



Month End Financial Narrative
For month ending February 28, 2025

Overall, Bay Area Hospital reported a loss of \$831K in February, against budgeted loss of \$730K. Gross Revenue for February was \$58.8M and Net Revenue ended the month at \$20.3M, with a Net to Gross Revenue Margin of 34.5%.

February 2025	Month To Date					Year to Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
Total Gross Patient Revenue	58,834,815	59,168,272	(333,458)	63,677,674	(4,842,859)	494,417,283	506,827,797	(12,410,514)	470,451,331	23,965,952
Total Deductions	38,946,042	38,745,765	200,277	43,358,203	(4,412,161)	334,572,709	331,860,178	2,712,531	311,399,753	23,172,957
Other Revenue	405,859	272,730	133,129	345,339	60,520	3,090,892	2,181,841	909,051	2,129,820	961,072
Total Net Revenue	20,294,632	20,695,238	(400,606)	20,664,810	(370,179)	162,935,466	177,149,460	(14,213,994)	161,181,398	1,754,068
Wages, Benefits, Contract L	11,516,098	11,121,201	(394,897)	10,593,826	(922,272)	96,888,475	93,751,738	(3,136,737)	88,964,909	(7,923,566)
Supplies	3,742,160	3,957,916	215,756	3,341,695	(400,465)	29,788,840	31,862,826	2,073,986	28,566,686	(1,222,154)
Other Supplies	6,174,534	6,269,214	94,680	5,189,425	(985,109)	49,289,705	50,713,295	1,423,590	44,270,131	(5,019,574)
Total Operating Expenses	21,432,792	21,348,331	(84,461)	19,124,946	(2,307,846)	175,967,020	176,327,859	360,839	161,801,726	(14,165,294)
Net Operating Income	(1,138,160)	(653,093)	(485,067)	1,539,865	(2,678,025)	(13,031,554)	821,601	(13,853,155)	(620,328)	(12,411,226)
Non-Operating Income/Expense	307,293	(76,770)	384,063	(720,851)	1,028,145	1,829,936	(735,005)	2,564,941	203,452	1,626,484
Net Income	(830,867)	(729,863)	(101,004)	819,013	(1,649,880)	(11,201,619)	86,596	(11,288,214)	(416,876)	(10,784,742)

VOLUMES

Inpatient Discharges & Days

- For February, Inpatient discharges were even with budget; however, they were 21 higher than last year (553 vs 553 vs 532). Patient days are 21 lower than budget and 39 higher than last year (2,292 vs 2,313 vs 2,253). The average length of stay (ALOS) is 4.14 which is lower than budget of 4.18 and last year's 4.23.
- Year to date (YTD) discharges came in under budget by 336 and over last year by 106 (4,466 vs 4,802 vs 4,360). YTD Patient Days are lower than budget by 913 but higher than last year by 686 (19,160 vs 20,073 vs 18,474). ALOS YTD is 4.29 vs 4.18 budget vs 4.24 last year.

Admits continue to be behind budget due to the loss of some community providers that are included in the budget. Compared to last year, Ortho admits were 17 less this month compared to last year and Cardiology-Medical was 20 lower. Infection Disease and Septicemia were both higher than last year (23 and 23 respectively). Pulmonology was 11 higher than last year.

ED Visits

- ED visits are 495 above budget for the month and 397 above last year (2,552 vs 2,057 vs 2,155). 16.9% of all ED Visits were admitted in February, compared to 17.8% in February a year ago. Chief complaints include Abdominal Pain, Shortness of Breath, Chest Pain, Cough and Flue/Covid Symptoms.
- Patients leaving without being seen (LWBS) was .39% in February (.62% in December and .75% in January).
- YTD visits are 20,300 vs. 17,856 budgeted vs 17,781 last year-to-date.

Operating Room Cases

- MTD was 34 below budget and 48 below last year (274 vs 308 vs 322). Verses last year the largest declines were in General Surgery (36 cases), GYN (7 cases) and Podiatry (8 cases). Budget included physicians that are no longer in the area.
- YTD surgeries are 360 below budget and 238 below last year (2,314 vs 2,674 vs 2,552). The largest decreases YTD are Urological (135) and GYN (108). We have seen more Ortho cases (56) and Plastics (29) YTD vs Last year YTD.



