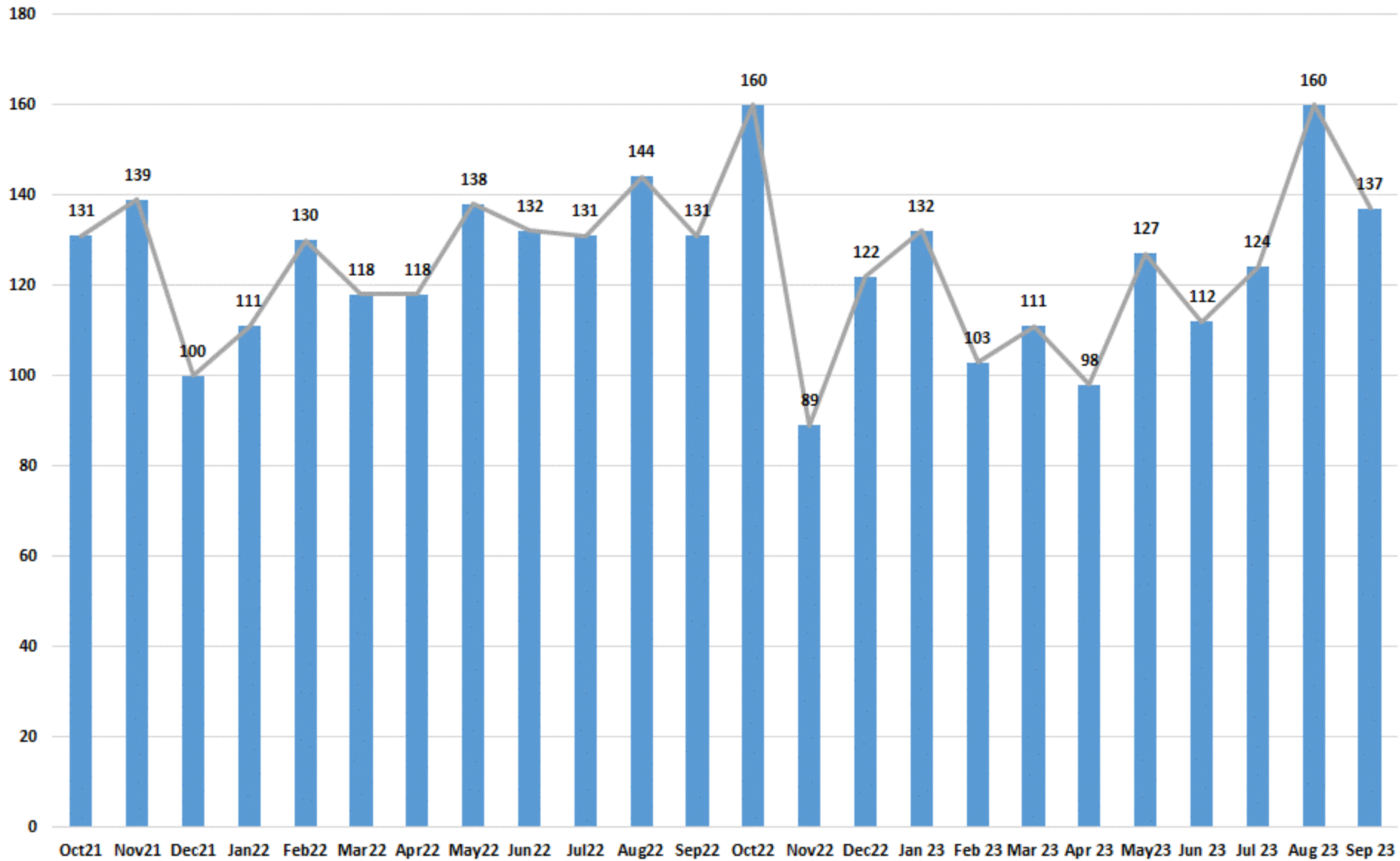
Endo Cases (Endo Suites)



Robotic Cases (IP & OP)

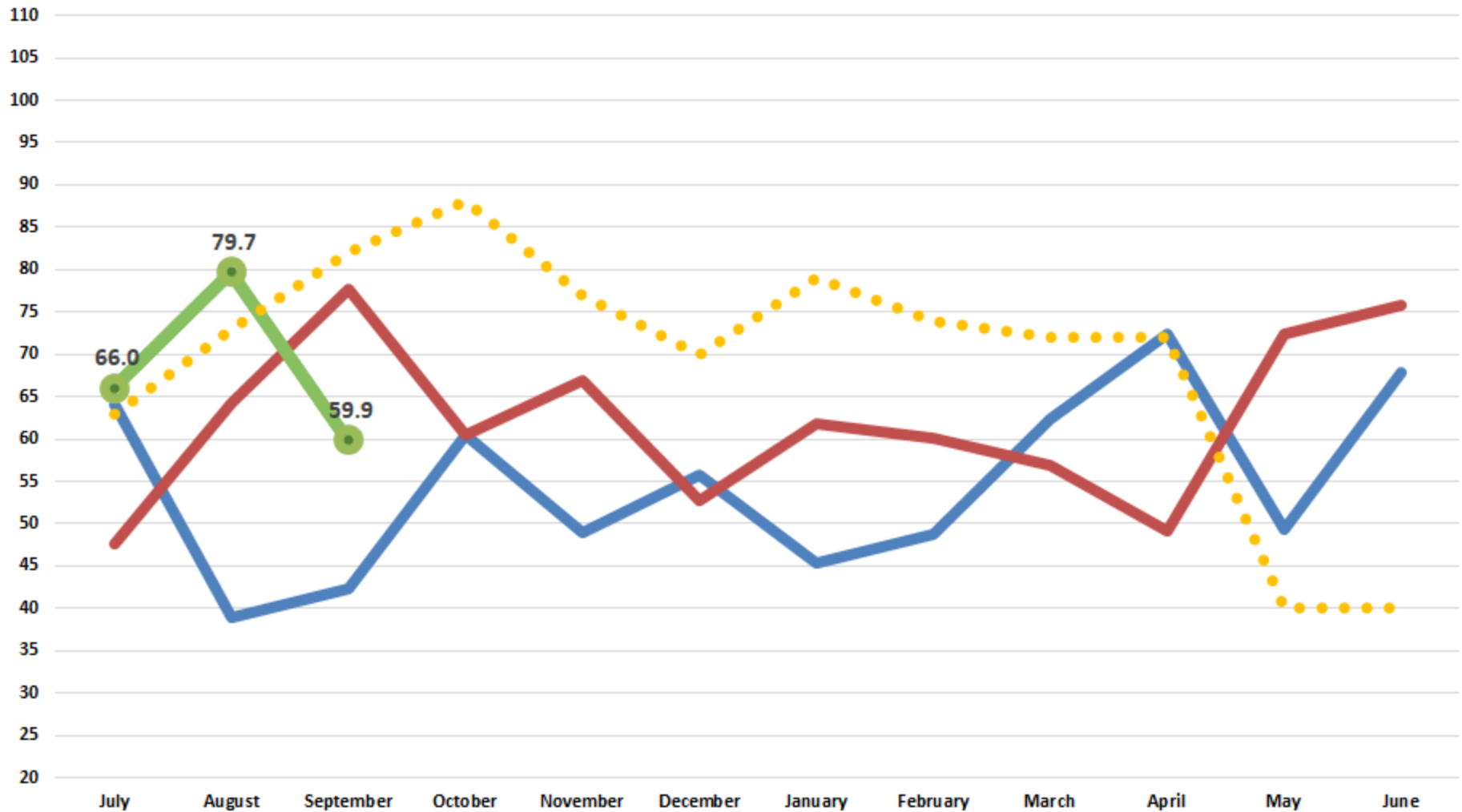


OB Cases

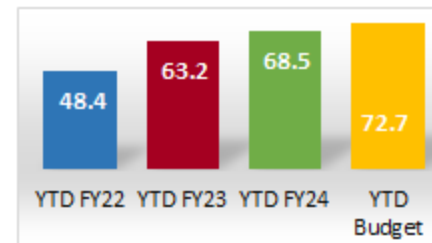


■ Cases 67147 Monthly Total

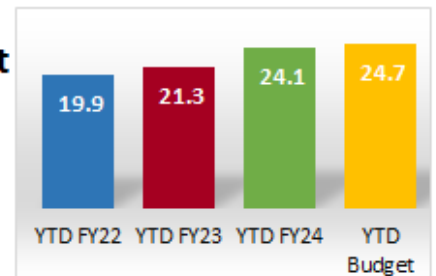
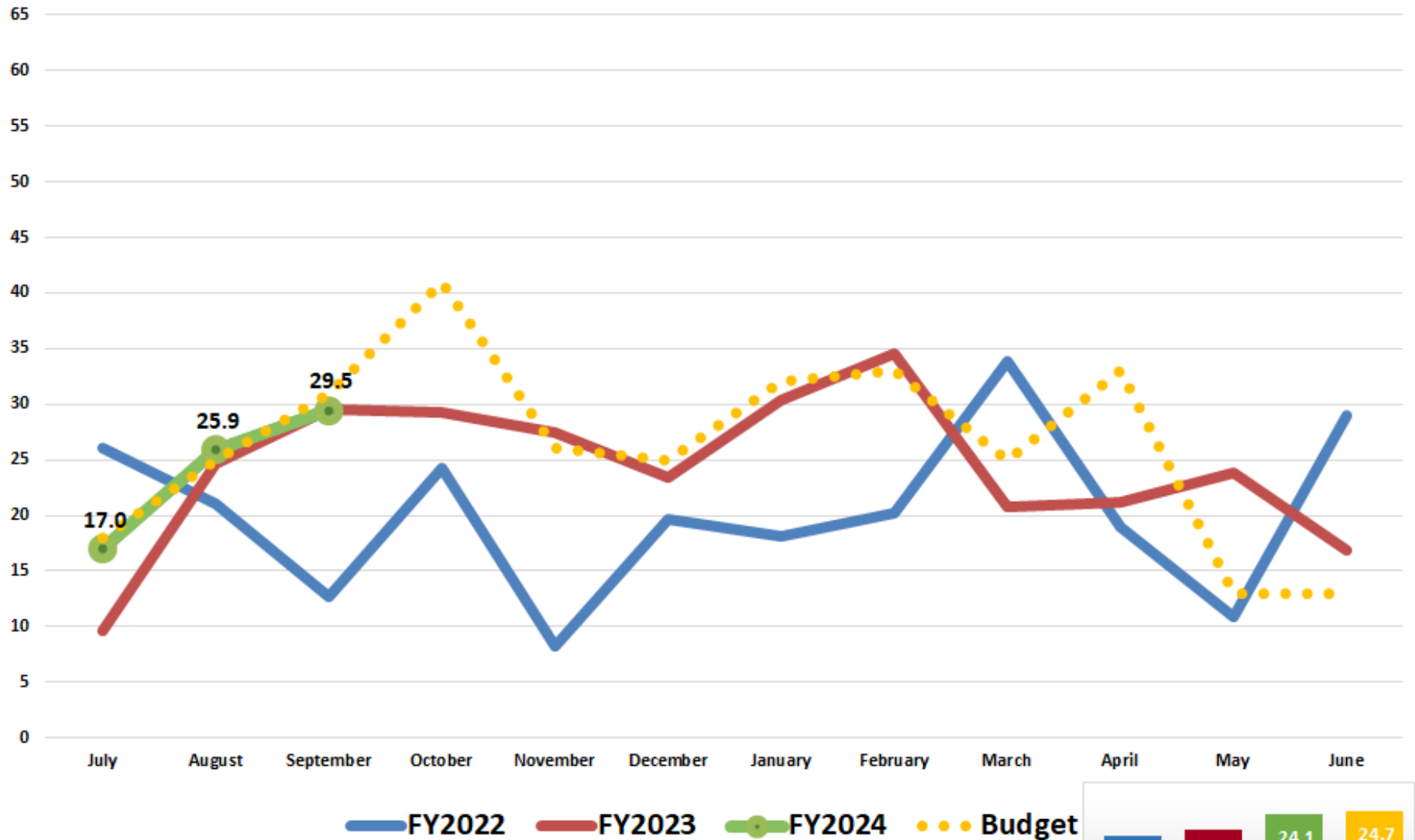
Robotic Surgery (IP & OP) - 100 Min Units



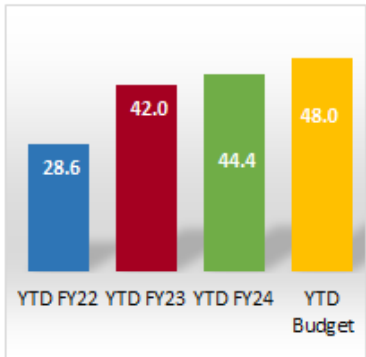
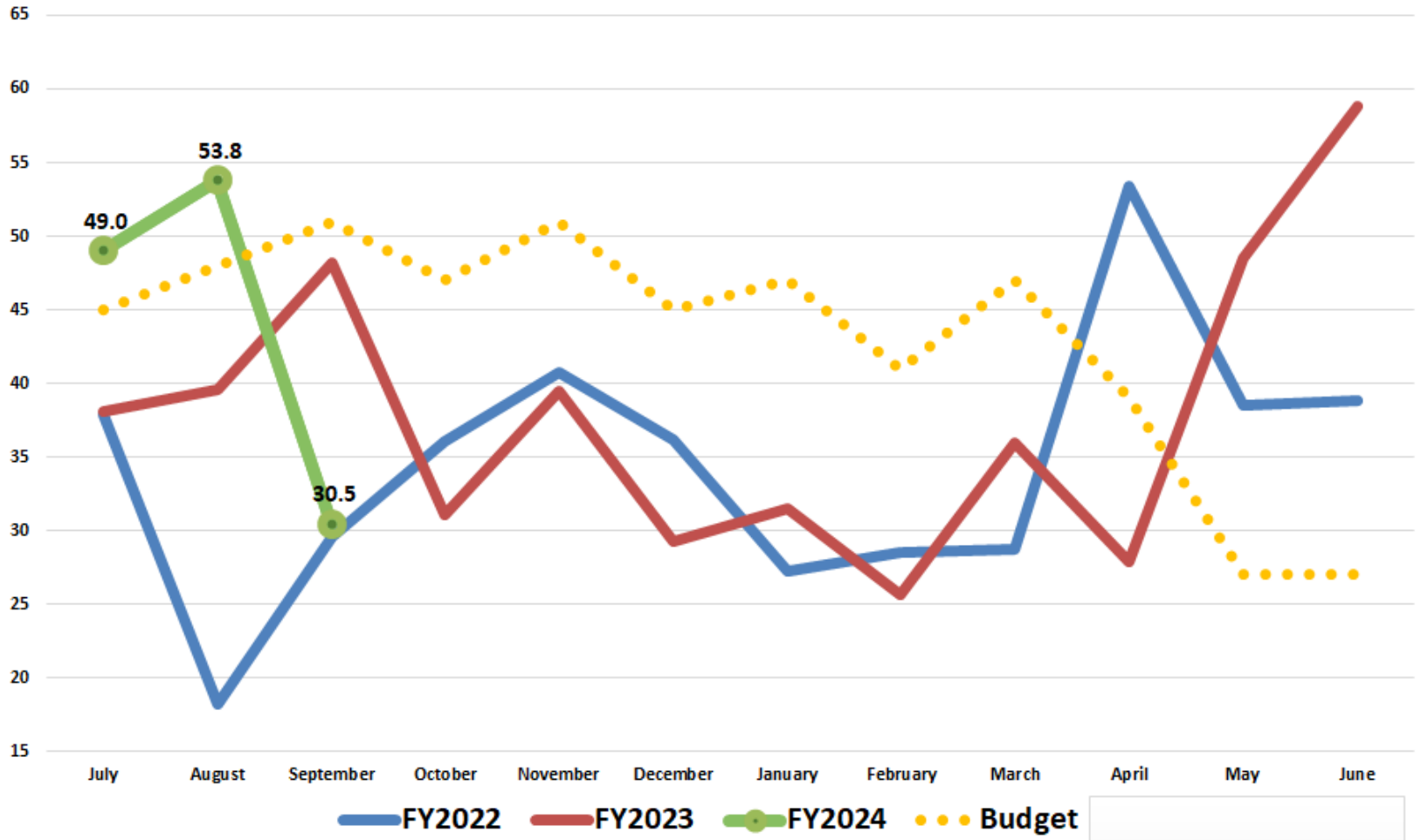
—● FY2022
 —● FY2023
 —● FY2024
 ●●● Budget



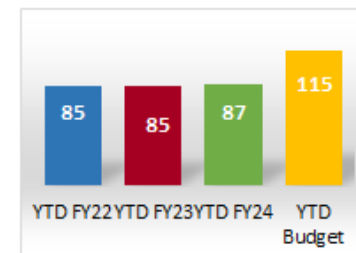
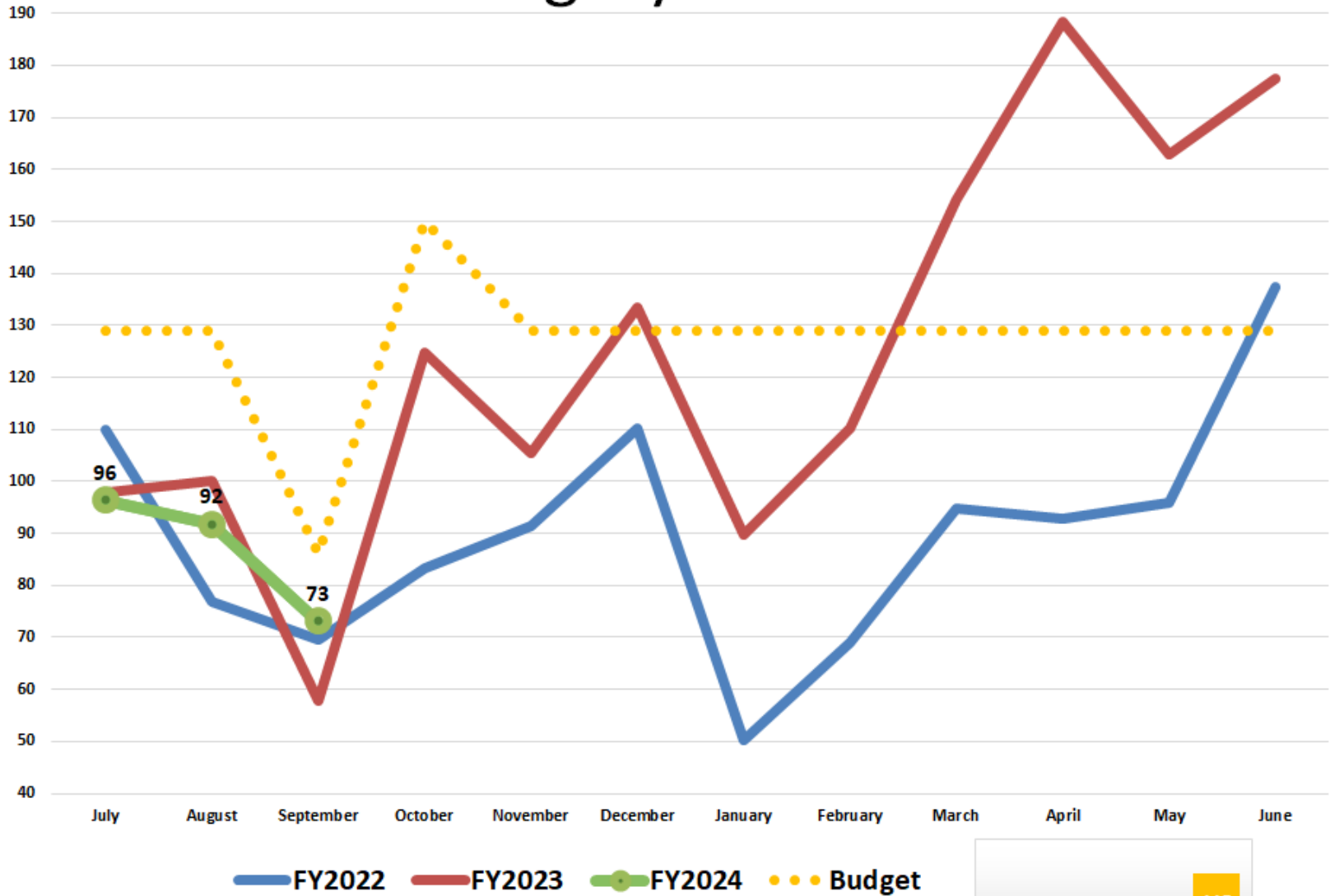
Robotic Surgery Minutes (IP Only)



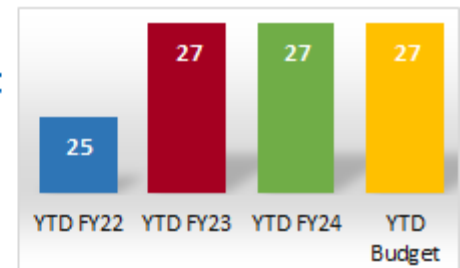
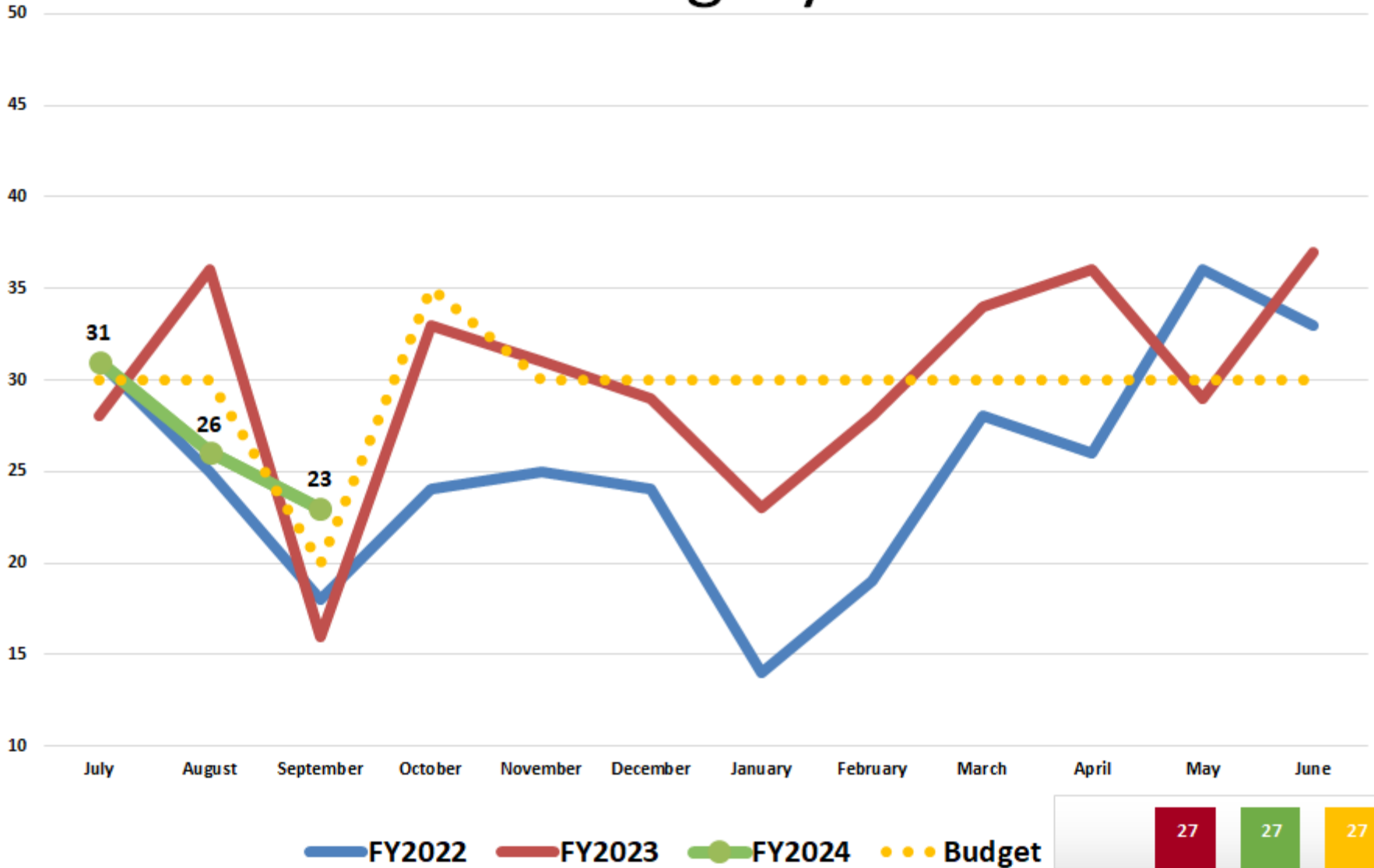
Robotic Surgery Minutes (OP Only)



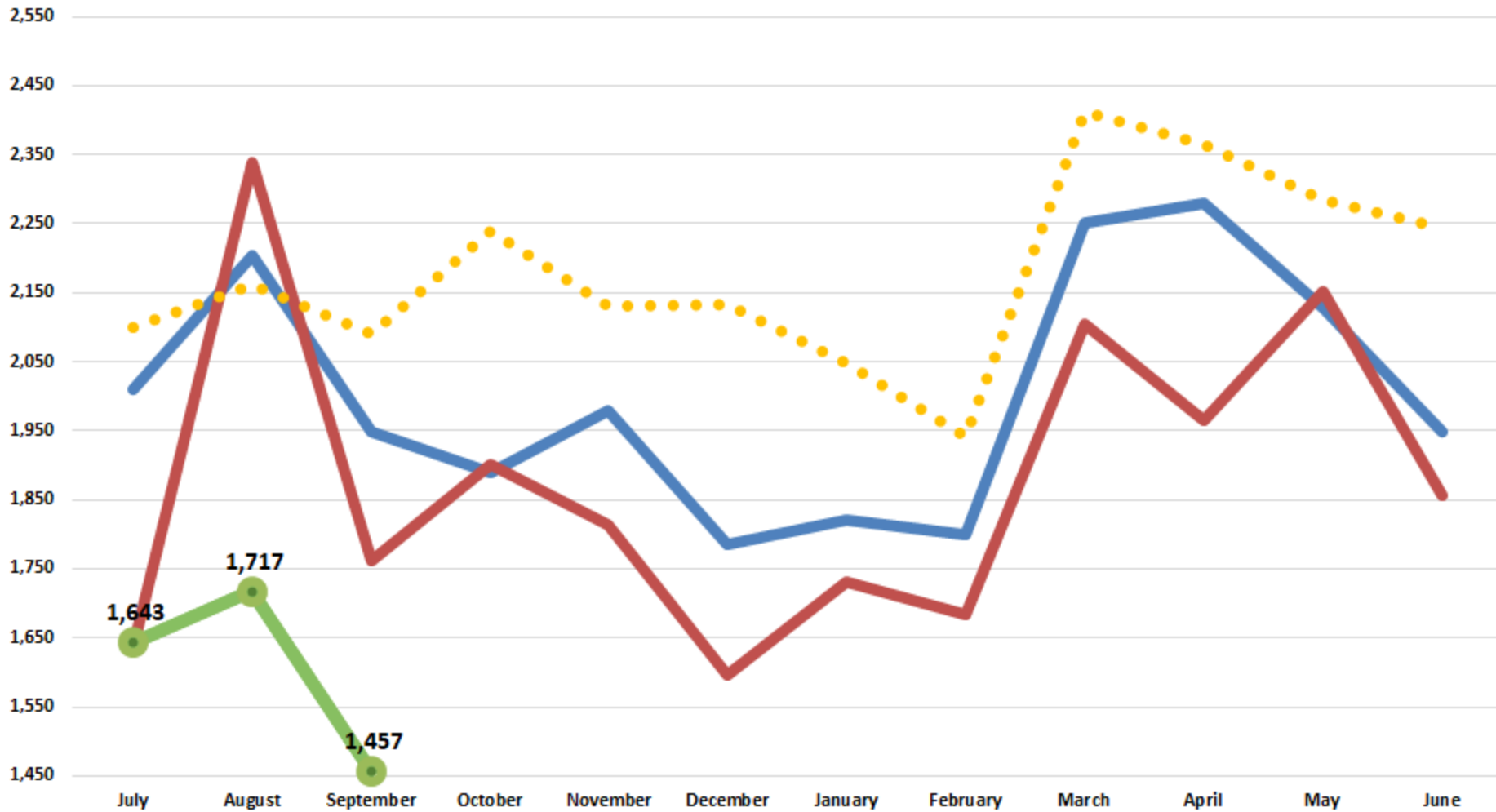
Cardiac Surgery - 100 Min Units



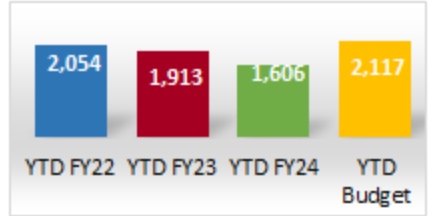
Cardiac Surgery Cases



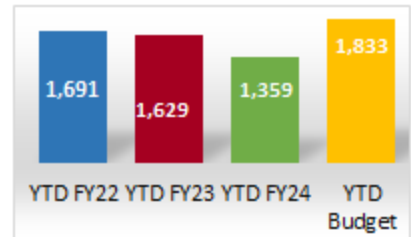
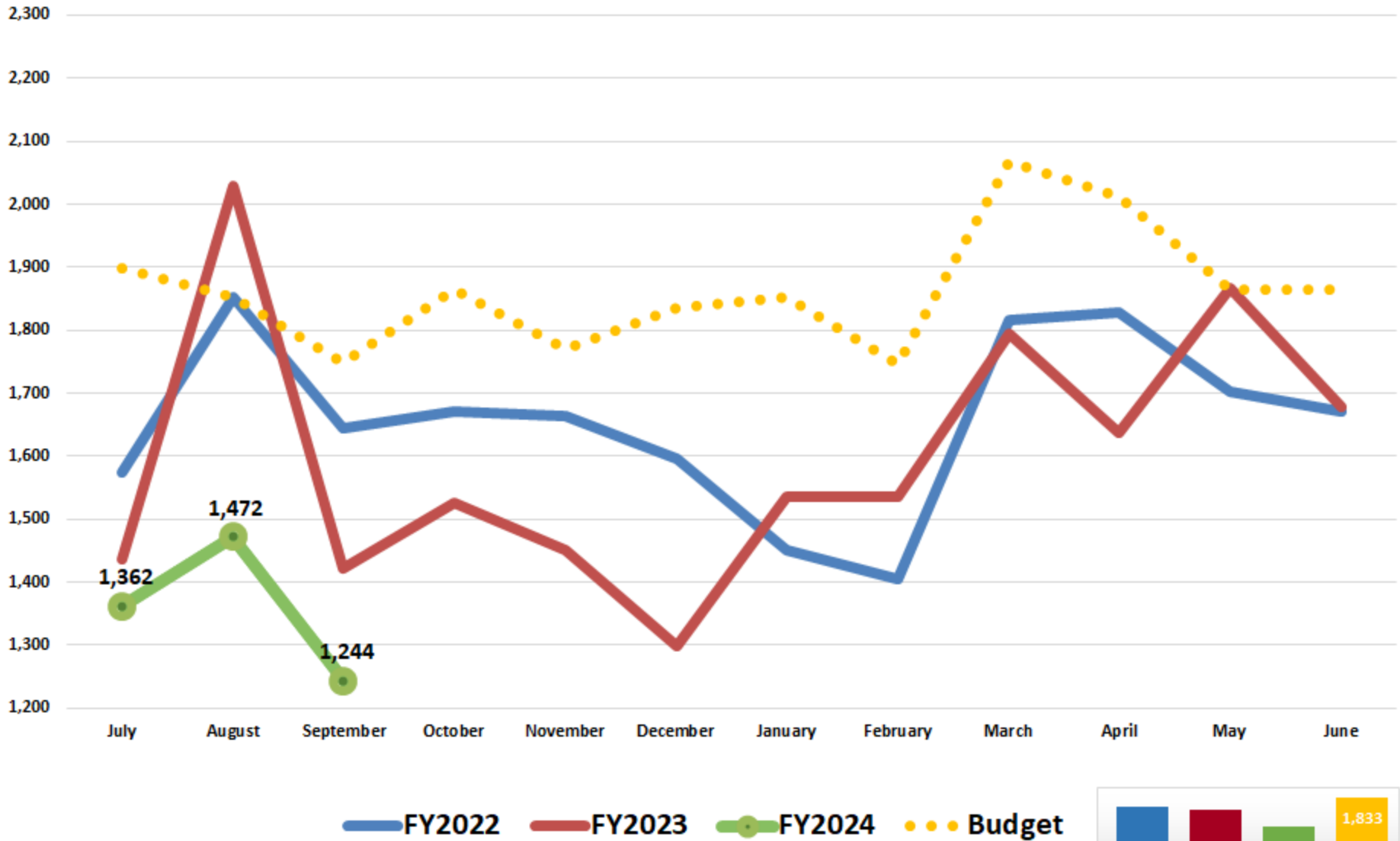
Rad Onc Treatments (Vis. & Hanf.)



