



MEETING MINUTES

ANTELOPE VALLEY HEALTHCARE DISTRICT BOARD OF DIRECTORS MEETING – PUBLIC SESSION

Community Resource Center – Auditorium
44151 15th Street West, Lancaster, CA 93534

JUNE 25, 2025

DIRECTORS PRESENT: Abdallah Farrukh, MD, Chair Kristina Hong, NP, 1 st Vice-Chair Don Parazo, MD, Secretary Doddanna Krishna, MD, Treasurer DIRECTORS ABSENT: Steven Hofbauer, 2 nd Vice-Chair	OTHERS PRESENT: Edward Mirzabegian, Chief Executive Officer Troy Schell, General Counsel Satya Dandamudi, MD, CMO Kayla Martz, Director of Med Staff Srvs & BOD Liaison
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START TIME: 6:17PM

- I. **REPORTABLE ACTIONS TAKEN IN EXECUTIVE (CLOSED) SESSION** – Abdallah Farrukh, MD, Chair
 - A. Report on Actions on Claims Filed with the District (**REPORT**)
 - B. Medical Staff Recommendations (**REPORT**)Dr. Farrukh reported on the Action on Claims filed with AVHD.
He also reported on the Medical Staff Recommendations.
- II. **CONSENT CALENDAR – THE CONSENT CALENDAR, AGENDA ITEMS MAY BE ACTED UPON WITH ONE MOTION, A SECOND AND THE VOTE** – Abdallah Farrukh, MD, Chair
 - A. Approval of Board Public Session Meeting Minutes of May 28, 2025 (**ACTION**)
 - B. Approval of Finance Committee Meeting Minutes of May 28, 2025 (**ACTION**)
 - C. Approval of Retirement Advisory Committee Meeting Minutes of February 10, 2025 (**ACTION**)
 - D. Approval of Memorandum/Policy regarding Compliance and/or Corrective Action for AVMC's Retirement Plan (**ACTION**)
 - E. Approval of Insurance Renewal 2025/2026 (**ACTION**)

MOTION: Dr. Parazo made a motion to approve the Consent Calendar; Seconded by Dr. Krishna.
The motion passed unanimously.

III. **COMMITTEE REPORTS & RECOMMENDATIONS**

A. Finance Committee – Kristina Hong, NP, Chair

1. Approval of May 2025 - Financial Report (**ACTION**) – Nathan Dean, CFO

Statement of Income – May 2025

- Total Operating Revenue – Actual: \$57.5 | Budget: \$44.6 | LY: \$47.2 | 21.9% Variance from LY
- Total Operating Expenses – Actual: \$49.6 | Budget: \$41.8 | LY: 43.7 | 13.5% Variance from LY
- EBIDA – Actual: \$7.8 | Budget: \$2.7 | LY: 3.4 | 126.6% Variance from LY
- Net Income – Actual: \$5.2 | Budget: \$513 | LY: \$1.0 | 394.7% Variance from LY

Statement of Income – Year to Date: Reviewed & Discussed

- Total Operating Revenue – Actual: \$525.4 | Budget: \$496.5 | 10.8% Variance from LY
- Total Operating Expenses – Actual: \$499.9 | Budget: \$464.8 | LY: \$452.4 | 10.5% Variance from LY
- EBIDA – Actual: \$25.4 | Budget: \$31.6 | LY: \$21.9 | 15.8% Variance from LY
- Net Income – Actual: - \$2.0 | Budget: \$5.5 | LY: -\$2.7 | 26.0% Variance from LY

Payor Mix Graph – Reviewed

Medicare: 39.9% | Medi-Cal: 38.1% | Commercial: 19.7% | Other: 1.8% | Self-Pay: 0.4%

Admission Trends – Reviewed Data from May 2023 – May 2025

Volumes – May 2025

TOTAL SURGERIES: 617 | Budget: 707 | LY: 761 | -18.9% Variance from LY
TOTAL GI PROCEDURES: 339 | Budget: 370 | LY: 355 | -4.5% Variance from LY
TOTAL CC/IR/EP PROCEDURES: 212 | Budget: 162 | LY: 194 | 9.3% Variance from LY
Dr. Dean noted significant growth in Cath-Lab and Trauma cases.