Month End Financial Narrative
For month ending February 28, 2025

Cardiac Cath Cases

- In February there were 102 Cath Lab cases vs. budget of 110. February of last year had 121.
- 818 YTD cases brings us 23 below our YTD budget of 841 with prior year YTD actual of 861 cases. This is primarily due to the lab being down for about a week in each September, December & January.

Outpatient Visits

- OP Visits are up 91 from budget and down 748 compared to a year ago (10,855 vs 10,764 vs 11,603). The most substantial decrease this month is seen in Lab, Med Oncology, and Cardiology Clinic. We are seeing more patients in Emergency Room, Wound Care, Outpatient Infusion and Orthopedic Clinic vs same month last year.
- Our YTD is below budget by 2,810 and YTD last year 2,872 (90,608 vs 93,418 vs 93,480). Substantially, the same departments for the month are ahead/below for YTD.

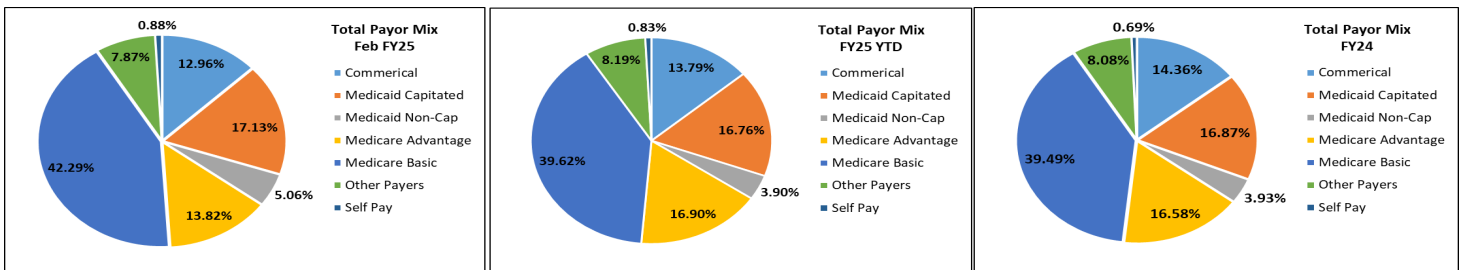
REVENUES

Gross Revenues

- February's Gross Revenues came in at \$58.8M, which is \$333K (-0.6%) below the budget of \$59.2M. Emergency Room showed higher than budgeted gross revenue for the month (\$1.2M). Departments with large deficits to budget include Operating Room, Cardiac Cath Lab, and Pharmacy-Infusion. Compared to last year, gross revenue is \$4.8M (7.6%) lower (\$58.8M vs. \$63.7M).
- Variance in Gross Revenues vs budget is \$335K unfavorable due to Rate and \$2K favorable due to Volume.

Deductions from Revenue

- As a %, Deductions from Revenue are higher than budget at 65.5% vs. 65.02% (34.5% vs 35.0% revenue realization rates). As has been the trend, we have been seeing a decline in Commercial payor mix. February, however, we saw an extremely low Commercial Mix of 12.96%.
- In FY22 Commercial payor mix was 16.40%, FY23 was 15.91%, FY24 as 14.36% and thus far in FY25 it is 13.79%.
- Net Revenues are favorably impacted this month by a \$1.0M reduction in Bad Debt expense for FY25 due to changing reserve methodology due to Presumptive Financial assistance screening impacts.



Other Revenues

- Current month actuals are \$406K vs \$273K budget vs \$345K last year. Higher 340B rebates is the driver of the increase.
- YTD \$3.1M actual vs \$2.2M budget vs \$2.1M last year. Again, the increase is due to 340B Pharmacy rebates.



