

**FINANCE COMMITTEE MEETING AGENDA**

*August 26, 2025 @ Bay Area Hospital, Hybrid/ TEAMS & Myrtle Conference Room*

**TIME**

**5:15 Call to Order** **Kyle Stevens, Finance Committee Chairperson**  
• [Approval of the Finance Committee Minutes](#) **ACTION ITEM**

**5:20 Old Business**

**5:35 New Business**  
• CEO/Leadership Update  
• CFO Update **Doug Dickson, Interim CFO**

**6:00 Financial Presentation - Month End Results** **Doug Dickson, Interim CFO**  
• [End of Month Results Presentation](#)  
• [Key Performance Indicators \(KPI\) Review](#)  
• [Capital Update](#)

**Appendix**

- [Monthly Narrative](#)
- [Savista Update](#)
- [Income Statement](#)
- [Income Statement Trend](#)
- [Balance Sheet](#)
- [Cash Flow](#)
- [Bank Ratios](#)
- [Accounts Receivable Reserves Trend](#)

**7:00 Adjourn – Next Meeting Tuesday, September 23, 2025**

**BAY AREA HOSPITAL FINANCE COMMITTEE MEETING MINUTES**

*July 22, 2025, Myrtle Conference Room / Microsoft Teams*

**CALL TO ORDER**

Finance Chair Kyle Stevens called the meeting to order at 5:15 p.m. and requested that the administrative assistant take roll call. The administrative assistant did so and established there was a quorum in attendance at this time.

**FINANCE COMMITTEE MEMBER ATTENDANCE**

Finance Committee Chair, Kyle Stevens, Barbara Taylor, Brandon Saada

**ABSENT (excused)**

None

**BAHD BOARD OF DIRECTORS ATTENDANCE**

Renee Nelson, Patrice Parrot, Simon Alonzo, Brandon Saada

**STAFF ATTENDANCE**

Mark Hadley, Senior Finance Analyst; Karen Miller, CFO; Jenn Collins, CNO; Carla Ballou, Dir. Revenue Cycle; Gretchen Nichols, COO; Jeanie Ortiz, Accountant IV; Denise Bowers, Executive Assistant; and Claudia Wells, Clinical Analyst and Support Specialist

**LEGAL COUNSEL**

Megan Kronsteiner, Esq.

**PUBLIC ATTENDANCE**

The public was in attendance.

**APPROVAL OF FINANCE COMMITTEE MINUTES – Mr. Kyle Stevens, Chairperson**

Barb Taylor initiated the meeting by addressing the approval of the Finance Committee minutes, noting corrections regarding attendee names, and Brandon Saada made a motion to second. The minutes were approved with these corrections.

**Corrections:** Barb Taylor noted two corrections to the Finance Committee minutes: Barb Taylor was present but not listed among the attendees INSERT “IN THE MINUTES OF AND DATE, and Troy Cribbins was incorrectly listed as seconding a motion instead of Taylor Cribbins.

**Approval:** With the corrections noted, Barb Taylor moved to approve the minutes as corrected, and the motion was seconded and carried unanimously.

**Old Business**

There wasn’t any old business to address.

**New Business**

There wasn’t any old business to address.

### **CFO Update**

*Overall* - It was noted as a reminder; this was the year-end, and what was being presented were preliminary results. The final results will be towards October when the audit is complete.

### **Preliminary Year-End Financial Results:**

Karen Miller, the CFO, presented the preliminary year-end financial results, highlighting lower patient volumes, a decrease in emergency room visits, and a decline in general surgery. She noted that the final results would be available in October after the audit. Karen highlighted that patient volumes were down this month compared to the budget and last year, primarily due to lower overall patient volumes. There was an increase in emergency room visits, but a slight decrease in patients left without being seen. General surgery saw a decline, particularly in ENT and OB/GYN, partially offset by an increase in urology cases.

### **Operating Income and Loss:**

Karen discussed the operating income, noting a net operating loss of 2.5 million year-to-date and a gross healthcare revenue decline. She also mentioned a shift in gross patient revenue from inpatient to outpatient. Karen reported a net operating loss of 2.5 million year-to-date, with a total net operating loss of 24.9 million. Gross healthcare revenue was down 17.3% for inpatient and 3.5% for outpatient compared to the budget, but outpatient revenue increased by 19.1% over the prior year. There was a shift in gross patient revenue in FY25 from the budgeted 42% inpatient to 40% inpatient and 60% outpatient. Karen highlighted the decline in commercial volumes and other payer volumes, resulting in a decrease in gross margin. She also noted an increase in Medicare basic payers. Commercial volumes declined 1% compared to the three-month run rate and 0.3% year-over-year, resulting in a gross charge shortfall of 1 million. Medicaid, Medicare Advantage, and other payer volumes declined compared to the prior three-month run rate, resulting in a 2.4 million decrease in gross margin. This decline was slightly offset by an increase in Medicare basic payers, which increased revenue by 313,000.

- Karen discussed the salary and contract labor, noting favorable month-to-date salaries and an upward trend in salary, wage, benefit, and contract labor.
- Month-to-date salaries were favorable by 1.9% to budget and 2.7% to the prior year.
- Contract labor was unfavorable to the budget by 33.4% but favorable to the prior year by 3.5%.
- The rolling 12-month salary, wage, benefit, and contract labor reflect an upward trend, including leisure adjustments and annual increases.
- Karen mentioned that supplies were down compared to the budget but up from the prior year. She also noted that other operating expenses were consistent with the budget and in line with last year's expenses.
- Month-to-date supplies were down 17.5% to budget but up 2.3% to the prior year. As a percentage of gross revenue, supplies were up even with the budget.
- Other operating expenses for the month were consistent with the budget and in line with last year's expenses.
- Karen provided an update on cash investments and total debt, noting a decrease in cash and cash equivalents and an increase in total debt.
- Total cash and cash equivalents plus four designated funds decreased by 16.9 million from the prior year and by 3 million from the three-month run rate.
- Total debt owed is 48 million, with a current ratio of 2.62 and debt-to-capitalization at 40.36%, up 5.16% from the prior year.
- Gretchen and Karen discussed changes to the presumptive charity process, aiming to reduce the number of people qualifying for charity care who should not. They expect significant savings from this change. The current system qualifies people for charity care who should not be eligible, leading to unnecessary write-offs. A new hire will conduct more in-depth reviews of each candidate to ensure they truly qualify for

charity care, aiming to reduce unnecessary write-offs. Significant savings are expected from this change, although no specific estimate is available yet.

**Bank Relationship and Audit:** Gretchen and Karen discussed their recent meeting with the bank and the importance of obtaining a waiver to avoid a qualified audit opinion. They emphasized the need for ongoing communication with the bank. Karen, Gretchen, and Simon met with Ron Freed from the bank to discuss the financial situation and the board's commitment to improving operations. Ongoing weekly calls with the bank will be established to maintain communication and address any issues promptly.

**Audit Waiver:** Obtaining a waiver from the bank is crucial to avoid a qualified audit opinion, which could impact supplier and vendor relationships.

**Introduction of Interim CEO and CFO:** Kelly Morgan was introduced as the interim CEO, and Doug Dickson was identified as the interim CFO. Both have extensive experience in turnaround situations and will start on August 4th.

**Volume Trends and Recruitment Challenges:**

Jenn and Gretchen provided updates on volume trends, noting an increase in inpatient volumes and challenges in the cancer program due to recruitment issues.

- Inpatient volumes have increased in July, recovering from the lower volumes seen in May and June.
- Emergency department volumes have remained consistently high, with a slight decrease in the percentage of patients being admitted.
- Imaging had a record year, closing out with the most studies ever performed.
- The outpatient medical oncology and cancer program has seen a dip in volumes due to recruitment and provider issues.

**GOOD OF THE ORDER**

The next meeting will be August 26, 2025, at 5:15 p.m.

**ADJOURNMENT**

There being no further business, the Finance Committee was adjourned at 5:46 p.m.

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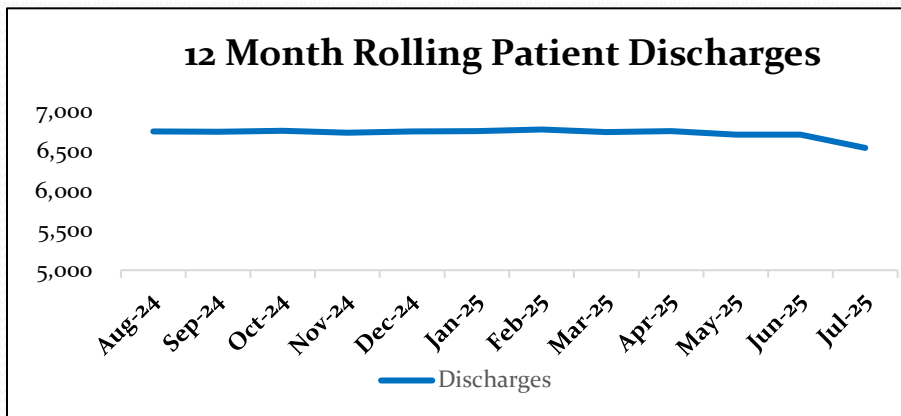
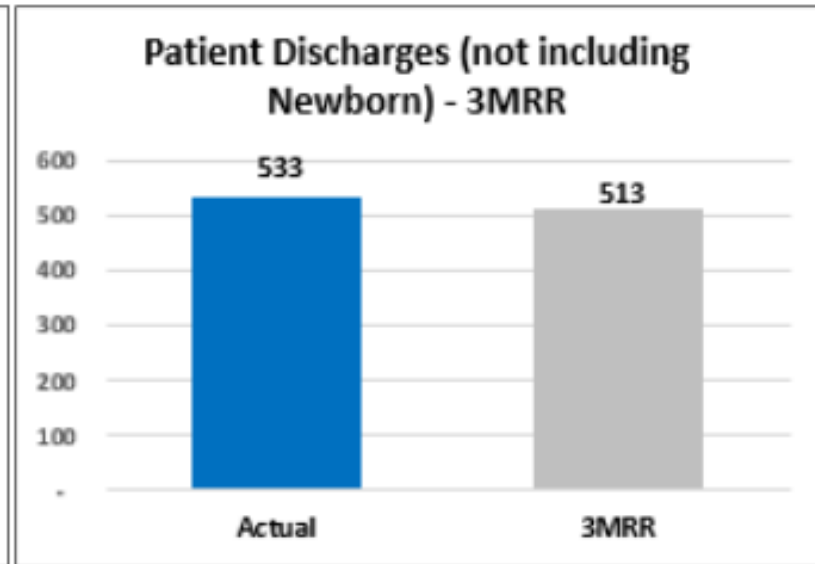
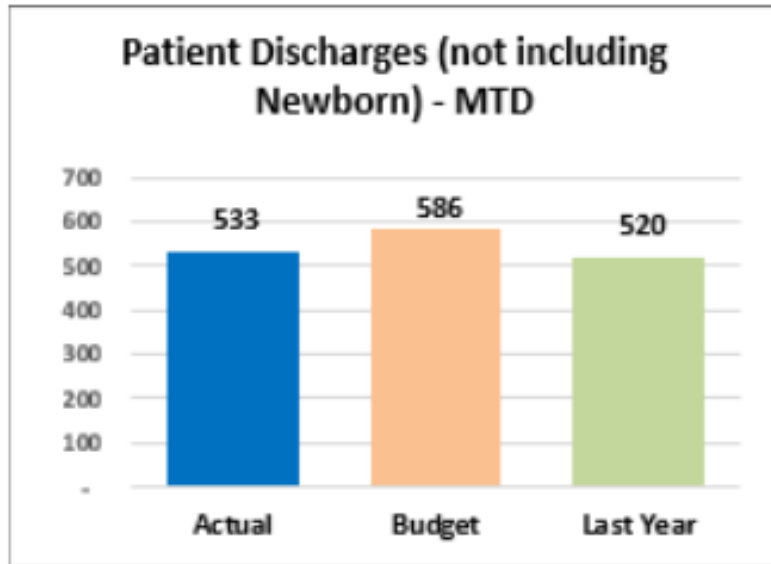
Kyle Stevens  
Finance Committee Chairperson

