



MEETING MINUTES

ANTELOPE VALLEY HEALTHCARE DISTRICT BOARD OF DIRECTORS MEETING – PUBLIC SESSION

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

JULY 29, 2026

DIRECTORS PRESENT:

Kristina Hong, NP, Chair
Don Parazo, MD, 1st Vice-Chair
Steven Hofbauer, 2nd Vice-Chair
Doddanna Krishna, MD, Secretary
Abdallah Farrukh, MD, Treasurer

OTHERS PRESENT:

Edward Mirzabegian, Chief Executive Officer
Troy Schell, General Counsel
Satya Dandamudi, MD, CMO
Vanessa Alcala, Executive Secretary & BOD Liaison

START TIME: 6:29 PM

I. REPORTABLE ACTIONS TAKEN IN EXECUTIVE (CLOSED) SESSION – Kristina Hong, NP, Chair

- A. Report on Actions on Claims Filed with the District (**REPORT**)
- B. Medical Staff Recommendations (**REPORT**)

Ms. Hong reported on the Action on Claims filed with AVHD and the Medical Staff Recommendations.

II. CONSENT CALENDAR – THE CONSENT CALENDAR, AGENDA ITEMS MAY BE ACTED UPON WITH ONE MOTION, A SECOND AND THE VOTE – Kristina Hong, NP, Chair

- A. Approval of Board of Directors Public Session Meeting Minutes of June 24, 2026 (**ACTION**)
- B. Approval of Finance Committee Meeting Minutes of June 24, 2026 (**ACTION**)
- C. Approval of ED Waiting Area Expansion Project (**ACTION**)
- D. Approval of Authorization to Utilize Equipment Line to Fund Critical Patient Care Equipment (**ACTION**)
- E. Approval of Policy Number LD.32 entitled "Investment Policy Statement" (**ACTION**)

MOTION: Dr. Krishna made a motion to approve the consent calendar; Seconded by Mr. Hofabauer. The motion passed unanimously.

III. COMMITTEE REPORTS & RECOMMENDATIONS

A. Finance Committee – Doddanna Krishna, MD, Chair

- 1. Approval of June 2026 - Financial Report (**ACTION**) – Nathan Dean, CFO

Statement of Income – June 2026: Reviewed & Discussed

Total Operating Revenue – Actual: \$75.0 | Budget: \$49.0 | LY: \$56.8 | 32.1% Variance from LY

Total Operating Expenses – Actual: \$57.2 | Budget: \$45.3 | LY: \$42.7 | 33.8% Variance from LY

EBIDA – Actual: \$17.8 | Budget: \$3.7 | LY: \$14.0 | 27.0% Variance from LY
Net Income – Actual: \$15.6 | Budget: \$1.4 | LY: \$11.1 | 40.3% Variance from LY

Statement of Income – Year to Date: Reviewed & Discussed

Total Operating Revenue – Actual: \$629.0 | Budget: \$633.3 | LY: \$582.2 | 8.0% Variance from LY
Total Operating Expenses – Actual: \$580.4 | Budget: \$586.1 | LY: \$542.7 | 6.9% Variance from LY
EBIDA – Actual: \$48.5 | Budget: \$47.1 | LY: \$39.4 | 23.0% Variance from LY
Net Income – Actual: \$19.3 | Budget: \$17.4 | LY: \$9.0 | 112.2% Variance from LY

Mr. Dean noted that Fiscal Year 26 was a record year with continued growth in Trauma and Cath Lab Procedures. The payors mix and reduced contract labor, primarily nursing contracts, improved the financial bottom line.

12-Month Trend – Reviewed from June 2025 – June 2026

Payor Mix Graph – Reviewed Payor Class Percentages for FY2026

Medicare: 41.1% | Medi-Cal: 37.2% | Commercial: 19.5% | Other: 1.7% | Self-Pay: 0.4%

Dr. Farrukh inquired about payor reimbursement ranking. Mr. Dean responded, stating that Commercial Payors generally reimburse at higher rates. Mr. Mirzabegian added that Medicare is another favorable payor in California. Dr. Farrukh inquired about Blue Shields reimbursement rates. Mr. Mirzabegian stated that Blue Shield is the next highest payor after Kaiser Permanente.

Admission Trends – Reviewed Data for June 2024 – June 2026

Volumes – June 2026

Total Surgeries: 669 | Budget: 677 | LY: 633 | 5.7% Variance from LY
Total GI Procedures: 284 | Budget: 317 | LY: 363 | -21.8% Variance from LY
Total CC/IR/EP Procedures: 246 | Budget: 194 | LY: 217 | 13.4% Variance from LY

Trauma Cases: 176 | Budget: 134 | LY: 178 | -1.1% Variance from LY
ER Visits: 8,928 | ER Admits: 1,124 | ER Conversion to I/P: 12.6%
Deliveries: 257 | Budget: 317 | LY: 242