Month End Financial Narrative
For month ending February 28, 2025

Net Revenues

- Net Revenue for the month is below budget by \$401K and below last year by \$370K (\$20.3M vs. \$20.7M vs. \$20.7M).
- YTD is below budget by \$14.2M and above last year by \$1.8M (\$162.9M vs. \$177.1M vs. \$161.2M).

EXPENSES

Salaries

- Salaries are \$259K over budget and \$771K over last year (\$7.5M vs. \$7.3M vs. \$6.8M). The average hourly rate of \$51.70 for employed staff is below the budgeted rate of \$52.02 and \$1.72 below last year's rate of \$53.42. PTO usage and pay rate increases, including a shift of Pediatric Hospitals from purchase services to employed, are the drivers of the increase.
- Year to date salaries are \$3.1M over budget and \$8.1M over last year (\$65.4M vs \$62.2M vs \$57.3M).

Contract labor

- MTD is over budget by \$322K and over last year by \$182K (\$1.7M vs \$1.3M vs \$1.5M). Physician contract labor was over budget by \$206K and \$132k over last year.
- Year to date contract labor is over budget by \$1.4M and under prior year by \$1.1K (\$14.0M vs \$12.7M vs \$15.1M).

Benefits

- Overall Benefits expense for the month of February under budget by \$186K, and under last year by \$31K (\$2.3M actual vs \$2.5M budget vs \$2.4M last year). Favorable variance is due to Group Health and Group High Deductible Plan being lower than budget during February. As a % of wages benefits were 30.9% this month vs 34.5% budget and 34.9% last year.
- Year to date benefits are under budget by \$1.3M and over the prior year by \$879K (\$17.5M vs \$18.9M vs \$16.6M). As a % of wages benefits were 26.8% this year vs 30.2% budget and 29.0% last year.

Overall, Salary/Wages/Benefits/Contract labor per Adjusted Patient Day for the month is \$2,113 which is above the budget of \$2,041 and last year of \$2,016. YTD actual of \$2,103 is above budget of \$1,979 and above prior year of \$2,065.

Physician and Pro-fees

- Near budget and last year for the month (\$1.5M vs. \$1.6M vs \$1.5M)
- YTD is below budget by \$801K and below the prior year by \$116K (\$12.5M vs \$13.3M vs \$12.6M).

Supplies

- For the current month, supply costs are \$216K favorable to budget and \$400K unfavorable compared to the prior year (\$3.7M vs \$4.0M vs \$3.3M). Drug spend is the primary driver of the favorable variance followed by Cardiac Implants and Medical Supply costs. Supply Expense as a % of Net Revenues are 18.8% actual, 19.4% budget and 16.4% last year.



Month End Financial Narrative
For month ending February 28, 2025

- Year to date, supply costs are \$2.1M below budget and \$1.2M higher than the prior year's costs (\$29.8M vs \$31.8M vs \$28.6M). YTD Variance reason are similar. YTD Supply Expense as a % of Net Revenues are 18.6% actual, 18.2% budget and 18.0% last year.

Purchased Services

- For the current month, Purchased Services costs are \$188K higher than budget and \$928K above the prior year (\$2.3M vs \$2.1M vs \$1.4M). Workday expense is now recognized in this category vs Depreciation since the contract was only signed for one year. Compared to last year the variance is due to outsourced revenue cycle.
- Year to date, Purchased Services costs are \$407K over budget and \$5.3M higher than the prior year (\$17.2M vs \$16.8M vs \$11.9M). The largest variance is due to the outsourcing of Revenue Cycle.

Lease/Rentals

- For the current month, Leases/Rentals costs are \$5K unfavorable to budget and \$15K over the prior year (\$20K vs \$14K vs \$4K)
- Year to date, Leases/Rentals costs are close to budget and \$39K above the prior year (\$138K vs \$123K vs \$99K).

Depreciation

- For the current month, Depreciation costs are \$148 favorable to budget and \$167K favorable compared to the prior year (\$767K vs \$915K vs \$933K) due to lower subscription amortization since the Workday contract was only renewed for one year.
- Year to date, Depreciation costs are \$530K below budget and \$601K below the prior year (\$7.1M vs \$7.6M vs \$7.7M).