Date: July 22, 2025

# Bay Area Hospital

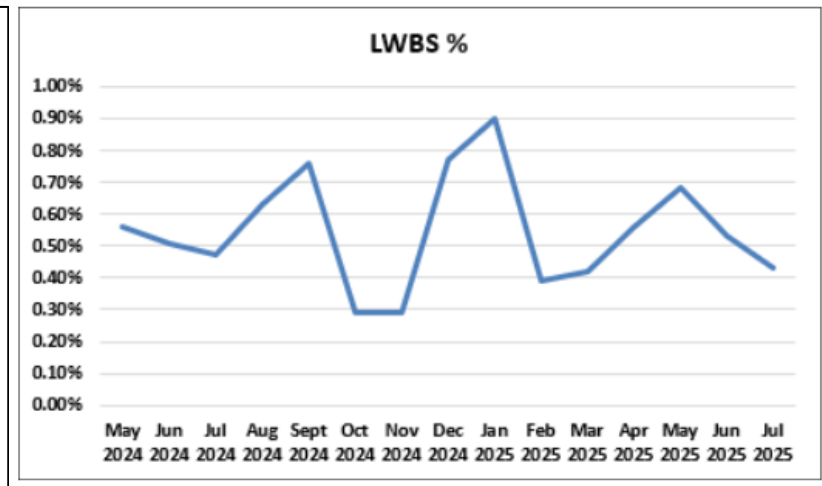
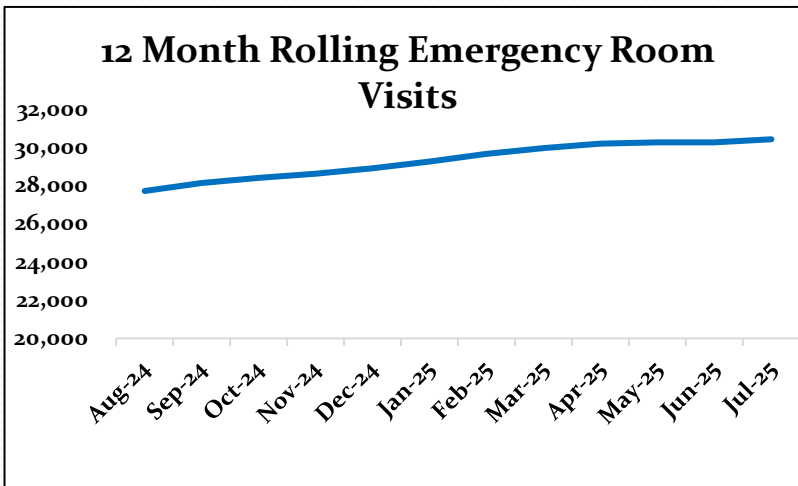
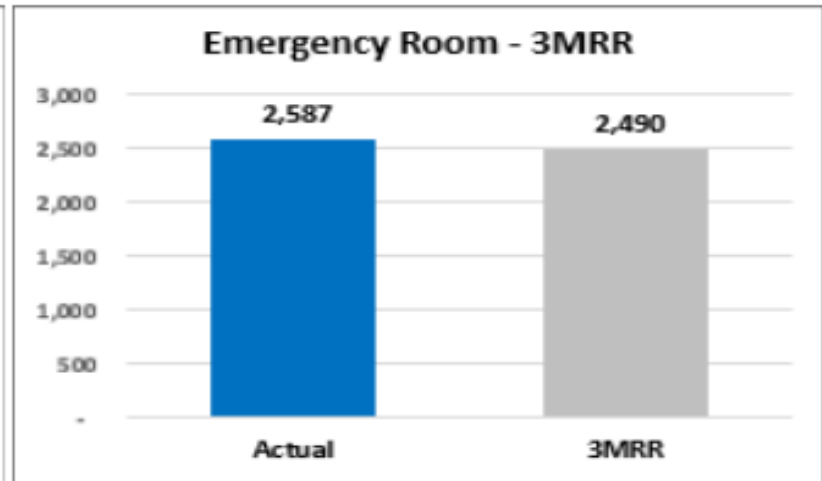
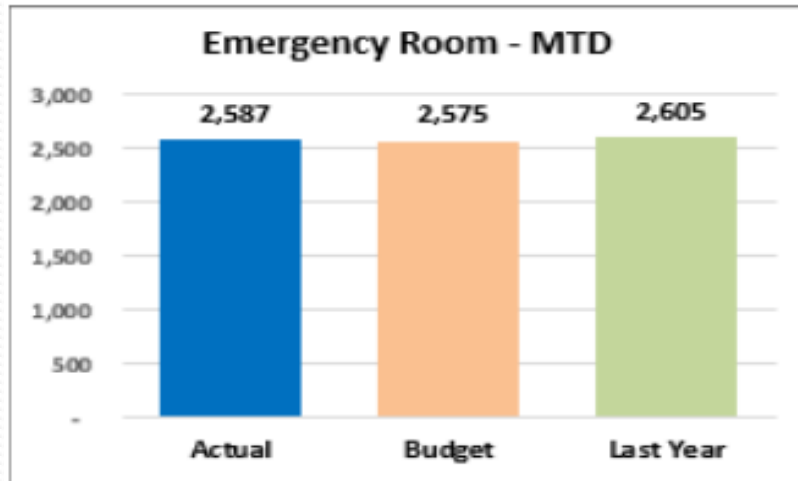
July 2026 Month End Results

# Patient Discharges

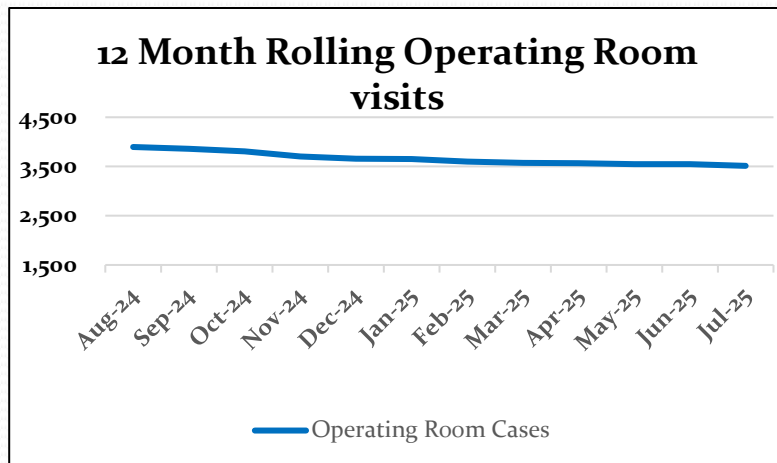
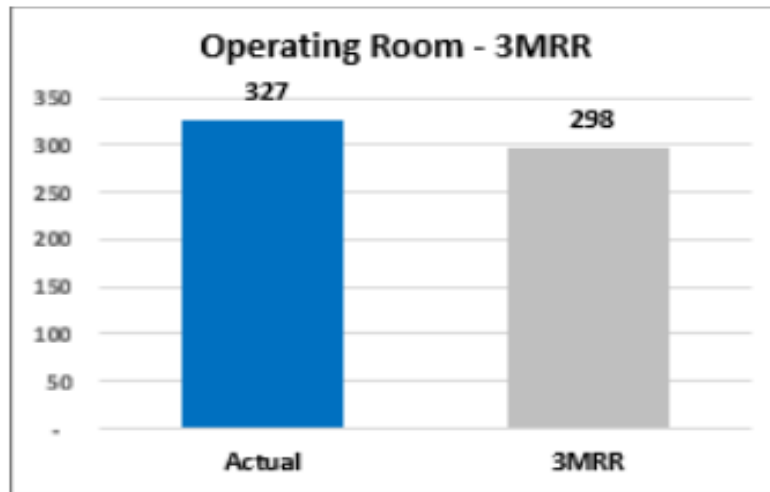
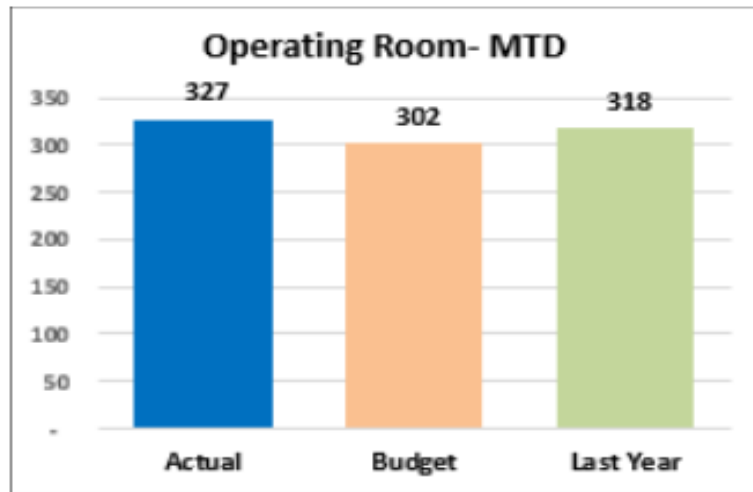


- Acute discharges were below budget by 53 and up 13 compared to the prior year.
- July acute discharges were up 20 patients when compared to the three-month run rate.

# Emergency Room Visits



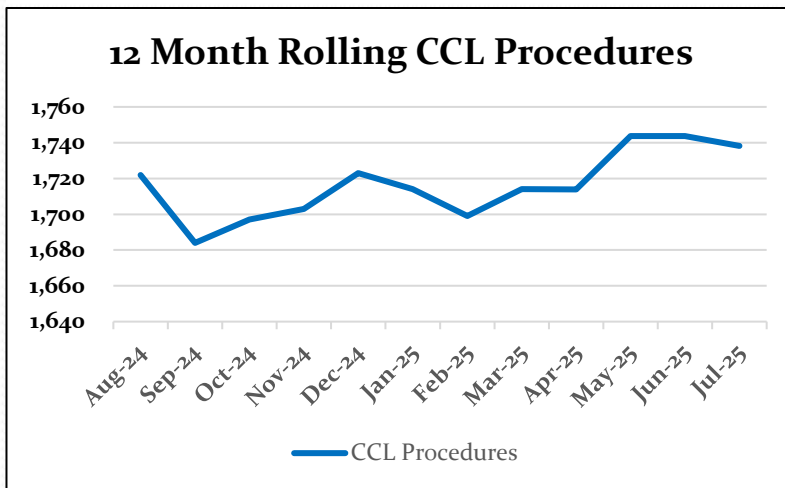
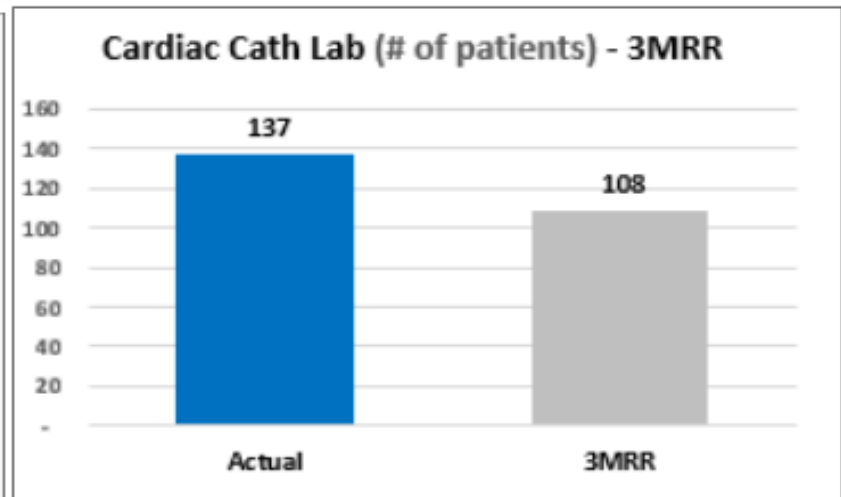
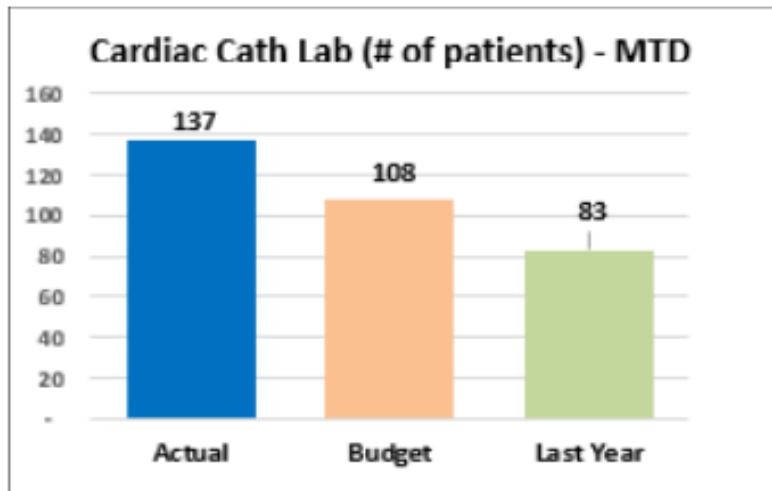
# Operating Room



- Volume increased by 8.3% compared to budget and 2.8% compared to the prior year. The increase from the prior year was primarily driven by 17 additional General Surgery visits and 14 Gynecology visits, partially offset by decrease of 17 visits in Orthopedics and 5 visits in Plastics.
- Volume increased 9.7% when compared to the three-month run rate. Compared to the three-month run rate, visits increased by 15 in General Surgery, 8 in Gynecology, and 6 in Urology.