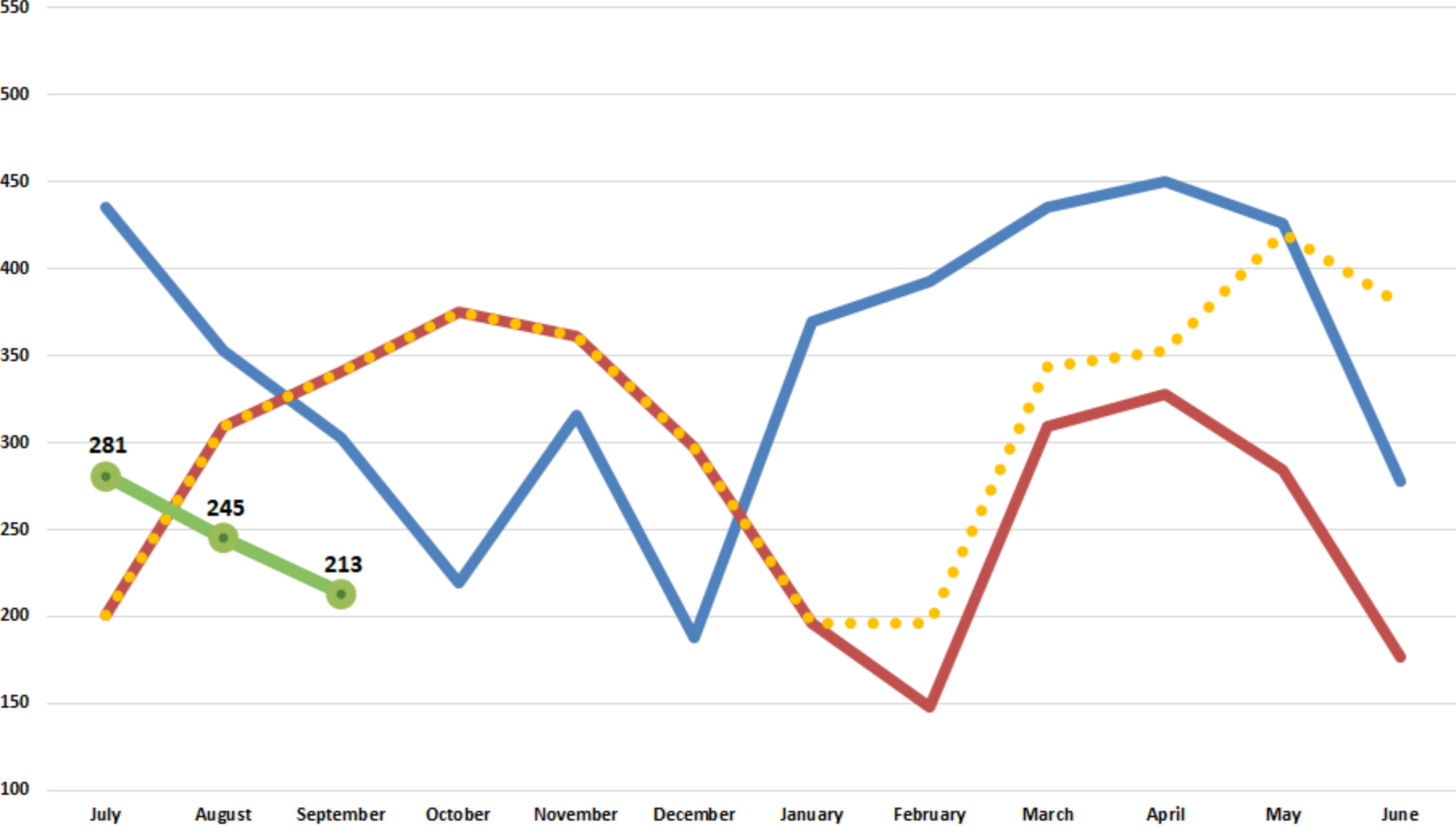
—●— FY2022
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 —●— FY2024
 ●●● Budget



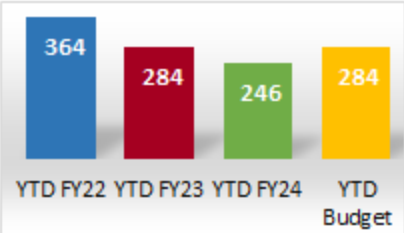
Rad Onc Visalia



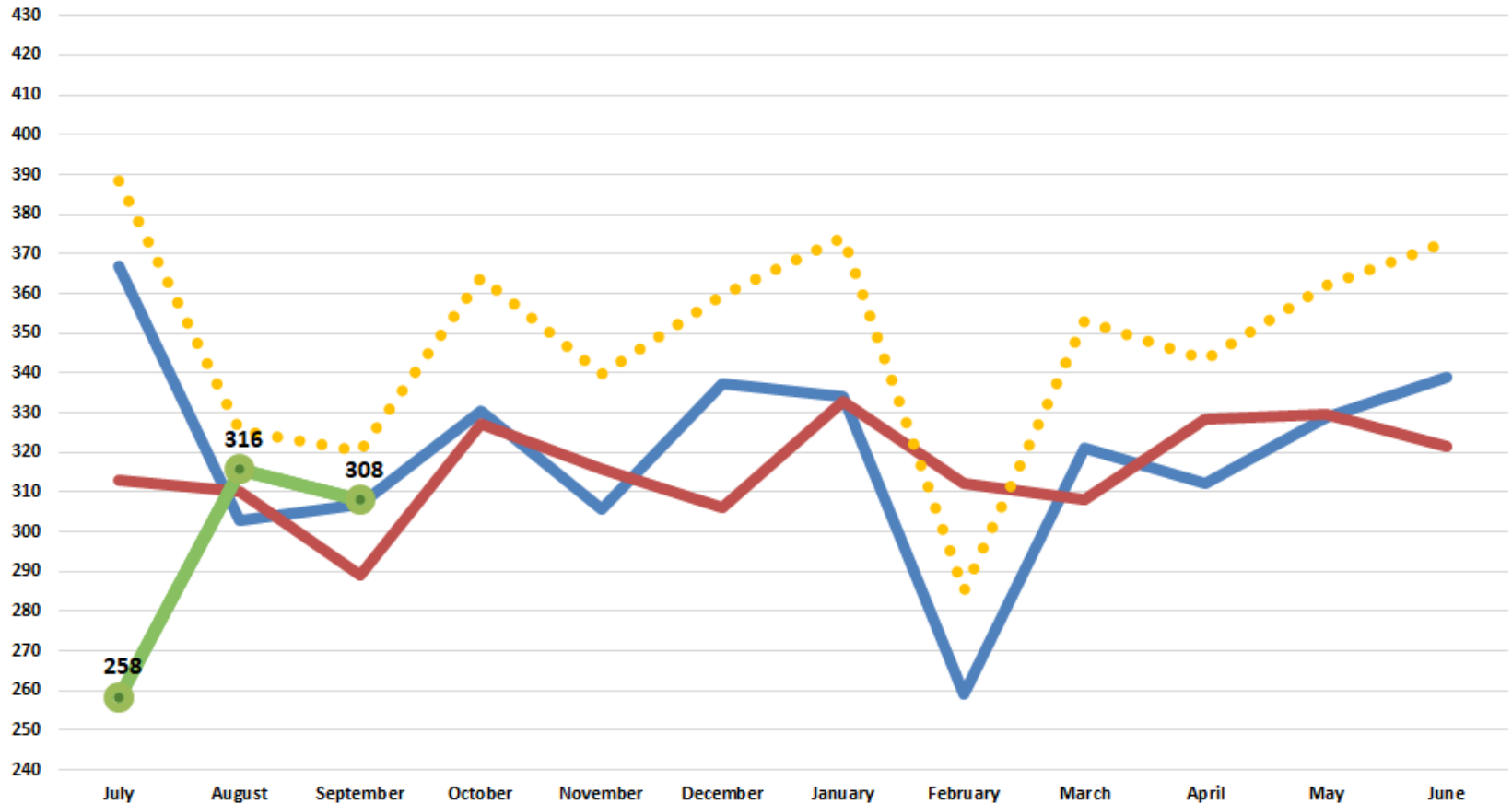
Rad Onc Hanford



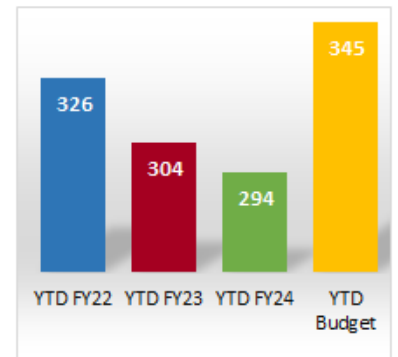
—●— FY2022
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 —●— FY2024
 ●●● Budget



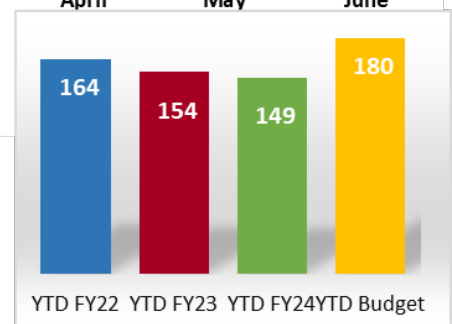
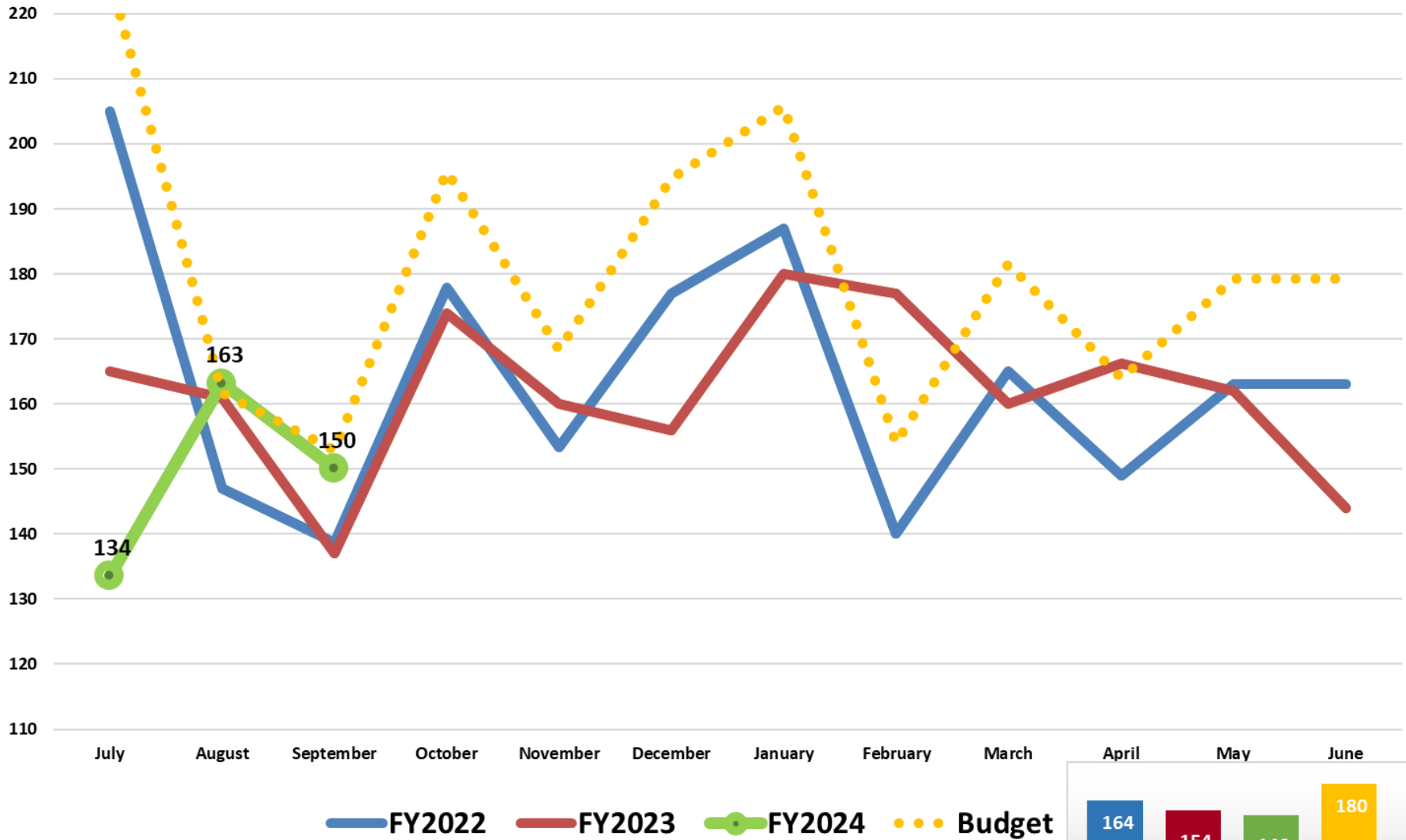
Cath Lab (IP & OP) – 100 Min Units



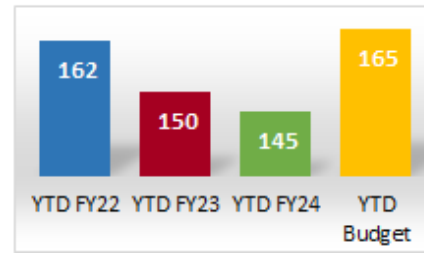
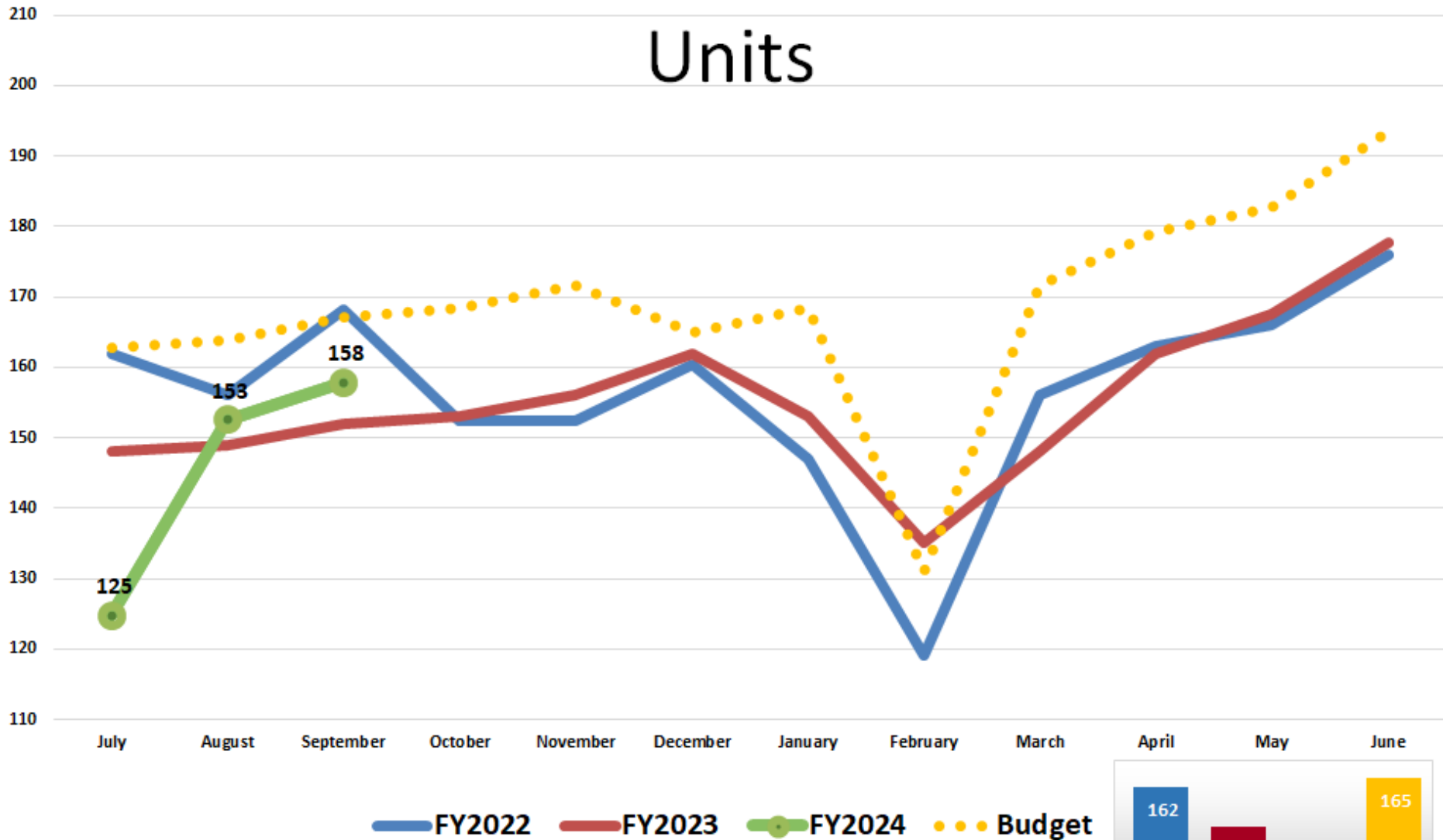
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



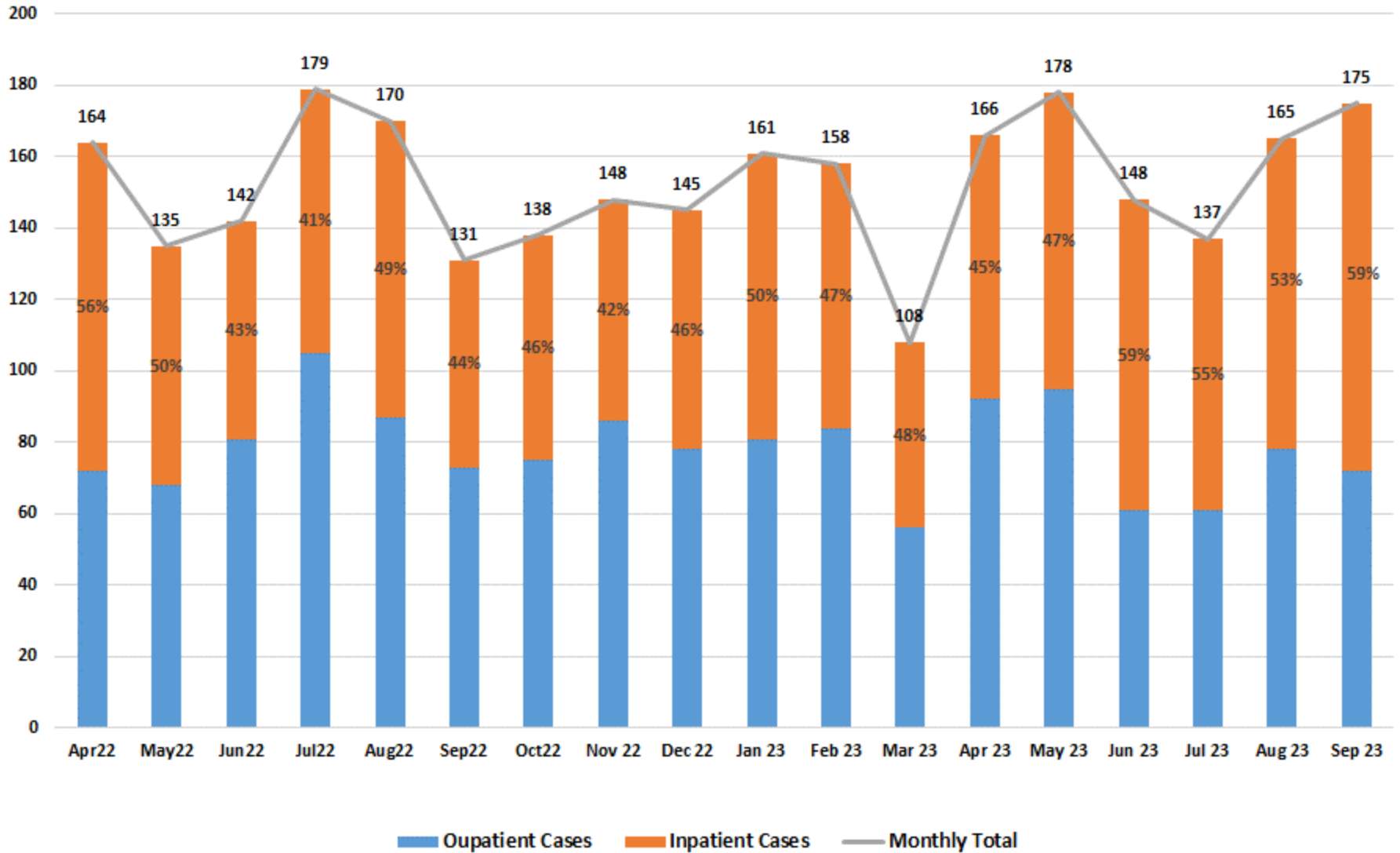
Cath Lab (IP Only) – 100 Min Units



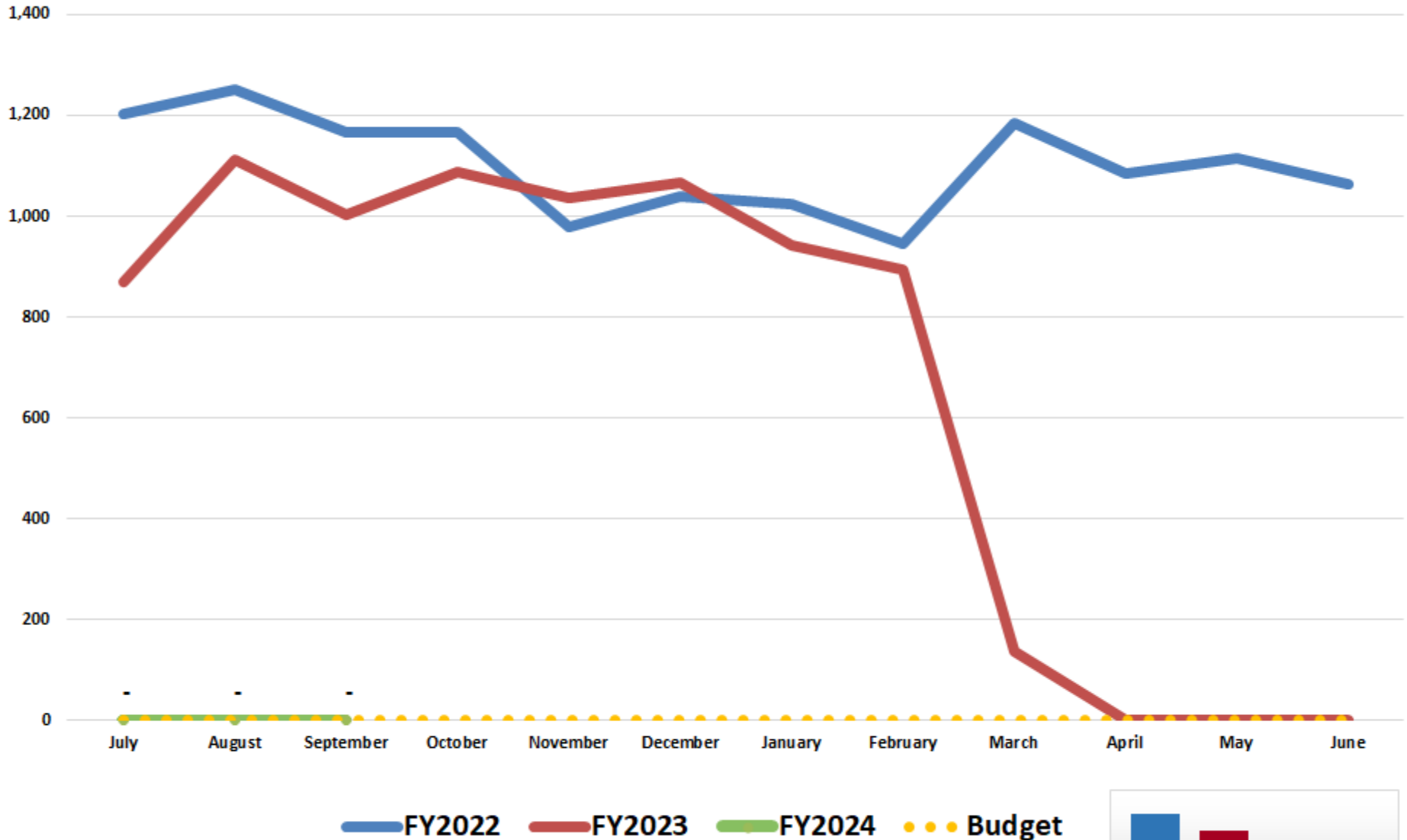
Cath Lab (OP Only) – 100 Min Units



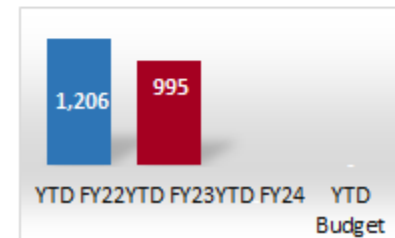
Cath Lab Patients (IP & OP)



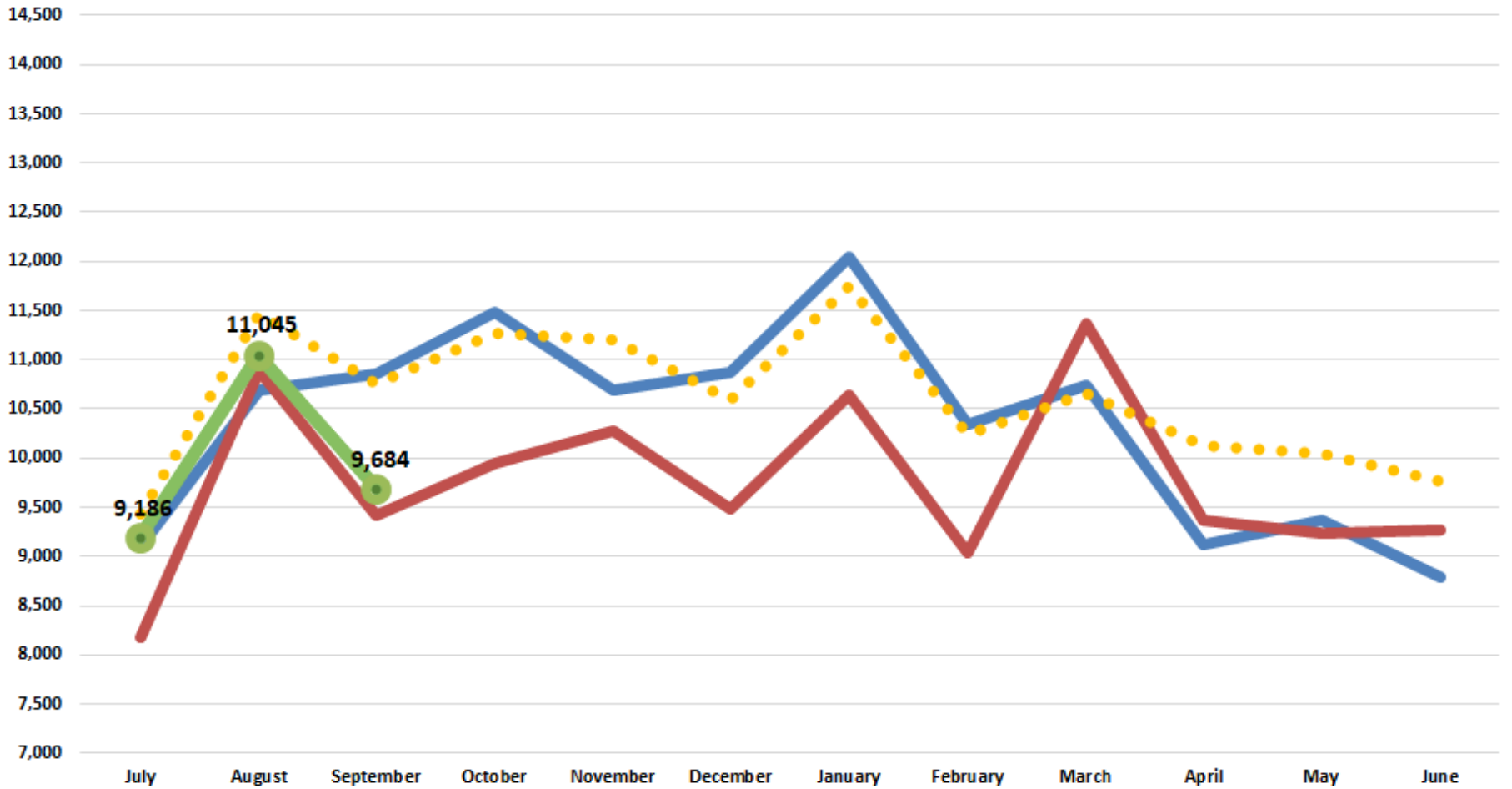
GME Family Medicine Clinic Visits



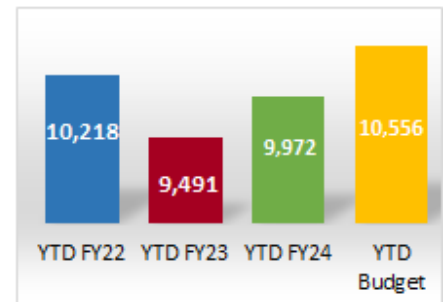
— FY2022
 — FY2023
 — FY2024
 ●●● Budget



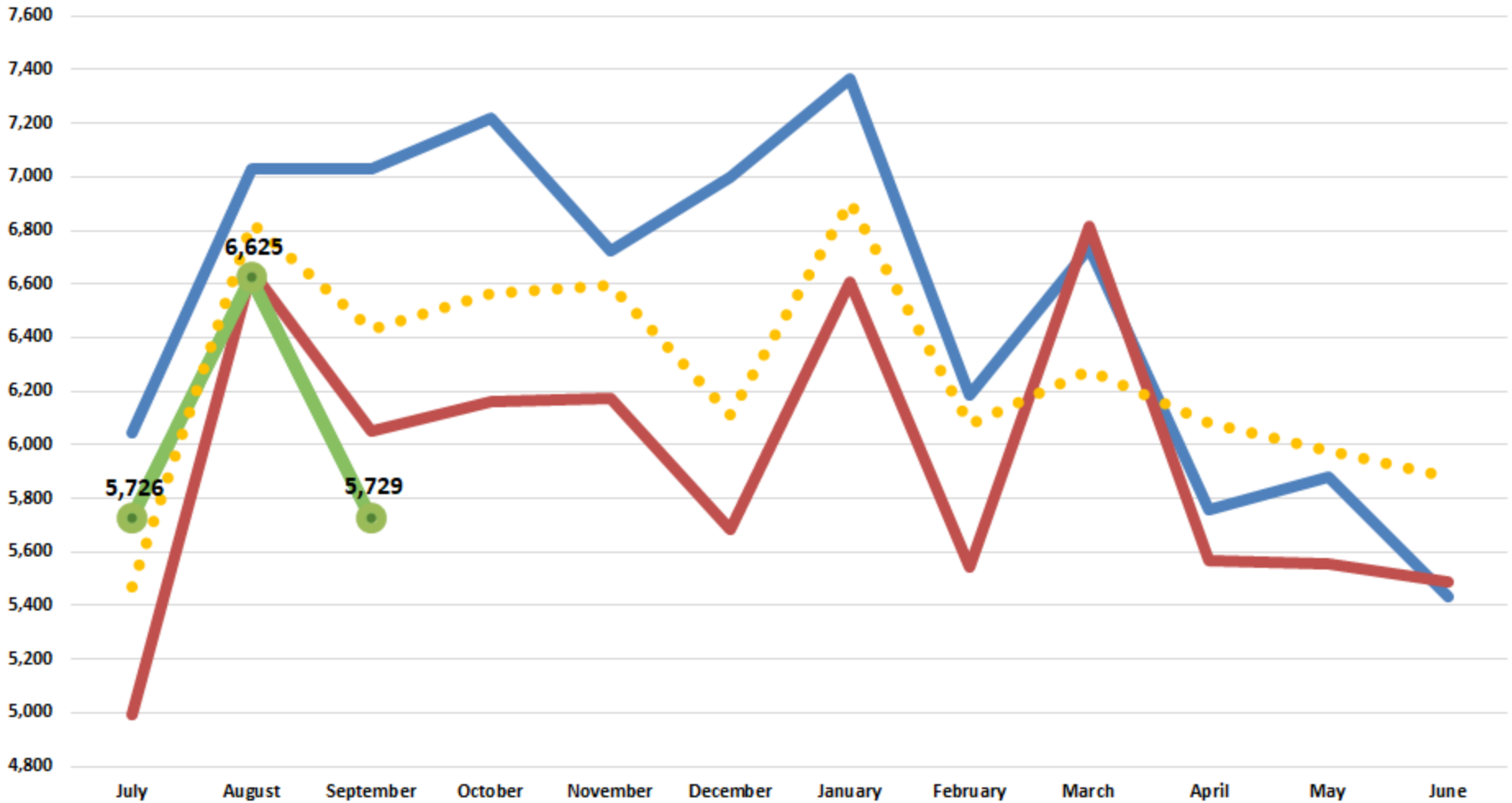
Rural Health Clinics Registrations



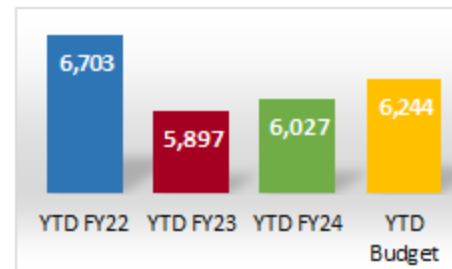
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



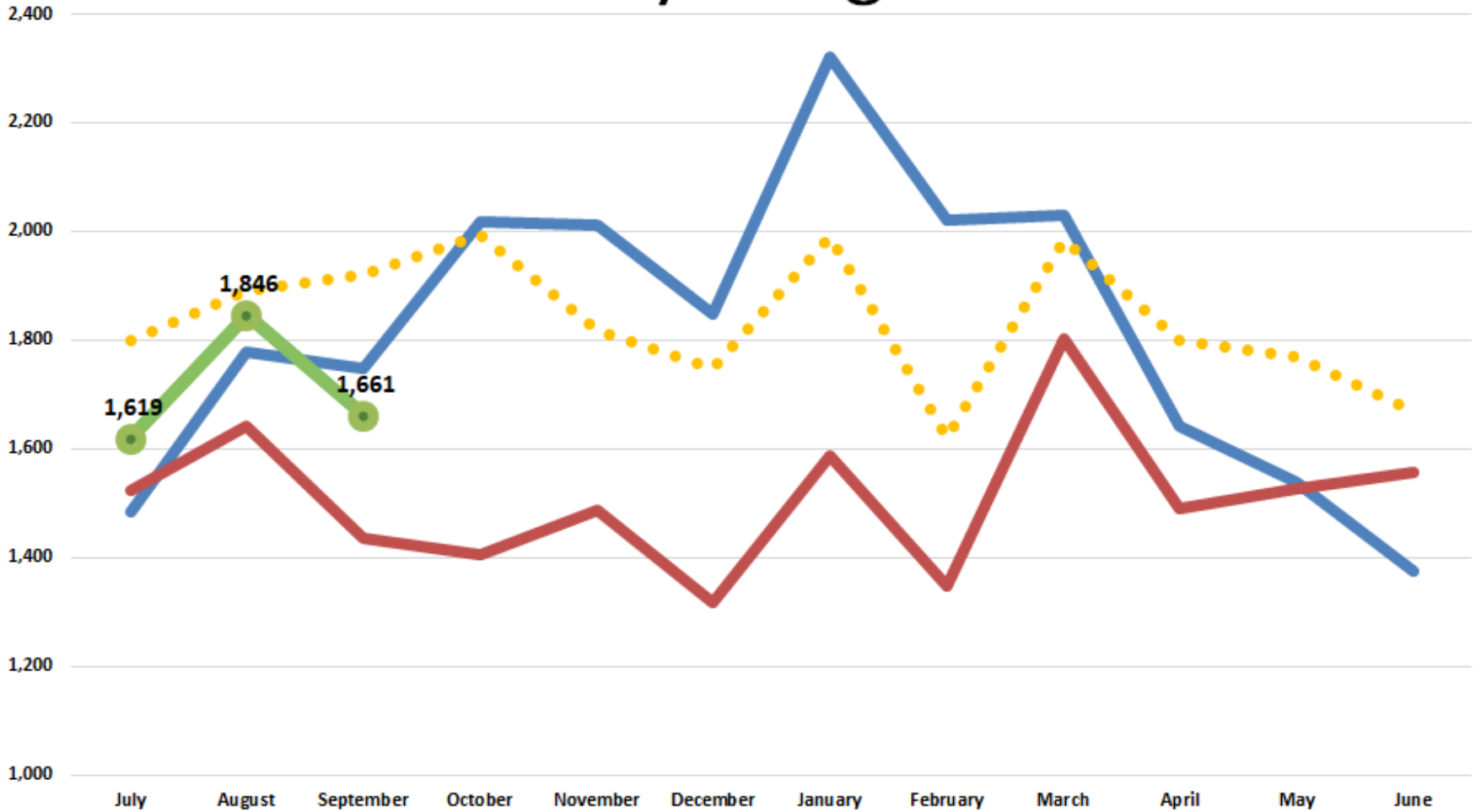
RHC Exeter - Registrations



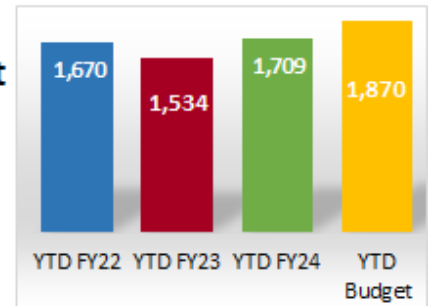
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



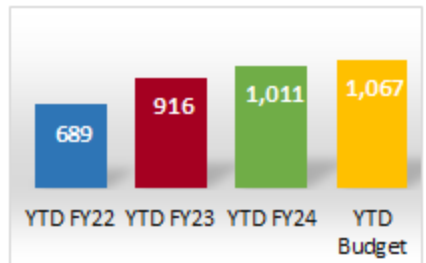
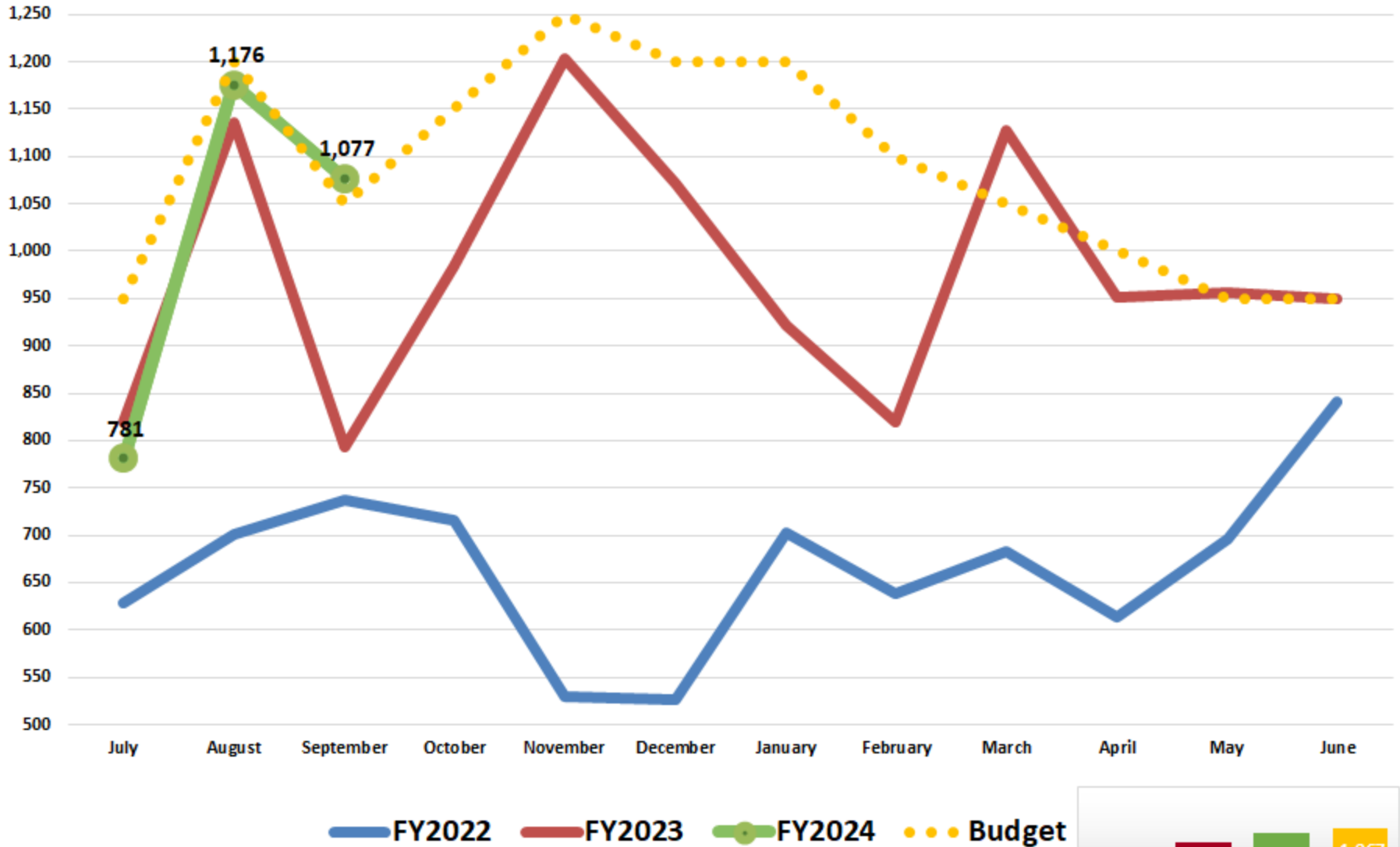
RHC Lindsay - Registrations



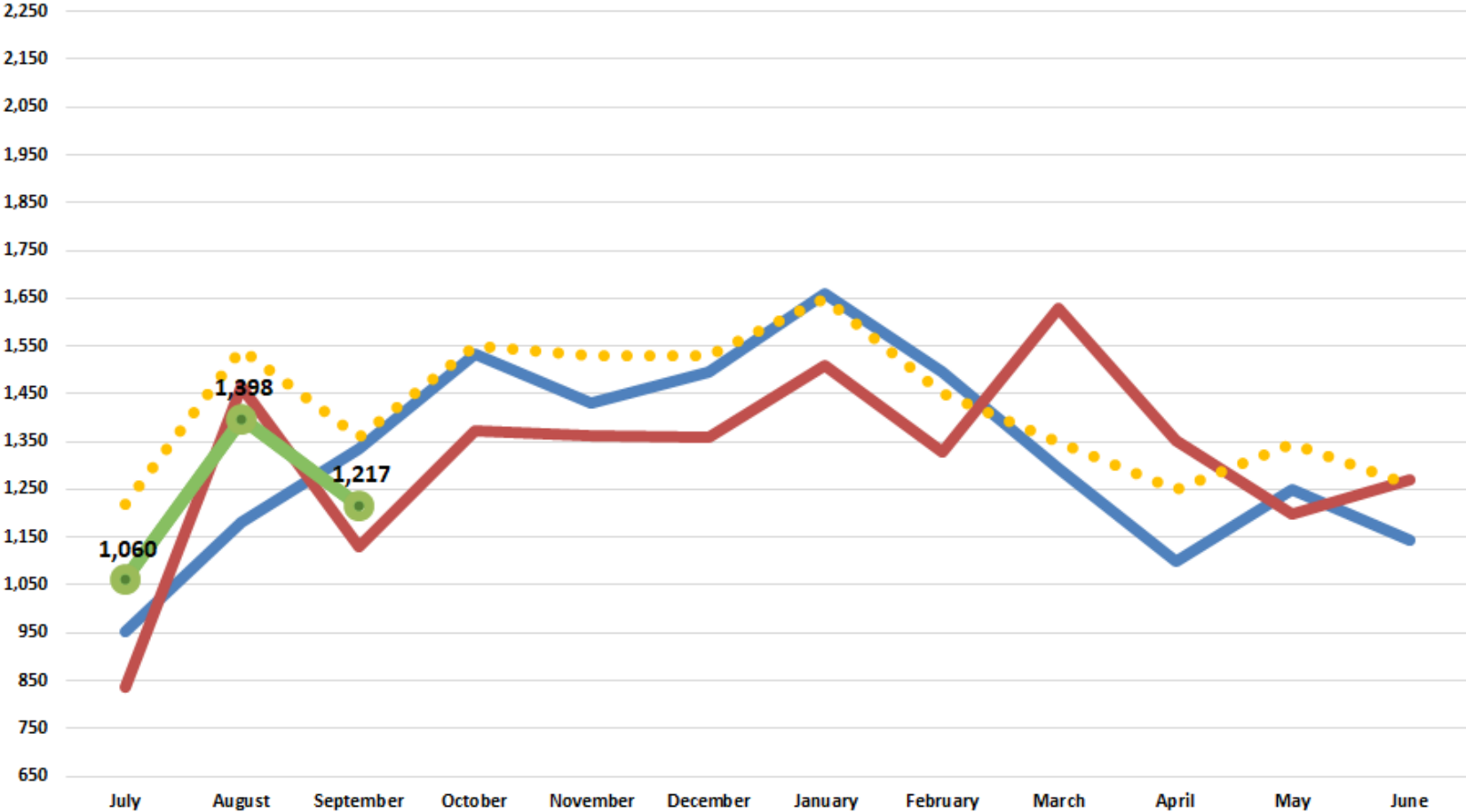
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