Other Operating expense

- For the current month, Other Operating Expenses are 53K favorable to budget and \$154K unfavorable to prior year (\$1.5M vs \$1.6M vs \$1.4M) due to increased housing rentals.
- Year to date, Other Operating Expenses are \$514K below budget and \$381K above last year (\$12.3M vs \$12.8M vs \$11.9M). Compared to last year we have higher utilities, insurance premiums and lower provider tax.

Non-Operating Income and Expense

- \$384K above Budget and \$1.0M above prior year (income of \$307K vs budget loss of \$77K vs last year loss of \$720K). Variance is due to slightly favorable market conditions.
- Year to date, we are higher than budget by \$2.6M and last year by \$1.6M (\$1.8M vs budget loss of \$735K and last year income of \$203K).



Month End Financial Narrative
For month ending February 28, 2025

Balance Sheet

Cash and Cash Equivalents are \$12.3M at the end of February and Assets limited to use are \$36M for an overall cash balance of \$48.7M. Overall cash and investments increased about \$4.6M over last month.

Days Cash on Hand is 70 days.

Account Receivable (net) decreased slightly from the prior month to end at \$29.2M.

Current liabilities increased by \$1.7M compared to last month, primarily in the area of Accounts Payable (\$3.6M).

The Current Ratio is 2.80 and Debt to Capitalization is 40.0%.

