



## **Executive Summary**

Finance Committee

Held July 25, 2023

### **Capital Purchase Requests reviewed:**

- Threshold –
  - None
- Non-Threshold:
  - None

### **Discussion Items**

- Financial recovery
  - Reviewed of the 13-week cash flow projections
  - Reviewed status of payor negotiations for re-contracting
    - Advanced Health is moving to an FFS contract on 08/01/2023
  - Update on bank discussions
  - Update on ECG work

### **Financial Results:**

- See attached Narrative and financials
  - June 2023 financials showed an Operating loss of \$1.2 Million and overall loss at \$1.5 Million. Year to date has an Operating loss of \$32.3 million and overall loss at \$34.5 million. We booked a \$2.6 Million entry for Defined Benefit Pension Plan expense this month that is typically done during the audit period.
  - Cash and Cash equivalents balance as of May 2023 is \$65.43 million, a decline of \$507 thousand from last month

### **Next meeting:**

Next Meeting – August 29, 2023



Month End Financial Narrative  
For month ending June 30, 2023

Overall, Bay Area hospital lost \$1.5M in June vs. a budget loss of \$492K and last year's loss of \$22.7M. Contract Labor, Prepaid Pension and Supply costs were the drivers of the increased loss over run rate. Gross Revenue for the month finished strong at \$51.5 Million. Year-to-date performance of \$34.5M loss is still significantly off budget (\$29.5M), but favorable to last year-to-date loss by \$25.6M. Below is a breakdown of the financials.

Bay Area Hospital																
Consolidated Income Statement - June 2023																
***** PRELIMINARY *****																
	Month to Date								Year to Date							
	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %		
Total Gross Patient Revenue	51,525,787	45,146,974	6,378,812	14.1%	46,769,320	4,756,467	10.2%	577,667,872	549,288,186	28,379,686	5.2%	563,462,002	14,205,870	2.5%		
Total Deductions	29,581,994	28,153,445	(1,428,549)	-5.1%	44,863,895	15,281,900	34.1%	372,205,006	342,533,579	(29,671,427)	-8.7%	382,808,649	10,603,643	2.8%		
Net Healthcare Revenue	21,943,792	16,993,529	4,950,263	29.1%	1,905,425	20,038,367	1051.6%	205,462,866	206,754,607	(1,291,741)	-0.6%	180,653,353	24,809,513	13.7%		
Other Oper Revenue	175,343	103,815	71,528	68.9%	158,328	17,015	10.7%	2,516,596	1,263,079	1,253,517	99.2%	1,417,187	1,099,408	77.6%		
Total Net Revenue	22,119,135	17,097,344	5,021,791	29.4%	2,063,753	20,055,382	971.8%	207,979,462	208,017,686	(38,224)	0.0%	182,070,540	25,908,921	14.2%		
Net to Gross Ratio	42.9%	37.9%			4.4%			36.0%	37.9%			32.3%				
Total Operating Expenses	23,296,768	17,632,358	(5,664,410)	-32.1%	25,234,267	1,937,498	7.7%	240,260,293	213,524,172	(26,736,121)	-12.5%	242,583,588	2,323,296	1.0%		
Net Operating Income	(1,177,633)	(535,014)	(642,619)	120.1%	(23,170,514)	21,992,881	-94.9%	(32,280,831)	(5,506,486)	(26,774,345)	486.2%	(60,513,048)	28,232,217	-46.7%		
Net Income	(1,533,786)	(491,760)	(1,042,025)	211.9%	(22,700,374)	21,166,588	-93.2%	(34,532,463)	(4,980,231)	(29,552,231)	593.4%	(60,157,131)	25,624,669	-42.6%		

## VOLUMES

### Inpatient Discharge

- Inpatient discharges for the month were above budget by 145 patients (512 vs. 367) and 88 above last year (424). This is partially due to more Babies born and more Inpatient Surgeries this year vs last year. In addition the budget did not include full volumes for the APU.
- Year to date we remain above budget and slightly below last year (5,348 vs. 4,466 budget vs. 5,350 last year).

### ED Visits

- ED visits were below budget (2,154 visits this month vs. 2,238 budget) and below last year (vs. 2,358). Compared to last year, we are seeing fewer low acuity patients.
- YTD visits are 25,705 vs. 27,232 budget vs last year-to-date of 27,180.

### Cardiac Cath Cases

- This month we had 100 cases vs last year same month of 76. We have averaged about 98 cases per month in the cath lab this year vs 100 average per month last year.
- Year-to-date we have had 27 fewer Cath cases than last year 1,170 vs. 1,197 due to staffing issues.

### Imaging

- Is up over the same month last year by 963 billed procedures (6,858 vs. 5,895), with the majority of the increase being due to outpatient volume growth in Mammography, MRI, Cat Scanning and Diagnostic Ultrasound.
- Year-to-date we are 12% ahead of last year (77,631 vs. 69,833).



Month End Financial Narrative  
For month ending June 30, 2023

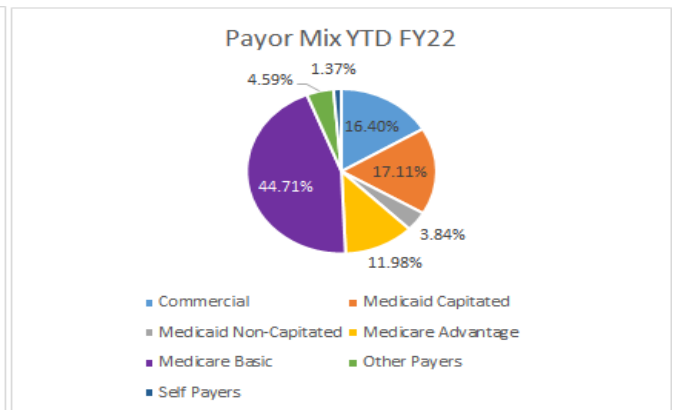
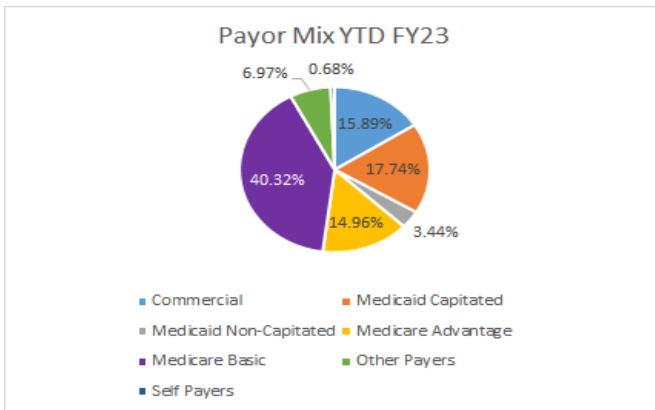
## REVENUES

### Gross Revenues

- June Gross Revenues were ahead of budget \$6.4M or 14.1% and over last year by \$4.8M or 10.2%. Emergency Room, Family Birth Center, Inpatient Nursing Units, Imaging, Cath Lab, Pharmacy and Lab all showed favorable year to year increase.
- Compared to budget, Inpatient Gross Revenues were \$4.1M over budget and \$2.9M above last year. Outpatient Revenues were \$2.2M ahead of Budget and \$1.9M ahead of last year.
- Departments with the largest favorable Revenue variances year to date compared to last year were Emergency Room \$6.2M, Imaging \$6.5M, Cath Lab \$4.1M and Operating Room \$1.6M.