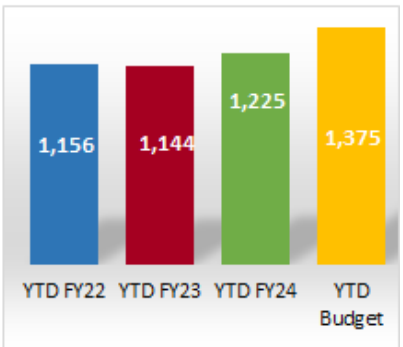
RHC Woodlake - Registrations



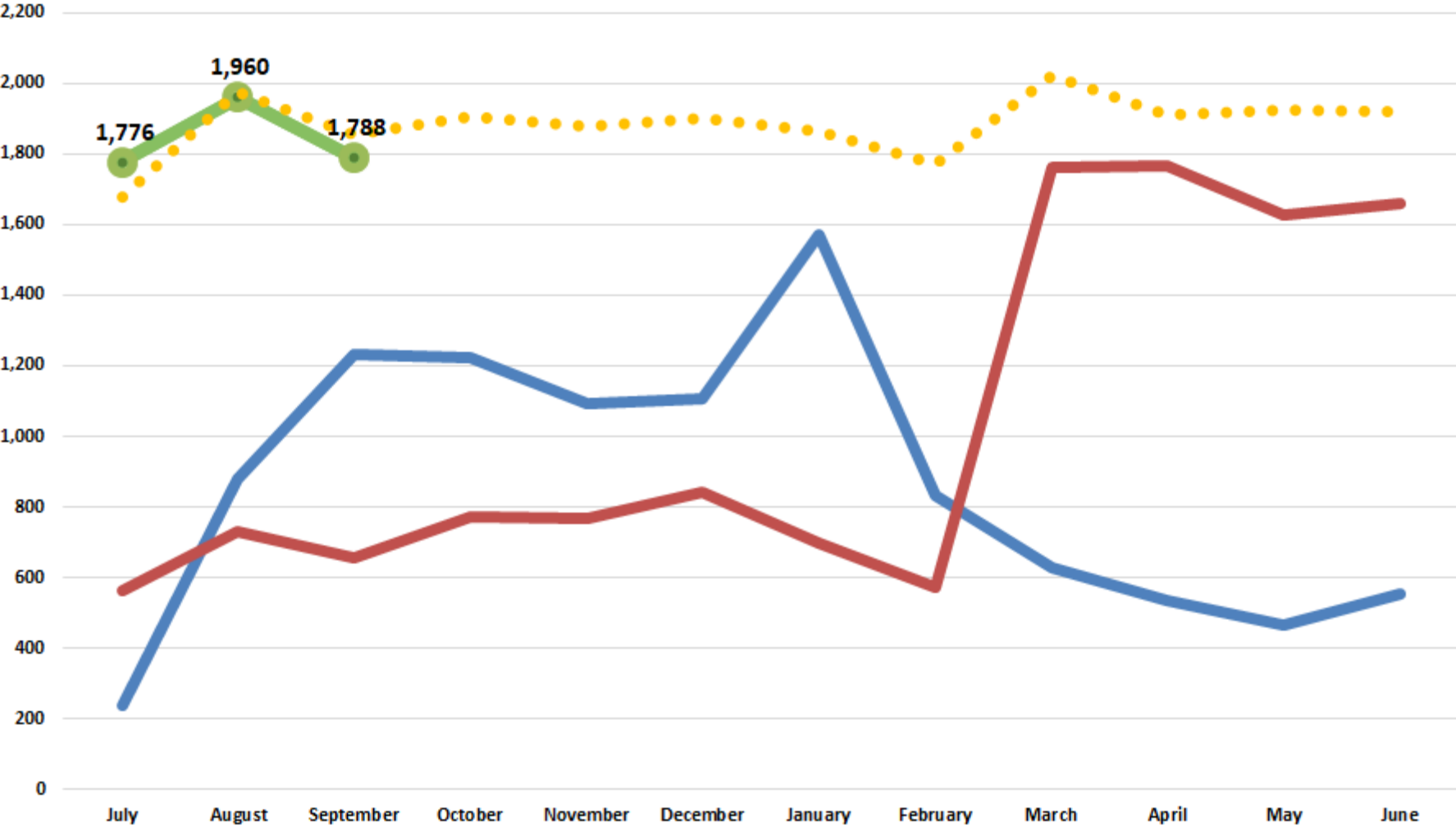
RHC Dinuba - Registrations



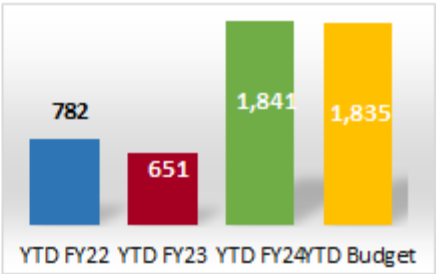
—●— FY2022
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 —●— FY2024
 ●●● Budget



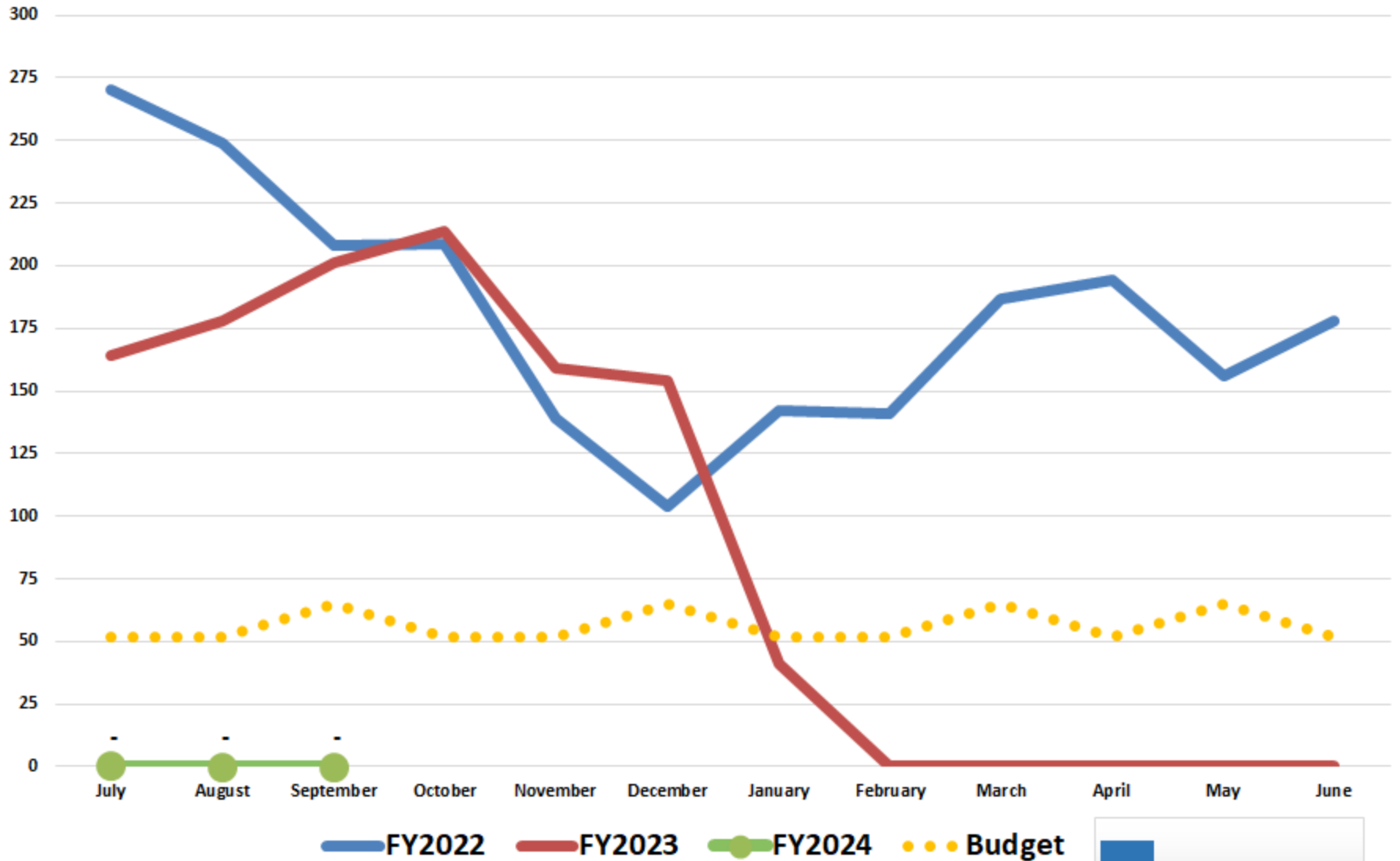
RHC Tulare - Registrations



—● FY2022
 —● FY2023
 —● FY2024
 ●●● Budget

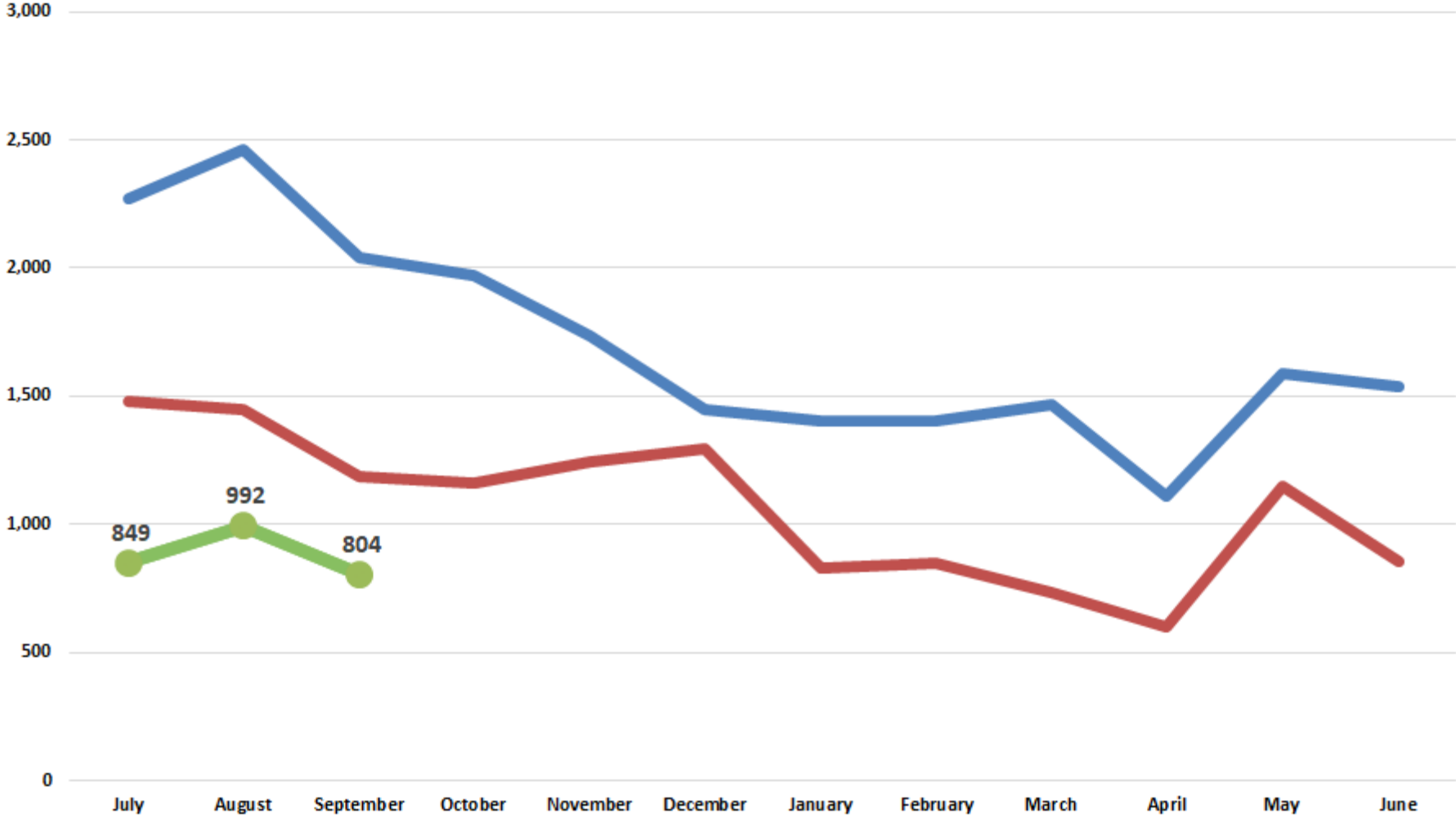


Neurosurgery Clinic Registrations

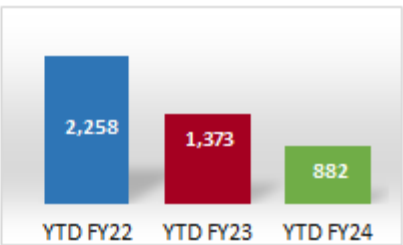


242	181	-	56
YTD FY22	YTD FY23	YTD FY24	YTD Budget

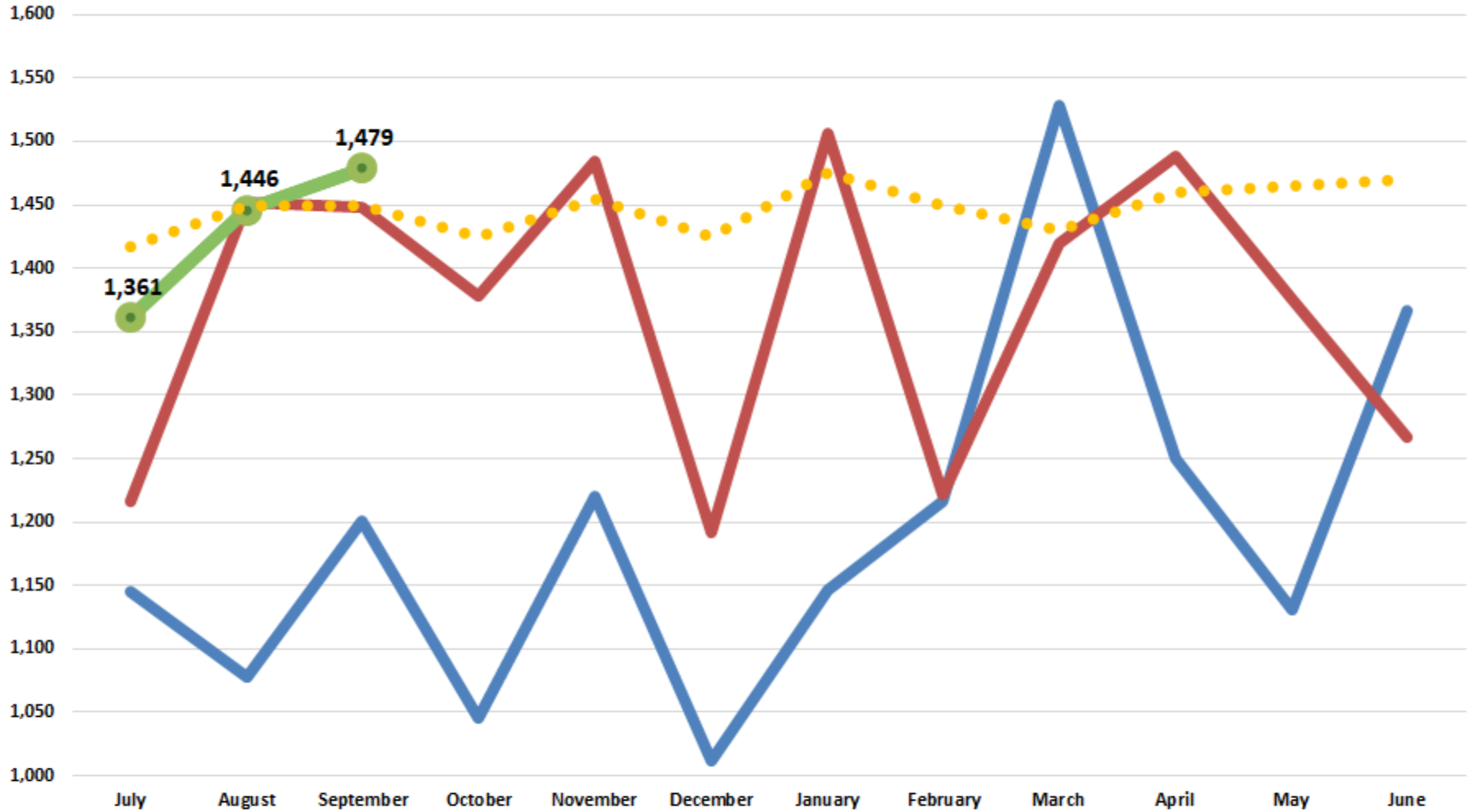
Neurosurgery Clinic - wRVU's



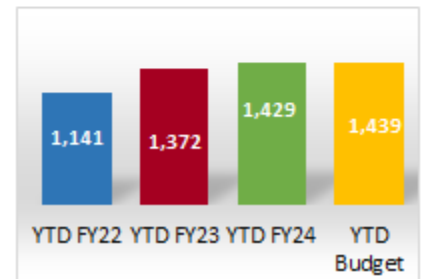
FY2022 FY2023 FY2024



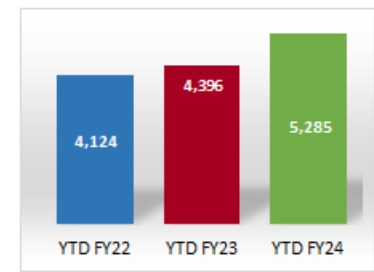
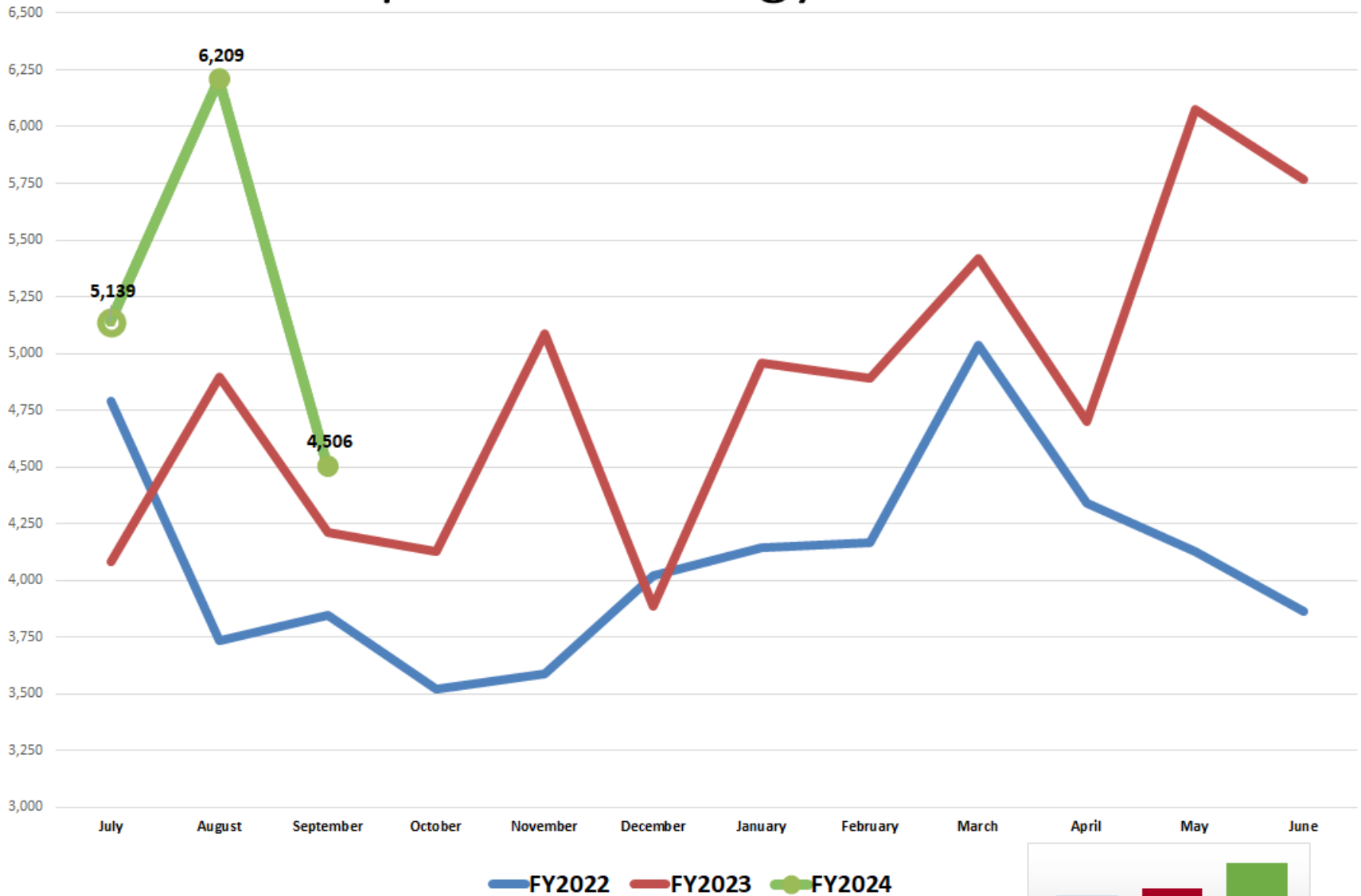
Sequoia Cardiology Registrations



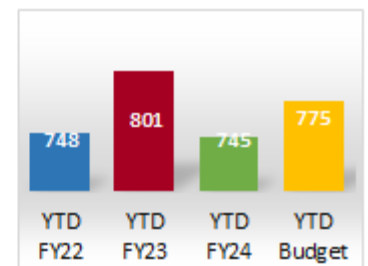
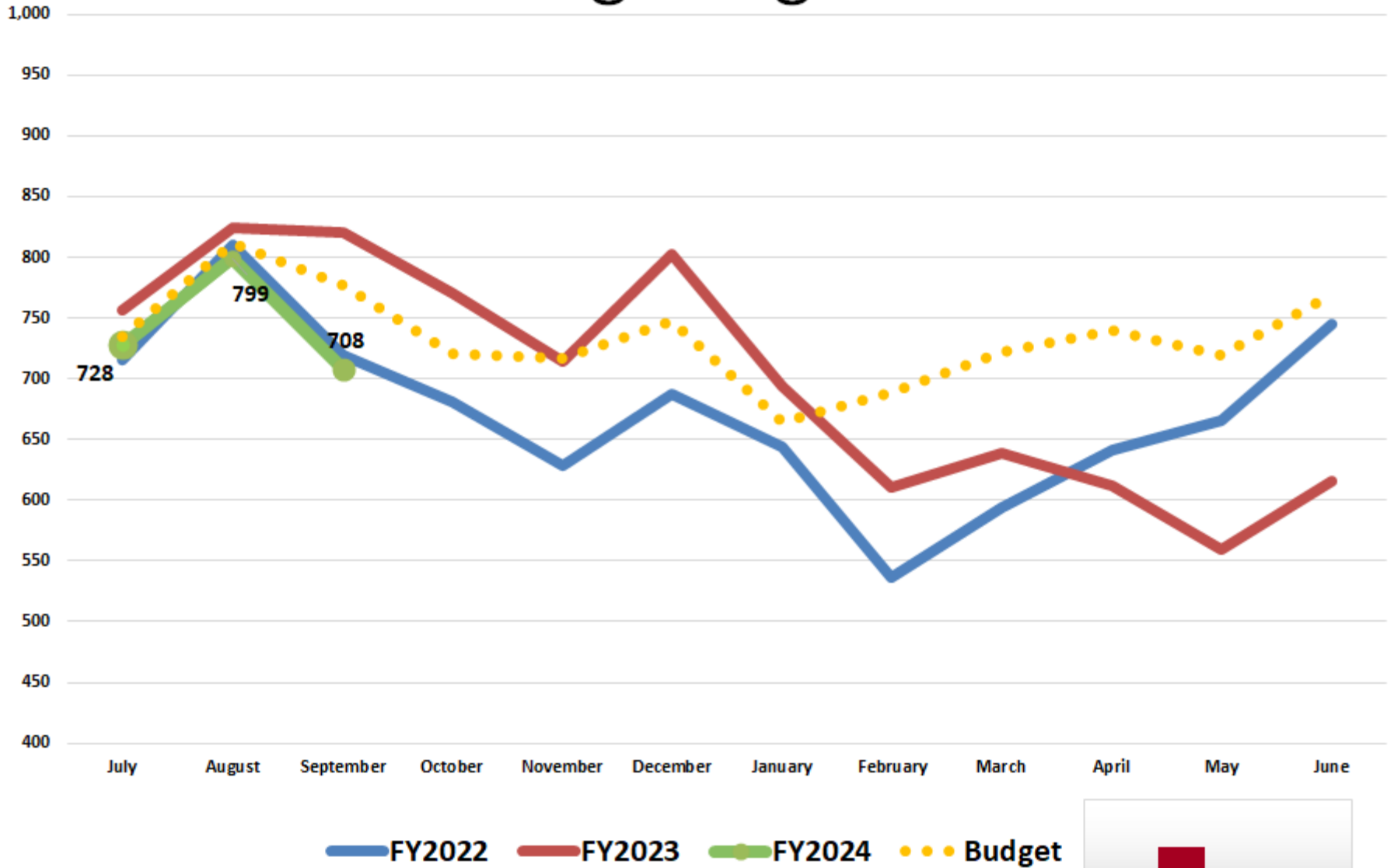
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



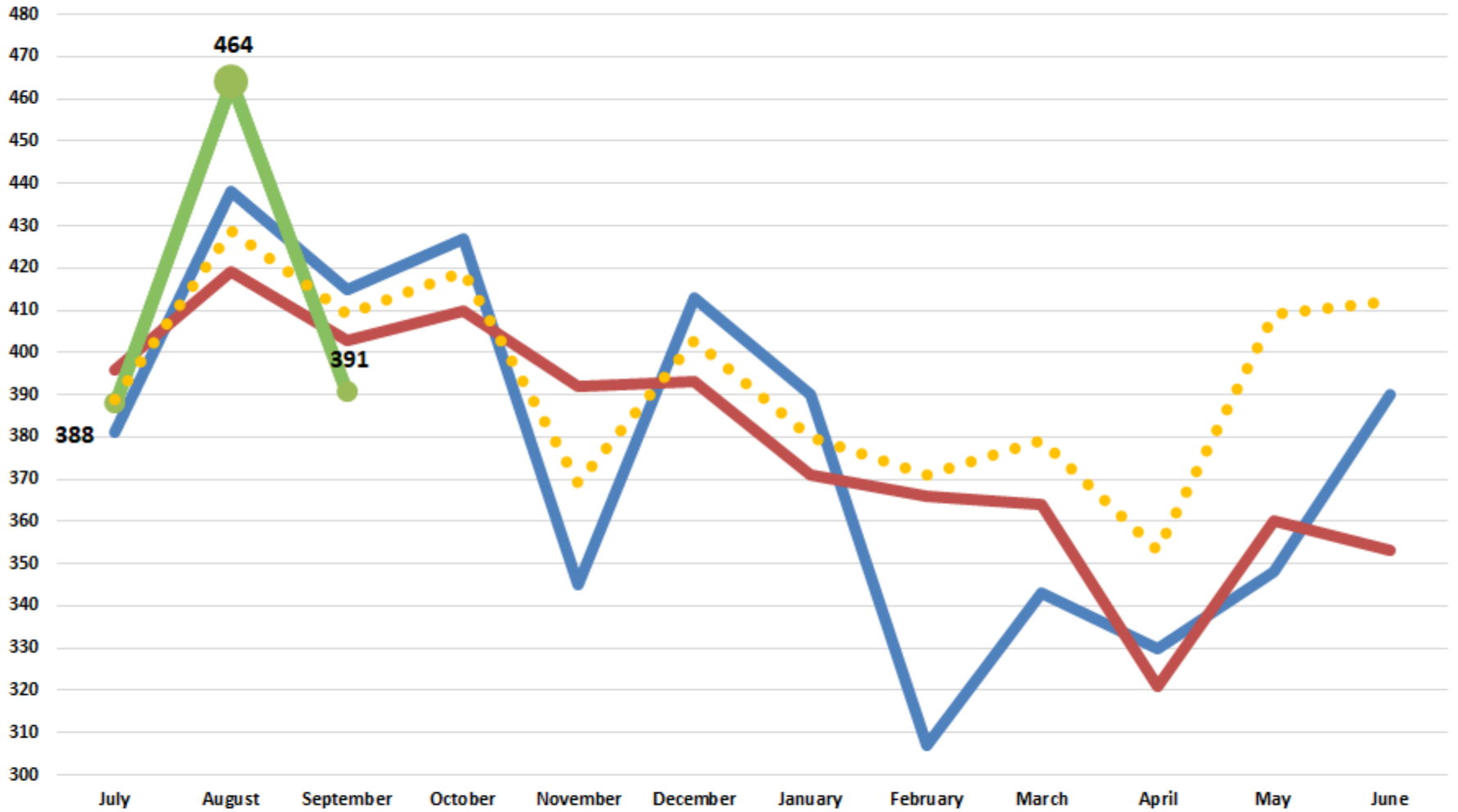
Sequoia Cardiology - wRVU's



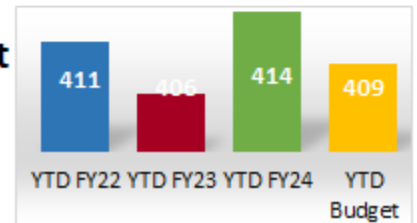
Labor Triage Registrations



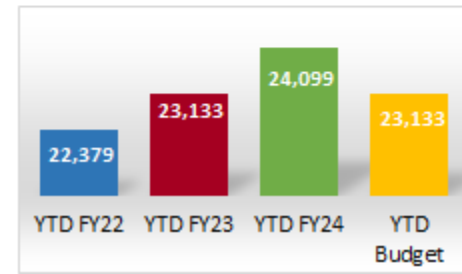
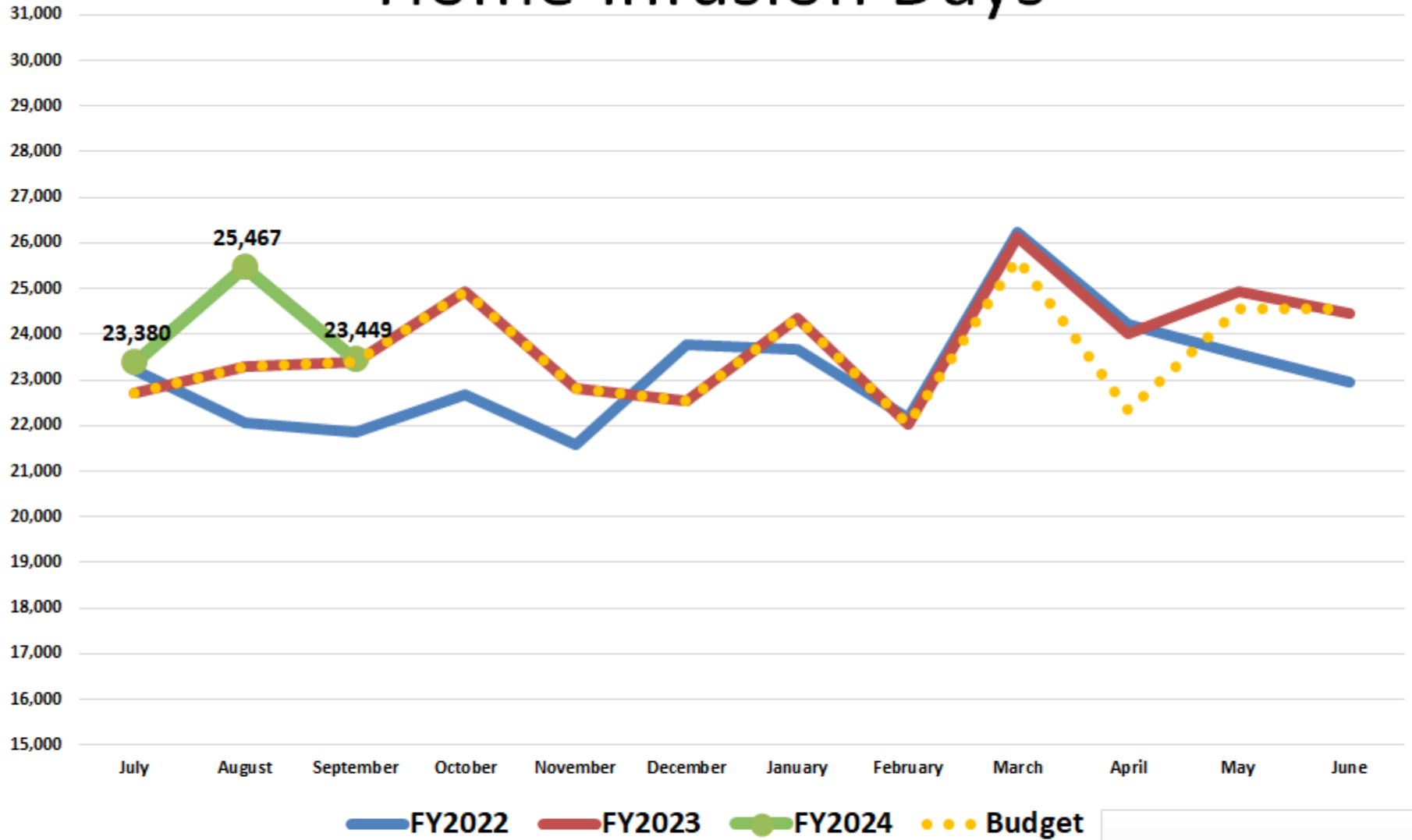
Deliveries



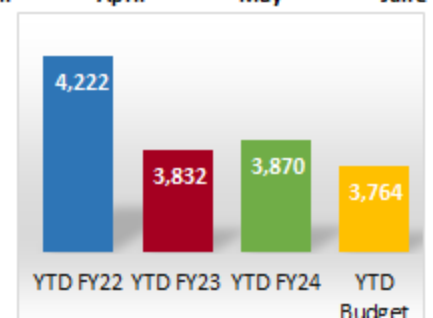
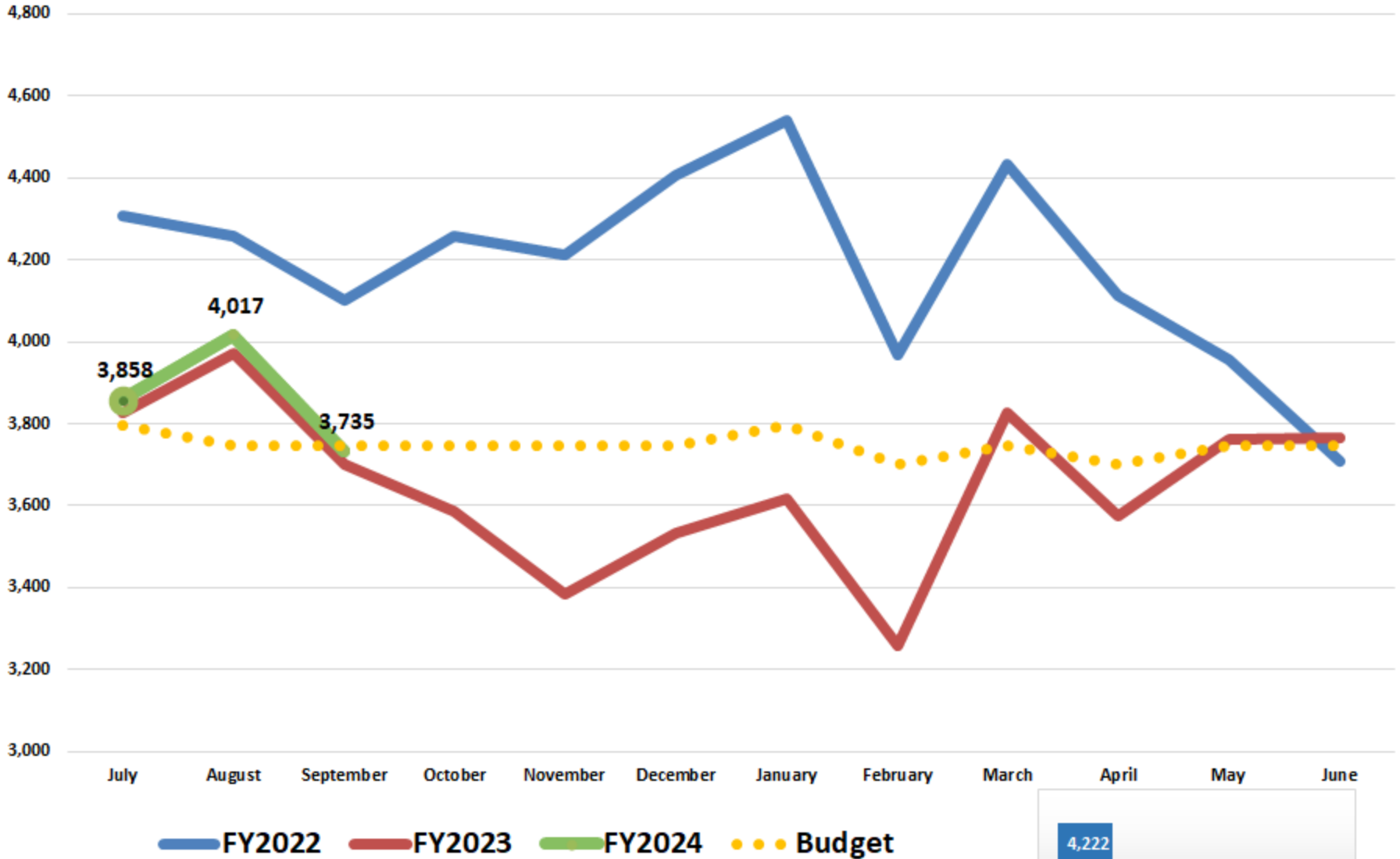
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



