



AGENDA

LAST FRONTIER HEALTHCARE DISTRICT

BOARD OF DIRECTORS

Thursday, October 30, 2025, 3:30 pm
City Council Chambers; Alturas City Hall; Alturas, California

Parties with a disability, as provided by the American Disabilities Act, who require special accommodations or aids in order to participate in this public meeting should make requests for accommodation to the Modoc Medical Center Administration at least 48 hours prior to the meeting. Board Agenda packets are available to the public online at www.modocmedicalcenter.org or at the MMC Administration offices.

3:30 pm - CALL TO ORDER – C. Madison, Chair

1. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA – C. Madison, Chair

2. AGENDA APPROVAL - Additions/Deletions to the Agenda – C. Madison, Chair

3. PUBLIC COMMENT - This is the time set aside for citizens to address the Board on matters not on the Agenda or Consent Agenda. Comments should be limited to matters within the jurisdiction of the Board. If your comment concerns an item shown on the Agenda, please address the Board after that item is open for public comment. **By law, the Board cannot act on matters that are not on the Agenda.** The Chairperson reserves the right to limit the duration of each speaker to **three minutes**. Speakers may not cede their time. Agenda items with times noted, will be considered at that time. All other items will be considered as listed on the Agenda, or as deemed necessary by the Chairperson.

4. VERBAL REPORTS

- A.) M. Edmonds and Dr. Burkholder – CMO Report to the Board
- B.) K. Kramer – CEO Report to the Board
- C.) E. Johnson – CNO Report to the Board
- D.) J. Lin – FD Report to the Board
- E.) A. Vucina – CHRO Report to the Board
- F.) A. Willoughby – COO Report to the Board
- G.) Board Member Reports

5. DISCUSSION

- A.) A. Doss – Quality Report to the Board
- B.) K. Kramer – Geothermal Grant

Attachment A

REGULAR SESSION

6. CONSENT AGENDA - Items under the Consent Agenda heading do not require discussion before a vote. If discussion is needed, that item needs to be moved to the Consideration/Action part of the Agenda where discussion is allowed.

- A.) D. King - Adoption of LFHD Board of Directors Regular Meeting Minutes – September 25, 2025, Attachment B
- B.) T. Ryan - Medical Staff Committee Meeting Minutes – September 24, 2025 Attachment C
 - Medical Staff Committee Meeting Minutes – August 27, 2025
 - Committee Reports – No Report
 - Pathology Report – No Report

EMERGENCY DEPARTMENT

7010.25 Allergic Reaction-Anaphylaxis Standard of Care
7010.25 Assessment of the Trauma Patient
7010.25 Verbal Order Policy and Procedure
7010.25 Code Blue Alert; Adult/Pediatric

OPERATING ROOM/SURGERY

7420.25 Pathology Specimens
7420.25 Discharge Criteria-PACU
7420.25 Ethics in regard to Ectopic Case and or Fetal Demise
7420.25 Medication Labeling
7420.25 Specimens
7420.25 Surgical Staffing Policy

LABORATORY

7500.24 Neonatal RBC Transfusion

DIETARY-SNF

8340.25 Training-Orientation

FACILITIES/EOC

8460.25 Labeling of Chemicals Transferred to Different Containing
8460.25 Medical Waste Management Plan
8460.25 Smoke Detector Inspection Procedures

INFECTION CONTROL-ACUTE

8753-A.25 Outbreak Investigation
8753-A.25 Vancomycin-Resistant Enterococcus

7. CONSIDERATION/ACTION

A.) E. Johnson – Departmental Manuals

Attachment E

- Canby Medical/ Dental Clinics
- Alturas Medical Clinic
- EMTALA
- Dietary/Acute

B.) J. Lin – September 2025 LFHD Financial Statement (*unaudited*)

Attachment F

C.) K. Kramer – Surprise Valley Hospital Intergovernmental Aid

Attachment G

D.) K. Kramer – USDA Financing

Attachment H

E.) K. Kramer – Resolution #25-05

Attachment I

EXECUTIVE SESSION

8. CONSIDERATION / ACTION

A.) T. Ryan – Medical Executive Committee Minutes & Credentialing Items – September 24, 2025
(Per Evidence Code 1157)

Attachment J

- Medical Executive Committee Minutes & Credentialing Items OPPE 2019B – August 27, 2025

REGULAR SESSION

9. CONSIDERATION / ACTION

A.) T. Ryan – Medical Executive Committee Minutes & Credentialing Items – September 24, 2025
(Per Evidence Code 1157)

- Medical Executive Committee Minutes & Credentialing Items OPPE 2019B – August 27, 2025

8. MOTION TO ADJOURN – C. Madison – Chair

POSTED AT: MODOC COUNTY COURTHOUSE / ALTURAS CITY HALL / MMC WEBSITE / MMC FRONT ENTRANCE - (www.modocmedicalcenter.org) ON October 24, 2025.

ATTACHMENT A

GEOHERMAL GRANT

Exhibit A Scope of Work Last Frontier Healthcare District

I. TASK LIST

Task #	CPR ¹	Task Name
1		Administration
2		Design for the Injection Well
3	x	Bidding for Well Rework and Piping Improvements
4	x	Rework on AL-1 Well
5		Project Commissioning
6		Project Closeout
7		Public Outreach and Technology Transfer Activities

II. KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1	LFHD staff: Kevin Kramer SHN staff: Darryl Anderson, Carmen Tague	SHN Consulting Engineers & Geologists, Inc.	
2	SHN staff: Darryl Anderson	SHN Consulting Engineers & Geologists, Inc.	
3	SHN staff: Darryl Anderson, Carmen Tague	SHN Consulting Engineers & Geologists, Inc.	
4	SHN staff: Darryl Anderson	SHN Consulting Engineers & Geologists, Inc.	TBD – Contractor
5	SHN staff: Darryl Anderson	SHN Consulting Engineers & Geologists, Inc.	
6	LFHD staff: Kevin Kramer SHN staff: Darryl Anderson	SHN Consulting Engineers & Geologists, Inc.	
7	LFHD staff: Kevin Kramer SHN staff: Darryl Anderson	SHN Consulting Engineers & Geologists, Inc.	

III. GLOSSARY

¹ Please see subtask 1.3 in Part V of the Scope of Work (Administration) for a description of Critical Project Review (CPR) Meetings.

**Exhibit A
Scope of Work
Last Frontier Healthcare District**

Term/ Acronym	Definition
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEC	State Energy Resources Conservation and Development Commission or, the California Energy Commission.
CPR	Critical Project Review
GRDA	Geothermal Resources Development Account
LFHD	Last Frontier Healthcare District
MJUSD	Modoc Joint Union School District
Recipient	LFHD
RREDI	Reliability, Renewable Energy & Decarbonization Incentives Division
SHN	SHN Consulting Engineers & Geologists, Inc.
TAC	Technical Advisory Committee

IV. PURPOSE OF AGREEMENT, PROBLEM/SOLUTION STATEMENT, AND GOALS AND OBJECTIVES

Purpose of agreement

The purpose of this Agreement is to improve and expand the existing geothermal heating system utilized by the Modoc Medical Center in Alturas, California, and provide heating to additional buildings. The project will provide some economic benefits to Alturas and surrounding Modoc County communities, which are classified as disadvantaged communities, by lowering heating costs and providing services to personnel and supporting local businesses.

Problem and Solution Statement:

Problem

The existing geothermal heating system, operated by Modoc Joint Union School District (MJUSD) and utilized by Modoc Medical Center for heating their facilities, does not have adequate injection capacity for expansion of the system to additional buildings. The Modoc Medical Center is expanding its facilities and wishes to utilize geothermal heating for the new buildings. The existing geothermal heating system has more than enough production capacity to provide this heating. However, all geothermal effluent used by the system must be injected back into the aquifer

Exhibit A Scope of Work Last Frontier Healthcare District

through an injection well. The system currently has one injection well, AL-4, but this well does not have the capacity to handle the increased injection demand that would result from system expansion. This is a rural area, and public facilities are faced with declining budgets and increasing community needs. The use of the existing geothermal system for heating has provided enormous cost savings for both the MJUSD and the Last Frontier Healthcare District (LFHD), but cost barriers still prevent these public organizations from making major improvements to the system, like increasing injection capacity. The existing geothermal heating system cannot be expanded to include the new Modoc Medical Center facilities, or additional users, without increasing the system's injection capacity.

Solution

The project will convert an existing, unused, geothermal production well into an injection well. The additional injection well will provide adequate injection capacity to serve the expanded Modoc Medical Center facilities, as well as allow for the addition of future users. Conversion of the existing well will be less costly than drilling a new well, and most of the existing piping can be used to reroute some of the system's geothermal effluent to the repurposed injection well.

Goals of the Agreement:

The goal of this Agreement is to increase the injection capacity of the existing geothermal heating system, allowing for expansion of the system and increasing the use of geothermal resources in the Alturas area.

Objectives of the Agreement:

The objectives of this Agreement are to:

- Design and construct improvements to convert the existing production well (AL-1) into an injection well.
- Design and construct necessary piping improvements to route geothermal effluent to well AL-1 for injection.

V. ADMINISTRATION TASKS

Products

Subtask 1.1 Products

The goal of this subtask is to establish the requirements for submitting project products (e.g., reports, summaries, plans, and presentation materials). Unless otherwise specified by the Commission Agreement Manager (CAM), the Recipient must deliver products as required below by the dates listed in the **Project Schedule (Part VII)**. All products submitted which will be viewed by the public, must comply with the accessibility requirements of Section 508 of the federal Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d), and regulations implementing that act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations. All technical tasks should include product(s). Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, “**days**” means working days.

Exhibit A Scope of Work Last Frontier Healthcare District

The Recipient shall:

For products that require a draft version, including the Final Report Outline and Final Report

- Submit all draft products to the CAM for review and comment in accordance with the Project Schedule (Part V). The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt, unless otherwise specified in the task/subtask for which the product is required.
- Consider incorporating all CAM comments into the final product. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product.
- Submit the revised product and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period, or approves a request for additional time.

For products that require a final version only

- Submit the product to the CAM for acceptance. The CAM may request minor revisions or explanations prior to acceptance.

For all products

- Submit all data and documents required as products in accordance with the following.

Instructions for Submitting Electronic Files and Developing Software:

Electronic File Format

- Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the California Energy Commission's (CEC) software and Microsoft (MS)-operating computing platforms, or with any other format approved by the CAM. Deliver an electronic copy of the full text of any Agreement data and documents in a format specified by the CAM, such as memory stick.

The following describes the accepted formats for electronic data and documents provided to the CEC as products under this Agreement, and establishes the software versions that will be required to review and approve all software products:

- Data sets will be in MS Access or MS Excel file format (version 2007 or later), or any other format approved by the CAM.
- Text documents will be in MS Word file format, version 2007 or later.
- Project management documents will be in Microsoft Project file format, version 2007 or later.

Software Application Development

Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open-source programs:

- Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
- Microsoft Internet Information Services (IIS), (version 6 and up).

Exhibit A Scope of Work Last Frontier Healthcare District

- Recommend 7.5.
- Visual Studio.NET (version 2008 and up). Recommend 2010.
- C# Programming Language with Presentation (UI), Business Object and Data Layers.
- SQL (Structured Query Language).
- Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
- Microsoft SQL Reporting Services. Recommend 2008 R2.
- XML (external interfaces).

Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the CEC's Information Technology Services Branch to determine whether the exceptions are allowable.

Meetings

Subtask 1.2 Attend Kick-off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The CAM shall designate the date and location of this meeting and provide an agenda to the Recipient prior to the meeting.

The Recipient shall:

- Attend a "Kick-Off" meeting with the Commission Agreement Manager (CAM), the Commission Agreement Officer (CAO), and a representative of the CEC Accounting Office. The Recipient shall bring its Project Manager, Agreement Administrator, Accounting Officer, and others designated by the CAM to this meeting.
- Discuss the following administrative and technical aspects of this Agreement:
 - Agreement Terms and Conditions.
 - Invoicing and auditing procedures.
 - Critical Project Review (CPR) (Subtask 1.3).
 - Monthly Progress Reports (Subtask 1.5).
 - Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions).
 - Final Report (Subtask 1.6).
 - Match fund documentation (Subtask 1.7) No reimbursable work may be done until this documentation is in place.
 - Permit documentation (Subtask 1.8).
 - Subcontracts needed to carry out project (Subtask 1.9).
 - The CAM's expectations for accomplishing tasks described in the Scope of Work.
 - An updated Product Schedule and Due Dates.
 - Technical Advisory Committee meetings (subtasks 1.10 and 1.11).
 - Any other relevant topics.

Exhibit A Scope of Work Last Frontier Healthcare District

Recipient Products:

- Kick-off Meeting Presentation.
- Updated Products Schedule.
- Updated List of Match Funds (if applicable).
- Updated List of Permits (if applicable).

CAM Product:

- Kick-Off Meeting Agenda.

Subtask 1.3 Critical Project Review (CPR) Meetings

CPR meetings provide the opportunity for frank discussions between the CEC and the Recipient. The goal of this task is to determine if the project should continue to receive CEC funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule, or budget.

The CAM may schedule CPR meetings as necessary, and meeting costs will be borne by the Recipient. Discussions may include project status, challenges, successes, advisory group findings and recommendations, final report preparation, and progress on technical transfer and production readiness activities (if applicable).

Meeting participants include the CAM and the Recipient and may include the CAO, Reliability, Renewable Energy & Decarbonization Incentives (RREDI) Division or other CEC staff and management as well as other individuals selected by the CAM to provide support to the CEC.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the CEC, but they may take place at another location or remotely.
- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both match funding and permits.
- Conduct and make a record of each CPR meeting. Prepare a schedule for providing the progress determination described below.
- Determine whether to continue the project, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (please see section 6 of the Terms and Conditions). If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Director of the RREDI Division for his or her concurrence.
- Provide the Recipient with a progress determination on continuation of the project, in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more products.

The Recipient shall:

- Prepare a CPR Report for each CPR that (1) discusses the progress of the Agreement toward achieving its goals and objectives. This report shall (2) include recommendations and conclusions regarding continued work of the projects. This report shall be submitted

Exhibit A Scope of Work Last Frontier Healthcare District

along with any other products identified in this scope of work. The Recipient shall submit these documents to the CAM and any other designated reviewers at least 15 working days in advance of each CPR meeting.

- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

CAM Products:

- Agenda and a list of expected participants.
- Schedule for Progress Determination.
- Progress Determination.

Recipient Product:

- CPR Report(s).

Subtask 1.4 Final Meeting

The goal of this task is to complete the closeout of this Agreement.

The Recipient shall:

- Meet with CEC staff to present the project findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.
- This meeting will be attended by, at a minimum, the Recipient, the CAO, and the CAM. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be divided into two separate meetings at the CAMs discretion.
- The technical portion of the meeting will involve a presentation of an assessment of the degree to which project and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The CAM will determine the appropriate meeting participants.
- The administrative portion of the meeting shall be a discussion with the CAM and the CAO the following Agreement closeout items:
 - Disposition of any procured equipment purchased with CEC funds (Options) (if applicable).
 - CEC requests for specific “generated” data (not already provided in Agreement products).
 - Documentation of Recipient’s disclosure of “subject inventions” developed under the Agreement (if applicable).
 - “Surviving” Agreement provisions such as repayment provisions and confidential products (if applicable).
 - Final invoicing and release of retention.
- Prepare a schedule for completing the closeout activities for this Agreement.
- Prepare a Final Meeting Agreement Summary that documents any agreements made between the Recipient and CEC staff during the meeting.
- Prepare a *Schedule for Completing Agreement Closeout Activities*.

Exhibit A

Scope of Work

Last Frontier Healthcare District

- Provide copies of *All Final Products* on a USB memory stick, organized by the tasks in the Agreement.

Products:

- Final Meeting Agreement Summary (if applicable)
- Schedule for completing agreement closeout activities.
- All Final Products.

Reports and Invoices

Subtask 1.5 Progress Reports and Invoices

The goal of this task is to (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives of this Agreement on time and within budget and (2) ensure that invoices contain all required information and are submitted in the appropriate format.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

The Recipient shall:

- Prepare a Monthly Progress Report that summarizes all Agreement activities conducted by the Recipient, as specified in the scope of work for the preceding month of the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns, accomplishments, milestones, products, schedule, fiscal status.
- Each progress report is due to the CAM within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 6 of the Terms and Conditions of this Agreement.
- Submit a monthly or quarterly Invoice that follows the instructions in Section 8 (Payment of Funds) of the Exhibit C standard terms and conditions, including a financial report on Match Funds and in-state expenditures.

Product:

- Monthly Progress Reports.
- Invoices.

Subtask 1.6 Final Report

The goal of this task is to prepare a comprehensive Final Report is to assess the project's success in achieving the Agreement's goals and objectives.

The objectives of the Final Report are to clearly and completely describe the project's purpose, approach, activities performed, discussion results, and conclusions of the work performed under this Agreement. When creating the Final Report Outline and the Final Report, the Recipient must use the CEC Style Manual provided by the CAM.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the CEC for any project tasks and will be preparing a confidential version of the Final Report

Exhibit A Scope of Work Last Frontier Healthcare District

as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

Task 1.6.1 Final Report Outline

The Recipient shall:

- Prepare an Outline of the Final Report, in accordance with the CEC *Style Manual* provided by the CAM.

Recipient Products:

- Final Report Outline (Draft and Final).

CAM Products:

- CEC Style Manual.
- Web Accessibility Guidelines.
- Comments on Draft Final Report Outline.

Task 1.6.2 Final Report

The Recipient shall:

- Prepare a Draft Final Report in accordance with the approved Final Report Outline, CEC *Style Manual*, and *Final Report Template* provided by the CAM with the following considerations:
 - Ensure that the report includes the following items, in the following order:
 - Cover page (**required**).
 - Credits page on the reverse side of cover with legal disclaimer (**required**).
 - Acknowledgements page (optional).
 - Preface (**required**).
 - Abstract, keywords, and citation page (**required**).
 - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed).
 - Executive summary (**required**).
 - Body of the report (**required**).
 - References (if applicable).
 - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
 - Bibliography (if applicable).
 - Appendices (if applicable) (Create a separate volume if very large.)
 - Attachments (if applicable).
 - Ensure that the report is following CEC's Digital Accessibility Standards.
- Submit a draft of the Executive Summary to the TAC for review and comment.

Exhibit A

Scope of Work

Last Frontier Healthcare District

- Develop and submit a *Summary of TAC Comments on Draft Final Report* received on the Executive Summary. For each comment received, the recipient will identify in the summary the following:
 - Comments the recipient proposes to incorporate.
 - Comments the recipient does propose to incorporate and an explanation for why.
- Submit a draft of the report to the CAM for review and comment. The CAM shall provide written comments on the Draft Final Report within fifteen (15) business days of receipt. The Draft Final Report must be submitted at least 60 days before the end of the Agreement Term. If the Recipient disagrees with any comment, provide a *Written Responses to Comments* explaining why the comments were not incorporated into the final product.
- Prepare and submit a Final Report that addresses any comments from the CAM.
- Submit the revised Final Report electronically with any Written Responses to Comments within 10 days of receipt of CAM's Written Comments on the Draft Final Report, unless the CAM specifies a longer time period or approves a request for additional time.
- Submit a hardcopy and electronic files (in both MS Word and .pdf formats) of the Final Report to the CAM for final review and formatting prior to CEC publication of the report. The .pdf file must follow ADA Guidelines.
- Work with the CAM as necessary to address any questions about the Final Report or any formatting requirements necessary for CEC publication of the Final Report.

Recipient Products:

- Summary of TAC Comments on Draft Final Report.
- Draft Final Report.
- Written Responses to Comments (if applicable).
- Final Report.

CAM Products:

- Written Comments on Draft Final Report.

Subtask 1.7 Identify and Obtain Match Funds

The goal of this task is to ensure that the Recipient obtains any match funds planned for this Agreement are obtained for and applies them to this Agreement during the Agreement term.

While the costs to obtain and document match funds are not reimbursable under this Agreement, the Recipient may spend match funds for this task. The Recipient may only spend match funds during this Agreement term, either concurrently prior to the use of CEC funds for each task during the term of this Agreement. Match funds must be identified in writing and the Recipient must obtain any associated commitments obtained before the Recipient can incur any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a Match Funds Status Letter documenting the match funds committed to this Agreement and submit it to the CAM at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the CEC awarding this Agreement

Exhibit A

Scope of Work

Last Frontier Healthcare District

and none have been identified at the time this Agreement starts, then state this in the letter. If match funds were a part of the proposal that led to the CEC awarding this Agreement, then provide in the letter a list of the match funds that identifies the:

- Amount of each cash match funds, its source(s), including a contact name, address and telephone number and the task(s) to which the match funds will be applied.
- Amount of each in-kind contribution, a description, of the contribution type (e.g., property, services), the documented market or book value, and the source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient must identify its owner and provide a contact name, address and telephone number, and the address where the property is located.
- If different from the solicitation application, provide a copy of the letter of commitment from an authorized representative of each source of cash match funding or in-kind contributions that these funds or contributions have been secured. For match funds provided by a grant, a copy of the executed grant shall be submitted in place of a letter of commitment.
- At the Kick-off meeting, discuss match funds and the implications or impact to the Agreement if they are significantly reduced or not obtained as committed. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide the Supplemental Match Funds Notification Letter to the CAM during the course of the Agreement additional match funds are received.
- Provide the Match Funds Reduction Notification Letter and Notify the CAM within 10 days if during the course of the Agreement existing match funds are reduced and may trigger an additional CPR meeting.

Products:

- Match Funds Status Letter.
- Copy(ies) of each match fund commitment letter(s).
- Supplemental Match Funds Notification Letter(s) for new match funds (if applicable).
- Match Funds Reduction Notification Letter that matches funds were reduced (if applicable).

Subtask 1.8 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

The Recipient shall:

- Prepare a Permit Status Letter documenting the permits required to conduct this Agreement and submit it to the CAM at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter.

Exhibit A

Scope of Work

Last Frontier Healthcare District

If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:

- A list of the permits that identifies the:
 - Type of permit.
 - Name, address and telephone number of the permitting jurisdictions or lead agencies.
- The schedule the Recipient will follow in applying for and obtaining these permits.
- The list of permits and the schedule for obtaining them will be discussed at the kick-off meeting and develop a timetable for submitting the updated list, schedule, and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the CAM with an Updated List of Permits (including the appropriate information on each permit) and an updated Schedule for Acquiring Permits to the CAM.
- As permits are obtained, send a copy of each approved permit to the CAM.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 working days. Either of these events may trigger an additional CPR.

Products:

- Permit Status Letter documenting the permits or stating that no permits are required.
- A copy of each final approved permit (if applicable).
- Updated list of permits as they change during the term of the Agreement (if applicable).
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable).

Subtask 1.9 Obtain and Execute Subcontracts

The goal of this task is to (1) ensure quality products and (2) to procure subcontractors required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient's own procurement policies and procedures. It will also provide the CEC an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, and that the budgeted expenditures are reasonable and consistent with applicable cost principles.

The Recipient shall:

- Manage and coordinate subcontractor activities in accordance with the requirements of this Agreement.
- Incorporate this Agreement by reference into each subcontract.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the CAM for review.

Exhibit A Scope of Work Last Frontier Healthcare District

- Include any required CEC flow-down provisions in each subcontract, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subcontract terms.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, then the Recipient shall notify and receive written approval from the CAM prior to adding any new subcontractors.

Products:

- Subcontracts (draft and final)

Technical Advisory Committee

Subtask 1.10 Technical Advisory Committee (TAC)

The goal of this subtask is to create an advisory committee for this Agreement. The TAC should be composed of diverse professionals. The composition will vary depending on interest, availability, and need. TAC members will serve at the CAM's discretion. The purpose of the TAC is to:

- Provide guidance in project direction. The guidance may include scope and methodologies, timing, and coordination with other projects. The guidance may be based on:
 - Technical area expertise.
 - Knowledge of market applications; or
 - Linkages between the agreement work and other past, present, or future projects (both public and private sectors) that TAC members are aware of in a particular area.
- Review products and provide recommendations for needed product adjustments, refinements, or enhancements.
- Evaluate the tangible benefits of the project to the state of California, and provide recommendations as needed to enhance the benefits.
- Provide recommendations regarding information dissemination, market pathways, or commercialization strategies relevant to the project products.
- Help set the project team's goals and contribute to the development and evaluation of its statement of objectives as the project evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the project has a competitive advantage, value proposition, or strength upon which to build.
- Advocate, to the extent the TAC members feel is appropriate, on behalf of the project in its effort to build partnerships, governmental support, and relationships with a national spectrum of influential leaders.
- Ask probing questions that insure a long-term perspective on decision-making and progress toward the project's strategic goals.

Exhibit A

Scope of Work

Last Frontier Healthcare District

The TAC may be composed of qualified professionals spanning the following types of disciplines:

- Researchers knowledgeable about the project subject matter.
- Members of trades that will apply the results of the project (e.g., designers, engineers, architects, contractors, and trade representatives).
- Public interest market transformation implementers.
- Product developers relevant to the project.
- U.S. Department of Energy research managers, or experts from other federal or state agencies relevant to the project.
- Public interest environmental groups.
- Utility representatives.
- Air district staff; and
- Members of relevant technical society committees.

The Recipient shall:

- Prepare a *List of Potential TAC Members* that includes the names, companies, physical and electronic addresses, and phone numbers of potential members. The list will be discussed at the Kick-off meeting, and a schedule for recruiting members and holding the first TAC meeting will be developed.
- Recruit TAC members. Ensure that each individual understands member obligations and the TAC meeting schedule developed in subtask 1.11.
- Prepare a *List of TAC Members* once all TAC members have committed to serving on the TAC.
- Submit *Documentation of TAC Member Commitment* (such as Letters of Acceptance) from each TAC member.

Products:

- List of Potential TAC Members.
- List of TAC Members.
- Documentation of TAC Member Commitment.

Subtask 1.11 TAC Meetings

The goal of this subtask is for the TAC to provide strategic guidance for the project by participating in regular meetings, which may be held via teleconference.

The Recipient shall:

- Discuss the TAC meeting schedule with the CAM at the Kick-off meeting. Determine the number and location of meetings (in-person and via teleconference) in consultation with the CAM.
- Prepare a *TAC Meeting Schedule* that will be presented to the TAC members during recruiting. Revise the schedule after the first TAC meeting to incorporate meeting comments.

Exhibit A

Scope of Work

Last Frontier Healthcare District

- Prepare a *TAC Meeting Agenda* and *TAC Meeting Back-up Materials* for each TAC meeting.
- Organize and lead TAC meetings in accordance with the TAC Meeting Schedule. Changes to the schedule must be pre-approved in writing by the CAM.
- Prepare *TAC Meeting Summaries* that include any recommended resolutions of major TAC issues.

The TAC shall:

- Help set the project team's goals and contribute to the development and evaluation of its statement of objectives as the project evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the project has a competitive advantage, value proposition, or strength upon which to build.
- Advocate on behalf of the project in its effort to build partnerships, governmental support, and relationships with a national spectrum of influential leaders.
- Ask probing questions that insure a long-term perspective on decision-making and progress toward the project's strategic goals.
- Review and provide comments to proposed project Draft Public Outreach and Technology Transfer Plan.
- Review and provide comments to the draft of the Executive Summary of the Final Report

Products:

- TAC Meeting Schedule (draft and final).
- TAC Meeting Agendas (draft and final).
- TAC Meeting Back-up Materials.
- TAC Meeting Summaries.

VI. TECHNICAL TASKS

TASK 2 DESIGN FOR THE INJECTION WELL

The goal of this task is to develop a cost-effective, efficient design that will meet the needs of LFHD. This task will utilize historical information and current testing data to develop drawings and specifications to convert the well AL-1 from a production well to an injection well.

The Recipient shall:

- Develop a Design Drawing Report that contains all necessary information to build the project. Design Drawings will include, but are not limited to:
 - Site plan.
 - Well rework detail and specifications.
 - Pipe routes and installation details.

Exhibit A
Scope of Work
Last Frontier Healthcare District

- Valve type, location, and installation details.
- Injection pumps and equipment.
- Structure of the new well house.
- Instrumentation and panel control modifications.
- Develop a Technical Specifications Document that contains all necessary information to build the project. That includes but is not limited to identification of the applicable standards and codes, materials and equipment needed, construction and installation procedures, environmental and safety requirements.

Products:

Design Drawing Report (draft and final).

Technical Specifications Document (draft and final).

TASK 3 BIDDING FOR WELL REWORK AND PIPING IMPROVEMENTS

The goal of this task is to solicit bids from qualified contract firms for both the well rework activities and piping improvements. Two separate bids will be requested in this task: one for well improvements, tailored for drilling companies, and another for piping, injection equipment, and related work, intended for general contractors.

The Recipient shall:

- Prepare Bidding Package per California public contracting regulations. The Bidding Package will include, but is not limited to:
 - Bid schedule.
 - Instructions to bidders.
 - First tier subcontractor disclosure.
 - Bidding bond.
 - Project contact information.
 - Prevailing wage information.
 - Design drawings.
 - Technical specifications.
- Advertise the project per California public contracting regulations and develop a Bidding Tabulation Sheet.
- Select the lowest responsible bidder.
- Prepare a Notice of Award Letter to be sent to the successful bidder.
- **Products:**
 - Bidding Package.
 - Bidding Tabulation Sheet.
 - Notice of Award Letter.

Exhibit A
Scope of Work
Last Frontier Healthcare District

TASK 4 REWORK ON AL-1 WELL

The goal of this task is to deliver a quality project that is completed on schedule, within budget, and in accordance with the final design drawings and specifications. This is the core task of the project, completing modifications to the AL-1 well.

The Recipient shall:

- Provide the contractor with rework surveying as needed.
- Perform required rework testing.
- Develop a Rework Testing Report that includes, but is not limited to, the results of the rework testing, well cuttings, and well injection tests.
- Perform daily rework inspections. These inspections include, but are not limited to:
 - Monitoring of well rework activities.
 - Monitoring of pipe installation activities.
- Develop a Rework Inspection Report that includes, but is not limited to, a description of the daily inspections performed by the design subconsultant and/or project manager.
- Review contractor change order documents and pay request. Submit approved Contractor Change Documents and Pay Request.

Products:

- Rework Testing Report (draft and final).
- Rework Inspection Report (draft and final).
- Contractor Change Order Documents and Pay Request Approvals.

TASK 5 PROJECT COMMISSIONING

The goal of this task is to verify all project elements have been constructed using as a reference the final design documents and all elements of the project are operational. An injection well test will be conducted at well AL-1 to make sure the well is functioning properly. Piping flows will be verified to ensure geothermal effluent is being routed correctly to either injection well, AL-1 and AL-4.

The Recipient shall:

- Review all contractor submittals and manufacturer data on equipment operating and maintenance procedures.
- Develop a Test Plan Document to support the validation of the status of all equipment, that includes, but is not limited to, injection well validation, expected metrics, mitigation plan and procedures.
- Test and verify the operational status of all equipment, including, but not limited to:
 - Pump and motor controls.
 - System controls.
 - Piping flows.

Exhibit A

Scope of Work

Last Frontier Healthcare District

- Develop a Test and Validation of Results Document that includes, but is not limited to, the results of the injection well validation, meeting of the expected metrics, and any key information of the testing and validation process.
- Develop the Project Operation and Maintenance Manual that includes, but is not limited to, all maintenance and operation procedures for all equipment and systems installed and reworked.

Products:

- Test Plan Document (draft and final).
- Test and Validation of Results Document (draft and final).
- Project Operation and Maintenance Manual (draft and final).

TASK 6 PROJECT CLOSEOUT

The goal of this task is to ensure all project tasks have been completed and all requirements have been met. These activities ensure LFHD, MJUSD, and other stakeholders are receiving a complete, quality product that functions correctly and the project brings the expected economic and social benefits to the community. This task also ensures that all regulatory and funding agency requirements have been met, and all necessary documentation is complete and available.

The Recipient shall:

- Meet with contractors to finalize all details regarding rework.
- Verify all rework requirements have been met, as specified in task 2.
- Verify that contractors have paid all material suppliers and subcontractors. Submit Final Pay Request Documents.
- Establish a final completion date for the beginning of the warranty term. Submit Warranty Documents.
- Develop a Social and Economic Benefits Report that includes, but is not limited to, an analysis of the economic dynamics and job creation in Alturas resulting from the project, reductions in heating costs, and potential revenue gains from the addition of new users, and other benefits.
- Develop an Engineer's Acceptance Report that includes, but is not limited to, the certification by the project engineer or project manager that all rework is complete and acceptable.
- Develop a Contractor's Acceptance Report that includes, but is not limited to, a certificate that rework is complete and all suppliers and subcontractors have been paid.

Products:

- Final Pay Request Documents.
- Warranty Documents.
- Social and Economic Benefits Report (draft and final).
- Final Engineer's Acceptance Report.
- Final Contractor's Acceptance Report.

Exhibit A
Scope of Work
Last Frontier Healthcare District

**• TASK 7 PUBLIC OUTREACH AND TECHNOLOGY TRANSFER
ACTIVITIES (MANDATORY TASK)**

The goal of this task is to develop a plan for public outreach during the term of the Agreement and to make the knowledge gained, results and lessons learned from Agreement tasks available to the public, interested parties and appropriate decision-makers.

The Recipient shall:

- Develop and submit a Public Outreach and Technology Transfer Plan explaining any public outreach actions proposed during the term of the Agreement and how the knowledge gained from Agreement tasks will be made available to the public. Key elements from this report shall be included in the Final Report for this Agreement.
- Present the draft Public Outreach and Technology Transfer Plan to the Technical Advisory Committee (TAC) for feedback and comments.
- Develop and submit a Summary of TAC Comments that summarizes comments received from the TAC members on the Draft Public Outreach and Technology Transfer Plan. This document will identify:
 - TAC comments the Recipient proposes to incorporate into the final Public Outreach and Technology Transfer Plan.
 - TAC comments the Recipient does not propose to incorporate with and explanation why.
- Submit the final Public Outreach and Technology Transfer Plan to the CAM for approval.
- Conduct and implement the public outreach/technology transfer activities in accordance with the Final Public Outreach and Technology Transfer Plan.
- Develop and submit Monthly Progress Reports that include high level summaries of the activities, results, and lessons learned of tasks performed relating to implementing the Final Public Outreach and Technology Transfer Plan. This report should not include any proprietary information.
- Provide at least (6) six *High Quality Digital Photographs* (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs, if applicable.

Products:

- Draft Public Outreach and Technology Transfer Plan.
- Summary of TAC Comments.
- Final Public Outreach and Technology Transfer Plan.
- Monthly Progress Reports (draft and final).
- High Quality Digital Photographs, if applicable.

VII. PROJECT SCHEDULE

Please see the Excel spreadsheet in Attachment 6.

EXHIBIT A
Project Schedule
Last Frontier Healthcare District

Agreement Term: March-06-2026 - June-09-2029

Within this project schedule, "days" means business days.

Changes to due dates must be approved in writing by the CAM, and may require approval by the CEC's Executive Director or his/her designee.

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
1	Administration Tasks			
1.1	Products			
1.2	Kick-off Meeting	Kick-off Meeting		3/10/2026
			Kick-off Meeting Presentation	5 days prior to the kick-off meeting
			Updated Products Schedule	5 days after determination of the need to update the documents
			Updated List of Match Funds (if applicable)	5 days after determination of the need to update the documents
			Updated List of Permits (if applicable)	5 days after determination of the need to update the documents
			CAM Product	
			Kick-off Meeting Agenda	7 days prior to the kick-off meeting
1.3	CPR Meeting	CPR Meeting #1		10/9/2026
		CPR Meeting #2 (to be deleted by the CAM if inapplicable)		1/20/2028
			CPR Report(s)	15 days prior to the CPR meeting
			CAM Product(s)	
			CPR Agenda and a list of expected participants	5 days prior to the CPR meeting
			Schedule for Progress Determination	5 days after CPR meeting
			Progress Determination	As indicated in the Schedule for Progress Determination
1.4	Final Meeting	Final Meeting		2/9/2029
			Final Meeting Agreement Summary (if applicable)	7 days after the final meeting
			Schedule for Completing Agreement Closeout Activities	7 days after the final meeting
			All Final Products	7 days after the final meeting
1.5	Progress Reports and Invoices		Monthly Progress Reports	10 days after the first of each month
			Invoices	10 days after the first of each month or quarter
1.6	Final Report			
1.6.1	Final Report Outline		Report Outline (Draft)	6/6/2028
			Report Outline (Final)	As determined by the CAM
			CAM Product(s)	
			CEC Style Manual	At least 2 months prior to the final report outline due date
			Web Accessibility Guidelines	At least 2 months prior to the final report outline due date
			Comments on Draft Final Report Outline	10 days after receipt of the Draft Final Report Outline
1.6.2	Final Report		Summary of TAC Comments on Draft Final Report	10 days of receipt of CAM's Comments on Draft Final Report
			Final Report (Draft)	8/8/2028
			Written Responses to Comments on the Draft Final Report (if applicable)	10 days of receipt of CAM's Comments on Draft Final Report
			Final Report	10/3/2028
			CAM Product(s)	
			Comments on Draft Final Report	15 days after receipt of the Draft Final Report
1.7	Identify and Obtain Match Funds		Match Funds Status Letter	2 days prior to the kick-off meeting
			Copy(ies) of each match fund commitment letter(s)	2 days prior to the kick-off meeting
			Supplemental Match Funds Notification Letter (if applicable)	10 days after receipt of additional match funds
			Match Funds Reduction Notification Letter (if applicable)	10 days after any reduction of match funds
1.8	Identify and Obtain Required Permits		Permit Status Letter	2 days prior to the kick-off meeting
			Copy of Each Final Approved Permit (if applicable)	7 days after receipt of each permit
			Updated List of Permits (if applicable)	10 days after determination of the need for a new permit
			Updated Schedule for Acquiring Permits As Changes Occur During the Term of the Agreement (if applicable)	10 days after determination of the need for a new permit
1.9	Obtain and Execute Subcontracts [if applicable]		Draft Subcontracts	As determined by the CAM

EXHIBIT A
Project Schedule
Last Frontier Healthcare District

Task/ Subtask #	Task/Subtask Name	Meeting Name	Product(s)	Due Date
			Final Subcontracts	As determined by the CAM
1.10	Technical Advisory Committee (TAC)		List of Potential TAC Members	2 days prior to the kick-off meeting
			List of TAC Members	7 days after finalization of the TAC
			Documentation of TAC Member Commitment	7 days after receipt of the documentation
1.11	TAC Meetings	TAC Meeting #1		5/10/2026
		TAC Meeting #2 (to be deleted by the CAM if inapplicable)		TBD
			TAC Meeting Schedule (Draft)	20 days after the kickoff meeting
			TAC Meeting Schedule (Final)	10 days after the first TAC meeting
			TAC Meeting Agendas (Draft)	20 days prior to each TAC meeting
			TAC Meeting Back-up Materials	21 days prior to each TAC meeting
			TAC Meeting Agenda (Final)	7 days prior to each TAC meeting
			TAC Meeting Summaries	10 days after each TAC meeting
			Technical Tasks	
2	Design for the Injection Well		Design Drawings (Draft)	5/29/2026
			Design Drawings (Final)	7/26/2026
			Technical Specifications (Draft)	5/29/2026
			Technical Specifications (Final)	7/26/2026
3	Bidding for Well Rework and Piping Improvements		Bidding Package	8/31/2026
			Bidding Tabulation Sheet	9/30/2026
			Notice of Award Letter	9/30/2026
4	Rework on AL-1 Well		Rework Testing Reports (Draft)	6/20/2027
			Rework Testing Reports (Final)	8/12/2027
			Rework Inspection Reports (Draft)	9/20/2027
			Rework Inspection Reports (Final)	10/10/2027
			Contractor Change Order Documents and Pay Request Approvals	10/31/2027
5	Project Commissioning		Test Plan Document (Draft)	7/31/2027
			Test Plan Document (Final)	10/31/2027
			Test and Validation of Results Document (Draft)	11/31/2027
			Test and Validation of Results Document (Final)	1/15/2028
			Project Operation & Maintenance Manual (Draft)	1/15/2028
			Project Operation & Maintenance Manual (Final)	4/1/2028
6	Project Closeout		Final Pay Request Documents	1/15/2028
			Warranty Documents	1/15/2028
			Social and Economic Benefits (Draft)	1/15/2028
			Social and Economic Benefits (Final)	4/1/2028
			Final Engineer's Acceptance Report	4/1/2028
			Final Contractor's Acceptance Report	4/1/2028
7	Public Outreach and Technology Transfer Activities		Draft Public Outreach and Technology Transfer Plan	As determined by the CAM
			Summary of TAC comments	As determined by the CAM
			Final Public Outreach and Technology Transfer Plan	As determined by the CAM
			Monthly Progress Reports (Draft)	As determined by the CAM
			Monthly Progress Reports (Final)	As determined by the CAM
			High Quality Digital Photographs	As determined by the CAM

ATTACHMENT B

LFHD BOARD OF DIRECTORS REGULAR MEETING MINUTES

(draft)

September 25, 2025



REGULAR MEETING MINUTES

LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS

Thursday, September 25, 2025, at 3:30 pm
City Council Chambers; Alturas City Hall; Alturas, California

Directors present: Carol Madison, Paul Dolby, Keith Weber, Rose Boulade, Mike Mason
Directors absent:
Staff in attendance: Kevin Kramer, CEO; Edward Johnson, CNO; Adam Willoughby, COO; Amber Vucina, CHRO; Denise King, LFHD Clerk
Staff absent: Jin Lin, Finance Director

CALL TO ORDER

Carol Madison, Chair, called the meeting of the Last Frontier Healthcare District (LFHD) Board of Directors (Board) to order at 3:30 p.m. The meeting was held at the City Council Chambers, located at 200 W. North St., in Alturas, California.

1. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. AGENDA – Additions/Deletions to the Agenda

Rose Boulade moved that the agenda be approved with the deletion of item 4C. Paul Dolby seconded, and the motion carried with all present voting “aye.”

3. PUBLIC COMMENT

There was no public comment.

4. VERBAL REPORTS

A.) K. Kramer – CEO Report to the Board

Federal Budget Cuts

- Based on the projections we have made, which are just a general estimate, by 2032 the federal budget cuts will amount to about \$6.6 million per year.
- We will realize an increase over the next couple of years in federal funding based on the timing of the existing programs and when they pay out. In FYE 2027 we anticipate that our total federal funding will be around \$18.8 million, growing from our current funding of \$12.8 million in the year.
- Much of this increase over the next couple of years is related to the directed payment program, which was approved by the federal government prior to the federal cuts being made, which means it is grandfathered in at this point.
- In essence, by 2033, we will end up with about the same level of funding that we had in FYE 2025.
- Obviously this is still concerning because our expenses will continue to climb year over year due to inflation and mandatory wage increases related to healthcare minimum wage requirements in California.
- Our payroll expense is estimated to increase by around \$8 million between now and 2032, as an example of what we will experience in additional expense over the coming years.
- Still working on the strategies that we will employ to try to navigate these cuts. Those strategies will likely include additional benefit and reimbursement generated from expanding SNF services and occupying the new building, focusing on MediCal enrollment and instituting better processes for connecting lower income patients to health insurance resources if they are eligible, staffing analysis and ensuring we are staffed at the right levels, service expansion in primary care if financially feasible, and targeted service reductions if absolutely necessary.

New SNF Update

- Swinerton Negotiations are hopefully winding down. We will discuss these in detail in executive session today.
- Trying to get all documentation ready so it can be submitted to the USDA ASAP. They are saying to close at the end of November they need everything by October 17. We are pushing with Swinerton to achieve that deadline.
- Am talking with our financial advisor on the interim financing to see if those notes can be extended a couple of months as a backfall plan at this point. Those notes currently mature December 2, 2025, so if we are not able to close with the USDA in November we will need an extension or other funding to pay those notes off.

MRI Services

- Still waiting for the Central Applications Branch to forward our information to the Chico District Office. Once that occurs we should be cleared to continue these services.

Hospital Addition and IV Infusion Department Update

- Licensing applications are still in with the Central Applications Branch with CDPH. All application fees have been paid, we are just waiting for them to transfer those applications to the Chico District Office so we can have necessary site visits with CDPH and hopefully become licensed for additional services.

Provider Recruitment

- Still anticipate a new FNP starting on January 8, 2026 to back fill Dr. Richert in the Alturas Clinic.
- We are still looking for a MD to replace Dr. Edmonds in Canby.