Trauma Cases: 154 | Budget: 134 | LY: 180 | -14.4% Variance from LY
ER Visits: 9,763 | ER Admits: 1,198 | ER Conversion to I/P: 12.3%
Deliveries: 248 | Budget: 290 | LY: 295

Acute Discharges – Actual: 1,578 | Budget: 1,616 | LY: 1,613
Acute Patient Days - Actual: 7,250 | Budget: 7,612 | LY: 7,576
Adjusted Patient Days - Actual: 10,412 | Budget: 10,987 | LY: 10,921

Observations (as patient days) - Actual: 56 | Budget: 75 | LY: 83 | -32.5% from LY
Avg Daily Census – Actual: 234 | Budget: 245 | LY: 244

General Acute LOS – Actual: 4.59 | Budget: 4.71 | LY: 4.70
General Acute CMI - Actual: 1.54 | Budget: 1.53 | LY: 1.56
Medicare Acute LOS – Actual: 5.37 | Budget: 5.99 | LY: 5.67
Medicare CMI – Actual: 2.15 | Budget: 2.20 | LY: 2.17

Volumes – Fiscal YTD

TOTAL SURGERIES: 7,228 | Budget: 7,660 | LY: 7,399 | -2.3% Variance from LY
TOTAL GI PROCEDURES: 3,455 | Budget: 3,998 | LY: 3,935 | -12.2% Variance from LY
TOTAL CC/IR/EP PROCEDURES: 2,129 | Budget: 1,750 | LY: 1,826 | 16.6% Variance from LY

Mr. Dean noting the growth year to date in the Cath-Lab and accredits it to Mr. Mirzabegian expanding the service line to allow for better service to the community and better financial benefits to the hospital.

Trauma Cases: 1,545 | Budget: 1,446 | LY: 1,488 | 3.8% Variance from LY
ER Visits: 106,056 | ER Admits: 12,547 | ER Conversion to I/P: 11.8%
Deliveries: 3,266 | Budget: 3,190 | LY: 3,068 | 6.5% Variance from LY

Acute Discharges – Actual: 16,988 | Budget: 17,461 | LY: 17,206
Acute Patient Days - Actual: 81,901 | Budget: 82,261 | LY: 81,758

Adjusted Patient Days - Actual: 116,875 | Budget: 118,732 | LY: 117,963

Observations (as patient days) - Actual: 771 | Budget: 812 | LY: 816

Avg Daily Census – Actual: 244 | Budget: 245 | LY: 243

General Acute LOS – Actual: 4.82 | Budget: 4.71 | LY: 4.75

General Acute CMI - Actual: 1.54 | Budget: 1.57 | LY: 1.52

Medicare Acute LOS – Actual: 5.90 | Budget: 5.99 | LY: 6.00

Medicare CMI – Actual: 2.24 | Budget: 2.27 | LY: 2.19

Labor Metrics – May 2025 & Fiscal Year to Date

- Reviewed data for May 2025 & Fiscal YTD

Collection & Debt Service Coverage Requirements – May 2025

- Bond Covenant Requirements - Days Cash on Hand: 96.8

- Debt Service Coverage: 2.46

Mr. Dean noted that the operating expenses are higher therefore the formula of expenses contributing to the days cash on hand.

MOTION: Dr. Krishna made a motion to approve the May 2025 Financial Report; Seconded by Dr. Parazo. The motion passed unanimously.

2. Approval of Fiscal Year 2026 Budget (ACTION) – Nathan Dean, CFO

Correction to the agenda to adjust the typo in the year for the fiscal budget from 2025 to FY 2026.

- Statement of Operations Reviewed
- Statistics Reviewed
- Key Operating Indicators Reviewed
- Payor Mix Based on Gross Charges Reviewed

MOTION: Dr. Parazo made a motion to approve the Budget for Fiscal Year 2026; Seconded by Ms. Hong. The motion passed unanimously.