Bay Area Hospital

Consolidated Income Statement - February 2025

	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	24,746,364	25,114,009	(367,645)	-1.5%	27,299,630	(2,553,266)	-9.4%	205,588,980	214,774,011	(9,185,032)	-4.3%	201,770,397	3,818,583	1.9%
Outpatient Revenue	34,088,451	34,054,264	34,187	0.1%	36,378,045	(2,289,594)	-6.3%	288,828,303	292,053,785	(3,225,482)	-1.1%	268,680,934	20,147,370	7.5%
Total Gross Patient Revenue	58,834,815	59,168,272	(333,458)	-0.6%	63,677,674	(4,842,859)	-7.6%	494,417,283	506,827,797	(12,410,514)	-2.4%	470,451,331	23,965,952	5.1%
Deductions	38,901,551	38,035,746	(865,805)	-2.3%	40,803,503	1,901,952	4.7%	327,853,213	325,778,245	(2,074,968)	-0.6%	306,497,833	(21,355,379)	-7.0%
Bad Debt	(1,038,403)	236,673	1,275,076	538.7%	2,311,473	3,349,876	144.9%	2,037,848	2,027,311	(10,537)	-0.5%	3,291,812	1,253,964	38.1%
Charity	1,082,894	473,346	(609,548)	-128.8%	243,227	(839,667)	-345.2%	4,681,649	4,054,622	(627,026)	-15.5%	1,610,107	(3,071,541)	-190.8%
Total Deductions	38,946,042	38,745,765	(200,277)	-0.5%	43,358,203	4,412,161	10.2%	334,572,709	331,860,178	(2,712,531)	-0.8%	311,399,753	(23,172,957)	-7.4%
Net Healthcare Revenue	19,888,773	20,422,507	(533,735)	-2.6%	20,319,471	(430,699)	-2.1%	159,844,574	174,967,619	(15,123,045)	-8.6%	159,051,578	792,996	0.5%
Other Oper Revenue	405,859	272,730	133,129	48.8%	345,339	60,520	17.5%	3,090,892	2,181,841	909,051	41.7%	2,129,820	961,072	45.1%
Total Net Revenue	20,294,632	20,695,238	(400,606)	-1.9%	20,664,810	(370,179)	-1.8%	162,935,466	177,149,460	(14,213,994)	-8.0%	161,181,398	1,754,068	1.1%
Net to Gross Ratio	34.5%	35.0%			32.5%			33.0%	35.0%			34.3%		
Salaries	7,531,899	7,272,528	(259,372)	-3.6%	6,761,158	(770,741)	-11.4%	65,358,084	62,234,584	(3,123,500)	-5.0%	57,258,982	(8,099,102)	-14.1%
Contract Labor	1,657,777	1,335,789	(321,988)	-24.1%	1,475,399	(182,378)	-12.4%	14,018,139	12,664,572	(1,353,568)	-10.7%	15,072,651	1,054,512	7.0%
Benefits	2,326,422	2,512,885	186,463	7.4%	2,357,269	30,847	1.3%	17,512,251	18,852,582	1,340,331	7.1%	16,633,275	(878,976)	-5.3%
Physician & Prof Fee	1,533,512	1,619,685	86,173	5.3%	1,478,503	(55,009)	-3.7%	12,468,351	13,268,926	800,575	6.0%	12,584,415	116,064	0.9%
Supplies	3,742,160	3,957,916	215,756	5.5%	3,341,695	(400,465)	-12.0%	29,788,840	31,862,826	2,073,986	6.5%	28,566,686	(1,222,154)	-4.3%
Purchased Services	2,333,839	2,145,718	(188,121)	-8.8%	1,406,141	(927,697)	-66.0%	17,235,914	16,829,162	(406,752)	-2.4%	11,919,586	(5,316,328)	-44.6%
Leases/Rentals	19,892	14,487	(5,405)	-37.3%	4,496	(15,395)	-342.4%	138,246	123,134	(15,113)	-12.3%	98,866	(39,380)	-39.8%
Depreciation	766,642	915,192	148,549	16.2%	933,351	166,709	17.9%	7,126,899	7,657,280	530,381	6.9%	7,728,129	601,229	7.8%
Other Oper Expense	1,520,649	1,574,133	53,483	3.4%	1,366,933	(153,716)	-11.2%	12,320,295	12,834,793	514,498	4.0%	11,939,135	(381,160)	-3.2%
Total Operating Expenses	21,432,792	21,348,331	(84,461)	-0.4%	19,124,946	(2,307,846)	-12.1%	175,967,020	176,327,859	360,839	0.2%	161,801,726	(14,165,294)	-8.8%
Net Operating Income	(1,138,160)	(653,093)	(485,067)	74.3%	1,539,865	(2,678,025)	-173.9%	(13,031,554)	821,601	(13,853,155)	-1686.1%	(620,328)	(12,411,226)	2000.8%
Investment Income	446,682	-	446,682	0.0%	(599,884)	1,046,566	-174.5%	1,787,086	-	1,787,086	0.0%	996,519	790,567	79.3%
Other Nonop Inc(Exp)	17,321	101,319	(83,998)	-82.9%	83,754	(66,433)	-79.3%	1,270,212	810,554	459,658	56.7%	867,992	402,221	46.3%
