



**MEETING MINUTES**  
**ANTELOPE VALLEY HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS MEETING - PUBLIC SESSION**  
Board Room, 1600 West Avenue J, Lancaster, CA 93534

**JULY 28, 2021**

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**PUBLIC COMMENT:** Members of the public desiring to address the Board concerning items on the meeting agenda may do so **before action is taken and after the item has been discussed by the Board.** Public comment cards are available, and time is limited to two minutes per speaker.  
*Reminder: Board Members must disclose any potential conflicts of interest prior to voting.*

**IN ACCORDANCE WITH MEASURES GIVEN BY STATE AND LOCAL PUBLIC HEALTH OFFICIALS, THE BOARD OF DIRECTORS MEETING WILL BE MADE AVAILABLE TO THE PUBLIC AT THE LOCATION SPECIFIED ABOVE.**

**THE PUBLIC WILL ALSO HAVE THE OPPORTUNITY TO PARTICIPATE AND MAKE COMMENT PER BROWN ACT GUIDELINES (2-MINUTE TIMELIMIT PER PERSON). FOR FURTHER SAFETY, THE MEETING LOCATION WILL ALSO IMPOSE SOCIAL DISTANCING MEASURES.**

**6:30PM – ESTIMATED START TIME**  
**Start Time: 6:51PM**

**OPEN TO PUBLIC SESSION**

- I. REPORTABLE ACTIONS TAKEN IN EXECUTIVE (CLOSED) SESSION – Abdallah Farrukh, MD, Chair**
- A. Report on Actions on Claims Filed with the District (REPORT)**  
3 claims reported and denied
  - B. Medical Staff Recommendations (REPORT)**
- II. CONSENT CALENDAR – THE CONSENT CALENDAR, AGENDA ITEMS MAY BE ACTED UPON WITH ONE MOTION, A SECOND AND THE VOTE – Abdallah Farrukh, MD, Chair**
- A. Approval of Board Public Session Meeting Minutes of May 26, 2021 (ACTION)**
  - B. Acceptance of Finance Committee Meeting Minutes of May 26, 2021 (ACTION)**
  - C. Acceptance of Retirement Advisory Committee Meeting Minutes of July 12, 2021 (ACTION)**

**MOTION:** Dr. Don Parazo makes a motion to approve the Consent Calendar; Seconded by Dr. Phil Tusso. The motion passed unanimously.

**III. COMMITTEE REPORTS & RECOMMENDATIONS**

- A. Finance Committee – Dr. Parazo, Chair**
  - 1. Approval of June 2021 Financial Report (ACTION) – Fred Vitello, CFO  
Reviewed and Discussed
    - Admission Trends June 2019 - June 2021



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- Net Patient Revenue Trends June 2019 – June 2021
  - Over by 10% in net patient revenue.
  - Higher case mix index. Higher ER Visits.
- EBIDA Trends June 2019 – June 2021
  - End of Month/Year shows a good EBIDA
- Statement of Income – June 2021
  - EBIDA 300% over budget/7.5M over
  - Total Operating Revenue: 25.5% over budget
  - Net Patient Revenue over by 10%
  - Positive trends in Case Mix Index
  - Increase in ER Visits

Dr. Farrukh asks about the Total Operating Revenues at \$47M, is that the total for the month?

Mr. Vitello and Mr. Mirzabegian answer the question and discuss the total operating revenues.

- Statement of Income YTD
  - Pension Liability and Workmans Comp adjustments that are being reviewed

Dr. Farrukh asks with the Pension Liability, do we a handle on exactly how much this will be?

Mr. Mirzabegian, Dr. Farrukh, and Mr. Vitello discuss the pension liability, actuary, and the pension plan.

Dr. Tusso asks about interest rates and where we are on those numbers?  
Mr. Vitello and Mr. Mirzabegian review and discuss the interest rates.

- Volumes – June 2021
  - Noting the increase in Trauma cases, ER Visits and Increasing ER Beds by the end of the year.

Dr. Farrukh states his appreciation for Dr. Stock working many long hours and days in the ER in response to the demand. He appreciates the ER Drs and ER Staff who always rise to the occasion.

- Volumes – YTD
  - Deliveries are down
  - ER Visits are increasing to pre-COVID numbers
  - Trauma Cases over YTD Budget



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- Payor Mix Graph Review (Medicare, Medi-Cal, Commercial, Other & Self-Pay)
  - Collections and Debt Covenant Requirements
    - Collections for June 2021 and YTD
    - Reviewed Bond Covenant Requirements, Days Cash on Hand, and Debt Service Coverage
    - Dr. Farrukh states the need for Physician education on the cost of equipment and proper use on patients
  
  - Mr. Rives asks about the 25M Cares Act payback funds?  
Mr. Vitello discusses the plan of payback.
  
  - Mr. Rives asks about the possibility of changing the Pension Investments (fixed vs change).  
Mr. Mirzabegian answers the question as to Fixed Bank and Fiduciary Responsibility.
  
  - Dr. Tusso asks for a Pension Plan update.  
Mr. Mirzabegian will invite Mr. Mark Shuster to the next meeting to give a presentation on the Pension Plan.
  
  - Dr. Tusso asks about availability of beds for patients.  
Mr. Mirzabegian answers the question.

**MOTION:** Dr. Tusso made a motion to approve the June 2021 Financial Report; seconded by Dr. Parazo. The motion passed unanimously.

**IV. NEW BUSINESS**

No New Business

**V. BOARD ORGANIZATIONAL MATTERS – Abdallah Farrukh, Chair**

- A.** Discussion & Possible Action considering the California Attorney General's Quo Warranto Letter RE: Michael Rives Election  
Dr. Farrukh discusses the need to have an amicable discussion of the Attorney General's Ruling.

Mr. Schell discusses the Government Section Code 1099 and the Attorney General's Letter and Ruling. Citing a 2010 Opinion and Precedent Case noted in the Attorney General's ruling.



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Dr. Farrukh discusses the need for stability of the Board and our Public Ratings. The discussion continues to the need for a Leave of Absence or Resignation.

Mr. Rives states he has nothing to say.

**VI. CHIEF EXECUTIVE OFFICER'S REPORT – Ed Mirzabegian (INFORMATION ONLY)**

**A. COVID-19 Summary & Update**

- Converting 3T back to the COVID Unit.
- Advised N95 Masking for Employees
  - Reviewing Payor Contracts and Payments within the contracts.
    - Including implant costs and payments from payors.
  - Pensions and PEPRA was 7% last 2 years (split with the employee). Percentage has risen to 10%, (split with the employee). Still negotiating the percentage.
  - Working on the FY 2021 Audit
  - Census is up & staffing is an issue.
  - Physician & Leadership Retreat for October 28-31, 2021

**VII. PUBLIC COMMENT ON NON-AGENDA ITEMS**

No Public Comments

**VIII. ADJOURNMENT: 7:30PM**



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Abdallah Farrukh, MD, Chair