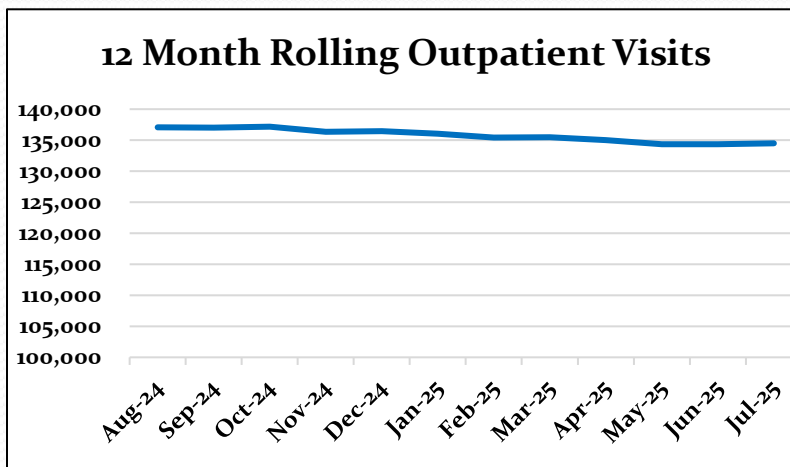
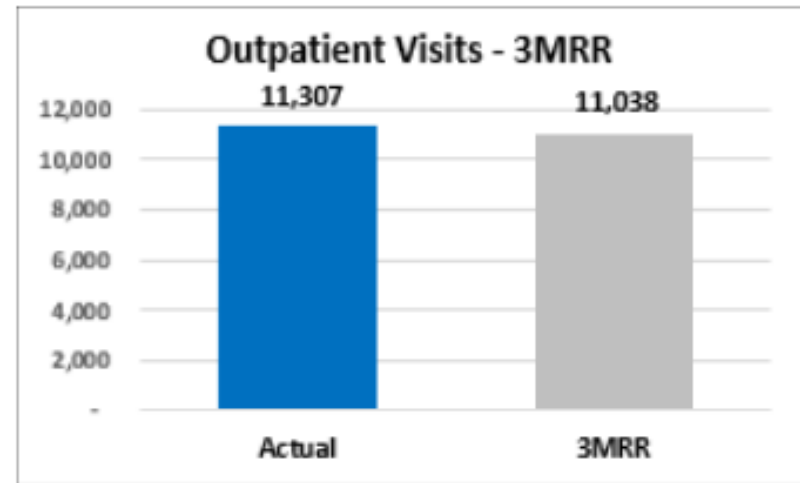
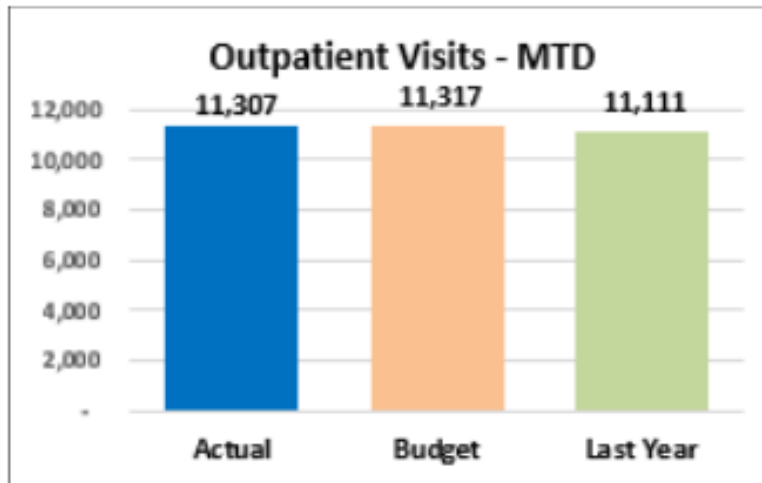


# Cardiac Cath Lab



- Compared to budget and three-month run rate, Cath Lab patient visits increased by 29, and are up 54 visits compared to the prior year.

# Outpatient Visits

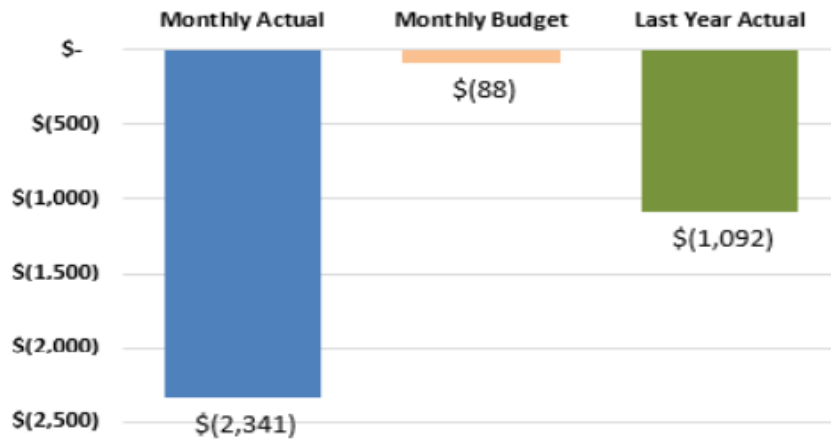


- July visits are down 10 compared to budget, and up 196 compared to prior year. Increase to prior year primarily driven by ED 214 visits, Ortho 131 visits, Wound Care 99 visits, partially offset by decrease in Oncology 141 visits, Wellness Clinic 94 visits.
- Outpatient visits increased 269 when compared to the 3-month run rate. Increase primarily driven by Oncology 142 visits, ED 94 visits, Wound Care 61 visits, Ortho 39 visits, partially offset by decrease in Mammo 80 visits and Cardiology Clinic 79 visits.

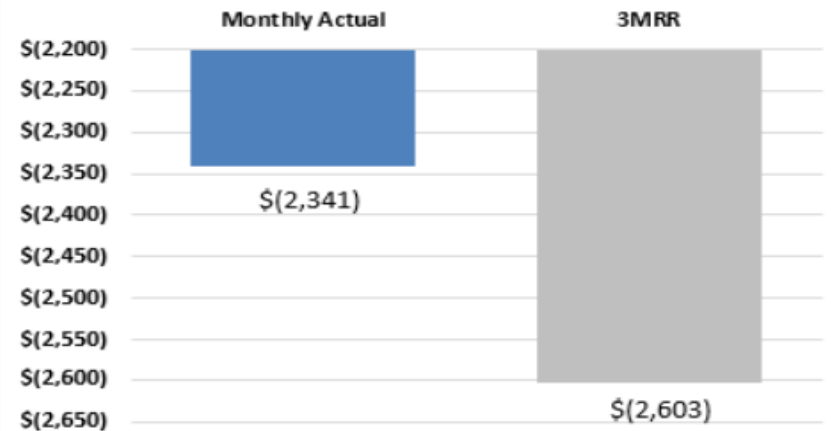
# Operating Income

(000s)	MTD				YTD			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
<b>Net Revenue</b>	\$ 20,640	\$ 21,587	\$ (946)	\$ 20,011	\$ 20,640	\$ 21,587	\$ (946)	\$ 20,011
<b>Salaries/Benefits</b>	\$ 12,879	\$ 11,483	\$ (1,396)	\$ 11,981	\$ 12,879	\$ 11,483	\$ (1,396)	\$ 11,981
<b>Supplies</b>	\$ 3,734	\$ 4,055	\$ 321	\$ 3,387	\$ 3,734	\$ 4,055	\$ 321	\$ 3,387
<b>Other Expenses</b>	\$ 6,368	\$ 6,137	\$ (231)	\$ 5,735	\$ 6,368	\$ 6,137	\$ (231)	\$ 5,735
<b>Total Operating Expenses</b>	\$ 22,981	\$ 21,675	\$ (1,307)	\$ 21,103	\$ 22,981	\$ 21,675	\$ (1,307)	\$ 21,103
<b>Net Operating Income</b>	\$ (2,341)	\$ (88)	\$ (2,253)	\$ (1,092)	\$ (2,341)	\$ (88)	\$ (2,253)	\$ (1,092)
<b>Contribution Margin</b>	-11.3%	-0.4%	-10.9%	-5.5%	-11.3%	-0.4%	-10.9%	-5.5%

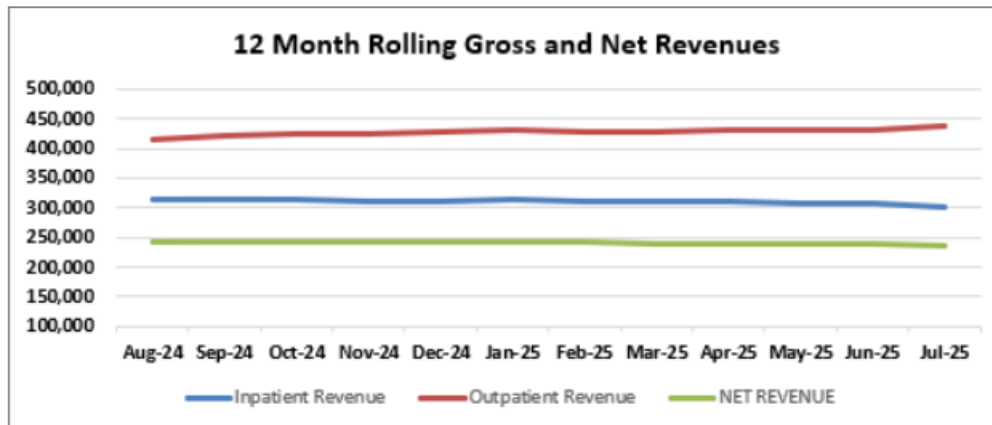
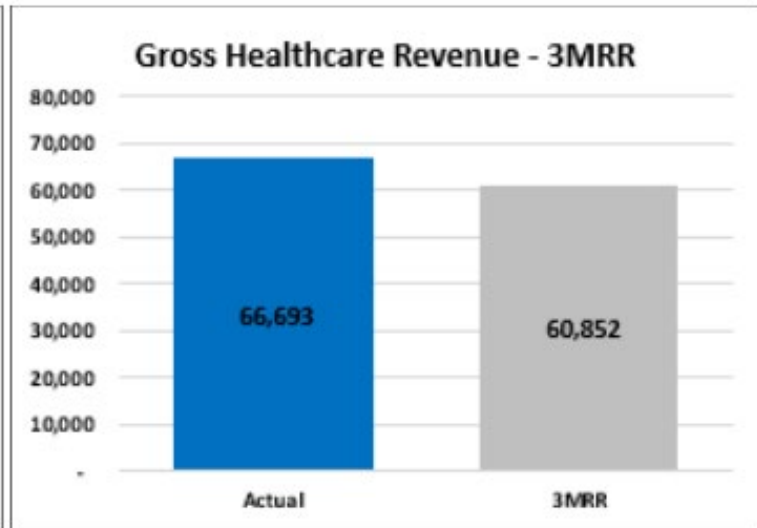
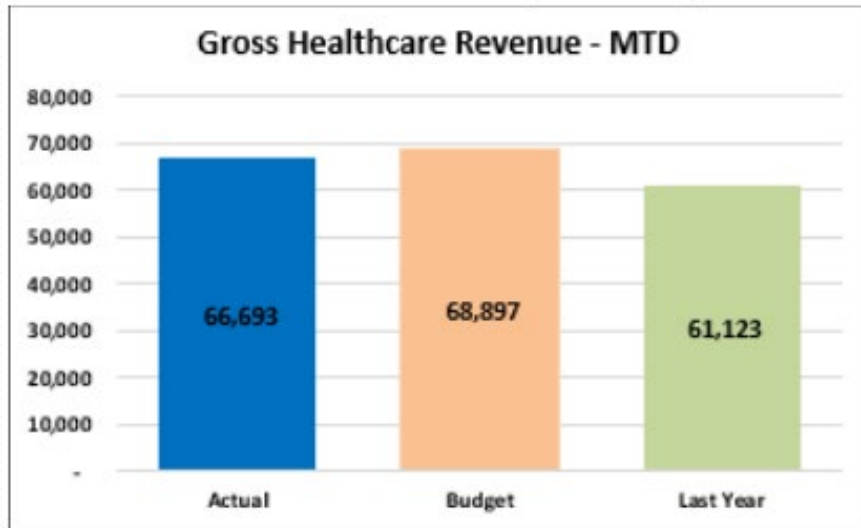
**Fiscal Year FY26 Net Income From Operations - MTD**



**Fiscal Year FY25 Net Income From Operations - 3MRR**

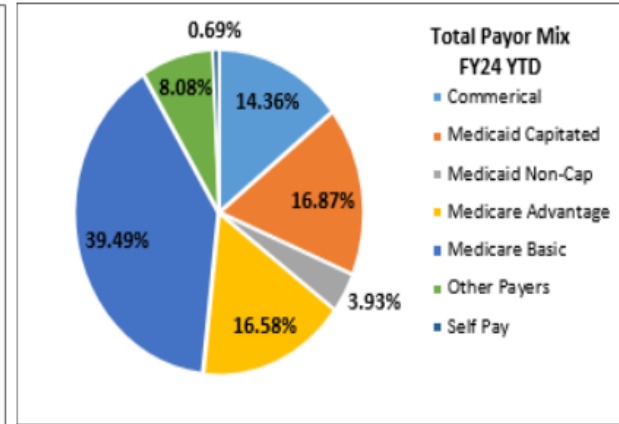
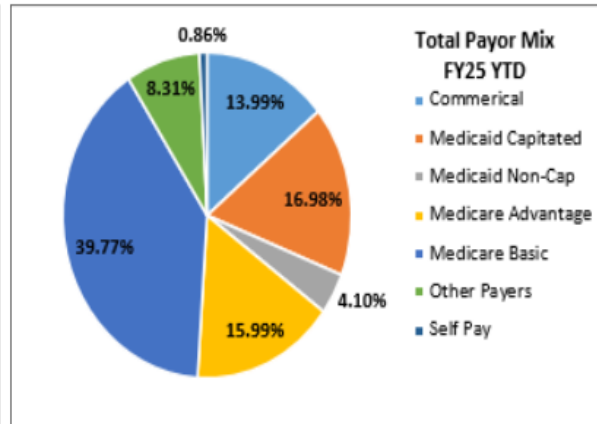
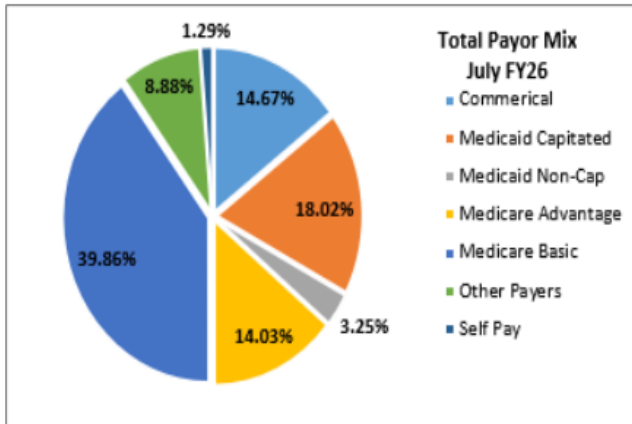


# Gross Healthcare Revenue



- Inpatient Gross Revenue is down 11.9% compared to budget and up 1.1% compared to the prior year. Outpatient Gross Revenue is up 2.9% compared to budget and 16.4% to prior year.
- Overall Gross Revenue is 3.2% below budget and increased 9.1% to prior year.
- Compared to budget, July had a shift in Gross Patient Revenue billed from the budgeted 41% Inpatient to July actual 38% Inpatient and 62% Outpatient.

