



AGENDA

LAST FRONTIER HEALTHCARE DISTRICT SPECIAL FINANCE COMMITTEE

Tuesday, June 30, 2026 – 2:00 pm
Education Conference Room – Modoc Medical Center
1111 N Nagle St. 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.

Subject	Discussion	Attachment
1. Call to Order		
2. Agenda Approval	R. Boulade - Changes, additions and/or deletions to the Agenda.	
3. Discussion Items		
A. FYE 2027 Budget	J. Lin – FYE 2027 Budget	Attachment A
4. Adjournment		

AGENDA POSTED AT: MODOC COUNTY COURTHOUSE / ALTURAS CITY HALL / MMC WEBSITE/ MMC LOBBY ENTRANCE - WWW.MODOCMEDICALCENTER.ORG ON June 26, 2026.

Modoc Medical Center - Budget FY 27 Income Statement Compared to Annualized FY 26 Performance

	<u>YTD May 2026</u>	<u>Annualized</u>	<u>FYE 2027 BudgetTotal</u>	<u>Variance FY 2027 Budget to Annualized</u>	<u>Notes-Variations Over 5%</u>
IP Acute Rev	6,310,652	6,884,303	7,274,373	6%	Projected IP Census Increase
IP SNF Rev	10,569,137	11,529,968	15,218,775	32%	Increased SNF revenue, based on AVG Census of 65 in SNF for first 3 months and then 70 last 9 months of FY 27.
IP Ancillary Rev	0	0			
Total IP Rev	16,879,789	18,414,270	22,493,148	22%	
OP Rev	39,010,055	42,556,424	44,571,920	5%	
Total Pt Rev	55,889,844	60,970,694	67,065,068	10%	
BD	1,071,129	1,168,504	1,285,303	10%	BD as percentage of total revenue is consistent. Revenue growth will cause this to go up.
Contractual Allowance	8,672,575	9,460,991	8,394,119	-11%	IGT payments are projected to improve by \$4 million this fiscal year.
Admin	1,196,149	1,304,890	1,447,683	11%	Admin adjustments as a percentage of total revenue are consistent. This is anticipated to grow with our revenue growth.
Total Deducs	10,939,853	11,934,385	11,127,104	-7%	
Net Pt Rev	44,949,990	49,036,308	55,937,964	14%	
% of Gross	80.43%	80.43%	83.41%	4%	
Other Rev	1,759,970	1,939,167	485,018	-75%	No ERC Payment Expected in FY 27
Total Net Rev	46,709,961	50,975,476	56,422,982	11%	
Salaries	19,267,084	21,859,383	23,348,287	7%	4% Annual Increase plus full year with additional SNF in operation. Positions added include Maintenance Lead Promotion, 1/2 Controller, Referrals person for Alturas Clinic, Ultrasound Tech. Anticipate recruiting physicians for Canby and Alturas by January 2027.
Benefits	4,190,580	4,754,404	4,869,820	2%	
Registry	2,943,005	3,210,550	3,956,808	23%	Both SNFs Avg Feb-May Used to Estimate Registry Fee Increases related to operating both SNFs.
Pro Fees	5,019,861	5,476,212	6,089,495	11%	Added Cardiology and Surgery Providers. Added some locums expense in anticipation of locums coverage needed in clinics throughout the entire year.
Purch Svcs	1,510,663	1,647,996	1,730,342	5%	Added anticipated expenses related to additional implementation of AI agents/tools. Added interface expenses related to vital signs machines.
Supplies	4,183,357	4,563,662	4,981,732	9%	Drug Expense was increased by 5% this year. Minor equipment is also included in this for lab and other departments in anticipation of replacing some point of care analyzers, vital sign machines, etc. Full year of Mountainview anticipated supplies expense included.
Repairs	443,281	483,579	468,827	-3%	
Lease	49,009	53,464	55,167	3%	
Utils	776,505	847,096	1,113,817	31%	8% Mark up on Utilities and Full Year of MountainView.
Ins	458,163	499,815	492,242	-2%	Property Insurance Decrease
Depr	2,593,574	2,829,354	3,734,315	32%	Full year of depreciation for New SNF. Capital budget depreciation incorporated based on estimated useful lives and service dates for assets.
Other	865,948	944,670	969,013	3%	
Total Op Exp	42,301,030	47,170,185	51,809,866	10%	
Income from Operations	4,408,931	3,805,291	4,613,116	21%	
Prop Tax	1,861,269	2,030,475	2,336,521	15%	Last property tax payment is accrued at FYE in period 14.
Int Income	882,858	963,118	963,153	0%	