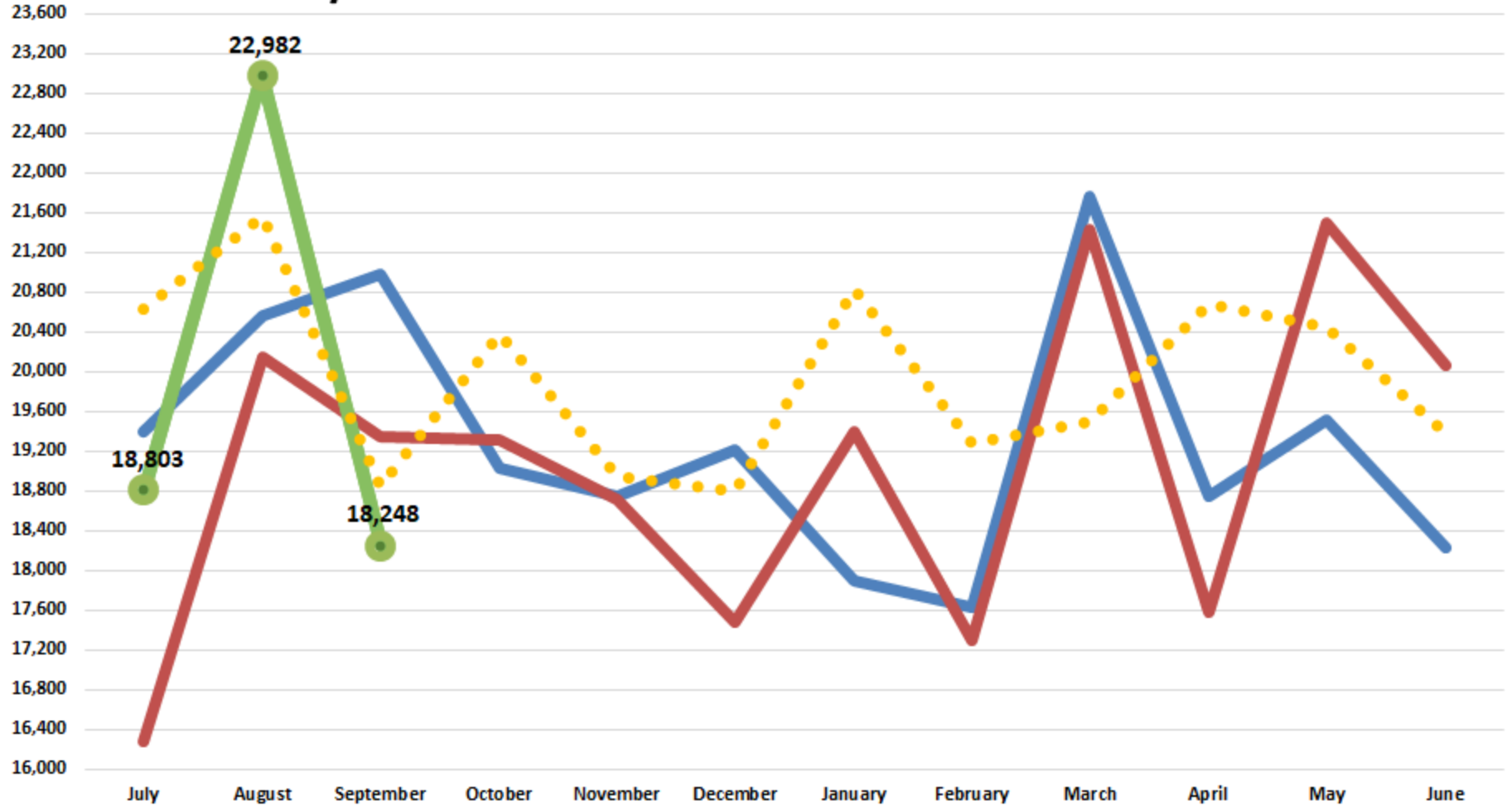
Home Infusion Days



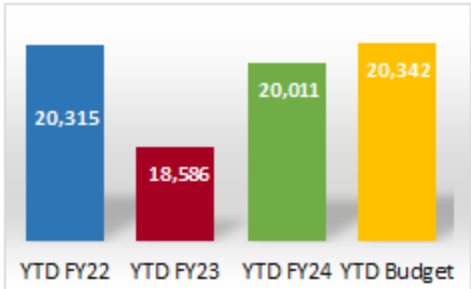
Hospice Days



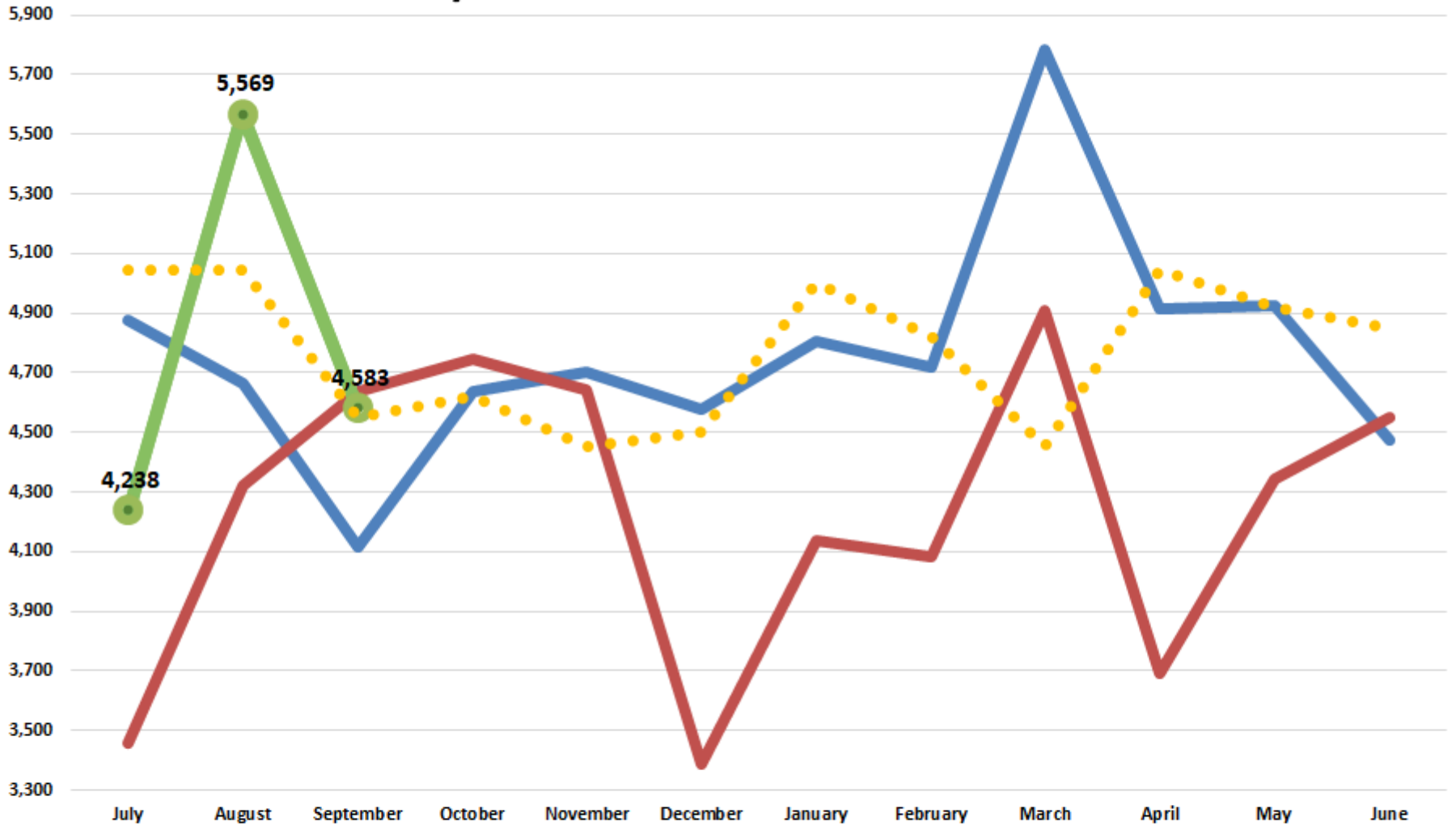
All O/P Rehab Svcs Across District



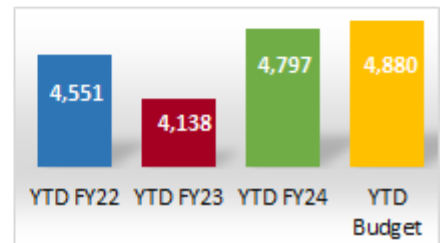
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



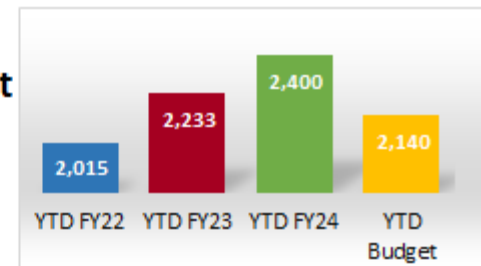
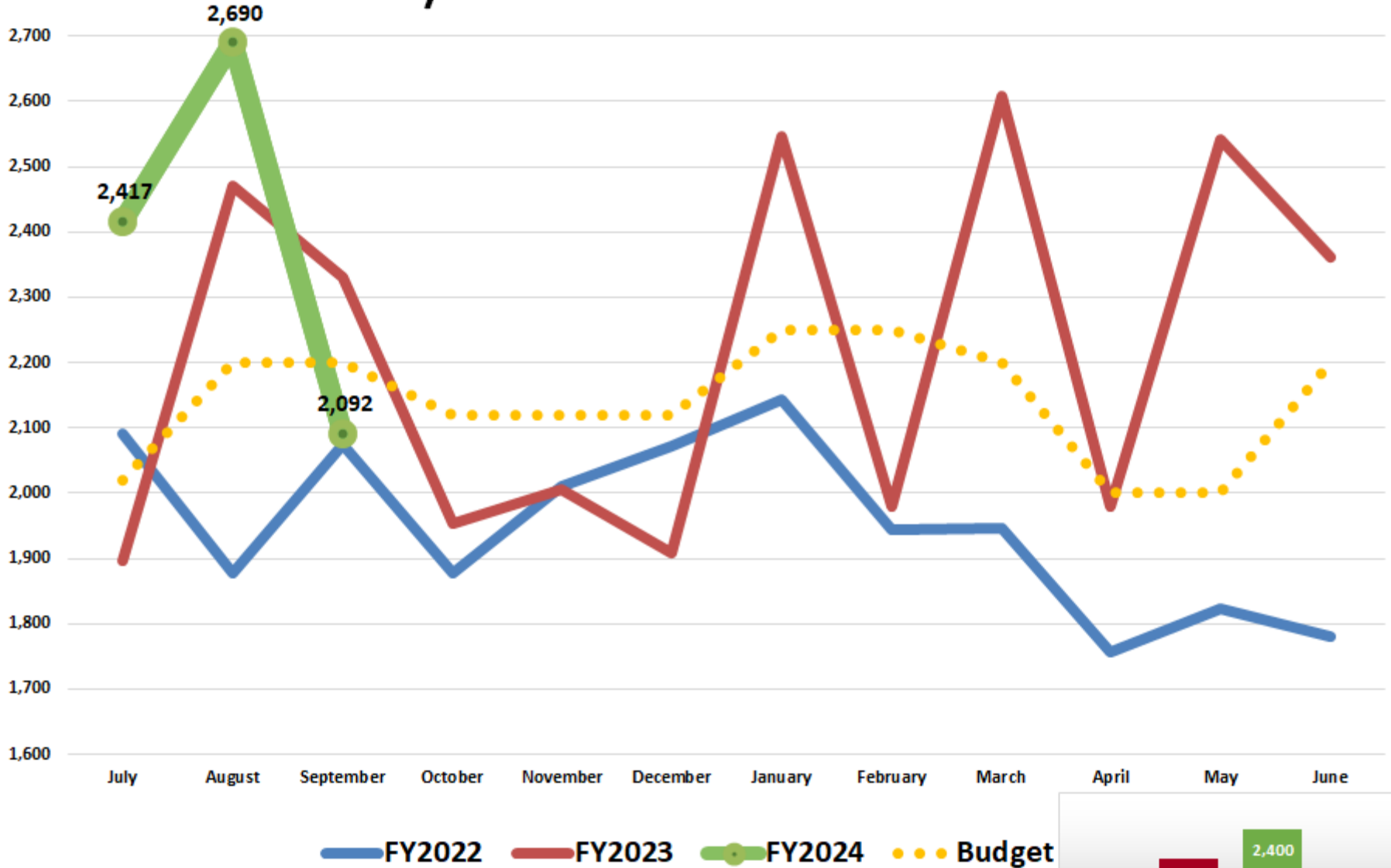
O/P Rehab Services



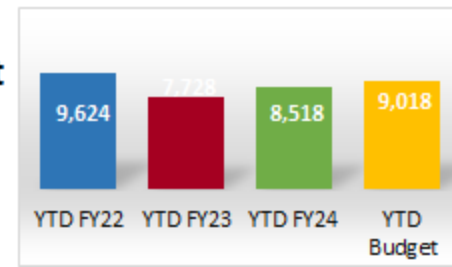
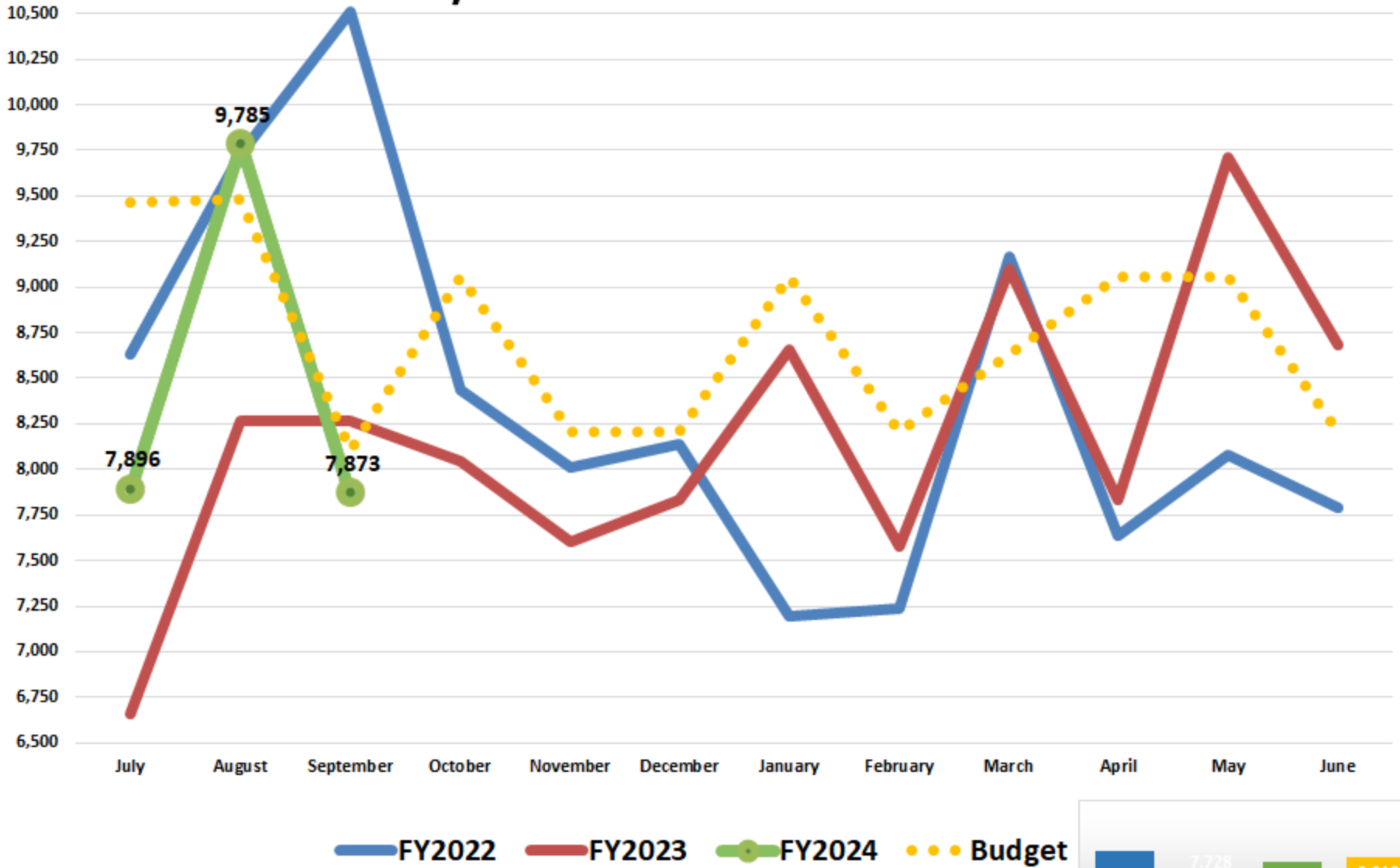
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



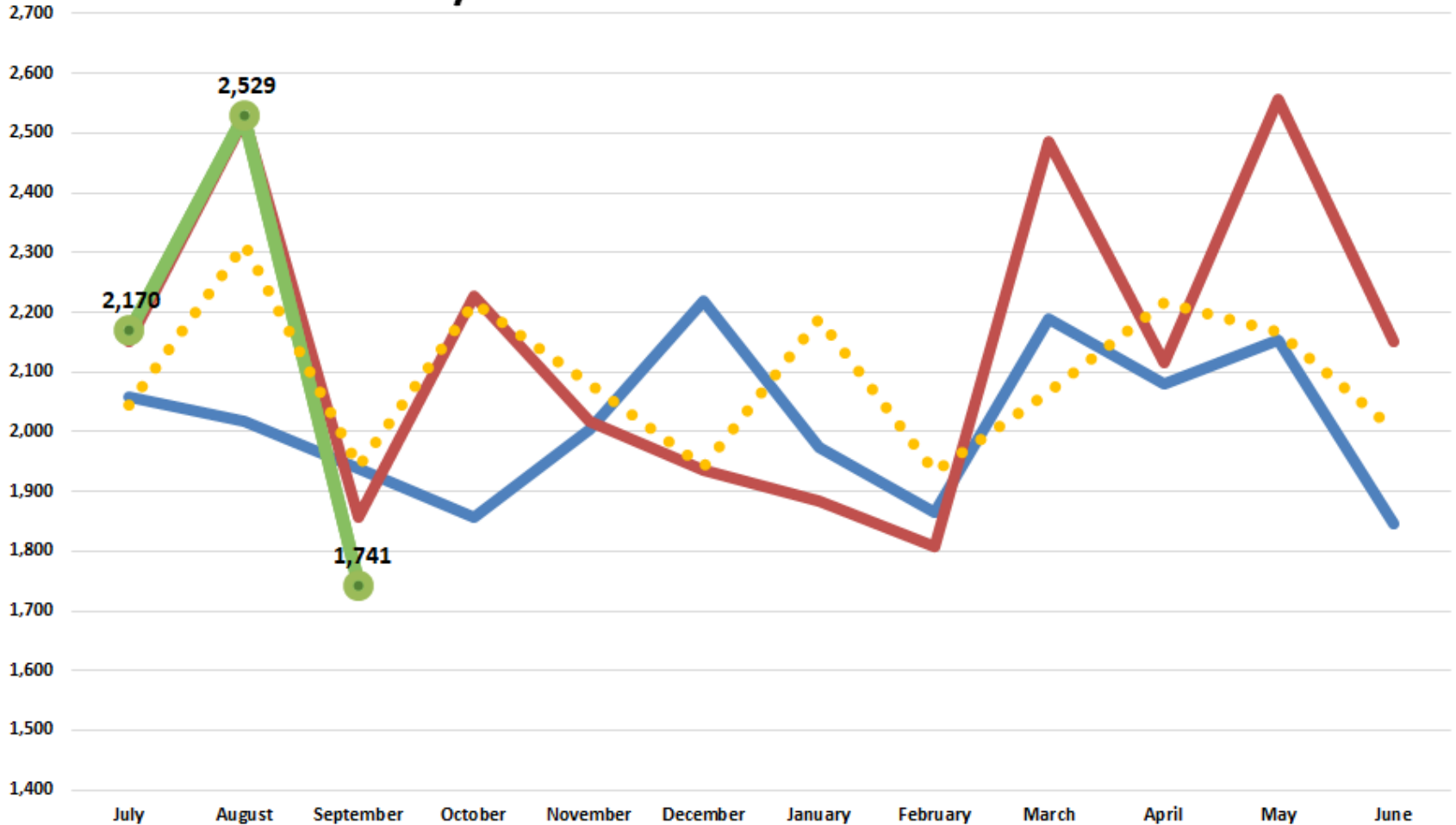
O/P Rehab - Exeter



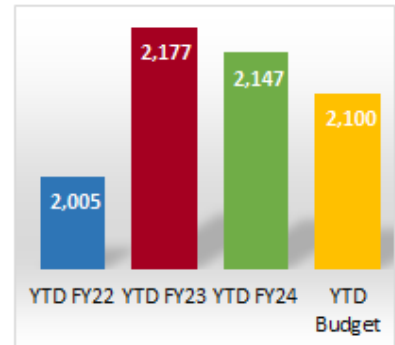
O/P Rehab - Akers



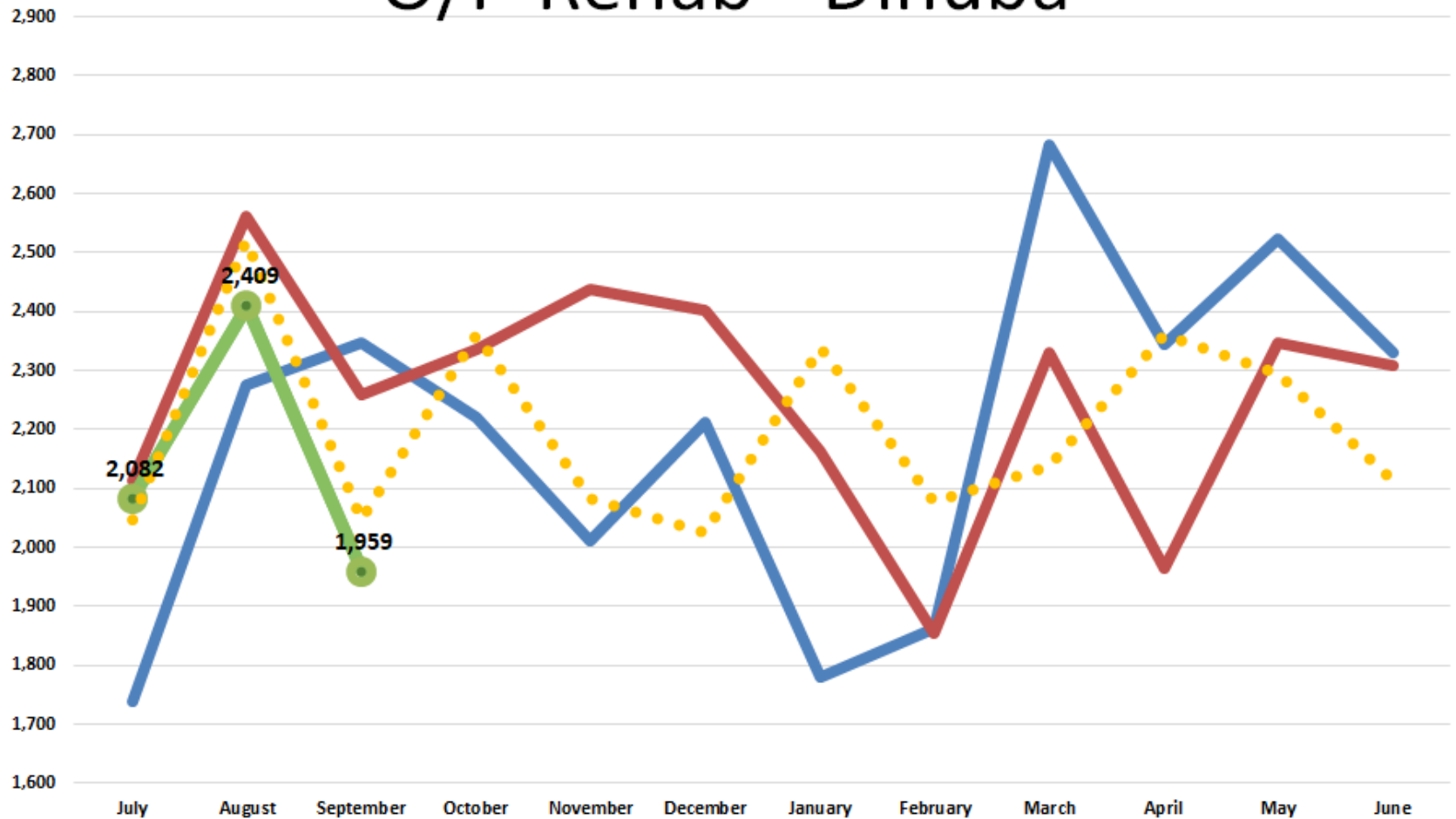
O/P Rehab - LLOPT



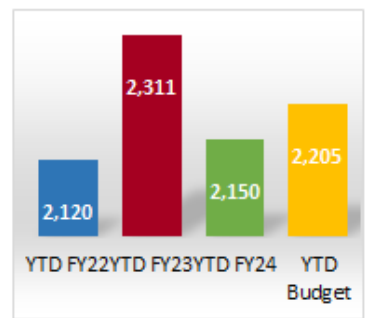
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



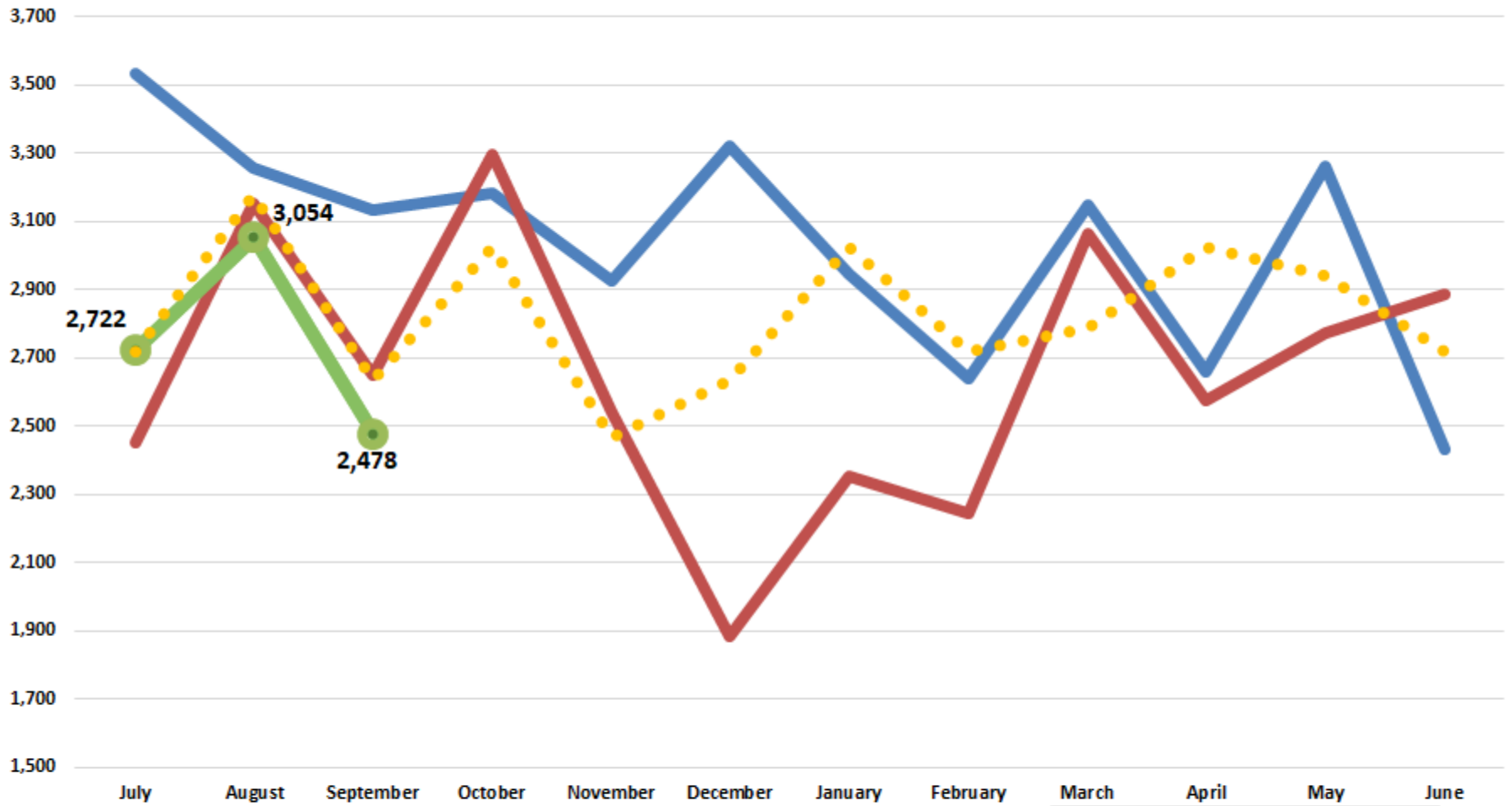
O/P Rehab - Dinuba



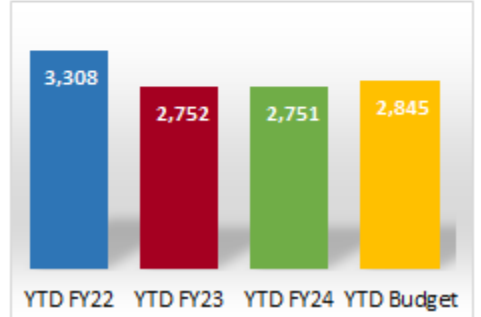
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 —●— FY2024
 ●●● Budget



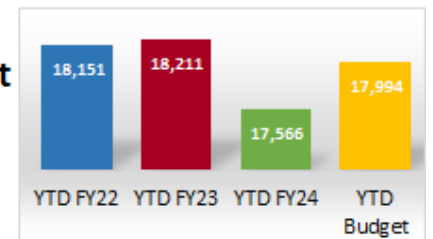
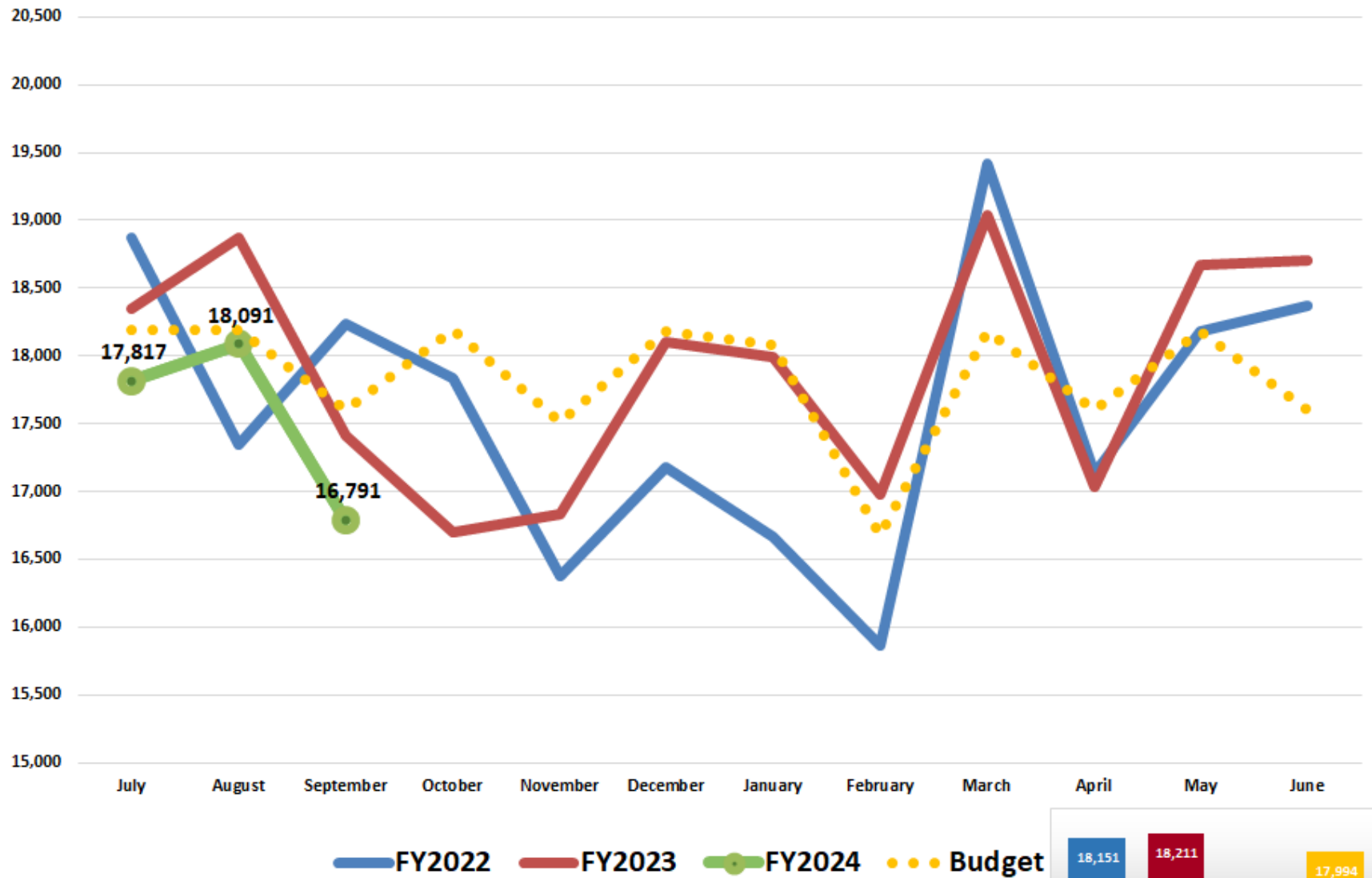
Therapy - Cypress Hand Center



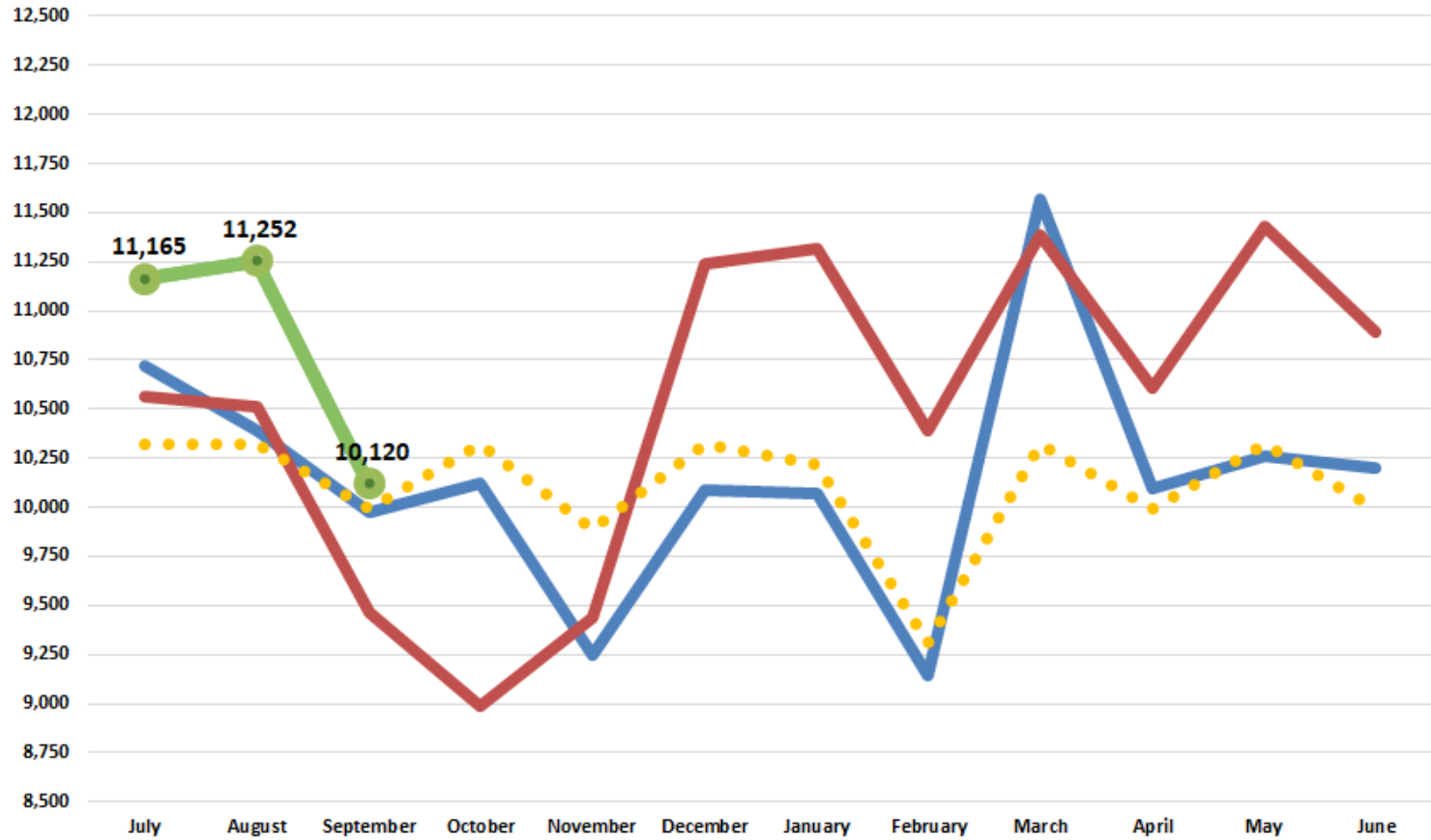
—●— FY2022
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 ●●● Budget



