



Executive Summary

Finance Committee
Held August 27, 2024

Capital Purchase Requests reviewed:

- Threshold: None
- Non-Threshold: None

Discussion Items

- MacGregor Hall from Deschutes Investments provided an update on the Defined Benefit Plan Earnings. YTD (Jan to July 2024) the plan has earned 11.16% vs goal of 10.48%. Rebalancing the portfolio was discussed given the changing market conditions.
- Savista went live July 15, 2024, go live has had its challenges. Savista is responsive to BAH's concerns.
- Introduced new Controller, Craig Adams
- Financials were reviewed

Financial Results:

- See attached Narrative and financials
 - July 2024 Operating Loss was \$1.1 Million vs a budget profit of \$684 Thousand
 - Year to date is the same
 - July 2024 Overall Loss at \$412 Thousand vs a budget profit of \$588 Thousand
 - Year to date is the same
 - July 2024 Operating EBIDA – \$149 Thousand Loss
 - Year to date is the same
 - July 2024 Cash and Cash equivalents balance is \$59.5 million, up slightly from last month

Executive Summary:

- None

Next meeting:

Next Meeting – September 24, 2024



Month End Financial Narrative
For month ending August 31, 2024

Overall, Bay Area Hospital reported a loss of **\$285K** in August, against a budgeted income of **\$152K**, compared to last year's gain of **\$439K**. Gross Revenue for August reached **\$64.8M**, above the budgeted **\$64.3M** by **\$500k** (approximately .8%). Net Revenue ended the month at **\$22M**, with a Net to Gross Revenue Margin of **34.1%**, **\$350K** below the budgeted **\$22.4M**.

August 2024	Month To Date					Year to Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
Total Gross Patient Revenue	64,799,752	64,312,278	487,474	58,094,481	6,705,271	125,922,564	128,388,252	(2,465,688)	111,051,557	14,871,007
Total Deductions	42,895,094	42,111,887	783,207	37,822,577	5,072,517	84,251,551	84,069,857	181,694	72,926,052	11,325,500
Other Revenue	219,268	272,730	(53,462)	215,641	3,627	463,647	545,460	(81,813)	390,421	73,226
Total Net Revenue	22,123,926	22,473,121	(349,195)	20,487,545	1,636,382	42,134,660	44,863,855	(2,729,195)	38,515,926	3,618,734
Wages, Benefits, Contract L	12,473,889	11,878,661	(595,228)	11,540,092	(933,797)	24,455,326	23,549,791	(905,535)	21,801,838	(2,653,488)
Supplies	3,831,892	3,974,536	142,644	3,442,390	(389,502)	7,218,469	7,948,330	729,862	6,798,812	(419,656)
Other Supplies	6,392,885	6,372,052	(20,833)	4,910,956	(1,481,929)	12,127,668	12,434,263	306,595	10,159,750	(1,967,918)
Total Operating Expenses	22,698,666	22,225,250	(473,417)	19,893,438	(2,805,228)	43,801,462	43,932,384	130,922	38,760,400	(5,041,062)
Net Operating Income	(574,740)	247,871	(822,611)	594,107	(1,168,847)	(1,666,802)	931,471	(2,598,273)	(244,474)	(1,422,328)
Non-Operating Income/Expense	289,520	(95,851)	385,371	(155,376)	444,897	969,921	(191,701)	1,161,623	(291,150)	1,261,071
Net Income	(285,220)	152,021	(437,240)	438,730	(723,950)	(696,881)	739,770	(1,436,651)	(535,624)	(161,257)

VOLUMES

Inpatient Discharges & Days

- **For the current month**, Inpatient discharges fell below budget by 24, actual was 589 against the budget of 613 (-3.9%) and 50 more than the 539 (9.3%) from last year. Patient days were 39 (-1.5%) lower than budget (2,522 vs 2,561) and 365 and above last years.
- **Year to date**, discharges came in under budget by 69 and above last year by 127 (1,156 vs. 1,225 budgeted vs. 1,029 last year). YTD Patient Days are lower than budget and higher than last year (5,004 vs 5,122 vs 4,057). ALOS YTD is 4.28 vs 4.18 budget vs 4.00 last year.

ED Visits

- **For the current month** ED visits were 275 above budget for the month and 272 above last year (2,553 visits this month vs. 2,278 budgeted vs. 2,281 last year). Chief complaints include Abdominal pain, Shortness of Breath, Chest Pain and Falls.
- Patients leaving without being seen (LWBS) remained very low at 0.63% in August. There is a very positive trend of hitting best practice numbers. Anything under 2% is considered best practice. August 2023, we experienced LWBS levels at 5.43%! 30.6% of all ER Patients in August 2024 were a level 5 (high acuity) patient.
- **Year to date**, visits were 5,158 vs. 4,556 budgeted vs. last year-to-date of 4,582.

Cardiac Cath Cases

- **For the current month** there were 117 Cath Lab cases vs. budget of 100. August of last year had 105. We have seen an increased number of Interventional Radiology procedures
- **Year to date**, 200 YTD cases exceeded our YTD budget of 195 and our prior year YTD actual of 198 cases.

Outpatient Visits

- **For the current month** OP Visits are down from budget (10,738 vs 11,918) and from the same month last year (12,587) The most substantial decrease this month was seen in Radiation Oncology, where visits dropped sharply from 217 in July to 89 in August. This decrease is due to the fact that Savista has been unable to access Mosque to code the Radiation Oncology visits. We have reached out to our prior coding company to assist in training Savista.