Int Exp	(2,092,242)	(2,282,446)	(1,796,717)	-21%	No Zion's Bank Interim Loan Interest Rate
Gain/Loss	0	0	0		
					Purchase of Packaging machine. Anticipated Script volume decrease due to major employer health plans pushing prescriptions to mail order pharmacy service.
Retail Rx	759,795	828,867	608,100	-27%	
District Vouchers	(58,096)	(63,377)	(70,840)	12%	
Total Non-Op	1,353,584	1,476,637	2,040,217	38%	
Total Net Income	5,762,515	5,281,928	6,653,333	26%	

Modoc Medical Center
3 year Capital Budget starting FYE 2027

<u>Description</u>	<u>Budget Amount</u>	<u>Department</u>	<u>Funding Source</u>	<u>Fiscal Year</u>
Tray Cart	\$ 10,000	Acute Dietary	District	FYE 2027
Drawings Support Svcs Office Building	\$ 350,000	Administration	District	FYE 2027
Drawings Support Svcs Office Building	\$ 350,000	Administration	District	FYE 2027
Remainder of NMR drawings for Clinic Expansion	\$ 380,000	Alturas Clinic	District	FYE 2027
Remainder of Canby Clinic Remodel	\$ 50,000	Canby Clinic	District	FYE 2027
Canby Clinic - New Outdoor Signs	\$ 30,000	Canby Clinic	District	FYE 2027
Canby Well House - Remodel	\$ 5,000	Canby Clinic	District	FYE 2027
Computers (50)	\$ 85,000	Data Processing	District	FYE 2027
Server Upgrades	\$ 25,000	Data Processing	District	FYE 2027
Tiny Home/Sleep Room ER Physicians	\$ 200,000	Emergency Room	District	FYE 2027
New EKG Machines	\$ 10,000	Emergency Room	District	FYE 2027
Pharmacy Remodel/ER Sleep Room Conversion	\$ 100,000	Hospital Pharmacy	District	FYE 2027
Coag Machine	\$ 50,000	Laboratory	District	FYE 2027
Wash & Dry Machines	\$ 5,000	Laundry	District	FYE 2027
Side Walk - Support Service	\$ 25,000	Maintenance	District	FYE 2027
Car	\$ 45,000	Maintenance	District	FYE 2027
UTV Electric with Plow	\$ 20,000	Maintenance	District	FYE 2027
Water Filter System	\$ 20,000	Maintenance	District	FYE 2027
Heat Exchange Geothermal	\$ 120,000	Maintenance	District	FYE 2027
Snow Plow for Pickup	\$ 15,000	Maintenance	District	FYE 2027
Remainder of Hospital Generator Project	\$ 300,000	Maintenance	District	FYE 2027
Stress Test Treadmill	\$ 15,000	Maintenance	District	FYE 2027
Hospital Intersection Lighting Project and New Signage	\$ 40,000	Maintenance	District	FYE 2027
Solar Proposal/Design/Bidding	\$ 300,000	Maintenance	District	FYE 2027
Pictures for New SNF	\$ 60,000	Mountainview	District	FYE 2027
Landscaping Improvements	\$ 40,000	Multiple	District	FYE 2027
Acquire More Staff Housing	\$ 500,000	Multiple	District	FYE 2027
Omni Cell Replace	\$ 750,000	Pharmacy	District	FYE 2027
Metal Storage Building	\$ 500,000	Purchasing	District	FYE 2027
Mobile MRI Machine (Shared with Collaborative)	\$ 350,000	Radiology	District	FYE 2027
Laparoscopic Camera and Tower	\$ 97,349	Surgery	District	FYE 2027
Pediatric Colonoscope	\$ 30,037	Surgery	District	FYE 2027
PHILIPS US W/Cardiovascular MACHINE	\$ 275,472	US	District	FYE 2027
Warnerview Remodel	\$ 100,000	Warnerview	District	FYE 2027
Subtotal FYE 2027	\$ 5,252,857			

Server Upgrades	\$ 25,000	Data Processing	District	FYE 2028
Computers (50)	\$ 85,000	Data Processing	District	FYE 2028
Solar Array Project	\$ 3,000,000	Maintenance	District	FYE 2028
Clinic Expansion/Landing Zone/Parking Lot/Radiology Add Alternate	\$ 7,500,000	Alturas Clinic	District	FYE 2028
Subtotal FYE 2028	\$ 10,610,000			

Support Svcs Office Building Construction	\$ 4,000,000	Administration	District	FYE 2029
Server Upgrades	\$ 25,000	Data Processing	District	FYE 2029
Anesthesia Machine	\$ 21,500	Surgery	District	FYE 2029
Computers (50)	\$ 90,000	Data Processing	District	FYE 2029
Clinic Expansion/Landing Zone/Parking Lot/Radiology Add Alternate	\$ 7,500,000	Alturas Clinic	District Budget	FYE 2029
Subtotal FYE 2029	\$ 11,636,500			