### Deductions from Revenue

- As a %, Deductions from Revenue is lower than budget at 57.1% vs. 62.1% (42.9% and 37.9% revenue realization rates). Overall, FY22 was 67.7% or 32.3% revenue realization rate. Trends show collection rates gradually improving over the past 12 months. Overall, net healthcare revenue was favorable to budget \$5.0M for the month and at breakeven year to date.
- Year to Date, FY23 Deductions from revenue stand at 64.0%. An adjustment was made during June to the allowance reserve bringing fiscal year to date numbers in line with and reflecting improving realization rates. The year to date realization rate averages out at 36.0% (1.9% below budget). The largest driver of this change is the mix of payers away from Commercial and an increase in other governmental payors and the budget not reflecting the declining reimbursement changes experienced in FY2022.
- YTD Medicare has decreased from 44.7% to 40.3% and Medicare Advantaged has increased from 11.98% to 14.96% (total change of 55.28% vs 56.68% last year), Capitated Medicaid is up slightly at 17.11% last year to 17.74% this year. Commercial payors have decreased from 16.4% to 15.9%.



### Other Revenues

- For the month actuals were \$175K vs \$104K Budget vs \$158K last year. We received \$27.6K in payments for 340b retail scripts filled, \$15K from EPIC Training and cafeteria revenue has been running higher than historical levels.
- YTD \$2.5M actual vs \$1.3M budget vs \$1.4M last year. We are billing for EPIC Training provided by BAH Staff and 340b Contract Pharmacy. Year to date revenue totals \$690K and \$436K respectively.



Month End Financial Narrative  
For month ending June 30, 2023

## Net Revenue

- Net Revenue for the month was ahead of budget by \$5.0M and ahead of last year by \$20.0M (Actual of \$22.1M vs. Budget of \$17.1M vs. Last Year of \$2.1M).
- Year-to-date Net Revenues are \$38K below budget and \$25.9M ahead of last year (Actual of \$208.0M vs. Budget of \$208.0M vs. Last Year of \$182.1M).

## EXPENSES

### Salaries

- Salaries are 6.5% over budget and slightly higher than last year (Actual \$7.0M vs Budget \$6.6M vs Last Year \$6.7M).
- Year to date salaries are \$3.9M over budget and \$3.5M over last year (\$82.6M vs \$78.7M vs \$79.1M).

### Contract labor

- Higher than budget (\$2.2M vs \$1.0M) as most contract labor was removed from the budget. Compared to last year, contract labor costs are down \$1.9M.
- Year to date Contract labor is more than double budget; however, it is \$3.7M lower than last year (\$27.0M vs \$12.1M vs \$30.7M)
- The prior 3-month average for contract labor is \$2.2M; this month is even with the run rate.
- Departments with the highest amounts of contract labor variances for the month include Prefontaine Cardiology Physicians (\$198K), Anesthesia Physicians (\$142K), Intermediate Care (\$241K) and Patient Accounting (\$106K).

### Benefits

- Overall Benefits expense for the month of June was \$2.0M over budget and \$3.7M under last year (\$3.9M actual vs \$1.9M budget and \$191K last year). GASB 6768-Prepaid Pension Expense recorded during June based on the year-end Actuarial Report, added \$2.6M of expense. Group Health Insurance was \$291K under budget during June. Retirement and Other Benefits \$263K favorable as well.
- Year-to-date benefits are \$2.8M over budget (\$25.8M vs. \$23.0M) and \$5.2M ahead of last year's spend (\$20.6M).

### Physician and Pro-fees

- Over budget \$7K and favorable to last year for the month (\$1.4M actual vs. 1.4M budget and \$2.4M last year).
- Year-to-date is over budget and slightly under the prior year (\$18.4M actual vs. \$17.0M budget and \$18.6M last year) with the largest variance in consulting fees.



Month End Financial Narrative  
For month ending June 30, 2023

## Supplies

- This month actual spend was \$4.5M vs \$3.0M budget vs \$3.7M last year:
  - Inventory write-off \$557K – Main Pharmacy \$492K / Cancer Center Pharmacy \$125K.
  - Cardiac/Vascular/Ortho/Other Implants \$218K over budget for the month.
  - Drugs/Radiopharmaceuticals \$382K over budget.
  - OR Supplies \$245K over budget.
- Year-to-Date spend is over budget \$3.7M and under last year \$2.1M (\$40.7M actual vs \$37.0M budget and \$42.9M last year). Decreased Drug Spend is the main driver of the decrease from last year (\$3.9M).

## Purchased Services

- \$334K unfavorable to budget for the month due to higher than budgeted costs in recruitment expense and Management Services. \$3.9M favorable to last year due to prior year EPIC Physician Clinic Conversion Costs (\$1.7M vs. \$1.3M budget vs \$5.5M last year)
- Year-to-date we were \$762K unfavorable to budget and \$5.3M favorable to last year (\$17.0M vs \$16.2M budget vs. \$22.3M last year). We have spent \$1.3M less on Maintenance Costs this year compared to last year and last year included EPIC Conversion Costs.

## Lease/Rentals

- Below budget and over prior year due to Newmark and Bright Beginning leases being re-classified to amortization for the new Accounting rules (GASB 87) and lower housing rental expense (\$15K vs. \$91K budget and -\$334K last year).
- YTD is similar in reasons and magnitude (\$229K vs \$1.1M budget and \$462K last year).

## Depreciation

- Slightly ahead of budget for the month by \$998K and under last year (\$998K vs \$951K budget and \$1.7M last year).
- The offset for the lower Lease expense is an increase for the Newmark and Bright Beginning Leases in this category. This fiscal year includes Subscription Amortization as well.
- Year-to-date is similar (\$12.1M actual vs. \$11.6M budget and \$12.0M last year).