Interest Expense	(156,710)	(178,089)	21,379	-12.0%	(204,722)	48,012	-23.5%	(1,227,362)	(1,545,559)	318,197	-20.6%	(1,661,059)	433,696	-26.1%
Net Income	(830,867)	(729,863)	(101,004)	13.8%	819,013	(1,649,880)	-201.4%	(11,201,619)	86,596	(11,288,214)	-13035.5%	(416,876)	(10,784,742)	2587.0%
Contractual %	-66.2%	-65.5%	-0.7%		-68.1%			-67.7%	-65.5%	-2.2%		-66.2%		
Operating Margin	-5.6%	-3.2%	-2.5%	77.7%	-13.1%			-8.0%	0.5%	-8.5%	-1824.5%	-0.4%	-7.61%	1978.1%
Operating EBITDA	(371,518)	262,098	(633,616)	-241.7%	2,473,216	(2,844,734)	-115.0%	(5,904,655)	8,478,881	(14,383,536)	-169.6%	7,107,801	(13,012,456)	-183.1%
Operating EBITDA %	-1.8%	1.3%	-3.1%	-244.5%	12.0%	-13.8%		-3.6%	4.8%	-8.4%	-175.7%	4.4%	-8.03%	-182.2%
EBITDA	92,485	363,417	(270,932)	-74.6%	1,957,086	(1,864,601)	-95.3%	(2,847,357)	9,289,435	(12,136,792)	-130.7%	8,972,311	(11,819,668)	-131.7%
EBITDA %	0.5%	1.8%	-1.3%	-74.0%	9.5%	-9.0%		-1.7%	5.2%	-7.0%	-133.3%	5.6%	-7.31%	-131.4%
Key Stats														
Discharges	553	553	(0)	-0.1%	532	21	3.9%	4,466	4,802	(336)	-7.0%	4,360	106	2.4%
Patient Days	2,292	2,313	(21)	-0.9%	2,253	39	1.7%	19,160	20,073	(913)	-4.6%	18,474	686	3.7%
LOS	4.14	4.18	(0.04)	-0.9%	4.23	(0.09)	-2.1%	4.29	4.18	0.11	2.6%	4.24	0.05	1.3%
Adjusted Days	5,449	5,450	(0)	0.0%	5,255	194	3.7%	46,078	47,370	(1,292)	-2.7%	43,074	3,003	7.0%
Adjusted Discharges	1,315	1,304	11	0.9%	1,241	74	6.0%	10,740	11,332	(592)	-5.2%	10,166	574	5.6%
Per Adjusted Day														
Net Revenue/APD	3,650	3,748	(98)	-2.6%	3,867	(217)	-5.6%	3,469	3,694	(225)	-6.1%	3,692	(223)	-6.1%
SWB+CL/APD	2,113	2,041	(73)	-3.6%	2,016	97	4.8%	2,103	1,979	(124)	-6.2%	2,065	37	1.8%
Salary+CL/APD	1,686	1,580	(107)	-6.8%	1,567	119	7.6%	1,723	1,581	(142)	-8.9%	1,679	43	2.6%
Supply Cost/APD	687	726	40	5.4%	636	51	8.0%	646	673	26	3.9%	663	(17)	-2.5%
Other Expense/APD	560	586	26	4.4%	541	19	3.5%	538	551	13	2.4%	569	(31)	-5.5%
Per Adjusted Discharge														
Net Revenue/Adj DC	15,127	15,666	(539)	-3.4%	16,375	(1,247)	-7.6%	14,883	15,440	(557)	-3.6%	15,646	(763)	-4.9%
SWB+CL/Adj DC	8,531	8,531	(228)	-2.7%	8,537	222	2.6%	9,021	8,273	(748)	-9.0%	8,751	270	3.1%
Salary+CL/Adj DC	6,990	6,603	(386)	-5.8%	6,637	352	5.3%	7,391	6,610	(781)	-11.8%	7,115	275	3.9%
Supply Cost/Adj DC	2,846	3,036	190	6.3%	2,693	153	5.3%	2,774	2,812	38	1.4%	2,810	(36)	-1.3%
Other Expense/Adj DC	2,323	2,450	127	5.2%	2,293	30	1.3%	2,308	2,304	(4)	-0.2%	2,412	(104)	-4.3%
Pct of Net Revenue														
SWB+CL	57.9%	54.5%	-3.4%		52.1%	-5.8%		60.6%	53.6%	-7.0%		55.9%	-4.7%	
Supplies	18.8%	19.4%	0.6%		16.4%	-2.4%		18.6%	18.2%	-0.4%		18.0%	-0.7%	
Other Expense	15.4%	15.6%	0.3%		14.0%	-1.4%		15.5%	14.9%	-0.6%		15.4%	-0.1%	
Bad Debt & Charity	0.2%	3.5%	-3.3%		12.6%	12.3%		4.2%	3.5%	0.7%		3.1%	-1.1%	
FTE's														
Total Salary FTE's	913.07	876.11	(36.96)	-4.2%	763.75	(149.32)	-19.6%	912.72	876.11	(36.62)	-4.2%	852.96	(59.77)	-7.0%
Total Contract FTE's	69.72	67.31	(2.42)	-3.6%	84.09	14.37	17.1%	74.15	67.31	(6.84)	-10.2%	98.89	24.74	25.0%
Total Facility Paid FTEs	982.79	943.42	(39.38)	-4.2%	847.84	(134.95)	-15.9%	986.87	943.42	(43.46)	-4.6%	951.85	(35.03)	-3.7%
Paid FTE per Adj Day	5.05	4.85	(0.20)	-4.2%	4.68	(0.37)	-7.9%	5.20	4.84	(0.36)	-7.5%	5.39	0.19	3.5%
Average Hourly Rate	\$ 58.60	\$ 57.19	(1.42)	-2.5%	\$ 58.62	0.02	0.0%	\$ 58.08	\$ 57.33	(0.75)	-1.3%	\$ 54.50	(3.58)	-6.6%
Employed Avg Hourly Rate	\$ 51.70	\$ 52.02	0.33	0.6%	\$ 53.42	1.72	3.2%	\$ 51.71	\$ 51.30	(0.41)	-0.8%	\$ 48.15	(3.56)	-7.4%