Month End Financial Narrative
For month ending August 31, 2024

Cardiac Clinic and Lab Visits also saw decreases compared to same month prior year, though Lab visits slightly increased from July (2,366) to August (2,380), contributing less to the overall decline compared to Radiation Oncology. Despite the overall decline in OP visits, OP Infusion remained stable with 506 visits. Medical Oncology saw an increase from 1,287 in July to 1,320 in August. Ultrasound visits also showed stability, with only a slight decrease (549 in July to 531 in August).

- **Year to date**, actual of 21,572 is down from the budgeted YTD of 23,835 and last year’s YTD of 23,463. Radiation Oncology remains the most significant contributor to the YTD shortfall, while OP Infusion, Medical Oncology, and Ultrasound have shown consistent growth compared to the previous year.

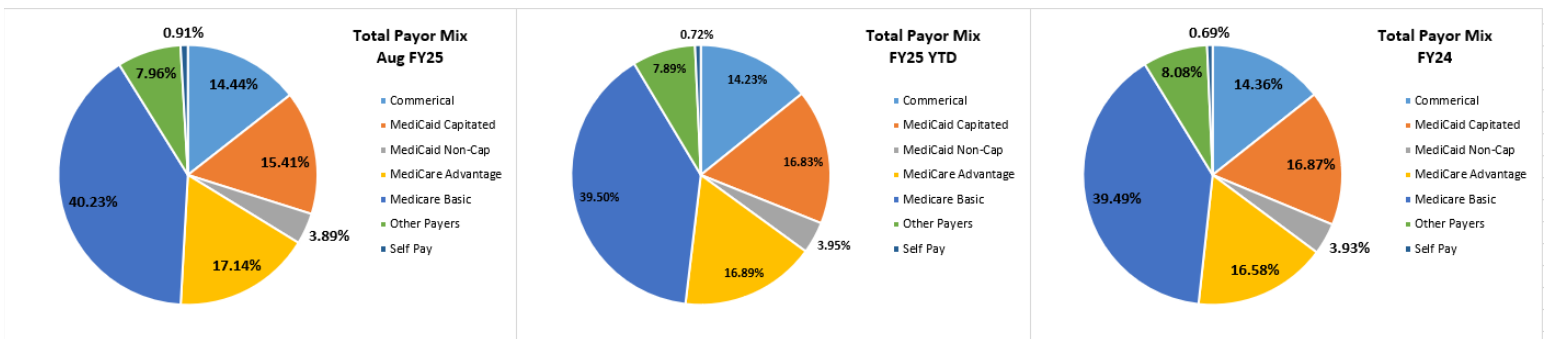
REVENUES

Gross Revenues

- **For the current month** Gross Revenues were above budget by \$487K (.8%) (\$64.8M vs \$64.3M) and over last year by \$6.7M (11.5%). The Gross Revenues follow the volume trends. Of the variance compared to budget, (\$847K) was due to Volume and \$1.33M was due to Rate.

Deductions from Revenue

- Net healthcare revenue was below budget by \$296K for the month. As a %, Deductions from Revenue were slightly worse than budget at 65.9% vs. 65.1% (34.1% vs 34.9% revenue realization rates). In August, we saw a small increase in Commercial Mix to 14.44%, compared to our FY24 rolling final rate of 14.36% our July rate of 12.15%. Most other payers remained roughly the same except for a slight decrease in Self-Pay.
- Contractuals are higher than last year, partially due to 4% price increase that occurred in July.



Other Revenues

- **For the current month** we were under budget by \$53K and above last year by \$4K (\$219K vs \$272K vs \$215K). The decrease is due to lower 340B Pharmacy revenue and the timing of Purchasing rebates.
- **Year to date**, \$85K below budget and \$70K above last year (\$460K vs \$545K vs \$390K).



Month End Financial Narrative
For month ending August 31, 2024

Net Revenue

- **For the current month** Net Revenue for the month was below budget by \$350K and above last year by \$1.6M (actual of \$22.1M vs. budget of \$22.4M vs. last year of \$20.4M), for the reasons noted above.
- **Year to date**, was below budget by \$2.7M and above last year by \$3.6M (actual of \$42.1M vs. budget of \$44.8M vs. last year of \$38.5M), for the reasons noted above.

EXPENSES

Salaries

- **For the current month** Salaries were 3.6% over budget and 6.56% over last year (actual \$8.2M vs. budget \$7.9M vs. last year \$7.7M). Use of overtime is higher than budget and prior year. Patient volumes remain strong although behind budget. The average hourly rate for employees of \$51.55 is above the budgeted rate of \$51.32.
- Compared to run rate – Overtime is \$147K higher than the 6-month run rate. Reg salaries are \$440K higher than 6 month run rate (includes \$123K for RN Residency).
- **Year to date** salaries are \$434K under budget and \$1.5M over last year (\$16.2 vs \$15.8M vs \$14.7M).

Contract labor

- **For the current month** Over budget by \$346K and above last year by \$107K (\$2.1M vs \$1.7M budget and \$2.0M last year). RN contract labor is lower than budget and Imaging departments are above budget. Physician contract labor is above budget by \$255K.
- **Year to date** contract labor is over budget by \$483K and above prior year by \$568K (\$4.0M vs \$3.5M vs \$3.4M).

Benefits

- **For the current month** Overall Benefits expense for the month of August below budget by \$37K, and above last year by \$320K (\$2.2M actual vs \$2.2M budget and \$1.8M last year).
- **Year to date** benefits are under budget by \$12K and above prior year by \$568K (\$4.3M vs \$4.3M vs \$3.7M).

Overall, Salary/Wages/Benefits/Contract labor per Adjusted Patient Day for the month is \$2,082 above the budget of \$1,962 and last year of \$2,124. YTD actual of \$2,043 is above budget of \$1,943 and below prior year of \$2,194.