## Other Operating expense

- Over budget by \$146K (\$1.5M Actual vs \$1.4M Budget and \$1.3M Last Year). The majority of the expense is due to provider tax.
- Year-to-date we are below budget and slightly ahead of last year due to Insurance and Provider Tax costs (\$16.4M Actual vs. \$16.8M Budget and \$16.0M Last Year).

**Bay Area Hospital**

Consolidated Income Statement - June 2023

**\*\*\* PRELIMINARY \*\*\***

	Month to Date							Year to Date						
	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %
<b>Gross Patient Revenue</b>														
Inpatient Revenue	20,626,783	16,477,752	4,149,032	25.2%	17,745,825	2,880,958	16.2%	244,910,615	200,479,312	44,431,303	22.2%	236,510,653	8,399,962	3.6%
Outpatient Revenue	30,899,003	28,669,222	2,229,781	7.8%	29,023,494	1,875,509	6.5%	332,757,257	348,808,874	(16,051,617)	-4.6%	326,951,349	5,805,908	1.8%
<b>Total Gross Patient Revenue</b>	<b>51,525,787</b>	<b>45,146,974</b>	<b>6,378,812</b>	<b>14.1%</b>	<b>46,769,320</b>	<b>4,756,467</b>	<b>10.2%</b>	<b>577,667,872</b>	<b>549,288,186</b>	<b>28,379,686</b>	<b>5.2%</b>	<b>563,462,002</b>	<b>14,205,870</b>	<b>2.5%</b>
Deductions	29,597,271	27,625,217	(1,972,054)	-7.1%	50,639,175	21,041,904	41.6%	365,907,082	336,106,810	(29,800,272)	-8.9%	377,302,643	11,395,561	3.0%
Bad Debt	(241,594)	353,782	595,376	168.3%	(5,953,801)	(5,712,207)	95.9%	2,597,566	4,304,352	1,706,786	39.7%	3,526,733	929,167	26.3%
Charity	226,317	174,445	(51,871)	-29.7%	178,521	(47,796)	-26.8%	3,700,357	2,122,417	(1,577,940)	-74.3%	1,979,272	(1,721,085)	-87.0%
<b>Total Deductions</b>	<b>29,581,994</b>	<b>28,153,445</b>	<b>(1,428,549)</b>	<b>-5.1%</b>	<b>44,863,895</b>	<b>15,281,900</b>	<b>34.1%</b>	<b>372,205,006</b>	<b>342,533,579</b>	<b>(29,671,427)</b>	<b>-8.7%</b>	<b>382,808,649</b>	<b>10,603,643</b>	<b>2.8%</b>
<b>Net Healthcare Revenue</b>	<b>21,943,792</b>	<b>16,993,529</b>	<b>4,950,263</b>	<b>29.1%</b>	<b>1,905,425</b>	<b>20,038,367</b>	<b>1051.6%</b>	<b>205,462,866</b>	<b>206,754,607</b>	<b>(1,291,741)</b>	<b>-0.6%</b>	<b>180,653,353</b>	<b>24,809,513</b>	<b>13.7%</b>
Other Oper Revenue	175,343	103,815	71,528	68.9%	158,328	17,015	10.7%	2,516,596	1,263,079	1,253,517	99.2%	1,417,187	1,099,408	77.6%
<b>Total Net Revenue</b>	<b>22,119,135</b>	<b>17,097,344</b>	<b>5,021,791</b>	<b>29.4%</b>	<b>2,063,753</b>	<b>20,055,382</b>	<b>971.8%</b>	<b>207,979,462</b>	<b>208,017,686</b>	<b>(38,224)</b>	<b>0.0%</b>	<b>182,070,540</b>	<b>25,908,921</b>	<b>14.2%</b>
Net to Gross Ratio	42.9%	37.9%			4.4%			36.0%	37.9%			32.3%		
Salaries	6,978,563	6,550,585	(427,977)	-6.5%	6,684,246	(294,316)	-4.4%	82,568,363	78,695,940	(3,872,423)	-4.9%	79,063,347	(3,505,015)	-4.4%
Contract Labor	2,227,163	992,416	(1,234,747)	-124.4%	4,080,898	1,853,734	45.4%	27,015,663	12,074,400	(14,941,263)	-123.7%	30,675,777	3,660,114	11.9%
Benefits	3,942,094	1,890,952	(2,051,142)	-108.5%	191,634	(3,750,460)	-1957.1%	25,812,811	23,006,581	(2,806,229)	-12.2%	20,620,518	(5,192,330)	-25.2%
Physician & Prof Fee	1,403,860	1,396,342	(7,518)	-0.5%	2,394,550	990,690	41.4%	18,429,238	16,988,829	(1,440,409)	-8.5%	18,585,277	156,039	0.8%
Supplies	4,532,892	3,040,857	(1,492,036)	-49.1%	3,688,716	(844,176)	-22.9%	40,724,205	36,997,089	(3,727,116)	-10.1%	42,871,619	2,147,414	5.0%
Purchased Services	1,668,844	1,334,750	(334,094)	-20.0%	5,523,099	3,854,255	69.8%	17,001,597	16,239,462	(762,135)	-4.7%	22,313,802	5,312,206	23.8%
Leases/Rentals	15,000	91,383	76,382	83.6%	(313,591)	(328,592)	104.8%	229,365	1,111,821	882,455	79.4%	462,023	232,658	50.4%
Depreciation	998,270	950,860	(47,410)	-5.0%	1,691,184	692,914	41.0%	12,062,287	11,568,802	(493,484)	-4.3%	11,975,114	(87,173)	-0.7%
Other Oper Expense	1,530,081	1,384,212	(145,868)	-10.5%	1,293,532	(236,549)	-18.3%	16,416,764	16,841,248	424,484	2.5%	16,016,111	(400,654)	-2.5%
<b>Total Operating Expenses</b>	<b>23,296,768</b>	<b>17,632,358</b>	<b>(5,664,410)</b>	<b>-32.1%</b>	<b>25,234,267</b>	<b>1,937,498</b>	<b>7.7%</b>	<b>240,260,293</b>	<b>213,524,172</b>	<b>(26,736,121)</b>	<b>-12.5%</b>	<b>242,583,588</b>	<b>2,323,296</b>	<b>1.0%</b>
<b>Net Operating Income</b>	<b>(1,177,633)</b>	<b>(535,014)</b>	<b>(642,619)</b>	<b>120.1%</b>	<b>(23,170,514)</b>	<b>21,992,881</b>	<b>-94.9%</b>	<b>(32,280,831)</b>	<b>(5,506,486)</b>	<b>(26,774,345)</b>	<b>486.2%</b>	<b>(60,513,048)</b>	<b>28,232,217</b>	<b>-46.7%</b>
Investment Income	(352,429)	6,815	(359,244)	-5271.2%	(969,131)	616,702	-63.6%	(1,055,837)	82,919	(1,138,756)	-1373.3%	(7,283,239)	6,227,402	-85.5%