B.) E. Johnson – CNO Report to the Board

Warnerview

- 5-star CMS rating
- Census 50
- Admissions 1
- Discharges 1
- We took 8 residents to the Balloon Fest on Saturday morning, and breakfast was donated to the staff and residents.
- We had our Assistant Director of Nursing for SNF start last month and we will have a DON start on November 3rd. Having RN leadership in the SNF is a wonderful addition.
- We completed general orientation for the new SNF & HA today and will start with departmental orientation over the next couple of weeks.
- We have transition planning meetings scheduled for September 30th and October 1st with Eric Schnebly.

Acute

- Census 4 today – we have been running a daily census of 4 patients.
 - Inpatient – Census 1.71
 - ALOS – 3.53
 - Swing – Census 5.29
 - ALOS – 13.67
- **Admissions**
 - 15 Acute
 - 12 Swing
- **Surgeries**
 - 19 Surgeries
 - You should see the number of surgeries increasing because we have adding an additional surgery day to the surgeons in the next couple of months.

ER

- 487 patients
- Census Avg 15.7 per day

Ambulance

- 106 runs for the month, an increase of 31 runs this month.

Pharmacy

- 3,441 Scripts filled, an increase of 193 scripts from last month.
- We have a new inpatient pharmacist that just started with Eric and a new retail pharmacist that just started Ryan. When they are up and running, we will expand the retail pharmacy hours to include Saturday and Sunday. We will open for 8 hours on Saturday and 4 hours on Sunday to start. If the weekend business warrants more hours, we will address as the need arises.

Physical Therapy

- 1232 Sessions, an increase of 415 sessions from last month.
- We had a Physical Therapist Interview that we will be making an offer to.
- We have performed a review rate of PT and found out that we were the lowest. We are in the process of correcting that now. This should bring some candidates our way.

Lab

- 5241 Test, an increase of 425 test from last month.

Radiology

- 330 X-rays, an increase of 64 x-rays from last month.
- 156 Ultrasounds, an increase of 74 ultrasounds from last month.
- 196 CT scans, an increase of 46 CT scans from last month
- The MRI machine has passed all the surveys and should be here soon. CDPH is asking for another \$4,000 for us to apply for a license for the mobile unit. The unit is currently at Mayers in Fall River.

Wound Care Nurse Program

- We have a wound care traveler scheduled to be here on September 1st. This should help Dr. Hagge tremendously and increase the wound care volume.

Infusion

- Waiting for the new facility to be completed before we increase our marketing campaign for infusions, wound care and swing bed admissions. Once we know when CDPH would come to survey the addition, we will increase the marketing campaign.

C.) J. Lin – Finance Director Report to the Board

Accounting

Purchasing

Floater

D.) A. Vucina – CHRO Report to the Board

Permanent/Travel Staff

- We currently have 291 total staff
- We have a total of 21 travelers, both Acute and SNF.

Compliance

- Performance Evaluations 75% compliant
- TB 92% compliant
- Physicals 97% compliant

General Orientation

- General orientation for all staff to Mountain View has been completed as of today.

E.) A. Willoughby – COO Report to the Board

Revenue Cycle

- We ended at \$2.52 million in payments, 59.27 AR days, and overall AR was \$9.5 million. September is looking great as well – we are at 56 AR days and \$9.2 million in overall AR, so we'll see how the dust settles after the month closes.
- Last time I reported on the HCAI Fair Billing submission that was due by 9/6, and I was able to get everything submitted in time, so we'll see how that shakes out.

Clinics

- The ECM program is building up nicely, and we are up to 39 clients. Julie is looking to expand that to the Alturas Clinic within the next month or two. We are also getting closer to the end of the dental AR cleanup project, which will allow us to send out patient statements for balances left to patient responsibility on the dental side. About 90% of our dental business is Medi-Cal, and those patients don't receive statements, so this isn't a huge financial impact, but we're trying to do everything we can financially to combat the governmental budget cuts.
- In both clinics, we are now starting to collect co-pays up front at the time of service. This is the standard for the rest of the healthcare industry, and quite often we have the co-pay amounts left over after insurance processes that end up in collections, so this will help on multiple fronts.
- Jon and Julie are actively working to graduate the modified PHP QIP program so that we can receive supplemental reimbursement on additional quality measures.

Maintenance

- Maintenance is still working through multiple projects. They have just completed the drywall patching and painting to repair the damage that was caused when the temporary fire extinguisher signs were removed. They are going to be relocating a fire alarm strobe in the main entry vestibule of the Mountain View lobby to make room for the Mission and Vision statement signs.

IT

- IT has finished the overhead paging system configuration, and the final training just occurred on that yesterday, along with the wander management.

New SNF and HA

- I have been conducting the General Orientation tours since Tuesday, and that has been going really well. I feel like our staff are really engaged and have a good understanding of the information I'm presenting during those tours, as part of this component is the Fire Life Safety content.
- We have the final round of transition planning meetings next week on Tuesday and Wednesday. The next time that Eric will be on-site after this series of meetings will be for the actual physical move. We are tentatively shooting for Tuesday, November 11th, for that physical move.

F.) Board Member Reports

- **Carol Madison** – Nothing to report.
- **Paul Dolby** – Nothing to report.
- **Mike Mason** – Nothing to report.
- **Rose Boulade** – Attended the Finance Committee and toured the Mountain View Facility, really enjoyed that.
- **Keith Weber** – Nothing to report.

5. DISCUSSION

A.) K. Kramer – Real Property Transaction

Kevin Kramer, CEO explained to the Board that he added an Executive Session Item to discuss the Real Property Transaction.

REGULAR SESSION

6. CONSENT AGENDA - Items under the Consent Agenda heading do not require discussion before a vote. If discussion is needed, that item needs to be moved to the Consideration/Action part of the Agenda where discussion is allowed.

A.) D. King - Adoption of LFHD Board of Directors Regular Meeting Minutes – August 28, 2025

B.) T. Ryan - Medical Staff Committee Meeting Minutes – August 27, 2025

- Medical Staff Committee Meeting Minutes – July 30, 2025
- Committee Reports
 - EOC Committee Minutes – 5/6/2025
 - ER Committee Minutes – 7/31/2025
 - Infection Control Minutes – 7/24/2025
 - OP Infusion Committee Minutes – 8/12/2025
 - Surgery Committee Minutes – 8/12/2025
- Pathology Report – 7/6/2025

C.) E. Johnson – Policy and Procedures

BUSINESS OFFICE

8350.25 Payment Plan

8350.25 Chain of Command

OPERATING ROOM/SURGERY

7420.25 Surgical Procedures-major, minors and surgical assists

INFECTION CONTROL-ACUTE

8753-A.25 Guidelines for Isolation Precautions

8753-A.25 Needlestick or Body Fluid Exposures

FACILITIES/EOC

8460.25 List of Chemicals not to be mixed

8460.25 Compressed Gas and Oxygen use

8460.25 Disposal of Bio-hazardous Waste

8460.25 Liquid Oxygen

8460.25 Types of Fires

DIETARY-SNE

8340.25 Adjusting Weights for Amputees

8340.25 Determining Body Mass Index

8340.25 Measurements for those who cannot be weighed

8340.25 Safety Water Temperatures

8340.25 Safety in Food Preparation

8340.25 Tracking Weight Changes

RADIOLOGY

7660.25 Breastfeeding After the Administration of Gadolinium Intravenous

EMERGENCY DEPARTMENT

7010.25 Refusal of Blood/Blood Component Transfusion

NURSING/MED SURG

6170.25 Age-Related Documentation Pediatric Patient Policy and Procedure

6170.25 Bed Bath Policy and Procedure

6170.25 Blood Pressure Monitoring Policy and Procedure

PHARMACY/HOSPITAL

7710.25 Rapid Sequence Intubation Tray

Mike Mason moved that the Consent Agenda be approved as presented, **Keith Weber** seconded, and the motion carried with all present voting “aye.”

6. CONSIDERATION/ACTION

A.) E. Johnson – Departmental Manuals

Ed Johnson, CNO presented the Departmental Manuals and answered any questions the Board had on the manuals and review processes.

Paul Dolby moved to approve the **Departmental Manuals**, **Rose Boulade** seconded, and the motion carried with all voting “aye.”

B.) K. Kramer – August 2025 LFHD Financial Statement (unaudited)

Kevin Kramer, CEO, presented the August 2025 LFHD Financial Statement provided in the Board meeting packet and answered the questions the Board had.

Keith Weber moved to accept the August 2025 LFHD Financial Statement as presented, **Mike Mason** seconded, and the motion carried with all present voting “aye.”

C.) K. Kramer – Warnerview Equipment Budget

Kevin Kramer, CEO, presented the **Warnerview Equipment Budget** provided to the Board and answered any questions the Board had.

Mike Mason moved to accept the **Warnerview Equipment Budget** as presented, **Rose Boulade** seconded, and the motion carried with all present voting “aye.”

E.) K. Kramer – Warnerview Operating Budget Amendment

Kevin Kramer, CEO, presented the **Warnerview Operating Budget Amendment** provided in the packet and answered any questions the Board had.

Rose Boulade moved to accept the **Warnerview Operating Budget Amendment** as presented, **Paul Dolby** seconded, and the motion carried with all present voting “aye.”

Rose Boulade moved to close the Regular Session of the Board of Directors, **Keith Weber** seconded, and the motion carried with all voting “aye.”

The Regular Session of the Last Frontier Healthcare District Board of Directors was adjourned at 4:13 pm.

EXECUTIVE SESSION

Executive Session was called to order by **Carol Madison, Chair**, at 4:15 pm.

7. CONSIDERATION / ACTION

A.) T. Ryan – Medical Executive Committee Minutes & Credentialing Items –August 27, 2025– (Per Evidence Code 1157).

- **Medical Executive Committee Minutes & Credentialing Items OPPE 2019B – July 30, 2025.**
Based upon character, competence, training, experience and judgment, favorable recommendation by peers and credentialing criteria fulfillments, the Medical Executive Committee recommended the following appointments for Last Frontier Healthcare District Board of Directors’ acceptance:
- **Paul Mueller, LCSW** – Recommending appointment of Allied Health privileges in the Behavioral Health category.

The Executive Session of the Board of Directors was adjourned at 4:22 pm.

RESUME REGULAR SESSION

The Regular Session of the Board of Directors was called back to session by **Carol Madison, Chair**, at 4:23 pm.

8. CONSIDERATION / ACTION

**A.) T. Ryan – Medical Executive Committee Minutes & Credentialing Items – August 27, 2025
(Per Evidence Code 1157)**

- **Medical Executive Committee Minutes & Credentialing Items OPPE 2019B –July 30, 2025**

Rose Boulade moved to approve and accept Minutes, Credentialing, and Privileging items as outlined above, **Keith Weber** seconded, and the motion carried with all members voting “aye.”

11.) MOTION TO ADJOURN

Rose Boulade moved to adjourn the meeting of the Last Frontier Healthcare District Board of Directors at 4:23 pm, **Keith Weber** seconded, and the motion carried with all present voting “aye.”

The next meeting of the Last Frontier Healthcare District’s Board of Directors will be held on October 30, 2025, at 3:30 pm in the Alturas City Council Chambers, City Hall in Alturas, California.

Respectfully Submitted:

Denise R. King
Last Frontier Healthcare District Clerk

Date

ATTACHMENT C

MEDICAL STAFF COMMITTEE MEETING MINUTES



DATE: OCTOBER 30, 2025

TO: GOVERNING BOARD

FROM: T. RYAN – CREDENTIALING AIDE

SUBJECT: MEDICAL STAFF COMMITTEE MINUTES

*The following Medical Staff Committee Minutes were reviewed and accepted at the September 24, 2025, meeting and are presented for Governing Board review:

A. REVIEW OF MINUTES

1. Medical Staff Committee Meeting Minutes – August 27, 2025

B. COMMITTEE REPORTS – No Report

C. PATHOLOGY REPORT – No Report



MEDICAL STAFF COMMITTEE MEETING

August 27, 2025 – Education Building

MINUTES

In Attendance

Matthew Edmonds, MD Chief Medical Officer
 Edward Richert, MD Vice Chief Medical Officer
 Lisanne Burkholder, MD
 Landin Hagge, DO
 Barbara Howe, RDN
 Kevin Kramer- CEO

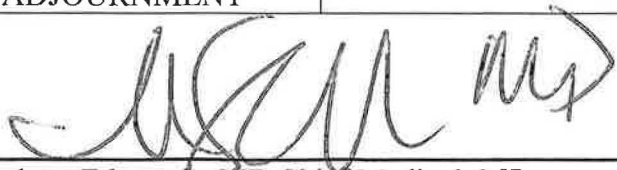
Ed Johnson- CNO
 Vahe Hovasapyan- Pharmacist
 Alicia Doss- Risk Management
 Maria Morales- MSC/H.I.M Director
 Taylor Ryan- Credentialing Aide

SUBJECT	DISCUSSION	ACTION
I. CALL TO ORDER	After noting that the required members were present to constitute a quorum, the regularly scheduled Medical Staff Committee Meeting was called to order at 1205 by Dr. Edmonds, MD Chief Medical Officer.	
II. CONSENT AGENDA ITEMS	1. The following Minutes were reviewed: A. Medical Staff Committee Meeting of July 30, 2025.	Minutes approved by motion, second, and vote. Forward to Governing Board.
	1. The following Committee Reports were reviewed with no corrections or additions noted: A. EOC Committee Meeting Minutes, 05/06/2025. B. ER Committee Meeting Minutes, 07/31/2025. C. Infection Control Committee Meeting Minutes, 07/24/2025. D. OP Infusion Committee Meeting Minutes, 08/12/2025. E. Surgery Committee Meeting Minutes, 08/12/2025.	Minutes approved by motion, second, and vote. Forward to Governing Board.
III. PATHOLOGY REPORT	Review of Report, 07/06/2025.	Report at next meeting
IV. CHIEF MEDICAL	Currently, there is not too much new information. Dr. Burkholder is taking over as Chief Medical	Report at next meeting

SUBJECT	DISCUSSION	ACTION
OFFICER REPORT	Officer and will be working on that transition very soon as we are all very excited. We also have Virginia, a new Nurse Practitioner who is coming on with us as a full-time Provider and that will be very good taking on a full panel. We have Dr. Richert who is going to be taking over as the SNF Provider. Additionally, we are still working on getting the Cardiology services up and running in the area. We think this is going to benefit the community greatly and are very excited about that.	
V. EMERGENCY ROOM REPORT	Nothing to Report.	
VI. CEO REPORT	Currently, MRI update, we are working through the licensing process right now. I just sent them some requested documents today and just have one more thing to send them as well as an application fee of \$4,000 dollars to pay them and then that will be done. We are anticipating within the next month we will be good to go with Mobile MRI Units as it is up and running at Mayers, so it should be back in service soon. We will have it every Friday, one day a week and this has already been approved between the five facilities boards so that has moved forward as well. Skilled Nursing Facility Project, we are still in negotiation with Swinerton, nothing has changed there. The project has reached construction final, and we have our certificate of occupancy. That said, CMS did approve of keeping the old Skilled Nursing Facility open, so right now we are working on getting equipment and the staffing that we need to keep it open, so we are anticipating that it is going to take us a couple of months. We have four licensing applications out right now, so I am working heavily on the licensing for the Hospital Beds and the Outpatient IV Infusion in the Skilled too. Our goal is to move into the new Skilled Nursing Facility by November 4 th , 2025, to move patients but that is all going to depend on timing with the equipment and whether we can get staff in the next 60 days. With that said, I am actively working on closing the loan with the USDA. Other than that, we are heavy into audit cost report, and we have a Medi-Cal audit for last year's cost report going on right now so there is a lot of accounting business in the works. Budget Cuts are also in the	Report at next meeting

SUBJECT	DISCUSSION	ACTION
	works to anticipate what kind of cut we are looking at, but we are optimistic that the Skilled Nursing Facility and depreciation expense in our cost report make up quite a bit of the difference, but it will be nice to know what we are dealing.	
VII. CNO/SNF REPORT	Currently, we took 13 residents to the Modoc Fair. We did leave a little early because the weather was getting a bit too hot. However, they did get out there so that was fun. We also brought over 26 residents for a tour of the new Skilled Nursing Facility on Monday. We were able to get it done all in two and a half hours, so we have no doubt we can't get the whole move done in four hours or less, let alone a whole day. We have an Assistant Director Nursing starting today. Ideally, we are going to have the Assistant Director Nursing over here at the new Skilled Nursing Facility and then we interviewed a DON last week and she is coming up for a site visit in the second week of September. That being, we will have a DON over at Warnerview assisting over here at Mountainview with a Nursing Supervisor. So, when Dr. Richert is over here at Mountainview, she will be joined with him and then when he goes over to Warnerview, CeCe will be joined with him. That being, we would have a Nurse both places Dr. Richert goes. With staffing, we looked at doing a Nurse Supervisor and LVN at Warnerview. So, it will be the two Nurse group during the day and then two LVNs at night. Mountainview will reflect the same as we have today. Our Wound Care Nurse should be here by September 1st 2025, and that should help with that volume. We are getting together with the equipment side and making sure we have enough equipment for both facilities. We are asking residents this week who wants to stay and who wants to come over to the new facility. Hopefully by next week we will have a number and see what that looks like.	Report at next meeting
VIII. PHARMACY REPORT	Currently, we have onboarded two new Pharmacists, one for the Inpatient and one for the Retail. The prescriptions for Rite Aid, or now called Modoc Family Pharmacy, are still coming in. They do not have any contracts established with any insurance so that is why they are having to send most of the patients to us to get the meds. billed	Report at next meeting

SUBJECT	DISCUSSION	ACTION
	through their insurance. I guess some people are paying out of pocket. We are not too sure what is going on, but most of them are coming to us. Due to this, the workload has increased as you can imagine, but luckily, we planned ahead of it and everybody approved everything and we got the staffing we needed. Darryl is talking about maybe needing a second clerk, but we are going to hold off on that for a couple of months just to see how things go and if we still need one, we will move forward with it. Also, we were supposed to change the Omnicell this year, however, we pushed it back to next year. They are not going to be serviced after 2025 is over and since we have a low load here, I think 10 or 11 years should be okay. We do not anticipate any problems. We have not had to do any tickets for these things up to now, but not too many. Overall, as far as Pharmacy and staffing goes, we are doing well and there are no further updates at this time.	
NEW BUSINESS IX. POLICY REVIEW & APPROVAL	The following New Business was presented for review/approval: 1. Updated Policies, August 2025 (18)	After review and discussion, a recommendation was made to implement the Updated Policies (18) presented August 2025. The recommendations were ratified by motion, second, and vote. Recommendations will be forwarded to the Governing Board for final approval.
X. ADJOURNMENT	The meeting was adjourned at 1250.	


 Matthew Edmonds, MD Chief Medical Officer

09/24/2025
 Date

ATTACHMENT D

POLICIES AND PROCEDURES



MEMORANDUM

DATE: 10/21/2025
TO: Last Frontier Healthcare District Board of Directors
FROM: Policy Committee
SUBJECT: **Review of Departmental Policies and
Review of Departmental Manual (Yearly)**

The following information regarding Departmental Policies is submitted for your review:

Review of Departmental Policies (see attached):

NURSING MED/SURG OFFICE

6170.25 Advance Directives

EMERGENCY DEPARTMENT

7010.25 Allergic Reaction-Anaphylaxis Standard of Care

7010.25 Assessment of the Trauma Patient

7010.25 Verbal Order Policy and Procedure

7010.25 Code Blue Alert; Adult/Pediatric

OPERATING ROOM/SURGERY

7420.25 Pathology Specimens

7420.25 Discharge Criteria-PACU

7420.25 Ethics in regard to Ectopic Case and or Fetal Demise

7420.25 Medication Labeling

7420.25 Specimens

7420.25 Surgical Staffing Policy

LABORATORY

7500.24 Neonatal RBC Transfusion

DIETARY-SNF

8340.25 Training-Orientation

FACILITIES/EOC

8460.25 Labeling of Chemicals Transferred to Different Containing

8460.25 Medical Waste Management Plan

8460.25 Smoke Detector Inspection Procedures

INFECTION CONTROL-ACUTE

8753-A.25 Outbreak Investigation

8753-A.25 Vancomycin Resistant Enterococcus

**Review of Departmental Manuals and Department Manager's Memo and
Annual Review Signature Page (see attached):**

Canby Medical/Dental Clinics

Memorandum
Annual Review Signature Page
Revising and Archive List

Alturas Medical Clinic

Memorandum
Annual Review Signature Page
Revising and Archive list

EMTALA

Memorandum
Annual Review Signature Page
Revising and Archive list

DIETARY/ACUTE

Memorandum
Annual Review Signature Page
Revising and Archive list

To complete approval of the above-listed Policies and Procedures, please sign and date the Spreadsheet at the bottom where indicated.

To complete approval of the above-listed Manuals, please sign and date where indicated on the Annual Review Signature Page.

Thank you for your time and attention to the above.

Respectfully submitted,



Sandra A. Brown

Administrative Assistant to CNO

1111 N. Nagle Street

Alturas, CA 96101

(530) 708-8808

Enc.

**NURSING
MED/SURG
OFFICE**

REFERENCE #	6170.25	EFFECTIVE: 10/2007
SUBJECT:	6170.25 ADVANCE DIRECTIVES	
DEPARTMENT:	NURSING -MED SURG	REVISED: 8/2025

PURPOSE:

The purpose of this policy is to provide an atmosphere of respect and caring and to ensure that each patient's ability and right to participate in medical decision making is maximized and not compromised. Also, to assure compliance with the Patient Self-Determination Act (PSDA) in such a manner for both the patient and ~~the~~ healthcare personnel ~~that~~ are will be involved regarding advance directives and the process by which patient participation in medical decision making is carried out ~~at in~~ this facility.

~~Advance Directives can protect patient rights and wishes in the event the patient becomes physically or mentally unstable to make healthcare decisions.~~

~~A valid advance directive is followed regardless of the patient's race, religion, national origin, sex, sexual preferences, handicap, diagnosis, ability to pay and source of payment.~~

~~No patient will be discriminated against with regard to the provision of care or based on whether the patient has executed an advance directive.~~

AUDIENCE:

Department Wide

TERMS/DEFINITIONS:

Advance Directive: a type of written or oral instruction relating to the provision of healthcare when an adult becomes incapacitated including, but not limited to, a healthcare proxy, consent for an order not to resuscitate (DNR) and a living will.

Healthcare Proxy: a document created pursuant to Article 29-C of the Public Health Law which delegates the authority to another adult known as the healthcare agent to make healthcare decisions on behalf of the adult when that adult is incapacitated.

Do Not Resuscitate Order: a DNR order means specifically that if a cardiac and/or respiratory arrest occurs- that is, if a person stops breathing and/or his/her heart stops beating-then cardiopulmonary resuscitation (CPR) will not be performed to revive the person. However, if the person is not in cardiac or respiratory arrest, appropriate medical treatment for all injuries, pain, difficult or insufficient breathing, hemorrhage and /or other medical conditions must be provided.

Living Will: a document which contains specific instructions concerning an adult's wishes about the type of health care choices and treatments that an adult does or does not want to receive, but which does not designate an agent to make health care decisions.

POLICY:

It is the policy of Modoc Medical Center to respect and encourage patient self-determination and a patient's advance directive. Patients will be encouraged and assisted to be active participants in the decision-making process regarding their care and will be encouraged to complete advance directives so that appropriate healthcare decisions are made according to their wishes when they are incapacitated or not able to make those decisions for themselves.

REFERENCE #	6170.25	EFFECTIVE: 10/2007
SUBJECT:	6170.25 ADVANCE DIRECTIVES	
DEPARTMENT:	NURSING -MED SURG	REVISED: 8/2025

PROCEDURE:

Advance Directives can protect patient rights and wishes in the event the patient becomes physically or mentally unstable to make healthcare decisions. A valid advance directive is followed regardless of the patient's race, religion, national origin, sex, sexual preferences, handicap, diagnosis, ability to pay and source of payment. No patient will be discriminated against with regard to the provision of care or based on whether the patient has executed an advance directive.

The following steps will be taken to facilitate gaining knowledge of any advance directives of the patient and also to ensure that all staff are aware of those advance directives:

1. An inquiry will be made by the nursing staff during the admission process of the patient, or if the patient is incapacitated, to the patient's significant other/legal representative, as to whether the patient has completed an advance directive.
2. A request to the patient/significant other/legal representative to provide a copy of the advance directive for medical record entry will be made during the admission process.
3. As part of the admission process the patient/significant other/legal representative will be provided with an information packet outlining the individual's rights to make decisions concerning medical care. The information packet provided will include the following information:
 - The right to accept or refuse medical or surgical treatment, even if the treatment is life-sustaining.
 - Information concerning the Patient Self-Determination Act (PSDA).
 - Modoc Medical Center's ~~mission and value statements and~~ policies regarding refusal of medical treatment, including life-sustaining measures.
 - The existence of an advance directive, or lack thereof, will not determine the patient's right to care, treatment or services.
4. The nursing staff will document in the medical record whether the patient has completed an advance directive and that information concerning the advance directive has been given to the patient/significant other/legal representative during the admission process.
5. Should the patient present as a repeat admission, with information obtained by the nursing staff indicating there is an advance directive in the previous medical record, the nursing staff will have the responsibility to review the existing advance directive with the patient/significant other/legal representative to validate its current status.
6. In the event the patient/significant other/legal representative indicates that the previous advance directive does not accurately reflect the patient's wishes, a revised updated advance directive must be submitted and must meet all advance directive regulations. Any expression by the patient of a revision in previous advance directive desires will be documented by the nursing personnel in the electronic medical record.
7. To the extent that the patient/significant other/legal representative requests additional information or further explanation regarding the PSDA or advance directives, referrals will be forwarded to the Utilization Review/Discharge Coordinator.

REFERENCE #	6170.25	EFFECTIVE: 10/2007
SUBJECT:	6170.25 ADVANCE DIRECTIVES	
DEPARTMENT:	NURSING -MED SURG	REVISED: 8/2025

8. Should the patient wish to formulate an advance directive while receiving services at Modoc Medical Center, the Utilization Review/Discharge Coordinator will be contacted to assist the patient or refer the patient as necessary to accomplish the desire to formulate the advance directive.
9. Written material regarding advance directives is available to members of the community upon request.

REFERENCES:

None

ATTACHMENTS:

None

EMERGENCY DEPARTMENT

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 ALLERGIC REACTION/ANAPHYLAXIS STANDARD OF CARE	REVISED: 7/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

PURPOSE:

The purpose of this policy is to provide guidance to licensed nursing staff on the treatment of allergic/anaphylactic reactions.

AUDIENCE:

Department Wide

TERMS/DEFINITION:

Anaphylaxis is an acute, potentially life-threatening allergic reaction triggered by exposure to an allergen. Symptoms can range from mild skin irritation to severe respiratory distress and can affect multiple body systems. Onset is typically rapid, occurring within minutes, but may also develop up to eight hours after exposure.

POLICY:

It is the policy of Modoc Medical Center to provide timely treatment to the patient experiencing an allergic/anaphylactic reaction.

PROCEDURE:

Signs and symptoms of a mild allergic reaction which can occur before anaphylaxis may include:

- Swelling of the lips, face, and eyes.
- Hives or welts.
- Tingling in the mouth.
- Abdominal pain- and/or vomiting.

Signs and symptoms of anaphylaxis, a severe allergic reaction, may include:

- Difficult/noisy breathing.
- Swelling of the tongue.
- Swelling/tightness in the throat.
- Difficulty talking and/or hoarse voice.
- Wheezing or persistent cough.
- Persistent dizziness or syncope.
- Abdominal pain and/or vomiting.

Upon patient arrival the licensed nursing staff will perform the following:

- Assess the patient for any sudden onset of airway, breathing and/or circulation problems:
 1. Airway problems may include the following: airway swelling, (e.g., throat and tongue swelling, pharyngeal/laryngeal edema): The patient has difficulty in breathing and swallowing and feels that the throat is closing; hoarse voice; stridor-this is a high-pitched inspiratory noise caused by upper airway obstruction. Place patient on nonrebreather mask at 15 liter/minute flow rate if needed. Early intubation if evidence of impending airway obstruction from angioedema. A delay may lead to complete obstruction. Intubation may be difficult and should be performed by the most experienced provider available. Cricothyrotomy may be necessary.
 2. Breathing problems may include the following: shortness of breath-increased respiratory rate; wheezing; confusion caused by hypoxia; cyanosis (appears blue)- this is usually a late sign; respiratory arrest.

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 ALLERGIC REACTION/ANAPHYLAXIS STANDARD OF CARE	REVISED: 7/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

3. Circulation problems may include the following: signs of shock: pale, clammy skin; increased pulse rate (tachycardia); low blood pressure (hypotension); feeling faint (dizziness); collapse; decreased level of consciousness or loss of consciousness; anaphylaxis can cause myocardial ischemia and electrocardiograph (ECG) changes; cardiac arrest. If hypotensive, place patient in recumbent position, if tolerated, and elevate lower extremities.
4. If breathing stops, start cardiopulmonary resuscitation (CPR) immediately.
 - Assess lung sounds; if any respiratory distress is noted such as, increase work of breathing, wheezing, fatigue, cyanosis, apply high flow oxygen and notify provider immediately.
 - Obtain a patent airway as soon as possible.
 - Assess the patient for any skin changes (e.g., itchy rash, hives, erythema).
 - Identify the allergen and avoid continued exposure to trigger causing the event.
 - Place the patient on a cardiac monitor.
 - Obtain initial vital signs: blood pressure, pulse, respirations, temperature, oxygen saturation.
 - Establish intravenous (IV) access. Two large-bore IV lines. Treat hypotension with rapid infusion of 1-2 liters of IV fluids. Repeat as necessary/ordered. Massive fluid shifts with severe loss of intravascular volume can occur. Monitor urine output.
 - Anticipate the provider to order the following medications:
 1. Epinephrine 0.3ml-0.5ml of 1:1000 to be given intramuscular (IM). A repeat dose should be given in five minutes if symptoms persist.
 2. H1 Antihistamine-Diphenhydramine IV.
 3. H2 Antihistamine- Famotidine IV.
 4. Corticosteroid IV for mild reactions.
 5. Albuterol- for bronchospasm resistant to IM epinephrine.
 6. Glucagon- patients on a beta blocker may not respond to epinephrine and can be given glucagon 1-5 mg IV for over 5 minutes, followed by an infusion of 5-15 micrograms/minute. Rapid administration of glucagon can cause vomiting.

Documentation to include but not limited to the following:

- Initial and concurrent vital signs.
- Assessment of airway, breath sounds, and circulation.
- Any change in patient condition.
- Response to any medications given to the patient.

REFERENCE:

(Ronna L. Campbell, 2024). Up To Date. Anaphylaxis.

Formatted: Normal,mcn

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 ASSESSMENT OF THE TRAUMA PATIENT	REVISED: 8/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

PURPOSE:

The purpose of this policy is to help the licensed nursing staff identify critical injuries through a structured and sequential approach.

AUDIENCE:

Department Wide

POLICY:

It is the policy of Modoc Medical Center to assess and treat trauma patients in accordance with Emergency Nurse Associations Trauma Nursing Core Course (TNCC) criteria.

PROCEDURE:

Rapid assessment of a patient's physiology and anatomy (injuries) in a prioritized manner is essential.

1. Universal precautions: Don essential personal protective equipment (PPE).
2. Conduct a rapid across the room assessment when the patient arrives: If any obvious signs of uncontrolled hemorrhage are observed, this will be addressed immediately.
3. Rapid primary survey (physiology of injury) with corresponding interventions if indicated. During the primary survey, immediate life threatening injuries are identified and immediately treated. Each step must be addressed in order. Each life-threatening problem must be resolved before the next one is addressed. The primary survey consists of the following:
 - a. Alertness and Airway with cervical spine immobilization.
 - b. Breathing with adequate ventilation.
 - c. Circulation with hemorrhage control.
 - d. Disability assessment (neurological).
 - e. Exposure/Environment.
4. Undress the patient completely and cover with a warm blanket. The nurse must be able to visualize all body areas for examination.
5. Obtain intravenous (IV) access: two large-bore IVs (18 gauge or larger size) in the antecubital site if possible. Draw blood work at the time of IV start for trauma panel.
6. Start infusing IV fluids: Normal Saline or Lactated Ringer's for a 500-1000 milliliter (ML) bolus.
7. Obtain a full set of vital signs: blood pressure, pulse, respirations, temperature, and oxygen saturation.
8. Place patient on a cardiac monitor.
9. Insert a nasogastric or orogastric tube if indicated.
10. Wean oxygen based on oximetry and assess capnography (required if patient is sedated or intubated).
11. Insert foley catheter if indicated. Do not place if pelvic fracture is suspected or there is blood at the urethral meatus.
12. Assess the patient for pain and manage with pharmacological and non-pharmacological comfort measures.

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 ASSESSMENT OF THE TRAUMA PATIENT	
DEPARTMENT:	EMERGENCY DEPARTMENT	REVISED: 8/2025

13. Conduct a secondary survey: Head-to-toe assessment and medical history of the patient. The medical history of the patient may include a pre-hospital report or past medical history from the electronic medical record.
14. Continuous re-evaluation. Re-evaluation to include vital signs, all identified injuries and effectiveness of interventions, pain level, and the primary survey. If at any time the vital signs deteriorate, the primary survey will be reinitiated.
15. Definitive care of the patient: admit, discharge, or transfer to higher level of care.
16. Document all assessment findings in the electronic medical record.

REFERENCES

(Emergency Nurse Association, 2020). Trauma Nursing Core Course Provider Manual Eighth Edition.

ATTACHMENTS:

None

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 VERBAL AND/OR TELEPHONE ORDERS	
DEPARTMENT:	EMERGENCY DEPARTMENT	REVISED: 9/2025

PURPOSE:

The purpose of this policy is to reduce errors associated with misinterpreted verbal or telephone orders obtained from a medical provider.

AUDIENCE:

Department Wide

POLICY:

It is the policy of Modoc Medical Center to provide guidance to the licensed nursing staff on obtaining and documenting verbal and telephone orders to ensure accuracy and prevent any patient harm.

PROCEDURE:

Verbal and/or telephone orders are limited to urgent situations in which immediate electronic communication is not feasible. Providers are encouraged and expected to use Cerner order entry to place the majority of their orders, especially admit and discharge order sets.

1. Verbal and/or telephone orders may be accepted by a registered nurse, licensed practical nurse, physician assistant, pharmacist, physical therapist, and dietician. Verbal and telephone orders will only apply to those orders related to their areas of expertise and scope of practice.
2. Verbal/telephone orders will be immediately written down by the recipient, read back by the recipient, and confirmed or corrected by the prescriber. The recipient will record the verbal/telephone order immediately in the patient's electronic medical record. When entering the order in the patient's EMR, once the order is found and selected, the Communication Type pop-up will show, and the licensed nursing staff will select the correct Communication Type and click Okay to sign the order. The Communication Type will either be: Phone with Read Back (Cosign) or Verbal with Read Back (Cosign).
3. For medication orders, the prescriber will spell the name of any unfamiliar medication, if either party feels this is necessary.
4. For medication orders, prescribers will include the purpose of the drug to ensure that the order makes sense in the context of the patient's condition.
5. Verbal medication orders will include the following information:
 - a. Patient name.
 - b. Date and time order received.
 - c. Drug name (brand or generic).
 - d. Dosage form (e.g., tablet, capsule, etc.)
 - e. Strength or concentration.
 - f. Dose.
 - g. Frequency.
 - h. Route.
 - i. Quantity and/or duration.
 - j. Name of prescriber.
 - k. Signature of order.

REFERENCE #	7010.25	EFFECTIVE: 10/2007
SUBJECT:	7010.25 VERBAL AND/OR TELEPHONE ORDERS	
DEPARTMENT:	EMERGENCY DEPARTMENT	REVISED: 9/2025

6. For medication orders, both parties will include the mg/kg dose along with the patient's specific dose for all verbal neonatal/pediatric medication orders.
7. Prescribers will verify and sign verbal orders in the electronic medical record. The prescribing practitioner must sign the verbal/telephone order within 24 hours of giving the order.

REFERENCES:

None.

ATTACHMENTS:

None.

REFERENCE #	7010.25	EFFECTIVE: 9/2006
SUBJECT:	7010.25 CODE BLUE ALERT: ADULT/PEDIATRIC	REVISED: 06/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

PURPOSE

The purpose of this policy is to ensure the prompt and skilled cardiovascular and cerebral resuscitation of any person who suffers a cardiopulmonary arrest.

TERMS/DEFINITIONS

Code Blue: is the term used to alert the Code Blue Team (Rapid-Response Team) to an area where a person has had a cardiac/respiratory arrest.

POLICY

It is the policy of Modoc Medical Center to initiate a Code Blue on any patient, visitor, or staff suffering a cardiac/respiratory arrest. If the arrest is unwitnessed, nursing and/or medical staff may use their discretion to call a code if the unwitnessed period is clinically assessed to be brief.

Exceptions: are those patients who have an advance care directive or resuscitation care plan direction otherwise.

PROCEDURE

Initiation of a Code Blue

- Any employee who finds a person in apparent cardiopulmonary arrest may initiate a Code Blue.
- Certified staff will initiate Basic Life Support (BLS) and Automated External Defibrillator (AED) if available, until relieved by the Code Blue Team.
- To page a Code Blue in the patient care areas such as Emergency Room; Acute Care Unit; Radiology, and Surgery and Skilled Nursing Facility: Push the blue button labeled "Code Blue." Or on the workflow stations on the Acute Nursing Unit or Skilled Nursing Facility.

A page is sent out to the Code Blue Team when the Code Blue Button is pushed.

- To page a Code Blue in non-patient care areas such as Lobby; Laboratory; Administration; and Clinic: page using the Overhead system to announce location of Code Blue.
 - "Code Blue (location), is to be announced three (3) times over the facility paging system to notify staff."
- The Emergency Medical System (EMS) will be activated for all areas in the hospital not covered by the Code Blue Team, as well as all arrests occurring outside the building. If the team is not able to transport the Code Blue Cart to the scene, the team will provide Basic Life Support (BLS) until EMS arrives.
- The Code Blue Team must ensure the area/scene is safe before proceeding with their response. This requires rapid assessment of the location and circumstances associated with the Code Blue call.
- The Code Blue Team will not respond to areas where unpredictable and variable environmental conditions exist.
- When a Code Blue is called, all members of the Code team will respond immediately.
- In the event of simultaneous codes or a second code occurs prior to the conclusion of a code call, the code team will work collaboratively to ensure a prompt response.

Formatted

REFERENCE #	7010.25	EFFECTIVE: 9/2006
SUBJECT:	7010.25 CODE BLUE ALERT: ADULT/PEDIATRIC	REVISED: 06/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

Procedure during a Code Blue

- Staff members function within their respective scopes of practice and utilize guidelines set by the American Heart Association on Advanced Cardiac Life Support. The members perform functions that include, but are not limited to the following:
 - The person discovering a patient in cardiopulmonary arrest:
 - Assesses patient airway, breathing and circulation.
 - Calls for help
 - Initiates CPR and notes the time.
 - First responding registered nurse/paramedic:
 - Assuming the role of Code Blue team leader
 - Registered Nurse/Paramedic remains the team leader until MD arrives:
 - Initiates Code Blue per facility protocol.
 - Assesses patient and begins procedures to open airway, begins rescue breathing and/or initiates CPR, as needed.
 - Nurse assigned to patient/designated staff:
 - Obtains crash cart.
 - Attaches monitor leads
 - Assumes compressions and/or ventilation until additional staff arrive
 - Provides most recent data on the patient, including the pertinent history and vital signs
 - Brings chart to room and acts as information source
 - Take responsibility for completion of the Code Blue record, or facility designated forms and distribution of forms to appropriate departments.
 - Marks and maintains monitor strips
 - Designated nurse with appropriate training (ACLS/PALS)
 - Ensures placement of cardiac monitor and assesses initial rhythm
 - Directs and delegates code responsibilities to nursing and other personnel
 - Performs ongoing evaluation of patient status
 - Monitors and evaluates CPR procedures
 - Establishes IV line and administers medications according to appropriate guidelines (ACLS/PALS or other approved protocol) or as ordered
 - Interprets EKG rhythm and defibrillate according to appropriate guidelines.
 - All Clear
 - The attending physician will determine when the "All Clear" is to be called
 - The Code Blue Team will adhere to American Heart Association Advanced Cardiac Life Support Guidelines.
- BLS will be started by the first qualified person at the scene.
- Advanced Cardiac Life Support (ACLS) will be started by the first qualified person at the scene.

Formatted: Indent: Left: 1.5", No bullets or numbering

Formatted: Font: Times New Roman

Formatted: Indent: Left: 0.5", No bullets or numbering

Composition of the Code Blue Team

- Emergency Room (ER) Physician or Hospitalist on duty

REFERENCE #	7010.25	EFFECTIVE: 9/2006
SUBJECT:	7010.25 CODE BLUE ALERT: ADULT/PEDIATRIC	REVISED: 06/2025
DEPARTMENT:	EMERGENCY DEPARTMENT	

- ER Nurse- Registered Nurse (RN)
- Acute Care Nurse – Registered Nurse (RN)
- Paramedic and Emergency Medical Technician (EMT) on duty
- Pharmacist
- Phlebotomy
- Radiology
- Chief Nursing Officer-RN
- Acute Nursing Manager Supervisor-RN
- Director of Nursing - RN (If Code Blue is called in the SNF)
- Nursing Supervisor – RN (If Code Blue is called in the SNF)
- SNF Nursing Manager – (If Code Blue is called in the SNF)

Formatted: Font: Times New Roman

Formatted: Indent: Left: 0.5", No bullets or numbering

REFERENCES:

Formatted: Font: Not Bold

ATTACHMENTS:

Formatted: Font: Bold

OPERATING ROOM/SURGERY

REFERENCE #	7420.25	EFFECTIVE 3/2022
SUBJECT:	7420.25 PATHOLOGY SPECIMEN REQUISITIONS AND PROCESS	
DEPARTMENT:	OPERATING ROOM	REVISED 04/2009, 03/2022, 08/2025

PURPOSE:

The purpose of this policy is to ensure specimens are delivered to the outside lab for testing and results are returned in a timely manner. To provide a mechanism for tracking specimens and reports

AUDIENCE:

**Department Wide
Laboratory**

TERMS/DEFINITIONS:

**Laboratory Information Systems (LIS)
Electronic Medical Record (EMR)**

POLICY:

It is the policy of Modoc Medical Center to ensure histology and cytology specimens will be accepted for testing when authorized by a physician or other authorized individual via written request.

PROCEDURE:

Surgery Patients

Histology and cytology specimens will be accepted for testing when authorized by a physician or other authorized individual via written request. A copy of the request is retained in the laboratory.

Specimen Packaging

All specimens should be placed in a container with appropriate fixative. Specimens should be clearly labeled with the patient's name, date of birth, specimen type, and time of collection. An **Operative Note** must accompany any pathology being sent out.

Specimen containers must be tightly closed to prevent leakage of blood or fixatives. If several biopsies or specimens are obtained from the same patient, care should be taken that each is placed in a separate jar and individually labeled. Each specimen should be identified on the requisition form. These containers must then be placed in a specimen bag with the pathology requisition attached to the exterior of the bag. The exterior of the encasing plastic bag must be free of blood or fluids. Once the specimens are packaged, surgery will deliver them to the Laboratory.

Pathology Requisition

Every specimen submitted to the laboratory must have a legibly filled out Pathology Requisition. An order for Surg Pathology must be placed in the EMR that lists all pathology obtained. The

REFERENCE #	7420.25	EFFECTIVE 3/2022
SUBJECT:	7420.25 PATHOLOGY SPECIMEN REQUISITIONS AND PROCESS	REVISED 04/2009, 03/2022, 08/2025
DEPARTMENT:	OPERATING ROOM	

information on the requisition must include the patient's name, date of birth, requesting physician's first and last names, the date of operation, or sample collection and a complete list of all tissue(s) submitted, or samples being sent.

Laboratory staff will access each patient using the LIS. Each patient will have a "Sent to pathology" and a "Handling fee" ordered. Two labels should be printed for each patient; one label is placed on the patient's corresponding Shasta Pathology specimen bag. The remaining label is placed on the Shasta Pathology log. A copy of the pathology requisition will be retained with the Shasta Pathology log.

Specimen Delivery

Specimens for routine pathological examinations will be picked up by a Shasta Pathology Associates courier as arranged. Laboratory personnel should call Shasta Pathology Associates at (530) 255-1000 and request a pickup. (Pick up times vary, a Shasta Pathology representative will verify the date and time of specimen pick up.)