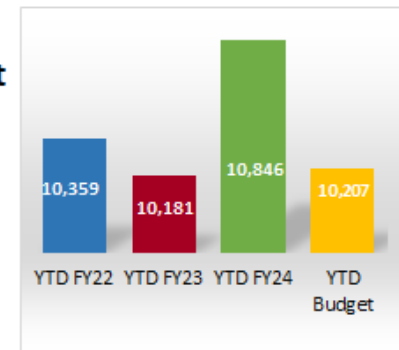
Physical & Other Therapy Units (I/P & O/P)



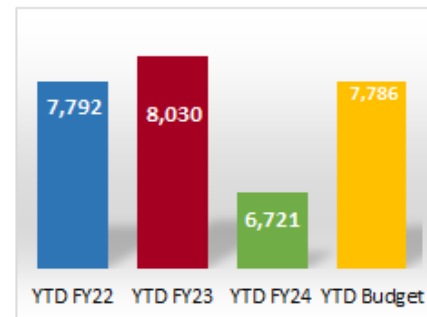
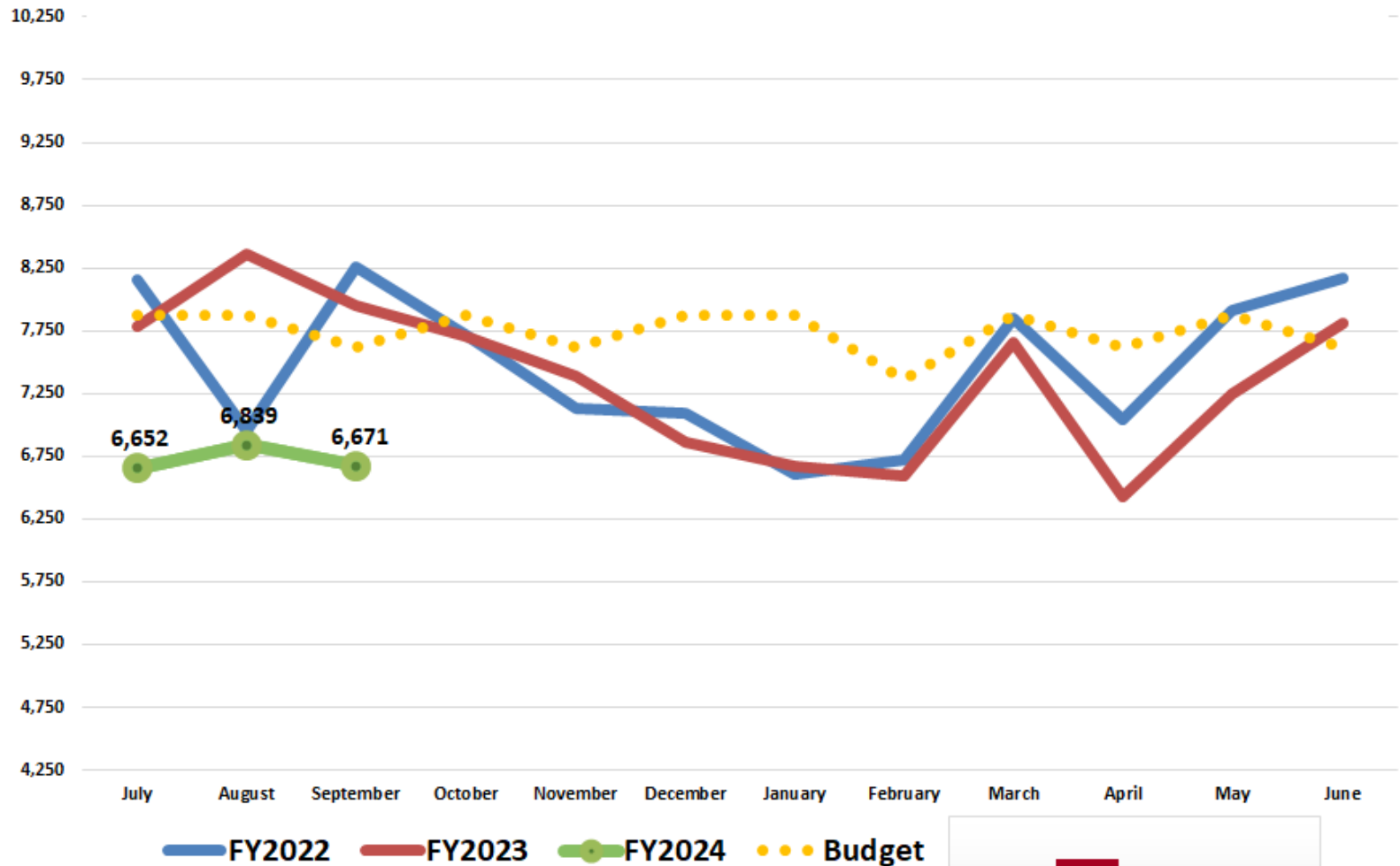
Physical & Other Therapy Units (I/P & O/P)-Main Campus



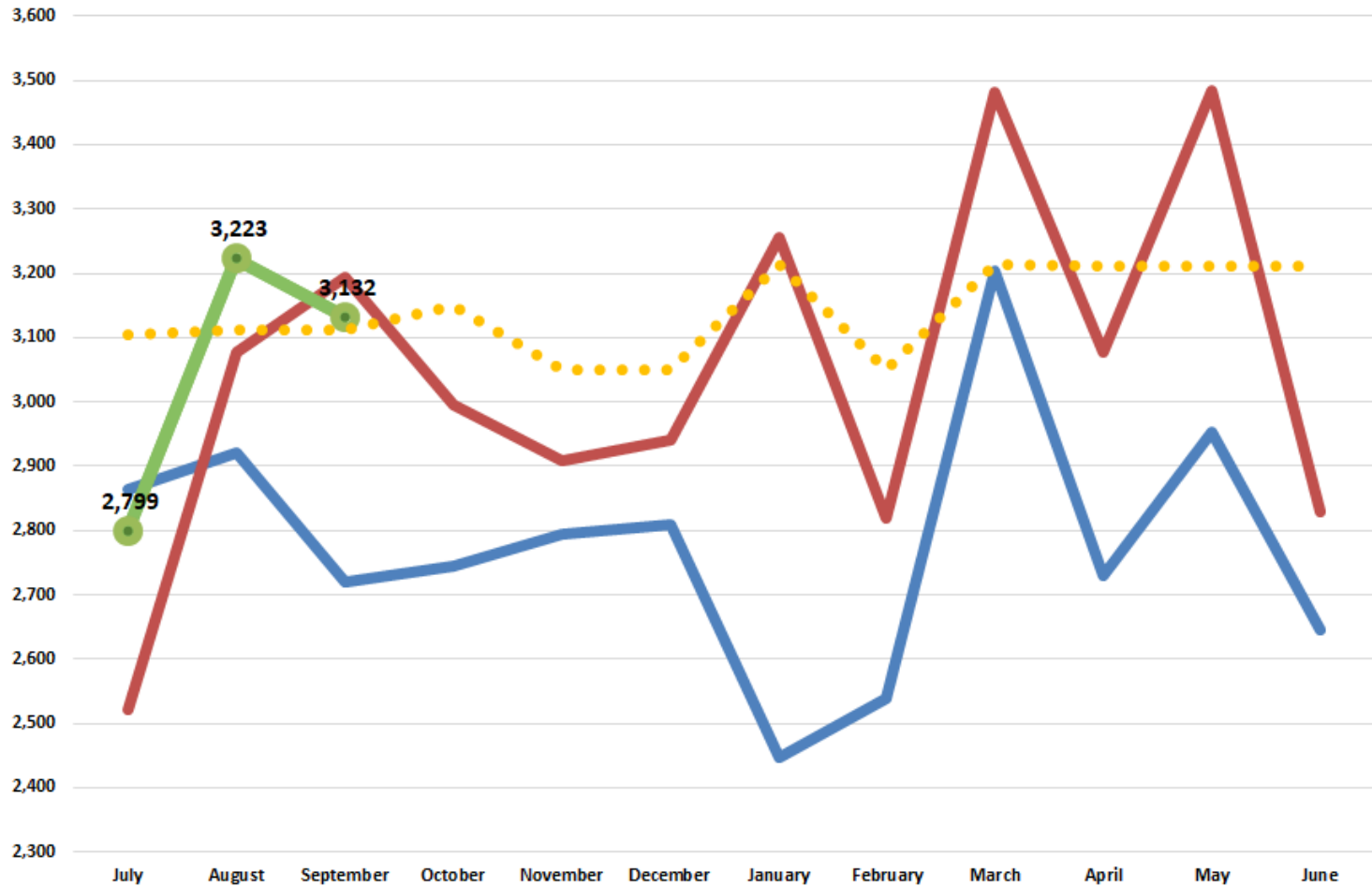
—●— FY2022
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 —●— FY2024
 ●●● Budget



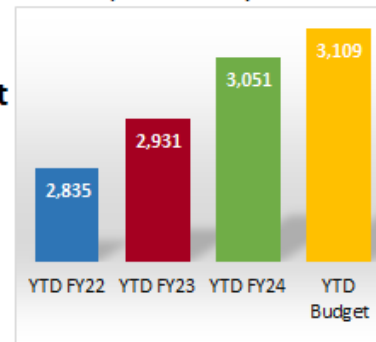
Physical & Other Therapy Units (I/P & O/P)- KDRH & South Campus



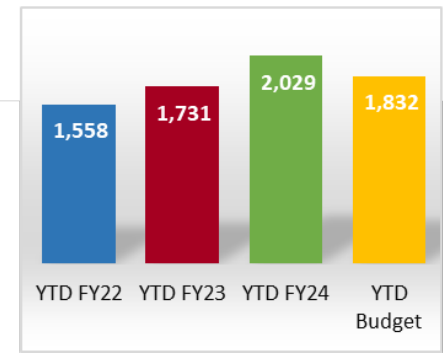
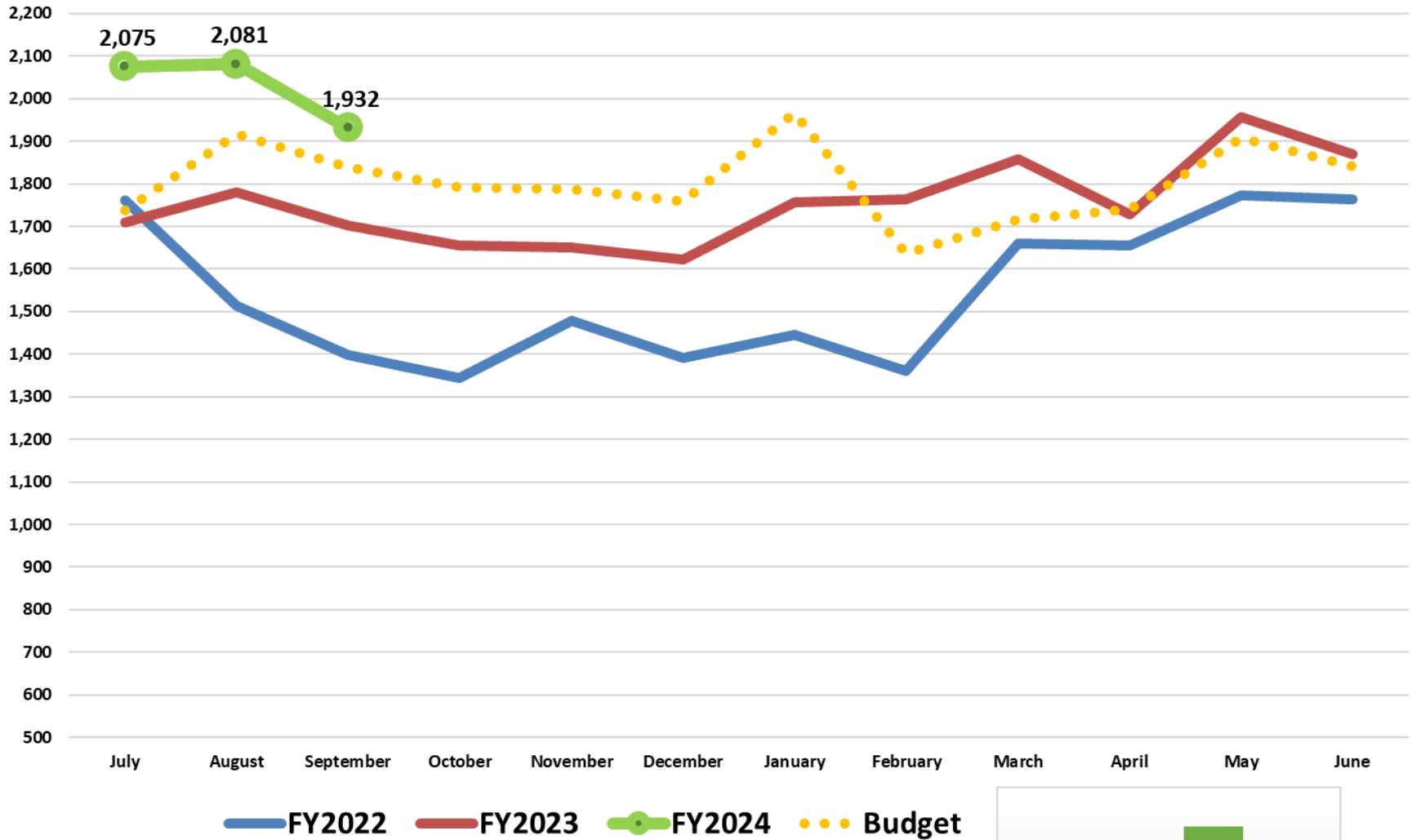
Home Health Visits



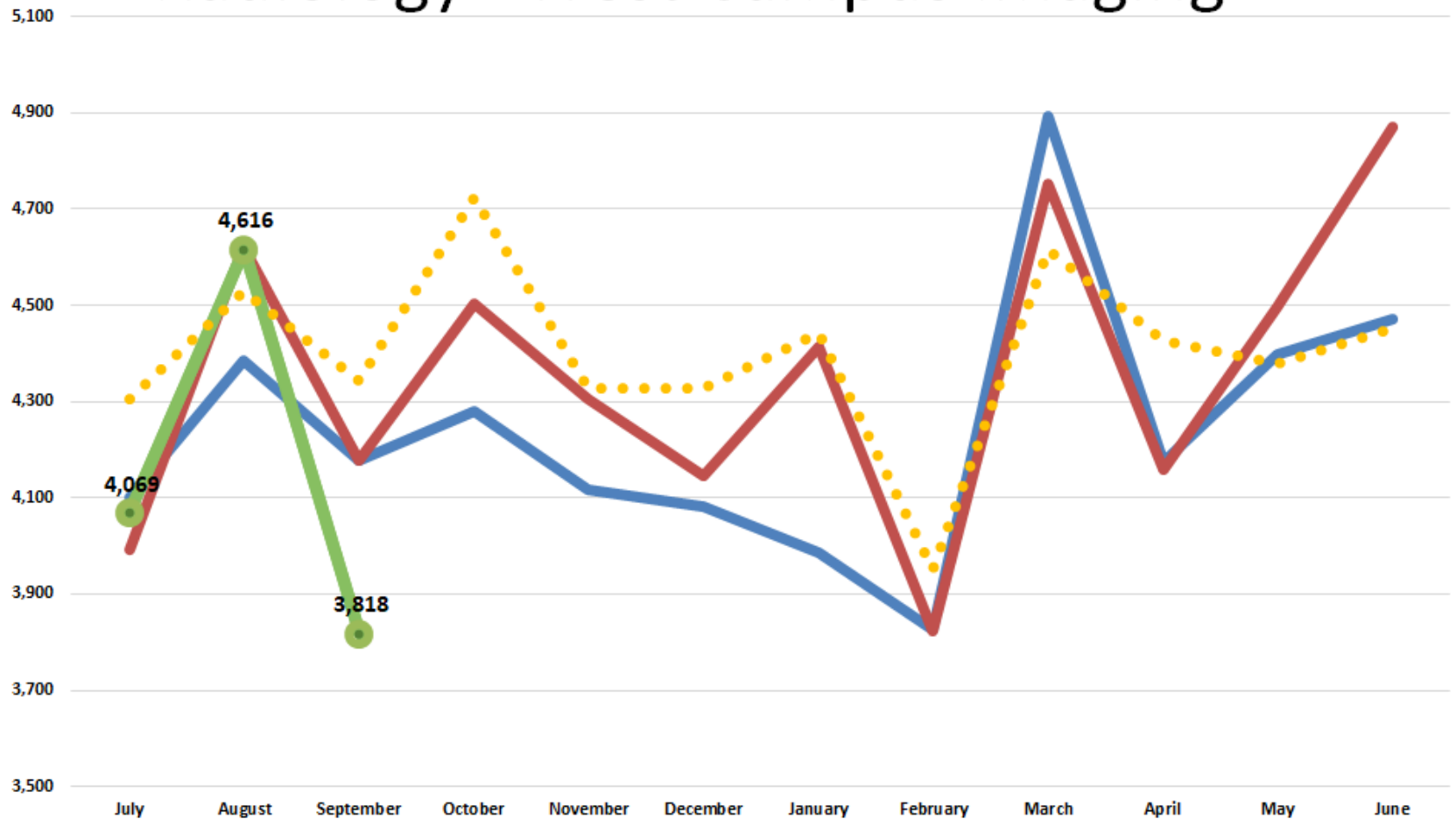
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 ●●● Budget



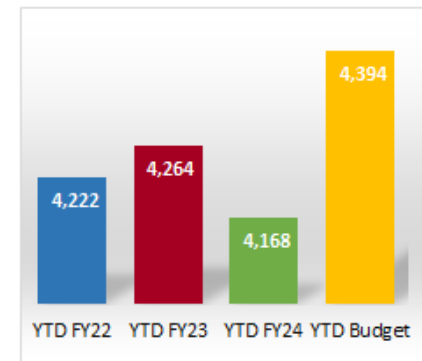
Radiology - Ultrasound - Main Campus



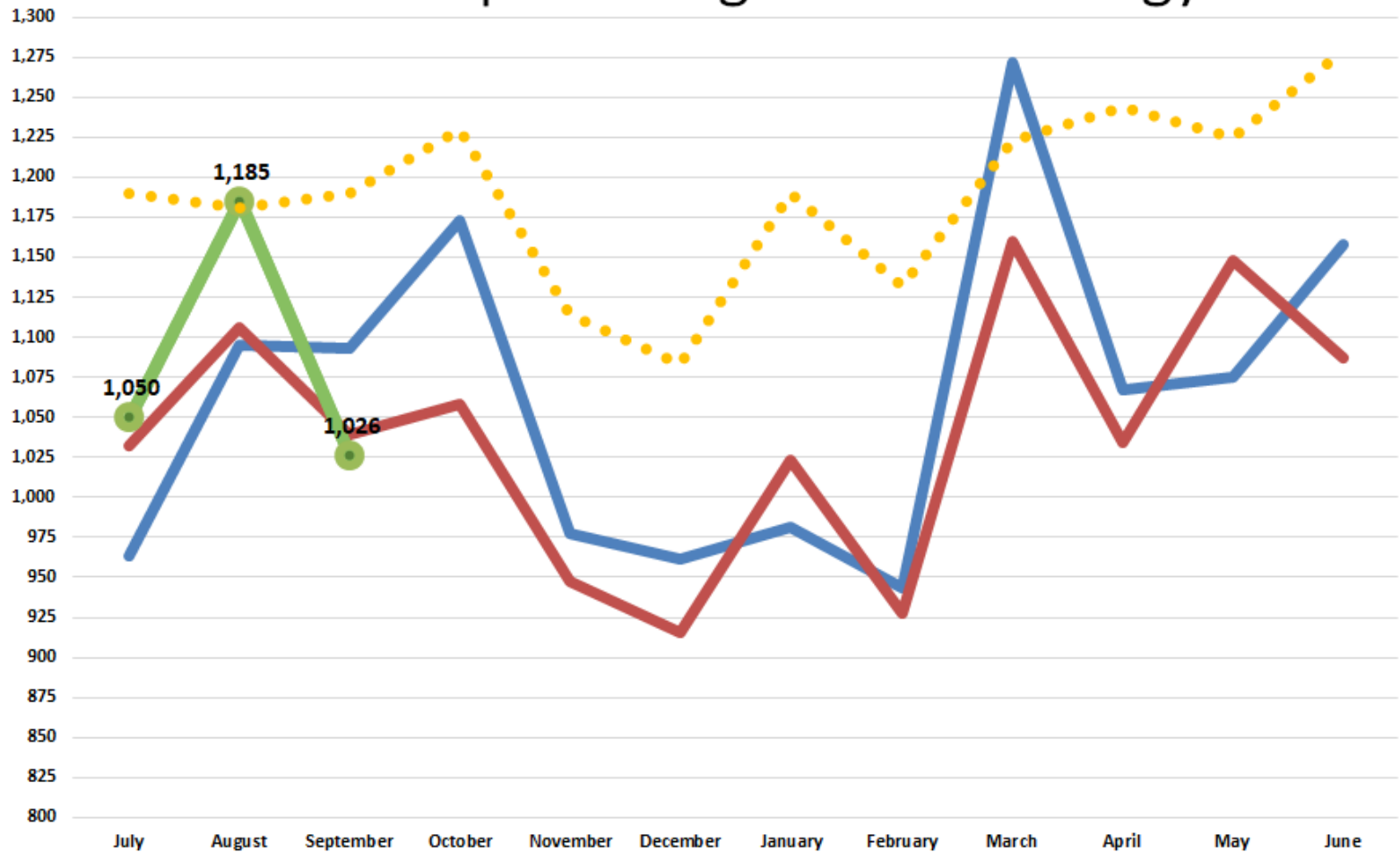
Radiology - West Campus Imaging



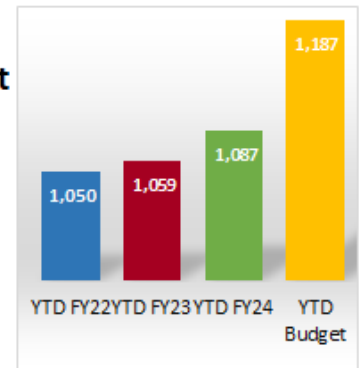
—●— FY2022
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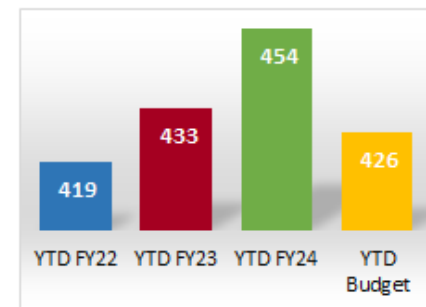
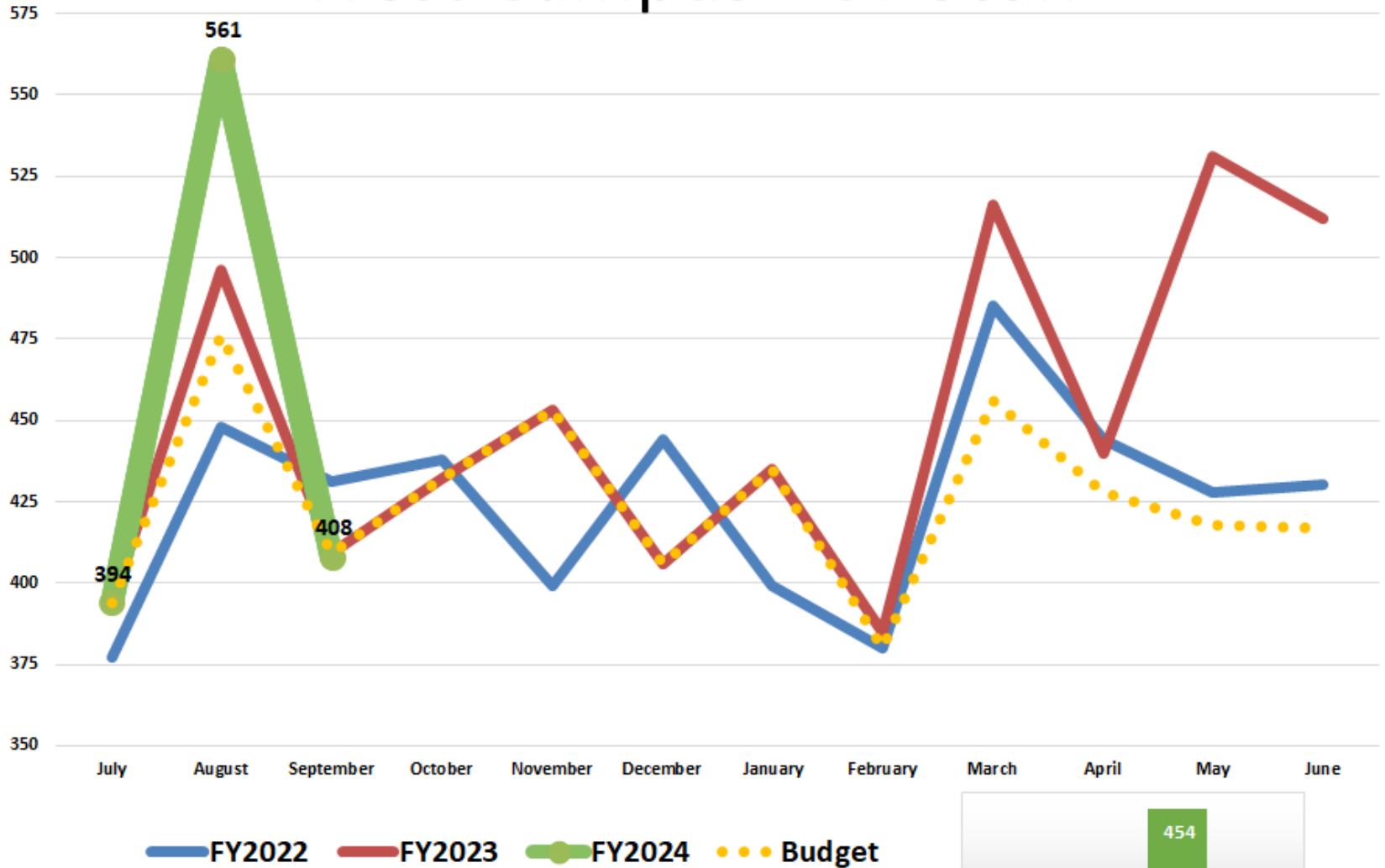
West Campus - Diagnostic Radiology



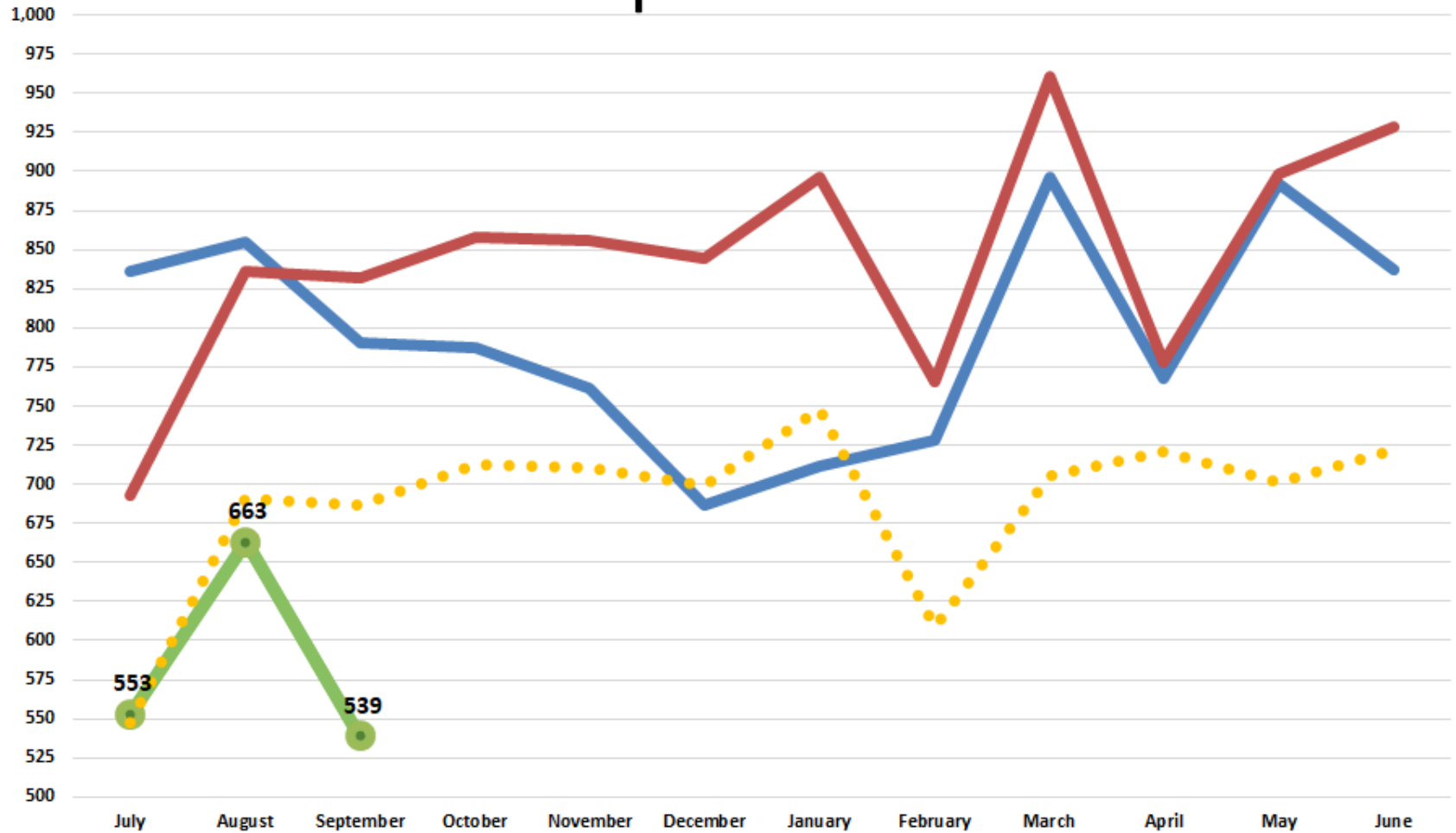
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



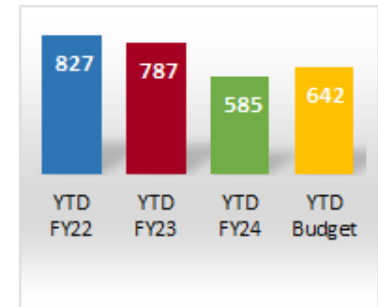
West Campus - CT Scan



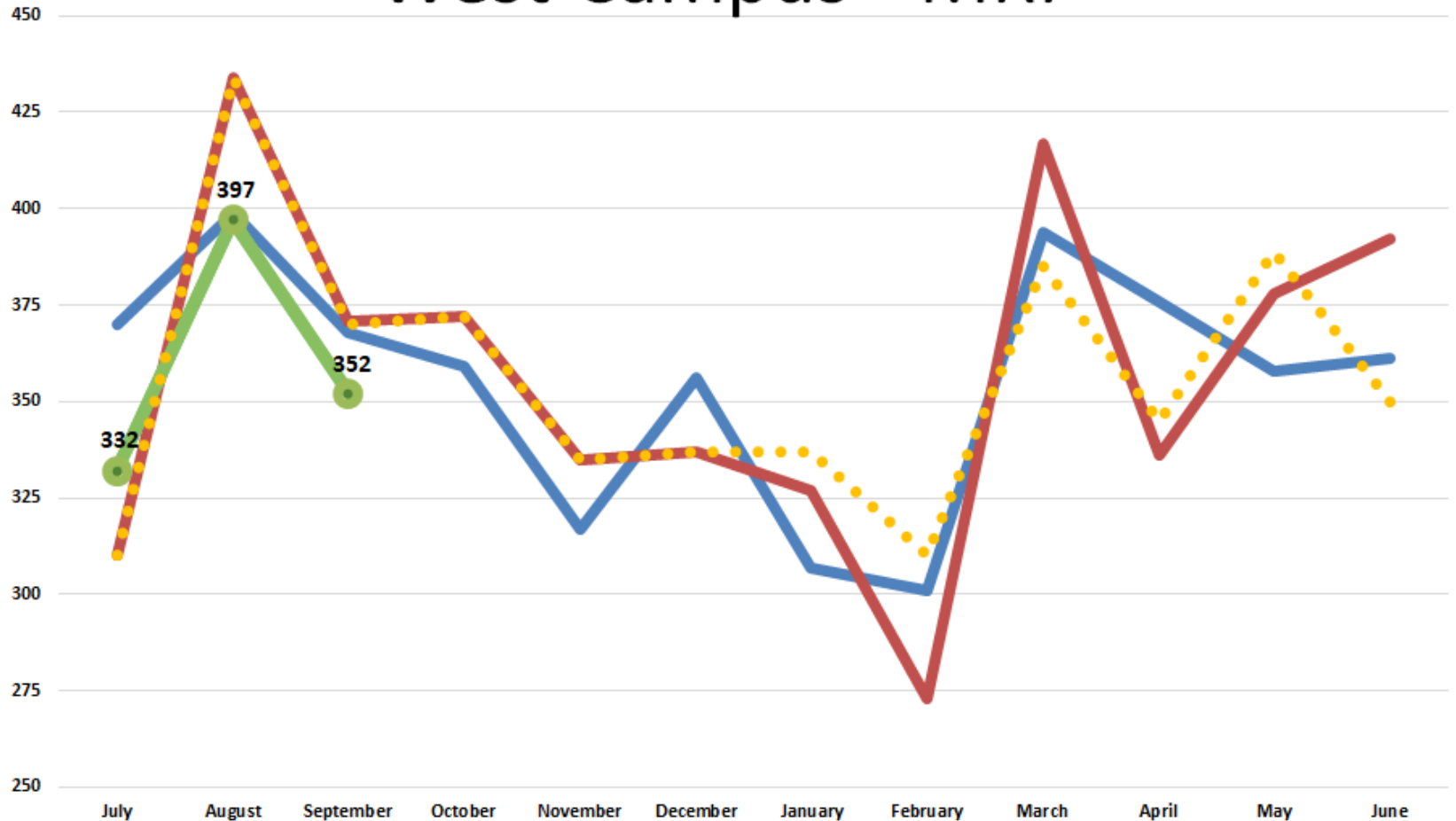
West Campus - Ultrasound



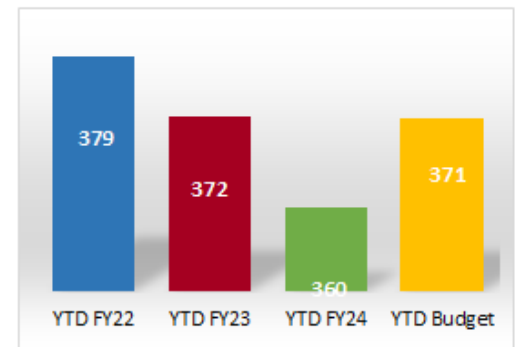
—●— FY2022
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 —●— FY2024
 ●●● Budget



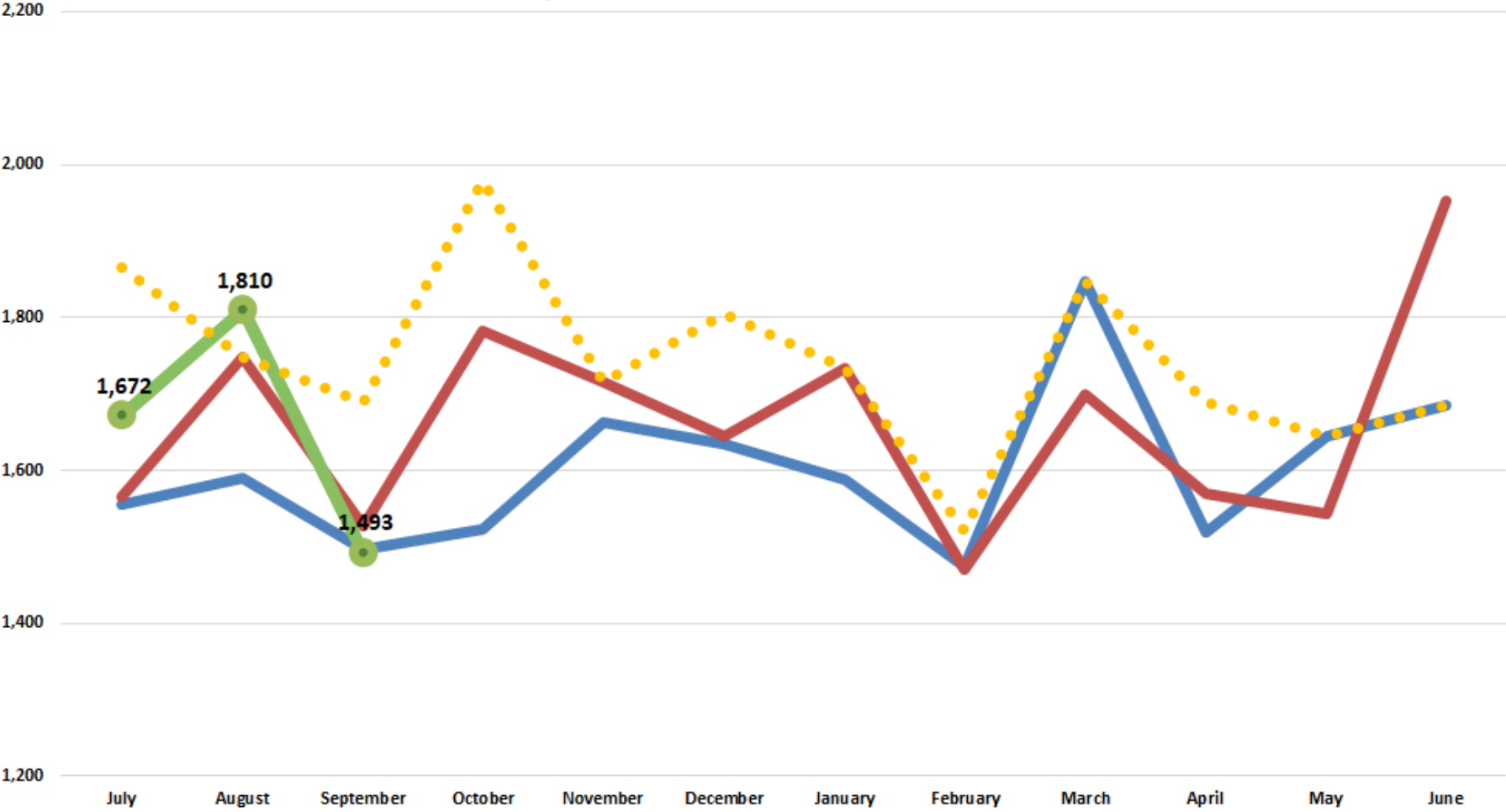
West Campus - MRI



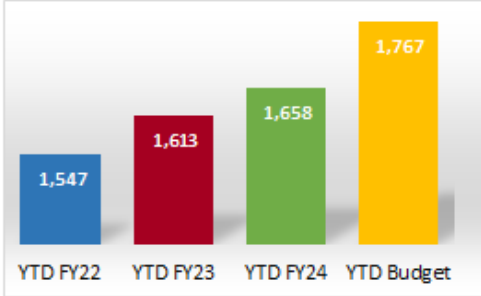
—●— FY2022
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 ●●● Budget