Other Nonop Inc(Exp)	193,689	140,815	52,874	37.5%	1,611,092	(1,417,403)	-88.0%	1,340,012	1,713,251	(373,239)	-21.8%	9,019,950	(7,679,939)	-85.1%
Interest Expense	(197,413)	(104,377)	(93,036)	89.1%	(171,821)	(25,591)	14.9%	(2,535,806)	(1,269,915)	(1,265,891)	99.7%	(1,380,794)	(1,155,012)	83.6%
<b>Net Income</b>	<b>(1,533,786)</b>	<b>(491,760)</b>	<b>(1,042,025)</b>	<b>211.9%</b>	<b>(22,700,374)</b>	<b>21,166,588</b>	<b>-93.2%</b>	<b>(34,532,463)</b>	<b>(4,980,231)</b>	<b>(29,552,231)</b>	<b>593.4%</b>	<b>(60,157,131)</b>	<b>25,624,669</b>	<b>-42.6%</b>
Bad Debt % of GR	-0.5%	0.8%	-1.3%		-12.7%			0.4%	0.8%	-0.3%		0.6%		
Bad Debt % of NR	-1.1%	2.1%	-3.2%		-312.5%			1.3%	2.1%	-0.8%		2.0%		
Bad Debt/Charity % of GR	0.0%	1.2%	-1.2%		-12.3%			1.1%	1.2%	-0.1%		1.0%		
Contractual %	-57.4%	-62.4%	4.9%		-95.9%			-64.4%	-62.4%	-2.1%		-67.9%		
<b>Operating Margin</b>	<b>-5.3%</b>	<b>-3.1%</b>	<b>-2.2%</b>	<b>70.1%</b>	<b>-1122.7%</b>	<b>1117.4%</b>		<b>-15.5%</b>	<b>-2.6%</b>	<b>-12.9%</b>	<b>486.3%</b>	<b>-33.2%</b>	<b>17.71%</b>	<b>-53.3%</b>
<b>Net Margin %</b>	<b>-6.9%</b>	<b>-2.9%</b>	<b>-4.1%</b>	<b>141.1%</b>	<b>-1100.0%</b>	<b>1093.0%</b>	<b>-99.4%</b>	<b>-16.6%</b>	<b>-2.4%</b>	<b>-14.2%</b>	<b>593.5%</b>	<b>-33.0%</b>	<b>16.44%</b>	<b>-49.7%</b>
<b>Operating EBITDA</b>	<b>(179,363)</b>	<b>415,846</b>	<b>(690,029)</b>	<b>-165.9%</b>	<b>(21,479,330)</b>	<b>21,299,967</b>	<b>-99.2%</b>	<b>(20,218,544)</b>	<b>6,062,316</b>	<b>(27,267,829)</b>	<b>-449.8%</b>	<b>(48,537,934)</b>	<b>28,319,390</b>	<b>-58.3%</b>
<b>Operating EBITDA %</b>	<b>-0.8%</b>	<b>2.4%</b>	<b>-3.2%</b>	<b>-133.3%</b>	<b>-1040.8%</b>	<b>1040.0%</b>		<b>-9.7%</b>	<b>2.9%</b>	<b>-12.6%</b>	<b>-433.6%</b>	<b>-26.7%</b>	<b>16.94%</b>	<b>-63.5%</b>
<b>EBIDTA</b>	<b>(338,102)</b>	<b>563,477</b>	<b>(996,399)</b>	<b>-176.8%</b>	<b>(20,837,368)</b>	<b>20,499,266</b>	<b>-98.4%</b>	<b>(19,934,370)</b>	<b>7,858,486</b>	<b>(28,779,825)</b>	<b>-366.2%</b>	<b>(46,801,223)</b>	<b>26,866,853</b>	<b>-57.4%</b>
<b>EBIDTA %</b>	<b>-1.5%</b>	<b>3.3%</b>	<b>-4.8%</b>	<b>-146.4%</b>	<b>-1009.7%</b>	<b>1008.2%</b>		<b>-9.6%</b>	<b>3.8%</b>	<b>-13.4%</b>	<b>-353.7%</b>	<b>-25.7%</b>	<b>16.12%</b>	<b>-62.7%</b>
Discharges	512	367	145	39.5%	424	88	20.8%	5,348	4,466	882	19.7%	5,350	(2)	0.0%
Patient Days	1,947	1,466	481	32.8%	1,689	258	15.3%	22,217	17,892	4,325	24.2%	25,566	(3,349)	-13.1%
Adjusted Days	4,864	4,017	847	21.1%	4,451	412	9.3%	52,403	49,022	3,381	6.9%	60,908	(8,505)	-14.0%
Adjusted Discharges	1,279	1,006	273	27.2%	1,117	162	14.5%	12,614	12,236	378	3.1%	12,746	(132)	-1.0%
<b>Per Adjusted Day</b>	<b>3.80</b>	<b>3.99</b>	<b>3.32</b>	<b>0.83</b>	<b>3.98</b>									
Net Rev Incl BD/APD	4,512	4,231	281	6.6%	428	4,084	954.0%	3,921	4,218	(297)	-7.0%	2,966	955	32.2%
SWB/APD	2,703	2,349	(355)	-15.1%	2,461	242	9.8%	2,584	2,321	(263)	-11.3%	2,140	444	20.7%
Salary/APD	1,893	1,878	(15)	-0.8%	2,418	(526)	-21.7%	2,091	1,852	(240)	-12.9%	1,802	289	16.1%
Supply Cost/APD	932	757	(175)	-23.1%	829	103	12.5%	777	755	(22)	-3.0%	704	73	10.4%
Other Expense/APD	603	692	89	12.9%	829	(225)	-27.2%	665	690	25	3.6%	568	97	17.1%
<b>Per Adjusted Discharge</b>														
Net Rev Incl BD/Adj DC	17,157	16,900	257	1.5%	1,705	15,452	906.2%	16,288	16,897	(609)	-3.6%	14,174	2,115	14.9%
SWB/Adj DC	10,280	9,382	(898)	-9.6%	9,805	475	4.8%	10,734	9,298	(1,435)	-15.4%	10,228	506	4.9%
Salary/Adj DC	7,198	7,501	304	4.0%	9,634	(2,436)	-25.3%	8,687	7,418	(1,269)	-17.1%	8,610	77	0.9%
Supply Cost/Adj DC	3,544	3,024	(520)	-17.2%	3,301	243	7.4%	3,228	3,024	(205)	-6.8%	3,364	(135)	-4.0%
Other Expense/Adj DC	2,294	2,765	471	17.0%	3,300	(1,006)	-30.5%	2,762	2,765	2	0.1%	2,715	48	1.8%
<b>Pct of Net Revenue</b>														
SWB	59.9%	55.5%	-4.4%		575.0%	515.1%		65.9%	55.0%	-10.9%		72.2%	6.3%	
Supplies	20.7%	17.9%	-2.8%		172.9%	172.9%		19.8%	17.9%	-1.9%		23.7%	3.9%	
Other Expense	13.4%	16.4%	3.0%		193.6%	180.2%		17.0%	16.4%	-0.6%		19.2%	2.2%	
<b>FTE's</b>														
Total Salary FTE's	875.04	795.46	(79.58)	-10.0%	814.96	(60.07)	-7.4%	848.19	848.44	0.25	0.0%	884.13	35.94	4.1%
Total Contract FTE's	102.09	53.97	(48.12)	-89.2%	139.15	37.06	26.6%	88.14	53.98	(34.17)	-63.3%	80.88	(7.26)	-9.0%
Total Facility Paid FTE's	977.13	849.43	(127.70)	-15.0%	954.12	(23.02)	-2.4%	936.34	902.42	(33.92)	-3.8%	965.02	28.68	3.0%
Paid FTE per AOB	6.03	6.34	0.32	5.0%	6.43	0.40	6.3%	6.52	6.72	0.20	2.9%	5.78	(0.74)	-12.8%
Average Hourly Rate	\$ 55.11	\$ 51.94	(3.17)	-6.1%	\$ 65.82	10.71	16.3%	\$ 56.27	\$ 48.36	(7.91)	-16.4%	\$ 54.52	(1.74)	-3.2%