Slides for staining and interpretation should be labeled with the patient's name, other unique identifier (e.g. date of birth or accession number), as well as the date and source of material. A copy of patient ~~demographics, demographics and~~ recent lab values should accompany a written pathology request.

Result Delivery

Surgery patients: Results are delivered directly to the ordering Providers office from Shasta Pathology associates.

All other results can be retrieved electronically via the Shasta Pathology Portal. The Shasta Pathology portal is monitored daily by the front office staff. Finalized reports should be delivered to the ordering ~~providers~~provider's office. A copy of the results and the pathology requisition will be filed with the daily labs. (Pathology requisitions should be filed according to the date the specimen was collected.)

The laboratory should establish appropriate turnaround times for all specimens. If results are not received within the established parameters, the laboratory staff will contact Shasta Pathology Associates to determine the reason for ~~delay~~the delay. Whenever a specimen ~~is~~ determined to be lost, a risk ~~event from~~event form ~~will~~must be filed. The physician must be notified, and the incident will also be reported to the performance improvement committee.

REFERENCES:

NONE

ATTACHMENTS:

NONE

REFERENCE #	7420.25	EFFECTIVE 3/2022
SUBJECT:	7420.25 PATHOLOGY SPECIMEN REQUISITIONS AND PROCESS	
DEPARTMENT:	OPERATATING ROOM	REVISED 04/2009, 03/2022, 08/2025

REFERENCE #	7420.25	EFFECTIVE	04/09
SUBJECT:	7420.25 DISCHARGE CRITERIA-PACU	REVISED	07/25
DEPARTMENT:	OPERATING ROOM		

PURPOSE:

The purpose of this policy is to define the criteria for Discharge from the Post Anesthesia Care Unit (PACU)

AUDIENCE:

Department Staff

TERMS/DEFINITIONS:

NONE

POLICY:

It is the policy of Modoc Medical Center (MMC) that specific criteria be met before a patient can safely be discharged from the PACU to home or to an acute bed.

PROCEDURE:

DISCHARGE CRITERIA

- A discharge order shall be obtained from the physician or anesthetist prior to discharge from the PACU area.
- The patient may be discharged from the PACU with a minimum Aldrete score of 8 and no less than 30 minutes if sedation is used and no less than one hour if a general anesthetic was used.
- The blood pressure must be stable and not more than 20 points below the patient's pre-anesthetic resting systolic level if able. Otherwise, the systolic pressure must be stable enough to support good color, respiratory quality, and pulse quality compared to intra-anesthetic levels.
- The pulse is approximately the pre-anesthetic resting rate and regularity, or at a rate and quality consistent with the surgery performed and/or other pathology or eventuality.
- Respirations with an unassisted airway are maintained by the patient. The rate should be no less than 12.
- Consciousness has returned and the patient responds to verbal stimuli.
- Swallowing reflexes are present and the patient can care for normal oral secretions.
- The last dose of a depressant drug was given more than 30 minutes before discharge home or more than 10 minutes before transferring to an acute bed.
- If regional anesthesia was employed, the return of sensation and motor activity in the affected area shall have occurred and be noted by the RN.
- If there is an indwelling urinary catheter present, the output must be satisfactory relative to the fluid intake.
- The color of the patient must be reasonably good as compared to the pre-anesthetic and / or intra-anesthetic color.
- There are no unusual or excessive amounts of drainage on dressings or from drains.
- Patients that have received sedation should be able to void before being discharged home. Any patient that has received a spinal or epidural must be able to void before discharge. Other laparoscopic procedures have the same requirements.

REFERENCE #	7420.25	EFFECTIVE	04/09
SUBJECT:	7420.25 DISCHARGE CRITERIA-PACU	REVISED	07/25
DEPARTMENT:	OPERTATING ROOM		

- An immediate post-anesthesia note will be written concerning the type of anesthesia employed, complications occurring during anesthesia, and the patients' condition when transferred to the PACU.
- A post-anesthesia evaluation will be made following each procedure. The evaluation must include the patient's condition and presence or absence of any anesthesia related complications. Additional post-anesthesia evaluations will be made as dictated by the patient's progress / condition.
- See also discharge criteria under anesthesia.

REFERENCES:

NONE

ATTACHMENTS

NONE

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 ETHICS IN REGARD TO ECTOPIC CASES AND / OR FETAL DEMISE	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

PURPOSE:

The purpose of this policy is to direct staff with the care of Ectopic Cases and / or Fetal Demise.

AUDIENCE:

Facility Wide

DEFINITIONS:

Modoc Medical Center (MMC)

Electronic Medical Record (EMR)

POLICY:

It is the policy of Modoc Medical Center (MMC) that all Ectopic Pregnancies and / or death of a Newborn be handled and processed in the appropriate manner.

PROCEDURE:

- The expelled products of conception are to be placed in formalin with the patient's name, date of birth, medical record number, and date / time the products are received. If directed by the surgeon, it will be sent out for pathology.
- If sent out for pathology, an order must be placed in the EMR and the contents listed in the order.
- If the size of the fetus is sufficient and must be buried, arrangements will be made by nursing personnel with the local mortuary, and all required forms will be completed.

REFERENCES: NONE

ATTACHMENTS: NONE

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 MEDICATION LABELING	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

PURPOSE:

The purpose of this policy is to provide guidance for correct labeling of medication on and from the sterile field.

AUDIENCE:

Department Wide

TERMS/DEFINITION:

Date of Birth (DOB)

Intravenous (IV)

POLICY:

It is the policy of Modoc Medical Center (MMC) that all medications on or from the sterile field will be properly identified with medication labels.

PROCEDURE:

- 1) All medication on or off the sterile field will be properly identified with medication labels. This policy includes medications contained in solution bowls, medicine cups, and syringes.
- 2) All medications will be checked by two qualified persons when the person preparing the medication is not the person administering it. Two nurses or one nurse and a surgical scrub technician must identify the medication, strength, and expiration date.
- 3) This policy applies even when there is only one medication on the field.
- 4) Normal Saline, Sterile Water, Betadine, etc., and all other solutions will be considered as medications for the purpose of patient safety.
- 5) This policy also satisfies the Five "Rights" of medication. Right Patient, Right Medication, Right Dose, Right Route, and Right time.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" +
Indent at: 0.5"

Right Patient: As per hospital protocol, patients will be admitted to the operating room. Proper identification will be checked using two identifiers (name and DOB).

Right Route: Medications for the Surgery Department are stored in the Medication Room or in the Anesthesia Cart. The route of any medication must be documented whether it is IV, Oral, Topical, or by another route.

Right Time: Time of administration is considered as "now" or at the time requested by the physician.

REFERENCE # 7420.25	EFFECTIVE	04/2009
SUBJECT: 7420.25 MEDICATION LABELING	REVISED	08/2025
DEPARTMENT: OPERTATING ROOM		

Right Drug and Right Dose: When a medication is required on or off the sterile field, nursing staff will abide by the following procedures to ensure patient safety.

- 1)• The Nurse obtains the medication needed from the appropriate area.
- 2)• The Nurse will hold the medication in view of herself/himself, the scrub technician, and or / physician.
- 3)• The Circulating Nurse will read the name, strength, and expiration date to the scrub technician and/or physician.
- 4)• The Nurse will draw up the medication or pour it on to the sterile field using aseptic technique.
- 5)• Medications will not be pre-labeled. The label should be prepared and applied at the time the medication or solution is prepared.
- 6)• The Label contains the name, strength, and amount.
- 7)• Purchasing pre-filled syringes that are pre-labeled are acceptable.
- 8)• The Nurse will verify that the medication label is correct and verbally acknowledges that the proper label has been placed on the syringe, solution bowl, and / or medicine cup.
- 9)• Once the medication is administered, the Nurse will document the administration on the patient's medical record. A total dose will be calculated and documented on the medical record towards the end of the procedure.
- 10)• All wastes of medications will be documented in the patient's medical record.
- 11)• All original containers from medications and solutions will remain available for reference in the peri-operative area until the conclusion of the procedure and the patient has exited the Procedure Room or Operating Room.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" +
Indent at: 0.5"

REFERENCES: NONE

ATTACHMENTS: NONE

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 SPECIMENS	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

PURPOSE:

The purpose of this policy is to guide staff in handling specimens collected during **s**Surgical or **e**Endoscopy procedures.

AUDIENCE:

Department Wide

TERMS/DEFINITION:

Electronic Medical Record (EMR)

Laboratory (LAB)

POLICY:

It is the policy of Modoc Medical Center (MMC) that all specimens that are removed by operation will be sent to **p**Pathology or to the **L**aboratory.

PROCEDURE:

Specimens

1. All anatomical parts, tissues, and foreign objects removed by operation shall be sent to the laboratory for mailing to the pathologist. A breast biopsy for **e**Estrogen **r**Receptors (frozen section) is to be sent immediately to the laboratory for quick freeze, then transported in a container packed with dry ice.
2. The scrub tech/circulating nurses are responsible for all specimens removed.
3. The circulation nurse fills out the label with **the specimenspecimen** identification, patient information, and date and time. A slip from the pathology site needs completed with same **the** information as well as the time the specimen was received and then placed in formalin.
4. During surgical cases if the surgeon wants to examine the specimen before handing it off from the sterile field, the specimen will be placed in a sterile basin at the back of the instrument table until the surgeon examines it.
5. All specimens go into **f**Formalin **s**Solution, except a breast biopsy for **e**Estrogen **r**Receptor.
6. An order shall be initiated in the EMR order set. Specimens received will be listed within the physician's order for pathology.
7. A face sheet, operative note, and the pathology slip will be taken to the laboratory for transfer.
8. All cultures go to the laboratory as soon as possible. The order for the culture must be **placeddone** in the EMR.
9. Any amputated body part must be sent to the **p**Pathologist. Prepare the same forms and documentation as for other specimens.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

REFERENCE # 7420.25	EFFECTIVE	04/2009
SUBJECT: 7420.25 SPECIMENS	REVISED	08/2025
DEPARTMENT: OPERATING ROOM		

EXCEPTIONS:

The following limited categories of specimens may be exempt from the requirement of examination by a pathologist or by the attending surgeon.

1. Specimens that by their nature or condition do not permit fruitful examination, such as a cataract or an orthopedic appliance.
2. Therapeutic radioactive sources, the removal of which shall be guided by radiation safety monitoring requirements.
3. Traumatologically injured parts that have been amputated and for which examination for either medical or legal reasons is not deemed necessary.
4. Foreign bodies, (for example bullets,) that for legal reasons are given directly to a law enforcement representative in the chain of custody to law enforcement representatives or a Bullets such as ball bearing (BB) BB's that are not part of any legal process.
5. Specimens known to rarely, if ever, show pathological change, and removal of which is highly visible post operatively.
6. Any specimen that is not sent to pathology must be documented in the intra-operative note.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

REFERENCES: NONE

ATTACHMENTS: NONE

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 SPECIMENS	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

PURPOSE:

The purpose of this policy is to guide staff in handling specimens collected during sSurgical or eEndoscopy procedures.

AUDIENCE:

Department Wide

TERMS/DEFINITION:

Electronic Medical Record (EMR)

Laboratory (LAB)

POLICY:

It is the policy of Modoc Medical Center (MMC) that all specimens that are removed by operation will be sent to pPathology or to the laboratory.

PROCEDURE:

Specimens

1. All anatomical parts, tissues, and foreign objects removed by operation shall be sent to the laboratory for mailing to the pathologist. A breast biopsy for eEstrogen rReceptors (frozen section) is to be sent immediately to the laboratory for quick freeze, then transported in a container packed with dry ice.
2. The scrub tech/circulating nurses are responsible for all specimens removed.
3. The circulation nurse fills out the label with the specimensspecimen identification, patient information, and date and time. A slip from the pathology site needs completed with same the information as well as the time the specimen was received and then placed in formalin.
4. During surgical cases if the surgeon wants to examine the specimen before handing it off from the sterile field, the specimen will be placed in a sterile basin at the back of the instrument table until the surgeon examines it.
5. All specimens go into fFormalin sSolution, except a breast biopsy for eEstrogen rReceptor.
6. An order shall be initiated in the EMR order set. Specimens received will be listed within the physician's order for pathology.
7. A face sheet, operative note, and the pathology slip will be taken to the laboratory for transfer.
8. All cultures go to the laboratory as soon as possible. The order for the culture must be placeddone in the EMR.
9. Any amputated body part must be sent to the pPathologist. Prepare the same forms and documentation as for other specimens.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" +
Indent at: 0.5"

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 SPECIMENS	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

EXCEPTIONS:

The following limited categories of specimens may be exempt from the requirement of examination by a pPathologist or by the attending sSurgeon.

- 1.● Specimens that by their nature or condition do not permit fruitful examination, such as a cataract or an orthopedic appliance.
- 2.● Therapeutic radioactive sources, the removal of which shall be guided by radiation safety monitoring requirements.
- 3.● Traumatcally injured parts that have been amputated and for which examination for either medical or legal reasons is not deemed necessary.
- 4.● Foreign bodies, (for example bullets,) that for legal reasons are given directly to a law enforcement representative in the chain of custody to law enforcement representatives or a Bullets such as ball bearing (BB) BB's that isare not part of any legal process.
- 5.● Specimens known to rarely, if ever, show pathological change, and removal of which is highly visible post operatively.
- 6.● Any specimen that is not sent to pathology must be documented in the intra-operative note.

Formatted: Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

REFERENCES: NONE

ATTACHMENTS: NONE

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 SURGICAL STAFFING POLICY	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

PURPOSE:

The purpose of this policy is to specify nNursing and pPatient staffing rRatio's throughout the pPerioperative continuum.

AUDIENCE:

~~Department Wide~~Department wide

TERMS/DEFINITION:

Post Anesthesia Care Unit (PACU)

Operating Room Manager (OR) Manager

Intravenous (IV)

Electrocardiogram (EKG)

Registered Nurse (RN)

Licensed Vocational Nurse (LVN)

POLICY:

It is the policy of Modoc Medical Center (MMC) that following nurse-to-patient ratios will be maintained whenever surgery or endoscopy procedures commence in this department.

PROCEDURE:

SURGICAL STAFFING SCHEDULE

- Staffing is based on patient acuity, census, patient flow processes, availability of support resources, and physical facility.
- Prior to each scheduled surgery date, the OR manager will make sure that there is adequate staffing for all the peri-operative areas. This includes anesthesia providers, RN's~~registered nurses~~ and surgical scrub technicians.

DAY OF SURGERY/PROCEDURE

- Peri anesthesia nursing roles, during this phase, focus on validation of existing information and completion of preparation of the patient. The peri anesthesia registered nurse continues to assess the patient and develops a plan of care designed to meet the physical, psychological, educational, sociocultural, and spiritual needs of the patient/family.
- The peri anesthesia registered nurse is responsible for directing others in the peri operative area that are assisting with patient preparation, such as, obtaining a thorough history, signing of consents, directing the patient with antiseptic skin cleansing, vital signs, starting IV's, obtaining an EKG or getting ordered lab tests done in a timely manner, addressing thromboembolism prophylaxis, and addressing any patient concerns.

REFERENCE #	7420.25	EFFECTIVE	04/2009
SUBJECT:	7420.25 SURGICAL STAFFING POLICY	REVISED	08/2025
DEPARTMENT:	OPERTATING ROOM		

INTRA OPERATIVE PHASE

- At a minimum, one perioperative ~~RN registered nurse (RN)~~ circulator should be dedicated to each patient undergoing an operative or other invasive procedure and should be present during that patient's entire intraoperative experience.
- The perioperative RN circulator supervises and evaluates the activities of other team members while simultaneously executing immediate directives and intervention in urgent and emergent situations.
- The perioperative RN circulator delegates certain nursing tasks and functions to OR staff including; ~~such as the scrub technologists, technologists, and -LVN's~~ ~~icensed Vocational Nurses, additional registered nurses, -Nursing~~ nursing interventions such as circulating duties that require independent, specialized nursing knowledge, skill or judgement cannot be delegated.

SURGICAL TECHNOLOGISTS

- During the intraoperative phase of surgery, a surgical technologist's responsibilities include maintaining a sterile field, passing instruments, assisting with other tasks, and anticipating the surgeon's needs.

POSTANESTHESIA PHASE

- It is the American Society of Peri Anesthesia Nurses (ASPA) position that an appropriate number of peri anesthesia ~~RN's registered nurses~~ with demonstrated competence is available to meet the individual needs of patients and families in each phase of peri anesthesia care based on the patient acuity, census, and patient throughput.
- Two ~~RN's registered nurses~~, one of whom is a peri anesthesia ~~RN registered nurse~~ competent in Phase 1 post anesthesia nursing, are in the same room/unit where the patient is receiving ~~p~~Phase 1 care.
- In the PACU ~~a Post Anesthesia Care Unit~~, the standard nurse-to-patient ration is typically 1:2 (one nurse for every two patients). Although the ratio is 1:2, there must be a second ~~RN registered nurse~~ available and within immediate access and with a direct line of sight when care is being provided.

Here's a more detailed breakdown:

- Normal ~~or s/~~Stable ~~p~~Patients: ~~t~~The most common ration is 1:2.
- Phase I Recovery (~~i~~Immediate ~~postoperative~~Post-Op) ~~i~~involves closer monitoring and may require a minimum of 1:1 ratio.
- Phase II Recovery (~~t~~Transition to ~~d~~Discharge)~~m~~: May be at 1:3 if the patient is stable.
- Pediatric Patients.~~m~~: May require a 1:1 or 1:2 ratio depending on age, stability, and presence of family.

HOURS OF SURGERY

- Normal workdays for scheduling surgeries are weekdays only.
- Hours are normally from 0630 to 1700 depending on the number of cases scheduled or if there are cases added on.
- If there is a need for on call staff, there shall be an Anesthetist, RN, and ~~s~~Surgical ~~s~~Scrub ~~t~~Tech.

REFERENCE # 7420.25	EFFECTIVE	04/2009
SUBJECT: 7420.25 SURGICAL STAFFING POLICY		
DEPARTMENT: OPERTATING ROOM	REVISED	08/2025

REFERENCES:

COPYRIGHT 2019, AORN, INC. PERIANESTHESIA NURSING STANDARDS, PRACTICE RECOMMENDATIONS AND INTERPRETIVE STATEMENTS.

ATTACHMENTS:

NONE

LABORATORY

REFERENCE #	7500.25	EFFECTIVE: 06/15/2025
SUBJECT:	7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT:	LABORATORY	REVISED

PURPOSE:

THE PURPOSE OF THIS POLICY IS TO DEFINE THE PROCESSES FOR THE PREPARATION AND RELEASE OF BLOOD FOR TRANSFUSIONS ON NEONATES <120 DAYS OLD FROM THE MODOC MEDICAL CENTER (MMC) TRANSFUSION SERVICES DEPARTMENT.

AUDIENCE:

Department Wide

TERMS/DEFINITION:

1. **AABB:** Association for the Advancement of Blood & Biotherapies (Previously known as American Association of Blood Banks, with name change in 2005)
2. **Neonate:** A baby less than four weeks past their normal gestational age. According to AABB the special considerations of neonate transfusion include babies until the age of 4 months (120 days).
3. **2,3-DPG:** 2,3- diphosphoglycerate is an intermediate product of glycolysis, found in red blood cells that reduces the affinity of hemoglobin for oxygen, shifting the curve to the right.
4. **DAT:** Direct Anti-globulin test. A test useful in the detection of hemolytic disease of the newborn caused by incompatibility between blood types of a mother and a baby.
5. **Pedi-Packs:** Satellite units from an RBC unit that has been divided into smaller components for transfusion.

POLICY:

Neonatal transfusion practices are different from adult and pediatric transfusion practices due to the unique physiological characteristics of neonates. First, the prenatal transfer of maternal antibodies to the immunologically immature neonate results in unique hematologic compatibility patterns different from those of other age groups. Second, immature organ function exposes the neonates to metabolic complications and to infectious and immunologic complications, such as transfusion-transmitted cytomegalovirus (TT-CMV) infection and transfusion-associated graft-versus-host disease (TA-GVHD). Third, neonates are at a higher risk of hemodynamic instability because of a small blood volume and the limited capacity to increase the blood volume relative to rapid growth [2]. These problems must be considered while performing transfusion therapy in neonates.

Hypoglycemia, hyperkalemia, and hypocalcemia are the most common metabolic complications associated with transfusion in neonates. Hypoglycemia can often result from decreased glucose infusion rates during transfusion in combination with impaired glycogenolysis and gluconeogenesis in preterm infants. The risk of hyperkalemia is entirely associated with the amount of K⁺ load delivered with RBC transfusion. Irradiation may damage the RBC membranes, also causing hyperkalemia. Hyperkalemia and hypocalcemia are particularly of concern in neonates receiving exchange or massive (>20 mL/kg of RBCs) transfusions. Small volume transfusions have shown to have insignificant impact on potassium levels.

In neonates, immunologic complications include hemolytic transfusion reactions, allergic reactions, febrile nonhemolytic reactions, immune-mediated platelet destruction, transfusion related acute lung injury

REFERENCE # 7500.25	EFFECTIVE: 06/15/2025
SUBJECT: 7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT: LABORATORY	REVISED

(TRALI), T-antigen activation, and TA-GVHD. Neonates, especially preterm infants, are at risk for TA-

REFERENCE #	7500.25	EFFECTIVE: 06/15/2025
SUBJECT:	7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT:	LABORATORY	REVISED

GVHD. Pretransfusion gamma irradiation of cellular blood products can inactivate donor T lymphocytes and consequently reduce the risk of TA-GVHD [6].

Specific methods to decrease the risks of transfusion therapy in neonates.

1. Leukocyte reduction
 - Leuko-reduced blood cells should be used in all neonates, primarily to reduce TT-CMV infection.
2. Irradiation of cellular blood products
 - Irradiation of cellular blood products reduces the incidence of TA-GVHD in susceptible recipients. However, irradiation increases potassium leakage from stored RBCs, which is a concern with *large* volume (>20ml/kg of RBCs) transfusions. Irradiation of blood products does not prevent TT-CMV infection.
3. In line Blood Warmers should be used to reduce Cold Stress
 - For large volume transfusions, using an in-line blood warmer can combat effects of hypothermia. Never use a radiant heater to warm the blood, as it can cause hemolysis.
4. Fresh blood collected <14 days ago.
 - For *large* volume transfusions such as exchange transfusions, fresh blood collections should be used since the 2,3-DPG is not depleted, and potassium has not leaked out of the cells in excess. Blood depleted of 2,3 DPG can shift the hemoglobin oxygen dissociation curve, reducing oxygen availability to the tissues. Small volume transfusions generally do not require fresh blood.
5. Using “pediatric bags” or “satellite bags” from a divided RBC unit reduces waste and reduces exposure to multiple donors.

Recommended Transfusion Thresholds:

Table 1: Recommended transfusion thresholds for neonates with clinical **instability**

- Preterm Neonates <35 weeks Hemoglobin
 - 0-7 days <11 g/dL
 - 8-14 days <10 g/dL
 - ≥ 15 days <8 g/dL
- Neonates ≥ 35 Weeks Hemoglobin
 - 0-7 days <11 g/dL
 - ≥ 8 days <7 g/dL

Table 2: Recommended transfusion thresholds for **stable** neonates

- Preterm Neonates <35 weeks Hemoglobin
 - 0-7 days <10 g/dL
 - 8-14 days <8 g/dL
 - ≥ 15 days <7 g/dL
- Neonates ≥ 35 Weeks Hemoglobin
 - 0-7 days <10 g/dL
 - ≥ 8 days <7 g/dL

REFERENCE #	7500.25	EFFECTIVE: 06/15/2025
SUBJECT:	7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT:	LABORATORY	REVISED

Dose and administration of RBC transfusions

Generally, neonates receive RBC transfusions at a dose of 10 to 15 mL/kg (a maximum of 20 mL/kg) for 1 to 2 hours and the transfusion should be completed within 4 hours. It is estimated that the hemoglobin level of the newborn increases by about 2 to 3 g/dL at this dose.

Sample requirements for Grouping and Crossmatching in Neonates

Samples from both the mother and the baby may be required for blood grouping and crossmatching.

Maternal: 2-6 mL EDTA

Baby (if requested): minimum volume sample is 0.5 mL EDTA.

PROCEDURE:

- **ABO/RH AND DAT MUST BE DONE ON THE NEONATE'S BLOOD**
 1. The initial sample from the neonate shall be used to determine ABO group, Rh type, and DAT. Only the forward typing is performed on neonates, as they do not have antibodies of their own yet. If the neonate is Rh negative, perform Du (Weak D) testing.
 - a. Perform ABO retype if needed.
 - b. Refer to the ABO/Rh and DAT procedures for details.
- **ANTIBODY SCREENING AND CROSSMATCH CAN BE DONE ON EITHER THE NEONATE'S OR THE MOTHER'S PLASMA**
 2. The antibody screening for the neonate shall be performed using either the neonate's or the mother's plasma for determination of unexpected antibodies from mother origin.
 - a. Refer to the Antibody Screen procedure for details.
 - b. If the initial antibody screen testing result is **negative**, it is valid until the patient is discharged from the hospital or until the neonate reaches 4 months' old (120 days), whichever happens first.
 - i. This is different from the normal 72-hour expiration because the baby does not have antibodies of its own and cannot develop antibodies at this early age due to immature immunologic status.
 - ii. However, if the neonate is discharged and comes back under a new admission, all testing must be repeated.
 - c. If the initial antibody screen testing is **positive**, send out testing to VITALANT using the **mother's** blood must be done to identify the antibody so that antigen negative units can be ordered.
 - i. Refer to the Antibody Screen procedure for details on how to send out positive screens.

REFERENCE #	7500.25	EFFECTIVE: 06/15/2025
SUBJECT:	7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT:	LABORATORY	REVISED

3. Crossmatch testing can be done using either the neonate's **or** the mother's plasma since the neonate does not have antibodies of its own. If the mother and the baby have **different** blood types, choose group O blood to transfuse.
 - a. If the provider insists on type specific blood, follow this protocol: if a non-group-O neonate is to receive non-group-O red blood cells that are **not** compatible with the maternal ABO group, the neonate's serum or plasma should be tested for anti-A or anti-B by doing a reverse type on the neonate's plasma or serum. If anti-A or anti-B is detected, red blood cells lacking the corresponding ABO antigen should be transfused.
 - b. Refer to the Crossmatch procedure for details.
- **ORDERING AND UTILIZING PEDI-PACKS OF RBCS**
4. Crossmatch testing should be done using a Divided RBC unit that has been divided into "Pedi-packs", also known as "satellite bags" to reduce waste and to limit donor exposure to the neonate.
 - a. Order Pedi-packs from Vitalant by ordering RBCs>make the quantity of RBCs as the number of Pedi-packs (satellite bags) needed>add the modifier DIVIDED, ANTI-CMV NEG>add the comment to specify the minimum volume of each Pedi-pack. For example: 4 x 80 ml Pedi bags, or 5 x 60 ml. This volume will come from the provider, as they will determine how much blood they will give based on the weight of the neonate and the hemoglobin result. You can request a maximum of 6 Pedi-packs (satellite units) from one unit of RBCs. Call Vitalant to ensure the order is correct. The unit will come from the Sacramento location. Call the Redding location to coordinate the order if it is during normal business hours, even though the unit will be coming from Sacramento. Call the Sacramento location after business hours. The order will need to be entered into the online portal.
 - b. When the units arrive, log them into Cerner and document the retype of the unit so that they are available for crossmatch in the LIS. The retype only needs to be done from ONE satellite bag. Label EACH satellite bag with the retype date/tech stickers and also document it in the worksheet in the QC binder.
 - c. Crossmatch testing only needs to be done ONCE for the first satellite unit given, provided the neonate had not been discharged and has not reached the age of 120 days.
 - d. Ensure the proper satellite "part" is chosen for each issue dispensed and include the part number when issuing the blood to the nursing staff. For example, part AO vs BO vs CO. The "part" is listed on the lower left-hand side of the label.

REFERENCE #	7500.25	EFFECTIVE: 06/15/2025
SUBJECT:	7500.25 NEONATAL RBC TRANSFUSION	
DEPARTMENT:	LABORATORY	REVISED

REFERENCE:

1. KIM DH. TRANSFUSION PRACTICE IN NEONATES. KOREAN J PEDIATR. 2018 SEP;61(9):265-270. DOI: 10.3345/KJP.2018.06849. EPUB 2018 SEP 6. PMID: 30185018; PMCID: PMC6172519.
2. PATIENT BLOOD MANAGEMENT IN PEDIATRICS. SHAUGHN NALEZINSKI, MS, MLS(ASCP)CMSBBCM, MLS(AMT). JUL 2024. AABB PATIENT BLOOD MANAGEMENT. 19BFB520_4
3. COHN, C. S. (2020). TECHNICAL MANUAL (AABB) (20TH ED.). AMERICAN ASSOCIATION OF BLOOD BANKS.

ATTACHMENTS:

None

DIETARY-SNF

REFERENCE # 8340.25	EFFECTIVE
SUBJECT: 8340.25 TRAINING/ORIENTATION	REVISED 03/2025
DEPARTMENT: DIETARY -SKILLED NURSING FACILITY	

PURPOSE:

The purpose of this policy is that all dietary staff will be orientated to all areas of food service.

AUDIENCE:

Facility Wide

TERMS/DEFINITION:

None

POLICY:

- All dietary staff will be trained to perform assigned duties and are required to participate in regularly scheduled services training sessions.
- Upon completion of mandatory training, each employee will be trained in all food service areas that are related to the job.
- The dietary manager will be responsible for department orientation and competency training of new staff.

PROCEDURE:

Staff will be trained in the following way (as they apply for the position).

Overview of Food Service.

Goal: To introduce work and the general responsibilities of the employees.

- Organizing charts
- Job descriptions
- References materials (menus, Recipes, diet/nutrition care manual, policy manual, etc.)
- Record keeping
- Communication with other departments
- Customer service training
- Meal services/tray line training

Health Insurance Portability and Accountability Act (HIPAA)

Introduction to food service

Goal: To provide proper procedures for maintaining an efficient operation, practicing mechanical safety, and performing general cleaning duties.

- Purchasing
- Receiving

Commented [GU1]: Needs to be formatted properly. No numbering. These should be bullets as there is no order to follow from section to section.

REFERENCE # 8340.25	EFFECTIVE
SUBJECT: 8340.25 TRAINING/ORIENTATION	
DEPARTMENT: DIETARY -SKILLED NURSING FACILITY	REVISED 03/2025

- Storing
- Equipment
- Cleaning

Sanitation

Goal: To understand the importance of maintaining a clean sanitary environment. To give specific information on food protection and cleaning of dishes and equipment.

- Personal hygiene
- Equipment
- Pest control
- Dishwashing- machine pot and pan washing
- Cleaning scheduled and procedures
- infection control
- Facility pets (not allowed in food service/storage areas or dining areas during mealtimes)

Safety

Goal: To provide instructions and guidelines for safety.

- General safety guidelines
- Safety data sheets (SDS) for chemical products in use in the department
- Knife skills and Safety
- Equipment safety
- Fire safety
- Emergency/disaster plans

Food Preparation and Food Safety (including HAACP Principles)

Goal: To explain methods of safe food preparations.

- Hot foods and cold foods.
- Methods of cooking
- Food safety/preventing foodborne illness
- Temperature protection (internal cooking temperatures, holding, storage, reheating and cooling temperatures)
- Proper storage including leftovers

REFERENCE # 8340.25	EFFECTIVE
SUBJECT: 8340.25 TRAINING/ORIENTATION	REVISED 03/2025
DEPARTMENT: DIETARY - SKILLED NURSING FACILITY	

Standard Measurements

Goal: To provide standards of food preparation and services.

- Standard recipes
- Weights and measures
- Tools and utensils
- Portion control
- Tasting
- Temperatures testing and documentation

Nutrition

Goal: To provide basic information about the importance of nutrition, the function of food, and the results of nutrient deficiencies.

- Basic nutrients include the role of vitamins, minerals, protein, carbohydrates, fat and water.
- Food allergies, intolerances and preferences
- Culture and religious food preferences

Menus/Therapeutic Diets

Goals: To give information on the types of menus and therapeutic diets offered.

- Diet/nutrition care manual
- Review of basic therapeutic diets offered
- Review of menus and recipes
- Menu extension for therapeutic diets
- Meal identification (ID) cards/tickets
- Consistency modifications
- Bed time snacks and supplements
- Resident's rights to make care choices

Review of Policies and Procedures

Goal: To provide a basic overview of the department's policies and procedures.

- Documentation requirements for the food and nutrition services department
- Methods for receiving diet orders and/or food preferences from other departments
- Menus and therapeutic diets
- Dining/meal services
- Sanitation and infection control
- Cleaning instructions

REFERENCE # 8340.25	EFFECTIVE
SUBJECT: 8340.25 TRAINING/ORIENTATION	REVISED 03/2025
DEPARTMENT: DIETARY -SKILLED NURSING FACILITY	

- Food production
- Personnel Training
- Quality assessment/performance improvement

REFERENCES:

None

FACILITIES/EOC

REFERENCE #	8460.25	EFFECTIVE 2011
SUBJECT:	8460.25 LABELING OF CHEMICALS TRANSFERRED TO DIFFERENT CONTAINERS	REVISED 2025
DEPARTMENT:	FACILITIES	

Formatted: Font: 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Times New Roman, 12 pt

PURPOSE:

The purpose of this policy is to establish guidelines for properly storing and identifying chemicals that have been transferred out of their original containers, whether in whole or in part, in compliance with applicable laws and regulations. The purpose of this policy is to provide a policy by which chemicals transferred out of their original container, both whole in part, can be properly stored and identified as per applicable law and regulation.

AUDIENCE:

Facility Wide

TERMS/DEFINITION:

None.

POLICY:

It is the policy of Modoc Medical Center (MMC) to establish a Labeling of Chemicals transferred to Different Containers Plan.

PROCEDURE:

When chemicals are transferred out of their original containers, the new container must be labeled to properly identify the chemical and the associated hazards, even if not previously classified as hazardous.

- If the chemical is diluted in the new container, the container should still be labeled as per the original non-diluted chemical unless the chemical manufacturer specifically lists information for the diluted state, in which case the diluted state information may be used to label the container.

A proper label consists of:

- The Chemical Name.
- A filled in label conforming to the National Fire Protection Association standard for Identification of Hazardous Materials in Emergency Response Situations. Please refer to the example shown below:

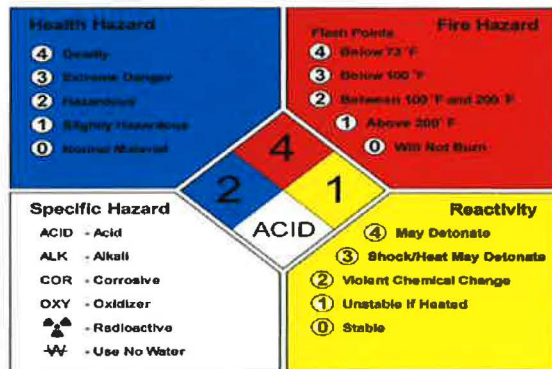
REFERENCE #	8460.25	EFFECTIVE 2011
SUBJECT:	8460.25 LABELING OF CHEMICALS TRANSFERRED TO DIFFERENT CONTAINERS	REVISED 2025
DEPARTMENT:	FACILITIES	

Formatted: Font: 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Times New Roman, 12 pt



NOTE: Chemical information can be obtained from the chemical's MSDS or the safety poster located outside of the purchasing department.

REFERENCES:

None.

ATTACHMENTS:

None.

Formatted: Font: Not Bold

Formatted: Font: Not Bold

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT:	FACILITIES/EOC	

PURPOSE:

The purpose of this policy is to describe the procedures for identification, packaging, storage, transportation, treatment and disposal of medical waste at Modoc Medical Center and the Senior Nursing Facility (SNF), in accordance with the state Medical Waste Management Act.

AUDIENCE:

Facility Wide

TERMS/DEFINITION:

None.

DEFINITIONS

Medical Waste/Biohazardous Waste:

- Laboratory waste including, but not limited to, the following:
 - Human or animal cultures from medical and pathology laboratories
 - Cultures and stocks of infectious agents from research and industrial laboratories
 - Waste from the production of bacteria, viruses, spores, discarded live and attenuated vaccines used in human healthcare or research, discarded animal vaccines, including Brucellosis as identified by the department and culture dishes and devices used to transfer, inoculate and mix cultures.
- Waste, which at the point of transport from the generators site, at the point of disposal or thereafter, contains recognizable fluid blood, fluid blood products, containers or equipment containing blood that is fluid, or blood from animals known to be infected with diseases which are highly communicable to humans.
- Waste containing discarded materials contaminated with excretion, exudates or secretions from humans or animals that are required to be isolated by the infection control staff, physician or surgeon, the attending veterinarian or the local health officer, to protect others from highly communicable diseases or diseases of animals that are highly communicable to humans.
- Biohazardous waste is contained in red plastic bags labeled as "Biohazardous" with the universal symbol of biohazard and stored in impervious leak proof barrels with lids and labeled on all four (4) sides and top with a "Biohazard" universal symbol.

Sharps:

- Device having acute rigid corners, edges or protuberances capable of cutting or piercing; hypodermic needles and syringes, suture needles, knife blades, scalpels, glass and ampoules.

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT:	FACILITIES/EOC	

- Broken glass items, such as pipettes and blood vials contaminated with biohazardous waste.

Waste that must be Identified and Segregated for Incineration:

Trace-Chemotherapy Waste:

- Contaminated materials, i.e., sharps, syringes, intravenous (IV) tubing, empty bags, bottles, empty vials and other discarded items generated in preparation and administration of cytotoxic/antineoplastic drugs.
- Such wastes are contained in a designated white and yellow container labeled "Chemotherapy Waste" with the universal symbol of biohazard.

Pathological Waste:

- Human or animal body parts, organs, tissues and surgical specimens (decanted of formaldehyde, formalin or other preservatives).

Non-RCRA Hazardous Pharmaceuticals:

- Must be characterized and certified as non-RCRA hazardous material by the generator. Non-RCRA pharmaceutical waste will be placed into a Blue RX container. This can include tablets-wholetablets, broken or partial and medication vials. Any bag or bottle with remaining fluid in it, such as IV bags, must first be placed in a ZIPLOC bag prior to disposal.

Medical Waste Handling, Containment, Storage, Records Tracking, Treatment and Disposal

A. Handling:

- The department managers and supervisors are responsible for ensuring the appropriate separation of medical waste and placing it in properly constructed and labeled biohazard containers.
- All medical waste will be segregated and contained separately from other waste at the point of generation.
- Trained Engineering Services staff utilize red rigid containers to transport biohazardous waste bags from various departments. All containers are labeled with the biohazard universal symbol. Carts are cleaned daily or as frequently as needed with a hospital approved germicidal solution. Trained Engineering Services and maintenance staff are required to wear appropriate PPEs when handling Biohazardous waste.

B. Containment:

Red Bag and Sharps:

- Biohazard waste containers must be labeled on all four sides and lids. Lids should always be clean to meet regulatory requirements. They should never be overfilled. If there is an odor, they should be removed immediately.

Commented [AV1]: "used to change waste" "tablets" "not
"pharmaceutical waste" "not" "not" "not" "not" "not"
"pharmaceutical waste" "not" "not" "not" "not" "not"
"not" "not" "not" "not" "not" "not" "not" "not" "not" "not"

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT:	FACILITIES/EOC	

- Properly labeled, ridged biohazard waste containers with lids should always be used to collect and transport biohazard waste.
- Red bags must be twisted and tied up prior to disposal. They should never be placed on the floor or on top of containers.
- Sharps are contained in a spill/leak proof container and are considered full when they reach the full line. They are then locked shut and labeled with the international biohazard sign.
- Stericycle container weight limits must be followed to meet DOT regulations.

C. Pathology Waste:

- Pathological waste should be placed into a double lined Red Stericycle container prior to transporting.
- Liners should be twisted and tied, and lids secured before transporting.
- Containers should be properly labeled for incineration.

D. Trace Chemotherapy Waste:

- Trace Chemotherapy waste should be placed in a yellow or chemotherapy designated container.
- Containers should be properly labeled for incineration.

E. Pharmaceutical Waste:

- Packaged in pharmaceutical containers labeled for incineration.
- RED LINERS should NOT be used.
- Containers should be secured before transport.
- Final transport of waste every 90 days.
- Dated after closure.

F. Collection and Storage:

- When collecting waste never mix waste types in the collection cart.
- Storage facilities should always be locked when not monitored, and they should always be properly labeled with warning signs.

G. Records Tracking:

A signature from the generating facility is required on each tracking record at the time of pick up.

A signature deems that the waste is compliant and packaged correctly.

Engineering Services is responsible for maintaining documents pertaining to tracking records, shipping documents and certificate of treatment of all medical waste removed from the facility. These records will be held by the Engineering Services Manager for a period of three (3) years.

H. Treatment and Disposal:

There is no onsite treatment of biohazardous waste.

The hospital's medical waste is picked up every three months or more often as needed by North State Specialty Waste Inc and is taken to a certified off-site medical waste treatment facility for treatment and disposal in accordance with federal and state regulations.

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	
DEPARTMENT:	FACILITIES/EOC	REVISED 7/2024, 6/2025

I. Education and Inspections:

All staff is in-serviced regarding medical waste at the time of hire through orientation and at least annually thereafter as part of the annual review.

J. Inspections:

The Chief Engineer or designee will inspect the medical waste holding area on a daily basis to ensure the area is clean and locked and will document any deficiencies found. Prompt action will be taken to address any handling, segregation, containment or storage issues.

K. Incident Reports:

Improper segregation, storage or handling of medical waste and accidents involving medical waste will be reported to the Chief Engineer, Infection Control Preventionist and the supervisor of the involved personnel. Incident-specific education will be conducted.

Hazardous Waste

A. Hazardous Waste - Any substance that is a health hazard, fire hazard, explosion hazard or reactivity hazard. This waste is collected at the point of origin and segregated into separate containers according to specific hazard.

Commented [AV2]:

B. Waste from chemicals shall never be mixed together because they may react together, posing a serious problem such as explosion and/or deadly emissions. Hazardous waste shall be handled and stored safely as follows:

- Hazardous waste containers must be clearly labeled, indicating the contents and its hazardous properties, as well as the strength and quantity of the waste.
- Hazardous waste containers shall be stored in a secure location and are removed, transported and disposed of by a licensed hazardous waste materials hauler.
- Secondary containers may be used to prevent leakage of hazardous waste.
- Environmental Services will train personnel in the process of handling, transporting and storage of hazardous waste.
- Environmental Services trained personnel shall respond to leakage and spills of hazardous materials following prescribed procedures.

C. Pharmaceutical Waste - Pharmaceuticals which may be ignitable include cough syrups, tinctures with alcohol concentrations greater than 24%, solvents, whiteners, peroxides, nitrates and inhalers.

Corrosive products include acids, bases, depilatories and hydroxides. Reactive pharmaceuticals most commonly are aerosols. Toxic pharmaceuticals may include enemas, shampoos, some injectables and insulin as well as vitamins and mineral substances. Products with a sole active ingredient contained on the P or U list of the Federal Hazardous Waste Regulation Code Book 40 Parts 260-265 include certain injectables, nicotine salts, cardiovascular tablets, antineoplastic and chemotherapy drugs, anesthetics, preservatives, disinfectants, lice control agents, mouth washes, artificial sweeteners and anticoagulants.

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT:	FACILITIES/EOC	

- The generator of pharmaceutical waste is responsible for making the determination of which products are hazardous under applicable federal and state regulations.
- Hazardous pharmaceutical wastes are contained in a leakproof container labeled "Hazardous Waste" in accordance with DOT and EPA regulations.

Hazardous Waste Handling, Containment, Storage, Records Tracking and Disposal

A. Collection:

- Hazardous chemical wastes are collected and stored separately in their original containers, 44-gallon drums, tanks, pails or other suitable containers for the type of waste generated.
- Waste containers, including secondary containers are impervious leak proof containers and are labeled in accordance with federal and state regulations.
- The secured waste storage areas are separate and must be locked at all times.

B. Storage:

- Hazardous/Medical wastes are stored in a medical waste freezer and shall not be stored on-site for longer than 90 days. Each leakproof hazardous waste container will be labeled with the "Hazardous Waste" with the particular chemical name of the contents.