Physician and Pro-fees

- **For the current month** Above budget by \$101k and \$445K unfavorable to last year for the month (\$1.73M actual vs. \$1.63M budget and \$1.29M last year). The largest driver is timing of the Radiology contract payments.
- **Year to date**, is above budget by \$101K and above prior year by \$678K (\$3.4M actual vs \$3.3M budget and \$2.7M last year).



Month End Financial Narrative
For month ending August 31, 2024

Supplies

- **For the current month**, supply costs were \$143K favorable to budget (3.6%) and \$390k higher compared to the prior year (-11.9%). (\$3.8M vs \$4.0M vs 3.4M) due to lower Orthopedic implant expense vs budget and last year. Drug Supplies are higher than budget (\$36K) and last year (\$122K). Medical Supplies are also higher than budget (\$16K) and higher than last year (\$159K).
- **Year to date**, supply costs are tracking \$730K or 9.18% below budget and above the prior year's costs by \$408K or 5.99% (\$7.2M vs \$7.9M vs \$6.8M) for the same reasons and MTD.

Purchased Services

- **For the current month**, Purchased Services costs were \$242K favorable to budget (11.2%) and \$739K unfavorable compared to the prior year (-62.9%). (\$1.9M vs \$2.2M vs \$1.2M). Compared to prior year, Savista has been retained for Revenue Cycle and has been included in the budget. IT Support Services are also higher than last year and reflected properly in the budget.
- **Year to date**, Purchased Services costs are tracking \$199K (5.1%) below budget and are \$1.1 higher (41%) than the prior year (\$3.7M vs \$3.9M vs \$2.6M) for the same reasons as the current month.

Lease/Rentals

- **For the current month**, Leases/Rentals costs were \$225 favorable to budget (1.6%) and \$9K unfavorable compared to the prior year (-177.9%).
- **Year to date**, Leases/Rentals costs are tracking \$990 below budget (3.4%) and are \$5K below the prior year (22.3%).

Depreciation

- **For the current month**, Depreciation costs were \$40K favorable to budget (4.1%) and \$47K favorable compared to the prior year (4.8%) (\$938K vs \$978K vs \$985k)
- **Year to date**, Depreciation costs are tracking \$76K below budget (3.4%) and \$87K below the prior year (4.4%) (\$1.9M vs \$2.0M vs \$2.0M).

Other Operating expense

- **For the current month**, Other Operating Expenses were \$202K unfavorable to budget (12.7%) and \$353K unfavorable compared to the prior year (23.1%), (\$1.8M vs \$1.6M vs \$1.4M). This is due to higher Provider tax assessments and timing moving payments vs budget and last year.
- **Year to date**, Other Operating Expenses are tracking \$133K below budget (4.1%) and \$292K above last year (10.4%) (\$3.1M vs \$3.2M vs \$2.8M) due to higher Provider tax assessment than last year and timing moving payments vs budget and last year.

Non-Operating Income and Expense

- **For the current month**, \$385K higher than Budget and \$445K above prior year (\$290K vs loss of \$96K vs loss of \$155K). Due to strong market conditions.
- **Year to date**, \$1.2M higher than budget and \$1.3M higher than last year (\$970K vs loss of \$192K vs loss of \$291K) due to the same reasons as MTD.



Month End Financial Narrative
For month ending August 31, 2024

Balance Sheet

Cash and Cash Equivalents were \$6.9M at the end of August and Assets limited to use are \$43.1M for overall Cash of \$50M, which is down from July 2024 of \$59.6M, a decrease of \$9.5M over last month due to challenges with Savista collections and payment of the provider tax. The collection issue with Savista is expected to correct over the next couple of months.

Current liabilities decreased by \$3.6M compared to last month primarily due to a decrease in provider tax payable.

Days Cash on Hand is 74 days.

BAH did meet all Bank Compliance Ratios at the end of August 2024.