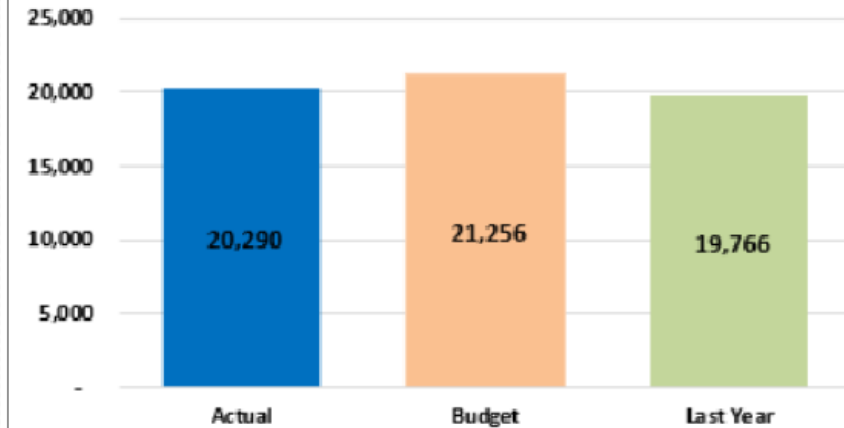
# Payor Mix



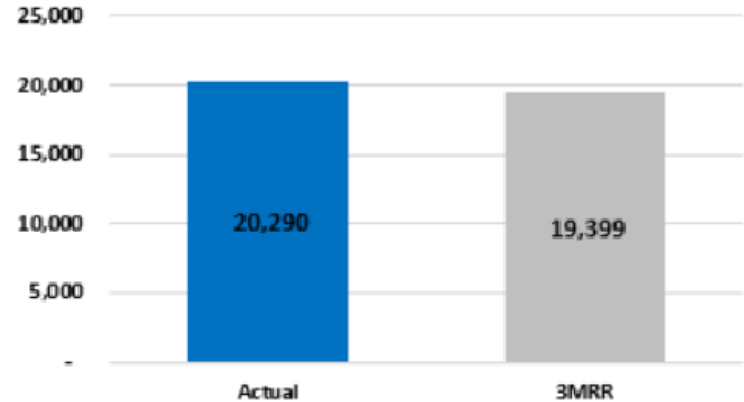
- Overall, Gross Charges compared to the prior three-month run rate increased \$5.8M. Commercial volumes increased 0.43% resulting in a gross charge pickup of \$1.1M. Total Medicaid increase of 0.09% resulting in gross charge pickup of \$1.3M, Total Medicare decreased 1.04%, however resulted in gross charge pickup of \$2.5M when compared to three-month run rate. Self Pay and Other Payors also resulted in increased revenue of \$903K.
- Commercial payor mix increased to 14.67% in July.
  - FY22: 16.40%
  - FY23: 15.91%
  - FY24: 14.36%
  - FY25: 13.99%.

# Net Healthcare Revenue

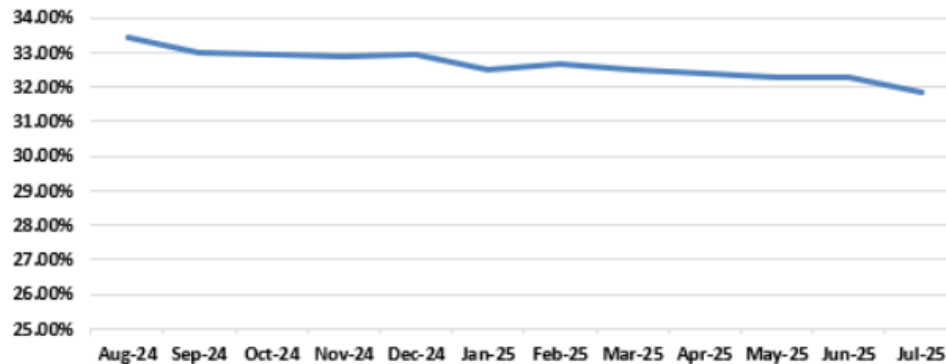
**Net Healthcare Revenue - MTD**



**Net Healthcare Revenue - 3MRR**

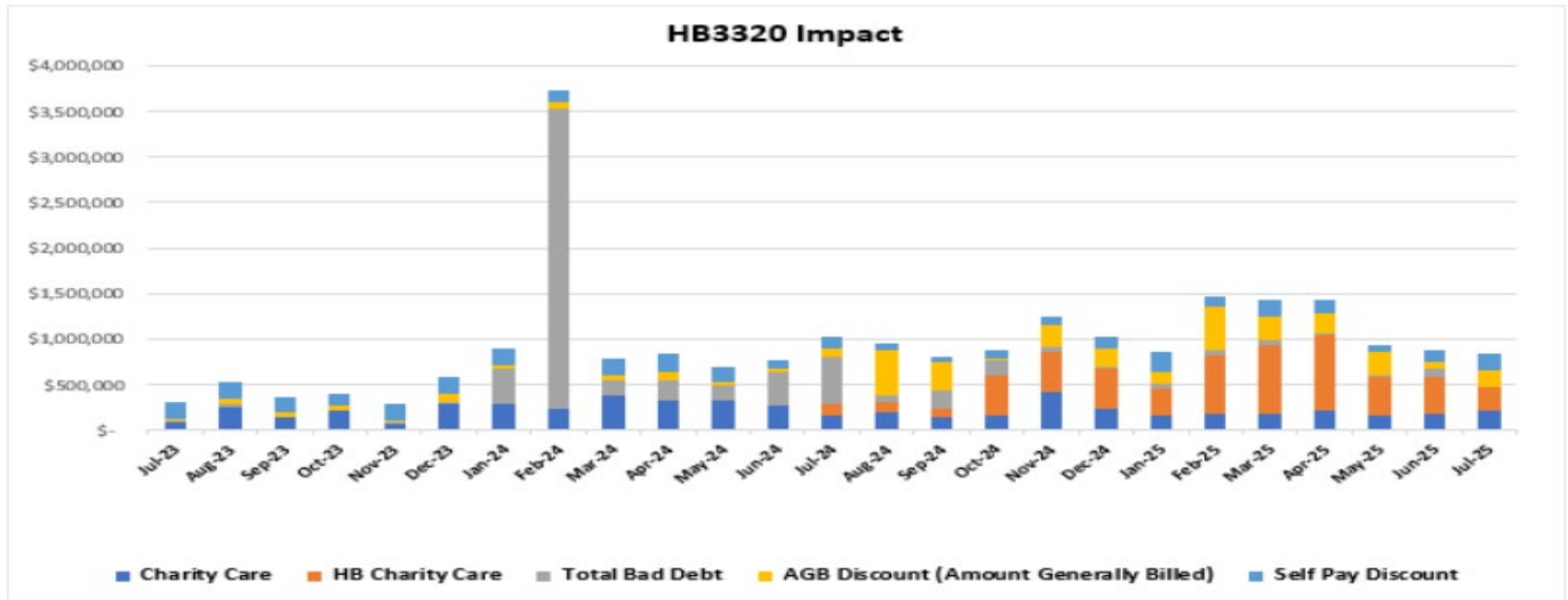


**12 month Rolling Charges vs Payments**



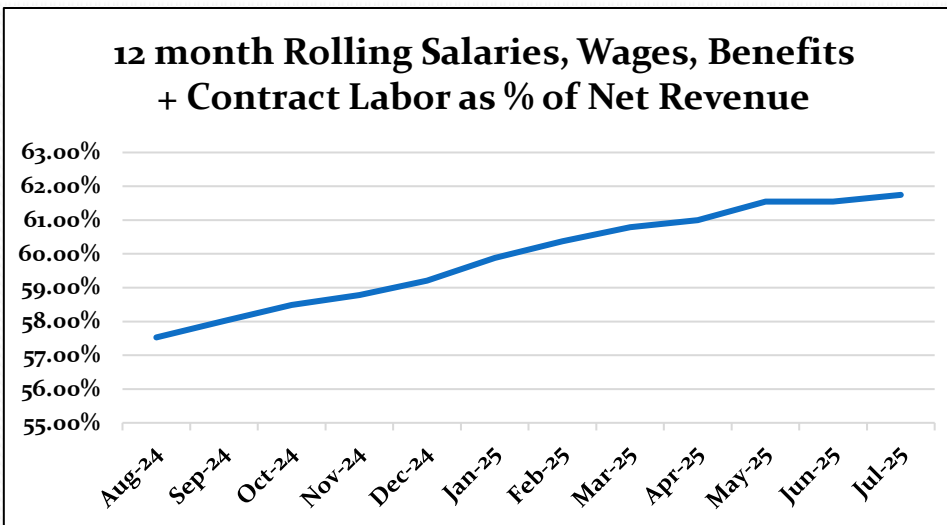
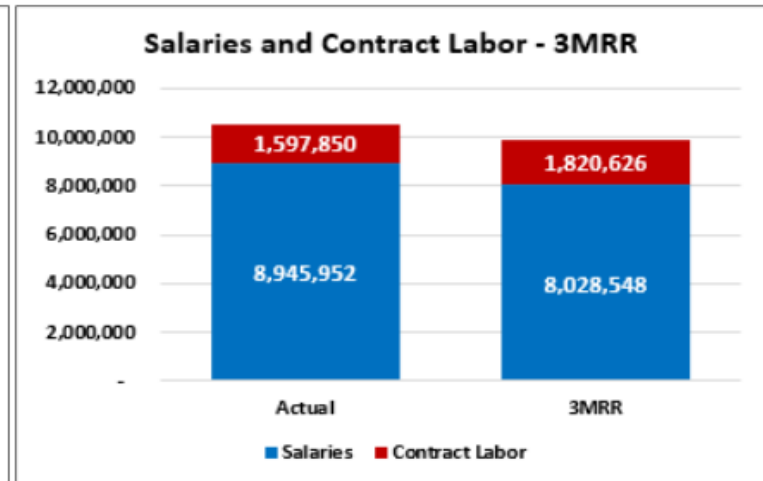
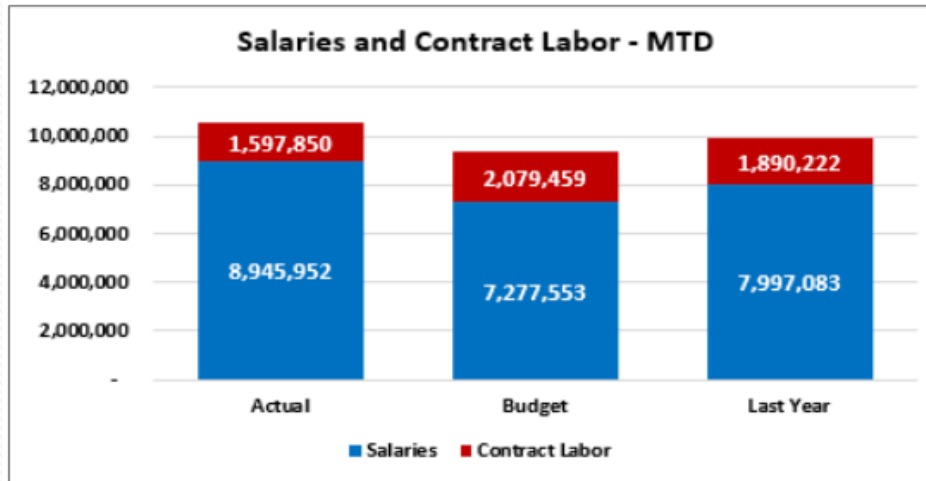
- Net Healthcare Revenues were down \$966K to budget and up \$524K to prior year.
- Net Revenue margin for the month is 30.9% vs. a budgeted 31.3% and 32.7% prior year.

# Presumptive Charity (HB3320)



- Bad debt catch up in February 2024.
- July reflected a decrease of 56.14% over the previous 3 month run rate.
- Estimated FY26 annual impact of \$2.9M. Decrease of \$2.1M to prior year anticipated, due to change in qualification process.