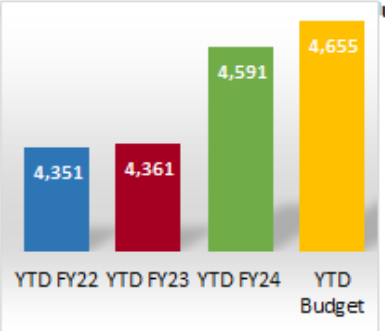
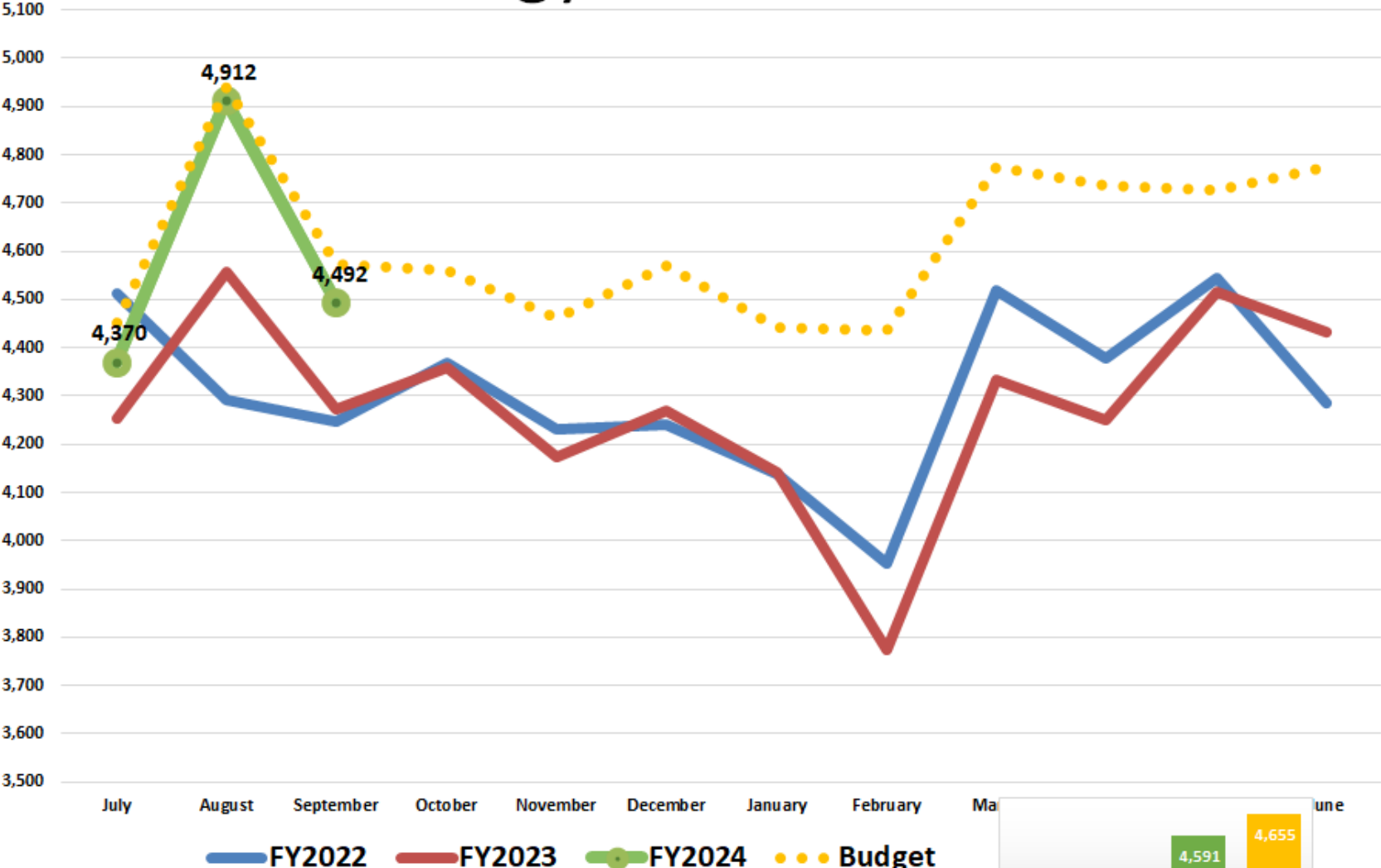
West Campus - Breast Center



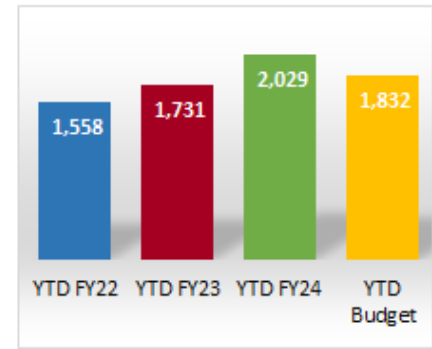
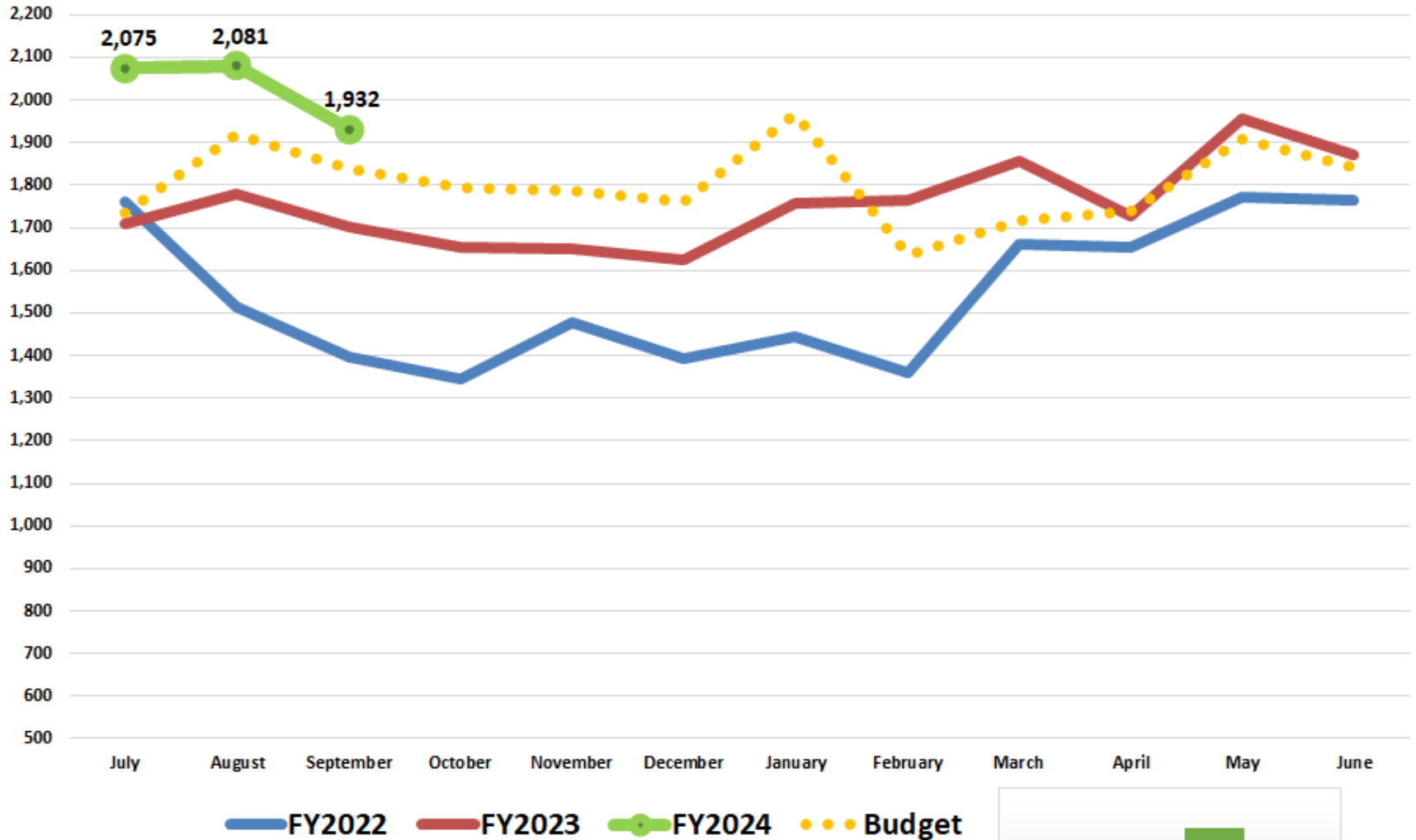
—●— FY2022
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 —●— FY2024
 ●●● Budget



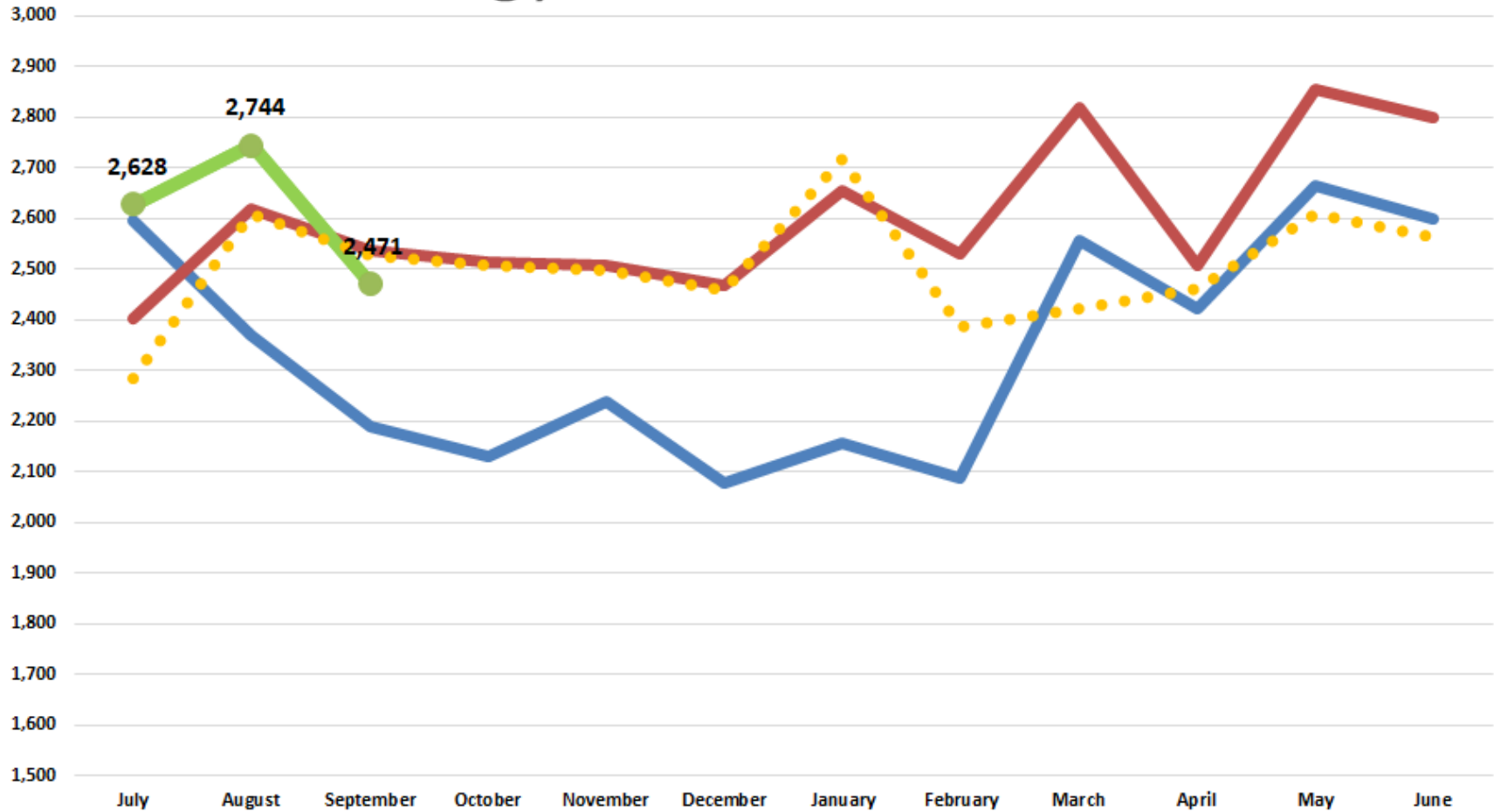
Radiology - CT - All Areas



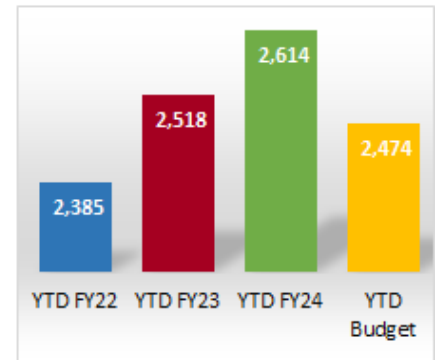
Radiology - Ultrasound - Main Campus



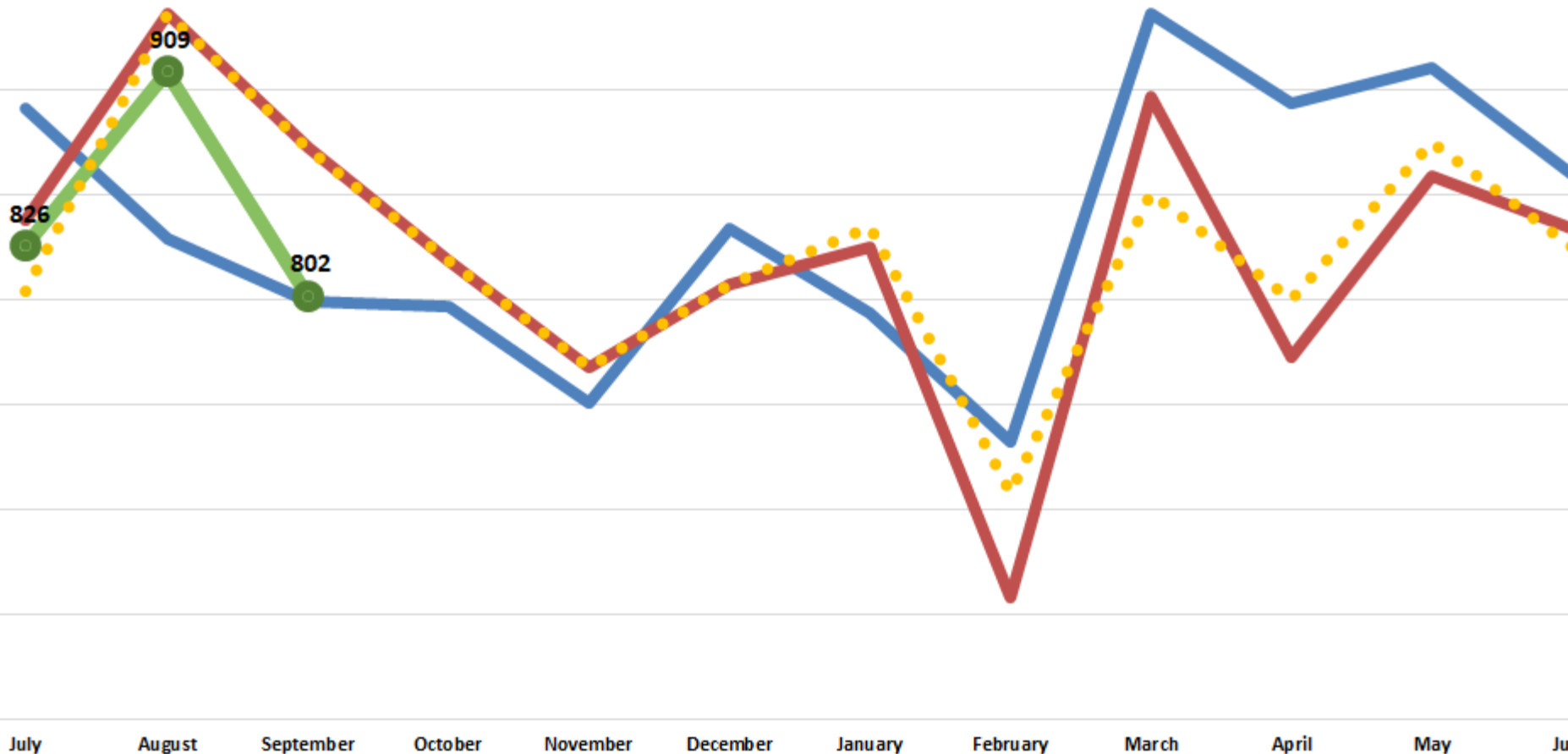
Radiology - Ultrasound - All Areas



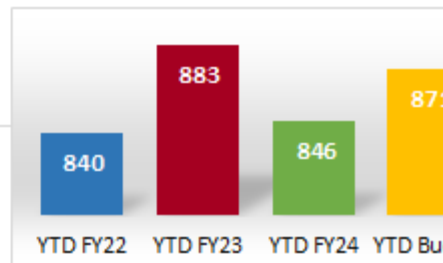
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



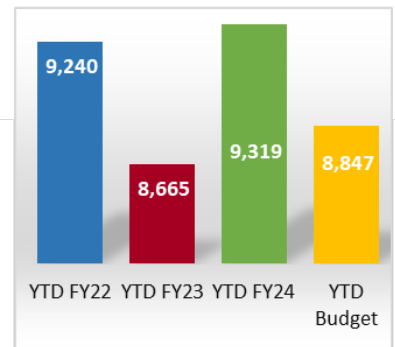
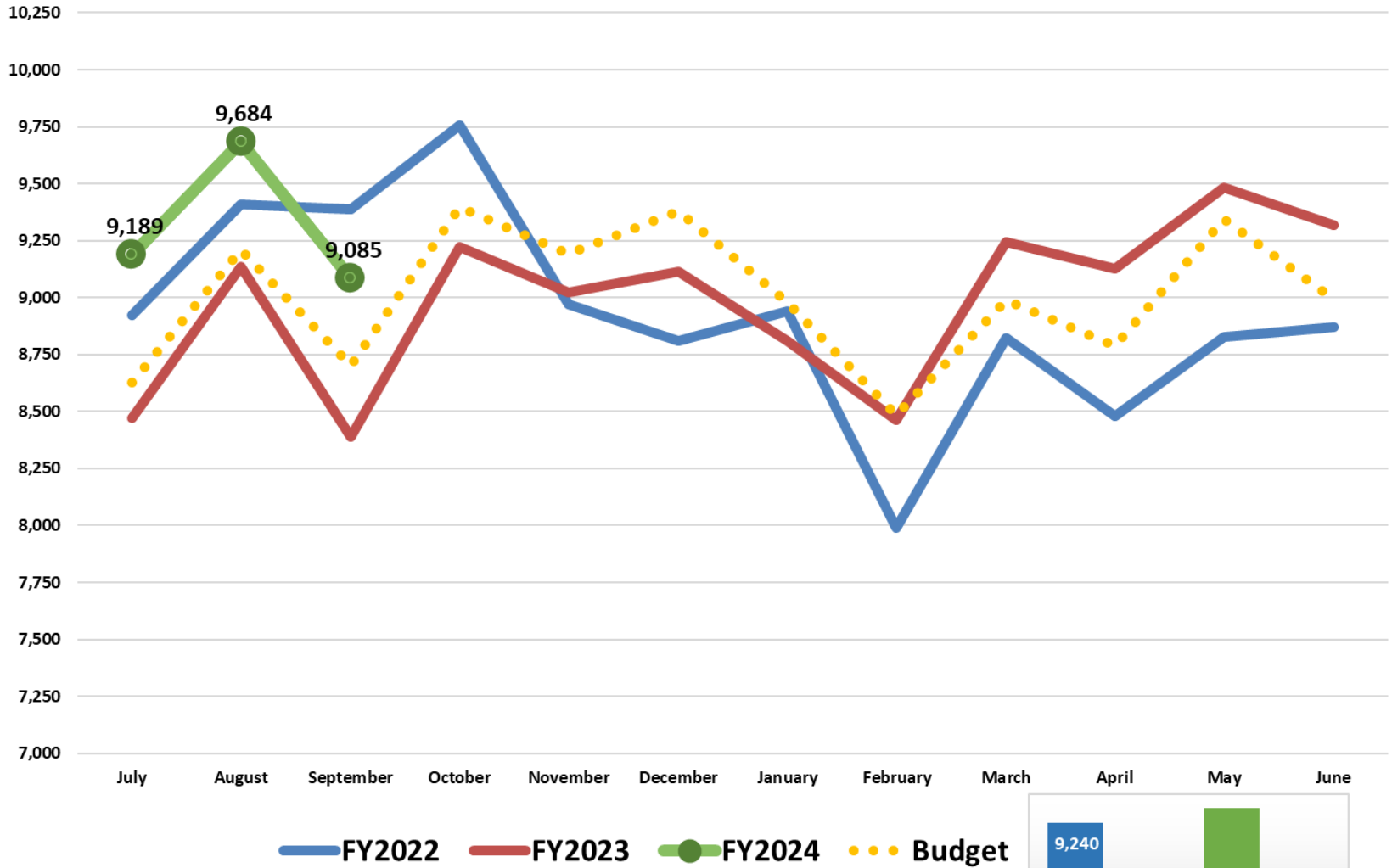
Radiology - MRI - All Areas



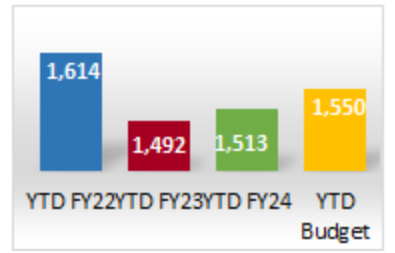
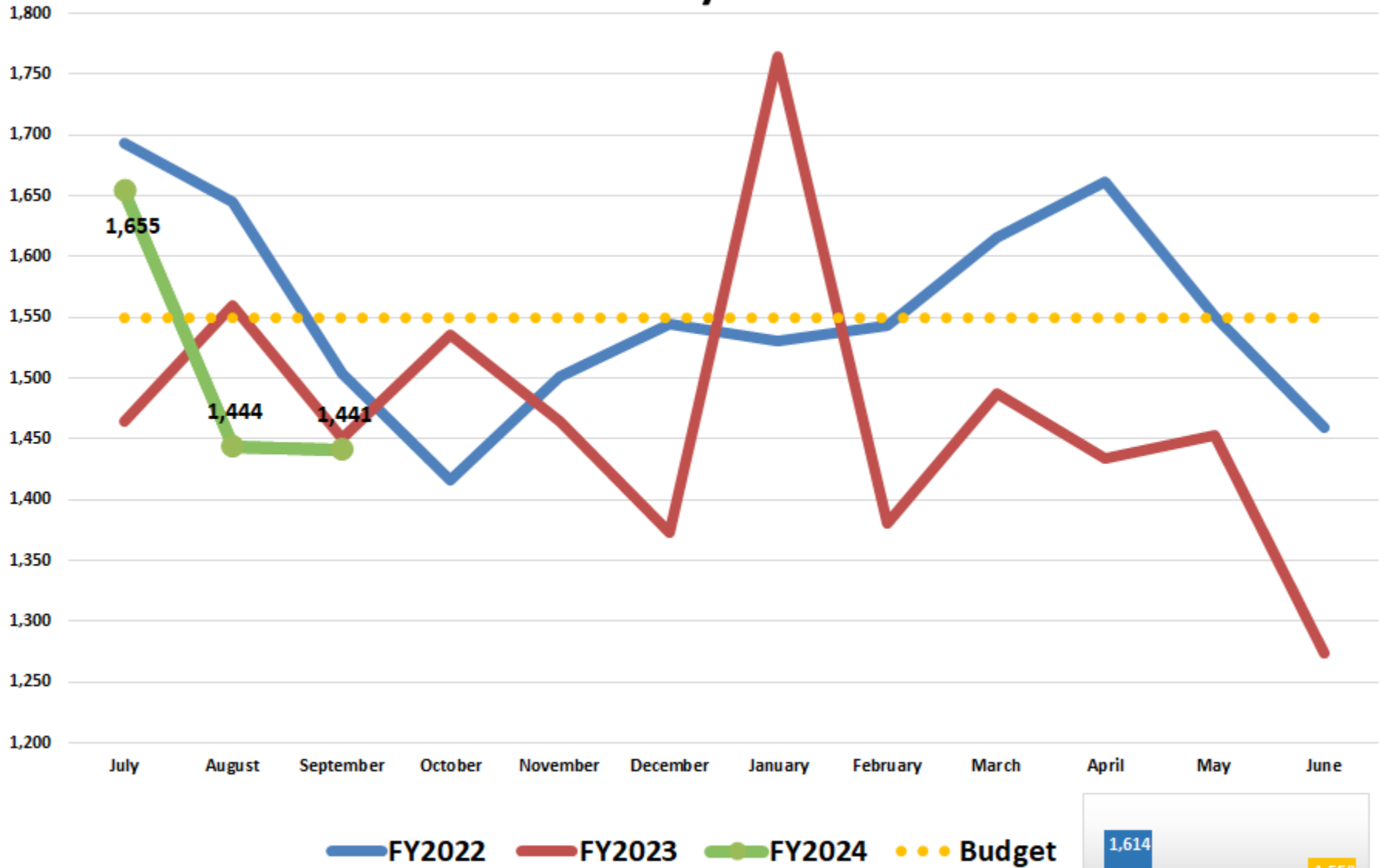
—●— FY2022
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 —●— FY2024
 ●●● Budget



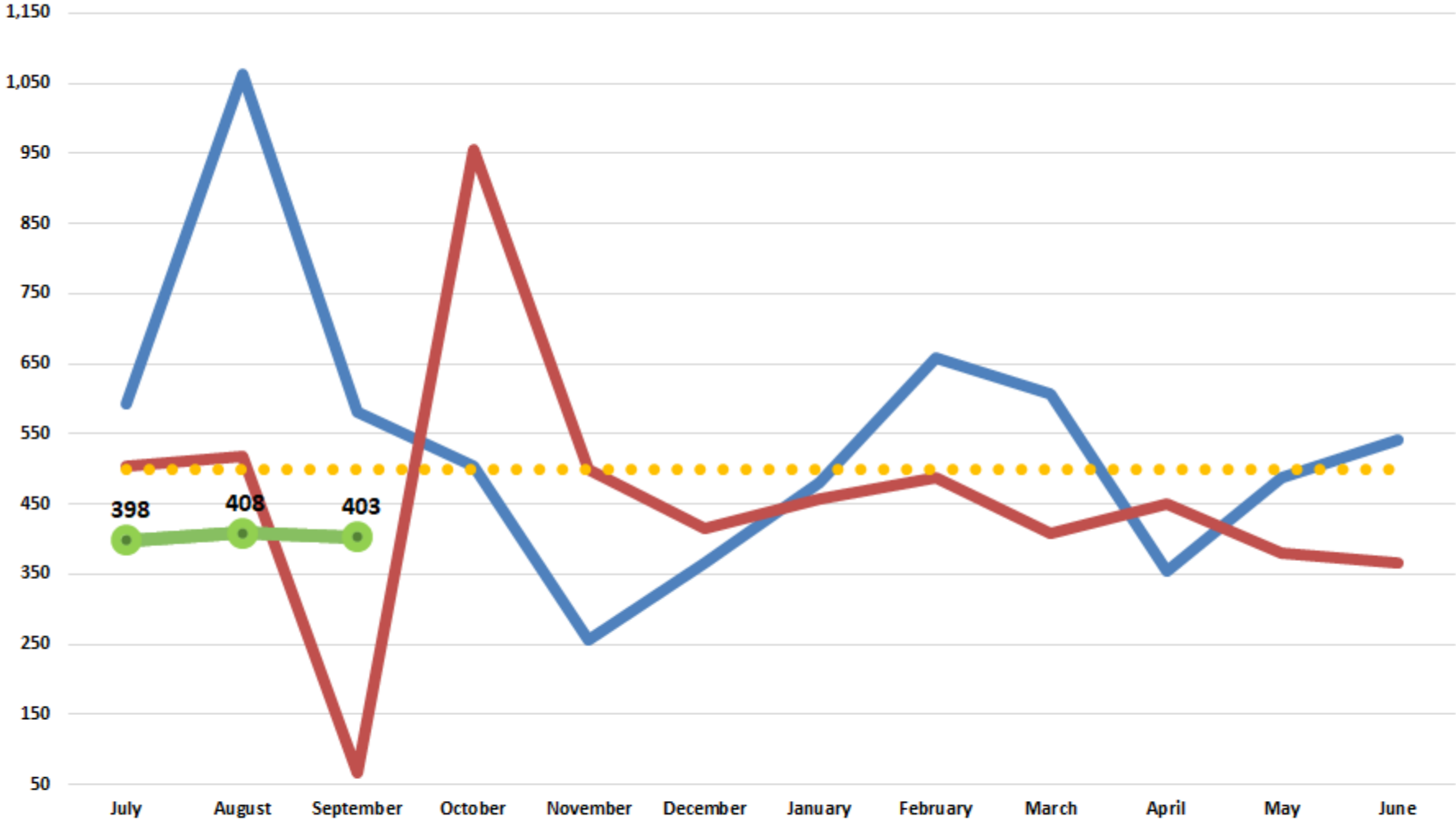
Radiology Modality - Diagnostic



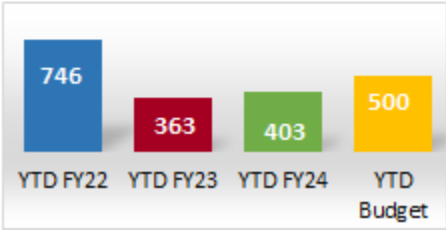
Chronic Dialysis - Visalia



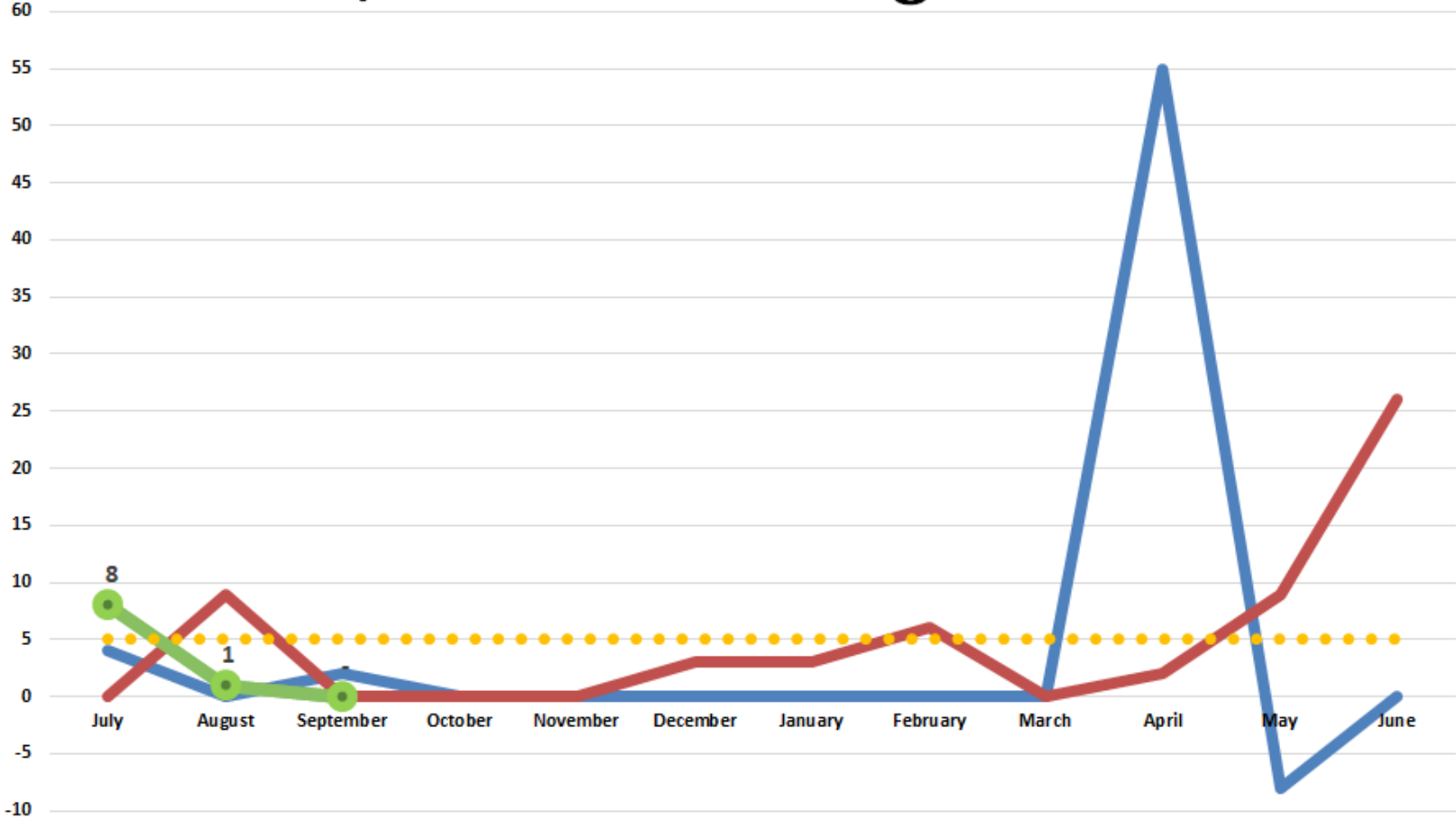
CAPD/CCPD - Maintenance Sessions



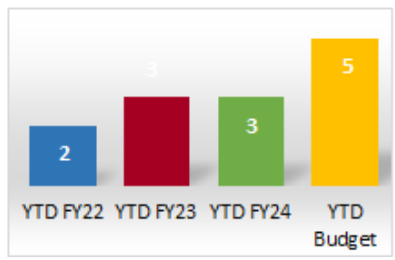
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



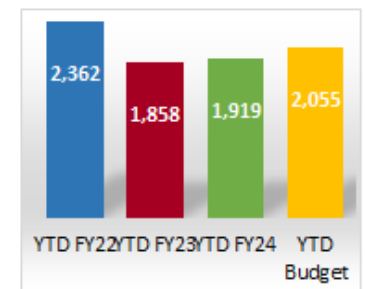
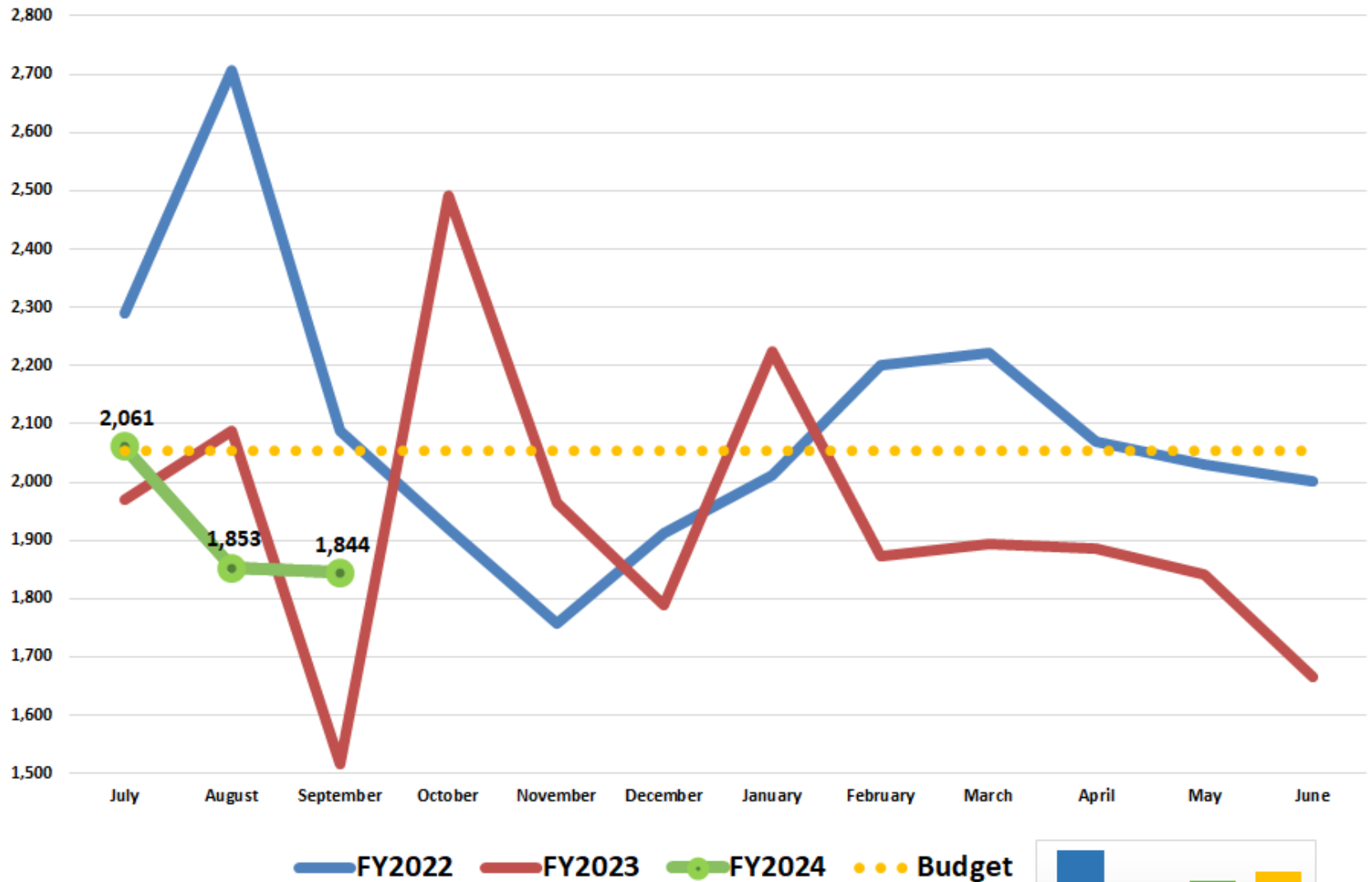
CAPD/CCPD - Training Sessions