Bay Area Hospital

Consolidated Income Statement - August 2024

	Month to Date							Year to Date						
	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %
Gross Patient Revenue														
Inpatient Revenue	27,276,721	27,195,817	80,905	0.3%	23,058,662	4,218,060	18.3%	52,630,110	54,265,340	(1,635,231)	-3.0%	45,341,411	7,288,699	16.1%
Outpatient Revenue	37,523,031	37,116,462	406,569	1.1%	35,035,819	2,487,211	7.1%	73,292,455	74,122,912	(830,457)	-1.1%	65,710,146	7,582,309	11.5%
Total Gross Patient Revenue	64,799,752	64,312,278	487,474	0.8%	58,094,481	6,705,271	11.5%	125,922,564	128,388,252	(2,465,688)	-1.9%	111,051,557	14,871,007	13.4%
Deductions	42,283,339	41,340,140	(943,199)	-2.3%	37,710,946	(4,572,393)	-12.1%	82,517,000	82,529,198	12,198	0.0%	72,111,017	(10,405,983)	-14.4%
Bad Debt	(10,576)	257,249	267,825	104.1%	(130,292)	(119,716)	91.9%	852,703	513,553	(339,150)	-66.0%	495,166	(357,536)	-72.2%
Charity	622,331	514,498	(107,833)	-21.0%	241,923	(380,408)	-157.2%	881,849	1,027,106	145,257	14.1%	319,869	(561,980)	-175.7%
Total Deductions	42,895,094	42,111,887	(783,207)	-1.9%	37,822,577	(5,072,517)	-13.4%	84,251,551	84,069,857	(181,694)	-0.2%	72,926,052	(11,325,500)	-15.5%
Net Healthcare Revenue	21,904,658	22,200,391	(295,733)	-1.3%	20,271,904	1,632,754	8.1%	41,671,013	44,318,395	(2,647,382)	-6.0%	38,125,505	3,545,508	9.3%
Other Oper Revenue	219,268	272,730	(53,462)	-19.6%	215,641	3,627	1.7%	463,647	545,460	(81,813)	-15.0%	390,421	73,226	18.8%
Total Net Revenue	22,123,926	22,473,121	(349,195)	-1.6%	20,487,545	1,636,382	8.0%	42,134,660	44,863,855	(2,729,195)	-6.1%	38,515,926	3,618,734	9.4%
Net to Gross Ratio	34.1%	34.9%			35.3%			33.5%	34.9%			34.7%		
Salaries	8,228,925	7,942,471	(286,454)	-3.6%	7,722,158	(506,767)	-6.6%	16,226,008	15,791,304	(434,704)	-2.8%	14,728,127	(1,497,882)	-10.2%
Contract Labor	2,086,578	1,740,712	(345,865)	-19.9%	1,979,237	(107,341)	-5.4%	3,976,799	3,493,639	(483,160)	-13.8%	3,388,950	(587,849)	-17.3%
Benefits	2,158,386	2,195,477	37,091	1.7%	1,838,697	(319,689)	-17.4%	4,252,518	4,264,848	12,330	0.3%	3,684,761	(567,757)	-15.4%
Physician & Prof Fee	1,735,681	1,634,685	(100,996)	-6.2%	1,290,550	(445,131)	-34.5%	3,392,666	3,291,922	(100,744)	-3.1%	2,715,110	(677,556)	-25.0%
Supplies	3,831,892	3,974,536	142,644	3.6%	3,442,390	(389,502)	-11.3%	7,218,469	7,948,330	729,862	9.2%	6,798,812	(419,656)	-6.2%
Purchased Services	1,913,244	2,155,175	241,931	11.2%	1,174,580	(738,664)	-62.9%	3,713,433	3,912,196	198,762	5.1%	2,633,925	(1,079,508)	-41.0%
Leases/Rentals	14,262	14,487	225	1.6%	5,132	(9,130)	-177.9%	30,104	29,113	(990)	-3.4%	24,618	(5,486)	-22.3%
Depreciation	938,047	978,227	40,180	4.1%	985,298	47,251	4.8%	1,880,835	1,956,943	76,108	3.9%	1,967,854	87,018	4.4%
Other Oper Expense	1,791,651	1,589,479	(202,172)	-12.7%	1,455,396	(336,254)	-23.1%	3,110,630	3,244,089	133,459	4.1%	2,818,244	(292,386)	-10.4%
Total Operating Expenses	22,698,666	22,225,250	(473,417)	-2.1%	19,893,438	(2,805,228)	-14.1%	43,801,462	43,932,384	130,922	0.3%	38,760,400	(5,041,062)	-13.0%
Net Operating Income	(574,740)	247,871	(822,611)	-331.9%	594,107	(1,168,847)	-196.7%	(1,666,802)	931,471	(2,598,273)	-278.9%	(244,474)	(1,422,328)	581.8%
Investment Income	427,800	-	427,800	0.0%	(159,061)	586,861	-369.0%	1,199,790	-	1,199,790	0.0%	(137,658)	1,337,448	-971.6%
Interest	-	-	-	0.0%	-	-	0.0%	-	-	-	0.0%	-	-	0.0%
Other Nonop Inc(Exp)	44,413	101,319	(56,906)	-56.2%	205,581	(161,168)	-78.4%	130,979	202,639	(71,660)	-35.4%	251,362	(120,383)	-47.9%