# Bay Area Hospital

Consolidated Income Statement Trend - June 2023 PRELIMINARY

	2022	2022	2022	2022	2022	2022	2022	2022	2023	2023	2023	2023	2023	2023
	JunMTD	JulMTD	AugMTD	SepMTD	OctMTD	NovMTD	DecMTD	JanMTD	FebMTD	MarMTD	AprMTD	MayMTD	JunMTD	2023
<b>Gross Patient Revenue</b>														
Inpatient Revenue	17,745,825	16,839,892	19,036,683	16,552,366	18,947,417	21,945,875	23,974,676	24,362,551	20,710,145	21,088,768	20,839,409	19,986,049	20,626,783	
Outpatient Revenue	29,023,494	22,961,287	27,804,027	25,269,488	25,455,664	27,088,171	27,405,149	27,508,431	27,644,069	31,028,139	27,750,060	31,943,769	30,899,003	
<b>Total Gross Patient Revenue</b>	<b>46,769,320</b>	<b>39,801,179</b>	<b>46,840,710</b>	<b>41,821,853</b>	<b>44,403,082</b>	<b>49,034,046</b>	<b>51,379,826</b>	<b>51,870,982</b>	<b>48,354,214</b>	<b>52,116,907</b>	<b>48,589,469</b>	<b>51,929,818</b>	<b>51,525,787</b>	
Deductions	50,639,175	25,244,814	30,623,410	26,570,878	27,819,136	32,196,607	32,132,943	33,365,240	32,435,472	33,072,230	29,566,270	33,282,812	29,597,271	
Bad Debt	(5,953,801)	585,416	(394,368)	769,491	278,332	(22,457)	837,064	283,391	(405,605)	1,035,073	(262,640)	135,463	(241,594)	
Charity	178,521	387,780	1,080,078	83,403	182,868	101,534	208,473	321,876	209,505	300,082	332,402	266,039	226,317	
<b>Total Deductions</b>	<b>44,863,895</b>	<b>26,218,010</b>	<b>31,309,120</b>	<b>27,423,772</b>	<b>28,280,336</b>	<b>32,275,684</b>	<b>33,178,480</b>	<b>33,970,507</b>	<b>32,239,373</b>	<b>34,407,385</b>	<b>29,636,032</b>	<b>33,684,313</b>	<b>29,581,994</b>	
<b>Net Healthcare Revenue</b>	<b>1,905,425</b>	<b>13,583,169</b>	<b>15,531,590</b>	<b>14,398,081</b>	<b>16,122,746</b>	<b>16,758,362</b>	<b>18,201,346</b>	<b>17,900,475</b>	<b>16,114,841</b>	<b>17,709,522</b>	<b>18,953,437</b>	<b>18,245,505</b>	<b>21,943,792</b>	
Other Oper Revenue	158,328	103,411	92,746	135,288	110,628	84,050	280,086	80,957	818,583	253,437	203,908	178,159	175,343	
<b>Total Net Revenue</b>	<b>2,063,753</b>	<b>13,686,580</b>	<b>15,624,337</b>	<b>14,533,370</b>	<b>16,233,374</b>	<b>16,842,412</b>	<b>18,481,431</b>	<b>17,981,432</b>	<b>16,933,424</b>	<b>17,962,959</b>	<b>19,157,345</b>	<b>18,423,663</b>	<b>22,119,135</b>	
<b>Expenses</b>	<b>4.4%</b>	<b>34.4%</b>	<b>33.4%</b>	<b>34.8%</b>	<b>36.6%</b>	<b>34.3%</b>	<b>36.0%</b>	<b>34.7%</b>	<b>35.0%</b>	<b>34.5%</b>	<b>39.4%</b>	<b>35.5%</b>	<b>42.9%</b>	
Salaries	6,684,246	7,612,366	6,843,560	6,675,760	6,764,373	7,025,547	7,015,901	6,956,439	6,198,810	6,902,484	6,370,387	7,224,173	6,978,563	
Contract Labor	4,080,898	1,937,755	2,330,260	1,666,011	2,163,593	3,123,071	2,282,270	2,460,412	2,327,280	2,624,324	2,357,975	1,515,548	2,227,163	
Benefits	191,634	1,586,170	1,776,365	1,757,407	1,819,103	2,007,389	1,727,933	2,219,143	2,068,817	2,236,208	2,245,163	2,427,019	3,942,094	
Physician & Prof Fee	2,394,550	1,553,452	1,370,986	1,421,356	1,424,163	1,373,426	1,849,806	1,892,513	1,425,340	1,365,276	1,646,570	1,702,490	1,403,860	
Supplies	3,688,716	3,351,313	3,394,317	2,417,220	3,331,031	3,334,830	3,381,559	3,449,654	3,316,941	3,061,350	3,314,555	3,838,544	4,532,892	
Purchased Services	5,523,099	1,286,415	1,206,051	1,541,037	1,335,105	1,341,732	1,283,821	1,600,948	1,192,919	1,232,713	1,528,901	1,783,110	1,668,844	
Leases/Rentals	(313,591)	35,801	29,679	17,533	25,035	1,180	24,039	28,105	14,397	7,127	10,073	21,397	15,000	
Depreciation	1,691,184	997,807	994,783	996,194	996,124	982,344	983,634	981,041	1,020,995	988,299	972,436	1,150,360	998,270	
Other Oper Expense	1,293,532	1,170,784	1,352,675	1,288,610	1,384,639	1,382,030	1,446,050	1,416,940	1,201,536	1,384,052	1,451,844	1,407,522	1,530,081	
<b>Total Operating Expenses</b>	<b>25,234,267</b>	<b>19,531,864</b>	<b>19,298,676</b>	<b>17,781,128</b>	<b>19,243,165</b>	<b>20,571,549</b>	<b>19,995,012</b>	<b>21,005,197</b>	<b>18,767,036</b>	<b>19,801,833</b>	<b>19,897,905</b>	<b>21,070,161</b>	<b>23,296,768</b>	
<b>Net Operating Income</b>	<b>(23,170,514)</b>	<b>(5,845,284)</b>	<b>(3,674,340)</b>	<b>(3,247,758)</b>	<b>(3,009,790)</b>	<b>(3,729,137)</b>	<b>(1,513,581)</b>	<b>(3,023,765)</b>	<b>(1,833,612)</b>	<b>(1,838,874)</b>	<b>(740,559)</b>	<b>(2,646,498)</b>	<b>(1,177,633)</b>	