C. Records Tracking:

- Hazardous waste manifests are kept on file in the Engineering Services Manager's office.
- Engineering Services is responsible for maintaining documents pertaining to tracking records, shipping documents and certificate of treatment or disposal of all hazardous waste removed from the facility. These records will be maintained by the Environmental Services Manager for a period of three (3) years.

D. Emergency Action Plan:

In case of emergency, contingencies include use of an alternate medical waste hauler or retention of medical waste for not more than seven (7) days from the point of generation at above zero (0) degrees Centigrade (32 degrees Fahrenheit).

For less well-defined emergency situations the Department of Health will be contacted for guidance.

- Biohazardous Waste:
 - Proper protective gloves and clothing (PPE5) must be worn during handling and disposal of biohazardous waste.
 - All biohazardous waste will be collected and placed into proper waste containers.
 - Environmental surfaces contaminated with biohazardous waste will be cleaned with a hospital/EPA approved germicide. All materials used for clean-up will be disposed of as biohazardous waste into the biohazardous waste containers.
 - Sharps will be placed in sharps containers located throughout the facility.

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	
DEPARTMENT:	FACILITIES/EOC	REVISED 7/2024, 6/2025

- Hazardous Waste:
 - All significant spills or releases of hazardous materials must be reported to the department manager and the Safety Officer.
 - Appropriate hazardous material spill kits will be used to contain hazardous materials from spreading to other areas.
 - The Chief Engineer will determine if the spill equals or exceeds federal reportable quantities. If necessary, the Chief Engineer or Risk Manager will notify the National Response Center (NRC) at (800) 424-8802.

Name, Address, Phone Number of Licensed Medical/Hazardous Waste Hauler:

North State Specialty Waste Inc
 350 Schwab St
 Red Bluff, CA 96080
 530-529-3033

CERTIFICATION

We certify that to the best of our knowledge the statements contained herein are correct and true.

 Infection Control Coordinator

 Date

 Environmental Services Manager

 Date

REFERENCES:

NONE

ATTACHMENTS:

NONE

REFERENCE # 8460.25	EFFECTIVE 2/2010
SUBJECT: 8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT: FACILITIES/EOC	

MEDICAL WASTE TRACKING DOCUMENT

Instructions: Complete each item on this form prior to transporting any Medical Waste. It **must** be carried in the vehicle while transporting the waste. Obtain the signature of the person who accepts the waste. Provide the receiving facility with the **original**. Maintain the other copy on site for a minimum of **3 years**.

Facility Name: _____ Date of Transport: _____

Address: _____

Quantity of waste transported: _____ pounds.

Destination of Waste: _____

Please check the types of waste transported:

- ☐ Laboratory waste – specimen of microbiological cultures, stocks or infectious agents, live and attenuated vaccines, and culture mediums.
- ☐ Blood or body fluids – liquid blood elements or other regulated body fluids, or articles contaminated with blood or body fluids.
- ☐ Sharps – syringes, needles, blades, broken glass.
- ☐ Contaminated animals – animal carcasses, body parts, bedding materials
- ☐ Surgical specimens – human or animal parts or tissues removed surgically or by autopsy.
- ☐ Isolation waste – waste contaminated with excretion, exudate, or secretions from humans or animals who are isolated due only to the highly communicable diseases listed by the Centers for Disease Control as requiring Bio-safety Level 4 precautions.

Name of Transporter Title/Position

Signature of Transporter

Name of Receiving Facility

Address of Receiving Facility

Signature of Receiving Facility Title/Position

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	
DEPARTMENT:	FACILITIES/EOC	REVISED 7/2024, 6/2025

ORIGINAL: Receiving Facility
 Yellow Copy: Environmental Health Department, 202 West 4th Street, Alturas, CA 96101
 Pink Copy: Generator Facility
HAZARDOUS MATERIAL AND WASTE DEPARTMENTAL REPORTING FORM

Department: _____ Date: _____

PLEASE LIST THE HAZARDOUS MATERIALS/WASTE USED OR GENERATED IN YOUR DEPARTMENT AND RETURN FORM TO SAFETY COMMITTEE

Are there material safety data sheets for each product? Yes ☐ No ☐ If not please explain:

Are there material safety data sheets posted in both the areas of storage and the areas of use?
 Yes ☐ No ☐ If not please explain:

Are all hazardous materials properly labeled? Yes ☐ No ☐

REFERENCE #	8460.25	EFFECTIVE 2/2010
SUBJECT:	8460.25 MEDICAL WASTE MANAGEMENT PLAN	REVISED 7/2024, 6/2025
DEPARTMENT:	FACILITIES/EOC	

Have employees received training in hazardous materials handling? Yes ☐ No ☐

Signed

REFERENCE #	8460.25	EFFECTIVE 5/2015
SUBJECT:	8460.25 SMOKE DETECTOR INSPECTION PROCEDURES	REVISED 6/2025
DEPARTMENT:	FACILITIES/EOC	

PURPOSE:

The purpose of this policy is to ensure the effective operation and maintenance of smoke detectors and related fire alarm systems at Modoc Medical Center.

AUDIENCE:

Facility Wide

TERMS/DEFINITION:

None.

POLICY:

It is the policy of Modoc Medical Center (MMC) to promulgate the procedures to be carried out when conducting the Smoke Detector Inspection

PROCEDURE:

- Detectors shall be smoke-tested, sensitivity tested, visually inspected for damage, lamp indicators and loose mounts.
- Enter all findings in the log and initial. Report any deficiencies to the Director of Engineering who shall immediately take steps to correct them.

NOTE: Twenty-five percent (25%) or one quarter of all tested smoke detectors per zone sequence will be checked quarterly and alternated to ensure that each detector in each zone is tested on a regular cycle, but at least annually. Notify alarm company of test.

- Inspect annunciator panel during test located: (Acute: at nurses station & generator room; SNF: nurses station & H2O room.) to ensure proper warning light and buzzer are activated.
- Check to ensure fire alarm, bells, chimes are activated.
- Check to ensure all fire doors close and latch.
- Check with API to ensure alarm was transmitted and received. Indicate under remarks.

REFERENCES:

NONE

ATTACHMENTS:

NONE

REFERENCE # 8460.25	EFFECTIVE 5/2015
SUBJECT: 8460.25 SMOKE DETECTOR INSPECTION PROCEDURES	
DEPARTMENT: FACILITIES/EOC	REVISED 6/2025

SMOKE DETECTOR TEST

DATE: _____
 QUARTER: _____
 TESTED BY: _____

Zone	DETECTOR LOCATION	PM VISUAL INSPECTION COMPLETED BY	ALARM ACTIVATED*	ANNUNCIATOR*	FIRE DOORS CLOSED*
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No
			Yes No	Yes No	Yes No

*ALL NO ANSWERS MUST BE ADDRESSED UNDER REMARKS

REMARKS:

INFECTION CONTROL- ACUTE

REFERENCE #	8753-A.25	EFFECTIVE 01/2012
SUBJECT:	8753.A.25 OUTBREAK INVESTIGATION	
DEPARTMENT:	INFECTION CONTROL- ACUTE/SNF	REVISED 10/23,9/25

Hi Taylor, before Sandra changed things, here were my comments on the Outbreak Policy:

Policy review:

Outbreak Investigation Policy

- Should we also include ED under "Department" in the header of this policy?
- Revised date in header says 9/25, should the J be there?
- Infection Prevention Department—is that Judy and should we use her actual real title?
- Use actual current titles to be clear whom we are referring to:
 - Medical Director for SNF (not just Medical Director)
 - CMQ for acute/ED departments
 - MMC Infection Control Nurse (for Judy, if that is the correct title)
 - SNF Infection Control Nurse (for Suzanne at SNF, if that is the correct title)
 - Hospital Administrator—is that the CEO? Or our Chief Information Officer (Riley)?
- Under "Procedure/Preliminary Investigation" section, in the first line there is a typo for designated.

Kind regards,
Lisanne Burkholder

Formatted: Indent: Left: 0.54", Right: 0.17", Pattern: Clear (Background 1)

PURPOSE/DEFINITION:

An outbreak is defined as an excess level of endemic disease or statistically significant increase in endemic level. The time period will vary according to the infection. For Modoc Medical Center and the Skilled Nursing Facilities, the threshold will be defined as greater than 2 patients/residents.

Chief Medical Officer (CMO) is defined as the medical officer for Acute and Emergency Department (ED).

Medical Director is defined as the Medical Director of the Skilled Nursing Facility

AUDIENCE:

Facility Wide

RECOGNITION AND NOTIFICATION:

Any hospital personnel recognizing a possible epidemic will immediately report this to the ~~infection prevention department~~ Infection Preventionist Nurse (IPN) through which the ~~CMO/mMedical dDirector, Chief Executive Officer (CEO), and administrator, and~~ ~~Cehief nNursing oOfficer (CNO),~~ will be notified. These parties will consult and determine if there is an outbreak identified. If an outbreak is confirmed, this shall be

OUTBREAK INVESTIGATION

Reviewed date: 10/2023

Formatted: Indent: Left: 0", First line: 0"

Formatted: Indent: Left: 0.28", First line: 0.5"

REFERENCE #	8753-A.25	EFFECTIVE 01/2012
SUBJECT:	8753.A.25 OUTBREAK INVESTIGATION	
DEPARTMENT:	INFECTION CONTROL- ACUTE/SNF	REVISED 10/23,9/25

reported to Modoc County Public Health (MCPH) and California Department of Health Services (CDPH) within 24 hours of the initial identification. Confirmation of the notification to MCPH and CDPH shall be received and recorded as part of the outbreak documentation. If the outbreak occurs during off hours or the weekend, every effort will be made to contact the appropriate on-call personnel for reporting purposes. There shall be no delay in reporting an event.

PROCEDURE/PRELIMINARY INVESTIGATION:

~~The medical director~~The CMO/Medical Director or the IPNinfection-preventionist (IPN) ~~will be is designated~~designated as the investigation coordinator. He or she will review the charts of the involved patients and determine that an epidemic exists. The ~~CMO/Medical Director~~medical-director, IPN, and director of nursing (DON) or designee involved clinical area(s) will immediately confer and prepare a preliminary plan of investigation including the following:

1. A working definition of a case will be developed.
2. Presumptive hypotheses for the mode of transmission of the organism and other circumstances will be developed. Procedures for testing the hypotheses will be outlined.
3. The infection control department will gather and compile data related to the infection(s) as follows:
 - a. Conduct case finding (review ongoing surveillance charts of the other patients at risk and microbiology reports) to determine whether there have been other cases of the infection.
 - b. Evaluate previous hospital experience with the infection.
 - c. Prepare a line listing of cases to include hospital identification number, location in hospital, date of admission, date of infection onset, site culture results, medical service, and attending physician.
 - d. Plot number of cases by date of onset (epidemic curve)
 - e. Review patient charts of cases and interview involved hospital personnel for various factors that conceivably may have played a role in transmission of an infection, e.g., geographic locations of patients, specific personnel having contact with patients, medications and treatments administered.
 - f. Review various infection prevention techniques (handwashing, sterilization techniques, etc.) as actually practiced in the involved areas of the hospital.
 - g. Maintain surveillance for occurrence of any further infections.
 1. The Laboratory Director will determine: That all isolates of the involved organism(s) are saved for further study (e.g., bio typing, antimicrobial sensitivity patterns, phage typing, serotyping) deemed appropriate. Subcultures prepared for possible shipment to a reference laboratory. What environmental and/u personnel cultures are to be taken by

REFERENCE #	8753-A.25	EFFECTIVE 01/2012
SUBJECT:	8753.A.25 OUTBREAK INVESTIGATION	REVISED 10/23,9/25
DEPARTMENT:	INFECTION CONTROL- ACUTE/SNF	

whom and by what technique. What patient care items suspected of being possible sources of infection may need to be impounded or quarantined?

COMMUNICATIONS:

The ~~IPN~~infection-preventionist will ensure that the following other individuals are notified concurrently with the preliminary investigation and advised at reasonable intervals of the progress of the investigation: attending physicians, the department chair of the medical services involved, the ~~hospital-administrator~~ CEO, and ~~the-hospital-chief-nursing-officer~~the CNO.

IMMEDIATE CONTROL:

Reasonable immediate control measures are determined by the medical director or designee to put into effect on his or her authority in an attempt to halt the spread of infection. Such measures might include but are not limited to isolation, suspension of certain elective procedures, removal of commonly suspected sources of personnel from patient contact or immediate in-service training in certain infection prevention techniques.

PUBLIC INFORMATION:

Any questions from the community, uninvolved hospital personnel, or news media are directed to the hospital administrator who will act as the public information coordinator.

ANALYSIS OF DATA:

The data collected in the preliminary investigation are reviewed by the investigators to determine whether a common source of infection, break in technique, etc., can be implicated as the cause of the epidemic. A preliminary written report will be prepared.

FURTHER INVESTIGATION:

If the cause of the infection is not evident as a result of the above investigation, a more detailed case control study using statistical epidemiologic methods may be required. The hospital may elect to consult the state health department and the U. S. Public Health Service/Centers for Disease Control and Prevention for assistance with further studies.

CONCLUSION OF INVESTIGATION:

The investigation is continued at least as long as there are cases of the infection occurring above the endemic level. A final written report of the investigation, outlining findings and recommendations is prepared by the others participating in the investigation,

REFERENCE #	8753-A.25	EFFECTIVE 01/2012
SUBJECT:	8753.A.25 OUTBREAK INVESTIGATION	
DEPARTMENT:	INFECTION CONTROL- ACUTE/SNF	REVISED 10/23,9/25

attending physician(s), department chairs of the medical service(s) involved, Modoc County Public Health communicable disease coordinator, ~~CEO and CNO the hospital-administrator, and the hospital chief nursing officer.~~

REFERENCES:

None

ATTACHMENTS:

None

REFERENCE #	8753-A, 25	EFFECTIVE: 10/2007
SUBJECT:	VANCOMYCIN RESISTANT ENTEROCOCCUS	REVISED: 6/2025
DEPARTMENT:	INFECTION CONTROL -ACUTE	

POLICY:

Patients that are found to have Vancomycin Resistant Enterococcus (VRE) require special and additional management to prevent contamination of the environment and possible healthcare associated infection (HAI) transmission to another patient.

PURPOSE:

Accountability:

All healthcare providers are required to observe the VRE Precautions as stated. Additional responsibilities are as follows:

Bacteriology will notify the Nursing Supervisor who will notify the RN in charge of the patient when VRE is suspected.

Nursing will place the patient in VRE Precautions when notified of the VRE status or when a VRE patient is readmitted.

AUDIENCE:

Facility Wide

TERMS/DEFINITION: NONE

Bacteriology:

- o Sensitivity testing of Enterococcal specimens:
- o Sterile sites – all
- o Deep sites of possible infection, such as bone and wounds
- o Nonsterile site of patients at high-risk as judged by the treating physician Such sites are vaginal, urine, wound and respiratory specimen.

When VRE is found or suspected, the lab will:

- Call the nurse in charge of the patient and inform that person of the results and the need to institute VRE Precautions.
- Notify the Infection nurse of the final test results.

Nursing:

VANCOMYCIN RESISTANT ENTEROCOCCUS

REFERENCE #	8753-A, 25	EFFECTIVE: 10/2007
SUBJECT:	VANCOMYCIN RESISTANT ENTEROCOCCUS	REVISED: 6/2025
DEPARTMENT:	INFECTION CONTROL -ACUTE	

- The nurse in charge of the patient will notify the attending physician and the Infection Control Prevention Nurse, if one is treating the patient. Is this her title?
- The RN will institute VRE Precautions immediately when a VRE patient is identified by bacteriology or by code on the face sheet form a previous admission.
- Place in Contact Precautions.
- Instruct the family and the visitors regarding the precautions.
- Nursing will assign staff so that risk to other patients will be minimized.

Formatted: Highlight

PROCEDURE:

Patient:

- The patient will remain in a ~~acute- acute room room~~ or maybe with another VRE patient (cohort), if the patients have similar illness history of VRE isolates. ??? Dr. Rickert said acute or history of
- VRE isolation may be discontinued after there have been three (3) negative cultures from the site of VRE infection and negative stool cultures. There must be negative cultures from both sites for at least three (3) cultures.
- The patient will remain on Board Standard Precautions after Contract Precautions have been discontinued.
- Patients that need to be tested in another department will be managed according to procedure. Affected areas or the origin of the VRE will be securely covered during transportation. The treatment department will be notified of the precautions need PRIOR to the procedure. Precautions must be maintained as outlined above.
- Patients readmitted with VRE code will be placed in VRE Precautions.
- Cultures will be obtained upon readmission of a VRE patient form:
- The site of the previous infection.
- Rectal swab
- Upon discharge of VRE patients all subsequent care givers (Institution or Home Health Services) will be informed of the patient's status and the continued need for precautions.

VANCOMYCIN RESISTATN ENTEROCOCCUS

REFERENCE #	8753-A. 25	EFFECTIVE: 10/2007
SUBJECT:	VANCOMYCIN RESISTANT ENTEROCOCCUS	REVISED: 6/2025
DEPARTMENT:	INFECTION CONTROL -ACUTE	

REFERENCES: NONE

ATTACHMENTS: NONE

VANCOMYCIN RESISTATN ENTEROCOCCUS

ATTACHMENT E

DEPARTMENTAL MANUALS



MEMORANDUM

DATE: 9/29/2025
TO: LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS
FROM: JULIE CARRILLO
SUBJECT: ANNUAL POLICY MANUAL REVIEW

I have completed the manual review for THE CANBY MEDICAL/DENTAL CLINIC POLICY Manual.

The Manual is in good shape and it is my recommendation that the Board approve it at this time. There are always updates and changes to current practices that will be administered and implemented over the next year. A list of any/all updated/archived policies is attached for your review.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Julie Carrillo", is written over a horizontal line.

JULIE CARRILLO
CLINIC MANAGER
CANBY MEDICAL/DENTAL CLINIC
JC/sab

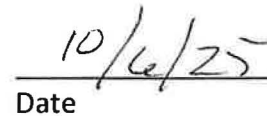
Enc.



CANBY MEDICAL/DENTAL CLINICS POLICY & PROCEDURE MANUAL 2025

The Acute Med-Surg Manual has been reviewed and is approved for use at Modoc Medical Center.


Julie Carrillo, Clinic Manager


Date

Chief Executive Officer

Date

Chair, Board of Directors

Date

CANBY MEDICAL/DENTAL CLINIC

REVISING LIST

NO SUBOXONE-FOR CANBY CLINIC AT THIS TIME (NOT BEING REVISED BUT TAGGED
TO REVIEW OFTEN FOR CHANGE IN POLICY

ARCHIVED/REMOVED



MEMORANDUM

DATE: 9/18/2025
TO: LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS
FROM: JON CRNKOVIC
SUBJECT: ANNUAL POLICY MANUAL REVIEW

I have completed the manual review for the MODOC MEDICAL CLINIC POLICY Manual.

The Manual is in good shape and it is my recommendation that the Board approve it at this time. There are always updates and changes to current practices that will be administered and implemented over the next year. A list of any/all updated/archived policies is attached for your review.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Jon Crnkovic", is written over a horizontal line.

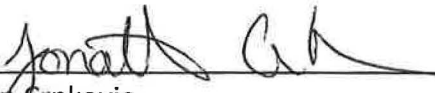
JON CRNKOVIC
CLINIC MANAGER
MODOC MEDICAL CLINIC
JC/sab

Enc.



MODOC MEDICAL CLINIC POLICY & PROCEDURE MANUAL 2025

The Modoc Medical Clinic Manual has been reviewed and is approved for use at Modoc Medical Center.


Jon Crnkovic

9/18/25
Date

Chief Executive Officer

Date

Chair, Board of Directors

Date

ALTURAS CLINIC

REVISING LIST

Facility Operations

Emergency Vaccine Storage

ARCHIVED/REMOVED

Testing Services

Equipment/Assets



MEMORANDUM

DATE: 10/6/1015
TO: LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS
FROM: SUSAN SAUERHEBER
SUBJECT: ANNUAL POLICY MANUAL REVIEW

I have completed the manual review for the EMTALA Manual.

The Manual is up to date.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "SS", is written over the "Respectfully Submitted," line.

SUSAN SAUERHEBER
NURSE MANAGER
SS/sab

Enc.



MODOC MEDICAL EMTALA POLICY & PROCEDURE MANUAL 2025

The Modoc Medical Center's EMTALA Policy and Procedure Manual has been reviewed and approved for use at Modoc Medical Center.

SUSAN SAUERHEBER

10/6/25

Date

Chief Executive Officer

Date

Chair, Board of Directors

Date



MEMORANDUM

DATE: 9/29/2025
TO: LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS
FROM: JEREMY MURRAY/DIETARY ACUTE
SUBJECT: ANNUAL MANUAL REVIEW

I have completed the review for the DIETARY ACUTE Manual Review. I have identified several items that need to be edited but no critical process changed.

Overall, the Manual is in good shape and it is my recommendation that the Board approve the manual as is, understanding with the new additions to MMC in the coming months, I need add and/or change some Policies. A list of revised and archived policies is attached.

Respectfully Submitted,

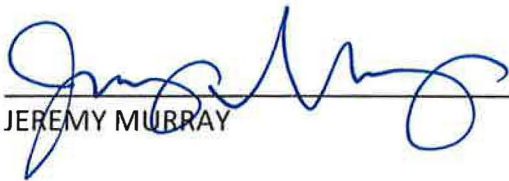
A handwritten signature in black ink, appearing to read 'Jeremy Murray', is written over the printed name.

JEREMY MURRAY
DIETARY/ACUTE MANAGER
JM/sab



MODOC MEDICAL DIETARY/ACUTE POLICY & PROCEDURE MANUAL 2025

The Modoc Medical Dietary/Acute Manual has been reviewed and is approved for use at Modoc Medical Center.


JEREMY MURRAY

9.29.25

Date

Chief Executive Officer

Date

Chair, Board of Directors

Date

DIETARY-ACUTE

REVISING LIST

ALTERNATE MENUS

AVAILABLE DIETS

CLEANING INSTRUCTIONS FOR CLOTHS, PADS, MOPS AND BUCKETS

CLEAINING INSTRUCTIONS FOR FREEZERS

CLEANING INSTRUCTIONS FOR THE STEAM TABLES

CLEANING INSTRUCTIONS FOR THE TOASTER

CLEAR LIQUID AND FULL LIQUID DIET SUPPLIES

DIETS AVAIABLE ON THE MENU

FOOD REPLACEMENTS FOR DIABETICS

FOOD TEMPERATURES

GUEST MEAL TRAY

HANDLING COLD FOODS FRO TRAYLINE

HOURS OF OPERATION

MEALTIME FREQUENCY

ARCHIVED LIST

CLEANING INSTRUCTIONS FOR GARBAGE DISPOSALS

CONDIMENT HOLDERS

DINING EXPERIENCE AND STAFF RESPONSIBILITIES

FESTIVITIY FOOD OR DIET HOLIDAY

FOOD BROUGHT IN FROM OUTSIDE SOURCES AND PERSONAL FOOD STORAGE

RENAL DIETS

RIGHT TO REFUSE DIET

TEXTURE & CONSISTENCY MODIFIED DIETS

SPREADSHEET

Department	Contact	Name	Tech Reader Approval By	Tech Reader
	Edward Johnson	6170.25 ADVANCE DIRECTIVES.docx		Approved
	Edward Johnson	7010.25 ALLERGIC REACTION-ANAPHYLAXIS STANDARD OF CARE.docx		Approved
	Edward Johnson	7010.25 ASSESSMENT OF THE TRAUMA PATIENT.docx		Approved
	Susan Sauerheber	7010.25 Verbal Order Policy and Procedure.docx	Alex Cole	Approved
	Edward Johnson	7010.25 CODE BLUE ALERT ADULT-PEDIATRIC.docx	Alicia Doss	Approved
	Delinda Gover	7420.22 Pathology specimens.docx	Maria Morales	Approved
	Delinda Gover	7420.25 DISCHARGE CRITERIA-PACU.docx	Maria Morales	Approved
	Delinda Gover	7420.25 Ethics In Regard to Ectopic Case and or Fetal Demise.dotx	Maria Morales	Approved
	Delinda Gover	7420.25 Medication Labeling.docx	Amber Vucina	Approved
	Delinda Gover	7420.25 SPECIMENS.dotx	Alicia Doss	Approved
	Delinda Gover	7420.25 SURGICAL STAFFING POLICY.dotx	Alicia Doss	Approved
	Walter Dimaricut	7500.25 NEONATAL RBC TRANSFUSION.docx	Edward Johnson	Approved
	Raven Sparks	8340.25 TRAINING-ORIENTATION.docx		Approved
	Marty Shaffer	8460.25 LABELING OF CHEMICALS TRANSFERRED TO DIFFERENT CONTAINERS.docx	Alex Cole	Approved
	Marty Shaffer	8460.25 MEDICAL WASTE MANAGEMENT PLAN.docx	Amber Vucina	Approved
	Marty Shaffer	8460.25 SMOKE DETECTOR INSPECTION PROCEDURES.dotx	Maria Morales	Approved
	Edward Johnson	8753-A.25 OUTBREAK INVESTIGATION.docx		Approved
	Judy Jacoby	8753-A.25 VANCOMYCIN RESISTANT ENTEROCOCCUS.docx		Approved

DATED: _____ APPROVED BY: _____

ATTACHMENT F

LFHD FINANCIAL STATEMENT

September 2025

(unaudited)

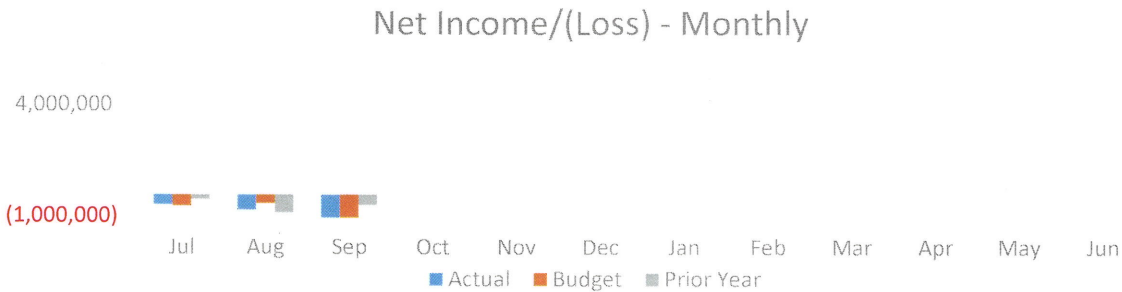


Modoc Medical Center
Financial Narrative
For the Month of September 2025

Prepared by Jin Lin, Finance Director

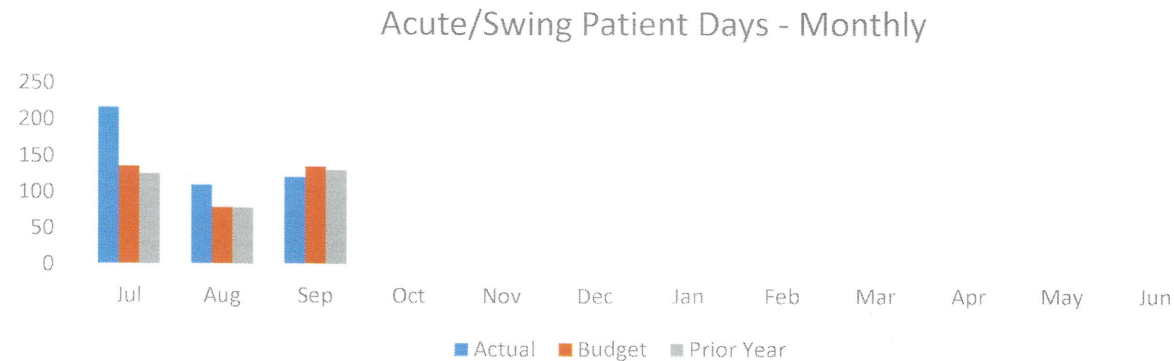
Summary

During the month of September, Modoc Medical Center reported a loss from operations of \$1.80 million that was under budget of \$491K. Inpatient revenue was under by \$163K, and outpatient revenue was up by \$143K compared to the budget. Total patient revenue was \$4.71 million, showing a decrease of \$20K compared to the budget. Net income, including Non-Operating Activity, was a loss of \$1.80 million under budget of \$606K.

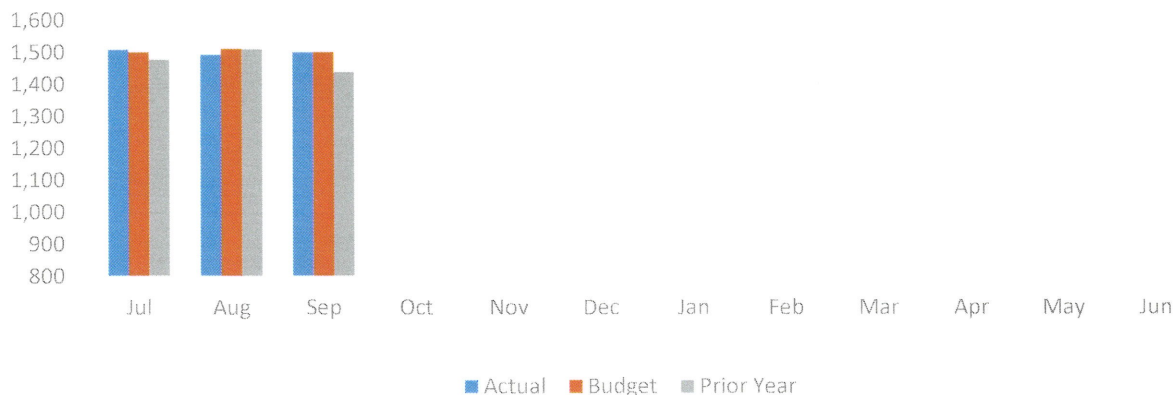


Patient Volumes

Combined Acute Days were under budget for the month by 14 days. The SNF Patient Days were 1,500. Overall Inpatient Days were under budget by 14 days (1,621 actual vs. 1,635 budget). Outpatient visits were relatively above budget, except for both Clinics, ER and Radiology were under budget.



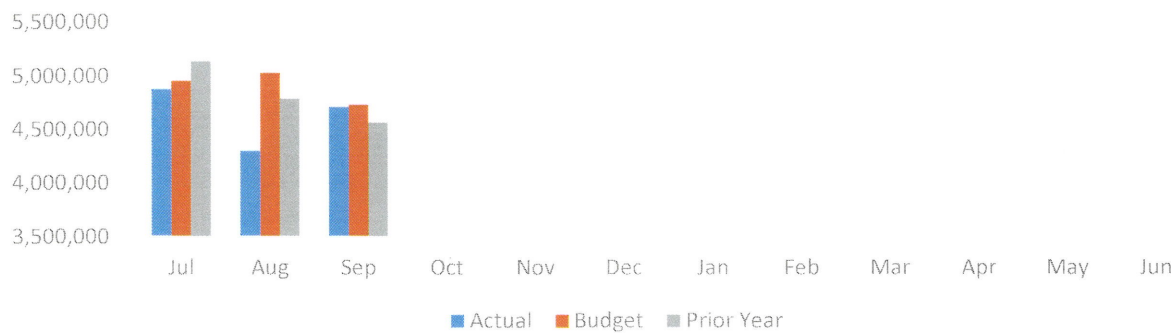
SNF Patient Days - Monthly



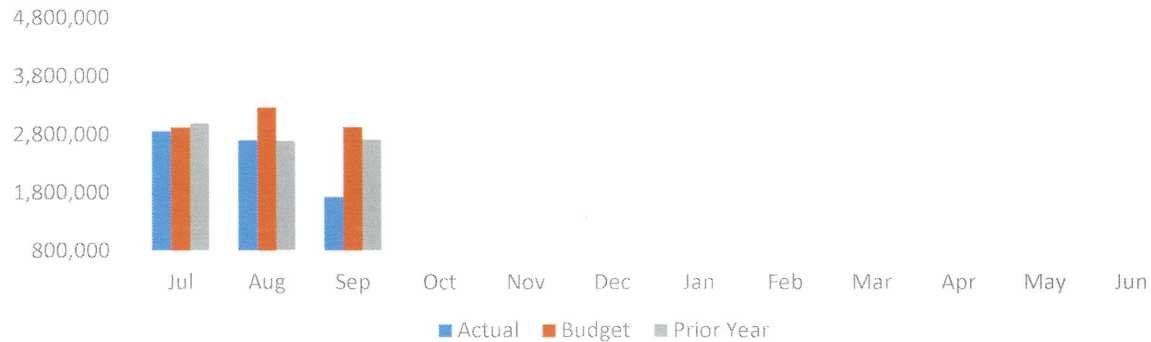
Revenues

Gross Patient Revenues were \$4.71 million, compared to the budget of \$4.73 million. Inpatient Revenue was \$1.35 million compared to the budget of \$1.51 million; and Outpatient Revenue was \$3.37 million compared to the budget of \$3.23 million. Total deductions from revenue were \$2.97 million, unfavorable to the budget of \$1.15 million, and that was due to dental write-offs in the amount of \$900K. Net patient Revenue was \$1.78 million, unfavorable to the budget of \$1.15 million.

Gross Patient Revenue Monthly



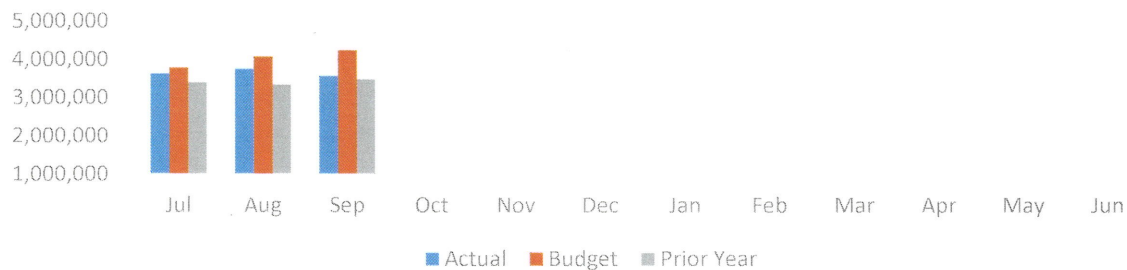
Net Patient Revenue - Monthly



Expenses

Total Operating Expenses were \$3.58 million this month, favorable to the budget of \$662K. The decrease was in all areas except for the depreciation cost because we added New SNF & HA to the budget in the month.

Total Expenses - Monthly



Non-Operating Activity

Non-Operating expenses for the month: Accrued Interest from USDA Loan was \$81K. District Vouchers totaled \$7K. Interest income of \$44K from CDs and the new SNF interim loan. The retail pharmacy showed a profit of \$43K. Total non-operating net loss for the month was \$1,578, under the budget of \$116K.

Balance Sheet

Cash decreased in September by \$2.52 million to \$24.37 million. The total current liabilities were \$29 million. Days in Cash totaled 151. Days in AP totaled 16. Days in AR totaled 55. The current ratio was 1.05. Net AR as a percentage of gross AR was 40.37%.

Modoc Medical Center
Income Statement
For the month of September 2025

	Month	Sep-25 Budget	Variance	Prior Year Month	2026 YTD	2026 YTD Budget	Variance	Prior Year YTD
Revenues								
Room & Board - Acute	467,429	743,352	(275,923)	744,172	1,682,326	1,943,039	(260,713)	1,830,200
Room & Board - SNF	878,216	764,949	113,267	766,813	2,613,023	2,443,227	169,796	2,418,783
<u>Total Inpatient Revenue</u>	<u>1,345,645</u>	<u>1,508,301</u>	<u>(162,655)</u>	<u>1,510,985</u>	<u>4,295,348</u>	<u>4,386,266</u>	<u>(90,918)</u>	<u>4,248,983</u>
Outpatient Revenue	3,369,321	3,226,359	142,963	3,056,540	9,599,871	10,338,572	(738,701)	10,251,913
<u>Total Patient Revenue</u>	<u>4,714,967</u>	<u>4,734,659</u>	<u>(19,693)</u>	<u>4,567,524</u>	<u>13,895,219</u>	<u>14,724,838</u>	<u>(829,619)</u>	<u>14,500,896</u>
Bad Debts (580000,580011,58010)	192,942	(33,992)	226,934	(116,967)	378,719	15,930	362,789	(1,203,937)
Contractuals Adjs	1,894,197	1,837,780	56,417	1,501,809	5,294,593	5,566,199	(271,605)	4,311,684
Admin Adjs (5930002-593001,598)	884,264	16,897	867,367	483,564	920,866	50,691	870,175	3,007,813
<u>Total Revenue Deductions</u>	<u>2,971,403</u>	<u>1,820,685</u>	<u>1,150,718</u>	<u>1,868,406</u>	<u>6,594,179</u>	<u>5,632,820</u>	<u>961,359</u>	<u>6,115,560</u>
<u>Net Patient Revenue</u>	<u>1,743,564</u>	<u>2,913,975</u>	<u>(1,170,411)</u>	<u>2,699,118</u>	<u>7,301,040</u>	<u>9,092,018</u>	<u>(1,790,978)</u>	<u>8,385,336</u>
% of Charges	37.0%	61.5%	-24.6%	59.1%	52.5%	61.7%	-9.2%	57.8%
Other Revenue	34,509	17,093	17,416	16,924	86,755	228,513	(141,759)	65,697
<u>Total Net Revenue</u>	<u>1,778,073</u>	<u>2,931,068</u>	<u>(1,152,995)</u>	<u>2,716,042</u>	<u>7,387,795</u>	<u>9,320,532</u>	<u>(1,932,736)</u>	<u>8,451,032</u>
Expenses								
Salaries	1,684,758	1,777,882	(93,124)	1,444,284	5,160,531	5,291,505	(130,974)	4,417,889
Benefits and Taxes	343,784	535,258	(191,474)	316,206	1,103,777	1,501,225	(397,448)	936,878
Registry	199,454	284,982	(85,528)	237,286	669,084	854,945	(185,861)	823,392
Professional Fees	373,455	387,863	(14,408)	407,095	1,240,984	1,059,563	181,422	1,257,136
Purchased Services	118,558	237,806	(119,248)	246,625	382,602	677,728	(295,126)	535,245
Supplies	395,367	412,975	(17,608)	357,516	1,137,027	1,243,477	(106,450)	1,004,372
Repairs and Maint	55,206	36,191	19,016	75,654	168,338	113,630	54,707	145,715
Lease and Rental	2,205	4,541	(2,337)	7,647	6,280	13,636	(7,356)	16,395
Utilities	50,657	79,256	(28,600)	74,090	170,493	237,768	(67,276)	187,321
Insurance	43,413	45,821	(2,408)	42,632	130,936	137,464	(6,529)	129,736
Depreciation	177,432	343,633	(166,201)	174,027	545,149	740,994	(195,845)	529,521
Other	135,953	96,397	39,556	100,195	283,743	246,522	37,221	252,868
<u>Total Operating Expenses</u>	<u>3,580,242</u>	<u>4,242,606</u>	<u>(662,364)</u>	<u>3,483,258</u>	<u>10,998,943</u>	<u>12,118,458</u>	<u>(1,119,515)</u>	<u>10,236,471</u>
<u>Income from Operations</u>	<u>(1,802,169)</u>	<u>(1,311,539)</u>	<u>(490,631)</u>	<u>(767,216)</u>	<u>(3,611,148)</u>	<u>(2,797,927)</u>	<u>(813,222)</u>	<u>(1,785,438)</u>
Property Tax Revenue	0	0	0	0	61,179	257,288	(196,109)	0
Interest Income	43,952	107,670	(63,719)	186,563	362,422	323,011	39,411	324,581
Interest Expense	(81,291)	(105,646)	24,355	(77,315)	(246,979)	(316,937)	69,957	(237,001)
Gain/Loss on Asset Disposal/Forte	0	0	0	0	0	0	0	0
Retail Pharmacy Net Activity	43,212	114,859	(71,647)	133,165	372,686	358,501	14,185	69,334
DISTRICT VOUCHERS AND OTHER	(7,451)	(2,952)	(4,498)	(2,952)	(22,855)	(16,710)	(6,145)	(16,905)
<u>Total Non-Operating Revenue</u>	<u>(1,578)</u>	<u>113,931</u>	<u>(115,509)</u>	<u>239,460</u>	<u>526,453</u>	<u>605,154</u>	<u>(78,700)</u>	<u>140,009</u>
<u>Net Income/(Loss)</u>	<u>(1,803,747)</u>	<u>(1,197,607)</u>	<u>(606,140)</u>	<u>(527,755)</u>	<u>(3,084,695)</u>	<u>(2,192,773)</u>	<u>(891,922)</u>	<u>(1,645,430)</u>
<u>EBIDA</u>	<u>(1,545,025)</u>	<u>(748,329)</u>	<u>(796,695)</u>	<u>(276,413)</u>	<u>(2,292,567)</u>	<u>(1,134,842)</u>	<u>(1,157,725)</u>	<u>(878,907)</u>
Operating Margin %	-101.4%	-44.7%	-56.6%	-28.2%	-48.9%	-30.0%	-18.9%	-21.1%
Net Margin %	-101.4%	-40.9%	-60.6%	-19.4%	-41.8%	-23.5%	-18.2%	-19.5%
EBIDA Margin %	-86.9%	-25.5%	-61.4%	-10.2%	-31.0%	-12.2%	-18.9%	-10.4%

Modoc Medical Center
Income Statement Trend

	FYE 2025 YTD 12 Mths	Jul-24	Aug-24	Sep-24	FYE 2025 YTD July-Sep	FYE 2026 YTD July-Sep	Jul-25	Aug-25	Sep-25
Revenues									
Room & Board - Acute	6,946,872	681,023	405,005	744,172	1,830,200	1,682,326	685,444	529,453	467,429
Room & Board - SNF	9,504,192	824,217	827,753	766,813	2,418,783	2,613,023	841,152	893,655	878,216
Total Inpatient Revenue	16,451,064	1,505,240	1,232,758	1,510,985	4,248,983	4,295,348	1,526,595	1,423,108	1,345,645
Outpatient Revenue	38,908,265	3,638,233	3,557,140	3,056,540	10,251,913	9,599,871	3,351,869	2,878,680	3,369,321
Total Patient Revenue	55,359,329	5,143,473	4,789,898	4,567,524	14,500,896	13,895,219	4,878,465	4,301,788	4,714,967
Bad Debts	(947,440)	(333,441)	(753,529)	(116,967)	(1,203,937)	378,719	84,182	101,595	192,942
Contractual Adjis	8,628,880	1,594,462	1,215,413	1,501,809	4,311,684	5,294,593	1,918,848	1,481,549	1,894,197
Admin Aids	4,034,450	879,031	1,645,218	483,564	3,007,813	920,866	12,361	24,241	884,264
Total Revenue Deductions	11,715,890	2,140,052	2,107,102	1,868,406	6,115,560	6,594,179	2,015,392	1,607,384	2,971,403
Net Patient Revenue	43,643,439	3,003,421	2,682,796	2,699,118	8,385,336	7,301,040	2,863,073	2,694,403	1,743,564
% of Charges	78.8%	58.4%	56.0%	59.1%	57.8%	52.5%	58.7%	62.6%	37.0%
Other Revenue	758,704	37,465	11,308	16,924	65,697	86,755	37,741	14,505	34,509
Total Net Revenue	44,402,143	3,040,886	2,694,104	2,716,042	8,451,032	7,387,795	2,900,814	2,708,908	1,778,073
Expenses									
Salaries	18,318,651	1,527,863	1,445,742	1,444,284	4,417,889	5,160,531	1,785,419	1,690,354	1,684,758
Benefits and Taxes	4,040,217	331,128	289,544	316,206	936,878	1,103,777	377,349	382,644	343,784
Registry	3,349,908	246,179	339,927	237,286	823,392	669,084	262,589	207,040	199,454
Professional Fees	4,559,998	467,629	382,412	407,095	1,257,136	1,240,984	378,812	488,717	373,455
Purchased Services	1,951,518	102,186	186,434	246,625	535,245	382,602	54,305	209,739	118,558
Supplies	4,075,105	358,177	288,679	357,516	1,004,372	1,137,027	397,284	344,376	395,367
Repairs and Maint	391,263	35,962	34,099	75,654	145,715	168,338	32,193	80,938	55,206
Lease and Rental	54,598	4,529	4,219	7,647	16,395	6,280	2,393	1,683	2,205
Utilities	883,546	48,137	65,094	74,090	187,321	170,493	59,208	60,628	50,657
Insurance	547,088	43,552	43,552	42,632	129,736	130,936	43,282	44,241	43,413
Depreciation	2,125,071	177,946	177,549	174,027	529,521	545,149	183,888	183,829	177,432
Other	952,805	68,109	84,564	100,195	252,868	283,743	70,025	77,764	135,953
Total Operating Expenses	41,249,767	3,411,397	3,341,817	3,483,258	10,236,471	10,998,943	3,646,748	3,771,953	3,580,242
Income from Operations	3,152,376	(370,511)	(647,712)	(767,216)	(1,785,438)	(3,611,148)	(745,934)	(1,063,045)	(1,802,169)
Property Tax Revenue	2,143,660	0	0	0	0	61,179	0	61,179	0
Interest Income	1,233,759	107,452	30,566	186,563	324,581	362,422	214,143	104,327	43,952
Interest Expense	(1,958,479)	(79,974)	(79,713)	(77,315)	(237,001)	(246,979)	(83,144)	(82,545)	(81,291)
Gain/Loss on Asset Disposal/Forte	(202,113)	0	0	0	0	0	0	0	0
Retail Pharmacy Net Activity	515,756	107,736	(171,567)	133,165	69,334	372,686	93,595	235,880	43,212
DISTRICT VOUCHERS AND OTHER	(111,894)	(9,862)	(4,090)	(2,952)	(16,905)	(22,855)	(7,186)	(8,218)	(7,451)
Total Non-Operating Revenue	1,620,689	125,353	(224,804)	239,460	140,009	526,453	217,408	310,623	(1,578)
Net Income	4,773,065	(245,158)	(872,516)	(527,755)	(1,645,430)	(3,084,695)	(528,526)	(752,421)	(1,803,747)
EBIDA	8,856,614	12,762	(615,255)	(276,413)	(878,907)	(2,292,567)	(261,495)	(486,048)	(1,545,025)
Operating Margin %	7.1%	-12.2%	-24.0%	-28.2%	-21.1%	-48.9%	-25.7%	-39.2%	-101.4%
Net Margin %	10.7%	-8.1%	-32.4%	-19.4%	-19.5%	-41.8%	-18.2%	-27.8%	-101.4%
EBIDA Margin %	19.9%	0.4%	-22.8%	-10.2%	-10.4%	-31.0%	-9.0%	-17.9%	-86.9%