Interest Expense	(182,692)	(197,170)	14,478	-7.3%	(201,896)	19,204	-9.5%	(360,848)	(394,340)	33,492	-8.5%	(404,854)	44,006	-10.9%
Net Income	(285,220)	152,021	(437,240)	-287.6%	438,730	(723,950)	-165.0%	(696,881)	739,770	(1,436,651)	-194.2%	(535,624)	(161,257)	30.1%
Contractual %	-66.2%	-65.5%	-0.7%		-65.1%			-66.9%	-65.5%	-1.4%		-65.7%		
Operating Margin	-2.6%	1.1%	-3.7%	-335.5%	2.9%	-5.5%	-4.0%	2.1%	-6.0%	-290.5%	-0.6%	-3.32%	523.2%	
Operating EBITDA	363,307	1,226,098	(862,791)	-70.4%	1,579,405	(1,216,098)	-77.0%	214,033	2,888,414	(2,674,381)	-92.6%	1,723,380	(1,509,346)	-87.6%
Operating EBITDA %	1.6%	5.5%	-3.8%	-69.9%	7.7%	-6.1%	0.5%	6.4%	-5.9%	-92.1%	4.5%	-3.97%	-88.6%	
EBITDA	835,520	1,327,418	(491,898)	-37.1%	1,625,925	(790,405)	-48.6%	1,544,803	3,091,053	(1,546,250)	-50.0%	1,837,084	(292,281)	-15.9%
EBITDA %	3.8%	5.9%	-2.1%	-36.1%	7.9%	-4.2%	3.7%	6.9%	-3.2%	-46.8%	4.8%	-1.10%	-23.1%	
Key Stats														
Discharges	589	613	(24)	-3.9%	539	50	9.3%	1,156	1,225	(69)	-5.6%	1,029	127	12.3%
Patient Days	2,522	2,561	(39)	-1.5%	2,157	365	16.9%	5,004	5,122	(118)	-2.3%	4,057	947	23.3%
LOS	4.28	4.18	0.10	2.4%	4.00	0.28	7.0%	4.33	4.18	0.15	3.6%	3.94	0.39	9.8%
Adjusted Days	5,991	6,056	(64)	-1.1%	5,434	557	10.2%	11,973	12,117	(145)	-1.2%	9,937	2,036	20.5%
Adjusted Discharges	1,399	1,449	(49)	-3.4%	1,358	41	3.0%	2,766	2,899	(133)	-4.6%	2,520	246	9.7%
Per Adjusted Day														
Net Revenue/APD	3,656	3,666	(10)	-0.3%	3,730	(74)	-2.0%	3,481	3,657	(177)	-4.8%	3,837	(356)	-9.3%
SWB+CL/APD	2,082	1,962	(120)	-6.1%	2,124	(42)	-2.0%	2,043	1,943	(99)	-5.1%	2,194	(151)	-6.9%
Salary+CL/APD	1,722	1,599	(123)	-7.7%	1,785	(63)	-3.6%	1,687	1,592	(96)	-6.0%	1,823	(136)	-7.5%
Supply Cost/APD	640	656	17	2.6%	633	6	1.0%	603	656	53	8.1%	684	(81)	-11.9%
Other Expense/APD	589	532	(56)	-10.6%	505	83	16.5%	543	539	(4)	-0.7%	557	(14)	-2.5%
Per Adjusted Discharge														
Net Revenue/Adj DC	15,655	15,324	330	2.2%	14,928	726	4.9%	15,066	15,289	(222)	-1.5%	15,128	(61)	-0.4%
SWB+CL/Adj DC	8,915	8,200	(715)	-8.7%	8,498	417	4.9%	8,842	8,124	(718)	-8.8%	8,651	191	2.2%
Salary+CL/Adj DC	7,372	6,684	(688)	-10.3%	7,144	228	3.2%	7,304	6,653	(652)	-9.8%	7,189	116	1.6%
Supply Cost/Adj DC	2,739	2,744	5	0.2%	2,535	204	8.0%	2,610	2,742	132	4.8%	2,698	(88)	-3.3%
Other Expense/Adj DC	2,521	2,226	(295)	-13.3%	2,022	499	24.7%	2,351	2,255	(97)	-4.3%	2,196	156	7.1%
Pct of Net Revenue														
SWB+CL	56.9%	53.5%	-3.4%		56.9%	0.0%		58.7%	53.1%	-5.5%		57.2%	-1.5%	
Supplies	17.5%	17.9%	0.4%		17.0%	-0.5%		17.3%	17.9%	0.6%		17.8%	0.5%	
Other Expense	16.1%	14.5%	-1.6%		13.5%	-2.6%		15.6%	14.7%	-0.9%		14.5%	-1.1%	
Bad Debt & Charity	2.8%	3.5%	0.7%		0.6%	-2.2%		4.2%	3.5%	0.7%		2.1%	-2.0%	
FTE's														
Total Salary FTE's	903.59	876.11	(27.48)	-3.1%	901.88	(1.70)	-0.2%	914.01	876.11	(37.90)	-4.3%	875.98	(38.03)	-4.3%
Total Contract FTE's	108.68	67.31	(41.37)	-61.5%	92.97	(15.71)	-16.9%	102.49	67.31	(35.18)	-52.3%	78.88	(23.80)	-30.3%
Total Facility Paid FTE's	1,012.26	943.42	(68.85)	-7.3%	994.85	(17.41)	-1.8%	1,016.49	943.42	(73.08)	-7.7%	954.66	(61.83)	-6.5%
Paid FTE per Adj Day	5.24	4.83	(0.41)	-8.5%	5.68	0.44	7.7%	5.26	4.83	(0.44)	-9.1%	5.96	0.69	11.6%
Average Hourly Rate	\$ 57.69	\$ 58.10	0.42	0.7%	\$ 55.05	(2.64)	-4.8%	\$ 56.25	\$ 57.86	1.60	2.8%	\$ 53.57	(2.69)	-5.0%
Employed Avg Hourly Rate	\$ 51.55	\$ 51.32	(0.23)	-0.5%	\$ 48.34	(3.22)	-6.7%	\$ 50.25	\$ 51.02	0.77	1.5%	\$ 47.46	(2.79)	-5.9%