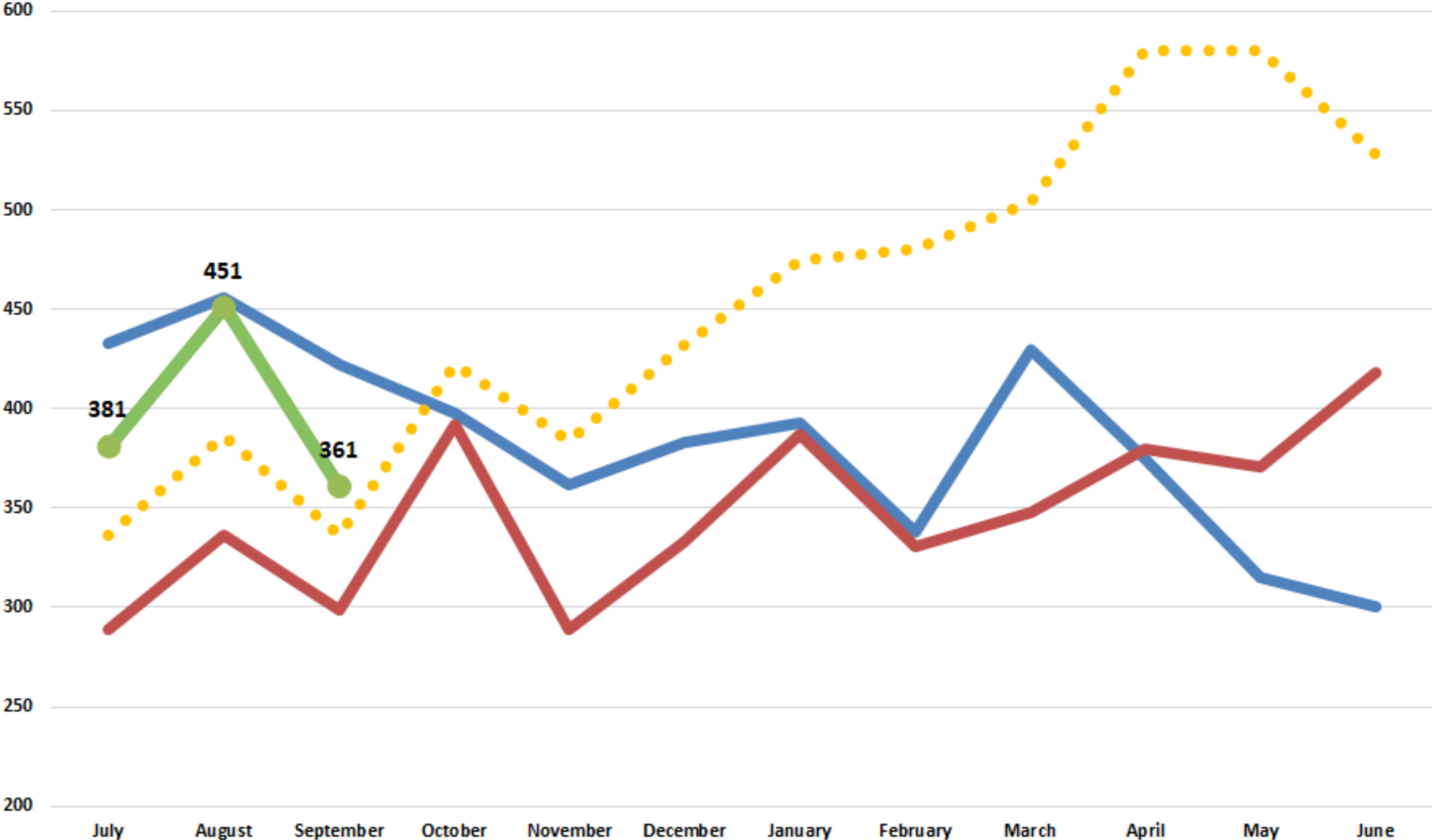
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget



All CAPD & CCPD



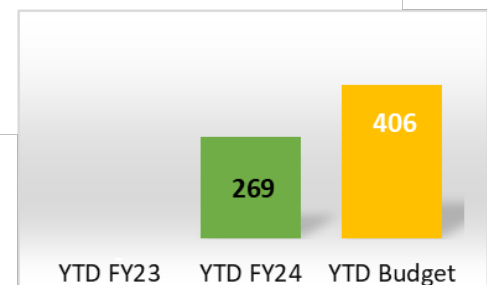
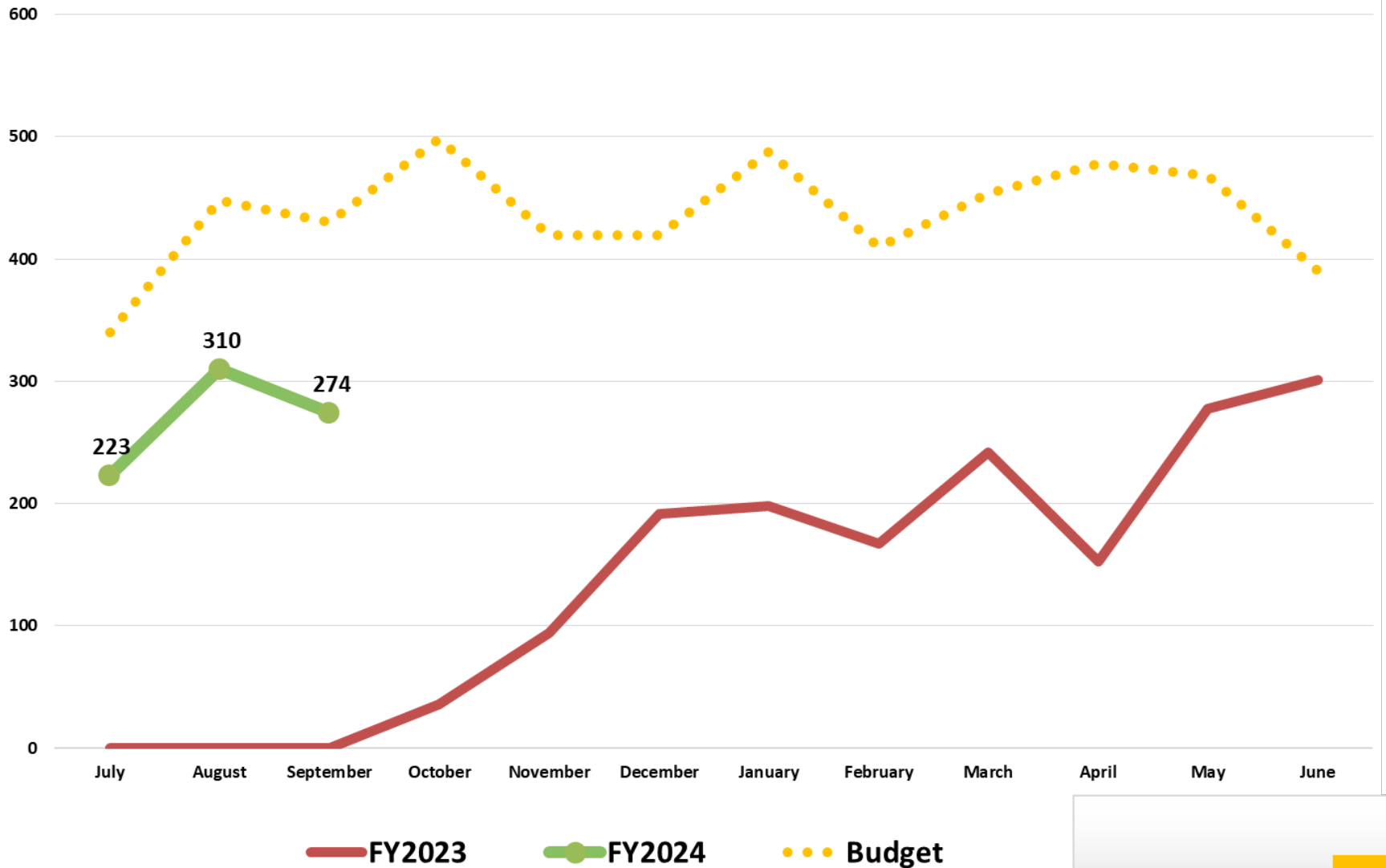
Infusion Center - Outpatient Visits



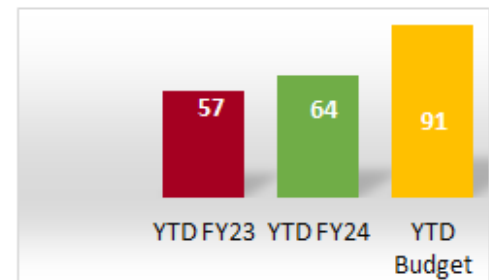
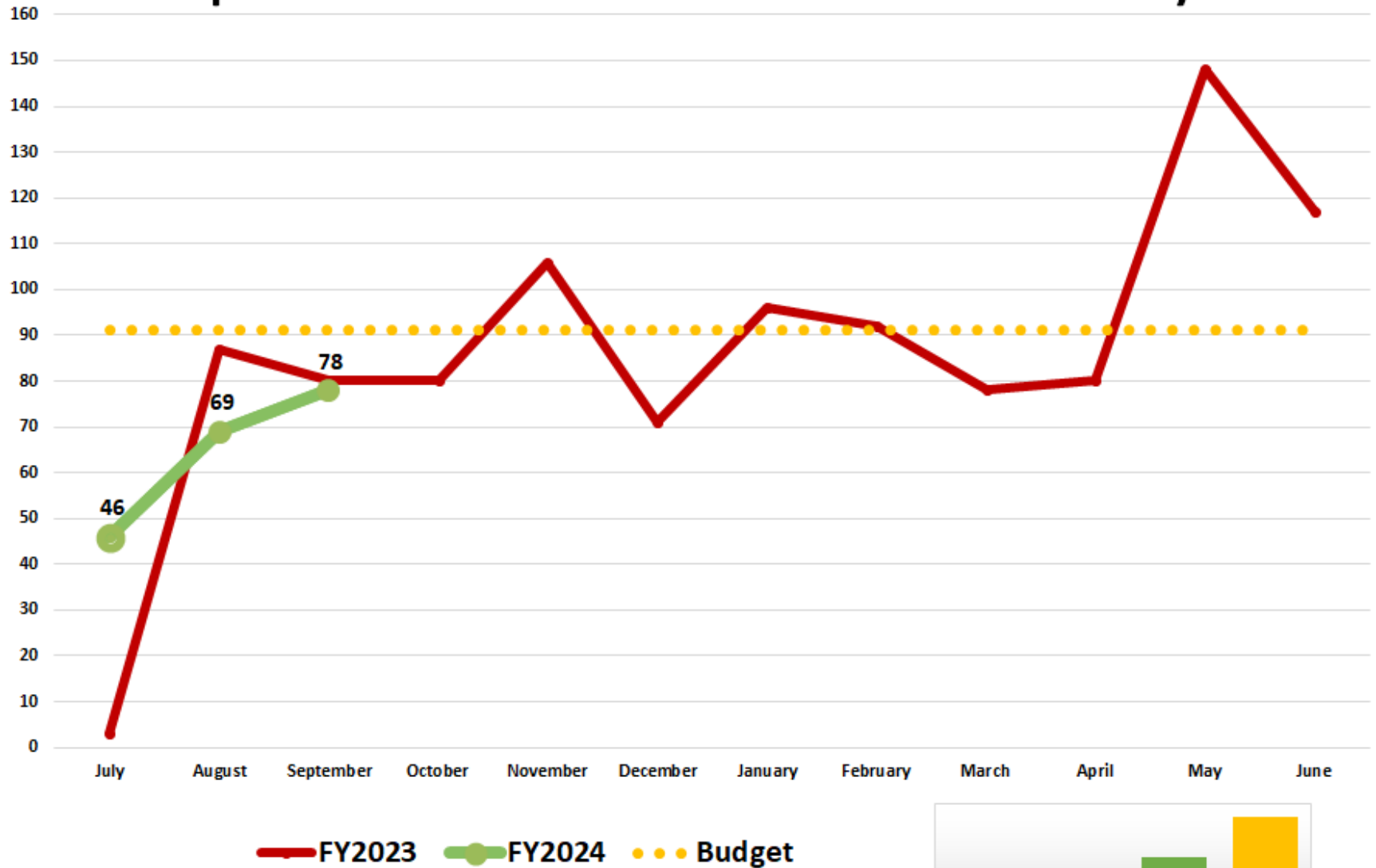
—●— FY2022
 —●— FY2023
 —●— FY2024
 ●●● Budget

437	308	398	353
YTD FY22	YTD FY23	YTD FY24	YTD Budget

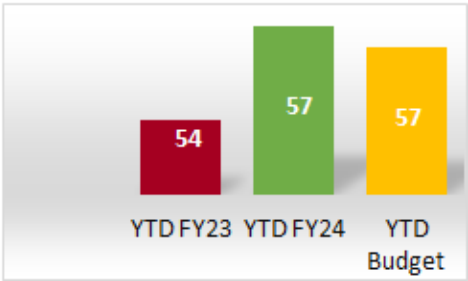
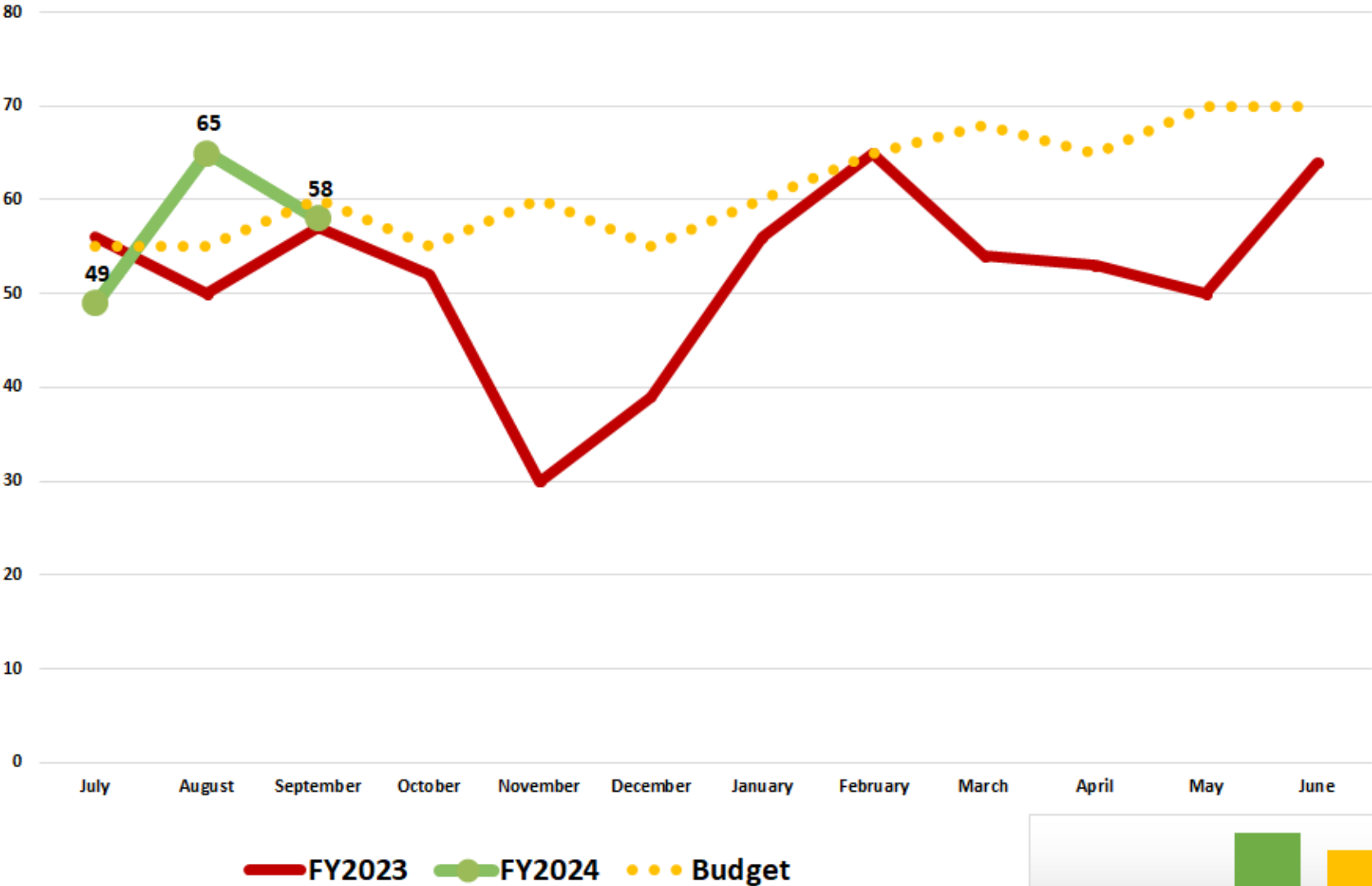
Urology Clinic Visits



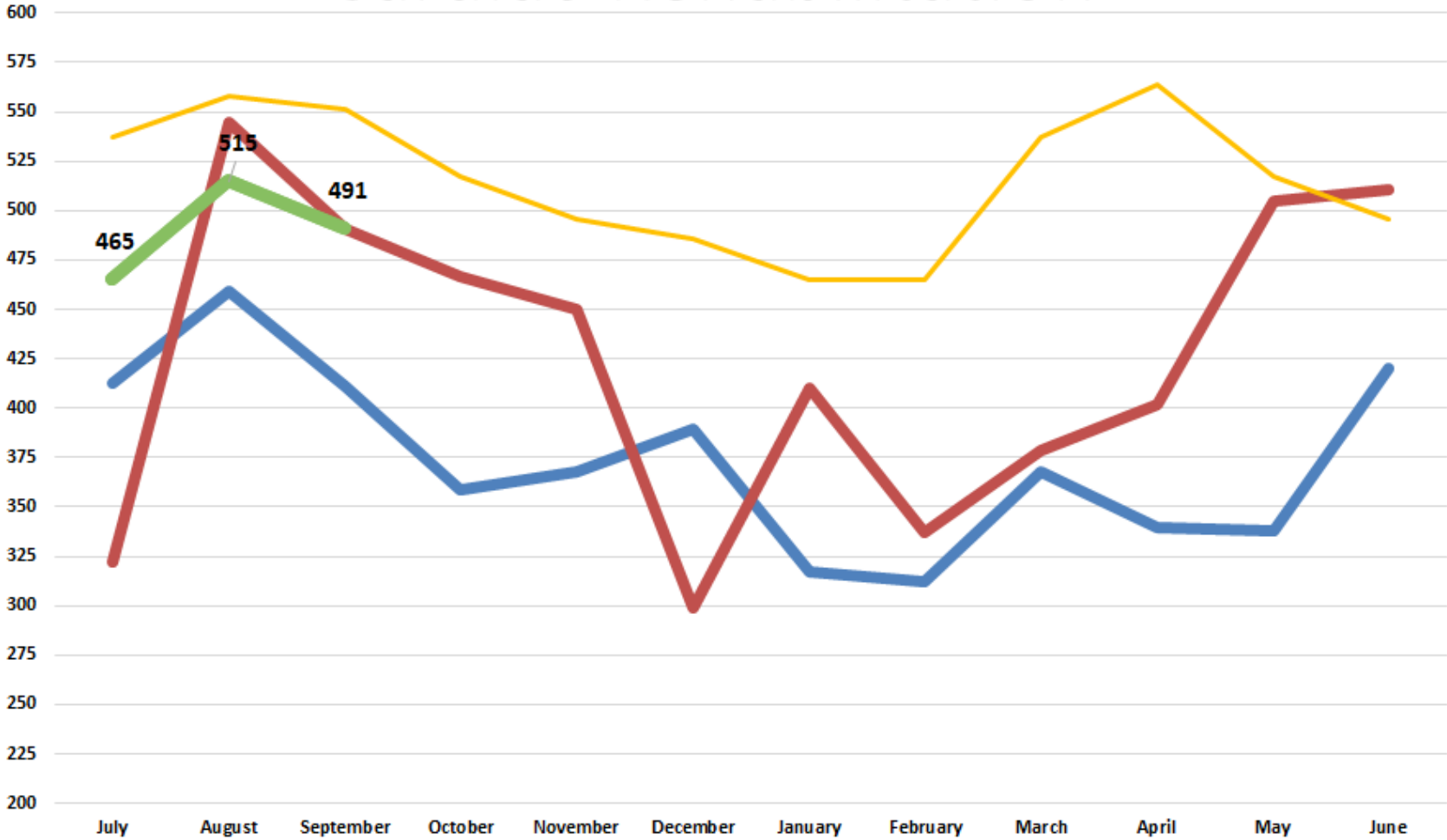
Open Arms House - Patient Days



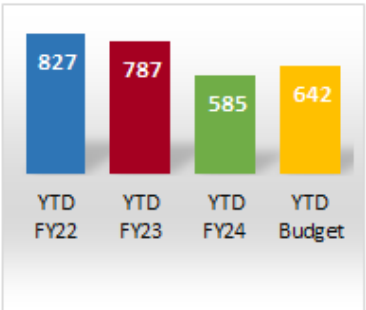
Cardiothoracic Surgery Clinic - Visits



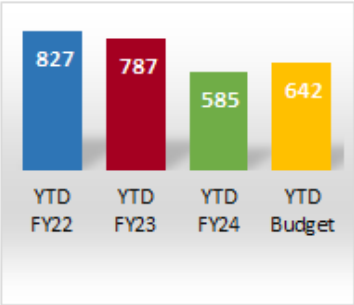
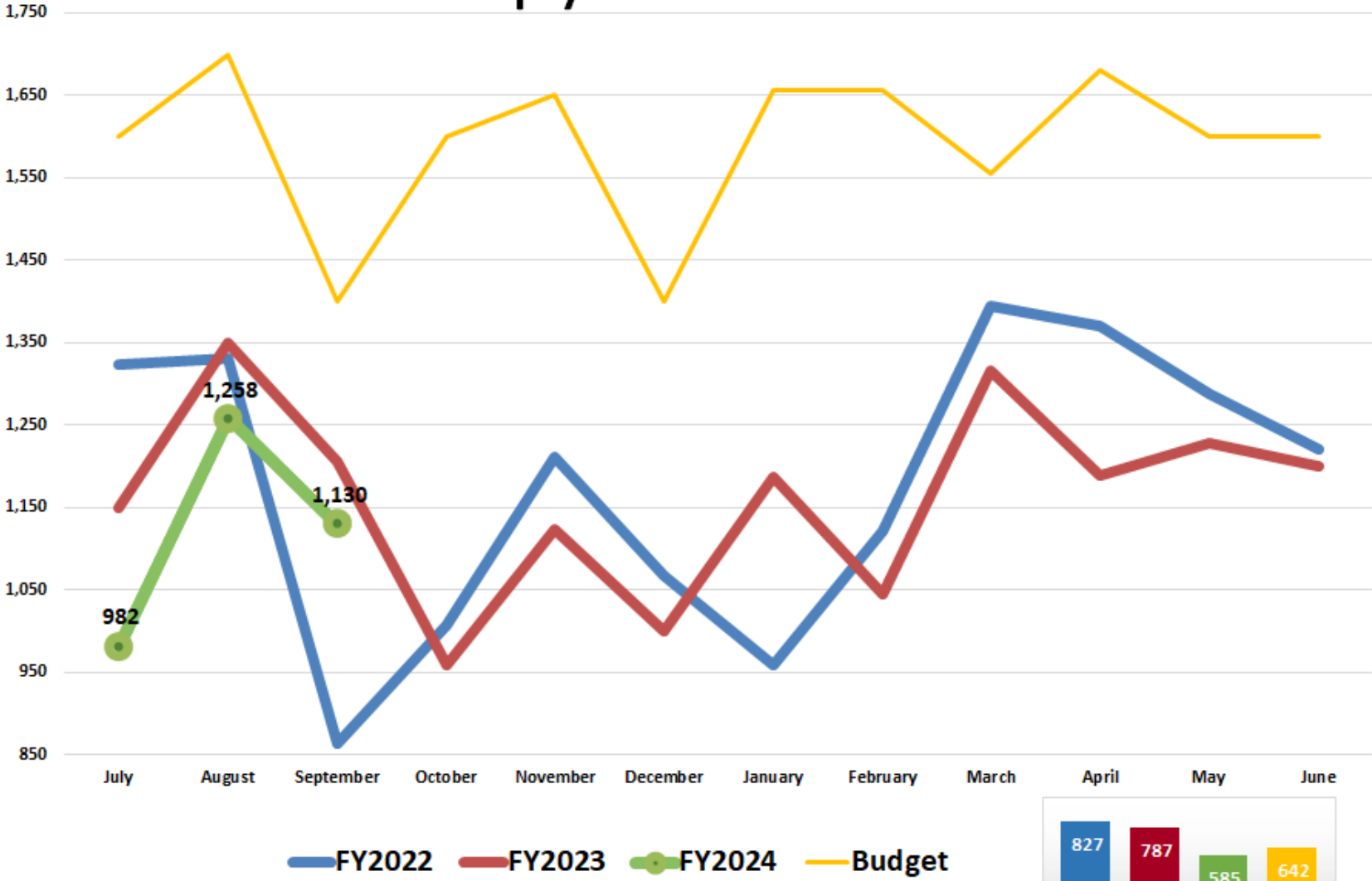
Cardiac Rehabilitation



— FY2022
 — FY2023
 — FY2024
 — Budget



Therapy-Wound Care



***KAWEAH DELTA HEALTH CARE DISTRICT
FINANCE DIVISION MEMORANDUM***

TO: Finance Committee, Board of Directors, Chief Executive Officer and Executive Team

FROM: Jennifer Stockton, Director of Finance (ext. #5536) and Malinda Tupper, Chief Financial Officer (ext. #4065)

DATE: October 16, 2023

SUBJECT: Semi-annual Investment Report

Each month the Board of Directors receives an investment report depicting the specific investments held by the District including the nature, amount, maturity, yield, and investing institution. On a semi-annual basis, the District's Chief Financial Officer is required to review the District's investment policy with the Board, to discuss our compliance with that policy, to review the purpose of our various investment funds and to report on the performance, quality and risk profile of our current portfolio. At the Board's request, fulfillment of this requirement is hereby made by means of this written report and accompanying schedules.

The purpose of this report is to assure the Board that the following primary objectives have been satisfied with respect to its fiduciary responsibility for the sound and prudent management of the District's monetary assets:

- 1) The Board of Directors understands and approves of the District's investment policy and is confident that management has effectively complied with this policy.
- 2) Management has effectively established appropriate funds and managed investments in a manner that safeguards the District's assets, meets the ongoing liquidity needs of the District and provides necessary funds for the various projects and budgets approved and adopted by the Board.
- 3) Within the constraints of the investment policy and the funding needs of the District, management effectively maximizes its return on investments to meet the income expectations adopted by the Board as part of the annual budget.
- 4) The acceptance/approval of this report includes the semi-annual review and approval of the investment policy (and any changes proposed) as well as the delegation of authority contained within the policy.**

For the purpose of assessing performance relative to each of these objectives, this written report describes and evaluates each of the following documents accompanying this report and demonstrates achievement of the stated objectives.

General Deposit and Investment Policy

The District's current investment policy reflects strict compliance with the California Government Code (Code) sections 53600 through 53686 which govern the investment of surplus funds by governmental entities of the State of California, including political subdivisions thereof. **At June 30, 2023, the District's investment portfolio complies with all reporting and investment provisions of this policy.**

Statement of Purpose Guidelines District Funds

This document describes the various funds established by the District for the purpose of setting aside cash and investments for specific uses. The establishment of these funds (other than revenue or general obligation bond proceeds) is entirely at the discretion of the Board and are not mandated or controlled by any third-party or regulatory agency.

Summary of Investment Funds

This document depicts the carrying value, equal to cost, of investments held at June 30, 2023 in each of the various funds established by the District. As indicated in this report, the District's total adjusted surplus funds at June 30, 2023 were \$186.8 million. The following table depicts the District's adjusted surplus funds over the past four years; the number of days cash on hand, a measure of liquidity; and the District's average daily operating expenses (excluding depreciation expense), the denominator used in the calculation of the liquidity measure; and the percent increase in each year over the prior year:

	June 30, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Adjusted Surplus Funds	\$186,785,000	\$201,873,000	\$332,543,000	\$368,679,000
Days Cash on Hand	78.3	83.4	147.8	177.7
Average Daily Operating Expenses (excluding depreciation expense)	\$2,385,000	\$2,420,000	\$2,250,000	\$2,075,000
Percent Increase in Daily Expenses	-1.4%	7.6%	8.4%	3.9%
Days Cash on Hand Benchmarks:				
Moody's "A" Rated Hospitals	268.4 Days			
Revenue Bond Covenants	90 Days			

As illustrated in the above table, as of June 30, 2023 the District's liquidity ratio (days cash on hand) fell short of the covenant amount required by the District's revenue bond indentures, which is reported and measured for covenant compliance as of fiscal year end (June 30). Total surplus funds experienced a 49.3% decrease from December 31, 2020 to June 30, 2023, and the number of days cash on hand decreased 55.9% from 2020. The primary reasons for the decrease in total surplus funds and days cash on hand include the \$84.3 million in Medicare Advanced Payments received in calendar year 2020 that were subsequently repaid, the funding of the \$18 million debt reserve fund in December 2022 due to the failure to meet the mandated maximum annual debt service threshold at that reporting period, the

operating losses sustained in fiscal years 2022 and 2023, and the decline in the market value of our fixed income portfolio.

Given the District's current average daily operating expense total of \$2.4 million, achievement of the Moody's "A"-rated hospitals' days cash on hand benchmark of 268.4 would require approximately \$453.5 million of additional cash resources.

The District's surplus funds investment portfolio is separated into two different categories including short-term funds and long-term funds. The District's short-term funds included investment in the Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP). The annual yields for LAIF and CAMP were 2.23 % and 3.95%, respectively, for the year ended June 30, 2023. The District's long-term portfolio is managed by PFM Asset Management (PFM) and Allspring (formerly Wells Capital Management). The twelve-month total return of the portfolio managed by PFM was 0.54% , net of fees, while the twelve-month total return of the portfolio managed by Wells Cap was 0.02%, net of fees. The PFM portfolio performed better than the benchmark of 0.06% for the period, but Allspring fell short. The benchmark for the managed portfolios is a custom index including 70% of the Merrill Lynch 1-5 year US Treasury Index and 30% of the Merrill Lynch 1-5 year A-AAA Corporate Index. The benchmark does include security types that the District is not allowed to purchase and that because of their nature tend to carry higher yields. These include foreign issuers and private placement securities. As of June 30, 2023, the District's investment portfolio had a weighted average prospective yield of 2.54%. The District's targeted rate of return of .92% was used to project interest income in the District's Annual Budget for the fiscal year. The prospective yield excludes market value fluctuations that are included in the total return figures noted above.

Investment Summary by Institution

This document depicts the amount of District investments held by various financial institutions as of June 30, 2023. In each case, the financial institution may be the issuer of an investment security, the custodian of securities, or the investment advisor managing the securities.

Investment Summary of Surplus Funds by Type

This document depicts the amount of District funds invested into the various categories of investments permitted by the District's investment policy and the Code, as well as the percentage of total surplus funds invested in each category and the corresponding limitation established by the Code for compliance measurement.

Investment Summary of Surplus Funds by Maturity

This document depicts the amount of District funds maturing each year over the five-year investment time horizon permitted by the District's investment policy. The measurement period for each year commences on July 1 and runs to June 30. The purpose of this schedule is to assess the overall liquidity of the District's portfolio, which has a weighted average maturity of 2.02 years at June 30, 2023.

Investment Summary of Surplus Fund's Unrealized Gains and Losses

All investment summaries referenced above include the cost of investments and do not reflect current market values. This document depicts the status of securities with respect to unrealized gains and losses at June 30, 2023. The District measures and records an adjustment to reflect the current fair market value of its total investment portfolio each quarter. The unrealized loss on the District's surplus fund portfolio at June 30, 2023 was \$7.3 million.

Kaweah Delta Health Care District
General Deposit and Investment Policy

Scope

This policy sets forth the deposit and investment policy governing all District funds and related transactions and investment activity. This policy does not apply to the Employer Retirement Plan Trust. Bond proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in the securities permitted by this Policy. Notwithstanding the other provisions of this Policy, the limitations (credit quality, percentage holdings, etc.) listed elsewhere in this Policy do not apply to bond proceeds. With the exception of permitted investment requirements, all other provisions of this policy will apply to the investment of bond proceeds to the degree they do not conflict with the requirements of the applicable bond documents.

Goals and Objectives

Legal Compliance: All District deposits and investments shall be in compliance with sections 53600 through 53686 of the California Government Code (Code) for local agencies. This policy sets forth certain additional restrictions which may exceed those imposed by the Code.

Prudence: The District Board of Directors (Board) and any persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the prudent investor standard. When managing District investment activities, 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 District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

Goals: In order of priority, trustee goals shall be:

- 1) Safety - The principal of the portfolio will be preserved by investing in high quality securities and by maintaining diversification of securities to include various types, issuers and maturities. Investments will be limited to those allowed by the Code as outlined in the permitted investments section below. Due to the complexity of various investment options and the volatility of market conditions, the trustee may seek professional advice in making decisions in order to optimize investment selections.

The trustee will also monitor the ongoing credit rating of selected investments by reference to monthly investment statements and council with investment advisors.

- 2) Liquidity - The portfolio will be managed to ensure sufficient liquidity to meet routine and non-routine budgeted cash flow requirements as well as provide for unanticipated cash needs. Based upon these needs, investments with appropriate maturity dates will be selected. Generally, these investments will be held to maturity once purchased unless called by the issuer. Securities may be sold prior to maturity under the following circumstances: 1) A security with declining credit may be sold early to minimize loss of principal. 2) A security trade would improve the quality, yield, or target duration in the portfolio. 3) Liquidity needs of the portfolio require that the security be sold.
- 3) Rate of Return - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Performance will be measured by the ability to meet the targeted rate of return, which will equal or exceed the average return earned on the District's investment in the State of California Local Agency Investment Funds.

Safekeeping

District investments not purchased directly from the issuer shall be purchased either from an institution licensed by the State as a broker-dealer or from a member of a federally-regulated securities exchange, a national or state-chartered bank, a federal or state association or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank. Investments purchased in a negotiable, bearer, registered or nonregistered format shall be delivered to the District by book entry, physical delivery or third party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery. A counterparty bank's trust or separate safekeeping department may be used for the physical delivery of the security if the security is held in the District's name.

Authorized Financial Dealers and Institutions: If the District utilizes an external investment adviser, the adviser may be authorized to transact with its own Approved Broker/Dealer List on behalf of the District. In the event that the investment advisor utilizes its own Broker/Dealer List, the advisor will perform due diligence for the brokers/dealers on its Approved List.

Internal Controls: The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District

are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Delivery vs. Payment: All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

Delegation of Authority

The Board hereby delegates its authority to invest District funds, or to sell or exchange purchased securities, to the Treasurer for a one-year period, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires. The Board may renew the delegation of authority each year. The responsibility for day-to-day management (including the investment of funds, and selling or exchanging of purchased securities) of District investments is hereby delegated by the Board, and the Treasurer, to the Chief Financial Officer (CFO).and/or their designee subject to compliance with all reporting requirements and the prudent investor standard. The District may engage the services of one or more external investment managers to assist in the management of the investment portfolio in a manner consistent with the Districts' objectives. Such external managers will be granted the discretion to purchase and sell investment securities in accordance with the Investment Policy.

Reporting

The Treasurer or CFO shall annually submit a statement of investment policy to the Board summarizing the District's investment activities and demonstrating compliance with this

policy and the Code. The Treasurer or CFO shall submit monthly reports to the Board detailing each investment by amount, type, issuer, maturity date, and rate of return, and reporting any other information requested by the Board. The monthly reports shall also summarize all material non-routine investment transactions and demonstrate compliance of the portfolio with this policy and the Code, or delineate the manner in which the portfolio is not in compliance. Any concerns regarding the District's ability to maintain sufficient liquidity to meet current obligations shall be disclosed in the monthly reports.

Performance Standards: The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

Deposits

All District deposits shall be maintained in banks having full-service operations in the State of California. Deposits are defined as working funds needed for immediate necessities of the District. Deposits in any depository bank shall not exceed the shareholders' equity of that bank. The Treasurer shall be responsible for the safekeeping of District funds and shall enter into a contract with any qualified depository making the depository responsible for securing the funds deposited. All District deposits shall be secured by eligible securities as defined by section 53651 of the Code and shall have a market value of at least 10 percent in excess of the total amount deposited. The Treasurer may waive security for the portion of any deposits insured pursuant to federal law and any interest which subsequently accrues on federally-insured deposits.

Permitted Investments

Sinking funds or surplus funds not required for immediate needs of the District shall be invested in authorized investments as defined in Code section 53601 and may be further limited by this policy. No investment shall be made in any security having a term remaining to maturity exceeding five years at the time of investment unless the Board has granted express authority to make the investment no less than three months prior to the investment. Certain investments are limited by the Code and this policy as to the percent of surplus funds which may be invested. Investments not expressly limited by the Code or this policy may be made in a manner which maintains reasonable balance between investments in the portfolio.