Bay Area Hospital
Balance Sheet (Including Foundation)
02/28/2025

Audited
Jun-24

Feb-25

Jan-25

Assets And Deferred Outflows Of Resources

Current Assets			
Cash & Cash Equivalents	12,276,132	8,133,754	10,815,033
Accounts Receivable (Net)	29,214,696	30,246,799	28,459,041
Inventory	4,982,769	5,021,104	5,131,308
Other Current Assets	8,667,065	11,033,700	7,400,592
Total Current Assets	<u>55,140,662</u>	<u>54,435,358</u>	<u>51,805,974</u>
Assets Limited As to Use	36,489,625	36,051,968	47,940,908
Capital Assets			
Depreciable Capital Assets (Net)	64,047,959	64,703,175	69,238,682
Nondepreciable Capital Assets	2,275,104	1,967,552	1,410,340
Total Capital Assets (Net)	<u>66,323,062</u>	<u>66,670,726</u>	<u>70,649,022</u>
Leases and Subscriptions (Net)	7,826,082	7,937,509	9,455,681
Other Non Current Assets	794,609	794,609	684,051
Total Assets	<u>166,574,041</u>	<u>165,890,170</u>	<u>180,535,634</u>
Deferred Outflows Of Resources	9,489,130	9,489,130	9,489,130
Total Assets And Deferred Outflows	<u>176,063,171</u>	<u>175,379,300</u>	<u>190,024,764</u>

Liabilities, Deferred Inflows of Resources, And Net Position

Current Liabilities			
Accounts Payable	(9,768,068)	(6,140,569)	(9,869,356)
Accrued Liabilities			
Payroll, payroll taxes, withholdings	(1,884,908)	(1,992,257)	(4,234,648)
Paid Time Off	(6,160,526)	(5,961,391)	(5,770,522)
Other	(5,905,345)	(8,021,973)	(6,483,501)
3rd Party Settlements Payable (net)	(5,406,639)	(5,331,639)	(3,750,353)
Long-Term Obligations - Current Portion	(3,551,281)	(3,551,281)	(3,551,281)
Deferred Revenue	0	0	0
Total Current Liabilities	<u>(32,676,766)</u>	<u>(30,999,110)</u>	<u>(33,659,662)</u>
Long Term Obligations (Net of Current Portion)	(48,076,933)	(48,266,974)	(49,503,478)
Other Noncurrent Liabilities	(3,121,502)	(3,121,502)	(3,010,944)
Net Pension Liability	(3,193,538)	(3,165,879)	(3,652,580)
Total Liabilities	<u>(87,068,740)</u>	<u>(85,553,465)</u>	<u>(89,826,663)</u>
Deferred Inflows Of Resources	(11,397,373)	(11,397,373)	(11,397,373)
Inter Fund Payables/Receivables	2,051	1,514	
Total Liabilities & Deferred Cash Inflows	<u>(98,464,061)</u>	<u>(96,949,324)</u>	<u>(101,224,036)</u>
Net Position	(88,800,728)	(88,800,728)	(93,761,140)
Net Income/Loss	11,201,619	10,370,751	4,960,412
Total Liabilities, Deferred Inflows, Net Position	<u>(176,063,171)</u>	<u>(175,379,300)</u>	<u>(190,024,764)</u>