IV. NEW BUSINESS – Abdallah Farrukh, MD, Chair

A. AVMC Auxiliary & Alpha Charter Guild Check Presentation (INFORMATION ONLY)

B. 6-Month AVHD Board of Directors Meeting Schedule (ACTION)

MOTION: Ms. Hong made a motion with an adjustment to the September meeting to meet on September 17, 2025 for the AVHD Board of Directors to attend the 2025 ACHD Annual Meeting; Seconded by Dr. Parazo.

The motion passed unanimously.

C. Approval of 4th Amendment to the CEO Employment Contract with AVHD (ACTION)

- Ms. Hong shared the accomplishments of Mr. Mirzabegian in the past 6.5 years he has been back at AVMC. She further expresses her appreciation for his hard work and diligence in growing healthcare service lines for the benefit of the community.
- Dr. Parazo shared his appreciation for the hard work and dedication Mr. Mirzabegian has for the community and his stewardship of the finances of AVMC.

MOTION: Dr. Farrukh made a motion to approve the 4th Amendment to the CEO Employment Contract; Seconded by Ms. Hong. The motion passed unanimously.

- Mr. Rives provided a public comment regarding Item IV. C. Mr. Rives shared his appreciation for the AVMC CEO and the stability he has provided for the hospital and the health of the community.

D. NOTICE OF PUBLIC HEARING #5 PURSUANT TO ELECTIONS CODE 10010(a)(1) ~

Discussion and Presentation of Draft Maps, Terms of Office and Elections Sequencing (Elec. Code 10010(a)(2))

• Public Input Regarding Content of Draft Maps and Proposed Sequence of Elections

Consistent with District Resolution No. 012925, the public is invited to provide input regarding the composition of districts before the District will select any draft maps of the proposed boundaries for district-based elections. The sixth public hearing is expected to be held on July 30, 2025.

- Mr. Schell opened the 5th Public Hearing Pursuant to the Elections Code 10010(a)(1)
- Mr. Chawkins introduced districting for the 4th public hearing for AVHD's By Districts versus At-Large of Elections. Further review of the following:
 - CRVA Impact
 - Districting Process
 - Districting Rules & Goals with further explanation of Federal Laws, California Criteria, California
 - Prohibition and Other Traditional Redistricting Principles.
- Demographic Summary was reviewed with information provided in the 2020 Census. He further shared the importance on the importance of refraining from diluting a protected class.
- Proposed Maps Reviewed:
 - The Maps must have a max deviation of 10% or less with current deviation on Olive C being 5.92%Ms. Hong shared her concern regarding protected classes within the proposed maps. She is most in favor of Olive C as it will be the most fair to protected classes and the best representation of the pediatric and adolescent population that relies on AVMC for the emergency medical care without the need to travel far distances for care.
 - Mr. Rives provided public comment regarding two specific maps, Violet and Olive B. He compared these maps to how they relate to the community college district's maps.
 - The Board of Directors responded with how these maps relate to access to healthcare versus access to community college education.

MOTION: Ms. Hong made a motion to approve Olive C; Seconded by Dr. Parazo. The motion passed unanimously.

- Mr. Rives provided public comment.
 - Mr. Schell Closed the Public Hearing at 7:06pm

V. CHIEF EXECUTIVE OFFICER'S REPORT (INFORMATION ONLY) – Edward Mirzabegian, CEO

Mr. Mirzabegian provided the following updates:

- Outpatient Pharmacy
- ECHMO Service Line Update
- CMS Survey Update
- Financial Update Positive
- Managed Care Contracting Update
- Congratulations the AVHD on choosing a map to best represent the needs of the healthcare district

VI. BOARD OF DIRECTORS UPDATES (INFORMATION ONLY) – Abdallah Farrukh, MD, Chair

- None

VII. PUBLIC COMMENT ON NON-AGENDA ITEMS – No Public Comment on Non-Agenda Items

VIII. ADJOURNMENT: 7:11PM

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Abdallah Farrukh, MD, Chair