Modoc Medical Center
Balance Sheet
For the month of August 2025

	Unaudited 9/30/2025	Unaudited 8/31/2025	Unaudited 7/31/2025	Unaudited 6/30/2025	Unaudited 5/31/2025	Unaudited 4/30/2025	Unaudited 3/31/2025	Unaudited 2/28/2025	Unaudited 1/31/2025	Unaudited 12/31/2024	Unaudited 11/30/2024
Cash	537,347	364,654	133,445	1,343,671	1,172,124	1,043,515	1,197,526	1,407,806	1,154,789	1,783,638	766,701
Investments	17,212,464	18,491,661	19,210,474	25,133,123	26,073,817	22,391,706	22,690,661	23,899,307	10,362,811	10,497,990	12,393,660
Designated Funds	6,621,947	8,039,751	8,016,285	7,993,985	8,688,280	8,659,418	10,592,681	12,922,637	15,885,462	19,189,416	27,001,756
Total Cash	24,371,758	26,896,066	27,360,203	34,470,779	35,934,221	32,094,639	34,480,868	38,229,750	27,403,061	31,471,044	40,162,118
Gross Patient AR	8,552,822	9,637,386	10,084,488	10,432,654	10,486,306	11,116,819	12,166,012	12,438,409	12,460,612	12,014,386	11,877,656
Allowances	(5,100,262)	(5,197,898)	(5,333,160)	(5,933,536)	(5,953,361)	(6,473,169)	(7,512,033)	(7,348,306)	(7,194,833)	(7,019,794)	(7,664,513)
Net Patient AR	3,452,561	4,439,488	4,751,329	4,499,118	4,532,945	4,643,650	4,653,979	5,090,103	5,265,779	4,994,592	4,213,143
% of Gross	40.4%	46.1%	47.1%	43.1%	43.2%	41.8%	38.3%	40.9%	42.3%	41.6%	35.5%
Third Party Receivable	337,926	337,926	(129,883)	(129,883)	(152,771)	2,662,634	704,793	(387,171)	10,220,971	11,560,050	10,220,971
Other AR	784,190	842,542	674,415	636,825	627,132	463,976	452,797	534,816	559,179	544,751	575,125
Inventory	760,880	737,889	688,927	685,089	706,294	645,669	655,858	650,807	642,809	626,748	648,765
Prepays	637,181	581,982	643,543	635,285	433,040	473,185	527,245	546,553	601,634	575,318	553,767
Total Current Assets	30,344,496	33,835,893	33,988,534	40,797,213	42,080,860	40,983,752	41,475,540	44,664,858	44,693,433	49,772,503	56,373,888
Land (120000-120900)	713,540	713,540	713,540	713,540	713,540	713,540	713,540	713,540	713,540	713,540	713,540
Bldg & Improvements (12110	47,927,861	47,927,861	47,927,861	47,927,861	47,893,361	47,893,361	47,893,361	47,893,361	47,413,856	47,413,856	47,413,856
Equipment (124100-124204)	14,495,515	14,495,515	14,495,515	14,495,515	14,373,480	14,357,799	14,357,799	14,357,799	14,320,612	14,320,612	14,320,612
Construction In Progress (125	56,888,738	55,268,398	54,911,525	54,304,202	49,496,085	49,057,141	46,849,888	44,039,570	42,270,651	38,600,009	30,560,100
Fixed Assets	120,025,654	118,405,314	118,048,441	117,441,118	112,476,466	112,021,841	109,814,588	107,004,269	104,718,658	101,048,017	93,008,108
Accum Depreciation	(20,580,098)	(20,402,475)	(20,218,448)	(20,034,362)	(19,856,164)	(19,674,460)	(19,498,874)	(19,317,427)	(20,085,777)	(19,907,979)	(19,723,925)
Net Fixed Assets	99,445,556	98,002,839	97,829,993	97,406,756	92,620,302	92,347,381	90,315,714	87,686,842	84,632,882	81,140,038	73,284,183
Other Assets	0	0	0	0	0	0	0	0	0	0	0
Total Assets	129,790,052	131,838,732	131,818,527	138,203,969	134,701,162	133,331,133	131,791,254	132,351,700	129,326,314	130,912,541	129,658,071
Accounts Payable	1,953,648	2,113,910	1,629,172	7,156,909	1,946,297	1,319,919	1,601,522	1,539,319	1,711,699	1,642,125	1,949,303
Accrued Payroll	1,904,474	1,716,038	1,513,818	1,241,389	1,171,016	998,387	1,513,772	1,276,374	1,292,732	1,187,780	1,047,141
Patient Trust Accounts	10,906	10,906	10,556	10,580	11,275	11,170	10,960	10,600	7,757	16,247	14,932
Third Party Payables	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000
Accrued Interest											
Current Portion Liabilities	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275	24,633,275
Other Current Liabilities/Accr	283,740	400,082	321,529	519,110	443,446	330,329	242,936	164,387	232,844	761,666	542,307
Total Current Liabilities	29,266,043	29,354,211	28,588,349	34,041,264	28,685,309	27,773,081	28,482,466	28,103,955	28,358,306	28,721,093	28,666,959
Long Term Liabilities	31,710,368	31,860,368	31,860,368	32,264,368	32,264,368	32,264,368	32,264,368	32,264,368	32,264,368	32,264,368	32,264,368
Total Liabilities	60,976,411	61,214,579	60,448,717	66,305,632	60,949,677	60,037,449	60,746,834	60,368,323	60,622,674	60,985,461	60,931,327
Fund Balance	71,898,336	71,898,336	71,898,336	67,125,273	67,125,273	67,125,273	67,125,273	67,125,273	67,125,273	67,125,273	67,125,273
Current Year Income/(Loss)	(3,084,695)	(1,274,183)	(528,526)	4,773,065	6,626,212	6,168,412	3,919,148	4,858,105	1,578,367	2,801,808	1,601,471
Total Equity	68,813,641	70,624,153	71,369,810	71,898,338	73,751,485	73,293,685	71,044,420	71,983,378	68,703,640	69,927,080	68,726,744
Total Liabilities and Equity	129,790,052	131,838,732	131,818,527	138,203,969	134,701,162	133,331,133	131,791,254	132,351,700	129,326,314	130,912,541	129,658,071
Days in Cash	151	176	180	330	340	292	298	372	242	249	365
Days in AR (Gross)	55	61	64	66	66	70	77	79	79	76	75
Days in AP	16	19	15	65	18	12	15	14	16	15	18
Current Ratio	1.04	1.15	1.19	1.20	1.47	1.48	1.46	1.59	1.58	1.73	1.97
Net AR as a percentage of grc	40.37%	46.07%	47.12%	43.13%	43.23%	41.77%	38.25%	40.92%	42.26%	41.57%	35.47%

STATEMENT OF CASH FLOWS

September-25

	CURRENT MONTH	FISCAL YEAR YTD
CASH FLOWS FROM OPERATING ACTIVITIES		
NET INCOME	-1,803,747	-3,084,695
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
DEPRECIATION EXPENSE	177,623	545,736
CHANGE IN PATIENT ACCOUNTS RECEIVABLE	986,927	1,046,558
CHANGE IN OTHER RECEIVABLES	58,352	-615,174
CHANGE IN INVENTORIES	-22,991	-75,791
CHANGE IN PREPAID EXPENSES	-55,199	-1,895
CHANGE IN ACCOUNTS PAYABLE	-167,027	-5,203,261
CHANGE IN ACCRUED SALARIES AND RELATED TAXES	188,436	663,085
CHANGE IN OTHER PAYABLES	0	0
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,166,121	-3,640,744
CASH FLOWS FROM INVESTMENT ACTIVITIES		
PURCHASE OF EQUIPMENT/CIP	-1,620,340	-2,584,536
CUSTODIAL HOLDINGS	0	326
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-1,620,340	-2,584,210
CASH FROM FINANCING ACTIVITIES		
Current Liability L32	-116,342	-235,370
Long Term Liability	-150,000	-554,000
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	-266,342	-789,370
CASH AT BEGINNING OF PERIOD	26,896,066	34,470,779
NET INCREASE (DECREASE) IN CASH	-2,524,308	-10,099,018
CASH AT END OF PERIOD	24,371,758	24,371,758

Apr-25	Mar-25
--------	--------

		Sep-25		Aug-25		Jul-25		Jun-25		May-25		Apr-25		Mar-25		Feb-25		Jan-25		Dec-24		Nov-24		Oct-24		FY 26 YTD	FY 25 YTD	12 Mos.	
		Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.	Act.	Bud.				
Patient-Days																													
Adults/Peds		47	86	49	48	53	90	47	57	51	76	64	137	49	63	48	68	40	72	64	89	83	46	75	62		149	195	670
Swing		74	49	61	31	164	36	87	50	46	71	28	89	45	84	73	82	70	43	70	63	30	62	64	88		299	117	812
SNF		1,500	1,500	1,493	1,511	1,509	1,478	1,412	1,301	1,465	1,446	1,340	1,463	1,408	1,550	1,377	1,413	1,520	1,464	1,536	1,469	1,488	1,437	1,484	1,534		4,502	4,290	17,532
Total "Patient Days"		1,621	1,635	1,603	1,590	1,726	1,604	1,546	1,408	1,562	1,593	1,432	1,689	1,502	1,697	1,498	1,563	1,630	1,579	1,670	1,621	1,601	1,545	1,623	1,684		4,950	4,602	19,014
ADC																													
Adults/Peds		1.57	2.73	1.58	1.55	1.71	2.90	1.57	1.84	1.65	2.45	2.13	4.42	1.58	2.03	1.71	2.19	1.29	2.32	2.06	2.97	2.77	1.53	2.42	2.07		1.62	2.12	1.84
Swing		2.47	1.63	1.97	1.00	5.29	1.16	2.90	1.61	1.48	2.29	0.93	2.87	1.45	2.71	2.61	2.65	2.26	1.39	2.26	2.10	1.00	2.07	2.06	2.93		3.25	1.27	2.22
SNF		50.00	47.97	48.16	48.74	48.88	47.68	47.07	41.97	47.26	45.65	44.67	47.19	45.42	50.00	49.18	45.58	49.03	47.23	49.55	48.97	49.60	47.90	47.87	51.13		48.93	46.63	48.03
Total "Average Daily Census"		54.03	52.33	51.71	51.29	55.68	51.74	51.53	45.42	50.39	51.39	47.73	54.48	48.45	54.74	53.50	50.42	52.58	50.94	53.87	54.03	53.37	51.50	52.35	56.13		53.80	50.02	52.09
ALOS																													
Adults/Peds		3.13		3.50		3.31		3.36		3.00		3.20		2.45		2.82		2.35		3.37		3.46		3.75			3.31	3.36	3.15
Swing		14.80		8.71		13.67		10.88		4.60		7.00		4.09		12.17		11.67		7.78		3.75		12.80			12.46	6.50	8.92
Admissions																													
Adults/Peds		15	28	14	14	16	27	14	17	17	23	20	19	20	19	17	18	17	18	19	24	24	8	20	18		45	58	213
Swing		5	8	7	5	12	6	8	7	10	12	4	10	11	10	6	10	6	8	9	4	8	10	5	3		24	18	91
SNF		-	2	1	1	5	4	3	5	4	4	1	1	2		-	2	2		2	1	1	2	2	3		6	10	23
Total "Admissions"		20	38	22	20	33	37	25	29	31	39	25	30	33	29	23	30	25	26	30	29	33	20	27	23		75	86	327
Discharges																													
SNF		-		1		2		4		1		1		3		4		2		2		-		2			3	6	22
Days in Period		30		31		31		30		31		30		31		28		31		31		30		31			92	92	365
Amulatory Service Statistics																													
Emergency Visits		471	476	494	525	487	464	460	464	481	552	482	553	496	523	482	427	465	415	510	454	435	406	491	456		1,452	1,515	5,754
Ambulance Runs Visits		94	83	82	87	106	81	75	81	77	113	75	108	93	104	95	87	75	98	93	88	93	93	61	50		282	301	1,019
Clinic Visits		791	809	827	857	959	772	574	772	1,081	902	827	1,229	727	1,016	790	1,156	805	1,134	684	854	634	991	896	950		2,577	2,585	9,595
Canby Clinic Visits		210	225	248	325	312	301	232	301	261	274	233	331	257	217	243	169	300	280	251	218	272	258	314	221		770	1,004	3,133
Canby Dental		195	180	169	210	169	171	192	171	136	237	163	286	142	200	133	123	175	194	147	195	147	195	69	200		533	544	1,837
Observation Admits		-	5	1	6	2	2	5	2	5	5	4	5	3	4	2	2	2	3	5	5	2	4	2	5		3	12	33
Observation Care Hours		-	128	26.2	193	145.3	50	169.3	50	218.2	160	89.5	131	74.0	143	93.9	54	78.3	114	158.0	249	80.1	132	42.8	275		171	344	1,175
Ancillary Services Statistics																													
Surgeries		10	4	3	2	2	4	5	4	11	8	2	5	3	3	4	14	10	3	11	5	3	2	3	3		15	14	67
Endoscopies		21	25	24	17	17	24	25	24	19	30	21	19	21	26	20	14	18	23	20	13	17	21	20	22		62	59	243
Surgery & Recovery Minutes		716	498	638	501	414	642	802	642	869	1,084	767	574	623	611	666	666	682	696	731	434	413	462	566	518		1,768	1,689	7,887
Anesthesia Minutes		1,089	793	1,014	565	667	946	1,404	946	1,392	1,556	864	1,076	960	943	1,020	1,047	1,058	1,052	1,326	612	673	745	898	941		2,770	2,433	12,365
Laboratory Tests		4379	4,805	5241	4,534	5241	4,112	4816	4,112	4543	4,832	4631	4,914	4648	4,348	4648	4,980	4485	4,697	4427	4,759	4301	4,236	5153	5,005		14,861	13,945	56,513
Radiology-Diagnostic Proc		244	267	267	283	330	300	266	300	297	293	257	297	262	254	301	249	288	275	256	253	267	255	280	290		841	886	3,315
Ultrasonounds Proc		112	99	114	99	156	102	82	102	83	85	94	89	88	61	105	102	89	95	86	58	53	52	103	109		382	277	1,165
CT Scans Proc		168	128	181	167	196	139	150	139	150	173	138	195	168	130	153	163	128	126	145	148	170	133	171	172		545	501	1,918
MRI Proc					28		26	-	26		18		-		30	-	18	-	17	-	13	-	15	-	25		-	72	-
Physical Therapy Sessions		851	573	967	677	1,232	775	817	775	551	718	756	770	889	600	517	624	563	575	429	536	547	536	675	428		3,050	2,212	8,794
Retail Pharmacy-Scripts		4,016	2,394	3,555	2,594	3,441	2,351	3,248	2,351	3,309	2,689	2,969	2,598	2,513	2,548	2,354	2,463	2,735	2,639	2,586	2,410	2,420	2,334	2,807	2,518		11,012	7,569	35,953
Dietician Consults																													

MODOC MEDICAL CENTER "FULL TIME EQUIVALENT REPORT" Twelve Months Ending: September 30th, 2025													
Department	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24	Oct-24	12 Mo Ave
Med / Surg	15.21	16.15	15.37	16.06	16.47	14.81	14.77	14.50	13.76	15.50	15.13	15.01	15.23
Comm Disease Care													#DIV/0!
Swing Beds													#DIV/0!
Long Term - SNF	56.28	57.55	55.38	53.39	55.93	53.24	54.82	54.32	54.41	54.93	57.77	54.72	55.23
Emergency Dept	12.49	14.13	10.59	12.51	12.64	11.62	14.17	13.95	11.94	10.36	12.71	11.10	12.35
Ambulance - Alturas	11.31	12.65	12.06	12.31	12.50	12.53	11.96	11.34	10.55	11.03	10.90	9.94	11.59
Clinic	20.43	19.71	20.32	19.93	20.31	19.52	18.89	18.54	16.84	16.87	17.84	18.33	18.96
Canby Clinic	11.47	10.55	10.89	9.80	10.95	10.66	12.18	10.39	9.27	9.23	9.84	9.93	10.43
Canby Dental	4.86	4.33	3.85	4.37	5.29	4.80	3.72	3.66	3.63	3.28	3.71	3.53	4.09
Surgery	3.97	3.93	4.11	3.70	3.98	4.01	4.21	3.97	3.30	3.79	3.26	3.35	3.80
IRR													#DIV/0!
Lab	9.08	9.07	8.21	8.74	8.78	9.32	9.15	9.09	8.56	7.97	8.21	8.33	8.71
Radiology	5.05	5.67	5.85	3.65	4.12	4.45	4.35	4.52	3.81	4.30	3.72	3.67	4.43
MRI													#DIV/0!
Ultrasound	1.31	1.28	1.33	1.13	1.27	1.36	1.29	1.31	1.26	1.29	1.36	1.27	1.29
CT	1.62	1.72	1.67	1.47	2.10	1.93	1.92	1.84	1.48	1.62	1.66	1.49	1.71
Pharmacy	2.16	1.83	1.33	1.09	1.17	1.24	1.30	1.33	1.38	1.85	2.07	2.15	1.58
Physical Therapy	4.84	6.75	6.88	6.41	5.46	5.74	6.19	6.34	6.34	4.60	5.78	6.27	5.97
Other PT													#DIV/0!
Dietary	12.25	13.15	14.01	11.48	12.87	13.82	13.99	13.37	12.65	11.85	12.83	12.77	12.92
Dietary Acute	8.17	7.77	6.76	7.36	7.81	7.69	8.39	7.60	7.27	8.06	8.43	7.59	7.74
Laundry	1.01	1.03	1.01	0.90	1.02	1.01	1.02	0.97	1.02	0.99	0.88	1.00	0.99
Activities	4.74	4.64	4.43	4.41	4.50	4.12	3.59	3.76	3.67	3.75	3.77	3.60	4.08
Social Services	1.82	1.95	1.43	1.65	2.12	1.97	2.04	1.95	1.87	1.88	1.92	1.79	1.87
Purchasing	3.00	3.01	3.01	3.02	2.96	3.11	3.16	3.18	3.04	2.95	3.02	3.06	3.04
Housekeeping	13.67	14.00	13.78	13.94	13.82	14.45	14.52	14.87	13.39	13.72	13.93	13.59	13.97
Maintenance	5.80	5.16	5.82	5.99	5.96	5.99	6.04	5.96	5.44	5.38	5.31	5.32	5.68
Data Processing	4.69	4.73	4.58	4.63	4.68	4.76	4.26	4.05	4.00	4.07	4.56	4.66	4.47
General Accounting	3.71	3.99	3.92	3.40	3.38	3.64	3.89	3.97	3.74	3.80	3.73	2.65	3.65
Patient Accounting	7.67	7.17	8.25	8.95	8.85	9.86	8.98	7.76	7.60	6.97	8.03	7.58	8.14
Administration	3.43	3.53	3.40	3.65	3.25	3.41	3.32	3.46	3.15	3.40	3.36	3.54	3.41
Human Resources	2.85	2.92	1.98	2.01	2.00	2.01	2.01	2.01	2.01	2.01	2.02	1.99	2.15
Medical Records	7.96	8.30	8.51	8.51	8.57	8.70	8.74	8.62	8.29	8.05	8.10	7.83	8.35
Nurse Administration	3.02	3.02	2.88	2.80	3.05	3.11	3.02	2.51	2.33	2.19	2.55	2.87	2.78
In-Service	1.00	1.00	1.00	1.00	0.94	0.87	1.01	1.00	1.00	1.00	1.00	1.00	0.99
Utilization Review	1.44	1.48	1.41	1.44	1.49	1.39	1.47	1.48	1.49	1.49	1.45	1.46	1.46
Quality Assurance	0.50	0.50	0.50	0.51	0.50	0.50	0.50	0.51	0.51	0.51	0.50	0.51	0.50
Infection Control	0.64	0.64	0.39	0.70	0.46	0.61	0.48	0.60	0.60	0.61	0.59	0.61	0.58
Retail Pharmacy	6.17	5.94	4.96	4.50	5.03	4.96	4.13	4.15	3.92	3.86	4.06	4.10	4.65
TOTAL	253.62	259.25	249.87	245.41	254.23	251.21	253.48	246.88	233.52	233.16	244.00	236.61	246.77

-0.94	(0.06)
0.00	#DIV/0!
0.00	#DIV/0!
-1.27	(0.02)
-1.64	(0.13)
-1.34	(0.12)
0.72	0.04
0.92	0.08
0.53	0.11
0.04	0.01
0.00	#DIV/0!
0.01	0.00
-0.62	(0.12)
0.00	#DIV/0!
0.03	0.02
-0.10	(0.06)
0.33	0.15
-1.91	(0.39)
0.00	#DIV/0!
-0.90	(0.07)
0.40	0.05
-0.02	(0.02)
0.10	0.02
-0.13	(0.07)
-0.01	(0.00)
-0.33	(0.02)
0.64	0.11
-0.04	(0.01)
-0.28	(0.08)
0.50	0.07
-0.10	(0.03)
-0.07	(0.02)
-0.34	(0.04)
0.00	-
0.00	-
-0.04	(0.03)
0.00	-
0.00	-
0.23	0.04
-5.63	(0.02)

Sep thru Oct

2,961.24

ATTACHMENT G

SURPRISE VALLEY HOSPITAL INTERGOVERNMENTAL AID



LAST FRONTIER HEALTHCARE DISTRICT

A Public Entity

Surprise Valley Intergovernmental Aid

Surprise Valley Healthcare District (SVHCD) has approached the County, seeking assistance to fund their IGT for the Voluntary Rate Range Program that must be funded in November. The County has asked if we can contribute to a pool of funds that would be used to make the IGT transfer for SVHCD. They are planning to fund a significant portion of what is needed as well but are looking for others to participate in this as well. This would allow SVHCD to draw down over \$2 million in federal money to help continue to operate their facility.

We currently have an attorney reviewing this transaction to tell us if it is legal for us to participate in this as a District Hospital. Chester Robertson is also doing some research on how this can be structured so that there is assurance that the money comes back in a way that guarantees that the money is distributed to those that are putting money in the pool first, prior to going to SVHCD.

There are a lot of details that still need to be worked out for this to come to fruition. The basic premise is that if we contribute to this pool, we would require for an agreement or other legal instrument to be in place that would allow us to make interest on our contribution from the time it is placed in the pool to the time that we receive money back. Our interest rate would be set at 8%, since we are making 7% on the mortgage securities that we invested in. That same legal instrument would provide adequate security for the money placed in the pool (perhaps secured against their existing tax assessment), and would hopefully be able to dictate that IGT funds come back into a County Account (for SVHCD) so that funding could be distributed by the Auditor or someone from the County prior to being disbursed to SVHCD.

There are other counties that already help fund IGTs for facilities in their County, so this is not a new practice in some areas. I feel that Modoc Medical Center should provide SVHCD with assistance at this time, if it is legal, there is adequate security for the transaction, and as long as we have assurance that the money can be disbursed by the County to those that pool money for this. It is in MMC's best interests that SVHCD stay open for some major reasons. First and foremost, we do not have the current capacity to care for the patients that SVHCD is caring for, nor do we have the capital to expand our service provision fast enough to accommodate that demand if they were to close. Their closure would also pose significant economic challenges on the smaller communities located in Surprise Valley. Failure to help fund the IGT would also essentially prevent over \$2 million in federal funds from being available to help provide healthcare in our County, which is just not a good business decision for the broader community either.

I am seeking approval for Modoc Medical Center to fund \$500,000.00 to a pool to help SVHCD fund their IGT in November, contingent upon all the following parameters being met:

- 1) An agreement exists that establishes adequate security on our pooled money, as well as some level of assurance that money will be distributed back to those pooling money prior to the remainder of the funds going back to SVHCD.
- 2) It is determined that we can legally participate in this.
- 3) The County and other entities are able to fund the remainder of the IGT amount.
- 4) We are able to make at least 8% interest on our pooled money, while it is in the pool.

Submitted by: Kevin Kramer

Date: 10/23/2025

ATTACHMENT H

USDA FINANCING

LEASE AGREEMENT

Dated as of November 1, 2025

by and between the

CSDA FINANCE CORPORATION, as Lessor

and the

LAST FRONTIER HEALTHCARE DISTRICT, as Lessee

Certificates of Participation
(2025 Permanent Financing)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	
DEFINITIONS AND EXHIBITS	
Section 1.1. Definitions	2
Section 1.2. Interpretation	2
Section 1.3. Exhibits.....	2
ARTICLE II	
REPRESENTATIONS, COVENANTS AND WARRANTIES	
Section 2.1. Representations, Covenants and Warranties of the District	3
Section 2.2. Representations, Covenants and Warranties of Corporation	4
ARTICLE III	
DRAW DOWN LEASE; DEPOSIT AND APPLICATION OF FUNDS	
Section 3.1. Deposit of and Application of Funds	6
ARTICLE IV	
AGREEMENT TO LEASE; TERM OF THIS LEASE AGREEMENT; LEASE PAYMENTS	
Section 4.1. Sublease of Property by the Corporation Back to the District	7
Section 4.2. Term	7
Section 4.3. Lease Payments.....	7
Section 4.4. Quiet Enjoyment.....	9
Section 4.5. Title	9
ARTICLE V	
MAINTENANCE; TAXES; INSURANCE; USE LIMITATIONS; AND OTHER MATTERS	
Section 5.1. Maintenance, Utilities, Taxes and Assessments.....	10
Section 5.2. Modification of Property	10
Section 5.3. Public Liability and Property Damage Insurance	11
Section 5.4. Fire and Extended Coverage Insurance; No Earthquake Insurance.....	11
Section 5.7. Insurance Net Proceeds; Form of Policies.....	11
Section 5.6. Advances	12
Section 5.7. Installation of District's Equipment.....	12
Section 5.8. Liens	12
Section 5.9. No Condemnation.....	12
Section 5.11. Tax Covenants.....	12
ARTICLE VI	
DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS	
Section 6.1. Eminent Domain.....	14
Section 6.2. Application of Net Proceeds.....	14
ARTICLE VII	
DISCLAIMER OF WARRANTIES; ACCESS; INDEMNIFICATION	
Section 7.1. Disclaimer of Warranties.....	15
Section 7.2. Access to the Property	15
Section 7.3. Release and Indemnification Covenants.....	15
Section 7.4. Reserve Fund.....	15

ARTICLE VIII
ASSIGNMENT, SUBLEASING AND AMENDMENT

Section 8.1. Assignment by the Corporation	16
Section 8.2. Assignment and Subleasing by the District.....	16
Section 7.6. Amendment of Lease Agreement	16

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined	17
Section 9.2. Remedies on Default	17
Section 9.3. No Remedy Exclusive	19
Section 9.4. Agreement to Pay Attorneys' Fees and Expenses	19
Section 9.5. No Additional Waiver Implied by One Waiver	19
Section 9.6. Application of Proceeds	19
Section 9.7. Trustee and Certificate Owners to Exercise Rights	19
Section 9.8. No Right to Terminate for Corporation Default	19

ARTICLE X
PREPAYMENT OF LEASE PAYMENTS

Section 10.1. Optional Prepayment.....	20
Section 10.2. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain	20

ARTICLE XI
MISCELLANEOUS

Section 11.1. Notices.....	21
Section 11.2. Binding Effect.....	21
Section 11.3. Severability	21
Section 11.4. Net-net-net Lease.....	21
Section 11.5. Further Assurances and Corrective Instruments.....	21
Section 11.6. Execution in Counterparts	22
Section 11.7. Applicable Law	22
Section 11.8. Corporation and District Representatives	22
Section 11.9. Captions	22

EXHIBIT A:	DESCRIPTION OF THE PROPERTY
EXHIBIT B:	SCHEDULE LEASE PAYMENTS

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease Agreement"), dated for convenience as of November 1, 2025, by and between the CSDA FINANCE CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California, as lessor (the "Corporation"), and the LAST FRONTIER HEALTHCARE DISTRICT, a health care district organized and existing under and by virtue of the laws of the State of California, as lessee (the "District");

WITNESSETH:

WHEREAS, pursuant to that certain Site and Facility Lease, dated as of November 1, 2025 (the "Site and Facility Lease"), the District has leased those certain parcels of real property and the improvements thereon situated in Modoc County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Property"), to the Corporation, 2024 Bond Anticipation Notes (the "2024 Notes");

WHEREAS, the Corporation proposes to lease the Property to the District pursuant to this Lease Agreement and to assign its right to receive lease payments under this Lease Agreement (the "Lease Payments"), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under this Lease Agreement in the event of a default hereunder by the District, to Last Frontier Healthcare District Treasurer, as trustee (the "Trustee"), pursuant to that certain Assignment Agreement, dated as of November 1, 2025, by and between the Corporation and the Trustee;

WHEREAS, pursuant to that certain Trust Agreement, dated as of November 1, 2025, by and among the District, the Corporation and the Trustee, the Trustee will execute and deliver certificates of participation, each evidencing a direct, fractional interest in the Lease Payments (the "Certificates"); and

WHEREAS, the proceeds of the Certificates will be applied by the District to refund the 2024 Notes;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease Agreement shall have the respective meanings specified in Section 1.01 of the Trust Agreement, dated as of November 1, 2025, by and among the District, the Corporation and the Trustee.

Section 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.3. Exhibits. The following exhibits are attached to, and by this reference made a part of, this Lease Agreement:

Exhibit A: The description of the Property.

Exhibit B: The schedule of the Lease Payments to be paid by the District hereunder with respect to the Property, showing the Payment Date and amount of each such Lease Payment.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the District. The District represents, covenants and warrants to the Corporation as follows:

(a) *Due Organization and Existence.* The District is a healthcare district, organized and existing under and by virtue of the laws of the State, has full legal right, power and authority under the laws of the State to enter into the Site and Facility Lease and this Lease Agreement and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the District has duly authorized the execution and delivery by the District of the Site and Facility Lease and this Lease Agreement.

(b) *Due Execution.* The representative of the District executing the Site and Facility Lease and this Lease Agreement has been fully authorized to execute the same by a resolution duly adopted by the District Board of the District.

(c) *Valid, Binding and Enforceable Obligations.* The Site and Facility Lease and this Lease Agreement have been duly authorized, executed and delivered by the District and constitute the legal, valid and binding agreements of the District enforceable against the District in accordance with their respective terms.

(d) *No Conflicts.* The execution and delivery of the Site and Facility Lease and this Lease Agreement, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the District is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease or this Lease Agreement or the financial condition, assets, properties or operations of the District.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the District or of the voters of the District, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with the execution and delivery of the Site and Facility Lease and this Lease Agreement, or the consummation of any transaction therein and herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other Governmental Authority pending and notice of which has been served on the District or, to the knowledge of the District after reasonable investigation, threatened against or affecting the District or the assets, properties or operations of the District which, if determined adversely to the District or its interests, would have a Material Adverse Effect upon the consummation of the transactions contemplated by or the validity of the Site and Facility Lease and this Lease Agreement or upon the financial condition, assets, properties or operations of the District, and the District is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state,

municipal or other Governmental Authority, which default might have consequences that would have a Material Adverse Effect on the consummation of the transactions contemplated by this Lease Agreement, or the financial condition, assets, properties or operations of the District.

(g) *Sufficient Funds*. The District reasonably believes that sufficient funds can be obtained to make all Lease Payments and all other amounts required to be paid pursuant to this Lease Agreement.

(h) *No Defaults*. The District has never non-appropriated or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease Agreement, or under any of its bonds, notes, or other debt obligations.

(i) *Fee Title*. The District is the owner in fee of title to the Property. No lien or encumbrance on the Property materially impairs the District's use of the Property for the purposes for which it is, or may reasonably be expected to be, held.

(j) *Use of the Property*. During the term of this Lease Agreement, the Property will be used by the District only for the purpose of performing one or more governmental or proprietary functions of the District consistent with the permissible scope of the District's authority.

(k) *Change in Financial Condition*. The District has experienced no material change in its financial condition since June 30, 2024.

(l) *Regulations*. This Lease Agreement is given as evidence of a loan to the District made by the United States of America pursuant to the Consolidated Farm and Rural Development Act and shall be subject to the applicable present regulations of the United States Department of Agriculture, Rural Housing Service, and to its applicable future regulations not inconsistent with the express provisions hereof.

Section 2.2. Representations, Covenants and Warranties of Corporation. The Corporation represents, covenants and warrants to the District as follows:

(a) *Due Organization and Existence*. The Corporation is a nonprofit, public benefit corporation, duly organized and existing under the laws of the State, has full legal right, power and authority to enter into the Site and Facility Lease, this Lease Agreement and the Assignment Agreement and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery by the Corporation of the Site and Facility Lease, this Lease Agreement and the Assignment Agreement.

(b) *Due Execution*. The representative of the Corporation executing the Site and Facility Lease, this Lease Agreement and the Assignment Agreement is fully authorized to execute the same under official action taken by the Board of Directors of the Corporation.

(c) *Valid, Binding and Enforceable Obligations*. The Site and Facility Lease, this Lease Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

(d) *No Conflicts*. The execution and delivery of the Site and Facility Lease, this Lease Agreement and the Assignment Agreement, the consummation of the transactions herein and

therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease, this Lease Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with the execution and delivery of the Site and Facility Lease, this Lease Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other Governmental Authority pending and notice of which has been served on the Corporation or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site and Facility Lease, this Lease Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other Governmental Authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease, this Lease Agreement or the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS

Section 3.1. Deposit of and Application of Funds. On the Closing Date, from the amounts paid by the Assignee of \$24,000,000, the District shall transfer the sum of \$24,000,000 to Zions Bancorporation, National Association, prepay and redeem the 2024 Notes.

ARTICLE IV

AGREEMENT TO LEASE; TERM OF THIS LEASE AGREEMENT; LEASE PAYMENTS

Section 4.1. Sublease of Property by the Corporation Back to the District.

(a) The Corporation hereby subleases the Property to the District, and the District hereby subleases the Property from the Corporation, upon the terms and conditions set forth in this Lease Agreement.

(b) The leasing of the Property by the District to the Corporation pursuant to the Site and Facility Lease shall not affect or result in a merger of the District's subleasehold estate pursuant to this Lease Agreement and its fee estate as lessor under the Site and Facility Lease.

Section 4.2. Term. The Term of this Lease Agreement commences on the date of recordation of this Lease Agreement or a memorandum hereof and ends on October 28, 2061, or the date on which all of the Lease Payments have been paid in full pursuant to the terms of this Lease Agreement, but not more than 40 years.

Section 4.3. Lease Payments.

(a) *Obligation to Pay.* The District agrees to pay to the Trustee, as assignee of the Corporation, the Lease Payments (denominated into components of principal and interest) in the principal amounts specified in Exhibit B attached hereto (including any supplements thereto) and by this reference incorporated herein, to be due and payable in immediately available funds on each of the respective Payment Dates specified in Exhibit D; *provided, however,* that if any Payment Date is not a Business Day, such Lease Payment shall be due on the next succeeding Business Day. The Lease Payments payable in any Rental Period with respect to the Property shall be for the use of the Property during such Rental Period.

Notwithstanding the foregoing, so long as the Owner is the United States of America acting through the Rural Housing Service (the "USDA"), Lease Payments shall be made directly to the Owner the via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). The District is required to participate in the Pre-Authorized Debit (PAD) payment process allowing for the Lease Payments to be electronically debited from its account on each Payment Date.

The interest component of the Lease Payments shall be calculated based on an interest rate of 3.750% per annum. Interest shall be computed on the basis of a year of 365 days and actual days elapsed.

(b) *Additional Payments.* In addition to the Lease Payments set forth herein, the District agrees to pay as Additional Payments all of the following:

(i) all taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon the Property or upon any interest of the Corporation therein or in this Lease Agreement; provided, however, the District may, at the District's expense and in its name, in good faith contest any such taxes and assessments and, in the event of such contest, may permit such taxes and assessments to remain unpaid during the period of such contest and appeal therefrom unless the Corporation shall notify the District that, in the opinion of Special Counsel, by

nonpayment of any such items, the interest of the Corporation in the Property will be materially endangered or the Property, or any portion thereof, will be subject to loss or forfeiture, in which event the District shall promptly pay such taxes and assessments or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation;

(ii) insurance premiums, if any, on all insurance required under the provisions of Article V hereof;

(iii) any other reasonable fees, costs or expenses incurred by the Corporation in connection with the execution, performance or enforcement of this Lease Agreement or any of the transactions contemplated hereby or related to the Property, including, without limitation, any amounts which may become due; provided, however, the District shall not be responsible for any costs incurred by the Corporation associated with any assignment made by the Assignee; and

(iv) any amounts required to be paid as rebate to the United States pursuant to the Tax Certificate.

Amounts constituting Additional Payments payable hereunder shall be paid by the District directly to the person or persons to whom such amounts shall be payable. The District shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Corporation to the District stating the amount of Additional Payments then due and payable and the purpose thereof.

(c) *Effect of Prepayment.* If the District prepays the Lease Payments in part but not in whole under Section 9.3, the principal components of the remaining Lease Payments will be reduced in inverse order of payment date.

(d) *Fair Rental Value.* The Lease Payments coming due and payable during each Rental Period constitute the total rental for the Property for such Rental Period, and will be paid by the District in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments due during each Rental Period are not in excess of the fair rental value of the Property during such Rental Periods. In making this determination, consideration has been given to the estimated fair market value of the Property, the estimated replacement cost of the Property, the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the District and the general public.

(e) *Source of Payments; Budget and Appropriation.* The Lease Payments are payable from any source of legally available funds of the District, subject to the provisions of Sections 6.1 and 9.1. The District covenants to take such action as may be necessary to include all Lease Payments in each of its annual budgets during the Term of this Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The covenants on the part of the District herein contained constitute duties imposed by law and it is the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the District.

(f) *Allocation of Lease Payments.* All Lease Payments received shall be applied first to the interest components of the Lease Payments due hereunder, then to the principal components of the Lease Payments due hereunder, but no such application of any payments that are less than the total rental due and owing shall be deemed a waiver of any default hereunder. Payments made shall be applied to the interest due through the next installment due date and the balance to principal. Delinquent payments will be applied in the following sequence: (i) billed delinquent interest, (ii) past due interest installments, (iii) past due principal installments, (iv) interest installment due, and (v) principal installment due. Any payment less than the payment due will be considered a default.

(g) *No Offsets.* Notwithstanding any dispute between the Corporation, or Assignee as the Corporation's assignee, and the District, the District shall make all Lease Payments when due without deduction or offset of any kind and shall not withhold any Lease Payments pending the final resolution of such dispute.

(h) *Assignment.* The District understands and agrees that all Lease Payments have been assigned by the Corporation to the Assignee under the Assignment Agreement executed concurrently herewith, and the District hereby assents to such assignment. The Corporation hereby directs the District, and the District hereby agrees, to pay to the Assignee, all payments payable by the District pursuant to this Section 4.3 and all amounts payable by the District pursuant to Article IX hereof. Lease Payments will be paid through the Pre-Authorized Debt Payment Process, to be established by the District and approved by the Assignee prior to the Closing Date.

Section 4.4. Quiet Enjoyment. Throughout the Term of this Lease Agreement, the Corporation will provide the District with quiet use and enjoyment of the Property and the District will peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Lease Agreement. The Corporation will, at the request of the District and at the District's cost, join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation and the Assignee have the right to inspect the Property as provided in Sections 5.12(c) and 7.2.

Section 4.5. Title. At all times during the Term of this Lease Agreement, the District shall hold title to the Property, including all additions which comprise fixtures, repairs, replacements or modifications thereto, subject to Permitted Encumbrances and subject to the provisions of Section 7.2.

Upon the termination of this Lease Agreement (other than under Section 8.2(b) hereof), all right, title and interest of the Corporation in and to the Property shall be transferred to and vested in the District. Upon the payment in full of all Lease Payments allocable to the Property, or upon the deposit by the District of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Corporation in and to the Property shall be transferred to and vested in the District. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the District to consummate any such transfer.

ARTICLE V

MAINTENANCE; TAXES; INSURANCE; USE LIMITATIONS; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of the Lease Agreement, as part of the consideration for the rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the District and the District shall pay, or otherwise arrange, for the payment of all utility services supplied to the Property which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the District or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only a leasehold interest in the Property, as hereinbefore more specifically set forth.

The District shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the District affecting the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the District shall be obligated to pay only such installments as are required to be paid during the Term of the Lease Agreement as and when the same become due.

The District may, at the District's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation shall notify the District that, in the opinion of Independent Counsel, by nonpayment of any such items, the interest of the Corporation in the Property will be materially endangered or the Property or any part thereof will be subject to loss or forfeiture, in which event the District shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation. The District shall provide the Corporation with written notice of any such contest and shall provide such updates on the contest as the Corporation may reasonably request.

Section 5.2. Modification of Property. The District shall, at its own expense, have the right to remodel the Property or to make additions, modifications and improvements to the Property. All additions, modifications and improvements to the Property shall thereafter comprise part of the Property and be subject to the provisions of this Lease Agreement. Such additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause the Property to be used for purposes other than those authorized under the provisions of State and federal law; and the Property, upon completion of any additions, modifications and improvements made thereto pursuant to this Section 5.2, shall be of a value which is not substantially less than the value of the Property immediately prior to the making of such additions, modifications and improvements. The District will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the District pursuant to this Section 5.2; provided that if any such lien is established and the District shall first notify the Corporation of the District's intention to do so, the District may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture

which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the District.

Section 5.3. Public Liability and Property Damage Insurance. The District shall maintain or cause to be maintained, throughout the Term of the Lease Agreement, insurance policies, including a standard comprehensive general insurance policy or policies in protection of the District and the Trustee and their respective members, officers, agents and employees. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the District, and may be maintained through a joint exercise of powers authority created for such purpose or in the form of self-insurance by the District. Said policy or policies shall provide for indemnification of said parties against direct or consequential loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Property. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$100,000 (subject to a deductible clause of not to exceed \$5,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the District and may be maintained in the form of in the form of self-insurance by the District. The Net Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 5.4. Fire and Extended Coverage Insurance; No Earthquake Insurance. The District shall maintain, or cause to be maintained throughout the Term of the Lease Agreement, insurance against loss or damage to any part of the Property constituting structures, by fire and lightning; *provided, however,* that the District shall not be required to maintain earthquake insurance with respect to the Property. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to one hundred percent (100%) of the replacement cost of such portion of the Property, if any. Such insurance may be subject to deductible clauses of not to exceed \$100,000 for any one loss. Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried by the District and may be maintained in whole or in part in the form of insurance maintained through a joint exercise of powers authority created for such purpose. The Net Proceeds of such insurance shall be applied as provided in Section 6.2(a) hereof.