**Bay Area Hospital
Compliance Certification
as of February 2025**

	Audited				
	TTM <u>Jun-24</u>	TTM <u>Sep-24</u>	TTM <u>Dec-24</u>	TTM <u>Jan-25</u>	TTM <u>Feb-25</u>
A&D. Income Available for Debt Service (Quarterly)					
Excess Revenue over Expenses	\$ (4,960,412)	\$ (5,495,412)	\$ (12,852,178)	\$ (14,112,625)	\$ (15,762,505)
Add:					
Interest Expense	\$ 2,412,568	\$ 2,339,585	\$ 2,225,235	\$ 2,026,884	\$ 1,978,872
Depreciation	\$ 11,683,412	\$ 11,556,031	\$ 11,416,116	\$ 11,248,893	\$ 11,082,184
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	\$ (2,447,475)	\$ (5,442,645)	\$ (2,260,096)	\$ (2,799,801)	\$ (5,014,267)
(Gains) or Losses - M2M derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Non-recurring - Consultant, Severance, and Legal Fees	\$ 3,933,734	\$ 2,516,888	\$ 1,916,405	\$ 1,888,755	\$ 1,869,819
(D.1) Income Available for Debt Service	\$ 10,621,827	\$ 5,474,448	\$ 445,482	\$ (1,747,894)	\$ (5,845,897)
(A.2) Debt Service Requirements (MADS)	\$ 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	2.72	1.40	0.11	(0.45)	(1.50)
(D.2) Line D.1 must not be less than	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
(D.3) Borrower is in Compliance (Yes/No)	Yes	Yes	No	No	No
B.1 Days Cash on Hand (Monthly)					
Cash & Equivalents	\$ 10,815,033	\$ 9,603,221	\$ 10,298,563	\$ 8,133,754	\$ 12,276,132
Add: Marketable Securities/Board designated Funds	\$ 47,940,908	\$ 43,596,706	\$ 42,849,887	\$ 36,051,968	\$ 36,489,625
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	\$ 58,755,941	\$ 53,199,926	\$ 53,148,450	\$ 44,185,722	\$ 48,765,757
B.2 Cash Operating Expenses					
Total Operating Expenses	\$ 250,727,532	\$ 256,974,342	\$ 261,584,751	\$ 262,602,331	\$ 264,910,177
Add: Interest Expenses	\$ 2,412,568	\$ 2,339,585	\$ 2,225,235	\$ 2,026,884	\$ 1,978,872
Less: Depreciation & Amortization	\$ 11,683,412	\$ 11,556,031	\$ 11,416,116	\$ 11,248,893	\$ 11,082,184
Less: Non-cash expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Losses on refinancing debt	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Provision for uncollectable accounts	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Operating Expenses	\$ 241,456,689	\$ 247,757,896	\$ 252,393,870	\$ 253,380,322	\$ 255,806,864
B.3 Line B2 divided by 365	\$ 661,525	\$ 678,789	\$ 691,490	\$ 694,193	\$ 700,841
B.4 Ratio of Line B.1 to Line B3	89	78	77	64	70
B.5 Line B.4 must not be less than	70	70	70	70	70
B.6 Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	No	Yes
C.1 Unrestricted Liquid Funds (Monthly)					
Cash & Equivalents	\$ 10,815,033	\$ 9,603,221	\$ 10,298,563	\$ 8,133,754	\$ 12,276,132
Add: Marketable Securities/Board designated Funds	\$ 47,940,908	\$ 43,596,706	\$ 42,849,887	\$ 36,051,968	\$ 36,489,625
Unrestricted Liquid Funds	\$ 58,755,941	\$ 53,199,926	\$ 53,148,450	\$ 44,185,722	\$ 48,765,757
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
C.3 Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	No	Yes

Signature of Bay Area Hospital:

Name: Mary Lou Jete
Title: Chief Financial Officer
Date: 03/14/2025