Bay Area Hospital

Consolidated Income Statement Trend -

	2023	2023	2023	2023	2023	2024	2024	2024	2024	2024	2024	2024	2024
	AugMTD	SepMTD	OctMTD	NovMTD	DecMTD	JanMTD	FebMTD	MarMTD	AprMTD	MayMTD	JunMTD	JulMTD	AugMTD
Gross Patient Revenue													
Inpatient Revenue	23,058,662	23,920,818	25,765,588	25,501,603	26,680,023	27,261,325	27,299,630	25,042,052	26,450,949	26,588,667	26,403,707	25,353,388	27,276,721
Outpatient Revenue	35,035,819	31,012,110	32,586,040	35,656,501	33,530,554	33,807,538	36,378,045	35,884,664	37,332,395	34,796,823	31,258,666	35,769,424	37,523,031
Total Gross Patient Revenue	58,094,481	54,932,928	58,351,628	61,158,104	60,210,577	61,068,863	63,677,674	60,926,717	63,783,344	61,385,490	57,662,373	61,122,812	64,799,752
Deductions	37,710,946	33,490,589	39,809,926	41,397,280	40,352,704	38,532,815	40,803,503	39,937,504	42,819,810	40,487,665	37,231,718	40,233,661	42,283,339
Bad Debt	(130,292)	1,337,656	(1,272,295)	149,534	14,632	255,645	2,311,473	996,281	82,185	(19,683)	1,136,185	863,279	(10,576)
Charity	241,923	139,427	181,976	54,946	360,593	310,069	243,227	332,546	389,857	319,008	(441,071)	259,518	622,331
Total Deductions	37,822,577	34,967,673	38,719,607	41,601,760	40,727,929	39,098,529	43,358,203	41,266,331	43,291,852	40,786,990	37,926,832	41,356,458	42,895,094
Net Healthcare Revenue	20,271,904	19,965,255	19,632,021	19,556,344	19,482,648	21,970,334	20,319,471	19,660,386	20,491,492	20,598,500	19,735,541	19,766,355	21,904,658
Other Oper Revenue	215,641	236,561	236,850	257,021	342,147	321,481	345,339	264,729	335,787	289,911	592,676	244,379	219,268
Total Net Revenue	20,487,545	20,201,816	19,868,871	19,813,365	19,824,795	22,291,815	20,664,810	19,925,114	20,827,279	20,888,411	20,328,216	20,010,734	22,123,926
Expenses	35.3%	36.8%	34.1%	32.4%	32.9%	36.5%	32.5%	32.7%	32.7%	34.0%	35.3%	32.7%	34.1%
Salaries	7,722,158	7,061,385	7,162,219	7,116,440	7,174,841	7,254,813	6,761,158	7,401,124	7,252,500	7,611,958	7,518,598	7,997,083	8,228,925
Contract Labor	1,979,237	2,013,695	1,721,116	2,294,094	1,928,366	2,251,031	1,475,399	2,012,359	2,647,833	2,178,572	1,883,188	1,890,222	2,086,578
Benefits	1,838,697	1,962,258	2,219,463	2,093,108	1,638,894	2,677,522	2,357,269	2,210,377	2,398,226	2,210,011	3,403,158	2,094,132	2,158,386
Physician & Prof Fee	1,290,550	1,769,147	1,815,527	1,691,829	1,514,980	1,599,320	1,478,503	1,502,061	1,725,798	1,626,873	1,924,953	1,656,984	1,735,681
Supplies	3,442,390	3,608,148	3,189,337	4,364,495	3,254,080	4,010,119	3,341,695	4,451,107	4,520,219	3,972,366	3,186,611	3,386,576	3,831,892
Purchased Services	1,174,580	1,663,255	1,538,667	1,511,125	1,502,030	1,664,442	1,406,141	1,653,508	1,562,122	1,761,181	2,143,477	1,800,189	1,913,244
Leases/Rentals	5,132	19,294	15,832	10,575	10,367	13,683	4,496	37,038	17,186	18,029	15,055	15,842	14,262
Depreciation	985,298	980,279	979,692	978,032	947,867	941,053	933,351	926,545	917,702	907,376	1,203,660	942,788	938,047
Other Oper Expense	1,455,396	1,562,641	1,360,314	1,471,353	1,778,960	1,580,690	1,366,933	1,458,176	1,657,408	1,449,464	1,750,829	1,318,979	1,791,651
Total Operating Expenses	19,893,438	20,640,103	20,002,167	21,531,052	19,750,385	21,992,673	19,124,946	21,652,295	22,698,995	21,735,830	23,029,531	21,102,796	22,698,666
Net Operating Income	594,107	(438,287)	(133,296)	(1,717,687)	74,410	299,142	1,539,865	(1,727,181)	(1,871,715)	(847,419)	(2,701,314)	(1,092,062)	(574,740)
Investment Income	(159,061)	(962,170)	(488,294)	1,654,176	1,595,056	(64,707)	(599,884)	338,536	54,872	(10,806)	323,131	771,990	427,800
Other Nonop Inc(Exp)	205,581	43,457	58,352	93,389	232,272	105,405	83,754	205,419	123,233	159,182	1,121,324	86,566	44,413
Interest Expense	(201,896)	(195,643)	(207,238)	(215,762)	(214,239)	(218,601)	(204,722)	(216,807)	(209,798)	(204,554)	(120,350)	(178,156)	(182,692)
Net Income	438,730	(1,552,643)	(770,476)	(185,884)	1,687,499	121,238	819,013	(1,400,033)	(1,903,408)	(903,596)	(1,377,210)	(411,661)	(285,220)
Operating Margin %	2.9%	-2.2%	-0.7%	-8.7%	0.4%	1.3%	7.5%	-8.7%	-9.0%	-4.1%	-13.3%	-5.5%	-2.6%
Operating EBIDA	1,579,405	541,992	846,396	(739,655)	1,022,277	1,240,195	2,473,216	(800,636)	(954,013)	59,957	(1,497,654)	(149,274)	363,307
Operating EBIDA %	7.7%	2.7%	4.3%	-3.7%	5.2%	5.6%	12.0%	-4.0%	-4.6%	0.3%	-7.4%	-0.7%	1.6%
EBIDTA	1,625,925	(376,721)	416,454	1,007,911	2,849,605	1,280,892	1,957,086	(256,681)	(775,908)	208,334	(53,200)	709,283	835,520
EBDITA Margin	7.9%	-1.9%	2.1%	5.1%	14.4%	5.7%	9.5%	-1.3%	-3.7%	1.0%	-0.3%	3.5%	3.8%
Key Stats													
Discharges	539	528	568	552	571	580	532	567	542	588	609	567	589
Patient Days	2,157	2,273	2,511	2,355	2,332	2,693	2,253	2,253	2,337	2,459	2,425	2,482	2,522
LOS	4.00	4.30	4.42	4.27	4.08	4.64	4.23	3.97	4.31	4.18	3.98	4.38	4.28
Adjusted Days	5,434	5,220	5,687	5,648	5,263	6,033	5,255	5,481	5,635	5,677	5,296	5,984	5,991
Adjusted Discharges	1,358	1,213	1,286	1,324	1,289	1,299	1,241	1,379	1,307	1,358	1,330	1,367	1,399
Per Adjusted Day													
Net Revenue/APD	3,730	3,825	3,452	3,463	3,702	3,642	3,867	3,587	3,636	3,628	3,727	3,303	3,656
SWB+CL/APD	2,124	2,115	1,952	2,037	2,041	2,020	2,016	2,121	2,182	2,114	2,418	2,002	2,082
Salary+CL/APD	1,785	1,739	1,562	1,666	1,730	1,576	1,567	1,717	1,757	1,725	1,775	1,652	1,722
Supply Cost/APD	633	691	561	773	618	665	636	812	802	700	602	566	640
Other Expense/APD	505	638	558	560	626	527	541	540	600	542	694	497	589
Per Adjusted Discharge													
Net Revenue/Adj DC	14,928	16,466	15,262	14,773	15,119	16,910	16,375	14,252	15,679	15,174	14,839	14,460	15,655
SWB+CL/Adj DC	8,498	9,103	8,631	8,690	8,336	9,377	8,537	8,426	9,410	8,840	9,628	8,765	8,915
Salary+CL/Adj DC	7,144	7,484	6,906	7,109	7,064	7,316	6,637	6,824	7,575	7,212	7,069	7,233	7,372
Supply Cost/Adj DC	2,535	2,976	2,479	3,297	2,525	3,086	2,693	3,227	3,459	2,926	2,396	2,477	2,739
Other Expense/Adj DC	2,022	2,748	2,469	2,389	2,556	2,448	2,293	2,146	2,589	2,266	2,764	2,177	2,521
Pct of Net Revenue													
SWB	56.9%	55.3%	56.6%	58.8%	55.1%	55.5%	52.1%	59.1%	60.0%	58.3%	64.9%	60.6%	56.9%
Supplies	17.0%	18.1%	16.2%	22.3%	16.7%	18.3%	16.4%	22.6%	22.1%	19.3%	16.1%	17.1%	17.5%
Other Expense	13.5%	16.7%	16.2%	16.2%	16.9%	14.5%	14.0%	15.1%	16.5%	14.9%	18.6%	15.1%	16.1%
Bad Debt & Charity	0.6%	7.4%	-5.6%	1.0%	1.9%	2.6%	12.6%	6.8%	2.3%	1.5%	3.5%	5.7%	2.8%
FTE's													
Total Salary FTE's	901.88	843.99	849.64	858.68	863.40	886.37	763.75	884.65	894.03	869.78	910.69	924.43	903.59
Total Contract FTE's	92.97	82.30	91.73	109.03	117.74	147.72	84.09	88.30	116.30	114.42	83.34	96.30	108.68
Total Facility Paid FTE's	994.85	926.29	941.37	967.71	981.14	1,034.09	847.84	972.95	1,010.33	984.20	994.03	1,020.72	1,012.26
Paid FTE per AOB	5.68	5.32	5.13	5.14	5.78	5.31	4.68	5.50	5.38	5.37	5.63	5.29	5.24
Average Hourly Rate	\$ 55.05	\$ 57.15	\$ 53.27	\$ 56.73	\$ 52.38	\$ 51.89	\$ 58.62	\$ 54.62	\$ 57.16	\$ 56.31	\$ 55.32	\$ 54.83	\$ 57.69
Employed Avg Hourly F	\$ 48.34	\$ 48.81	\$ 47.59	\$ 48.34	\$ 46.91	\$ 46.21	\$ 53.42	\$ 47.23	\$ 47.32	\$ 49.54	\$ 48.29	\$ 48.97	\$ 51.55