Authorized investments are limited to the following:

- (a) Investment in the State of California Local Agency Investment Fund up to the maximum investment allowed by the State.
- (b) United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- (c) Registered State warrants or treasury notes or bonds of this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the State or a department, board, agency or authority of the State.
- (d) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- (e) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances. Purchases of bankers' acceptances may not exceed 180 days maturity or 40 percent of surplus funds. However, no more than 30 percent of surplus funds may be invested in bankers' acceptances of any one commercial bank.
- (f) Commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by a nationally recognized statistical rating organization (NRSRO).. Eligible paper is further limited to issuing corporations organized and operating within the United States and having total assets exceeding five hundred million dollars (\$500,000,000) and is rated in a rating category of "A" or its equivalent or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by an NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of surplus funds.
- (g) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency

and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit. Purchases of all types of certificates of deposit may not exceed 30 percent of surplus funds.

- (h) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this policy when the term of the agreement does not exceed one year. The market value of securities underlying a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Reverse repurchase agreements shall meet all conditions and requirements set forth in Code section 53601.
- (i) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum of five years maturity, 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 shall be rated in a rating category of "A" or its equivalent or better by an NRSRO. Purchases of medium-term notes may not exceed 30 percent of surplus funds.
- (j) 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. Purchases of collateralized mortgage obligations may not exceed 20 percent of surplus funds.
- (k) Shares of beneficial interest issued by diversified management companies that invest in securities and obligations as authorized by section 53601 or that are money market funds registered with the Securities and Exchange Commission under the Investment Act of 1940, and that have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

Purchases of shares of beneficial interest may not exceed 20 percent of surplus funds, and no more than 10 percent of surplus funds may be invested in shares of beneficial interest of any one mutual fund.

- (l) Bonds issued by Kaweah Delta Health Care District, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by Kaweah Delta Health Care District.
- (m) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- (n) Registered treasury notes or bonds of any of the other forty-nine United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other forty-nine United States, in addition to California.
- (p) Shares of beneficial interest issued by a joint powers authority (JPA) organized pursuant to Section 6509.7 that invests in the securities and obligations authorized under Section 53601 subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA. The JPA issuing the shares shall have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission, with not less than five years of experience investing in the authorized securities, and having assets under management in excess of five hundred million dollars.
- (q) United States 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, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of surplus funds.

Policy Considerations

This policy shall be reviewed on an annual basis. Any changes must be approved by the Chief Financial Officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

**Kaweah Delta Health Care District
STATEMENT OF PURPOSE GUIDELINES
DISTRICT FUNDS**

Operating Accounts:

General operating funds to meet current and future operating obligations.

Self-Insurance Trust Fund:

Self-insurance fund established for potential settlement of general, professional and public liability claims. All earnings remain in the fund. Disbursements are allowed for payment of claims, legal fees, or by approval of the Board of Directors. Whenever possible, District operating funds or other funds will be used to meet such liabilities.

2015A Revenue Bond Fund:

The purpose of this fund is to hold and disburse the District's 2015A Revenue Bond principal and interest payments made by the District pending disbursement by the trustee bank.

2015B Revenue Bond Fund:

The purpose of this fund is to hold and disburse the District's 2015B Revenue Bond proceeds for various projects and to hold principal and interest payments made by the District pending disbursement by the trustee bank.

2017 C Revenue Bond Fund:

The purpose of this fund is to hold and disburse the District's 2017C Revenue Bond principal and interest payments made by the District pending disbursement by the trustee bank.

2020 Revenue Bond Fund:

The purpose of this fund is to hold and disburse the District's 2020 Revenue Bond proceeds for various projects and to hold principal and interest payments made by the District pending disbursement by the trustee bank.

2022 Revenue Bond Fund:

The purpose of this fund is to hold and disburse the District's 2022 Revenue Bond proceeds for various projects and to hold principal and interest payments made by the District pending disbursement by the trustee bank.

Master Debt Reserve Fund:

The purpose of this fund is to hold funds equal or greater than the amount of the District's maximum annual debt service. This fund was created due to the District's failure to meet the required MADS debt service requirement at December 31, 2022.

2014 General Obligation Bond Fund:

The purpose of this fund is to hold and disburse the District's 2014 General Obligation Bond principal and interest payments made by the District pending disbursement by the trustee bank.

Plant Fund:

The primary purpose of this fund is to retain investments for funded depreciation. In addition, funds for special capital projects and Board-designated projects which may include real property, unbudgeted capital equipment, etc. are retained in the fund. Disbursements are made for such special capital projects and for replacement capital items at the Board's discretion.

Cost Report Settlement Fund:

Account established to set aside sufficient funds to settle Federal and State cost reports due to the substantial nature of potential settlements.

Development Fund:

Accumulated reserves set aside from special projects, activities and memorials to be used as seed money for research, community service, or service development at the specific direction of the Board.

Workers' Compensation Liability Fund:

Funds available for possible settlement or payment of employee work-related medical claims, suits or judgments, or legal fees. Whenever possible, District operating funds or other funds will be used to meet such liabilities.

General Obligation Bond Reserve Fund:

The purpose of this fund is to hold funds set aside to establish a reserve account in the amount recommended by the County of Tulare.

Kaweah Delta Health Care District
SUMMARY OF INVESTMENT FUNDS
 June 30, 2023

	Investment Amount (Cost)	
	June 30, 2023	December 31, 2022
<u>Trust Accounts</u>		
Self-Insurance Trust Fund	\$ 2,393,000	\$ 2,404,000
2014 General Obligation Bond Fund	4,325,000	3,590,000
2015A Revenue Bond Fund	59,000	179,000
2015B Revenue Bond Fund	377,000	358,000
2017C Revenue Bond Fund	884,000	4,797,000
2020 Revenue Bond Fund	114,000	546,000
2022 Revenue Bond Fund	147,000	-
Master Debt Reserve Fund	18,605,000	-
<u>Operating Accounts</u>	2,555,000	13,322,000
<u>Board Designated Funds</u>		
Plant Fund		
Committed for Capital Expenditure	\$12,710,000	
Uncommitted	131,422,000	
	<hr/>	
General Obligation Bond Reserve	1,993,000	1,993,000
Cost Report Settlement Fund	3,448,000	3,448,000
Development Fund	104,000	104,000
Workers' Compensation Liability Fund	20,903,000	20,903,000
	<hr/>	<hr/>
Total Board Designated Funds	170,580,000	175,804,000
	<hr/>	<hr/>
Total Investments	\$ 200,039,000	\$201,000,000
	<hr/>	<hr/>
Kaweah Health Medical Group Funds	\$1,262,000	\$2,011,000
	<hr/>	<hr/>
Sequoia Regional Cancer Center Funds	\$26,000	\$2,000
	<hr/>	<hr/>
Kaweah Health Hospital Foundation	\$16,918,000	\$20,188,000
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Kaweah Delta Health Care District
SUMMARY OF INVESTMENT FUNDS
 June 30, 2023

	June 30, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Total Surplus Funds	\$173,135,000	\$189,125,000	\$294,884,000	\$339,370,000
Add: Kaweah Health Medical Group	1,262,000	2,011,000	9,351,000	2,692,000
Sequoia Regional Cancer Ctr.	26,000	2,000	228,000	397,000
KH Foundation	16,918,000	20,188,000	19,480,000	16,730,000
Adjustment to record fair market value (FMV)	(4,925,000)	(10,096,000)	7,938,000	8,400,000
Accrued Investment Earnings	369,000	643,000	662,000	1,090,000
Adjusted Surplus Funds	\$186,785,000	\$201,873,000	\$332,543,000	\$368,679,000
Daily Operating Expenses (excluding depreciation expense)	\$2,385,000	\$2,420,000	\$2,250,000	\$2,075,000
Percent Increase	-1.4%	7.6%	8.4%	3.9%
Days Cash on Hand (Actual - consolidated financial statements)	78.3	83.4	147.8	177.7
Benchmark:				
Moody's "A" Rated Hospitals (2021)	268.4			
Cash spread to "A" rating	\$453,484,000			
Surplus portfolio return (includes FMV adjustment) :				
12-Months Ended :				
LAIF	2.23%	1.06%	0.28%	1.17%
CAMP	3.95%	1.80%	0.06%	0.72%
Total Return:				
Long-Term (PFM - net of fees)	0.54%	-4.99%	-0.92%	4.66%
Long-Term (Allspring - net of fees)	0.02%	-5.13%	-0.90%	4.44%
Benchmark (70% ML 1-5 Treasury, 30% ML US Corp A-AAA)	0.06%	-5.37%	-0.96%	4.63%
Prospective Yield of Portfolio (No FMV)	2.54%	1.50%	0.85%	1.07%
Fiscal Year Budget (No FMV)	0.92%	0.92%	1.03%	1.65%

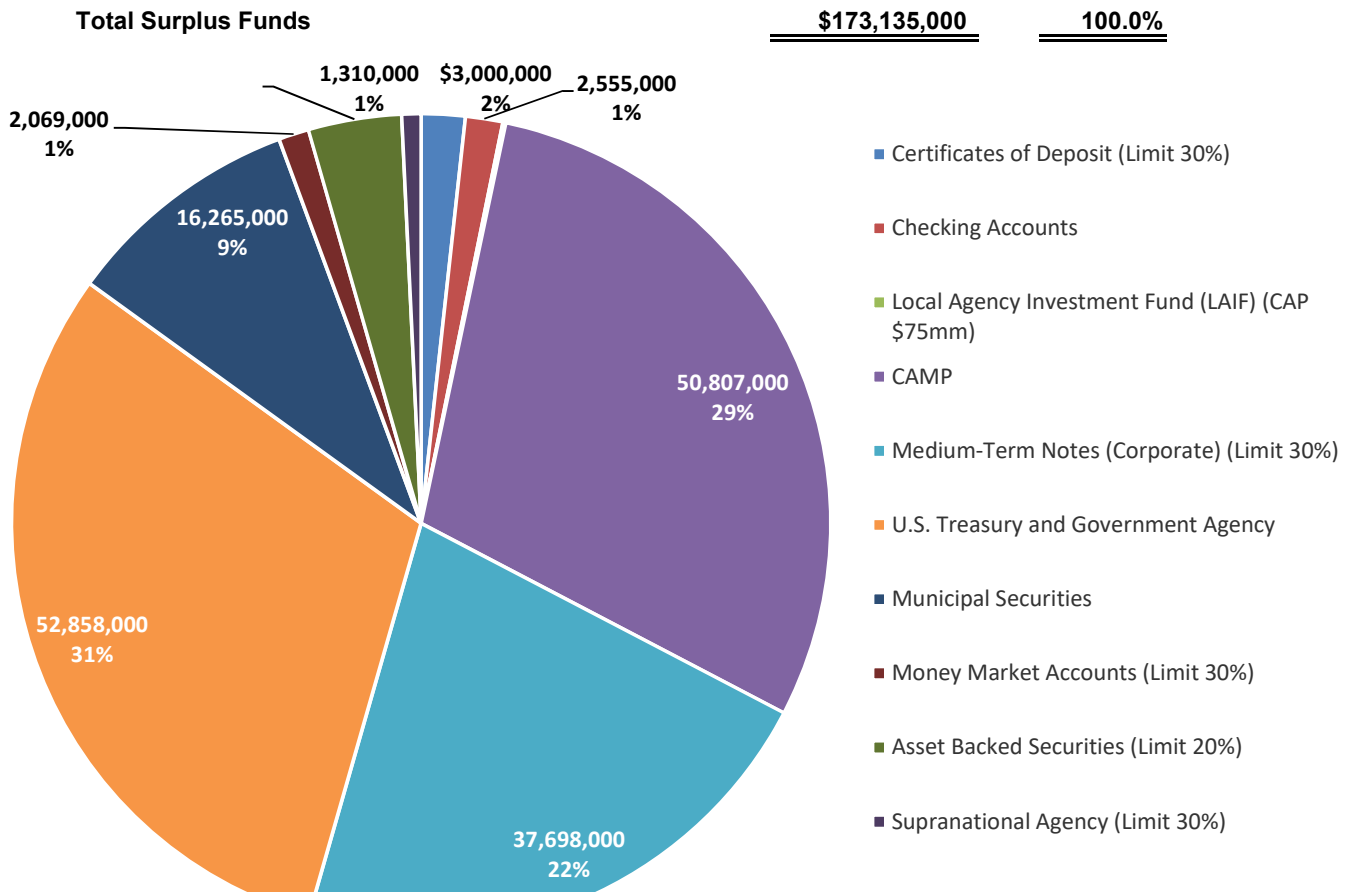
Note: All investment balances included in the attached investment summaries are stated at the cost value and do not reflect current fair market values. Please refer to the Investment Summary of Unrealized Gains and Losses for current market values.

Kaweah Delta Health Care District
INVESTMENT SUMMARY BY INSTITUTION
June 30, 2023

	Investment Amount (Cost)	
	June 30, 2023	December 31, 2022
US Bank (Bond Trustee)	\$ 20,186,000	\$ 5,880,000
Local Agency Investment Fund (LAIF)	4,514,000	3,774,000
PFM Asset Management (Manager) - US Bank Custodian	57,930,000	80,911,000
Allspring (Manager) - US Bank Custodian	56,262,000	79,040,000
Allspring (SITF)	2,393,000	2,404,000
CAMP (Managed by PFM)	50,807,000	10,202,000
Bancorp (FSA)	135,000	0
Torrey Pines CD (CD Placement GO Refinance)	3,000,000	3,063,000
Wells Fargo Bank (Operating accounts)	4,811,000	15,726,000
Total Investments	200,038,000	201,000,000
Less Trust Accounts	(26,903,000)	(11,875,000)
Total Surplus Funds	\$173,135,000	\$189,125,000
<u>Kaweah Health Medical Group</u>		
Wells Fargo Bank	\$1,262,000	\$2,011,000
<u>Sequoia Regional Cancer Center</u>		
Wells Fargo Bank	\$26,000	\$2,000
<u>Kaweah Health Hospital Foundation</u>		
Central Valley Community Bank	\$265,000	\$497,000
Various Short-Term and Long-Term Investments	16,653,000	19,691,000
	\$16,918,000	\$20,188,000

Kaweah Delta Health Care District
INVESTMENT SUMMARY OF SURPLUS FUNDS BY TYPE
 June 30, 2023

	Investment Amount (Cost)	%	\$ or % Limit
Certificates of Deposit	\$3,000,000	1.7%	30.0%
Checking Accounts	2,555,000	1.5%	
Local Agency Investment Fund (LAIF)	189,000	0.1%	\$75 mm
CAMP	50,807,000	29.3%	
Medium-Term Notes (Corporate)	37,698,000	21.8%	30.0%
U.S. Treasury and Government Agency	52,858,000	30.5%	
Municipal Securities	16,265,000	9.4%	
Money Market Accounts	2,069,000	1.2%	20.0%
Commercial Paper	0	0.0%	25.0%
Asset Backed Securities	6,384,000	3.7%	20.0%
Supranational Agency	1,310,000	0.8%	30.0%
	<u>\$173,135,000</u>	<u>100.0%</u>	

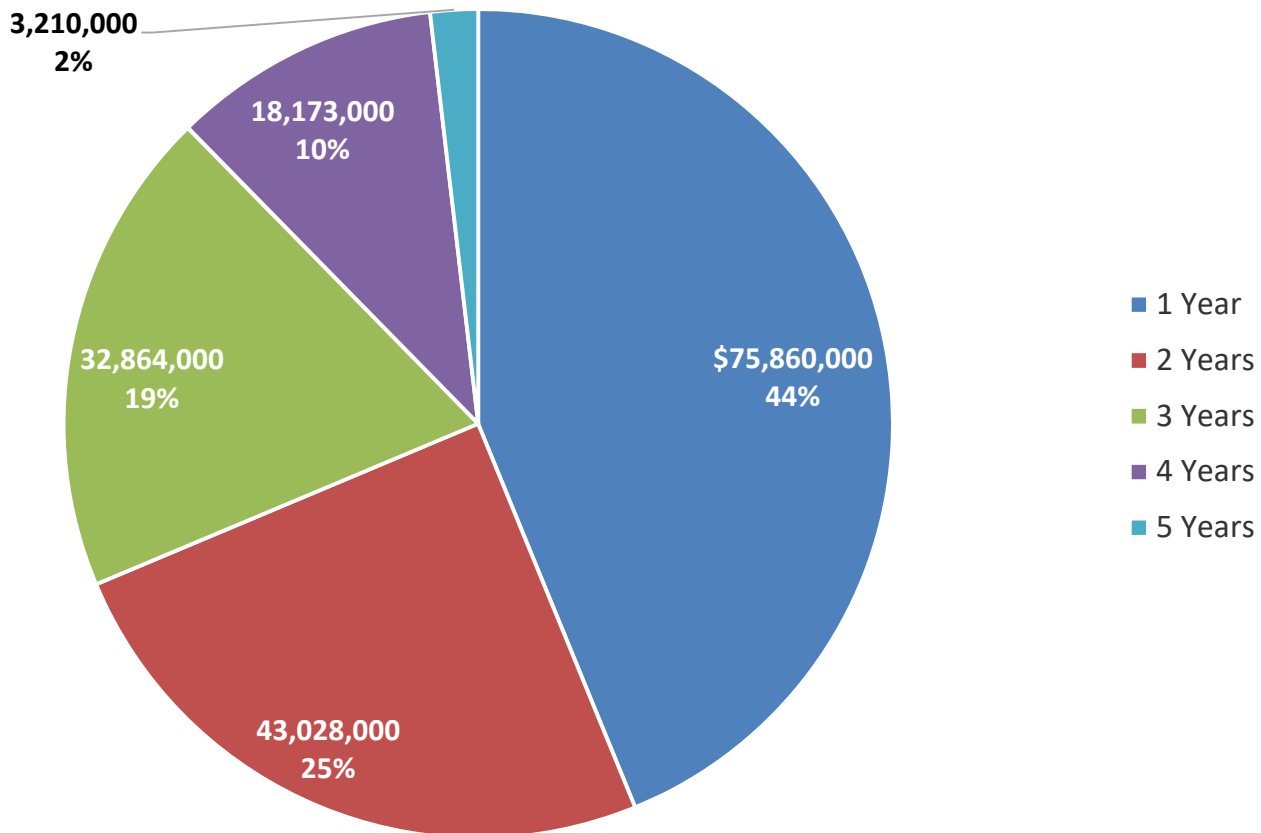


Kaweah Delta Health Care District
INVESTMENT SUMMARY OF SURPLUS FUNDS BY MATURITY
June 30, 2023

	Investment Amount (Cost)	%
1 Year	\$75,860,000	43.8%
2 Years	43,028,000	24.9%
3 Years	32,864,000	18.9%
4 Years	18,173,000	10.5%
5 Years	<u>3,210,000</u>	<u>1.9%</u>
Total Surplus Fund Investments	<u>\$ 173,135,000</u>	<u>100.0%</u>

Weighted Average Maturity

2.02 Years



Kaweah Delta Health Care District
INVESTMENT SUMMARY OF SURPLUS FUND'S UNREALIZED GAINS AND LOSSES
June 30, 2023

Description	Maturity	Par Value	Amort Cost	Market Value	Unrealized Gain (Loss)
Medium-Term Notes (Corporate):					
BRISTOL MYERS SQUIBB CO	11/13/2023	280,000	280,000	274,966	(5,034)
PACCAR FINANCIAL CORP	02/02/2024	1,000,000	999,771	970,110	(29,661)
NATIONAL RURAL UTIL COOP	02/08/2024	1,400,000	1,398,459	1,357,188	(41,271)
UNILEVER CAPITAL CORP	03/07/2024	200,000	202,912	196,888	(6,024)
SCHWAB CHARLES CORP	03/18/2024	1,625,000	1,624,808	1,567,719	(57,089)
SCHWAB CHARLES CORP	03/18/2024	90,000	89,989	86,828	(3,162)
VERIZON COMMUNICATIONS INC	03/22/2024	730,000	729,989	704,530	(25,459)
BANK OF NY MELLON CORP	04/26/2024	1,000,000	999,708	958,840	(40,868)
BANK OF NY MELLON CORP	04/26/2024	170,000	169,950	163,003	(6,948)
AMAZON COM INC	05/12/2024	875,000	874,632	838,889	(35,743)
AMAZON COM INC	05/12/2024	250,000	249,895	239,683	(10,212)
ASTRAZENECA FINANCE LLC L P	05/28/2024	300,000	299,994	287,445	(12,549)
JOHN DEERE CAPITAL CORP	06/07/2024	230,000	229,910	219,537	(10,373)
US BANCORP	07/30/2024	415,000	414,930	400,288	(14,641)
AMERICAN HONDA FIN CORP	08/09/2024	190,000	189,952	180,302	(9,650)
BMW US CAP LLC EXTND IAM	08/12/2024	340,000	340,059	322,595	(17,464)
UNILEVER CAP CORP	08/12/2024	100,000	100,000	94,704	(5,296)
HONEYWELL INTERNATIONAL	08/15/2024	330,000	334,572	318,948	(15,623)
PACCAR FINANCIAL CORP	08/15/2024	210,000	211,926	202,146	(9,780)
EXXON MOBIL CORPORATION	08/16/2024	1,320,000	1,320,000	1,272,480	(47,520)
WALT DISNEY COMPANY THE	08/30/2024	780,000	779,266	747,529	(31,738)
DEERE JOHN CAPITAL CORP	09/10/2024	85,000	84,978	80,309	(4,669)
CATERPILLAR FINL SVCS	09/13/2024	500,000	499,727	471,955	(27,772)
NESTLE HLDGS INC	09/14/2024	640,000	640,000	605,606	(34,394)
BANK OF NY MELLON CORP	10/24/2024	150,000	150,183	143,360	(6,824)
BANK NEW YORK MELLON CORP	10/25/2024	390,000	389,889	366,027	(23,862)
CITIGROUP INC SR NT	10/30/2024	445,000	445,000	437,141	(7,859)
CATERPILLAR FINL SERVICE	11/08/2024	600,000	599,847	574,944	(24,903)
CATERPILLAR FINL SERVICE	11/08/2024	850,000	850,531	814,504	(36,027)
JPMORGAN CHASE CO	12/05/2024	1,050,000	1,077,669	1,040,928	(36,741)
BRANCH BANKING TRUST	12/06/2024	1,300,000	1,299,373	1,225,744	(73,629)
JOHN DEERE CAPITAL CORP	01/09/2025	500,000	499,957	476,075	(23,882)
US BANK NA CINCINNATI	01/21/2025	1,400,000	1,428,960	1,320,480	(108,480)
GOLDMAN SACHS GROUP INC	01/24/2025	725,000	725,000	705,896	(19,104)
NATIONAL RURAL UTIL COOP FIN	02/07/2025	125,000	124,998	118,013	(6,986)
TOYOTA MOTOR CREDIT CORP	02/13/2025	420,000	419,708	397,408	(22,300)
NOVARTIS CAPITAL CORP	02/14/2025	425,000	432,655	402,930	(29,725)
DEERE JOHN CAPITAL CORP	03/07/2025	550,000	549,867	522,984	(26,883)
ROCHE HOLDINGS INC	03/10/2025	730,000	730,000	693,515	(36,485)
GENERAL DYNAMICS CORP	04/01/2025	395,000	411,576	381,882	(29,694)
HOME DEPOT INC	04/15/2025	65,000	64,933	62,342	(2,592)
CITIGROUP INC	05/01/2025	440,000	440,208	421,032	(19,176)
APPLE INC	05/11/2025	655,000	656,031	610,257	(45,774)
EMERSON ELECTRIC CO	06/01/2025	265,000	276,456	254,048	(22,409)
HONEYWELL INTERNATIONAL INC	06/01/2025	400,000	397,836	373,172	(24,664)
JPMORGAN CHASE CO	06/01/2025	1,000,000	1,000,750	950,640	(50,110)
AMAZON COM INC SR NT	06/03/2025	445,000	444,942	411,033	(33,909)
ABBOTT LABORATORIES	09/15/2025	195,000	207,233	190,486	(16,748)
BK OF AMERICA CORP	09/25/2025	1,300,000	1,300,000	1,221,376	(78,624)
PROCTER GAMBLE CO	10/29/2025	1,300,000	1,299,018	1,177,969	(121,049)
LOCKHEED MARTIN CORP	01/15/2026	203,000	215,202	196,878	(18,324)
STATE STR CORP	02/06/2026	1,000,000	999,962	936,930	(63,032)
GOLDMAN SACHS GROUP INC	02/12/2026	205,000	205,253	188,897	(16,356)
STATE STREET CORP	03/30/2026	420,000	421,720	400,529	(21,191)
BANK OF AMERICA CORP	04/02/2026	250,000	250,000	239,628	(10,373)
BANK OF AMERICA CORP	04/19/2026	295,000	305,726	282,979	(22,747)
WELLS FARGO CO	04/25/2026	800,000	800,000	773,424	(26,576)
IBM CORP	05/15/2026	410,000	435,237	390,792	(44,446)
ASTRAZENECA FINANCE LLC L P	05/28/2026	265,000	265,220	239,120	(26,100)
TOYOTA MTR CR CORP	06/18/2026	1,400,000	1,398,064	1,251,768	(146,296)
WALMART INC	07/08/2026	205,000	210,298	196,085	(14,214)
CATERPILLAR FINL SVCS	09/14/2026	220,000	217,841	195,653	(22,188)
JP MORGAN CHASE CO	10/01/2026	415,000	430,791	388,975	(41,816)
AMERICAN EXPRESS CO SR	11/04/2026	445,000	444,501	395,876	(48,624)
DEERE JOHN CAPITAL CORP	01/11/2027	220,000	215,545	198,821	(16,724)
TARGET CORP	01/15/2027	900,000	898,910	823,878	(75,032)
TARGET CORP	01/15/2027	330,000	329,970	302,089	(27,881)
HOME DEPOT INC SR NT	04/15/2027	220,000	213,132	204,065	(9,066)
IBM CORP	05/15/2027	230,000	214,635	203,925	(10,710)

Kaweah Delta Health Care District
INVESTMENT SUMMARY OF SURPLUS FUND'S UNREALIZED GAINS AND LOSSES
June 30, 2023

Description	Maturity	Par Value	Amort Cost	Market Value	Unrealized Gain (Loss)
UNITEDHEALTH GROUP INC	05/15/2027	85,000	84,964	81,939	(3,025)
		<u>\$ 37,698,000</u>	<u>\$ 37,845,019</u>	<u>\$ 35,748,920</u>	<u>\$ (2,096,099)</u>
Municipal Securities:					
NEW YORK ST THRUWAY AUTH REF SER M	01/01/2024	585,000	585,000	574,792	(10,208)
WISCONSIN ST REF TAXABLE GO	05/01/2024	1,320,000	1,320,000	1,267,332	(52,668)
WISCONSIN ST GEN FD ANNUAL	05/01/2024	500,000	500,000	479,780	(20,220)
UNIVERSITY CA REVS TAXABLE	05/15/2024	1,000,000	1,000,000	956,970	(43,030)
ORANGE CA PENSION OBLIG TAXABLE	06/01/2024	500,000	500,000	476,370	(23,630)
TORRANCE CA JT PWRS FING AUTH LEASE	06/01/2024	1,450,000	1,450,000	1,383,358	(66,642)
LOUISIANA ST HWY IMPT REV	06/15/2024	500,000	500,000	476,945	(23,055)
LOS ANGELES CALIF UNI SCH DIST	07/01/2024	1,500,000	1,555,221	1,529,685	(25,536)
EL SEGUNDO CALIF PENSION OBLIG	07/01/2024	510,000	510,000	483,710	(26,291)
ARIZONA ST TRANSPRTN BRD HIGHWAY	07/01/2024	675,000	675,000	651,503	(23,497)
CONNECTICUT ST TAXABLE GO BDS 2020 A	07/01/2024	150,000	150,000	144,933	(5,067)
WISCONSIN ST TRANSN REV TAXABLE REF	07/01/2024	470,000	470,000	447,478	(22,522)
MARYLAND ST TAXABLE GO LOC LN FACS	08/01/2024	355,000	354,973	337,030	(17,943)
SAN DIEGO CA CMNTY CLE DIST REF SER	08/01/2024	80,000	80,000	77,162	(2,838)
SAN JUAN CALIF UNI SCH DIST TAXABLE	08/01/2024	195,000	195,000	184,911	(10,089)
TAMALPAIS CA UNION HIGH SCH DIST	08/01/2024	305,000	305,000	294,163	(10,837)
MISSISSIPPI ST TAXABLE GO REF BDS	11/01/2024	300,000	300,000	281,652	(18,348)
BAY AREA TOLL AUTH CA TOLL BRDG REV	04/01/2025	250,000	250,000	231,250	(18,750)
SAN DIEGO CNTY CA WTR AUTH TAXABLE	05/01/2025	300,000	300,000	276,654	(23,346)
UNIVERSITY CALIF REVS TAXABLE GEN	05/15/2025	185,000	185,000	170,663	(14,338)
CONNECTICUT ST TAXABLE GO BDS 2021 A	06/01/2025	400,000	400,000	368,828	(31,172)
FLORIDA ST BRD ADMIN FIN CORP REV	07/01/2025	600,000	600,295	553,956	(46,339)
WISCONSIN ST TRANSN REV TAXABLE REF	07/01/2025	440,000	440,000	402,653	(37,347)
SANTA CRUZ CALIF MET TRAN DISTSALES	08/01/2025	400,000	400,000	375,740	(24,260)
LOS ANGELES CALIF CMNTY COLLEGE DIST	08/01/2025	335,000	335,000	304,441	(30,559)
SAN JUAN CA UNI SCH DIST REF	08/01/2025	190,000	190,000	173,652	(16,348)
ANAHEIM CA PUB FING AUTH LEASE	07/01/2026	1,000,000	998,824	900,800	(98,024)
LOS ANGELES CA UNI SCH DIST GO	07/01/2026	270,000	270,000	241,650	(28,350)
MASSACHUSETTS ST SPL OBLIG REV	07/15/2027	1,000,000	1,000,000	954,960	(45,040)
ALAMEDA CNTY CA TAXABLE GO BDS 2022	08/01/2027	500,000	500,000	478,300	(21,700)
		<u>\$ 16,265,000</u>	<u>\$ 16,319,313</u>	<u>\$ 15,481,320</u>	<u>\$ (837,993)</u>
U.S. Treasury and Government Agency:					
F H L M C MULTICLASS MTG PARTN	11/25/2023	342,000	345,399	338,992	(6,406)
F N M A GTD R E M I C PASS THRU	03/25/2024	126,000	127,071	123,667	(3,404)
U S TREASURY NOTE	05/15/2024	1,375,000	1,382,876	1,340,515	(42,361)
U S TREASURY NOTE	06/15/2024	865,000	863,712	823,610	(40,102)
U S TREASURY NOTE	09/30/2024	425,000	430,381	405,510	(24,872)
U S TREASURY NOTE	10/31/2024	650,000	648,050	618,462	(29,588)
U S TREASURY NOTE	10/31/2024	1,500,000	1,497,893	1,427,220	(70,673)
U S TREASURY NOTE	11/30/2024	1,000,000	996,369	949,450	(46,919)
U S TREASURY NOTE	12/15/2024	550,000	550,212	517,622	(32,590)
U S TREASURY NOTE	12/31/2024	1,000,000	1,000,905	950,700	(50,205)
F N M A	01/07/2025	1,510,000	1,508,532	1,431,737	(76,795)
U S TREASURY NOTE	01/15/2025	3,300,000	3,292,354	3,103,287	(189,067)
F H L M C	02/12/2025	1,000,000	1,008,424	943,970	(64,454)
FEDERAL HOME LOAN BKS	04/14/2025	1,340,000	1,337,621	1,239,768	(97,853)
F N M A DEB	04/22/2025	1,530,000	1,528,858	1,414,975	(113,883)
U S TREASURY NOTE	05/15/2025	980,000	981,617	941,300	(40,317)
F H L M C MULTICLASS MTG PARTN	05/25/2025	855,000	858,465	823,810	(34,656)
F N M A	06/17/2025	2,000,000	1,998,373	1,836,160	(162,213)
U S TREASURY NOTE	06/30/2025	350,000	349,768	319,648	(30,120)
F H L M C M T N	07/21/2025	1,500,000	1,496,924	1,368,585	(128,339)
U S TREASURY NOTE	07/31/2025	185,000	183,524	168,343	(15,181)
F N M A	08/25/2025	1,500,000	1,496,975	1,364,925	(132,050)
FEDERAL HOME LOAN BKS	09/04/2025	525,000	524,311	478,254	(46,057)
F H L M C M T N	09/23/2025	750,000	748,991	680,528	(68,464)
U S TREASURY NOTE	10/31/2025	770,000	767,458	694,925	(72,533)
U S TREASURY NOTE	11/30/2025	2,550,000	2,550,317	2,301,783	(248,534)
U S TREASURY NOTE	11/30/2025	500,000	494,982	451,330	(43,652)
U S TREASURY NOTE	12/31/2025	1,395,000	1,381,428	1,257,411	(124,017)
U S TREASURY NOTE	01/31/2026	1,000,000	991,087	897,810	(93,277)
U S TREASURY NOTE	02/15/2026	1,000,000	1,021,258	926,720	(94,538)
U S TREASURY NOTE	02/28/2026	1,500,000	1,496,038	1,347,420	(148,618)
U S TREASURY NOTE	03/31/2026	675,000	673,307	610,085	(63,222)

Kaweah Delta Health Care District
INVESTMENT SUMMARY OF SURPLUS FUND'S UNREALIZED GAINS AND LOSSES
June 30, 2023

Description	Maturity	Par Value	Amort Cost	Market Value	Unrealized Gain (Loss)
U S TREASURY NOTE	03/31/2026	1,000,000	998,946	903,830	(95,116)
U S TREASURY NOTE	04/30/2026	1,435,000	1,403,572	1,292,174	(111,397)
U S TREASURY NOTE	05/31/2026	1,200,000	1,247,420	1,122,324	(125,096)
U S TREASURY NOTE	05/31/2026	1,000,000	998,607	898,240	(100,367)
U S TREASURY NOTE	06/30/2026	1,850,000	1,858,807	1,666,887	(191,920)
U S TREASURY NOTE	06/30/2026	990,000	969,296	892,010	(77,286)
U S TREASURY NOTE	07/31/2026	880,000	867,101	783,992	(83,109)
U S TREASURY NOTE	08/31/2026	1,000,000	981,938	891,880	(90,058)
U S TREASURY NOTE	09/30/2026	2,210,000	2,194,056	1,977,265	(216,791)
U S TREASURY NOTE	09/30/2026	1,000,000	992,099	894,690	(97,409)
U S TREASURY NOTE	10/31/2026	800,000	796,833	719,376	(77,457)
U S TREASURY NOTE	11/30/2026	2,000,000	1,998,222	1,801,960	(196,262)
U S TREASURY NOTE	04/30/2027	970,000	970,471	916,311	(54,160)
U S TREASURY NOTE	04/30/2027	250,000	228,412	216,680	(11,732)
U S TREASURY NOTE	04/30/2027	800,000	794,049	755,720	(38,329)
U S TREASURY NOTE	05/15/2027	925,000	907,230	861,332	(45,898)
		<u>\$ 52,858,000</u>	<u>\$ 52,740,537</u>	<u>\$ 48,693,190</u>	<u>\$ (4,047,347)</u>
Asset-backed Securities:					
TOYOTA LEASE OWNER TR	04/22/2024	30,606	30,605	30,499	(106)
GM FIN AUTO LEAS TR	05/20/2024	51,901	51,899	51,748	(151)
NISSAN AUTO REC TR	07/15/2024	1,103	1,103	1,101	(2)
TOYOTA AUTO RECV TR	10/15/2024	38,601	38,600	38,336	(264)
HONDA AUTO RECEIVABLES OWNER	10/18/2024	86,677	86,676	85,476	(1,200)
BMW VEH OWNER TR 2020 A	10/25/2024	9,478	9,478	9,429	(49)
HYUNDAI AUTO RECV TR	12/15/2024	22,194	22,193	22,091	(102)
VERIZON OWNER TRUST	02/20/2025	62,684	62,679	62,247	(433)
CARMAX AUTO OWNER TRUST	03/15/2025	41,864	41,863	41,515	(348)
GM FINANCIAL AUTOMOBILE LEASING	07/21/2025	100,000	99,998	96,972	(3,026)
CARMAX AUTO OWNER TRUST	08/15/2025	87,532	87,528	85,542	(1,986)
KUBOTA CREDIT OWNER TRUST	08/15/2025	164,192	164,183	158,606	(5,577)
JOHN DEERE OWNER TRUST	09/15/2025	387,100	387,083	375,769	(11,314)
HYUNDAI AUTO REC TR	09/15/2025	112,459	112,456	109,511	(2,945)
KUBOTA CR OWN TR	11/17/2025	163,263	163,261	156,176	(7,085)
CARMAX AUTO OWNER TR	12/15/2025	68,882	68,878	66,887	(1,992)
CARMAX AUTO OWN	02/17/2026	188,487	188,474	182,160	(6,314)
CARMAX AUTO OWNER TRUST	06/15/2026	461,944	461,913	442,704	(19,209)
HONDA AUTO REC OWN TR	07/20/2026	130,000	129,995	126,584	(3,411)
DISCOVER CARD EXE NT	09/15/2026	495,000	494,926	465,904	(29,023)
CAPITAL ONE MULTI TR	11/16/2026	640,000	639,999	602,227	(37,771)
CARMAX AUTO OWNER TRUST	04/15/2027	600,000	599,990	585,624	(14,366)
AMERICAN EXPRESS CREDIT	05/17/2027	655,000	654,900	632,114	(22,785)
CAPITAL ONE PRIME AT	05/17/2027	265,000	264,986	256,282	(8,705)
DISCOVER CARD EXE	05/17/2027	305,000	304,981	293,706	(11,275)
MERCEDES BENZ AUTO	11/15/2027	200,000	199,979	196,656	(3,323)
BANK OF AMERICA CREDIT CARD TR	04/17/2028	525,000	527,441	522,370	(5,071)
AMERICAN EXPRESS CREDIT	05/15/2028	150,000	149,987	149,115	(872)
BANK OF AMERICA CREDIT CARD	05/15/2028	180,000	179,959	178,704	(1,255)
FORD CR AUTO OWNER TR	05/15/2028	160,000	159,998	159,726	(271)
		<u>\$ 6,383,968</u>	<u>\$ 6,386,011</u>	<u>\$ 6,185,778</u>	<u>\$ (200,233)</u>
Supra-National Agency					
INTER AMERICAN DEVEL BK	09/23/2024	870,000	869,736	819,671	(50,065)
COOPERATIEVE CENTRALE RAIFFEIS	01/10/2025	440,000	439,337	413,714	(25,622)
		<u>\$ 1,310,000</u>	<u>\$ 1,309,072</u>	<u>\$ 1,233,385</u>	<u>\$ (75,688)</u>