Investment Income	(969,131)	1,811,453	(2,219,478)	(2,525,944)	(672,723)	1,915,113	(151,049)	1,273,138	(1,164,412)	1,063,050	316,012	(348,569)	(352,429)	
Other Nonop Inc(Exp)	1,611,092	131,310	97,400	52,636	85,883	78,779	244,666	45,254	57,550	71,775	147,051	134,018	193,689	
Interest Expense	(171,821)	(133,237)	(145,409)	(142,178)	(150,328)	(142,058)	(613,800)	(203,032)	(197,762)	(206,012)	(200,255)	(204,321)	(197,413)	
<b>Net Income</b>	<b>(22,700,374)</b>	<b>(4,035,758)</b>	<b>(5,941,826)</b>	<b>(5,863,244)</b>	<b>(3,746,959)</b>	<b>(1,877,304)</b>	<b>(2,033,763)</b>	<b>(1,908,404)</b>	<b>(3,138,236)</b>	<b>(910,061)</b>	<b>(477,752)</b>	<b>(3,065,370)</b>	<b>(1,533,786)</b>	
<b>Operating Margin %</b>	<b>-112.7%</b>	<b>-42.7%</b>	<b>-23.5%</b>	<b>-22.3%</b>	<b>-18.5%</b>	<b>-22.1%</b>	<b>-8.2%</b>	<b>-16.8%</b>	<b>-10.8%</b>	<b>-10.2%</b>	<b>-3.9%</b>	<b>-14.4%</b>	<b>-5.3%</b>	
<b>Net Margin %</b>	<b>-110.0%</b>	<b>-29.5%</b>	<b>-38.0%</b>	<b>-40.3%</b>	<b>-23.1%</b>	<b>-11.1%</b>	<b>-11.0%</b>	<b>-18.5%</b>	<b>-5.1%</b>	<b>-2.5%</b>	<b>-16.6%</b>	<b>-6.9%</b>		
<b>Operating EBIDA</b>	<b>(21,479,330)</b>	<b>(4,847,477)</b>	<b>(2,679,557)</b>	<b>(2,251,564)</b>	<b>(2,013,667)</b>	<b>(2,746,793)</b>	<b>(529,947)</b>	<b>(2,042,723)</b>	<b>(812,617)</b>	<b>(850,575)</b>	<b>231,877</b>	<b>(1,496,138)</b>	<b>(179,363)</b>	
<b>Operating EBIDA %</b>	<b>-1040.8%</b>	<b>-35.4%</b>	<b>-17.1%</b>	<b>-15.5%</b>	<b>-12.4%</b>	<b>-16.3%</b>	<b>-2.9%</b>	<b>-11.4%</b>	<b>-4.8%</b>	<b>-4.7%</b>	<b>1.2%</b>	<b>-8.1%</b>	<b>-0.8%</b>	
<b>EBDITA Margin</b>	<b>-1009.7%</b>	<b>-21.2%</b>	<b>-30.7%</b>	<b>-32.5%</b>	<b>-16.0%</b>	<b>-4.5%</b>	<b>-2.4%</b>	<b>-4.0%</b>	<b>-11.3%</b>	<b>1.6%</b>	<b>3.6%</b>	<b>-9.3%</b>	<b>-1.5%</b>	
Discharges	424	385	394	374	402	403	496	498	452	494	478	460	512	
Patient Days	1,689	1,508	1,521	1,512	1,736	2,026	2,270	2,261	1,798	1,936	1,942	1,760	1,947	
Adjusted Days	4,451	3,564	3,742	3,820	4,068	4,527	4,865	4,814	4,198	4,784	4,528	4,573	4,864	
Adjusted Discharges	1,117	910	969	945	942	900	1,063	1,060	1,055	1,221	1,115	1,195	1,279	
<b>Per Adjusted Day</b>						<b>5.03</b>	<b>4.58</b>	<b>4.54</b>	<b>3.98</b>	<b>3.92</b>	<b>4.06</b>	<b>3.83</b>	<b>3.80</b>	
Net Revenue/APD	428	3,811	4,150	3,769	3,963	3,702	3,741	3,718	3,839	3,701	4,186	3,990	4,512	
Net Rev Incl BD/APD	428	3,811	4,150	3,769	3,963	3,702	3,741	3,718	3,839	3,701	4,186	3,990	4,512	
SWB/APD	2,461	3,125	2,926	2,644	2,642	2,685	2,267	2,417	2,524	2,459	2,423	2,442	2,703	
Salary/APD	2,418	2,679	2,451	2,184	2,195	2,242	1,911	1,956	2,031	1,991	1,928	1,911	1,893	
Supply Cost/APD	829	940	907	633	819	737	695	717	790	640	732	839	932	
Other Expense/APD	829	764	728	709	690	609	677	687	626	575	684	680	603	
<b>Per Adjusted Discharge</b>														
Net Revenue/Adj DC	1,705	14,927	16,021	15,237	17,114	18,612	17,123	16,882	15,270	14,506	17,006	15,265	17,157	
Net Rev Incl BD/Adj DC	1,705	14,927	16,021	15,237	17,114	18,612	17,123	16,882	15,270	14,506	17,006	15,265	17,157	
SWB/Adj DC	9,805	12,238	11,295	10,687	11,408	13,500	10,373	10,974	10,039	9,635	9,846	9,343	10,280	
Salary/Adj DC	9,634	10,495	9,463	8,828	9,477	11,271	8,747	8,881	8,079	7,804	7,832	7,312	7,198	
Supply Cost/Adj DC	3,301	3,683	3,501	2,558	3,536	3,704	3,181	3,253	3,143	2,508	2,974	3,212	3,544	
Other Expense/Adj DC	3,300	2,994	2,809	2,868	2,981	3,060	3,101	3,121	2,489	2,252	2,780	2,602	2,294	
<b>Pct of Net Revenue</b>														
SWB	575.0%	82.0%	70.5%	70.1%	66.7%	72.5%	60.6%	65.0%	65.7%	66.4%	57.9%	61.2%	59.9%	
Supplies	193.6%	24.7%	21.9%	16.8%	20.7%	19.9%	18.6%	19.3%	20.6%	17.3%	17.5%	21.0%	20.7%	
Other Expense	193.6%	20.1%	17.5%	18.8%	17.4%	16.4%	18.1%	18.5%	16.3%	15.5%	16.3%	17.0%	13.4%	
<b>FTE's</b>														
Total Salary FTE's	814.96	862.60	851.68	855.92	711.61	867.19	858.85	856.18	855.33	851.85	851.48	865.01	875.04	
Total Contract FTE's	139.15	78.24	76.60	57.82	68.81	109.89	87.29	91.36	118.33	102.17	67.69	102.09		
Total Facility Paid FTE's	954.12	940.84	928.27	913.74	780.42	977.08	946.14	947.53	952.49	970.18	953.65	932.69	977.13	
Paid FTE per AOB	6.43	8.18	7.69	7.18	5.95	6.48	6.03	6.10	6.35	6.29	6.32	6.32	6.03	
Average Hourly Rate	\$ 65.82	\$ 57.30	\$ 55.79	\$ 53.25	\$ 64.58	\$ 60.59	\$ 55.48	\$ 56.10	\$ 55.95	\$ 55.59	\$ 53.54	\$ 53.04	\$ 55.11	