Bay Area Hospital
Balance Sheet (Including Foundation)
August 2024

	<u>Aug-24</u>	<u>Jul-24</u>	<u>Audited Jun-23</u>
Assets And Deferred Outflows Of Resources			
Current Assets			
Cash & Cash Equivalents	6,947,377	10,864,558	12,030,483
Accounts Receivable (Net)	36,393,260	28,283,078	19,921,642
Inventory	5,149,710	5,150,792	5,205,080
Other Current Assets	6,372,309	8,051,118	4,530,204
Total Current Assets	54,862,657	52,349,545	41,687,409
Assets Limited As to Use	43,101,504	48,686,938	53,401,226
Capital Assets			
Depreciable Capital Assets (Net)	67,843,013	68,547,061	74,844,553
Nondepreciable Capital Assets	1,766,132	1,647,650	1,690,791
Total Capital Assets (Net)	69,609,145	70,194,711	76,535,344
Leases and Subscriptions (Net)	8,989,137	9,222,409	11,477,240
Other Non Current Assets	697,918	691,148	1,096,420
Total Assets	177,260,360	181,144,751	184,197,639
Deferred Outflows Of Resources	9,489,130	9,489,130	13,585,354
Total Assets And Deferred Outflows	186,749,490	190,633,881	197,782,993
Liabilities, Deferred Inflows of Resources, And Net Position			
Current Liabilities			
Accounts Payable	(7,730,926)	(7,285,450)	(7,192,828)
Accrued Liabilities			
Payroll, payroll taxes, withholdings	(2,646,737)	(5,247,798)	(3,580,718)
Paid Time Off	(5,668,977)	(5,696,069)	(5,389,005)
Other	(6,037,179)	(8,035,003)	(5,890,925)
3rd Party Settlements Payable (net)	(4,956,639)	(4,881,639)	(5,676,967)
Long-Term Obligations - Current Portion	(3,551,281)	(3,551,281)	(3,545,686)
Deferred Revenue	(700,000)	0	(416,669)
Total Current Liabilities	(31,291,740)	(34,697,241)	(31,692,797)
Long Term Obligations (Net of Current Portion)	(49,105,249)	(49,304,580)	(51,946,347)
Other Noncurrent Liabilities	(3,024,811)	(3,018,041)	(3,093,390)
Net Pension Liability	(3,827,580)	(3,827,580)	(7,133,416)
Total Liabilities	(87,249,381)	(90,847,441)	(93,865,950)
Deferred Inflows Of Resources	(11,397,373)	(11,397,373)	(10,155,902)
Inter Fund Payables	1,111		
Total Liabilities & Deferred Cash Inflows	(98,645,643)	(102,244,814)	(104,021,852)
Net Position	(88,800,728)	(88,800,728)	(128,860,256)
Net Income/Loss	696,881	411,661	35,099,115
Total Liabilities, Deferred Inflows, Net Position	(186,749,490)	(190,633,881)	(197,782,993)