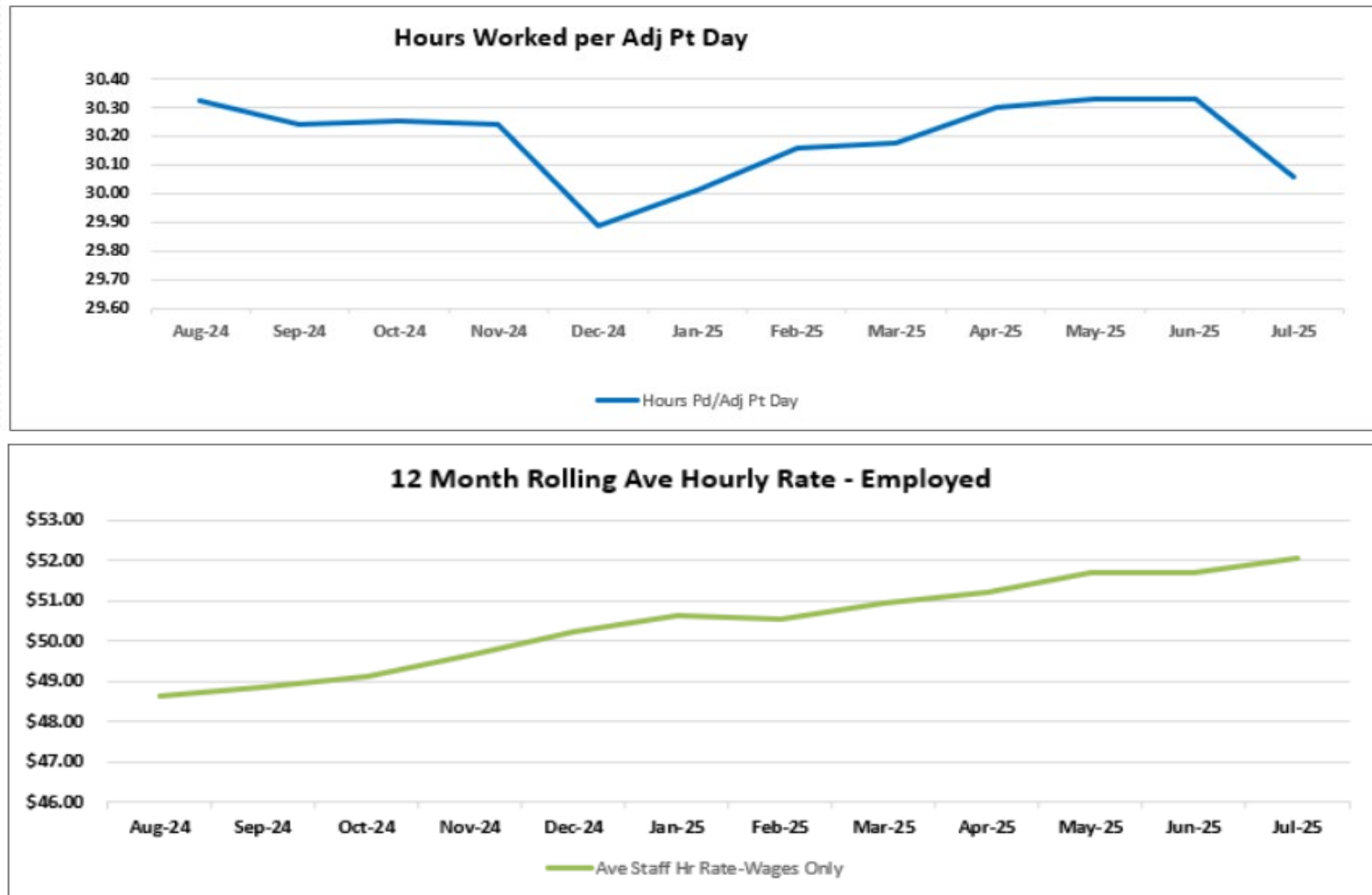
# Salary/Contract Labor



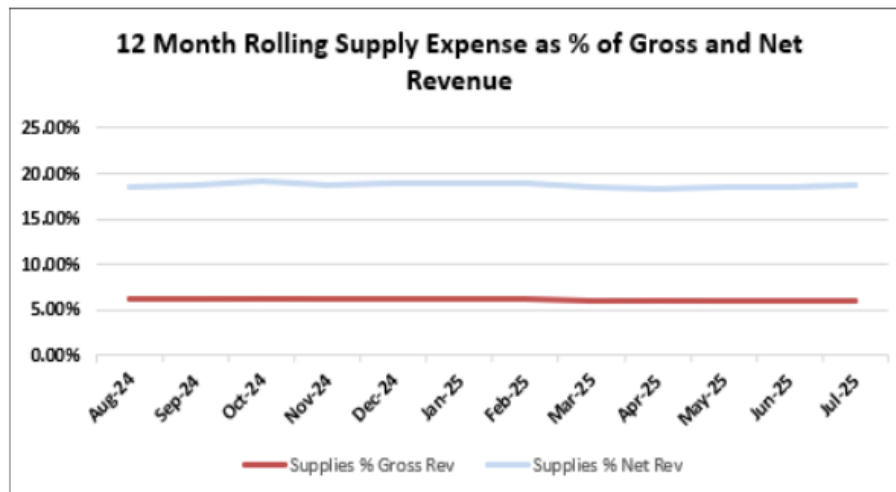
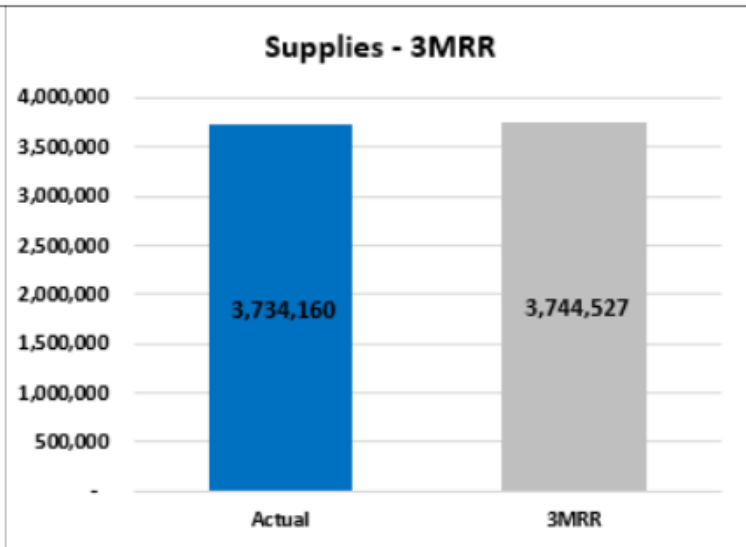
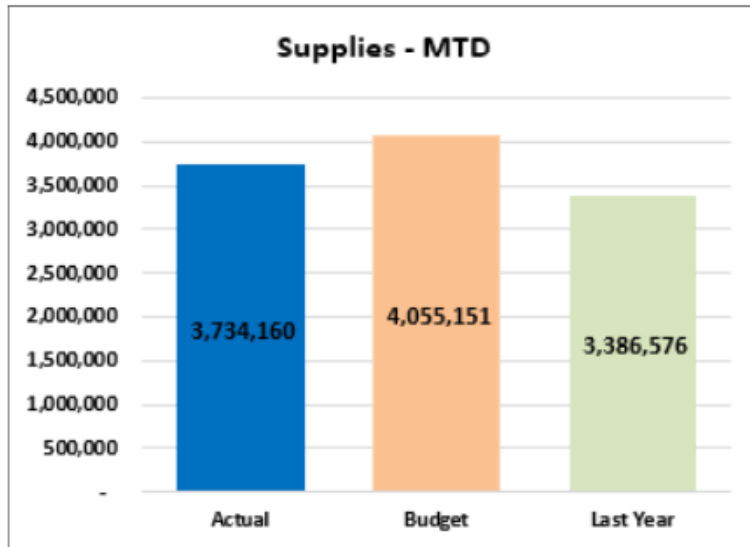
- MTD Salaries were unfavorable 22.9% to budget and unfavorable 11.9% to prior year; Contract Labor favorable to budget by 23.2% and favorable to prior year by 15.5%. Rolling 12-month SWB+C reflect an upward trend that includes hourly rate market adjustments, annual increases and severance payments.



# Salary/Contract Labor Con't

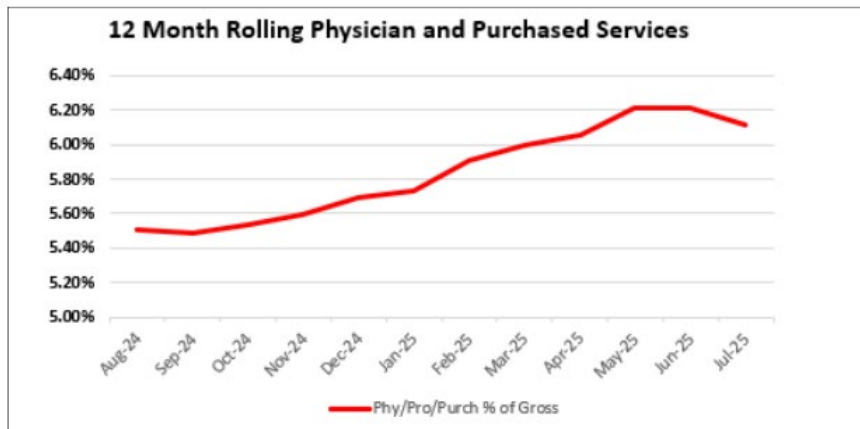
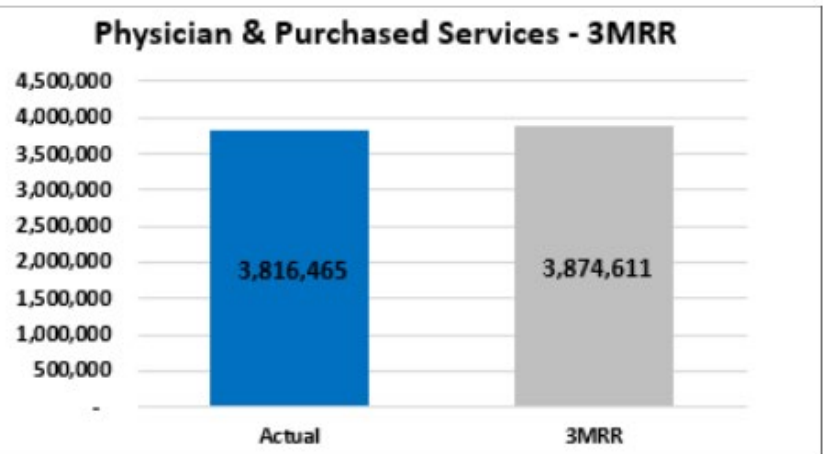
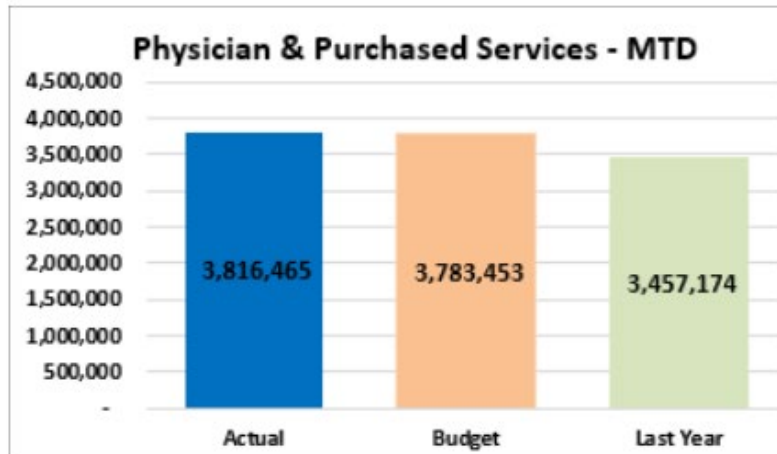


# Supplies



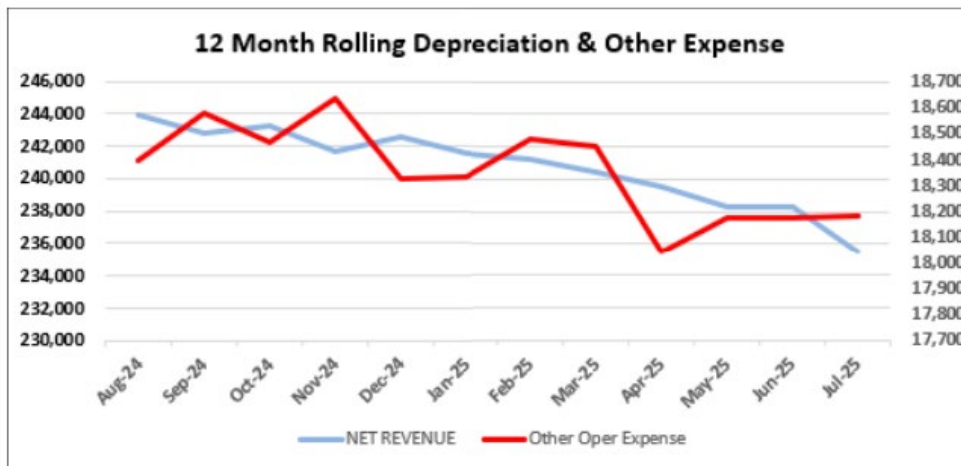
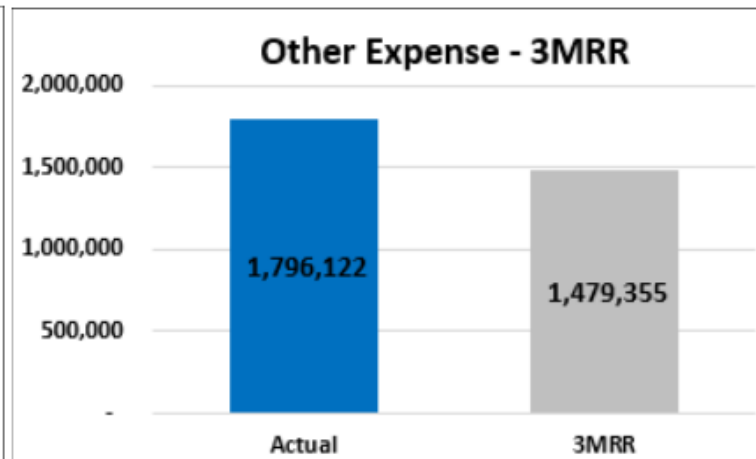
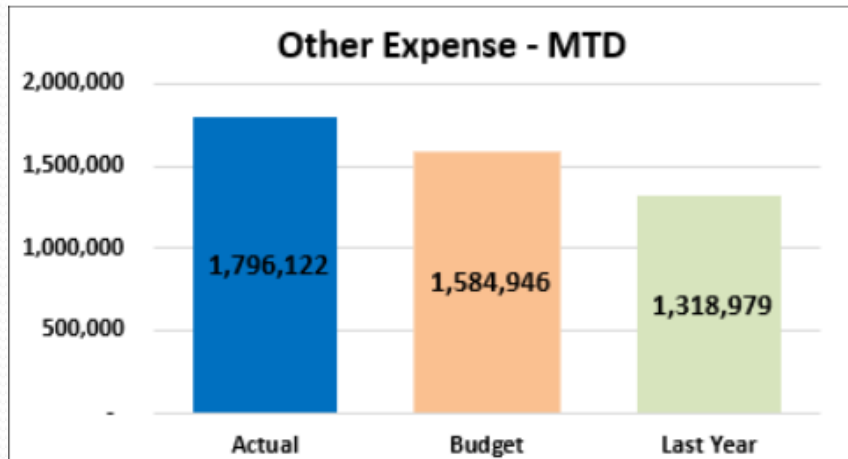
- MTD Supplies are down 7.9% to budget and up 10.3% to prior year. As a percentage of Net Revenue, supplies are up 0.07% to budget and down to prior year by 1.3%.
- Compared to prior year, increase primarily driven by \$265K pharmaceutical spend and \$59K implant spend.
- Compared to three-month run rate, supplies are down \$10K.