**Bay Area Hospital**  
**Balance Sheet (Including Foundation)**  
**June 2023**

	<u>Jun-23</u>	<u>May-23</u>	<u>Audited Jun-22</u>
<b>Assets And Deferred Outflows Of Resources</b>			
Current Assets			
Cash & Cash Equivalents	12,030,483	12,226,105	17,016,994
Accounts Receivable (Net)	19,921,642	17,168,119	24,465,619
Inventory	5,205,080	5,881,252	6,261,727
Other Current Assets	4,530,204	6,059,127	4,410,739
Total Current Assets	<u>41,687,409</u>	<u>41,334,603</u>	<u>52,155,080</u>
Assets Limited As to Use	53,401,226	53,712,636	87,331,596
Capital Assets			
Depreciable Capital Assets (Net)	86,321,793	87,131,274	91,510,791
Nondepreciable Capital Assets	1,690,791	1,510,530	4,142,630
Total Capital Assets (Net)	<u>88,012,584</u>	<u>88,641,804</u>	<u>95,653,420</u>
Other Non Current Assets	1,132,506	1,107,129	1,135,685
<b>Total Assets</b>	<b><u>184,233,725</u></b>	<b><u>184,796,172</u></b>	<b><u>236,275,781</u></b>
Deferred Outflows Of Resources	13,730,170	17,878,901	17,878,901
<b>Total Assets And Deferred Outflows</b>	<b><u>197,963,895</u></b>	<b><u>202,675,073</u></b>	<b><u>254,154,682</u></b>
<b>Liabilities, Deferred Inflows of Resources, And Net Position</b>			
Current Liabilities			
Accounts Payable	(6,758,224)	(6,609,192)	(11,140,688)
Accrued Liabilities			
Payroll, payroll taxes, withholdings	(3,580,718)	(3,040,665)	(3,092,600)
Paid Time Off	(5,389,005)	(5,500,779)	(5,393,829)
Other	(5,907,652)	(7,883,709)	(4,338,632)
3rd Party Settlements Payable (net)	(5,310,727)	(5,310,727)	(6,229,262)
Revolving Line of Credit	0	0	(8,000,000)
Long-Term Debt in Default Classified as Current	(46,339,829)	(46,502,092)	(47,876,185)
Long-Term Obligations - Current Portion	(3,545,686)	(3,308,572)	(3,308,573)
Deferred Revenue	(416,669)	(500,002)	
Medicare accelerated payments			(7,156,518)
Total Current Liabilities	<u>(77,248,509)</u>	<u>(78,655,738)</u>	<u>(96,536,287)</u>
Long Term Obligations (Net of Current Portion)	(5,606,518)	(5,853,082)	(6,454,886)
Other Noncurrent Liabilities	(4,495,458)	(4,470,081)	(4,468,637)
Net Pension Liability	(7,133,416)	(8,910,885)	(8,910,885)
<b>Total Liabilities</b>	<b><u>(94,483,901)</u></b>	<b><u>(97,889,786)</u></b>	<b><u>(116,370,695)</u></b>
Deferred Inflows Of Resources	(9,152,201)	(8,923,732)	(8,923,732)
<b>Total Liabilities &amp; Deferred Cash Inlows</b>	<b><u>(103,636,102)</u></b>	<b><u>(106,813,518)</u></b>	<b><u>(125,294,427)</u></b>
Net Position	(128,860,256)	(128,860,256)	(189,017,386)
Net Income/Loss	34,532,463	32,998,700	60,157,130
<b>Total Liabilities, Deferred Inflows, Net Position</b>	<b><u>(197,963,895)</u></b>	<b><u>(202,675,073)</u></b>	<b><u>(254,154,683)</u></b>