Section 5.5. Insurance Net Proceeds; Form of Policies. Each policy or other evidence of insurance required by Sections 5.3, 5.4, 5.5 and 5.6 hereof shall provide that all proceeds thereunder shall be payable to the Trustee and shall be applied as provided in Section 6.2 hereof. Insurance must be provided by an insurer rated "A" or better by S&P or A.M. Best Company. The District shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease Agreement. All policies evidencing required insurance shall provide thirty (30) days' prior written notice to the District, the Trustee of any cancellation, reduction in amount or material change in coverage. The Trustee shall not be responsible for the sufficiency of any insurance herein required, including any forms of self-insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

Section 5.6. Advances. If the District shall fail to perform any of its obligations under this Article V, the Corporation or the Trustee may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and the District shall be obligated to repay all such advances as soon as possible, with interest at a rate equal to the rate then payable with respect to the Certificates from the date of the advance to the date of repayment.

Section 5.7. Installation of District's Equipment. The District may, at any time and from time to time in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon any portion of the Property. All such items shall remain the sole property of the District in which neither the Corporation nor the Trustee shall have any interest and may be modified or removed by the District at any time provided that the District shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the District from purchasing or leasing items to be installed pursuant to this Section 5.7 under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

Section 5.8. Liens. The District shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than the respective rights of the Corporation and the District as provided herein and Permitted Encumbrances. Except as expressly provided in this Article V, the District shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The District shall reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.9. No Condemnation. The District hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the District will not exercise the power of condemnation with respect to the Property. The District further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the District should fall or refuse to abide by such covenant and condemns the Property, the appraised value of the Property shall not be less than the greater of (i) if the Certificates are then subject to redemption, the principal and interest components of the Certificates Outstanding through the date of their redemption, or (ii) if the Certificates are not then subject to redemption, the amount necessary to defease the Certificates to the first available redemption date in accordance with the Trust Agreement.

Section 5.10. Tax Covenants.

(a) *Generally*. The District will not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Lease Payments to become includable in gross income of the Assignee for federal income tax purposes and will deliver a tax certificate on the Closing Date.

(b) *Private Activity Bond Limitation*. The District will ensure that the proceeds of the Lease Payments are not so used as to cause the District's obligations hereunder to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(c) *Federal Guarantee Prohibition.* The District will not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Lease Payments to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(d) *No Arbitrage.* The District will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Lease Payments which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Lease Payments to be “arbitrage bonds” within the meaning of Section 148(a) of the Tax Code.

(e) *Arbitrage Rebate.* The District will take any and all actions necessary to assure compliance with Section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Lease Payments.

Section 5.11. Financial Covenants.

(a) The District agrees to maintain a DSCR of at least 1.25. If the DSCR drops below 1.25 for any audited year then an independent management consultant shall be engaged at the expense of the District to prepare a fiscal strategy report that documents how the DSCR will be met, unless waived in writing by the Owner. This must be provided to the Owner no later than nine months after any Fiscal Year in which the DSCR drops below 1.25. Within 90 days of each Fiscal Year end, beginning with the Fiscal Year ended June 30, 2028, a District certified DSCR calculation shall be provided to the Owner and annually thereafter so long as the 2024 Notes are Outstanding.

Debt service coverage is defined as net income plus depreciation and amortization expense plus interest expense on debt divided by the sum of all debt payments including required reserve payments still due.

(b) The District agrees to maintain DCOH of 65 days. Within 30 days of each Fiscal Year end, beginning with the Fiscal Year ended June 30, 2028, a District certified DCOH calculation shall be provided to the Owner and annually thereafter so long as the 2024 Notes are Outstanding.

(c) So long as the Certificates are Outstanding, the District shall not incur any additional debt without the prior written consent of the Owner.

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

Section 6.1. Eminent Domain. If all of the Property shall be taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease Agreement shall cease as of the day possession shall be so taken. If less than all of the Property shall be taken permanently, or if all of the Property or any part thereof shall be taken temporarily under the power of eminent domain, this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary.

Notwithstanding the foregoing, the District hereby covenants and agrees, to the extent it may lawfully do so, that so long as any Certificates remain outstanding and unpaid, the District will not exercise the power of condemnation with respect the Property. The District further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the District should fail or refuse to abide by such covenant and condemns the Property, the appraised value of the Property shall not be less than the greater of (i) if such Certificates are then subject to redemption, the principal and interest components of the Certificates outstanding through the date of their redemption, or (ii) if such Certificates are not then subject to redemption, the amount necessary to defease such Certificates to the first available redemption date in accordance with the Trust Agreement.

Section 6.2. Application of Net Proceeds.

(a) *From Insurance Award*. The Net Proceeds of any insurance award resulting from any damage to or destruction of any portion of the Property constituting structures, if any, by fire or other casualty shall be paid by the District to the Trustee, as assignee of the Corporation under the Assignment Agreement, deposited in the Insurance and Condemnation Fund held by the Trustee and applied as set forth in Section 7.01 of the Trust Agreement.

(b) *From Eminent Domain Award*. The Net Proceeds of any eminent domain award resulting from any event described in Section 6.1 hereof shall be paid by the District to the Trustee, as assignee of the Corporation under the Assignment Agreement, deposited in the Insurance and Condemnation Fund and applied as set forth in Section 7.02 of the Trust Agreement.

ARTICLE VII

DISCLAIMER OF WARRANTIES; ACCESS; INDEMNIFICATION

Section 7.1. Disclaimer of Warranties. THE CORPORATION MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE DISTRICT OF THE PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROPERTY. IN NO EVENT SHALL THE CORPORATION OR ITS ASSIGNS BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE SITE AND FACILITY LEASE, THIS LEASE AGREEMENT OR THE TRUST AGREEMENT FOR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE DISTRICT'S USE OF THE PROPERTY.

Section 7.2. Access to the Property. The District agrees that the Owner, the Corporation and any District Representative, and the Corporation's successors or assigns, shall have the right at all reasonable times to enter upon and to examine and inspect the Property. The District further agrees that the Corporation, any District Representative, and the Corporation's successors or assigns, shall have such rights of access to the Property as may be reasonably necessary to cause the proper maintenance of the Property in the event of failure by the District to perform its obligations hereunder.

Section 7.3. Release and Indemnification Covenants. The District shall and hereby agrees to indemnify and save the Corporation and the Trustee and their officers, agents, directors, employees, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (i) the use, maintenance, condition or management of, or from any work or thing done on the Property by the District, (ii) any breach or default on the part of the District in the performance of any of its obligations under this Lease Agreement or the Trust Agreement, (iii) any act or omission of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Property, (iv) any act or omission of any sublessee of the District with respect to the Property, (v) the authorization of payment of Project Costs, (vi) the authorization of payment of the Delivery Costs, (vii) the clean-up of any Hazardous Substances or toxic wastes from the Property, or (viii) any claim alleging violation of any Applicable Environmental Laws, or the authorization of payment of the costs thereof. Such indemnification shall include the costs and expenses of defending any claim or liability arising under this Lease Agreement or the Trust Agreement and the transactions contemplated thereby. No indemnification is made under this Section 7.3 or elsewhere in this Lease Agreement for willful misconduct, negligence or breach of duty under this Lease Agreement by the Corporation, its officers, agents, directors, employees, successors or assigns.

Section 7.4. Reserve Fund. The District agrees to establish a separate debt service reserve account in an amount at least equal to average annual Lease Payments. This reserve will be accumulated at the rate of at least one-tenth (1/10) of average annual Lease Payments per year until the required level of average annual Lease Payment is reached.

ARTICLE VIII

ASSIGNMENT, SUBLEASING AND AMENDMENT

Section 8.1. Assignment by the Corporation. The Corporation's rights under this Lease Agreement, including the right to receive and enforce payment of the Lease Payments to be made by the District under this Lease Agreement (but except for its rights to give consents and approvals hereunder), have been assigned to the Trustee pursuant to the Assignment Agreement.

Section 8.2. Assignment and Subleasing by the District. This Lease Agreement may not be assigned by the District. The District may sublease the Property or any portion thereof, but only with the written consent of the Corporation and subject to, and delivery to the Corporation of a certificate as to, all of the following conditions:

(a) This Lease Agreement and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District;

(b) The District shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Corporation, the Trustee a true and complete copy of such sublease;

(c) No such sublease by the District shall cause the Property to be used for a purpose other than as may be authorized under the provisions of the Constitution and laws of the State; and

(d) The District shall furnish the Corporation and the Trustee with a written opinion of Bond Counsel, which shall be an Independent Counsel, stating that such sublease does not cause the interest components of the Lease Payments to become subject to State personal income taxes.

Notwithstanding the foregoing, the District may sublease the Property to the Corporation in connection with a future certificates of participation or lease revenue bond financing without the necessity to comply with any of the foregoing conditions, so long as the total of the unpaid principal component of the Lease Payments and the principal component of the lease payments to be paid with respect to such future certificates of participation or lease revenue bond financing does not exceed the value of the Property.

Notwithstanding the foregoing, no assignment or subleasing shall be permitted without the prior written consent of the Owner.

Section 8.3. Amendment of Lease Agreement. This Lease Agreement may be amended with the prior written consent of the Owner, Corporation and the Assignee (at the Assignee's sole discretion) provided such amendment does not, in the Assignee's sole judgment, adversely affect the Assignee.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The following shall be “events of default” under this Lease Agreement and the terms “Events of Default” and “Default” shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:

(a) Failure by the District to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein. If the Lease Payment is made ten days past the due date, the fee will be computed on the daily interest accrual on the amount of principal past due for each day past due.

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Lease Agreement (including failure to request appropriation pursuant to Section 4.4(d) hereof) or under the Trust Agreement, other than as referred to in clause (a) of this Section 9.1, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Corporation, the Trustee or the Owners of not less than five percent (5%) in aggregate principal amount of Certificates then outstanding; *provided, however*, if the failure stated in the notice can be corrected, but not within the applicable period, the Corporation, the Trustee and such Owners shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected.

(c) The filing by the District of a voluntary petition in bankruptcy, or failure by the District promptly to lift any execution, garnishment or attachment, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of creditors, or the entry by the District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 hereof shall have happened and be continuing, it shall be lawful for the Owner and the Trustee, as assignee of the Corporation, to exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement. Each and every covenant hereof to be kept and performed by the District is expressly made a condition and upon the breach thereof, the Trustee, as assignee of the Corporation, may exercise any and all rights of entry and re-entry upon the Property, and also, at its option, with or without such entry, may terminate this Lease Agreement; provided, that no such termination shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. In the event of such default and notwithstanding any re-entry by the Trustee, as assignee of the Corporation, the District shall, as herein expressly provided, continue to remain liable for the payment of the Lease Payments and/or damages for breach of this Lease Agreement and the performance of all conditions herein contained and, in any event such rent and/or damages shall be payable to the Trustee, as assignee of the Corporation, at the time and in the manner as herein provided, to wit:

(a) In the event the Trustee, as assignee of the Corporation, does not elect to terminate this Lease Agreement in the manner hereinafter provided for in subparagraph (b) hereof, the District agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Trustee, as assignee of

the Corporation, for any deficiency arising out of the re-leasing of the Property, or, in the event the Trustee, as assignee of the Corporation, is unable to re-lease the Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Trustee, as assignee of the Corporation, or any suit in unlawful detainer, or otherwise, brought by the Trustee, as assignee of the Corporation, for the purpose of effecting such re-entry or obtaining possession of the Property or the exercise of any other remedy by the Trustee, as assignee of the Corporation. The District hereby irrevocably appoints the Trustee, as assignee of the Corporation, as the agent and attorney-in-fact of the District to enter upon and re-lease the Property in the event of default by the District in the performance of any covenants herein contained to be performed by the District and to remove all personal property whatsoever situated upon the Property, to place such property in storage or other suitable place within Modoc County, for the account of and at the expense of the District, and the District hereby exempts and agrees to save harmless the Trustee, as assignee of the Corporation, from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Property and the removal and storage of such property by the Trustee, as assignee of the Corporation, or its duly authorized agents in accordance with the provisions herein contained. The District hereby waives any and all claims for damages caused or which may be caused by the Trustee, as assignee of the Corporation, in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the District that may be in or upon the Property. The District agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Trustee, as assignee of the Corporation, to re-lease the Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the District the right to terminate this Lease Agreement shall vest in the Trustee, as assignee of the Corporation, to be effected in the sole and exclusive manner hereinafter provided for in paragraph (b) hereof.

(b) In an Event of Default hereunder, the Trustee, as assignee of the Corporation, at its option, with the prior written consent of the Owner, may terminate this Lease Agreement and with the prior written consent of the Owner re-lease all or any portion of the Property. In the event of the termination of this Lease Agreement by the Trustee, as assignee of the Corporation, at its option and in the manner hereinafter provided on account of default by the District (and notwithstanding any re-entry upon the Property by the Trustee, as assignee of the Corporation, in any manner whatsoever or the re-leasing of the Property), the District nevertheless agrees to pay to the Trustee, as assignee of the Corporation, all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments. Any surplus received by the Trustee, as assignee of the Corporation, from such re-leasing shall be credited towards the Lease Payments next coming due and payable. Neither notice to pay rent or to deliver up possession of the premises given pursuant to law nor any proceeding in unlawful detainer taken by the Trustee, as assignee of the Corporation, shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of default by the District shall be or become effective by operation of law, or otherwise, unless and until the Trustee, as assignee of the Corporation, shall have given written notice to the District of the election on the part of the Trustee, as assignee of the Corporation, to terminate this Lease Agreement. The District covenants and agrees that no surrender of the Property and/or of the remainder of the Term of the Lease Agreement or any termination of this Lease Agreement shall be valid in any manner or for any

purpose whatsoever unless stated or accepted by the Trustee, as assignee of the Corporation, by such written notice.

Section 9.3. No Remedy Exclusive. No remedy herein is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article IX it shall not be necessary to give any notice, other than such notice as may be required in this Article IX or by law.

Section 9.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease Agreement should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand, pay to the nondefaulting party the reasonable fees and expenses of such attorneys and such other expenses so incurred by the nondefaulting party; *provided, however*, that the Trustee shall not be required to expend its own funds for any payment described in this Section 9.4.

Section 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.6. Application of Proceeds. All net proceeds received from the re-lease or other disposition of the Property under this Article IX, and all other amounts derived by the Corporation or the Trustee as a result of an Event of Default hereunder, shall be transferred to the Trustee promptly upon receipt thereof and after payment of all fees and expenses of the Trustee, including indemnifications and attorneys' fees, shall be deposited by the Trustee in the Lease Payment Fund to be applied to the Lease Payments in order of payment date.

Section 9.7. Trustee and Certificate Owners to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article IX have been assigned by the Corporation to the Trustee under the Assignment Agreement, to which assignment the District hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Certificates as provided in the Trust Agreement and herein.

Section 9.8. No Right to Terminate for Corporation Default. The District shall not have the right to terminate this Lease Agreement as a remedy for a default by the Corporation in the performance of its obligations hereunder.

ARTICLE X

PREPAYMENT OF LEASE PAYMENTS

Section 10.1. Optional Prepayment. The District may prepay the principal component of the Lease Payments in full or in part, on any date upon at least 30 days' notice to the Assignee, at a prepayment amount equal to the principal amount of Lease Payments to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Section 10.2. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain. The District shall be obligated to prepay the unpaid principal components of the Lease Payments in whole or in part in such order of prepayment as shall be selected by the District on any date, together with any accrued and unpaid interest, and any other costs related to such prepayment, from and to the extent of any proceeds of insurance award or condemnation award with respect to the Property to be used for such purpose under Section 6.2. The District and the Corporation hereby agree that such proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the District's obligations under this Section 10.2

Section 10.3. Graduation. The District acknowledges that it may be required to refinance the unpaid principal amount of Lease Payments, in whole or in part if, at any time, the Owner determines that the District is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time, the District will be required to refinance. The District acknowledges that ability to refinance will be assessed every other year after the fifth year of this Lease Agreement.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received 48 hours after deposit in the United States mail in first-class form with postage fully prepaid:

If to the District:	Last Frontier Healthcare District 1111 North Nagle Street Alturas, CA 96101 Attention: Chief Executive Officer Phone: (530) 708-8801
If to the Corporation:	CSDA Finance Corporation 1112 I Street, Suite 200 Sacramento, Ca 95814 Attention: Chief Executive Officer Phone: (877) 924-2732
If to the Owner:	United States of America, acting through the Rural Housing Service 430 G Street, Agency 4169 Davis, CA 95616 Attention: Community Facilities Program Director Telephone: (530) 792-5834
If to the Trustee:	Last Frontier Healthcare District Treasurer 1111 North Nagle Street Alturas, CA 96101 Attention: Chief Executive Officer Phone: (530) 708-8801

The Corporation, the District, the Owner and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.2. Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the Corporation and the District and their respective successors and assigns.

Section 11.3. Severability. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Net-net-net Lease. This Lease Agreement shall be deemed and construed to be a "net-net-net lease" and the District hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

Section 11.5. Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intentions of this Lease Agreement.

Section 11.6. Execution in Counterparts. This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7. Applicable Law. This Lease Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.8. Corporation and District Representatives. Whenever under the provisions of this Lease Agreement the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by a Corporation Representative and for the District by a District Representative, and each party hereto shall be authorized to rely upon any such approval or request.

Section 11.9. Captions. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Corporation has caused this Lease Agreement to be executed in its name by its duly authorized officers; and the District has caused this Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

CSDA FINANCE CORPORATION

By _____
Name _____
Title _____

LAST FRONTIER HEALTHCARE
DISTRICT

By _____
Name _____
Title _____

EXHIBIT A

DESCRIPTION OF THE PROPERTY

The Property consists of the District's Modoc Medical Center located at 1109 North Nagle Street in Alturas, California.

EXHIBIT B**SCHEDULE OF LEASE PAYMENTS**

Monthly			
Lease			
Payment			
Date	Principal	Interest	Total
12/28/25	26,520.00	75,000.00	101,520.00
1/28/26	26,602.88	74,917.13	101,520.00
2/28/26	26,686.01	74,833.99	101,520.00
3/28/26	26,769.40	74,750.60	101,520.00
4/28/26	26,853.06	74,666.94	101,520.00
5/28/26	26,936.97	74,583.03	101,520.00
6/28/26	27,021.15	74,498.85	101,520.00
7/28/26	27,105.59	74,414.41	101,520.00
8/28/26	27,190.30	74,329.70	101,520.00
9/28/26	27,275.27	74,244.73	101,520.00
10/28/26	27,360.50	74,159.50	101,520.00
11/28/26	27,446.00	74,074.00	101,520.00
12/28/26	27,531.77	73,988.23	101,520.00
1/28/27	27,617.81	73,902.19	101,520.00
2/28/27	27,704.11	73,815.89	101,520.00
3/28/27	27,790.69	73,729.31	101,520.00
4/28/27	27,877.54	73,642.46	101,520.00
5/28/27	27,964.65	73,555.35	101,520.00
6/28/27	28,052.04	73,467.96	101,520.00
7/28/27	28,139.71	73,380.29	101,520.00
8/28/27	28,227.64	73,292.36	101,520.00
9/28/27	28,315.85	73,204.15	101,520.00
10/28/27	28,404.34	73,115.66	101,520.00
11/28/27	28,493.10	73,026.90	101,520.00
12/28/27	28,582.14	72,937.86	101,520.00
1/28/28	28,671.46	72,848.54	101,520.00
2/28/28	28,761.06	72,758.94	101,520.00
3/28/28	28,850.94	72,669.06	101,520.00
4/28/28	28,941.10	72,578.90	101,520.00
5/28/28	29,031.54	72,488.46	101,520.00
6/28/28	29,122.26	72,397.74	101,520.00
7/28/28	29,213.27	72,306.73	101,520.00
8/28/28	29,304.56	72,215.44	101,520.00
9/28/28	29,396.14	72,123.86	101,520.00
10/28/28	29,488.00	72,032.00	101,520.00
11/28/28	29,580.15	71,939.85	101,520.00
12/28/28	29,672.59	71,847.41	101,520.00
1/28/29	29,765.32	71,754.68	101,520.00
2/28/29	29,858.33	71,661.67	101,520.00
3/28/29	29,951.64	71,568.36	101,520.00
4/28/29	30,045.24	71,474.76	101,520.00
5/28/29	30,139.13	71,380.87	101,520.00
6/28/29	30,233.32	71,286.68	101,520.00
7/28/29	30,327.80	71,192.20	101,520.00
8/28/29	30,422.57	71,097.43	101,520.00
9/28/29	30,517.64	71,002.36	101,520.00
10/28/29	30,613.01	70,906.99	101,520.00
11/28/29	30,708.67	70,811.33	101,520.00

12/28/29	30,804.64	70,715.36	101,520.00
1/28/30	30,900.90	70,619.10	101,520.00
2/28/30	30,997.47	70,522.53	101,520.00
3/28/30	31,094.34	70,425.66	101,520.00
4/28/30	31,191.51	70,328.49	101,520.00
5/28/30	31,288.98	70,231.02	101,520.00
6/28/30	31,386.76	70,133.24	101,520.00
7/28/30	31,484.84	70,035.16	101,520.00
8/28/30	31,583.23	69,936.77	101,520.00
9/28/30	31,681.93	69,838.07	101,520.00
10/28/30	31,780.93	69,739.07	101,520.00
11/28/30	31,880.25	69,639.75	101,520.00
12/28/30	31,979.88	69,540.12	101,520.00
1/28/31	32,079.81	69,440.19	101,520.00
2/28/31	32,180.06	69,339.94	101,520.00
3/28/31	32,280.62	69,239.38	101,520.00
4/28/31	32,381.50	69,138.50	101,520.00
5/28/31	32,482.69	69,037.31	101,520.00
6/28/31	32,584.20	68,935.80	101,520.00
7/28/31	32,686.03	68,833.97	101,520.00
8/28/31	32,788.17	68,731.83	101,520.00
9/28/31	32,890.63	68,629.37	101,520.00
10/28/31	32,993.42	68,526.58	101,520.00
11/28/31	33,096.52	68,423.48	101,520.00
12/28/31	33,199.95	68,320.05	101,520.00
1/28/32	33,303.70	68,216.30	101,520.00
2/28/32	33,407.77	68,112.23	101,520.00
3/28/32	33,512.17	68,007.83	101,520.00
4/28/32	33,616.90	67,903.10	101,520.00
5/28/32	33,721.95	67,798.05	101,520.00
6/28/32	33,827.33	67,692.67	101,520.00
7/28/32	33,933.04	67,586.96	101,520.00
8/28/32	34,039.08	67,480.92	101,520.00
9/28/32	34,145.45	67,374.55	101,520.00
10/28/32	34,252.16	67,267.84	101,520.00
11/28/32	34,359.20	67,160.80	101,520.00
12/28/32	34,466.57	67,053.43	101,520.00
1/28/33	34,574.28	66,945.72	101,520.00
2/28/33	34,682.32	66,837.68	101,520.00
3/28/33	34,790.70	66,729.30	101,520.00
4/28/33	34,899.43	66,620.57	101,520.00
5/28/33	35,008.49	66,511.51	101,520.00
6/28/33	35,117.89	66,402.11	101,520.00
7/28/33	35,227.63	66,292.37	101,520.00
8/28/33	35,337.72	66,182.28	101,520.00
9/28/33	35,448.15	66,071.85	101,520.00
10/28/33	35,558.92	65,961.08	101,520.00
11/28/33	35,670.05	65,849.95	101,520.00
12/28/33	35,781.51	65,738.49	101,520.00
1/28/34	35,893.33	65,626.67	101,520.00
2/28/34	36,005.50	65,514.50	101,520.00
3/28/34	36,118.02	65,401.98	101,520.00
4/28/34	36,230.88	65,289.12	101,520.00
5/28/34	36,344.11	65,175.89	101,520.00
6/28/34	36,457.68	65,062.32	101,520.00
7/28/34	36,571.61	64,948.39	101,520.00
8/28/34	36,685.90	64,834.10	101,520.00
9/28/34	36,800.54	64,719.46	101,520.00

10/28/34	36,915.54	64,604.46	101,520.00
11/28/34	37,030.90	64,489.10	101,520.00
12/28/34	37,146.62	64,373.38	101,520.00
1/28/35	37,262.71	64,257.29	101,520.00
2/28/35	37,379.15	64,140.85	101,520.00
3/28/35	37,495.96	64,024.04	101,520.00
4/28/35	37,613.14	63,906.86	101,520.00
5/28/35	37,730.68	63,789.32	101,520.00
6/28/35	37,848.59	63,671.41	101,520.00
7/28/35	37,966.87	63,553.13	101,520.00
8/28/35	38,085.51	63,434.49	101,520.00
9/28/35	38,204.53	63,315.47	101,520.00
10/28/35	38,323.92	63,196.08	101,520.00
11/28/35	38,443.68	63,076.32	101,520.00
12/28/35	38,563.82	62,956.18	101,520.00
1/28/36	38,684.33	62,835.67	101,520.00
2/28/36	38,805.22	62,714.78	101,520.00
3/28/36	38,926.48	62,593.52	101,520.00
4/28/36	39,048.13	62,471.87	101,520.00
5/28/36	39,170.15	62,349.85	101,520.00
6/28/36	39,292.56	62,227.44	101,520.00
7/28/36	39,415.35	62,104.65	101,520.00
8/28/36	39,538.52	61,981.48	101,520.00
9/28/36	39,662.08	61,857.92	101,520.00
10/28/36	39,786.02	61,733.98	101,520.00
11/28/36	39,910.36	61,609.64	101,520.00
12/28/36	40,035.08	61,484.92	101,520.00
1/28/37	40,160.19	61,359.81	101,520.00
2/28/37	40,285.69	61,234.31	101,520.00
3/28/37	40,411.58	61,108.42	101,520.00
4/28/37	40,537.87	60,982.13	101,520.00
5/28/37	40,664.55	60,855.45	101,520.00
6/28/37	40,791.62	60,728.38	101,520.00
7/28/37	40,919.10	60,600.90	101,520.00
8/28/37	41,046.97	60,473.03	101,520.00
9/28/37	41,175.24	60,344.76	101,520.00
10/28/37	41,303.91	60,216.09	101,520.00
11/28/37	41,432.99	60,087.01	101,520.00
12/28/37	41,562.47	59,957.53	101,520.00
1/28/38	41,692.35	59,827.65	101,520.00
2/28/38	41,822.64	59,697.36	101,520.00
3/28/38	41,953.33	59,566.67	101,520.00
4/28/38	42,084.44	59,435.56	101,520.00
5/28/38	42,215.95	59,304.05	101,520.00
6/28/38	42,347.88	59,172.12	101,520.00
7/28/38	42,480.21	59,039.79	101,520.00
8/28/38	42,612.96	58,907.04	101,520.00
9/28/38	42,746.13	58,773.87	101,520.00
10/28/38	42,879.71	58,640.29	101,520.00
11/28/38	43,013.71	58,506.29	101,520.00
12/28/38	43,148.13	58,371.87	101,520.00
1/28/39	43,282.97	58,237.03	101,520.00
2/28/39	43,418.23	58,101.77	101,520.00
3/28/39	43,553.91	57,966.09	101,520.00
4/28/39	43,690.01	57,829.99	101,520.00
5/28/39	43,826.54	57,693.46	101,520.00
6/28/39	43,963.50	57,556.50	101,520.00
7/28/39	44,100.89	57,419.11	101,520.00

8/28/39	44,238.70	57,281.30	101,520.00
9/28/39	44,376.95	57,143.05	101,520.00
10/28/39	44,515.63	57,004.37	101,520.00
11/28/39	44,654.74	56,865.26	101,520.00
12/28/39	44,794.28	56,725.72	101,520.00
1/28/40	44,934.27	56,585.73	101,520.00
2/28/40	45,074.69	56,445.31	101,520.00
3/28/40	45,215.54	56,304.46	101,520.00
4/28/40	45,356.84	56,163.16	101,520.00
5/28/40	45,498.58	56,021.42	101,520.00
6/28/40	45,640.77	55,879.23	101,520.00
7/28/40	45,783.39	55,736.61	101,520.00
8/28/40	45,926.47	55,593.53	101,520.00
9/28/40	46,069.99	55,450.01	101,520.00
10/28/40	46,213.96	55,306.04	101,520.00
11/28/40	46,358.37	55,161.63	101,520.00
12/28/40	46,503.24	55,016.76	101,520.00
1/28/41	46,648.57	54,871.43	101,520.00
2/28/41	46,794.34	54,725.66	101,520.00
3/28/41	46,940.58	54,579.42	101,520.00
4/28/41	47,087.27	54,432.73	101,520.00
5/28/41	47,234.41	54,285.59	101,520.00
6/28/41	47,382.02	54,137.98	101,520.00
7/28/41	47,530.09	53,989.91	101,520.00
8/28/41	47,678.62	53,841.38	101,520.00
9/28/41	47,827.62	53,692.38	101,520.00
10/28/41	47,977.08	53,542.92	101,520.00
11/28/41	48,127.01	53,392.99	101,520.00
12/28/41	48,277.40	53,242.60	101,520.00
1/28/42	48,428.27	53,091.73	101,520.00
2/28/42	48,579.61	52,940.39	101,520.00
3/28/42	48,731.42	52,788.58	101,520.00
4/28/42	48,883.71	52,636.29	101,520.00
5/28/42	49,036.47	52,483.53	101,520.00
6/28/42	49,189.71	52,330.29	101,520.00
7/28/42	49,343.42	52,176.58	101,520.00
8/28/42	49,497.62	52,022.38	101,520.00
9/28/42	49,652.30	51,867.70	101,520.00
10/28/42	49,807.47	51,712.53	101,520.00
11/28/42	49,963.11	51,556.89	101,520.00
12/28/42	50,119.25	51,400.75	101,520.00
1/28/43	50,275.87	51,244.13	101,520.00
2/28/43	50,432.98	51,087.02	101,520.00
3/28/43	50,590.59	50,929.41	101,520.00
4/28/43	50,748.68	50,771.32	101,520.00
5/28/43	50,907.27	50,612.73	101,520.00
6/28/43	51,066.36	50,453.64	101,520.00
7/28/43	51,225.94	50,294.06	101,520.00
8/28/43	51,386.02	50,133.98	101,520.00
9/28/43	51,546.60	49,973.40	101,520.00
10/28/43	51,707.68	49,812.32	101,520.00
11/28/43	51,869.27	49,650.73	101,520.00
12/28/43	52,031.36	49,488.64	101,520.00
1/28/44	52,193.96	49,326.04	101,520.00
2/28/44	52,357.07	49,162.93	101,520.00
3/28/44	52,520.68	48,999.32	101,520.00
4/28/44	52,684.81	48,835.19	101,520.00
5/28/44	52,849.45	48,670.55	101,520.00

6/28/44	53,014.60	48,505.40	101,520.00
7/28/44	53,180.28	48,339.72	101,520.00
8/28/44	53,346.46	48,173.54	101,520.00
9/28/44	53,513.17	48,006.83	101,520.00
10/28/44	53,680.40	47,839.60	101,520.00
11/28/44	53,848.15	47,671.85	101,520.00
12/28/44	54,016.43	47,503.57	101,520.00
1/28/45	54,185.23	47,334.77	101,520.00
2/28/45	54,354.56	47,165.44	101,520.00
3/28/45	54,524.41	46,995.59	101,520.00
4/28/45	54,694.80	46,825.20	101,520.00
5/28/45	54,865.72	46,654.28	101,520.00
6/28/45	55,037.18	46,482.82	101,520.00
7/28/45	55,209.17	46,310.83	101,520.00
8/28/45	55,381.70	46,138.30	101,520.00
9/28/45	55,554.77	45,965.23	101,520.00
10/28/45	55,728.38	45,791.62	101,520.00
11/28/45	55,902.53	45,617.47	101,520.00
12/28/45	56,077.22	45,442.78	101,520.00
1/28/46	56,252.46	45,267.54	101,520.00
2/28/46	56,428.25	45,091.75	101,520.00
3/28/46	56,604.59	44,915.41	101,520.00
4/28/46	56,781.48	44,738.52	101,520.00
5/28/46	56,958.92	44,561.08	101,520.00
6/28/46	57,136.92	44,383.08	101,520.00
7/28/46	57,315.47	44,204.53	101,520.00
8/28/46	57,494.58	44,025.42	101,520.00
9/28/46	57,674.25	43,845.75	101,520.00
10/28/46	57,854.49	43,665.51	101,520.00
11/28/46	58,035.28	43,484.72	101,520.00
12/28/46	58,216.64	43,303.36	101,520.00
1/28/47	58,398.57	43,121.43	101,520.00
2/28/47	58,581.06	42,938.94	101,520.00
3/28/47	58,764.13	42,755.87	101,520.00
4/28/47	58,947.77	42,572.23	101,520.00
5/28/47	59,131.98	42,388.02	101,520.00
6/28/47	59,316.77	42,203.23	101,520.00
7/28/47	59,502.13	42,017.87	101,520.00
8/28/47	59,688.08	41,831.92	101,520.00
9/28/47	59,874.60	41,645.40	101,520.00
10/28/47	60,061.71	41,458.29	101,520.00
11/28/47	60,249.40	41,270.60	101,520.00
12/28/47	60,437.68	41,082.32	101,520.00
1/28/48	60,626.55	40,893.45	101,520.00
2/28/48	60,816.01	40,703.99	101,520.00
3/28/48	61,006.06	40,513.94	101,520.00
4/28/48	61,196.70	40,323.30	101,520.00
5/28/48	61,387.94	40,132.06	101,520.00
6/28/48	61,579.78	39,940.22	101,520.00
7/28/48	61,772.22	39,747.78	101,520.00
8/28/48	61,965.25	39,554.75	101,520.00
9/28/48	62,158.89	39,361.11	101,520.00
10/28/48	62,353.14	39,166.86	101,520.00
11/28/48	62,548.00	38,972.00	101,520.00
12/28/48	62,743.46	38,776.54	101,520.00
1/28/49	62,939.53	38,580.47	101,520.00
2/28/49	63,136.22	38,383.78	101,520.00
3/28/49	63,333.52	38,186.48	101,520.00

4/28/49	63,531.43	37,988.57	101,520.00
5/28/49	63,729.97	37,790.03	101,520.00
6/28/49	63,929.13	37,590.87	101,520.00
7/28/49	64,128.91	37,391.09	101,520.00
8/28/49	64,329.31	37,190.69	101,520.00
9/28/49	64,530.34	36,989.66	101,520.00
10/28/49	64,731.99	36,788.01	101,520.00
11/28/49	64,934.28	36,585.72	101,520.00
12/28/49	65,137.20	36,382.80	101,520.00
1/28/50	65,340.76	36,179.24	101,520.00
2/28/50	65,544.95	35,975.05	101,520.00
3/28/50	65,749.77	35,770.23	101,520.00
4/28/50	65,955.24	35,564.76	101,520.00
5/28/50	66,161.35	35,358.65	101,520.00
6/28/50	66,368.11	35,151.89	101,520.00
7/28/50	66,575.51	34,944.49	101,520.00
8/28/50	66,783.55	34,736.45	101,520.00
9/28/50	66,992.25	34,527.75	101,520.00
10/28/50	67,201.60	34,318.40	101,520.00
11/28/50	67,411.61	34,108.39	101,520.00
12/28/50	67,622.27	33,897.73	101,520.00
1/28/51	67,833.59	33,686.41	101,520.00
2/28/51	68,045.57	33,474.43	101,520.00
3/28/51	68,258.21	33,261.79	101,520.00
4/28/51	68,471.52	33,048.48	101,520.00
5/28/51	68,685.49	32,834.51	101,520.00
6/28/51	68,900.13	32,619.87	101,520.00
7/28/51	69,115.45	32,404.55	101,520.00
8/28/51	69,331.43	32,188.57	101,520.00
9/28/51	69,548.09	31,971.91	101,520.00
10/28/51	69,765.43	31,754.57	101,520.00
11/28/51	69,983.45	31,536.55	101,520.00
12/28/51	70,202.15	31,317.85	101,520.00
1/28/52	70,421.53	31,098.47	101,520.00
2/28/52	70,641.60	30,878.40	101,520.00
3/28/52	70,862.35	30,657.65	101,520.00
4/28/52	71,083.80	30,436.20	101,520.00
5/28/52	71,305.93	30,214.07	101,520.00
6/28/52	71,528.76	29,991.24	101,520.00
7/28/52	71,752.29	29,767.71	101,520.00
8/28/52	71,976.52	29,543.48	101,520.00
9/28/52	72,201.44	29,318.56	101,520.00
10/28/52	72,427.07	29,092.93	101,520.00
11/28/52	72,653.41	28,866.59	101,520.00
12/28/52	72,880.45	28,639.55	101,520.00
1/28/53	73,108.20	28,411.80	101,520.00
2/28/53	73,336.66	28,183.34	101,520.00
3/28/53	73,565.84	27,954.16	101,520.00
4/28/53	73,795.73	27,724.27	101,520.00
5/28/53	74,026.35	27,493.65	101,520.00
6/28/53	74,257.68	27,262.32	101,520.00
7/28/53	74,489.73	27,030.27	101,520.00
8/28/53	74,722.51	26,797.49	101,520.00
9/28/53	74,956.02	26,563.98	101,520.00
10/28/53	75,190.26	26,329.74	101,520.00
11/28/53	75,425.23	26,094.77	101,520.00
12/28/53	75,660.93	25,859.07	101,520.00
1/28/54	75,897.37	25,622.63	101,520.00

2/28/54	76,134.55	25,385.45	101,520.00
3/28/54	76,372.47	25,147.53	101,520.00
4/28/54	76,611.14	24,908.86	101,520.00
5/28/54	76,850.55	24,669.45	101,520.00
6/28/54	77,090.70	24,429.30	101,520.00
7/28/54	77,331.61	24,188.39	101,520.00
8/28/54	77,573.27	23,946.73	101,520.00
9/28/54	77,815.69	23,704.31	101,520.00
10/28/54	78,058.87	23,461.13	101,520.00
11/28/54	78,302.80	23,217.20	101,520.00
12/28/54	78,547.50	22,972.50	101,520.00
1/28/55	78,792.96	22,727.04	101,520.00
2/28/55	79,039.18	22,480.82	101,520.00
3/28/55	79,286.18	22,233.82	101,520.00
4/28/55	79,533.95	21,986.05	101,520.00
5/28/55	79,782.49	21,737.51	101,520.00
6/28/55	80,031.81	21,488.19	101,520.00
7/28/55	80,281.91	21,238.09	101,520.00
8/28/55	80,532.80	20,987.20	101,520.00
9/28/55	80,784.46	20,735.54	101,520.00
10/28/55	81,036.91	20,483.09	101,520.00
11/28/55	81,290.15	20,229.85	101,520.00
12/28/55	81,544.18	19,975.82	101,520.00
1/28/56	81,799.01	19,720.99	101,520.00
2/28/56	82,054.63	19,465.37	101,520.00
3/28/56	82,311.05	19,208.95	101,520.00
4/28/56	82,568.27	18,951.73	101,520.00
5/28/56	82,826.30	18,693.70	101,520.00
6/28/56	83,085.13	18,434.87	101,520.00
7/28/56	83,344.77	18,175.23	101,520.00
8/28/56	83,605.23	17,914.77	101,520.00
9/28/56	83,866.49	17,653.51	101,520.00
10/28/56	84,128.57	17,391.43	101,520.00
11/28/56	84,391.48	17,128.52	101,520.00
12/28/56	84,655.20	16,864.80	101,520.00
1/28/57	84,919.75	16,600.25	101,520.00
2/28/57	85,185.12	16,334.88	101,520.00
3/28/57	85,451.33	16,068.67	101,520.00
4/28/57	85,718.36	15,801.64	101,520.00
5/28/57	85,986.23	15,533.77	101,520.00
6/28/57	86,254.94	15,265.06	101,520.00
7/28/57	86,524.48	14,995.52	101,520.00
8/28/57	86,794.87	14,725.13	101,520.00
9/28/57	87,066.11	14,453.89	101,520.00
10/28/57	87,338.19	14,181.81	101,520.00
11/28/57	87,611.12	13,908.88	101,520.00
12/28/57	87,884.91	13,635.09	101,520.00
1/28/58	88,159.55	13,360.45	101,520.00
2/28/58	88,435.04	13,084.96	101,520.00
3/28/58	88,711.40	12,808.60	101,520.00
4/28/58	88,988.63	12,531.37	101,520.00
5/28/58	89,266.72	12,253.28	101,520.00
6/28/58	89,545.67	11,974.33	101,520.00
7/28/58	89,825.50	11,694.50	101,520.00
8/28/58	90,106.21	11,413.79	101,520.00
9/28/58	90,387.79	11,132.21	101,520.00
10/28/58	90,670.25	10,849.75	101,520.00
11/28/58	90,953.60	10,566.40	101,520.00

12/28/58	91,237.83	10,282.17	101,520.00
1/28/59	91,522.95	9,997.05	101,520.00
2/28/59	91,808.96	9,711.04	101,520.00
3/28/59	92,095.86	9,424.14	101,520.00
4/28/59	92,383.66	9,136.34	101,520.00
5/28/59	92,672.36	8,847.64	101,520.00
6/28/59	92,961.96	8,558.04	101,520.00
7/28/59	93,252.46	8,267.54	101,520.00
8/28/59	93,543.88	7,976.12	101,520.00
9/28/59	93,836.20	7,683.80	101,520.00
10/28/59	94,129.44	7,390.56	101,520.00
11/28/59	94,423.60	7,096.40	101,520.00
12/28/59	94,718.67	6,801.33	101,520.00
1/28/60	95,014.66	6,505.34	101,520.00
2/28/60	95,311.59	6,208.41	101,520.00
3/28/60	95,609.43	5,910.57	101,520.00
4/28/60	95,908.21	5,611.79	101,520.00
5/28/60	96,207.93	5,312.07	101,520.00
6/28/60	96,508.58	5,011.42	101,520.00
7/28/60	96,810.17	4,709.83	101,520.00
8/28/60	97,112.70	4,407.30	101,520.00
9/28/60	97,416.17	4,103.83	101,520.00
10/28/60	97,720.60	3,799.40	101,520.00
11/28/60	98,025.98	3,494.02	101,520.00
12/28/60	98,332.31	3,187.69	101,520.00
1/28/61	98,639.60	2,880.40	101,520.00
2/28/61	98,947.85	2,572.15	101,520.00
3/28/61	99,257.06	2,262.94	101,520.00
4/28/61	99,567.24	1,952.76	101,520.00
5/28/61	99,878.38	1,641.62	101,520.00
6/28/61	100,190.50	1,329.50	101,520.00
7/28/61	100,503.60	1,016.40	101,520.00
8/28/61	100,817.67	702.33	101,520.00
9/28/61	101,132.73	387.27	101,520.00
10/28/61	101,448.77	71.23	101,520.00

SITE AND FACILITY LEASE

Dated as of November 1, 2025

by and between the

LAST FRONTIER HEALTHCARE DISTRICT

and the

CSDA FINANCE CORPORATION

Certificates of Participation
(2025 Permanent Financing)

SITE AND FACILITY LEASE

THIS SITE AND FACILITY LEASE (this "Site and Facility Lease"), dated as of November 1, 2025, is by and between the LAST FRONTIER HEALTHCARE DISTRICT, a health care district organized and existing under and by virtue of the laws of the State of California, as lessor (the "District"), and the CSDA FINANCE CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California, as lessee (the "Corporation");

WITNESSETH:

WHEREAS, the Corporation intends to assist the District to prepay and redeem the outstanding Last Frontier Healthcare District 2024 Bond Anticipation Notes (the "2024 Notes"), by leasing certain land and improvements to the District pursuant to a Lease Agreement, dated as of November 1, 2025, a memorandum of which is recorded concurrently herewith (the "Lease Agreement"); and

WHEREAS, the District proposes to enter into this Site and Facility Lease with the Corporation as a material consideration for the Corporation's agreement to lease such land and improvements to the District;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED, as follows:

Section 1. Definitions. Capitalized terms used, but not otherwise defined, in this Site and Facility Lease shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Site and Facility Lease. The District hereby leases to the Corporation and the Corporation hereby leases from the District, on the terms and conditions hereinafter set forth, those certain parcels of real property and the improvements thereon situated in Modoc County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Property").