# Physician and Purchased Services



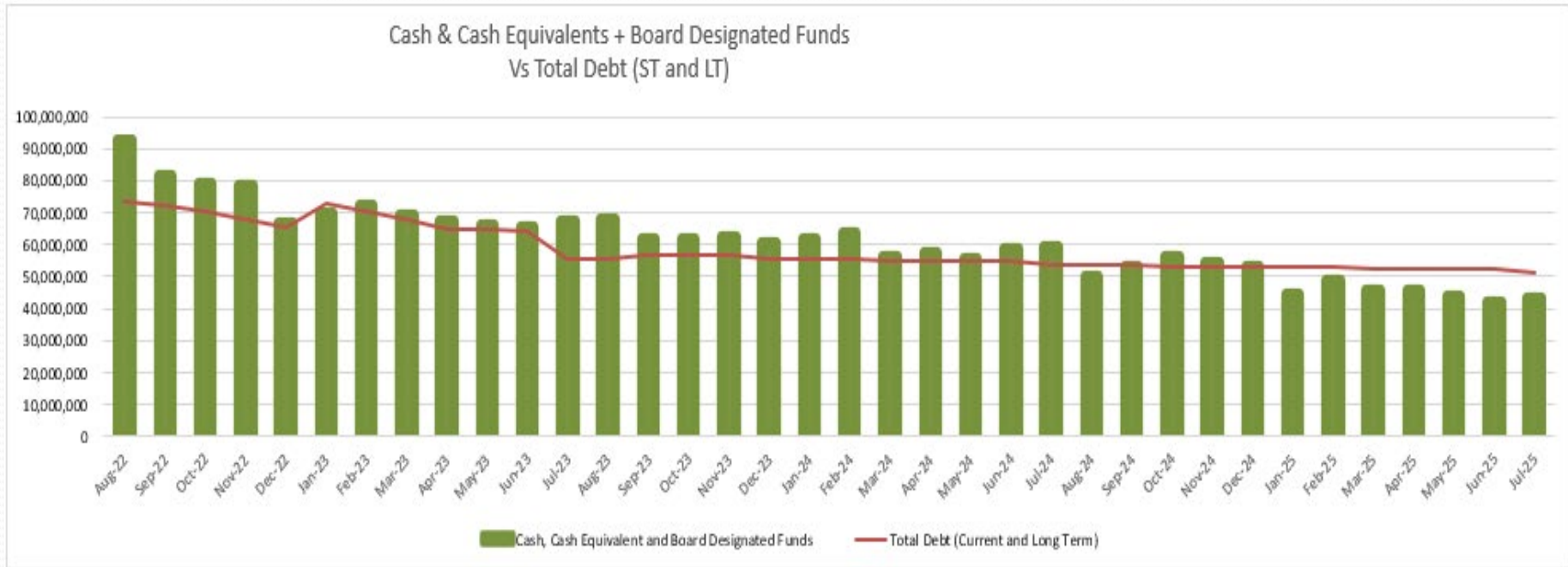
- Physician and Purchased Services Fees were unfavorable to budget by \$33K and are \$359K over prior year. Prior year increase driven by Revenue Cycle service expense not in July 2024.

# Other Operating Expense



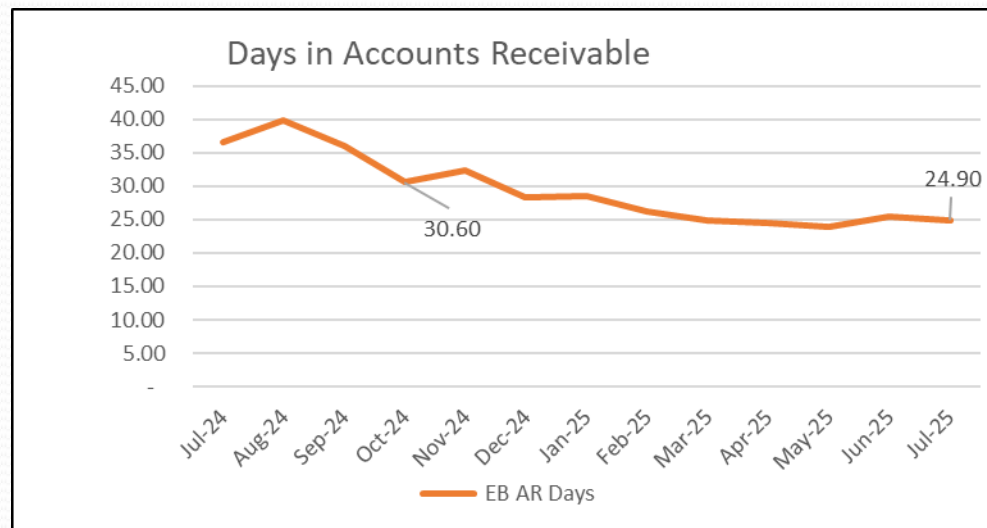
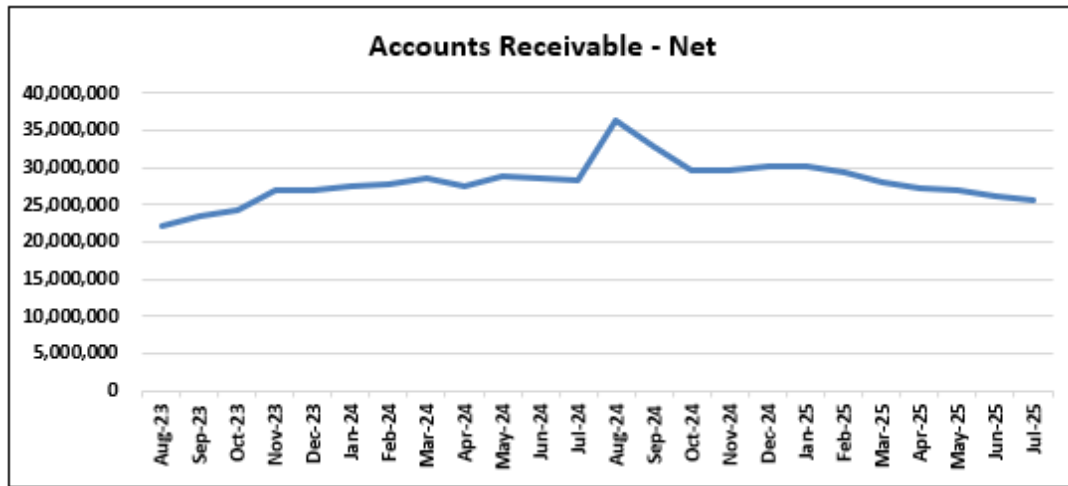
- Other Operating Expenses increased compared to budget \$211K, prior year \$477K and three-month run rate \$317K, Increase to budget and prior year primarily driven by Provider Tax increase of 1.48% a \$265K impact.

# Cash/Investments and Total Debt

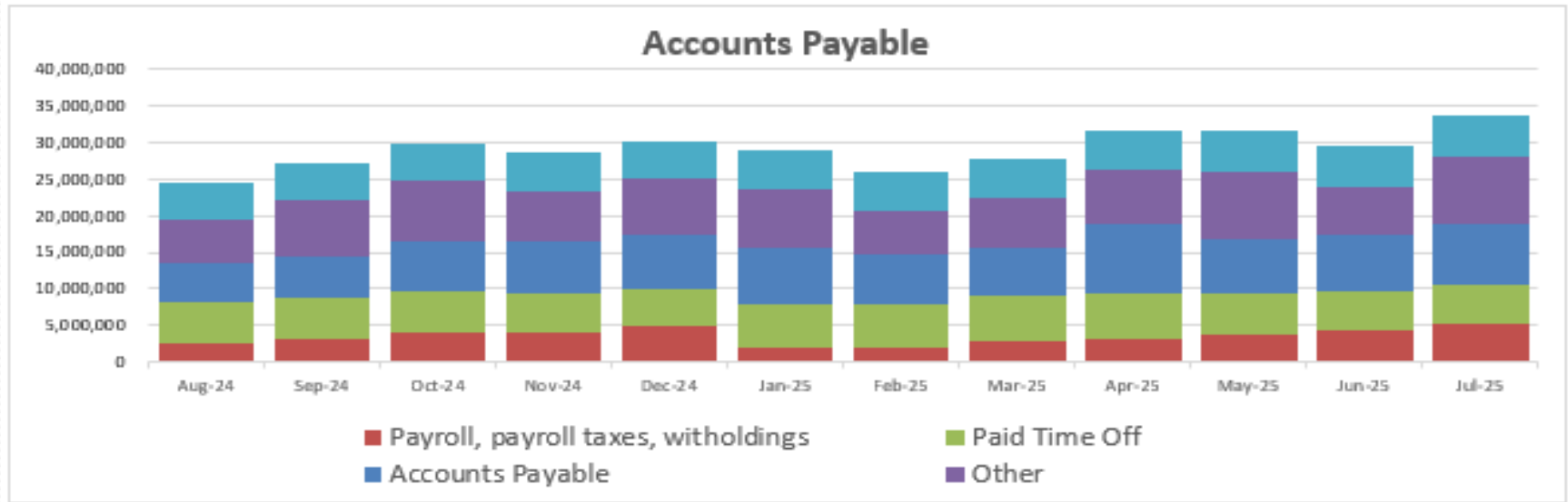


- Total cash & cash equivalent +board designated funds (BDF) was \$43.1M a \$16.9M decrease from prior year and \$676K to 3 month run rate. Total debt owed \$48.0M; \$45M bank loan
- Current Ratio is 2.32
- Debt to Capitalization is 43.8%, up 6.40% to prior year.
- Days Cash on Hand is 61 days.

# Accounts Receivable



# Current Liabilities



- July liabilities \$33M
- Increase of \$3M to 3 month run rate.
  - \$1.6M increase in other.
  - \$1.1M increase in Payroll/PTO.
  - \$150K increase in third party payable.
  - \$78K decrease in accounts payable.

