TITLE: **Finance Committee Meeting**
DATE/TIME: **June 23, 2026 at 7:30 am**
LOCATION: **Executive Board Room and via Zoom Meeting**

I. CALL TO ORDER

The Finance Committee meeting was called to order by Judy Barbera at 7:0 a.m.

Finance Committee Attendance: Judy Barbera, David Little, Brad Turpen-CEO, Michael Sokolowski-CFO, Matt Godfrey- Ex. Dir. Physician Services, Eriko Martian- Controller
Staff/Guests: Victoria Mendoza – Executive Assistant
ABSENT: Earl DeFur, Kathy Prindle – Ex. Dir. Clinical Services

II. AGENDA

A. Consent Agenda – ACTION ITEM

1. Approval of minutes 5/19/2026

Motion: David Little moved to approve the consent agenda with the minutes as presented. Brad Turpen seconded the motion. No objections, the motion passed.

B. Financial Statements

1. Review of May Financial Statements
    - Med Surg: 29 patient days
    - Swing Bed: 13 patient days
    - Sleep Lab: 19 studies – Sleep Lab continues to grow as we gain additional referrals.
    - Valor Health Family Medicine: 461 patient visits
    - Valor Health Center (VHC): 314 patient visits
    - VHC Urgent Care: 536 patient visits – increased 6% compared to previous month.
    - Specialty Clinic: 548 encounters – increased significantly compared to previous month.
    - Observation Hours: 613 observation hours
    - 425 Emergency Visits
    - 39 Surgeries/Scopes
    - Pain: 64
    - Lab Testing: 4,975 tests
    - Lab Outreach: 1,570 tests
    - Pharmacy: 3,125
    - Imaging: Overall volumes increased across most modalities, with slight decreases to CT and Ultrasound.

- Income Statement
    - Total Patient Revenue for May was $4.6M, a decrease of $175K compared to previous month.
    - Total Operating Revenue ending at $2.4M for May.
    - May ended with a Net Income gain of $16K.

- Balance Sheet
    - $547K in Cash and $4.7M in Investments.

- Gross Patients Accounts Receivable for May were $10.5M
- Accounts Payable $806K.
- Net Patient Account Receivables were $5.8M.
- Current Liabilities were $3.4M.

- Cash Flow
  - Total cash at the end of period is $5.3M, increased from previous month primarily due to receiving the Third-Party Settlement in May.

- Trending Income Statement
  - Days Cash on Hand increased to 72 total days for May.

- Revenue by Financial Class
  - Revenue mix for May ended at 5% - Inpatient, and 95%.

- Gross A/R Days
  - Gross A/R days are currently at 70 days, consistent with other Critical Access Hospital benchmarks.

- Gross A/R Trending
  - There continues to be notable decreases on the older AR buckets from 121+ days.
  - The 91-120 AR bucket increased due to staffing turnover in Revenue Cycle experienced during the previous months.

Discussion: David asked whether leadership had revisited the Valor Health Center clinic visit pro forma. Michael reported that leadership has scheduled a dedicated review of the VHC proforma, including patient access metrics, patient volumes, and staffing levels.
Judy asked if the service line reports have received good feedback. Michael shared that the reports have received positive feedback and many department leaders have reached out to Michael and Eriko to better understand the reports and identify opportunities for improvements.

Motion: David Little moved to approve the Financial Statements for May 2026. Judy Barbera seconded the motion. No objections, the motion passed.

C. Bad Debt & Charity – May – ACTION ITEM

1. Bad Debt write off – $187,877
2. Charity Write-off – $8,286
3. Point of Service (POS) Collections - $5,908
   - Michael reported that workflow improvements continue following Yaquelin Arteaga's promotion to Patient Access Operations Supervisor. These efforts are focused on improving consistency and increasing point-of-service collections.

Motion: Brad Turpen moved to approve the Bad Debt and Charity write-offs for May 2026. David Little seconded the motion. No objections, the motion passed.

D. Finance Committee

1. General Discussion
   - Leadership continues to await publication of the Rural Health Transformation (RHTP) grant applications.
2. FY26 Capital Budget
   - This item was not discussed.
3. Finance Committee Dashboard – Michael provided a brief report of the Finance Committee Dashboard.

III. NEW BUSINESS

A. Executive Session – None.

Being no further business, the meeting ended at 7:57 am.