Section 3. Term. The term of this Site and Facility Lease shall commence on the Closing Date and shall end on October 28, 2061, unless such term is extended or sooner terminated as hereinafter provided. If, on October 28, 2061, the aggregate amount of Lease Payments (shall not have been paid, or provision shall not have been made for their payment, then the term of this Site and Facility Lease shall be extended until such Lease Payments or Additional Payments, if any, shall be fully paid or provision made for such payment, but not to exceed 40 years. When all Lease Payments shall be fully paid or provision made for such payment in accordance with Section 4.4 or 10.1 of the Lease Agreement, the term of this Site and Facility Lease shall end.

Section 4. Advance Rental Payment. The District agrees to lease the Site and the Facility to the Corporation in consideration of the payment by the Corporation of an advance rental payment of twenty-four million dollars (\$24,000,000). The District and the Corporation agree that by reason of the sale of the Certificates and deposit of proceeds pursuant to the provisions of the Trust Agreement, dated as of November 1, 2025, by and among the District, the Corporation and Last Frontier Healthcare District Treasurer, as trustee thereunder (the "Trust Agreement"), the advance rental payment referenced in the preceding sentence shall be deemed to have been paid.

Section 5. Purpose. The Corporation shall use the Site and the Facility solely for the purpose of leasing the Property to the District pursuant to the Lease Agreement and for such

purposes as may be incidental thereto; *provided, however*, that in the event of default by the District under the Lease Agreement, the Corporation and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. District's Interest in the Site and the Facility. The District covenants that it is the owner in fee of the Site and the Facility.

Section 7. Assignments and Subleases. Unless the District shall be in default under the Lease Agreement, the Corporation may not assign its rights under this Site and Facility Lease or sublet the Site or the Facility, except as provided in the Lease Agreement and the Assignment Agreement, without the prior written consent of the District.

Section 8. Right of Entry. The District reserves the right for any of its duly authorized representatives to enter upon the Site and the Facility at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. The Corporation agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Site and the Facility in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in the District.

Section 10. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Corporation, the District may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof and the District shall have no right to terminate this Site and Facility Lease as a remedy for such default; *provided, however*, that so long as any Certificates are Outstanding and unpaid in accordance with the terms thereof, the Lease Payments assigned by the Corporation to the Trustee under the Assignment Agreement shall continue to be paid to the Trustee. The insurer provisions set forth in the Lease Agreement and the Trust Agreement shall control and supersede any conflicting or inconsistent provisions in the Site and Facility Lease.

Section 11. Quiet Enjoyment. The Corporation, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy all of the Site subject to the provisions of the Lease Agreement and the Trust Agreement.

Section 12. Waiver of Personal Liability. All liabilities under this Site and Facility Lease on the part of the Corporation are solely liabilities of the Corporation and the District hereby releases each and every, member, director, officer, employee and agent of the Corporation of and from any personal or individual liability under this Site and Facility Lease. No member, director, officer, employee or agent of the Corporation shall at any time or under any circumstances be individually or personally liable under this Site and Facility Lease for anything done or omitted to be done by the Corporation hereunder.

Section 13. Taxes. All assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and the Facility (including both land and improvements) will be paid in accordance with the Lease Agreement.

Section 14. Eminent Domain. In the event the whole or any part of the Site or the Facility thereon is taken by eminent domain proceedings, the interest of the Corporation shall be

recognized and is hereby determined to be the amount of the then unpaid Certificates including the unpaid principal and interest with respect to any then outstanding Certificates and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the District.

Section 15. Use of the Proceeds. The District and the Corporation hereby agree that the lease to the Corporation of the District's right and interest in the Site and the Facility pursuant to Section 2 serves the public purposes of the District by providing funds to enable the District to finance the Project.

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid, and, if to the District, addressed to the District in care of the Chief Executive Officer, Last Frontier Healthcare District, 1111 North Nagle Street, Alturas, CA 96101 if to the Corporation, addressed to the Corporation in care of the Chief Executive Officer CSDA Finance Corporation, 1112 I Street, Suite 200, Sacramento, Ca 95814, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. Binding Effect. This Site and Facility Lease shall inure to the benefit of and shall be binding upon the District and the Corporation and their respective successors and assigns.

Section 19. Amendment. This Site and Facility Lease may not be amended except as permitted under Section 9.01 of the Trust Agreement. Any amendment, modification or supplement to this Site and Facility Lease shall be subject to the prior written consent of the Municipal Bond Insurer.

Section 20. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site and Facility Lease.

Section 21. Applicable Law. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State of California.

Section 22. Execution in Counterparts. This Site and Facility Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

[Remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the District and the Corporation have caused this Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

LAST FRONTIER HEALTHCARE
DISTRICT

By _____
Name _____
Title _____

CSDA FINANCE CORPORATION

By _____
Name _____
Title _____

EXHIBIT A

DESCRIPTION OF THE PROPERTY

The Property consists of the District's Modoc Medical Center located at 1109 North Nagle Street in Alturas, California.

TRUST AGREEMENT

Dated as of November 1, 2025

by and among the

LAST FRONTIER HEALTHCARE DISTRICT TREASURER, as Trustee,

the

CSDA FINANCE CORPORATION

and the

LAST FRONTIER HEALTHCARE DISTRICT

Certificates of Participation
(2025 Permanent Financing)

TABLE OF CONTENTS

	Page
ARTICLE I	
DEFINITIONS	
Section 1.01. Definitions	2
Section 1.02. Authorization	2
Section 1.03. Interpretation	2
Section 1.04. Exhibits.....	2
ARTICLE II	
THE CERTIFICATES OF PARTICIPATION	
Section 2.01. Authorization	3
Section 2.02. Date; Payment of Interest	3
Section 2.03. Maturity; Interest Rates; Percentages	3
Section 2.04. Interest.....	4
Section 2.05. Forms.....	4
Section 2.06. Execution	4
Section 2.07. Application of Proceeds and Other Moneys	4
Section 2.08. Transfers	4
Section 2.09. Certificates Mutilated, Lost, Destroyed or Stolen.....	5
Section 2.10. Payment	5
Section 2.11. Execution of Documents and Proof of Ownership	5
Section 2.12. Certificate Register	6
ARTICLE III	
REDEMPTION OF CERTIFICATES	
Section 3.01. Redemption	7
Section 3.02. Selection of Certificates for Redemption.....	7
Section 3.03. Notice of Redemption	7
Section 3.04. Effect of Notice of Redemption	8
ARTICLE IV	
LEASE PAYMENTS; LEASE PAYMENT FUND	
Section 4.01. Assignment of Rights in Lease Agreement	9
Section 4.02. Establishment of Lease Payment Fund	9
Section 4.03. Deposits	9
Section 4.04. Application of Moneys	9
Section 4.05. Surplus	9
ARTICLE V	
INSURANCE AND CONDEMNATION FUND; INSURANCE; EMINENT DOMAIN	
Section 5.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award.....	10
Section 5.02. Application of Net Proceeds of Eminent Domain Award.....	11
Section 5.03. Cooperation.....	11
ARTICLE VI	
MODIFICATION OR AMENDMENT OF AGREEMENTS	
Section 6.01. Amendments Permitted	12
Section 6.02. Procedure for Amendment with Written Consent of Certificate Owners	12
Section 6.03. Disqualified Certificates	13
Section 6.04. Effect of Supplemental Agreement.....	13
Section 6.05. Endorsement or Replacement of Certificates Delivered After Amendments	14
Section 6.06. Amendatory Endorsement of Certificates	14

ARTICLE VII
COVENANTS

Section 7.01. Compliance With and Enforcement of Lease Agreement	15
Section 7.02. Observance of Laws and Regulations	15
Section 7.03. Prosecution and Defense of Suits	15
Section 7.04. Recordation and Filing	15
Section 7.05. Budgets	15
Section 7.06. Further Assurances	16
Section 7.07. Satisfaction of Conditions Precedent	16

ARTICLE VIII
LIMITATION OF LIABILITY

Section 8.01. Limited Liability of District	17
Section 8.02. No Liability of District or Corporation for Trustee Performance	17
Section 8.03. Limitation of Rights to Parties and Certificate Owners	17

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES OF CERTIFICATE OWNERS

Section 9.01. Assignment of Rights	18
Section 9.02. Remedies	18
Section 9.03. Application of Funds	18
Section 9.04. Institution of Legal Proceedings	18
Section 9.05. Non-waiver	19
Section 9.06. Remedies Not Exclusive	19
Section 9.07. Power of Trustee to Control Proceedings	19
Section 9.08. Limitation on Certificate Owners' Right to Sue	19
Section 9.09. Parties Interested Herein	20

ARTICLE X
MISCELLANEOUS

Section 10.01. Records	21
Section 10.02. Notices	21
Section 10.03. Governing Law	21
Section 10.04. Binding Effect; Successors	21
Section 10.05. Execution in Counterparts	22
Section 10.06. Destruction of Canceled Certificates	22
Section 10.07. Headings	22
Section 10.08. Waiver of Notice	22
Section 10.09. Payments Due on Other than Business Day	22
Section 10.10. Payment of Unclaimed Moneys	22
Section 10.11. Separability of Invalid Provisions	22

EXHIBIT A:	DEFINITIONS
EXHIBIT B:	FORM OF THE CERTIFICATES
EXHIBIT C:	DEBT SERVICE PAYMENTS
EXHIBIT D:	FORM OF PURCHASER'S LETTER

TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of November 1, 2025, by and among the LAST FRONTIER HEALTHCARE DISTRICT TREASURER, as trustee (the "Trustee"), the CSDA FINANCE CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California (the "Corporation"), and the LAST FRONTIER HEALTHCARE DISTRICT, a health care district, organized and existing under the laws of the State of California (the "District");

WITNESSETH:

WHEREAS, the District and the Corporation have entered into a lease agreement, dated as of the date hereof (the "Lease Agreement"), whereby the Corporation has agreed to lease certain real property and improvements (collectively, the "Property") to the District and the District has agreed to lease the Property from the Corporation;

WHEREAS, for the purpose of obtaining the moneys required to be deposited by it with the Trustee all for the purpose of enabling the District to prepay and redeem the District's outstanding Last Frontier Healthcare District 2024 Bond Anticipation Notes (the "2024 Notes"), the Corporation proposes to assign and transfer certain of its rights under the Lease Agreement to the Trustee, and the Trustee has agreed to execute and deliver certificates of participation, each evidencing a direct, fractional interest in the lease payments made by the District under the Lease Agreement (the "Certificates"), to provide the moneys required herein to be deposited by the Corporation; and

WHEREAS, the proceeds of the Certificates, together with other available moneys, will be applied by the District to refund the 2024 Notes;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. The terms defined in Exhibit A attached hereto and by this reference incorporated herein, as used and capitalized herein, shall, for all purposes of this Trust Agreement, have the meanings ascribed to them in said Exhibit A unless the context clearly requires some other meaning.

Section 1.02. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution of this Trust Agreement by the officers and persons signing it.

Section 1.03. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.04. Exhibits. The following exhibits are attached to, and by reference made a part of, this Trust Agreement:

EXHIBIT A: DEFINITIONS

EXHIBIT B: FORM OF THE CERTIFICATES

EXHIBIT C: DEBT SERVICE PAYMENTS

EXHIBIT D: FORM OF PURCHASER'S LETTER

ARTICLE II

THE CERTIFICATES OF PARTICIPATION

Section 2.01. Authorization. The Trustee is hereby authorized and directed upon written request from the Corporation to execute and deliver, to the Purchaser, the Certificates in an aggregate principal amount of twenty-four million dollars (\$24,000,000) evidencing direct, undivided fractional interests of the Owners thereof in the Lease Payments. In no event shall the Certificates be deemed an obligation, liability or debt of the Trustee.

Section 2.02. Date; Payment of Interest. Each Certificate shall be dated as of the Closing Date. Principal and interest with respect thereto shall be payable from the Payment Date next preceding the date of execution thereof, unless: (i) it is executed as of an Payment Date, in which event interest with respect thereto shall be payable from such Payment Date; or (ii) it is executed after a Regular Record Date and before the following Payment Date, in which event interest with respect thereto shall be payable from such Payment Date; or (iii) it is executed on or before June 30, 2025, in which event interest with respect thereto shall be payable from the Closing Date; *provided, however*, that if, as of the date of execution of any Certificate, interest is in default with respect to any Outstanding Certificates, interest represented by such Certificate shall be payable from the Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Certificates. Payment of defaulted interest shall be paid by wire or check mailed to the Owners as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the Owners not less than ten (10) days prior to such special record date.

Notwithstanding the foregoing, so long as the Owner is the United States of America, acting through the Rural Housing Service, the Trustee shall not make debt service payments to the Owner, Certificates do not need to be presented to the Trustee for the payment of principal and the Trustee is not required to mail notice of redemption for sinking fund payments. Payments will be made by the District directly to the Owner, unless otherwise requested by the Owner, by the Pre-Authorized Debit (PAD) payment process.

Section 2.03. Maturity; Interest Rate.

(a) *Maturity; Interest Rate*. The Certificates shall mature on October 28, 2061, in the principal amounts shown below:

	Principal Amount
Loan 06	\$8,800,000
Loan 07	5,300,000
Loan 08	9,900,000

and interest represented thereby shall be computed at the rate of 3.750% per annum. Interest with respect to the Certificates shall be computed on the basis of a year of 365 days and actual days elapsed. Each monthly payment shall be in the amount of one-twelfth of the annual amount of principal and interest due.

(b) *Payments With Respect to Certificates Equal to Total Lease Payments*. The total principal and interest due with respect to all Certificates shall not exceed the total Lease Payments due under the Lease Agreement.

Section 2.04. Interest. Interest represented by the Certificates shall be payable on each Payment Date to and including the date of maturity or redemption, whichever is earlier, as provided in Section 2.10 hereof. Said interest shall represent the portion of Lease Payments designated as interest and coming due during the one-month period preceding each Payment Date. The portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal with respect to such Certificate by the rate of interest applicable to such Certificate.

Section 2.05. Forms. The Certificates shall be delivered in the form of fully registered Certificates without coupons in the denomination of \$1,000 or any integral multiple thereof. The Certificates shall be numbered consecutively, beginning with R-1. The Certificates shall be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein.

Section 2.06. Execution. The Certificates shall be executed by and in the name of the Trustee by the manual signature of an authorized officer or signatory of the Trustee. If any officer or signatory whose signature appears on any Certificate ceases to be such officer or signatory before the date of delivery of said Certificate, such signature shall nevertheless be as effective as if the officer or signatory had remained in office until such date.

Section 2.07. Application of Proceeds. The proceeds received by the District from the sale of the Certificates (\$24,000,000), shall be transferred by the Trustee to Zions Bancorporation, National Association, to redeem the 2024 Notes.

Section 2.08. Transfers.

(a) The registration of the Certificates, in accordance with their terms, may, with the written consent of the Owner, be transferred in whole or in part, upon the Registration Books by the person in whose name it is registered, in person or by his attorney duly authorized in writing upon surrender of the Certificates for cancellation at the Principal Corporate Trust Office, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever the Certificates shall be surrendered for registration of transfer, the Trustee shall execute and deliver a Certificate for like aggregate principal amount. The District shall pay any costs of the Trustee incurred in connection with such transfer, except that the Trustee may require the payment by the Certificate Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. The Trustee shall not be required to transfer (i) the Certificates during the period between the date fifteen (15) days prior to the date of selection of Certificates for redemption and such date of selection, or (ii) any Certificates selected for redemption.

(b) Ownership of the Certificates may be transferred in whole or in part, but only to a person or persons that the Owner reasonably believes is either:

(i) a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended,

(ii) an accredited investor as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, or

(iii) a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to qualified institutional buyers or accredited investors;

in each case that executes and delivers to the Trustee an investor letter in substantially the form attached hereto as Exhibit D.

Notwithstanding the foregoing, no transfers shall be permitted without the prior written consent of the Owner.

Section 2.09. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like maturity and principal amount in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it and destroyed in accordance with Section 10.06s hereof, and the Trustee shall deliver a certificate of destruction to the District. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like tenor and maturity and numbered as the Trustee shall determine in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Certificate delivered under this Section 2.09 and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section 2.09. Any Certificate delivered under the provisions of this Section 2.09 in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee shall not be required to treat both the original Certificate and any substitute Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder; the Trustee shall consider only the substitute Certificate as Outstanding for such purpose. Notwithstanding any other provision of this Section 2.09, in lieu of delivering a new Certificate which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Certificate upon receipt of indemnity satisfactory to the Trustee.

Section 2.10. Payment. Except as otherwise provided herein, payment of interest due with respect to any Certificate on any Payment Date shall be made to the person appearing on the Certificate Register as the Owner thereof as of the Regular Record Date immediately preceding such Payment Date, such interest to be paid by wire transfer in immediately available funds to an account in the United States designated by such Owner in a written request. Any such written request shall remain in effect until rescinded in writing by the Owner. The principal and redemption price with respect to the Certificates at maturity or upon prior redemption shall be payable by check or draft denominated in lawful money of the United States of America.

Section 2.11. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the holding and ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of the authority of such officer or member.

(b) The fact of the holding of Certificates by any Owner and the amount, the maturity and the numbers of such Certificates and the date of his holding the same may be proved by reference to the Certificate Register maintained by the Trustee provided for in Section 2.12 hereof. The Trustee may conclusively assume that such ownership continues until transfer as provided in Section 2.08(a) hereof.

Nothing contained in this Article II shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Certificate shall bind every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trustee in pursuance of such request or consent.

Section 2.12. Certificate Register. The Trustee will keep or cause to be kept, at the Principal Corporate Trust Office, sufficient books for the registration and transfer of the Certificates which shall be open at all reasonable times with reasonable prior notice during normal business hours of the Trustee to inspection by the District and the Authority; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided.

ARTICLE III

REDEMPTION OF CERTIFICATES

Section 3.01. Redemption.

(a) *Optional Redemption.* The Certificates are subject to optional redemption prior to maturity in whole or in part on any date at a redemption price equal to the principal amount of the Certificates to be redeemed, together with accrued interest, without premium, to the date fixed for redemption, from the proceeds of the optional prepayment of Lease Payments made by the District pursuant to the Lease Agreement.

(b) *Mandatory Redemption.* The Certificates are subject to mandatory redemption in part on each Interest Payment Date to and including October 28, 2061, from the principal components of scheduled Lease Payments required to be paid by the District pursuant to the Lease Agreement with respect to each such redemption date, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as set forth in Exhibit C.

(c) *Redemption From Net Proceeds of Insurance, Condemnation or Eminent Domain Award.* The Certificates are subject to mandatory redemption in whole or in part on any date from the Net Proceeds of an insurance, condemnation, or eminent domain award to the extent credited towards the prepayment of the Lease Payments by the District pursuant to Section 10.2 of the Lease Agreement, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

Section 3.02. Selection of Certificates for Redemption. Whenever provision is made in this Trust Agreement for the redemption of Certificates and less than all Outstanding Certificates are called for redemption, the Trustee shall select Certificates for redemption in order of maturity and by lot within a maturity. The Trustee shall promptly notify the District and the Authority in writing of the Certificates so selected for redemption.

Section 3.03. Notice of Redemption. Notice of any optional redemption shall be given by the Trustee on behalf and at the expense of the District by mailing a copy of a redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to such Owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate Register maintained by the Trustee; *provided, however*, that neither the failure to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the redemption of the Certificates.

All notices of redemption shall be dated and shall state: (i) the redemption date, (ii) the redemption price, (iii) if less than all Outstanding Certificates are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Certificates to be redeemed, and (iv) that on the redemption date the redemption price will become due and payable with respect to each such Certificate or portion thereof called for redemption, and that interest with respect thereto shall cease to accrue from and after said date.

Prior to the mailing of any redemption notice (other than a redemption notice relating to Certificates that are the subject of an advance refunding), the District shall deposit, or cause to be deposited, with the Trustee an amount of money sufficient to pay the redemption price of all the Certificates or portions of Certificates which are to be redeemed on the applicable

redemption date. In the case of a redemption notice relating to Certificates that are the subject of an advance refunding, the District shall deposit, or cause to be deposited, with the Trustee on or prior to the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Certificates or portions of Certificates which are to be redeemed on such redemption date.

Notice of redemption having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) interest with respect to such Certificates or portions of Certificates shall cease to be payable. Such Certificates shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest.

Section 3.04. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption, including interest to the applicable Payment Date and premium, if any, having been set aside in the Lease Payment Fund, the Certificates to be redeemed shall become due and payable on said Payment Date, and said Certificates shall be paid at the unpaid principal amount with respect thereto, plus redemption premium, if any, and any unpaid and accrued interest to said Payment Date.

If, on said Payment Date, moneys for the redemption of all the Certificates to be redeemed, together with interest to said Payment Date, shall be held by the Trustee so as to be available therefor on such Payment Date, and, if notice of redemption thereof shall have been given as aforesaid, then, from and after said Payment Date, interest with respect to the Certificates to be redeemed shall cease to accrue and become payable. If said moneys shall not be so available on said Payment Date, interest with respect to such Certificates shall continue to be payable at the same rates as it would have been payable had the Certificates not been called for redemption. All moneys held by or on behalf of the Trustee for the redemption of particular Certificates shall be held in trust for the account of the Owners of the Certificates so to be redeemed. The Trustee shall not be liable for any interest earned on the amounts so held.

ARTICLE IV

LEASE PAYMENTS; LEASE PAYMENT FUND

Section 4.01. Assignment of Rights in Lease Agreement. The Corporation has, in the Assignment Agreement, transferred, assigned and set over to the Trustee certain of its rights but none of its obligations set forth in (a) the Lease Agreement, including but not limited to all of the Corporation's rights to receive and collect Lease Payments and all other amounts required to be deposited in the Lease Payment Fund pursuant to the Lease Agreement or pursuant hereto and (b) the Site and Facility Lease. All Lease Payments and such other amounts to which the Corporation may at any time be entitled shall be paid directly to the Trustee and all of the Lease Payments collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof.

Section 4.02. Establishment of Lease Payment Fund. The Trustee shall establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Owners of the Certificates. So long as any Certificates are Outstanding, neither the District nor the Corporation shall have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

Section 4.03. Deposits. There shall be deposited in the Lease Payment Fund all Lease Payments received by the Trustee, including any moneys received by the Trustee for deposit therein pursuant to this Trust Agreement or the Lease Agreement, and any other moneys required to be deposited therein pursuant to the Lease Agreement or pursuant to this Trust Agreement.

Section 4.04. Application of Moneys. All amounts in the Lease Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest with respect to the Certificates as the same shall become due and payable in accordance with the provisions of Article II and Article IV hereof.

Section 4.05. Surplus. Any surplus remaining in the Lease Payment Fund after redemption and/or payment of all Certificates, including accrued interest (if any) and payment of any applicable fees and expenses to the Trustee, or provision for such redemption or payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the District.

ARTICLE V

INSURANCE AND CONDEMNATION FUND; INSURANCE; EMINENT DOMAIN

Section 5.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award.

(a) Any Net Proceeds of insurance against damage to or destruction of any part of the Property collected by the District in the event of any such damage or destruction shall be paid to the Trustee by the District pursuant to Section 6.2(a) of the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" to be established by the Trustee when deposits are required to be made therein.

(b) Within ninety (90) days following the date of such deposit, the District shall determine and notify the Trustee in writing of its determination either (i) that the replacement, repair, restoration, modification or improvement of the Property is not economically feasible or in the best interest of the District, or (ii) that all or a portion of such Net Proceeds are to be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property.

(c) In the event the District's determination is as set forth in clause (i) of paragraph (b) above, such Net Proceeds shall be transferred by the Trustee to the Lease Payment Fund, applied to the prepayment of Lease Payments pursuant to Section 10.2 of the Lease Agreement and applied to the redemption of Certificates as provided in Section 4.04 hereof; *provided, however,* that in the event of damage or destruction of the Property in full, such Net Proceeds may be transferred to the Lease Payment Fund only if sufficient, together with other moneys available therefor, to cause the prepayment of the principal components of all unpaid Lease Payments pursuant to Section 10.2 of the Lease Agreement, otherwise such Net Proceeds shall be applied to the replacement, repair, restoration, modification or improvement of the Property; *provided further, however,* that in the event of damage or destruction of the Property in part, such Net Proceeds may be transferred to the Lease Payment Fund and applied to the prepayment of Lease Payments only if the resulting Lease Payments represent fair consideration for the remaining portions of the Property, evidenced by a certificate signed by a District Representative and a Corporation Representative.

(d) In the event the District's determination is as set forth in clause (ii) of paragraph (b) above, Net Proceeds deposited in the Insurance and Condemnation Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property by the District, and disbursed by the Trustee upon receipt of requisitions signed by a District Representative stating with respect to each payment to be made (i) the requisition number, (ii) the name and address of the person, firm or corporation to whom payment is due, (iii) the amount to be paid and (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. The Trustee shall not be responsible for the representations made in such requisitions and may conclusively rely thereon and shall be under no duty to investigate or verify any statements made therein. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to the District.

Section 5.02. Application of Net Proceeds of Eminent Domain Award. If all or any part of the Property shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain), the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund pursuant to Section 6.2(b) of the Lease Agreement and shall be applied and disbursed by the Trustee as follows:

(a) If the District has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the District to meet any of its obligations with respect to the Property under the Lease Agreement, and (ii) such proceeds are not needed for repair or rehabilitation of the Property, the District shall so certify to the Trustee and the Trustee, at the District's written request, shall transfer such proceeds to the Lease Payment Fund to be credited towards the prepayment of the Lease Payments pursuant to Section 10.3 of the Lease Agreement and applied to the redemption of Certificates in the manner provided in Section 4.01(b) hereof.

(b) If the District has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the District to meet any of its obligations with respect to the Property under the Lease Agreement, and (ii) such proceeds are needed for repair, rehabilitation or replacement of the Property, the District shall so certify to the Trustee and the Trustee, at the District's written request, shall pay to the District, or to its order, from said proceeds such amounts as the District may expend for such repair or rehabilitation, upon the filing with the Trustee of requisitions of the District Representative in the form and containing the provisions set forth in Section 5.01. The Trustee shall not be responsible for the representations made in such requisitions and may conclusively rely thereon and shall be under no duty to investigate or verify any statements made therein.

(c) If (i) less than all of the Property shall have been taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District has given written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the operation of the Property or the ability of the District to meet any of its obligations with respect to the Property under the Lease Agreement or (ii) all of the Property shall have been taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to Section 10.2 of the Lease Agreement and applied to the redemption of Certificates in the manner provided in 4.01(c) hereof.

(d) In making any determination under this Section 5.02, the District may, but shall not be required to, obtain at its expense, the report of an independent engineer or other independent professional consultant, a copy of which shall be filed with the Trustee. Any such determination by the District shall be final.

Section 5.03. Cooperation. The Corporation and the Trustee shall cooperate fully with the District, at the expense of the District, in filing any proof of loss with respect to any insurance policy maintained pursuant to Article V of the Lease Agreement and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Property or any portion thereof. Neither the Trustee nor the Corporation shall be obligated to join in such action if it believes it will be exposed to liability or has not been indemnified to its satisfaction from any loss, liability or expense including, but not limited to, reasonable attorneys' fees and expenses.

ARTICLE VI

MODIFICATION OR AMENDMENT OF AGREEMENTS

Section 6.01. Amendments Permitted. This Trust Agreement and the rights and obligations of the Owners of the Certificates, the Lease Agreement and the rights and obligations of the parties thereto, the Site and Facility Lease and the rights and obligations of the parties thereto and the Assignment Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the Owners of at least fifty percent (50%) in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 6.03 hereof, shall have been filed with the Trustee. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof, without the express consent of the Owner of such Certificate; or (2) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification of a Lease Agreement; or (3) modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental agreement shall become effective as provided in Section 6.02 hereof.

This Trust Agreement and the rights and obligations of the Owners of the Certificates and the Lease Agreement and the rights and obligations of the respective parties thereto, may be modified or amended at any time by a supplemental agreement, without the consent of any such Owners, but only to the extent permitted by law and only (1) to add to the covenants and agreements of the Corporation or the District, (2) to cure, correct or supplement any ambiguous or defective provision contained herein or therein and which shall not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the Owners of the Certificates, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not, in the opinion of nationally recognized bond counsel, materially adversely affect the interests of the Owners of the Certificates; (4) to add to the rights of the Trustee, or (5) to maintain the rating or ratings assigned to the Certificates. Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto or thereto, as the case may be.

This Trust Agreement and the Lease Agreement may not be modified or amended at any time by a supplemental agreement which would modify any of the rights and obligations of the Trustee without its written assent thereto.

The Trustee shall be furnished with an opinion of Independent Counsel that any amendment entered into hereunder complies with the provisions of this Article VI and the Trustee may rely conclusively on such opinion.

Section 6.02. Procedure for Amendment with Written Consent of Certificate Owners. This Trust Agreement and the Lease Agreement may be amended by supplemental agreement as provided in this Section 6.02 in the event the consent of the Owners of the Certificates is required pursuant to Section 6.01 hereof. A copy of such supplemental agreement (or a summary thereof), together with a request to the Certificate Owners for their consent thereto, shall be mailed by first class mail, postage prepaid, by the Trustee at the expense of the District, to each Owner of a Certificate at his address as set forth on the Registration Books, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as in this Section 6.02 provided.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owners of at least fifty percent (50%) in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 6.03 hereof) and a notice shall have been mailed as hereinafter in this Section 6.02 provided. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.11 hereof. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in the following paragraph of this Section 6.02 provided for has been mailed.

After the Owners of the required percentage of Certificates shall have filed their consents to such supplemental agreement, the Trustee shall mail by first class mail, postage prepaid, a notice at the expense of the District, to the Owners of the Certificates in the manner hereinbefore provided in this Section 6.02 for the mailing of such supplemental agreement of the notice of adoption thereof, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section 6.02 (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section 6.02 to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60) day period.

Section 6.03. Disqualified Certificates. Certificates owned or held by or for the account of the District or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with the District (except any Certificates held in any pension or retirement fund) shall not be deemed Outstanding (unless all such Certificates are owned or held, in which case all such Certificates shall be deemed Outstanding) for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Certificates provided for in this Trust Agreement, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Trust Agreement; *provided, however*, that the Trustee shall not be liable for determining whether Certificates are owned or held by the District or any such other person unless such Certificates are registered in the name of the District on the Registration Books.

Section 6.04. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective pursuant to this Article VI, this Trust Agreement or a Lease Agreement, as the case may be, shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Certificates Outstanding, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement or a Lease Agreement, as the case may be, for any and all purposes.

Section 6.05. Endorsement or Replacement of Certificates Delivered After Amendments. The District may determine that Certificates delivered after the effective date of any action taken as provided in this Article VI shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand of the Owner of any Certificate Outstanding at such effective date and presentation of his Certificate for such purpose at the Principal Corporate Trust Office, a suitable notation shall be made on such Certificate. The District may determine that the delivery of substitute Certificates, so modified as in the opinion of the District is necessary to conform to such Certificate Owners' action, is necessary and such substitute Certificates shall thereupon be prepared, executed and delivered. In that case, upon demand of the Owner of any Certificate then Outstanding, such substitute Certificate shall be exchanged at the Principal Corporate Trust Office, at the expense of the District, for a Certificate of the same character then Outstanding, upon surrender of such Outstanding Certificate.

Section 6.06. Amendatory Endorsement of Certificates. The provisions of this Article VI shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that proper notation thereof is made on such Certificates.

ARTICLE VII

COVENANTS

Section 7.01. Compliance With and Enforcement of Lease Agreement. The District covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease Agreement. The Corporation covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Site and Facility Lease and the Lease Agreement.

The District will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of their respective Lease Agreement by the Corporation thereunder. The Corporation and the District, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Property, which may or can in any manner affect such estate of the District or the Corporation, will deliver the same, or a copy thereof, to the Trustee.

Section 7.02. Observance of Laws and Regulations. The District and the Corporation will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the District or the Corporation, respectively, including its right to exist and carry on business as a public entity, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 7.03. Prosecution and Defense of Suits. The District shall promptly, upon request of the Trustee or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Property, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee and every Certificate Owner harmless from all loss, cost, damage and expense, including reasonable attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section 7.04. Recordation and Filing. The District shall record and file, or cause to be recorded and filed, the Site and Facility Lease, the Lease Agreement (or a memorandum thereof), the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Certificate Owners.

Section 7.05. Budgets. The District shall supply to the Trustee and to the Owner as soon as practicable, but not later than July 1 in each year, a written determination by a District Representative that the District has made adequate provision in its annual budget for the payment of Lease Payments due under the Lease Agreement in the Fiscal Year covered by such budget. The determination given by the District to the Trustee and to the Owner shall be that the amounts so budgeted are fully adequate for the payment of all Lease Payments and

Additional Payments due under the Lease Agreement in the annual period covered by such budget.

Section 7.06. Further Assurances. The Corporation and the District will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Lease Agreement, or as may be requested by the Trustee and for the better assuring and confirming unto the Owners of the Certificates and the Trustee the rights and benefits provided herein.

Section 7.07. Satisfaction of Conditions Precedent. The District hereby certifies, recites and declares that all acts, conditions and things required by the constitution and statutes of the State, the Lease Agreement and this Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of the Certificates, do exist, have happened and have been performed in due time, form and manner as required by law.

ARTICLE VIII

LIMITATION OF LIABILITY

Section 8.01. Limited Liability of District. Except for the payment of Lease Payments when due in accordance with the Lease Agreement and the performance of the other covenants and agreements of the District contained in the Lease Agreement and this Trust Agreement, the District shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee, except as expressly set forth herein.

Section 8.02. No Liability of District or Corporation for Trustee Performance. Neither the District nor the Corporation shall have any obligation or liability to any of the other parties or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 8.03. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the District, the Corporation, the Trustee and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the District, the Corporation, the Trustee and said Owners.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES OF CERTIFICATE OWNERS

Section 9.01. Assignment of Rights. Pursuant to the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee all of the Corporation's rights in and to (a) the Site and Facility Lease and (b) the Lease Agreement (excepting only the Corporation's rights to give approvals and consents, and its obligations thereof), including without limitation all of the Corporation's rights to exercise such rights and remedies conferred on the Corporation pursuant to the Lease Agreement as may be necessary or convenient (i) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (ii) otherwise to exercise the Corporation's rights and take any action to protect the interests of the Trustee or the Certificate Owners in an Event of Default.

Section 9.02. Remedies. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may, and shall upon request of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, and upon payment of its reasonable fees and expenses, including reasonable counsel fees, and being indemnified to its satisfaction therefor shall, exercise any and all remedies available pursuant to law or granted pursuant to the Lease Agreement.

Section 9.03. Application of Funds. All moneys held by the Trustee in the funds and accounts held hereunder and all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article IX or Article IV of the Lease Agreement shall be applied by the Trustee in the following order upon presentation of the several Certificates:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default, and collecting moneys owed hereunder, including reasonable compensation to its agents, attorneys and counsel (including allocated costs of internal counsel), including all fees and expenses past due, and then fees costs and expenses of the Certificate Owners in declaring such Event of Default, and collecting moneys owed hereunder, including reasonable compensation to its agents, attorneys and counsel; and

Second, to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the rate per annum payable with respect to the Certificates (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 9.04. Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, or if there shall be nonpayment of principal or interest with respect to the Certificates, the Trustee in its discretion may and shall, upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon payment of its fees and expenses, including counsel fees, and being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of

Certificates by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as shall be deemed most effectual in support of any of its rights or duties hereunder. If one or more Events of Default shall occur and be continuing, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers for the Property and for any property securing the Certificates and the revenues, income, produce, and profits thereon. In the case of any receivership, insolvency, bankruptcy, reorganization, or other judicial proceedings affecting the District or the Property, the Trustee shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Trustee and Owners allowed in such proceedings for the entire amount due and payable under this Trust Agreement at the time of the institution of such proceedings, and also for any additional amount which may become due and payable thereafter, without prejudice to the right of any Owner to file a claim on his or her own behalf. The Trustee shall not be obligated to take any such action unless offered compensation, indemnity for its potential liability, and reimbursement for its reasonable legal fees and expenses in accordance with this Section 9.04. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Certificate Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Certificates or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Certificate Owners so affected.

Section 9.05. Non-waiver. Nothing in this Article XIII or in any other provision of this Trust Agreement or in the Certificates, shall affect or impair the obligation of the District to pay or prepay the Lease Payments as provided in the Lease Agreement, or affect or impair the right of action, which is absolute and unconditional, of the Certificate Owners to institute suit to enforce and collect such payment. No delay or omission of the Trustee or of any Owner of any of the Certificates to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XIII to the Owners of Certificates may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Certificate Owners.

Section 9.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Certificate Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section 9.07. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Certificates then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, without the consent of a majority in aggregate principal amount of the Certificates Outstanding.

Section 9.08. Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate executed and delivered hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of

Default hereunder; (b) the Owners of at least twenty-five percent (25%) in aggregate principal amount of all the Certificates then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

The right of any Owner of any Certificate to receive payment of said Owner's fractional interest in the Lease Payments as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section 9.08 or any other provision of this Trust Agreement.

Section 9.09. Parties Interested Herein. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the District, the Corporation, the Trustee Owners, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Trust Agreement, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Corporation, the Trustee and the Owners, their officers, employees and agents, and the Owners.

ARTICLE X
MISCELLANEOUS

Section 10.01. Records. The Trustee shall keep records in accordance with corporate trust industry standards of all moneys received and disbursed by it under this Trust Agreement, which shall be available for inspection by the District, the Corporation, any Owner of at least five percent (5%) of the Outstanding principal amount of the Certificates, or the agent of any of them, at any time during regular business hours on any Business Day upon reasonable prior notice.

Section 10.02. Notices. All written notices to be given under this Trust Agreement shall be given by first class mail, postage prepaid, to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States first class mail, postage prepaid to the address set forth below:

If to the District:	Last Frontier Healthcare District 1111 North Nagle Street Alturas, CA 96101 Attention: Chief Executive Officer Phone: (530) 708-8801
If to the Corporation:	CSDA Finance Corporation 1112 I Street, Suite 200 Sacramento, Ca 95814 Attention: Chief Executive Officer Phone: (877) 924-2732
If to the Owner:	United States of America, acting through the Rural Housing Service 430 G Street, Agency 4169 Davis, CA 95616 Attention: Community Facilities Program Director Telephone: (530) 792-5834
If to the Trustee:	Last Frontier Healthcare District Treasurer 1111 North Nagle Street Alturas, CA 96101 Attention: Chief Executive Officer Phone: (530) 708-8801

The Trustee agrees to notify the Corporation and the Owner in the event of any prepayment by the District of Lease Payments under the Lease Agreement and upon the termination of the Lease Agreement.

Section 10.03. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

Section 10.04. Binding Effect; Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Whenever in this Trust Agreement the Corporation, the District or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the

Corporation, the District or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.05. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 10.06. Destruction of Canceled Certificates. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee and the delivery to the District of any Certificates, the Trustee may, in lieu of such cancellation and delivery, destroy such Certificates and, upon request of the District, deliver a certificate of such destruction to the District.

Section 10.07. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to "Articles," "Sections," and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 10.08. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by first class mail, postage prepaid, or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 10.09. Payments Due on Other than Business Day. If the date for making any payment as provided in this Trust Agreement is not a Business Day, such payment may be made on the next succeeding Business Day with the same force and effect as if done on the date provided therefore herein.

Section 10.10. Payment of Unclaimed Moneys. Notwithstanding any provisions of this Trust Agreement and subject to the escheat laws of the State, any moneys held by the Trustee in trust for the payment of the principal or interest due with respect to any Certificates and remaining unclaimed two years from the date of deposit of such funds, or if the law shall have been changed and the District has notified the Trustee of such change or the Trustee notifies the District, then on the date thirty (30) days prior to the then applicable escheat provision of State law, shall, on such date, be repaid to the District (without liability for interest) free from the trusts created by this Trust Agreement, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the District as aforesaid, the Trustee may (at the cost and request of the District) first mail to the Owners to whom such amounts have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the amounts so payable and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof. The Trustee shall not be liable for any interest on funds held by it. The District shall not be liable for any interest on the sums paid to it pursuant to this Section 10.10 and shall not be regarded as a trustee of such money.

Section 10.11. Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this

Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement as of the date and year first above written.

LAST FRONTIER HEALTHCARE DISTRICT
TREASURER, as Trustee

By _____
Name _____
Title _____

CSDA FINANCE CORPORATION

By _____
Name _____
Title _____

LAST FRONTIER HEALTHCARE
DISTRICT

By _____
Name _____
Title _____

EXHIBIT A**DEFINITIONS**

"Additional Payments" means the payments so designated and required to be paid by the District pursuant to the Lease Agreement.

"Applicable Environmental Laws" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC sections 9601 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 USC sections 6901 *et seq.*; the Federal Water Pollution Control Act, 33 USC sections 1251 *et seq.*; the Clean Air Act, 42 USC sections 7401 *et seq.*; the National Environmental Policy Act ("NEPA"), 42 U.S.C. § 4321 *et seq.*, the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code sections 25100 *et seq.*; the Hazardous Substance Account Act ("HSAA"), California Health & Safety Code sections 25300 *et seq.*; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code sections 1300 *et seq.*; the Air Resources Act, California Health & Safety Code sections 3900 *et seq.*; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code sections 25249.5 *et seq.*; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (a) the existence, cleanup, and/or remedy of contamination on property;
- (b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (c) the control of hazardous wastes; or
- (d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

"Assignment Agreement" means the Assignment Agreement, dated as of November 1, 2025, by and between the Corporation and the Trustee, together with any duly authorized and executed amendments thereto.

"Board" means the Board of Directors of the District.

"Bond Counsel" means (a) Stradling Yocca Carlson & Rauth LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the District of nationally recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"Business Day" means a day which is not a Saturday, Sunday or legal holiday on which banking institutions in the state in which the Principal Corporate Trust Office is located or in the State are closed or are required to close or a day on which the New York Stock Exchange is closed.

"Certificates" means the certificates of participation to be executed and delivered pursuant to the Trust Agreement which evidence direct, undivided fractional interests of the Owners thereof in the Lease Payments.

"Closing Date" means November 28, 2025, the date upon which there is a physical delivery of the Certificates in exchange for the amount representing the purchase price of the Certificates by the Underwriter.

"Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced in the Lease Agreement or the Trust Agreement) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

"Corporation" means the CSDA Finance Corporation, a nonprofit, public benefit corporation organized and existing under and by virtue of the laws of the State.

"Corporation Representative" the President, the Chief Executive Officer, the Treasurer, or the designee of any such official, or any other person authorized by resolution to act on behalf of the Corporation under or with respect to the Lease Agreement, the Assignment Agreement and the Trust Agreement.

"District" means Last Frontier Healthcare District, a health care district, organized and existing under and by virtue of the laws of the State.

"District Representative" means, with respect to the District, the President of the Board, the Treasurer of the Board, the Chief Executive Officer of the District, the Chief Financial Officer of the District, or any other person designated as an Authorized Representative of the District by a Certificate of the District signed by the President of the Board, the Treasurer of the Board, the Chief Executive Officer of the District or the Chief Financial Officer of the District and filed with the Trustee.

"DCOH" means days cash on hand with the District as specified in Section 5.11(b) of the Lease Agreement, based on the following formula:

$$\frac{\text{Cash} + \text{Short-Term Investments} + \text{Unrestricted Long-Term Investments}}{(\text{Total Operating Expenses} - \text{Depreciation}) / 365}$$

"Event of Default" means an event of default under the Lease Agreement.

"DSCR" means the debt service coverage ratio as specified in Section 5.11(a) of the Lease Agreement.

"Fiscal Year" means the twelve-month period beginning on July 1 of any year and ending on June 30 of the next succeeding year, or any other twelve-month period selected by the District as its fiscal year.

"Governmental Authority" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, city or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

"Hazardous Substance" means any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated

under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC sections 3011 *et seq.*).

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Corporation, the District or the Trustee.

“Insurance and Condemnation Fund” means the fund by that name established and held by the Trustee pursuant to the Trust Agreement.

“Lease Agreement” means that certain agreement for the lease of the Property by the Corporation to the District, dated as of November 1, 2025, together with any duly authorized and executed amendments thereto.

“Lease Payment Fund” means the fund by that name established and held by the Trustee pursuant to the Trust Agreement.

“Lease Payments” means the total payments required to be paid by the District pursuant to the Lease Agreement, including any prepayment thereof pursuant to the Lease Agreement, which payments consist of an interest component and a principal component, as set forth in the Lease Agreement.