**Bay Area Hospital**  
**Statement of Cash Flows**  
**June 2023**

	<b><u>Current</u></b>	<b><u>Year</u></b>
	<b><u>Month</u></b>	<b><u>to Date</u></b>
<b>Cash flows from operating activities:</b>		
Excess of revenues over expenses	(1,533,763)	(34,532,463)
Adjustment to reconcile excess of revenues over expenses to net cash provided by operating expenses:		
Depreciation & Amortization	998,270	12,062,287
Loss (gain) on disposal of property, plant & equipment	0	0
Receivables	(2,753,523)	4,543,978
Inventory of supplies	676,172	1,056,647
Other current assets	1,528,923	(119,465)
Net Pension Liability	(1,777,469)	(1,777,469)
Other non current assets/liabilities	0	30,000
Current liabilities (excluding debt & deferred revenue)	(1,398,746)	(10,405,205)
Deferred Revenue	(83,333)	416,669
Net cash provided by operating activities	<u>(4,343,469)</u>	<u>(28,725,021)</u>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant & equipment	(369,050)	(4,421,450)
Change in Value of Investments	311,410	930,370
Transfer Investments to Cash		33,000,000
Net cash provided by investing activities	<u>(57,640)</u>	<u>29,508,920</u>
<b>Cash flows from financing activities:</b>		
Deferred Inflows/Outflows of Resources	4,377,200	4,377,200
Debt/Subscription Principle Payments	(171,713)	(3,371,121)
Increase in Capital Lease Obligations		1,223,511
Revolving Line of Credit Payment		(8,000,000)
Net cash provided by financing activities	<u>4,205,487</u>	<u>(5,770,410)</u>
<b>Net increase (decrease) in cash</b>	<u>(195,622)</u>	<u>(4,986,512)</u>
<b>Beginning Cash Balance</b>	<u>12,226,105</u>	<u>17,016,994</u>
<b>Ending Cash Balance</b>	<u>12,030,483</u>	<u>12,030,483</u>

Bay Area Hospital  
 Compliance Certification  
 as of June 30, 2023

	Audited FYE <u>Jun-22</u>	TTM <u>Sep-22</u>	TTM <u>Dec-22</u>	TTM <u>Jun-23</u>
<b>A. Income Available for Debt Service</b>				
Excess Revenue over Expenses	\$ (60,157,130)	\$ (74,405,957)	\$ (79,533,450)	\$ (34,532,463)
Add:				
Interest Expense	\$ 1,380,794	\$ 1,685,760	\$ 2,035,451	\$ 2,535,806
Depreciation	\$ 11,975,113	\$ 14,262,304	\$ 13,655,480	\$ 12,062,287
Amortization	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on extinguishment of debt	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on disposition of assets	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on discontinued operations	\$ -	\$ -	\$ -	\$ -
Adj. to value of assets or liabilities (accounting adjustments)	\$ -	\$ -	\$ -	\$ -
Unrealized (Gains) or Loss on marketable securities	\$ 6,980,288	\$ 8,195,904	\$ 6,472,228	\$ 215,664
(Gains) or Losses - M2M derivatives	\$ -	\$ -	\$ -	\$ -
Non-recurring - EPIC/Workday Expenses	\$ -	\$ -	\$ -	\$ -
<b>(A.1) Income Available for Debt Service</b>	<b>\$ (39,820,935)</b>	<b>\$ (50,261,989)</b>	<b>\$ (57,370,291)</b>	<b>\$ (19,718,706)</b>
(A.2) Debt Service Requirements (MADS) (BOW Amort Schedule)	\$ 2,643,610	\$ 2,643,610	\$ 2,643,610	\$ 2,643,610
<b>(A.3) Ratio of Line A.1 to Line A.2</b>	<b>-15.06x</b>	<b>-19.01x</b>	<b>-21.70x</b>	<b>-7.46x</b>
(A.4) Line A.3 must not be less than	1.15x	1.15x	1.15x	1.15x
<b>(A.5) Borrower is in Compliance (Yes/No)</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>B.1 Days Cash on Hand (break out per definition)</b>				
Cash & Equivalents	\$ 17,016,994	\$ 12,311,096	\$ 14,336,899	\$ 12,030,483
Add: Marketable Securities/Board designated Funds	\$ 87,331,596	\$ 69,453,715	\$ 52,553,195	\$ 53,401,226
Less: Trustee Held funds	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on short term debt	\$ (8,000,000)	\$ (8,000,000)	\$ -	\$ -
Less: Proceeds from A/R factoring	\$ -	\$ -	\$ -	\$ -
Less: Collateral Posting for Interest Rate Agreements	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on Put Indebtedness	\$ -	\$ -	\$ -	\$ -
<b>Cash &amp; Equivalents</b>	<b>\$ 96,348,590</b>	<b>\$ 73,764,811</b>	<b>\$ 66,890,094</b>	<b>\$ 65,431,709</b>
<b>B.2 Cash Operating Expenses</b>				
Total Operating Expenses	\$ 242,583,589	\$ 279,579,437	\$ 244,544,729	\$ 240,260,293
Add: Interest Expenses	\$ 1,380,794	\$ 1,685,760	\$ 2,035,451	\$ 2,535,806
Less: Depreciation & Amortization	\$ 11,975,113	\$ 14,262,304	\$ 13,655,480	\$ 12,062,287
Less: Non-cash expenses	\$ -	\$ -	\$ -	\$ -
Less: Losses on refinancing debt	\$ -	\$ -	\$ -	\$ -
Less: Provision for uncollectable accounts	\$ -	\$ -	\$ -	\$ -
<b>Total Cash Operating Expenses</b>	<b>\$ 231,989,270</b>	<b>\$ 267,002,894</b>	<b>\$ 232,924,699</b>	<b>\$ 230,733,813</b>
B.3 Line B2 divided by 365	\$ 635,587	\$ 731,515	\$ 638,150	\$ 632,147
B.4 Ratio of Line B.1 to Line B3	152	101	105	104
B.5 Line B.4 must not be less than	75	75	75	75
<b>B.6 Borrower is in Compliance (Yes/No)</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
<b>C.1 Unrestricted Liquid Funds</b>				
Cash & Equivalents			\$ 14,336,899	\$ 12,226,105
Add: Marketable Securities/Board designated Funds			\$ 52,553,195	\$ 53,712,636
<b>Unrestricted Liquid Funds</b>			<b>\$ 66,890,094</b>	<b>\$ 65,938,741</b>
C.2 Line C.1 must not be less than			\$ 52,000,000	\$ 52,000,000
<b>C.3 Borrower is in Compliance (Yes/No)</b>			<b>Yes</b>	<b>Yes</b>
Note: Realized (Gains) or Loss on marketable securities	\$ 78,083	\$ 1,575,942	\$ 1,785,605	\$ 701,746

Signature of Bay Area Hospital:

Name: Mary Jo Latt  
 Title: CFO