Bay Area Hospital  
Revenue Cycle Scorecard

	FY23 Goal	FY24 Goal	Industry Bench-marks	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	FY22 Year End Actual	FY23 Year End Actual	FY24 YTD Actual	FY25 YTD Actual	FY26 YTD Actual
Charges	50,305,257	54,685,046		54,836,698	66,044,235	61,917,714	63,895,481	59,133,918	61,786,391	67,788,622	59,771,605	57,721,008	64,488,206	58,793,523	59,124,181	66,693,128	562,897,702	577,661,143	702,923,452	735,301,582	66,693,128
Net Pt Revenue	17,229,551	19,258,860		19,766,355	21,904,658	18,763,688	20,295,027	18,039,746	20,399,980	20,989,450	19,888,773	18,923,187	19,625,247	19,316,068	17,827,296	20,289,947	181,949,190	205,462,867	239,746,746	235,739,474	20,289,947
Provider Tax		940,832		973,155	1,290,758	1,279,014	947,664	971,049	1,057,276	1,132,520	1,068,188	1,015,076	1,050,610	1,023,998	909,741	1,339,781	10,267,119	10,898,689	13,038,230	12,719,048	1,339,781
Net Pt Rev less Provider Tax		18,318,028		18,793,199	20,613,901	17,484,674	19,347,363	17,068,697	19,342,704	19,856,930	18,820,584	17,908,111	18,574,637	18,292,070	16,917,555	18,950,166	171,682,072	194,564,178	226,708,516	223,020,425	18,950,166
Cash Collected	16,712,664	17,768,487		19,045,868	12,133,965	21,725,026	22,136,352	17,173,989	18,196,526	19,558,139	20,317,077	18,923,889	19,207,028	18,391,833	16,396,706	19,198,685	170,845,981	196,654,713	215,172,426	223,206,398	19,198,685
Ave Age of Cash Collected																					
Net to Gross	34.25%	35.22%		36.0%	33.2%	30.3%	31.8%	30.5%	33.0%	31.0%	33.3%	32.8%	30.4%	32.9%	30.2%	30.4%	32.32%	35.57%	34.1%	32.1%	30.4%
Net to Gross w/o provider tax				34.27%	31.21%	28.24%	30.28%	28.86%	31.31%	29.29%	31.49%	31.03%	28.80%	31.11%	28.61%	28.41%	30.50%	33.68%	32.25%	30.33%	28.41%
Net Collections	97.00%	97.00%	86-100%	101.3%	58.9%	124.3%	114.4%	100.6%	94.1%	98.5%	108.0%	105.7%	103.4%	100.5%	96.9%	101.3%	99.51%	101.07%	94.9%	100.1%	101.3%
Net Collections-90day	97.00%		95-98%	99.7%	62.5%	115.0%	116.1%	92.2%	99.4%	103.5%	431.8%	206.1%	138.9%	100.0%	91.5%	105.6%	99.51%	101.07%	94.9%	100.1%	101.3%
AR Balance				67,916,303	76,537,629	71,204,669	63,798,702	65,758,125	56,722,188	58,825,934	54,988,057	51,143,332	50,562,733	47,517,632	50,927,142	49,970,120	66,564,775	58,337,069	64,535,044	50,927,142	49,970,120
Epic AR 90days+				17,031,533	18,083,460	17,734,192	17,726,614	18,911,134	16,139,457	16,609,827	14,693,461	14,643,773	14,448,870	13,289,320	12,750,993	12,383,774	20,891,011	12,226,248	15,191,837	12,750,993	12,383,774
% AR 90+Days	28.0%	21.0%	15-30%	25.1%	23.6%	24.9%	28.8%	28.2%	28.5%	28.2%	26.7%	28.6%	28.6%	28.0%	25.0%	24.8%	31.4%	21.0%	23.5%	25.0%	24.8%
HB DNFB Days	8.0	6.0	3.00	17.30	12.10	9.50	7.90	8.60	9.30	7.70	7.20	5.80	4.90	6.00	6.90	6.30	9.3	7.2	7.90	6.90	6.30
EB AR Days	43.0	34.0	30-60	36.60	39.80	36.00	30.60	32.40	28.30	28.60	26.30	24.80	24.40	24.00	25.40	24.90	43.6	34.9	33.10	25.40	24.90
Pre-Service Cash Collection	15%	15%	5-35%	5.7%	3.0%	3.0%	4.2%	4.8%	4.1%	12.0%	8.2%	9.8%	6.4%	6.9%	7.5%	10.8%	3.5%	6.3%	13.7%	7.5%	10.8%
Registration Collection		100,000		50,746	24,464	35,794	28,792	50,452	31,910	73,361	63,015	84,168	54,119	47,184	93,894	102,992		63,655	1,209,828	637,899	102,992
HB Clean Claims	85.0%	85.0%	90-95%	83.0%	82.0%	79.0%	78.0%	79.0%	78.0%	78.0%	77.0%	76.0%	76.0%	74.0%	75.0%	74.0%	70.0%	75.8%	79.3%	75.00%	74.00%
PB Clean Claim	85.0%	85.0%	90-95%	30.0%	34.0%	25.0%	19.0%	22.0%	16.0%	21.0%	23.0%	22.0%	22.0%	23.0%	25.0%	23.0%	42.0%	37.7%	22.7%	25.00%	23.00%
HB Overall Denial	10.0%	10.0%	5-10%	9.4%	8.0%	8.3%	8.0%	9.1%	9.1%	10.3%	12.5%	12.7%	10.0%	10.1%	9.7%	9.7%	12.0%	12.0%	10.3%	9.70%	9.70%
PB Overall Denial	10.0%	10.0%	5-10%	5.5%	9.4%	8.1%	7.2%	10.1%	9.4%	8.3%	12.3%	11.2%	11.9%	11.2%	21.8%	58.6%	13.8%	11.4%	8.3%	21.80%	58.60%
Case Mix Index				1.4683	1.5640	1.5375	1.4333	1.4369	1.5418	1.4300	1.4575	1.4937	1.5063	1.4852	1.4222	1.4619					
HB Charges on time	96%	96%	98%	97.0%	93.0%	92.0%	96.0%	95.0%	94.0%	93.0%	95.0%	95.0%	95.0%	96.0%	95.0%	95.0%	95.0%	95.6%	96.5%	94.7%	95.0%
Discharges				567	631	555	622	579	636	623	599	595	602	585	488	579	5,350	5,348	7,051	7,082	579
Patient Days				2,589	2,591	2,436	2,375	2,435	2,487	2,372	2,292	2,150	2,109	2,001	1,958	1,998	25,566	22,217	28,651	27,795	1,998
Emergency Room Visits				2,605	2,553	2,513	2,410	2,412	2,594	2,661	2,552	2,636	2,486	2,516	2,468	2,587	27,180	25,241	27,111	30,406	2,587
Operating Room Cases				318	307	297	299	248	276	295	274	305	312	300	282	327	4,074	3,753	3,834	3,513	327
Outpatient Registrations				11,105	11,304	11,161	12,358	10,963	11,118	11,769	10,855	11,206	11,195	10,862	10,479	11,307	108,184	139,275	138,018	134,375	11,307
Adj. Factor				2.41	2.37	2.42	2.57	2.41	2.43	2.28	2.38	2.40	2.48	2.57	2.70	2.66	2.38	2.36	2.34	2.45	2.66
Adj. Patient Days				6,239.49	6,140.67	5,895.12	6,103.75	5,868.35	6,048.38	5,413.00	5,449.00	5,235.00	5,240.00	5,152.00	5,289.00	5,316.00	60,908.33	52,402.98	67,057.70	68,148.71	5,316.00
Gross Rev/Adj Pt Day				8,788.65	10,755.22	10,503.22	10,468.23	10,076.75	10,215.36	12,523.30	10,969.28	11,025.98	12,306.91	11,411.79	11,178.71	12,545.74	9,241.72	11,023.44	10,482.37	10,789.66	12,545.74
Net Rev/Adj Pt Day				3,168	3,567	3,183	3,325	3,074	3,373	3,878	3,650	3,615	3,745	3,749	3,371	3,817	2,987	3,921	3,575	3,459	3,817
Adj Patient Discharge				1,366	1,495	1,343	1,599	1,395	1,547	1,420	1,426	1,428	1,493	1,503	1,318	1,540	12,746	12,614	16,503	17,364	1,540
Gross Rev/Adj Pt Discharge				40,130	44,163	46,101	39,971	42,378	39,946	47,724	41,927	40,421	43,195	39,106	44,873	43,303	44,163	45,794	42,594	42,347	43,303
Net Rev/Adj Pt Discharge				14,465	14,647	13,970	12,696	12,928	13,189	14,777	13,951	13,252	13,145	12,848	13,530	13,174	14,275	16,288	14,528	13,576	13,174
Cash Aging Buckets (age of account when cash was collected)-Does not include CCO capitated payments																					
<90				16,328,660	10,615,900	20,739,977	20,196,650	15,901,525	15,822,607	17,838,505	17,586,251	17,136,418	16,883,270	17,772,859	15,697,317	16,651,830	132,998,929	151,866,499	194,849,733	202,519,940	16,651,830
90-119				687,397	556,433	512,846	682,921	569,463	674,098	376,731	993,332	428,539	709,228	417,126	336,289	598,753	10,594,094	5,921,231	5,832,541	6,944,405	598,753
120-179				484,789	639,348	748,177	896,315	388,404	608,446	705,681	810,631	693,691	463,475	342,908	427,030	750,759	11,007,673	6,324,303	5,534,260	7,208,894	750,759
180-269				111,701	13,351	444,651	696,867	125,408	325,095	277,696	1,018,518	165,721	159,280	192,816	119,679	262,948	11,669,505	5,545,254	3,176,123	3,650,780	262,948
270-364				138,940	31,028	59,619	205,286	132,114	198,282	131,769	261,688	288,983	78,963	175,738	52,225	47,010	2,511,570	2,648,997	1,478,021	1,754,635	47,010
365+				(10,563)	104,126	120,340	93,521	57,596	155,620	93,849	215,402	(99,033)	7,315	362,384	300,234	185,534	1,419,771	3,487,385	1,802,563	1,400,791	185,534
% of Cash Collected by Account Age Bucket																					
<90				92.04%	88.76%	91.67%	88.69%	92.59%	88.97%	91.84%	84.20%	92.06%	92.25%	92.26%	92.70%	90.03%	78.14%	86.39%	91.62%	90.62%	90.03%
90-119				3.87%	4.65%	2.27%	3.00%	3.32%	3.79%	1.94%	4.76%	2.30%	3.88%	2.17%	1.99%	3.24%	6.22%	3.37%	2.74%	3.11%	3.24%
120-179				2.73%	5.35%	3.31%	3.94%	2.26%	3.42%	3.63%	3.88%	2.53%	1.78%	2.52%	2.60%	4.06%	6.47%	3.60%	2.60%	3.23%	4.06%
180-269				0.63%	0.11%	1.97%	3.06%	0.73%	1.83%	1.43%	4.88%	0.89%	0.87%	1.00%	0.71%	1.42%	6.86%	3.15%	1.49%	1.63%	1.42%
270-364				0.78%	0.26%	0.26%	0.90%	0.77%	1.11%	0.68%	1.25%	1.55%	0.43%	0.91%	0.31%	0.25%	1.48%	1.51%	0.69%	0.79%	0.25%
365+				-0.06%	0.87%	0.53%	0.41%	0.34%	0.88%	0.48%	1.03%	-0.53%	0.04%	1.88%	1.77%	1.00%	0.83%	1.98%	0.85%	0.63%	1.00%
Days in Month				31	31	30	31	30	31	31	28	31	30	31	30	31	365	365	366	365	31
Ave Daily Charges				1,768,926	2,130,459	2,063,924	2,061,145	1,971,131													



CAPITAL #	CAPITAL LEVEL	DEPARTMENT	DESCRIPTION	ACTUAL PURCHASE AMOUNT	BUDGET AMOUNT
May-24					
24-125	Non Threshold	Sterial Processing	Ultra Sonic Washer	\$ 90,651	
Totals for Capital for 23-24				\$ 90,651	\$ 705,879

CAPITAL #	CAPITAL LEVEL	DEPARTMENT	DESCRIPTION	ACTUAL PURCHASE AMOUNT	BUDGET AMOUNT
Nov-24					
25-101	Threshold	Information Services	Network Core Switch	\$ 250,343	\$ 355,790
Dec-24					
25-104	Non Threshold	Maintenance	Pneumatic Tube Sysytem	\$ 97,200.00	\$ 100,000.00
Jan-25					
Feb-25					
Mar-25					
Apr-25					
May-25					
Jun-25					
25-115	Contingency	Intensive Care Unit	IQool Temperature Management System		\$ 48,250.00
Totals for Capital for 24-25				\$ 347,543	\$ 504,040

<b>Notes</b>
Complete

<b>Notes</b>
Here but waiting for installation 7/15/25 Installed and waiting for all the systems to be cut over. Should be complete by the end of September.
Complete

Complete



Month End Financial Narrative  
For month ending July 31, 2025

Overall, Bay Area Hospital reported a loss of \$2.5M in July, against budgeted loss of \$372K. July Gross Revenue was \$66.7M and Net Revenue ended the month at \$20.6M, with a Net to Gross Revenue Margin of 30.9%.

Bay Area Hospital  
Consolidated Income Statement - July 2025  
in '000

	Month To Date					Year To Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
<b>Gross Patient Revenue</b>	<b>66,693</b>	<b>68,897</b>	<b>(2,204)</b>	<b>61,123</b>	<b>5,570</b>	<b>66,693</b>	<b>68,897</b>	<b>(2,204)</b>	<b>61,123</b>	<b>5,570</b>
Total Deductions	46,403	47,642	1,238	41,356	(5,047)	46,403	47,642	1,238	41,356	(5,047)
<b>Net Healthcare Revenue</b>	<b>20,290</b>	<b>21,256</b>	<b>(966)</b>	<b>19,766</b>	<b>524</b>	<b>20,290</b>	<b>21,256</b>	<b>(966)</b>	<b>19,766</b>	<b>524</b>
Other Oper Revenue	350	331	20	244	106	350	331	20	244	106
<b>Total Net Revenue</b>	<b>20,640</b>	<b>21,587</b>	<b>(946)</b>	<b>20,011</b>	<b>630</b>	<b>20,640</b>	<b>21,587</b>	<b>(946)</b>	<b>20,011</b>	<b>630</b>
Salaries/ Wages & Benefits	11,281	9,403	(1,878)	10,091	(1,190)	11,281	9,403	(1,878)	10,091	(1,190)
Contract Labor	1,598	2,079	482	1,890	292	1,598	2,079	482	1,890	292
Depreciation	739	752	13	943	203	7,394	7,520	127	943	203
Other Expense	9,363	9,440	77	8,179	(1,184)	2,709	2,672	(37)	8,179	(1,184)
<b>Total Operating Expenses</b>	<b>22,981</b>	<b>21,675</b>	<b>(1,307)</b>	<b>21,103</b>	<b>(1,879)</b>	<b>22,981</b>	<b>21,675</b>	<b>(1,307)</b>	<b>21,103</b>	<b>(1,879)</b>
<b>Net Operating Income</b>	<b>(2,341)</b>	<b>(88)</b>	<b>(2,253)</b>	<b>(1,092)</b>	<b>(1,249)</b>	<b>(2,341)</b>	<b>(88)</b>	<b>(2,253)</b>	<b>(1,092)</b>	<b>(1,249)</b>
Non Operating Income/(Loss)	(189)	(284)	95	680	(869)	(189)	(284)	95	680	(869)
<b>Net Income</b>	<b>(2,530)</b>	<b>(372)</b>	<b>(2,158)</b>	<b>(412)</b>	<b>(2,118)</b>	<b>(2,530)</b>	<b>(372)</b>	<b>(2,158)</b>	<b>(412)</b>	<b>(2,118)</b>
Net To Gross	30.9%	31.3%	-0.4%	32.7%	-1.8%	30.9%	31.3%	-0.4%	32.7%	-1.8%
Operating EBIDTA	(1,602)	664	(2,266)	(149)	(1,452)	(1,602)	664	(2,266)	(149)	(1,452)
Operating EBIDTA %	-7.8%	3.1%	-10.8%	-0.7%	-7.0%	-7.8%	3.1%	-10.8%	-0.7%	-7.0%
EBIDTA	(1,524)	705	(2,229)	709	(2,234)	(1,524)	705	(2,229)	709	(2,234)
EBIDTA %	-7.4%	3.3%	-10.6%	3.5%	-10.9%	-7.4%	3.3%	-10.6%	3.5%	-10.9%

\*As the first month of the year, Year to date (YTD) data is the same as the Month to date (MTD)

## VOLUMES

### Inpatient Discharges & Days

- July inpatient discharges decreased 53 to budget and increased 13 to prior year. (533 vs 586 vs 520). Patient days are down 569 to budget and 484 to prior year (1,998 vs 2,567 vs 2,482). The average length of stay (ALOS) improved at 3.75 which is below budget of 4.38 and last year's 4.77.