“Material Adverse Effect” means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the District, (b) the ability of the District to carry out its business in the manner conducted as of the date of this Lease Agreement or to meet or perform its obligations under this Lease Agreement on a timely basis, (c) the validity or enforceability of this Lease Agreement, or (d) the exclusion of the interest component of the Lease Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes.

“Material Litigation” means any action, suit, proceeding, inquiry or investigation against the District in any court or before any arbitrator of any kind or before or by any Governmental Authority, (a) if determined adversely to the District, may have a Material Adverse Effect, (b) seek to restrain or enjoin any of the transactions contemplated by this Lease Agreement, or (c) may adversely affect (i) the exclusion of the interest component of the Lease Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (ii) the ability of the District to perform its obligations under this Lease Agreement.

“Net Proceeds,” when used with respect to insurance or condemnation proceeds, means any insurance proceeds or condemnation award paid with respect to the Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

“Outstanding,” when used as of any particular time with respect to Certificates, means (subject to the provisions of the Trust Agreement) all Certificates theretofore executed and delivered by the Trustee under the Trust Agreement except:

(a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Certificates for the payment or redemption of which funds in the necessary amount shall have theretofore been deposited with the Trustee or an escrow holder (whether upon or prior to the maturity or redemption date of such Certificates), provided that, if such Certificates are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in the Trust Agreement or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(c) Certificates in lieu of or in exchange for which other Certificates shall have been executed and delivered by the Trustee pursuant to the Trust Agreement.

"Owner" or *"Certificate Owner"* or *"Owner of a Certificate,"* or any similar term, when used with respect to a Certificate means the person in whose name such Certificate shall be registered on the Registration Books, initially the United States of America acting through the Rural Housing Service.

"Payment Date" means the twenty-eighth (28th) day of each month, commencing December 28, 2025, so long as any Certificates are Outstanding.

"Permitted Encumbrances" means, as of any particular time: (a) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the District may, pursuant to provisions of the Lease Agreement, permit to remain unpaid; (b) the Site and Facility Lease; (c) the Lease Agreement; (d) the Assignment Agreement; (e) the Prior Site and Facility Lease; (f) the Prior Lease Agreement; (g) the Prior Assignment Agreement; (h) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (i) easements, rights-of-way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date and which the District certifies in writing will not materially impair the use of the Property; and (j) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the date of recordation of the Lease Agreement and to which the Corporation and the District agree in writing do not reduce the value of the Property.

"Property" means that certain real property and improvements more particularly described in the Site and Facility Lease and in the Lease Agreement.

"Registration Books" means the records maintained by the Trustee pursuant to the Trust Agreement for registration of the ownership and transfer of ownership of the Certificates.

"Regular Record Date" means the close of business on the day preceding each Interest Payment Date, whether or not such day is a Business Day.

"Rental Period" means each twelve-month period during the Term of the Lease Agreement commencing on November 29 in any year and ending on November 28 in the next succeeding year; *provided, however,* that the first Rental Period shall commence on the Closing Date and shall end on November 28, 2026.

"Site and Facility Lease" means the Site and Facility Lease, dated as of November 1, 2025, by and between the District, as lessor, and the Corporation, as lessee, together with any duly authorized and executed amendments thereto.

"State" means the State of California.

“Term of the Lease Agreement” means the time during which the Lease Agreement is in effect, as provided in the Lease Agreement.

“Trust Agreement” means the Trust Agreement, dated as of November 1, 2025, by and among the District, the Corporation and the Trustee, together with any duly authorized amendments thereto.

“Trustee” means Last Frontier Healthcare District Treasurer, or any successor thereto, acting as trustee pursuant to the Trust Agreement.

“2024 Notes” means the District’s 2024 Bond Anticipation Notes.

EXHIBIT B
FORM OF THE CERTIFICATES

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THIS CERTIFICATE MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 2.08 OF THE TRUST AGREEMENT DESCRIBED HEREIN.

Certificate of Participation
(2025 Permanent Financing)
Evidencing a Direct, Undivided Fractional Interest of the
Owners Hereof in Lease Payments to be Made by the
LAST FRONTIER HEALTHCARE DISTRICT
As the Rental for Certain Property Pursuant to a Lease
Agreement with the CSDA Finance Corporation

RATE OF INTEREST	MATURITY DATE	DATED DATE
3.750%	October 28, 2061	November 28, 2025

REGISTERED OWNER: United States of America,
acting through the Rural Housing Service

PRINCIPAL AMOUNT: Eight Million Eight Hundred Thousand Dollars (COP #1)
Five Million Three Hundred Thousand Dollars (COP #2)
Nine Million Nine Hundred Thousand Dollars (COP #3)

THIS IS TO CERTIFY THAT the registered owner identified above, or registered assigns (the "Owner"), as the registered owner of this Certificate of Participation (the "Certificate"), is the owner of a direct, undivided, fractional interest in the lease payments (the "Lease Payments") to be paid by the Last Frontier Healthcare District, a health care district, duly organized and existing under the laws of the State of California (the "District"), pursuant to that certain Lease Agreement, dated as of November 1, 2025, by and between the CSDA Finance Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "Corporation") and the District (the "Lease Agreement"), which Lease Payments, prepayments and certain other rights and interests under the Lease Agreement have been assigned to the Last Frontier Healthcare District Treasurer, Alturas, California, as trustee (the "Trustee").

The Owner is entitled to receive, subject to the terms of the Lease Agreement, on the Maturity Date identified above, the Principal Amount identified above, representing a direct, undivided fractional portion of the Lease Payments designated as principal coming due on such date, and to receive on the first day of each month, commencing November 1, 2025 (each, a "Payment Date"), computed on the basis of a year of 365 days and actual days elapsed, until payment in full of said Principal Amount, the Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the month immediately preceding each of the Interest Payment Dates; provided that interest represented hereby shall be payable

from the Interest Payment Date next preceding the date of execution of this Certificate unless (i) this Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (ii) this Certificate is executed after the close of business on the last day of the month immediately preceding a Payment Date, and prior to such Payment Date, in which event interest shall be payable from such Payment Date, or (iii) this Certificate is executed on or before November 15, 2025, in which event interest shall be payable from the Dated Date stated above; *provided, however*, that if, as of the date of execution of any Certificate, interest is in default with respect to any Outstanding Certificates, interest represented by such Certificate shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Certificates. Payment of defaulted interest shall be paid by check of the Trustee mailed to the registered owners of the Certificates as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the registered owners of the Certificates not less than ten (10) days prior to such special record date. Said direct, undivided fractional share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above. Interest represented hereby is payable in lawful money of the United States of America by check mailed by the Trustee on each Interest Payment Date by first class mail to the Owner at his address as it appears on the registration books of the Trustee, as of the close of business on the fifteenth (15th) day of the month immediately preceding each Interest Payment Date. Principal represented hereby is payable in lawful money of the United States of America by check of the Trustee upon presentation and surrender hereof at the Principal Corporate Trust Office. Each payment of monthly principal and interest shall be in the amount of one twelfth of the annual amount due.

This Certificate has been executed and delivered by the Trustee pursuant to the terms of a Trust Agreement by and among the Trustee, the Corporation and the District, dated as of November 1, 2025 (the "Trust Agreement"). The District is authorized to enter into the Lease Agreement and the Trust Agreement under the laws of the State of California. Reference is hereby made to the Lease Agreement and the Trust Agreement (copies of which are on file at the Principal Corporate Trust Office) for a description of the terms on which the Certificates are delivered, the rights thereunder of the registered owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the District under the Lease Agreement, all of the provisions of which the Owner of this Certificate, by acceptance hereof, assents and agrees.

The District is obligated under the Lease Agreement to pay Lease Payments from any source of legally available moneys and the District has covenanted in the Lease Agreement to make the necessary annual appropriations therefor. The obligation of the District to pay the Lease Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. The obligation of the District to pay Lease Payments does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Pursuant to the Lease Agreement, the District has agreed to establish a separate debt service reserve account in an amount at least equal to an average annual Lease Payments. This reserve will be accumulated at the rate of at least one-tenth (1/10) of an average annual Lease Payments per year until the required level of one average annual Lease Payment is reached.

The Certificates are subject to optional redemption prior to maturity in whole or in part on any date at a redemption price equal to the principal amount of the Certificates to be redeemed, together with accrued interest, without premium, to the date fixed for redemption,

from the proceeds of the optional prepayment of Lease Payments made by the District pursuant to the Lease Agreement.

This Certificates are subject to mandatory redemption in part on each Payment Date, to and including November 1, 2026, from the principal components of scheduled Lease Payments required to be paid by the District pursuant to the Lease Agreement with respect to each such redemption date, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as set forth in Exhibit C to the Trust Agreement.

In the event that the Trustee shall redeem the Certificates in part but not in whole pursuant to optional redemption as provided above, the amount of such Certificates subject to mandatory redemption in each subsequent year shall be reduced pro rata to correspond to the principal components of the Lease Payments prevailing following such redemption.

Notice of optional redemption is to be given by the Trustee by mailing a redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate registration books maintained by the Trustee. Notice of redemption having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) interest with respect to such Certificates or portions of Certificates shall cease to be payable.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consent of the registered owners of at least sixty percent (60%) in aggregate principal amount of the Certificates then outstanding and may be amended without such consent under certain circumstances; provided that no such amendment shall impair the right of any registered owner to receive, in any case, such registered owner's fractional share of any Lease Payment or prepayment thereof in accordance with such registered owner's Certificate, without the consent of such registered owner.

This Certificate is transferable and exchangeable by the Owner, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office, but only in the manner, subject to the limitations and upon payment of any charges provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer, a new Certificate or Certificates of an authorized denomination or denominations for the same aggregate principal amount will be delivered to the transferee in exchange for this Certificate. The District, the Corporation and the Trustee may treat the Owner as the absolute owner hereof for all purposes, whether or not the payments represented by this Certificate shall be overdue and the District, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Trustee has no obligation or liability to the registered owners of the Certificates to make payments of principal or interest with respect to the Certificates. The Trustee's sole obligations are to administer, for the benefit of the registered owners of the Certificates, the various funds and accounts established under the Trust Agreement. The Trustee makes no representation concerning the recitals contained in the Trust Agreement or in this Certificate.

This Certificate is given as evidence of a loan to the District made by the United States of America pursuant to the Consolidated Farm and Rural Development Act and shall be subject to

the applicable present regulations of the United States Department of Agriculture, Rural Housing Service, and to its applicable future regulations not inconsistent with the express provisions hereof.

The District has certified, recited and declared that all conditions, things and acts required by the constitution and statutes of the State of California, the Lease Agreement and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Certificate, do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, this Certificate has been executed by the Last Frontier Healthcare District Treasurer, as trustee, acting pursuant to the Trust Agreement.

Date of Execution:

LAST FRONTIER HEALTHCARE DISTRICT
TREASURER, as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Certificate and do(es) hereby irrevocably constitute and appoint

attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT C

MONTHLY DEBT SERVICE PAYMENTS

Monthly Payment			
Date	Principal	Interest	Total
12/28/25	26,520.00	75,000.00	101,520.00
1/28/26	26,602.88	74,917.13	101,520.00
2/28/26	26,686.01	74,833.99	101,520.00
3/28/26	26,769.40	74,750.60	101,520.00
4/28/26	26,853.06	74,666.94	101,520.00
5/28/26	26,936.97	74,583.03	101,520.00
6/28/26	27,021.15	74,498.85	101,520.00
7/28/26	27,105.59	74,414.41	101,520.00
8/28/26	27,190.30	74,329.70	101,520.00
9/28/26	27,275.27	74,244.73	101,520.00
10/28/26	27,360.50	74,159.50	101,520.00
11/28/26	27,446.00	74,074.00	101,520.00
12/28/26	27,531.77	73,988.23	101,520.00
1/28/27	27,617.81	73,902.19	101,520.00
2/28/27	27,704.11	73,815.89	101,520.00
3/28/27	27,790.69	73,729.31	101,520.00
4/28/27	27,877.54	73,642.46	101,520.00
5/28/27	27,964.65	73,555.35	101,520.00
6/28/27	28,052.04	73,467.96	101,520.00
7/28/27	28,139.71	73,380.29	101,520.00
8/28/27	28,227.64	73,292.36	101,520.00
9/28/27	28,315.85	73,204.15	101,520.00
10/28/27	28,404.34	73,115.66	101,520.00
11/28/27	28,493.10	73,026.90	101,520.00
12/28/27	28,582.14	72,937.86	101,520.00
1/28/28	28,671.46	72,848.54	101,520.00
2/28/28	28,761.06	72,758.94	101,520.00
3/28/28	28,850.94	72,669.06	101,520.00
4/28/28	28,941.10	72,578.90	101,520.00
5/28/28	29,031.54	72,488.46	101,520.00
6/28/28	29,122.26	72,397.74	101,520.00
7/28/28	29,213.27	72,306.73	101,520.00
8/28/28	29,304.56	72,215.44	101,520.00
9/28/28	29,396.14	72,123.86	101,520.00
10/28/28	29,488.00	72,032.00	101,520.00
11/28/28	29,580.15	71,939.85	101,520.00
12/28/28	29,672.59	71,847.41	101,520.00
1/28/29	29,765.32	71,754.68	101,520.00
2/28/29	29,858.33	71,661.67	101,520.00
3/28/29	29,951.64	71,568.36	101,520.00
4/28/29	30,045.24	71,474.76	101,520.00
5/28/29	30,139.13	71,380.87	101,520.00
6/28/29	30,233.32	71,286.68	101,520.00
7/28/29	30,327.80	71,192.20	101,520.00
8/28/29	30,422.57	71,097.43	101,520.00
9/28/29	30,517.64	71,002.36	101,520.00
10/28/29	30,613.01	70,906.99	101,520.00
11/28/29	30,708.67	70,811.33	101,520.00
12/28/29	30,804.64	70,715.36	101,520.00
1/28/30	30,900.90	70,619.10	101,520.00

2/28/30	30,997.47	70,522.53	101,520.00
3/28/30	31,094.34	70,425.66	101,520.00
4/28/30	31,191.51	70,328.49	101,520.00
5/28/30	31,288.98	70,231.02	101,520.00
6/28/30	31,386.76	70,133.24	101,520.00
7/28/30	31,484.84	70,035.16	101,520.00
8/28/30	31,583.23	69,936.77	101,520.00
9/28/30	31,681.93	69,838.07	101,520.00
10/28/30	31,780.93	69,739.07	101,520.00
11/28/30	31,880.25	69,639.75	101,520.00
12/28/30	31,979.88	69,540.12	101,520.00
1/28/31	32,079.81	69,440.19	101,520.00
2/28/31	32,180.06	69,339.94	101,520.00
3/28/31	32,280.62	69,239.38	101,520.00
4/28/31	32,381.50	69,138.50	101,520.00
5/28/31	32,482.69	69,037.31	101,520.00
6/28/31	32,584.20	68,935.80	101,520.00
7/28/31	32,686.03	68,833.97	101,520.00
8/28/31	32,788.17	68,731.83	101,520.00
9/28/31	32,890.63	68,629.37	101,520.00
10/28/31	32,993.42	68,526.58	101,520.00
11/28/31	33,096.52	68,423.48	101,520.00
12/28/31	33,199.95	68,320.05	101,520.00
1/28/32	33,303.70	68,216.30	101,520.00
2/28/32	33,407.77	68,112.23	101,520.00
3/28/32	33,512.17	68,007.83	101,520.00
4/28/32	33,616.90	67,903.10	101,520.00
5/28/32	33,721.95	67,798.05	101,520.00
6/28/32	33,827.33	67,692.67	101,520.00
7/28/32	33,933.04	67,586.96	101,520.00
8/28/32	34,039.08	67,480.92	101,520.00
9/28/32	34,145.45	67,374.55	101,520.00
10/28/32	34,252.16	67,267.84	101,520.00
11/28/32	34,359.20	67,160.80	101,520.00
12/28/32	34,466.57	67,053.43	101,520.00
1/28/33	34,574.28	66,945.72	101,520.00
2/28/33	34,682.32	66,837.68	101,520.00
3/28/33	34,790.70	66,729.30	101,520.00
4/28/33	34,899.43	66,620.57	101,520.00
5/28/33	35,008.49	66,511.51	101,520.00
6/28/33	35,117.89	66,402.11	101,520.00
7/28/33	35,227.63	66,292.37	101,520.00
8/28/33	35,337.72	66,182.28	101,520.00
9/28/33	35,448.15	66,071.85	101,520.00
10/28/33	35,558.92	65,961.08	101,520.00
11/28/33	35,670.05	65,849.95	101,520.00
12/28/33	35,781.51	65,738.49	101,520.00
1/28/34	35,893.33	65,626.67	101,520.00
2/28/34	36,005.50	65,514.50	101,520.00
3/28/34	36,118.02	65,401.98	101,520.00
4/28/34	36,230.88	65,289.12	101,520.00
5/28/34	36,344.11	65,175.89	101,520.00
6/28/34	36,457.68	65,062.32	101,520.00
7/28/34	36,571.61	64,948.39	101,520.00
8/28/34	36,685.90	64,834.10	101,520.00
9/28/34	36,800.54	64,719.46	101,520.00
10/28/34	36,915.54	64,604.46	101,520.00

11/28/34	37,030.90	64,489.10	101,520.00
12/28/34	37,146.62	64,373.38	101,520.00
1/28/35	37,262.71	64,257.29	101,520.00
2/28/35	37,379.15	64,140.85	101,520.00
3/28/35	37,495.96	64,024.04	101,520.00
4/28/35	37,613.14	63,906.86	101,520.00
5/28/35	37,730.68	63,789.32	101,520.00
6/28/35	37,848.59	63,671.41	101,520.00
7/28/35	37,966.87	63,553.13	101,520.00
8/28/35	38,085.51	63,434.49	101,520.00
9/28/35	38,204.53	63,315.47	101,520.00
10/28/35	38,323.92	63,196.08	101,520.00
11/28/35	38,443.68	63,076.32	101,520.00
12/28/35	38,563.82	62,956.18	101,520.00
1/28/36	38,684.33	62,835.67	101,520.00
2/28/36	38,805.22	62,714.78	101,520.00
3/28/36	38,926.48	62,593.52	101,520.00
4/28/36	39,048.13	62,471.87	101,520.00
5/28/36	39,170.15	62,349.85	101,520.00
6/28/36	39,292.56	62,227.44	101,520.00
7/28/36	39,415.35	62,104.65	101,520.00
8/28/36	39,538.52	61,981.48	101,520.00
9/28/36	39,662.08	61,857.92	101,520.00
10/28/36	39,786.02	61,733.98	101,520.00
11/28/36	39,910.36	61,609.64	101,520.00
12/28/36	40,035.08	61,484.92	101,520.00
1/28/37	40,160.19	61,359.81	101,520.00
2/28/37	40,285.69	61,234.31	101,520.00
3/28/37	40,411.58	61,108.42	101,520.00
4/28/37	40,537.87	60,982.13	101,520.00
5/28/37	40,664.55	60,855.45	101,520.00
6/28/37	40,791.62	60,728.38	101,520.00
7/28/37	40,919.10	60,600.90	101,520.00
8/28/37	41,046.97	60,473.03	101,520.00
9/28/37	41,175.24	60,344.76	101,520.00
10/28/37	41,303.91	60,216.09	101,520.00
11/28/37	41,432.99	60,087.01	101,520.00
12/28/37	41,562.47	59,957.53	101,520.00
1/28/38	41,692.35	59,827.65	101,520.00
2/28/38	41,822.64	59,697.36	101,520.00
3/28/38	41,953.33	59,566.67	101,520.00
4/28/38	42,084.44	59,435.56	101,520.00
5/28/38	42,215.95	59,304.05	101,520.00
6/28/38	42,347.88	59,172.12	101,520.00
7/28/38	42,480.21	59,039.79	101,520.00
8/28/38	42,612.96	58,907.04	101,520.00
9/28/38	42,746.13	58,773.87	101,520.00
10/28/38	42,879.71	58,640.29	101,520.00
11/28/38	43,013.71	58,506.29	101,520.00
12/28/38	43,148.13	58,371.87	101,520.00
1/28/39	43,282.97	58,237.03	101,520.00
2/28/39	43,418.23	58,101.77	101,520.00
3/28/39	43,553.91	57,966.09	101,520.00
4/28/39	43,690.01	57,829.99	101,520.00
5/28/39	43,826.54	57,693.46	101,520.00
6/28/39	43,963.50	57,556.50	101,520.00
7/28/39	44,100.89	57,419.11	101,520.00

8/28/39	44,238.70	57,281.30	101,520.00
9/28/39	44,376.95	57,143.05	101,520.00
10/28/39	44,515.63	57,004.37	101,520.00
11/28/39	44,654.74	56,865.26	101,520.00
12/28/39	44,794.28	56,725.72	101,520.00
1/28/40	44,934.27	56,585.73	101,520.00
2/28/40	45,074.69	56,445.31	101,520.00
3/28/40	45,215.54	56,304.46	101,520.00
4/28/40	45,356.84	56,163.16	101,520.00
5/28/40	45,498.58	56,021.42	101,520.00
6/28/40	45,640.77	55,879.23	101,520.00
7/28/40	45,783.39	55,736.61	101,520.00
8/28/40	45,926.47	55,593.53	101,520.00
9/28/40	46,069.99	55,450.01	101,520.00
10/28/40	46,213.96	55,306.04	101,520.00
11/28/40	46,358.37	55,161.63	101,520.00
12/28/40	46,503.24	55,016.76	101,520.00
1/28/41	46,648.57	54,871.43	101,520.00
2/28/41	46,794.34	54,725.66	101,520.00
3/28/41	46,940.58	54,579.42	101,520.00
4/28/41	47,087.27	54,432.73	101,520.00
5/28/41	47,234.41	54,285.59	101,520.00
6/28/41	47,382.02	54,137.98	101,520.00
7/28/41	47,530.09	53,989.91	101,520.00
8/28/41	47,678.62	53,841.38	101,520.00
9/28/41	47,827.62	53,692.38	101,520.00
10/28/41	47,977.08	53,542.92	101,520.00
11/28/41	48,127.01	53,392.99	101,520.00
12/28/41	48,277.40	53,242.60	101,520.00
1/28/42	48,428.27	53,091.73	101,520.00
2/28/42	48,579.61	52,940.39	101,520.00
3/28/42	48,731.42	52,788.58	101,520.00
4/28/42	48,883.71	52,636.29	101,520.00
5/28/42	49,036.47	52,483.53	101,520.00
6/28/42	49,189.71	52,330.29	101,520.00
7/28/42	49,343.42	52,176.58	101,520.00
8/28/42	49,497.62	52,022.38	101,520.00
9/28/42	49,652.30	51,867.70	101,520.00
10/28/42	49,807.47	51,712.53	101,520.00
11/28/42	49,963.11	51,556.89	101,520.00
12/28/42	50,119.25	51,400.75	101,520.00
1/28/43	50,275.87	51,244.13	101,520.00
2/28/43	50,432.98	51,087.02	101,520.00
3/28/43	50,590.59	50,929.41	101,520.00
4/28/43	50,748.68	50,771.32	101,520.00
5/28/43	50,907.27	50,612.73	101,520.00
6/28/43	51,066.36	50,453.64	101,520.00
7/28/43	51,225.94	50,294.06	101,520.00
8/28/43	51,386.02	50,133.98	101,520.00
9/28/43	51,546.60	49,973.40	101,520.00
10/28/43	51,707.68	49,812.32	101,520.00
11/28/43	51,869.27	49,650.73	101,520.00
12/28/43	52,031.36	49,488.64	101,520.00
1/28/44	52,193.96	49,326.04	101,520.00
2/28/44	52,357.07	49,162.93	101,520.00
3/28/44	52,520.68	48,999.32	101,520.00
4/28/44	52,684.81	48,835.19	101,520.00

5/28/44	52,849.45	48,670.55	101,520.00
6/28/44	53,014.60	48,505.40	101,520.00
7/28/44	53,180.28	48,339.72	101,520.00
8/28/44	53,346.46	48,173.54	101,520.00
9/28/44	53,513.17	48,006.83	101,520.00
10/28/44	53,680.40	47,839.60	101,520.00
11/28/44	53,848.15	47,671.85	101,520.00
12/28/44	54,016.43	47,503.57	101,520.00
1/28/45	54,185.23	47,334.77	101,520.00
2/28/45	54,354.56	47,165.44	101,520.00
3/28/45	54,524.41	46,995.59	101,520.00
4/28/45	54,694.80	46,825.20	101,520.00
5/28/45	54,865.72	46,654.28	101,520.00
6/28/45	55,037.18	46,482.82	101,520.00
7/28/45	55,209.17	46,310.83	101,520.00
8/28/45	55,381.70	46,138.30	101,520.00
9/28/45	55,554.77	45,965.23	101,520.00
10/28/45	55,728.38	45,791.62	101,520.00
11/28/45	55,902.53	45,617.47	101,520.00
12/28/45	56,077.22	45,442.78	101,520.00
1/28/46	56,252.46	45,267.54	101,520.00
2/28/46	56,428.25	45,091.75	101,520.00
3/28/46	56,604.59	44,915.41	101,520.00
4/28/46	56,781.48	44,738.52	101,520.00
5/28/46	56,958.92	44,561.08	101,520.00
6/28/46	57,136.92	44,383.08	101,520.00
7/28/46	57,315.47	44,204.53	101,520.00
8/28/46	57,494.58	44,025.42	101,520.00
9/28/46	57,674.25	43,845.75	101,520.00
10/28/46	57,854.49	43,665.51	101,520.00
11/28/46	58,035.28	43,484.72	101,520.00
12/28/46	58,216.64	43,303.36	101,520.00
1/28/47	58,398.57	43,121.43	101,520.00
2/28/47	58,581.06	42,938.94	101,520.00
3/28/47	58,764.13	42,755.87	101,520.00
4/28/47	58,947.77	42,572.23	101,520.00
5/28/47	59,131.98	42,388.02	101,520.00
6/28/47	59,316.77	42,203.23	101,520.00
7/28/47	59,502.13	42,017.87	101,520.00
8/28/47	59,688.08	41,831.92	101,520.00
9/28/47	59,874.60	41,645.40	101,520.00
10/28/47	60,061.71	41,458.29	101,520.00
11/28/47	60,249.40	41,270.60	101,520.00
12/28/47	60,437.68	41,082.32	101,520.00
1/28/48	60,626.55	40,893.45	101,520.00
2/28/48	60,816.01	40,703.99	101,520.00
3/28/48	61,006.06	40,513.94	101,520.00
4/28/48	61,196.70	40,323.30	101,520.00
5/28/48	61,387.94	40,132.06	101,520.00
6/28/48	61,579.78	39,940.22	101,520.00
7/28/48	61,772.22	39,747.78	101,520.00
8/28/48	61,965.25	39,554.75	101,520.00
9/28/48	62,158.89	39,361.11	101,520.00
10/28/48	62,353.14	39,166.86	101,520.00
11/28/48	62,548.00	38,972.00	101,520.00
12/28/48	62,743.46	38,776.54	101,520.00
1/28/49	62,939.53	38,580.47	101,520.00

2/28/49	63,136.22	38,383.78	101,520.00
3/28/49	63,333.52	38,186.48	101,520.00
4/28/49	63,531.43	37,988.57	101,520.00
5/28/49	63,729.97	37,790.03	101,520.00
6/28/49	63,929.13	37,590.87	101,520.00
7/28/49	64,128.91	37,391.09	101,520.00
8/28/49	64,329.31	37,190.69	101,520.00
9/28/49	64,530.34	36,989.66	101,520.00
10/28/49	64,731.99	36,788.01	101,520.00
11/28/49	64,934.28	36,585.72	101,520.00
12/28/49	65,137.20	36,382.80	101,520.00
1/28/50	65,340.76	36,179.24	101,520.00
2/28/50	65,544.95	35,975.05	101,520.00
3/28/50	65,749.77	35,770.23	101,520.00
4/28/50	65,955.24	35,564.76	101,520.00
5/28/50	66,161.35	35,358.65	101,520.00
6/28/50	66,368.11	35,151.89	101,520.00
7/28/50	66,575.51	34,944.49	101,520.00
8/28/50	66,783.55	34,736.45	101,520.00
9/28/50	66,992.25	34,527.75	101,520.00
10/28/50	67,201.60	34,318.40	101,520.00
11/28/50	67,411.61	34,108.39	101,520.00
12/28/50	67,622.27	33,897.73	101,520.00
1/28/51	67,833.59	33,686.41	101,520.00
2/28/51	68,045.57	33,474.43	101,520.00
3/28/51	68,258.21	33,261.79	101,520.00
4/28/51	68,471.52	33,048.48	101,520.00
5/28/51	68,685.49	32,834.51	101,520.00
6/28/51	68,900.13	32,619.87	101,520.00
7/28/51	69,115.45	32,404.55	101,520.00
8/28/51	69,331.43	32,188.57	101,520.00
9/28/51	69,548.09	31,971.91	101,520.00
10/28/51	69,765.43	31,754.57	101,520.00
11/28/51	69,983.45	31,536.55	101,520.00
12/28/51	70,202.15	31,317.85	101,520.00
1/28/52	70,421.53	31,098.47	101,520.00
2/28/52	70,641.60	30,878.40	101,520.00
3/28/52	70,862.35	30,657.65	101,520.00
4/28/52	71,083.80	30,436.20	101,520.00
5/28/52	71,305.93	30,214.07	101,520.00
6/28/52	71,528.76	29,991.24	101,520.00
7/28/52	71,752.29	29,767.71	101,520.00
8/28/52	71,976.52	29,543.48	101,520.00
9/28/52	72,201.44	29,318.56	101,520.00
10/28/52	72,427.07	29,092.93	101,520.00
11/28/52	72,653.41	28,866.59	101,520.00
12/28/52	72,880.45	28,639.55	101,520.00
1/28/53	73,108.20	28,411.80	101,520.00
2/28/53	73,336.66	28,183.34	101,520.00
3/28/53	73,565.84	27,954.16	101,520.00
4/28/53	73,795.73	27,724.27	101,520.00
5/28/53	74,026.35	27,493.65	101,520.00
6/28/53	74,257.68	27,262.32	101,520.00
7/28/53	74,489.73	27,030.27	101,520.00
8/28/53	74,722.51	26,797.49	101,520.00
9/28/53	74,956.02	26,563.98	101,520.00
10/28/53	75,190.26	26,329.74	101,520.00

11/28/53	75,425.23	26,094.77	101,520.00
12/28/53	75,660.93	25,859.07	101,520.00
1/28/54	75,897.37	25,622.63	101,520.00
2/28/54	76,134.55	25,385.45	101,520.00
3/28/54	76,372.47	25,147.53	101,520.00
4/28/54	76,611.14	24,908.86	101,520.00
5/28/54	76,850.55	24,669.45	101,520.00
6/28/54	77,090.70	24,429.30	101,520.00
7/28/54	77,331.61	24,188.39	101,520.00
8/28/54	77,573.27	23,946.73	101,520.00
9/28/54	77,815.69	23,704.31	101,520.00
10/28/54	78,058.87	23,461.13	101,520.00
11/28/54	78,302.80	23,217.20	101,520.00
12/28/54	78,547.50	22,972.50	101,520.00
1/28/55	78,792.96	22,727.04	101,520.00
2/28/55	79,039.18	22,480.82	101,520.00
3/28/55	79,286.18	22,233.82	101,520.00
4/28/55	79,533.95	21,986.05	101,520.00
5/28/55	79,782.49	21,737.51	101,520.00
6/28/55	80,031.81	21,488.19	101,520.00
7/28/55	80,281.91	21,238.09	101,520.00
8/28/55	80,532.80	20,987.20	101,520.00
9/28/55	80,784.46	20,735.54	101,520.00
10/28/55	81,036.91	20,483.09	101,520.00
11/28/55	81,290.15	20,229.85	101,520.00
12/28/55	81,544.18	19,975.82	101,520.00
1/28/56	81,799.01	19,720.99	101,520.00
2/28/56	82,054.63	19,465.37	101,520.00
3/28/56	82,311.05	19,208.95	101,520.00
4/28/56	82,568.27	18,951.73	101,520.00
5/28/56	82,826.30	18,693.70	101,520.00
6/28/56	83,085.13	18,434.87	101,520.00
7/28/56	83,344.77	18,175.23	101,520.00
8/28/56	83,605.23	17,914.77	101,520.00
9/28/56	83,866.49	17,653.51	101,520.00
10/28/56	84,128.57	17,391.43	101,520.00
11/28/56	84,391.48	17,128.52	101,520.00
12/28/56	84,655.20	16,864.80	101,520.00
1/28/57	84,919.75	16,600.25	101,520.00
2/28/57	85,185.12	16,334.88	101,520.00
3/28/57	85,451.33	16,068.67	101,520.00
4/28/57	85,718.36	15,801.64	101,520.00
5/28/57	85,986.23	15,533.77	101,520.00
6/28/57	86,254.94	15,265.06	101,520.00
7/28/57	86,524.48	14,995.52	101,520.00
8/28/57	86,794.87	14,725.13	101,520.00
9/28/57	87,066.11	14,453.89	101,520.00
10/28/57	87,338.19	14,181.81	101,520.00
11/28/57	87,611.12	13,908.88	101,520.00
12/28/57	87,884.91	13,635.09	101,520.00
1/28/58	88,159.55	13,360.45	101,520.00
2/28/58	88,435.04	13,084.96	101,520.00
3/28/58	88,711.40	12,808.60	101,520.00
4/28/58	88,988.63	12,531.37	101,520.00
5/28/58	89,266.72	12,253.28	101,520.00
6/28/58	89,545.67	11,974.33	101,520.00
7/28/58	89,825.50	11,694.50	101,520.00

8/28/58	90,106.21	11,413.79	101,520.00
9/28/58	90,387.79	11,132.21	101,520.00
10/28/58	90,670.25	10,849.75	101,520.00
11/28/58	90,953.60	10,566.40	101,520.00
12/28/58	91,237.83	10,282.17	101,520.00
1/28/59	91,522.95	9,997.05	101,520.00
2/28/59	91,808.96	9,711.04	101,520.00
3/28/59	92,095.86	9,424.14	101,520.00
4/28/59	92,383.66	9,136.34	101,520.00
5/28/59	92,672.36	8,847.64	101,520.00
6/28/59	92,961.96	8,558.04	101,520.00
7/28/59	93,252.46	8,267.54	101,520.00
8/28/59	93,543.88	7,976.12	101,520.00
9/28/59	93,836.20	7,683.80	101,520.00
10/28/59	94,129.44	7,390.56	101,520.00
11/28/59	94,423.60	7,096.40	101,520.00
12/28/59	94,718.67	6,801.33	101,520.00
1/28/60	95,014.66	6,505.34	101,520.00
2/28/60	95,311.59	6,208.41	101,520.00
3/28/60	95,609.43	5,910.57	101,520.00
4/28/60	95,908.21	5,611.79	101,520.00
5/28/60	96,207.93	5,312.07	101,520.00
6/28/60	96,508.58	5,011.42	101,520.00
7/28/60	96,810.17	4,709.83	101,520.00
8/28/60	97,112.70	4,407.30	101,520.00
9/28/60	97,416.17	4,103.83	101,520.00
10/28/60	97,720.60	3,799.40	101,520.00
11/28/60	98,025.98	3,494.02	101,520.00
12/28/60	98,332.31	3,187.69	101,520.00
1/28/61	98,639.60	2,880.40	101,520.00
2/28/61	98,947.85	2,572.15	101,520.00
3/28/61	99,257.06	2,262.94	101,520.00
4/28/61	99,567.24	1,952.76	101,520.00
5/28/61	99,878.38	1,641.62	101,520.00
6/28/61	100,190.50	1,329.50	101,520.00
7/28/61	100,503.60	1,016.40	101,520.00
8/28/61	100,817.67	702.33	101,520.00
9/28/61	101,132.73	387.27	101,520.00
10/28/61	101,448.77	71.23	101,520.00

EXHIBIT D

FORM OF PURCHASER'S LETTER

Last Frontier Healthcare District
1111 North Nagle Street
Alturas, CA 96101

Re: Certificates of Participation, (2025 Permanent Financing), Evidencing Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the Last Frontier Healthcare District As the Rental for Certain Property Pursuant to a Lease Agreement with the CSDA Finance Corporation

Ladies and Gentlemen:

The undersigned (the "Purchaser"), being the purchaser of the above-referenced certificates of participation (the "Certificates") does hereby certify, represent and warrant for the benefit of the Last Frontier Healthcare District (the "District") and the Last Frontier Healthcare District Treasurer, as trustee (the "Trustee") that:

(a) The Purchaser (MARK OR INDICATE APPROPRIATELY):

☐ is a qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"),

☐ is an "accredited investor" as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Accredited Investor"), or

☐ a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to Qualified Institutional Buyers or Accredited Investors.

(b) The Purchaser understands that the Certificates have not been registered under the United States Securities Act of 1933, as amended, or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Certificates by it, and further acknowledges that any current exemption from registration of the Certificates does not affect or diminish such requirements.

(c) The Purchaser is not now and has never been controlled by, or under common control with, the District. The District has never been and is not now controlled by the Purchaser. The Purchaser has entered into no arrangements with the District or with any affiliate in connection with the Certificates, other than as disclosed to the District.

(d) The Purchaser has authority to purchase the Certificates and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Certificates. The individual who is signing this letter on behalf of the Purchaser is a duly appointed, qualified, and acting

officer of the Purchaser and is authorized to cause the Purchaser to make the certificates, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

(e) The Purchaser has been informed that the Certificates (i) have not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, and (ii) will not be listed on any stock or other securities exchange.

(f) The Purchaser acknowledges that it has the right to sell and transfer the Certificates, subject to compliance with the transfer restrictions set forth in Section 2.08 of the Trust Agreement, dated as of November 1, 2025, by and among the District, the Public Property Financing Corporation of California and the Trustee (the "Trust Agreement"), including in certain circumstances the requirement for the delivery to the District and the Trustee of an investor's letter in the same form as this Investor's Letter, including this paragraph. Failure to comply with the provisions of Section 2.08 of the Trust Agreement shall cause the purported transfer to be null and void.

(g) Neither the Trustee nor the District's and the District's bond counsel, or any of their employees, counsel or agents will have any responsibility to the Purchaser for the accuracy or completeness of information obtained by the Purchaser from any source regarding the District or its financial condition, the provision for payment of the Certificates, or the sufficiency of any security therefor. The Purchaser acknowledges that, as between the Purchaser and all of such parties, the Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary or desirable in connection with its decision to purchase the Certificates.

(h) The Purchaser acknowledges that the Certificates are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the District has not undertaken to provide any continuing disclosure with respect to the Certificates, except as otherwise provided in the Trust Agreement.

The Purchaser acknowledges that the sale of the Certificates to the Purchaser is made in reliance upon the certifications, representations and warranties herein by the addressees hereto. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Trust Agreement.

[PURCHASER]

By _____
Name _____
Title _____

ATTACHMENT I

RESOLUTION #25-05



Resolution #25-05

October 30, 2025

**BOARD OF DIRECTORS
CONSIDERATION / ACTION**

**RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN
LEASE FINANCING DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF
CERTIFICATES OF PARTICIPATION RELATING THERETO TO PREPAY AND REDEEM THE
DISTRICT'S OUTSTANDING 2024 BOND ANTICIPATION NOTES AND AUTHORIZING AND
DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the Board of Directors (the "Board") of the Last Frontier Healthcare District (the "District"), as follows:

WHEREAS, the District has heretofore issued its 2024 Bond Anticipation Notes, in part, to finance a new 50-bed skilled nursing facility located on property owned by the District adjacent to its acute care hospital in Alturas, California (the "2024 Notes");

WHEREAS, the District, with the assistance of the CSDA Finance Corporation (the "Corporation"), has determined at this time to prepay and redeem the 2024 Notes and to implement a lease financing for such purposes;

WHEREAS, pursuant to the Letters of Conditions dated January 30, 2023, Amendment No. 1 to Letter of Conditions dated November 29, 2023, Amendment No. 2 to Letter of Conditions dated March 14, 2024, Amendment No. 3 to Letter of Conditions dated April 21, 2025, and Amendment No. 4, dated August 26, 2025, the United States of America, acting through the Rural Housing Service (the "Purchaser"), has agreed to purchase obligations of the District evidenced by the Certificates of Participation (hereinafter defined) to provide funds to prepay and redeem the 2024 Notes;

WHEREAS, it is in the public interest and for the public benefit that the District authorize and direct execution of the Lease Agreement (hereinafter defined) and certain other financing documents in connection therewith;

WHEREAS, the documents below specified shall be filed with the District and the members of the Board, with the aid of its staff, shall review said documents; and

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018 by the enactment of Senate Bill 450, certain information relating to the Certificates is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public; and

NOW, THEREFORE, it is hereby **ORDERED** and **DETERMINED**, as follows:

Section 1. Certificates of Participation (2025 Permanent Financing) (the "Certificates") are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement (as hereinafter defined), to refund the 2024 Notes.

Section 2. The below-enumerated documents, in the forms on file with the Secretary, be and are hereby approved, and the President of the Board, the Treasurer of the Board, the Chief Executive Officer of the District, the Finance Director of the District, or the designee thereof or the assignee of any such official (each, a "Designated Officer"), are hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such officials, and the Secretary is hereby authorized and directed to attest to such official's signature:

lease certain existing property and improvements thereon (the "Property") to the Corporation, for the purpose of leasing

the Property to the District pursuant to the Lease Agreement;

(b) a lease agreement relating to the Property, between the Corporation, as lessor, and the District, as lessee (the “Lease Agreement”), so long as the principal amount of the Lease Agreement is not greater than \$24,000,000, the interest rate payable with respect to the Lease Agreement does not exceed 3.750% and the Lease Agreement shall be for a term ending no later than October 1, 2061; and

(c) a trust agreement, by and among the Corporation, the District and the Last Frontier Healthcare District Treasurer, as trustee (the “Trustee”), relating to the execution and delivery of the Certificates.

Section 3. The Designated Officers are each hereby authorized and directed to do the following with respect to the execution and delivery of the Certificates:

(a) Take any and all actions and execute, acknowledge, deliver and file any and all agreements, instruments or other documents of any kind required of the District; and

(b) Act as an agent to the District for the purposes of executing and delivering the Certificates and any additional negotiations, authorizations, approvals, executions, consents, notices, deliveries or other acts required for the execution and delivery of the Certificates.

(c) The District agrees to have an annual debt service coverage from rates, tolls, charges and collections sufficient to pay all operating, maintenance, principal, interest and reserve costs.

Section 4. All actions taken by the Designated Officers and other officers or directors of the District which have been undertaken to date or which will be undertaken with respect to the planning, negotiation, authorization, approval and implementation of the financing plan are hereby ratified, confirmed and approved in all respects.

Section 5. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at the regular meeting of the **LAST FRONTIER HEALTHCARE DISTRICT** Board of Directors held on this 31st day of July 2025, by the following vote:

LFHD Board Members	Aye	Nay	Absent	Abstain
Carol Madison				
Rose Boulade				
Mike Mason				
Paul Dolby				
Keith Weber				

THE MOTION CARRIES / FAILS.

Carol Madison, Chair
LAST FRONTIER HEALTHCARE DISTRICT BOARD OF DIRECTORS

The LAST FRONTIER HEALTHCARE DISTRICT Clerk’s Attestation is on the next page and is considered a part of this Resolution #25-05.

LAST FRONTIER HEALTHCARE DISTRICT

I, **Denise R. King**, Clerk of the Board of Directors in and for the **LAST FRONTIER HEALTHCARE DISTRICT**, do hereby certify and attest that the above and foregoing is a full, true, and correct copy of an **ORDER** as it appears in the Minutes of said Board of Directors regular meeting this 31st day of July 2025 on file in my office.

WITNESS my hand and the seal of the Board of Directors this 30th day of October 2025.

Denise R. King, Clerk of the Board
LAST FRONTIER HEALTHCARE DISTRICT

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates represented to have been provided in good faith:

- (A) Estimated True Interest Cost of the Certificates: 3.75%
- (B) Finance Charges (costs of issuance): \$0.00
- (C) Net Proceeds to be Received (net of finance charges): \$24,000,000
- (D) Total Payment Amount through Maturity: \$43,755,120

The foregoing estimates constitute good faith estimates only.

The principal amount of the Certificates, the true interest cost of the Certificates, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Certificates being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Certificates sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Certificates being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Certificates being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Certificates and the actual principal amount of Certificates sold will be determined by the District based on the timing of the need for proceeds of the Certificates and other factors. The actual interest rates with respect to the Certificates will depend on market interest rates at the time of sale thereof. The actual amortization of the Certificates will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.