Acute Discharges – Actual: 1,531 | Budget: 1,526 | LY: 1,418
Acute Patient Days - Actual: 7,486 | Budget: 7,344 | LY: 7,213
Adjusted Patient Days - Actual: 10,813 | Budget: 10,595 | LY: 10,286

Observations (as patient days) - Actual: 92 | Budget: 74 | LY: 71
Avg Daily Census – Actual: 250 | Budget: 248 | LY: 240

General Acute LOS – Actual: 4.89 | Budget: 4.81 | LY: 5.09
General Acute CMI - Actual: 1.62 | Budget: 0.00 | LY: 1.55
Medicare Acute LOS – Actual: 5.82 | Budget: 5.90 | LY: 5.61
Medicare CMI – Actual: 1.98 | Budget: 5.00 | LY: 2.04

Volumes – Fiscal YTD

TOTAL SURGERIES: 7,790 | Budget: 8,213 | LY: 7,816 | 0.9% Variance from LY
TOTAL GI PROCEDURES: 4,009 | Budget: 3,860 | LY: 3,818 | 5.0% Variance from LY
TOTAL CC/IR/EP PROCEDURES: 2,566 | Budget: 2,334 | LY: 2,346 | 9.4% Variance from LY

Trauma Cases: 1,788 | Budget: 1,649 | LY: 1,723 | 3.8% Variance from LY
ER Visits: 113,085 | ER Admits: 13,928 | ER Conversion to I/P: 12.3%
Deliveries: 3,216 | Budget: 3,804 | LY: 3,508

Acute Discharges – Actual: 18,556 | Budget: 18,672 | LY: 18,406
Acute Patient Days - Actual: 89,102 | Budget: 89,350 | LY: 89,114
Adjusted Patient Days - Actual: 128,473 | Budget: 128,894 | LY: 127,161

Observations (as patient days) - Actual: 811 | Budget: 886 | LY: 842
Avg Daily Census – Actual: 244 | Budget: 247 | LY: 244

General Acute LOS – Actual: 4.80 | Budget: 4.79 | LY: 4.84
General Acute CMI - Actual: 1.55 | Budget: 1.57 | LY: 1.54
Medicare Acute LOS – Actual: 5.69 | Budget: 5.94 | LY: 5.88
Medicare CMI – Actual: 2.04 | Budget: 2.27 | LY: 2.23

Mr. Dean identified an increase in acute discharges and inpatient procedures. He also noted a decrease in Emergency Department Volumes. Mr. Mirzabegian added that the number of Trauma Patients and Outpatient Surgeries have increased in the past year. He also stated that the Cath Lab volumes have increased and the investments in the Cath Lab have improved access to specialized cardiac care in the community. Dr. Farrukh emphasized a commitment to improving patient care in the community, adding that the Stroke Program is another example of advanced, specialized services being offered primarily by our medical center in the region.

13-Month Trended Volumes – Reviewed for June 2025 – June 2026

Labor Metrics - June 2026

FTE Totals – Actual: 2,543 | Budget: 2,439 | LY: 2,500 | 1.7% Variance

Labor Metrics - Year to Date: Reviewed & Discussed

FTE Total – Actual: 2,515 | Budget: 2,469 | LY: 2,488 | 1.1% Variance from LY

Collection & Debt Service Coverage Requirements – June 2026

Bond Covenant Requirements - Days Cash on Hand: 92.6

Debt Service Coverage: 2.79

MOTION: Ms. Hong made a motion to approve the 2026 Financial Report; Seconded by Dr. Krishna. The motion passed unanimously.

IV. NEW BUSINESS – Kristina Hong, NP, Chair

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

Mr. Mirzabegian provided the following updates:

- Emergency Waiting Room Expansion Project was approved. Jeff Donis was recognized for his contributions.
- Women's Imaging Center is opening in October; Mammography services will be included.
- Remodeling of the Outpatient Surgery Center is near completion, expected to open in late December or early January.
- Outpatient Rehabilitation Center Pilot Program for Patient Ambulation is Progressing. Management is seeking additional staff. Thank you to Lacey Ventura and Team.
- S&P Global Rating: BBB- with a stable outlook.
- LA Times Business Journal Ranking by Net Patient Revenue: #40 in 2026 Top Hospitals in Southern California

VI. BOARD OF DIRECTORS UPDATES (INFORMATION ONLY) – Kristina Hong, NP, Chair

Mr. Hofbauer provided the following update:

- Recent discussion at the Association of California Healthcare Districts Board Meeting. Legislation is progressing toward medical centers hiring physicians directly.

Mr. Mirzabegian noted that this may be advantageous to the medical center and health of the community. Dr. Farrukh added that this will allow physicians to be more proficient and can improve quality of care by allowing greater control of the patient's care delivery. Mr. Mirzabegian agreed and added that the medical center would require a Knox-Keene license to insure our patients.

VII. PUBLIC COMMENT ON NON-AGENDA ITEMS

VIII. ADJOURNMENT: 6:45 PM

x 

Kristina Hong, NP, Chair