Bay Area Hospital
Compliance Certification
as of August 2024

A&D. Income Available for Debt Service (Quarterly)	Preliminary					
	TTM Sep-23	TTM Dec-23	TTM Mar-24	TTM Jun-24	TTM Jul-24	TTM Aug-24
Excess Revenue over Expenses	\$ (21,329,204)	\$ (12,940,039)	\$ (7,443,119)	\$ (4,960,412)	\$ (4,397,720)	\$ (5,139,020)
Add:						
Interest Expense	\$ 2,715,478	\$ 2,446,531	\$ 2,479,855	\$ 2,412,568	\$ 2,387,766	\$ 2,368,562
Depreciation	\$ 12,021,636	\$ 11,965,125	\$ 11,775,739	\$ 11,683,412	\$ 11,643,645	\$ 11,596,395
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	\$ (207,689)	\$ (1,162,258)	\$ (1,597,199)	\$ (2,447,475)	\$ (3,143,092)	\$ (4,012,897)
(Gains) or Losses - M2M derivatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-recurring - Consultant, Severance, and Legal Fees	\$ 2,974,112	\$ 3,328,489	\$ 4,754,999	\$ 3,933,734	\$ 3,643,889	\$ 2,924,410
(D.1) Income Available for Debt Service	\$ (3,825,668)	\$ 3,637,848	\$ 9,970,275	\$ 10,621,827	\$ 10,134,488	\$ 7,737,451
(A.2) Debt Service Requirements (MADS)	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267
(A.3) Ratio of Line D.1 to Line A.2	(0.98)	0.93	2.55	2.72	2.60	1.98
(D.2) Line D.1 must not be less than	\$ (15,000,000)	\$ (5,000,000)	\$ 2,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
(D.3) Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes
B.1 Days Cash on Hand (Monthly)						
Cash & Equivalents	\$ 13,117,050	\$ 9,470,509	\$ 5,514,827	\$ 10,815,033	\$ 10,864,558	\$ 6,947,377
Add: Marketable Securities/Board designated Funds	\$ 48,303,977	\$ 50,938,357	\$ 50,606,776	\$ 47,940,908	\$ 48,686,938	\$ 43,101,504
Less: Trustee Held funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on short term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Proceeds from A/R factoring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Collateral Posting for Interest Rate Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on Put Indebtedness	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash & Equivalents	\$ 61,421,027	\$ 60,408,866	\$ 56,121,603	\$ 58,755,941	\$ 59,551,495	\$ 50,048,881
B.2 Cash Operating Expenses						
Total Operating Expenses	\$ 243,196,104	\$ 244,669,983	\$ 247,865,831	\$ 250,727,532	\$ 252,963,366	\$ 255,785,944
Add: Interest Expenses	\$ 2,715,478	\$ 2,446,531	\$ 2,479,855	\$ 2,412,568	\$ 2,387,766	\$ 2,368,562
Less: Depreciation & Amortization	\$ 12,021,636	\$ 11,965,125	\$ 11,775,739	\$ 11,683,412	\$ 11,643,645	\$ 11,596,395
Less: Non-cash expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Losses on refinancing debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Provision for uncollectable accounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Operating Expenses	\$ 233,889,947	\$ 235,151,388	\$ 238,569,947	\$ 241,456,689	\$ 243,707,487	\$ 246,558,112
B.3 Line B2 divided by 365	\$ 640,794	\$ 644,250	\$ 653,616	\$ 661,525	\$ 667,692	\$ 675,502
B.4 Ratio of Line B.1 to Line B3	96	94	86	89	89	74
B.5 Line B.4 must not be less than	70	70	70	70	70	70
B.6 Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes
C.1 Unrestricted Liquid Funds (Monthly)						
Cash & Equivalents	\$ 13,117,050	\$ 9,470,509	\$ 5,514,827	\$ 10,815,033	\$ 10,864,558	\$ 6,947,377
Add: Marketable Securities/Board designated Funds	\$ 48,303,977	\$ 50,938,357	\$ 50,606,776	\$ 47,940,908	\$ 48,686,938	\$ 43,101,504
Unrestricted Liquid Funds	\$ 61,421,027	\$ 60,408,866	\$ 56,121,603	\$ 58,755,941	\$ 59,551,495	\$ 50,048,881
C.2 Line C.1 must not be less than	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000
C.3 Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes

Signature of Bay Area Hospital:

Name: Mary Lou Tate
Title: Chief Financial Officer
Date: 09/20/2024