### ED Visits

- ED visits were up 12 to budget and down 18 to prior year (2,587 vs 2,575 vs 2,605). 15% of all ED Visits were admitted in July, compared to 15.1% in prior year.
- Patients leaving without being seen (LWBS) was .43% in July (0.53% in June, 0.68% in May, 0.56 % in April, 0.42% in March).

### Operating Room Cases

- OR increased 25 cases over budget and 9 over prior year (327 vs 302 vs 318). The increase from the prior year was primarily driven by 17 additional General Surgery visits and 14 Gynecology visits, partially offset by decrease of 17 visits in Orthopedics and 5 visits in Plastics.
- Compared to the three-month run rate, visits increased by 29 cases - 15 in General Surgery, 8 in Gynecology, and 6 in Urology.

### Cardiac Cath Cases

- In July there were 137 Cath Lab cases vs. budget of 108 vs. prior year of 83.
- Compared to three-month run rate, cath cases were up 29 cases.

### Outpatient Visits

- OP Visits were down 10 visits from budget and up 196 to prior year. (11,307 vs 11,317 vs 11,111. Increase to prior year primarily driven by ED 214 visits, Ortho 131 visits, Wound Care 99 visits, partially offset by decrease in Oncology 141 visits, Wellness Clinic 94 visits.

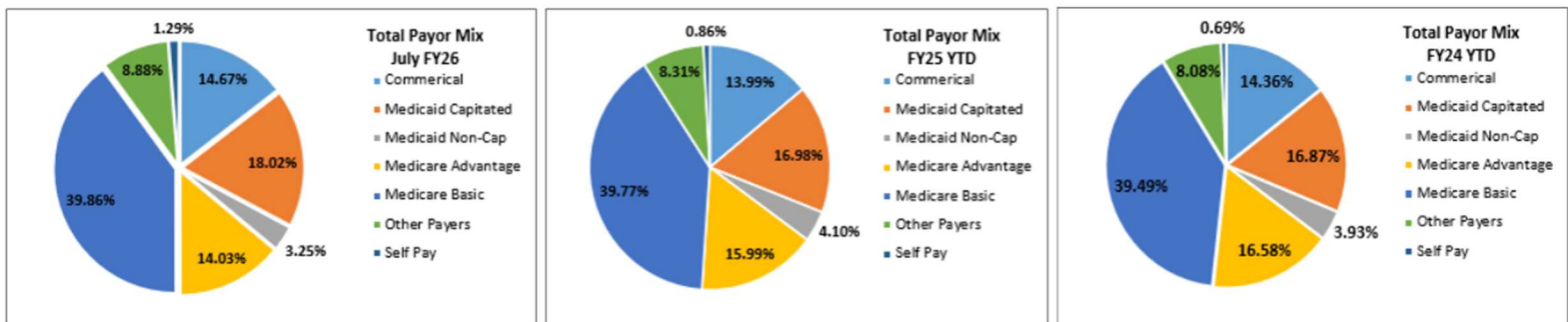
## REVENUES

### Gross Revenues

- July Gross Revenue totaled \$66.7M, \$2.2M decrease to budget and increase of \$5.6M over prior year.
- In Gross Revenue, when compared to budget, cumulatively, a 10.56% decrease in overall volume resulted in a loss of \$7.3M, offset by a \$5.1M gain from rate increase, a net loss of \$2.2M.

### Deductions from Revenue

- As a %, Deductions from Revenue, increase to budget 69.6% vs. 69.1% (30.9% vs 31.3% revenue realization rates).
- Commercial payor mix saw a slight trend upward in July at 14.67% compared to prior year 12.15% and three-month run rate of 14.23%. YOY; FY22: 16.40%, FY23: 15.91%, FY24: 14.36%, FY25: 13.66%.



### Other Revenues

- Current month actuals are \$350K vs \$331K budget vs \$244K in prior year.

### Net Revenues

- Total Net Revenue July is below budget \$946K and up to prior year by \$630K (\$21M vs. \$22M vs. \$20M).



Month End Financial Narrative  
For month ending July 31, 2025

## **EXPENSES**

### **Salaries**

- Salaries are \$1.7M above budget and \$949K over prior year (\$8.9M vs. \$7.3M vs. \$7.9M). The overall average hourly rate of \$59.47 is over the budgeted rate of \$51.47 and is an increase of \$10.50 above last years \$48.97. Increase over prior year includes union increases and severance payment.

### **Contract labor**

- July is under budget \$482K and favorable to prior year \$292K. (\$1.6M vs \$2.1M vs \$1.9M).

### **Benefits**

- Overall Benefits expense for the month of July are over budget by \$209K, and over prior year by \$241K (\$2.3M actual vs \$2.1M budget vs \$2M last year). As a % of wages benefits were 26.10% this month vs 29.21% budget and 26.19% last year.

### **Physician and Pro-fees**

- July physician and professional fees were up to budget \$41K and down to prior year \$79K.

### **Supplies**

- July supply costs are favorable to budget by \$321K, and unfavorable \$348K to prior year (\$3.7M vs \$4.1M vs \$3.4M).
- Supply Expense as a % of Net Revenues are 18.4% actual, 19.1% budget and 17.1% prior year.

### **Purchased Services**

- July purchased service costs are \$8K below budget and unfavorable \$438K to prior year (\$2M vs \$2M vs \$1.8M). Prior year increase driven by Revenue Cycle service expense not in July 2024.

### **Lease/Rentals**

- July Leases/Rentals costs are 1.7% favorable to budget and unfavorable 2.8% to prior year (\$16K vs \$17K vs \$16K).

### **Depreciation**

- Depreciation costs are favorable \$13K to budget and \$203K favorable to prior year (\$739K vs \$752K vs \$943M) due to lower subscription amortization since the Workday contract was only renewed for one year.

### **Other Operating expense**

- July Other Operating Expenses are unfavorable \$211K to budget and \$477K over prior year (\$1.8M vs \$1.6M vs \$1.3M). Increase to budget and prior year primarily driven by Provider Tax increase of 1.48% a \$265K impact.

### **Non-Operating Income and Expense**

- July Other Non-Operating Income and Expenses are unfavorable \$22K to budget and \$68K to prior year (\$19K vs \$40K vs \$87K).



Month End Financial Narrative  
For month ending July 31, 2025

**Balance Sheet**

- Cash and Cash Equivalents are \$10.7M at the end of July and Assets limited to use are \$32.4M for an overall cash balance of \$43M. Overall cash and investments increased \$1.3M to prior month.
- Days Cash on Hand is 61 days.
- Net Position is \$61.3M vs prior month \$63.8M
- Account Receivable (net) decreased \$420K from prior month to close at \$26M for July.
- Current liabilities increased \$3.8M compared to prior month and \$3M compared to three-month run rate.
- The Current Ratio is 2.32 and Debt to Capitalization is 43.8%.

# Finance Committee

## REVENUE CYCLE

AUGUST 2025

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### Financial Performance

July's insurance cash collections reached 103.2% of target (\$18.9M vs. \$18.3M), supported by:

- **Higher claim volume:** up 14% from June and 5% above historical average (\$90.4M vs. \$85.7M YTD average)
- **Strong Candidate for Billing (CFB) performance:** 3.9 days vs. 4-day goal
- **Low AR days:** 24.9

### Operational Highlights

#### Patient Financial Clearance

**Insurance Verification Rate:** 96% (above 95% target) with steady YTD improvement, supporting accurate net revenue and patient financial experience.

**Authorization Rate:** Stable at 91% (YTD range 91–92%), with improvements in Sleep Center (82%), Internal Med (84%), and Rad Onc (92%); Oncology remains low at 45.8%.

**Low Primary Denial Rate for Authorization:** 0.53% in July (Epic top quartile: 0.54%; median: 0.68%), protecting cash flow.

#### Pre-Bill Performance and Coding

**Charge Lag Days:** Trending toward 3-day target (11.6 days). This is the average length of time between the service and charge posting. Low lag days help reduce AR days and increase cash flow.

**Discharged Not Final Billed (DNFB):** 6.4 days vs. 5-day target, supported by low Coding Days (1.5).

Collaborative work with ED and Cardiology on missing documentation is sustaining throughput and enabling timely billing.

#### Accounts Receivable

**Receivable Aging:** Reduced 6% (\$620K) for HB and 12% (\$59K) for PB vs. June. Medicare, Blue Cross, and United account for most high-dollar aged inventory.

### Denial Rates:

- *Hospital*: 9.7% (target: 6.2%; Epic top quartile: 9.4%), \$8M in denials (↑22% vs. June; flat vs. 6-month average). Increases driven by Medical Necessity and Non-Covered Charges; Healthnet MA, Blue Cross, Medicare, and Advanced Health represent 60% of denials.
- *Physician*: Spike to \$997K due to one Washington Medicaid payor-driven repeating error; normalized amount \$385K (↓8% vs. June; ↓22% vs. 6-month average).

### Clinical Documentation Integrity

Strong physician query response and physician agreement rates (both 94%) support accurate DRG assignment and revenue.

### August Focus

Accelerate Clinical & Technical Appeals to address HB denial rate.

Execute Epic payor contract builds to recover underpayments.

Improve Oncology authorization rate through SOP adoption.

Continue AR reduction initiatives.

Further reduce charge lag.



Bay Area Hospital  
Consolidated Income Statement - July 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	25,067,912	28,449,190	(3,381,278)	-11.9%	25,353,388	(285,477)	-1.1%	25,067,912	28,449,190	(3,381,278)	-11.9%	25,353,388	(285,477)	-1.1%
Outpatient Revenue	41,625,217	40,448,239	1,176,977	2.9%	35,769,424	5,855,793	16.4%	41,625,217	40,448,239	1,176,977	2.9%	35,769,424	5,855,793	16.4%
Total Gross Patient Revenue	66,693,128	68,897,429	(2,204,301)	-3.2%	61,122,812	5,570,316	9.1%	66,693,128	68,897,429	(2,204,301)	-3.2%	61,122,812	5,570,316	9.1%
Deductions	45,833,251	46,678,628	845,377	1.8%	40,233,661	(5,599,590)	-13.9%	45,833,251	46,678,628	845,377	1.8%	40,233,661	(5,599,590)	-13.9%
Bad Debt	154,851	217,844	62,993	28.9%	863,279	708,428	82.1%	154,851	217,844	62,993	28.9%	863,279	708,428	82.1%
Charity	415,079	745,068	329,989	44.3%	259,518	(155,561)	-59.9%	415,079	745,068	329,989	44.3%	259,518	(155,561)	-59.9%
Total Deductions	46,403,181	47,641,540	1,238,359	2.6%	41,356,458	(5,046,723)	-12.2%	46,403,181	47,641,540	1,238,359	2.6%	41,356,458	(5,046,723)	-12.2%
Net Healthcare Revenue	20,289,947	21,255,889	(965,942)	-4.5%	19,766,355	523,593	2.6%	20,289,947	21,255,889	(965,942)	-4.5%	19,766,355	523,593	2.6%
Other Oper Revenue	350,424	330,756	19,669	5.9%	244,379	106,045	43.4%	350,424	330,756	19,669	5.9%	244,379	106,045	43.4%
Total Net Revenue	20,640,371	21,586,645	(946,273)	-4.4%	20,010,734	629,638	3.1%	20,640,371	21,586,645	(946,273)	-4.4%	20,010,734	629,638	3.1%
Net to Gross Ratio	30.9%	31.3%			32.7%			30.9%	31.3%			32.7%		
Salaries	8,945,952	7,277,553	(1,668,399)	-22.9%	7,997,083	(948,868)	-11.9%	8,945,952	7,277,553	(1,668,399)	-22.9%	7,997,083	(948,868)	-11.9%
Contract Labor	1,597,850	2,079,459	481,609	23.2%	1,890,222	292,372	15.5%	1,597,850	2,079,459	481,609	23.2%	1,890,222	292,372	15.5%
Benefits	2,335,181	2,125,602	(209,579)	-9.9%	2,094,132	(241,049)	-11.5%	2,335,181	2,125,602	(209,579)	-9.9%	2,094,132	(241,049)	-11.5%
Physician & Prof Fee	1,577,921	1,536,610	(41,311)	-2.7%	1,656,984	79,063	4.8%	1,577,921	1,536,610	(41,311)	-2.7%	1,656,984	79,063	4.8%
Supplies	3,734,160	4,055,151	320,992	7.9%	3,386,576	(347,583)	-10.3%	3,734,160	4,055,151	320,992	7.9%	3,386,576	(347,583)	-10.3%
Purchased Services	2,238,543	2,246,843	8,300	0.4%	1,800,189	(438,354)	-24.4%	2,238,543	2,246,843	8,300	0.4%	1,800,189	(438,354)	-24.4%
Leases/Rentals	16,288	16,567	280	1.7%	15,842	(446)	-2.8%	16,288	16,567	280	1.7%	15,842	(446)	-2.8%
Depreciation	739,369	752,049	12,680	1.7%	942,788	203,419	21.6%	739,369	752,049	12,680	1.7%	942,788	203,419	21.6%
Other Oper Expense	1,796,122	1,584,946	(211,176)	-13.3%	1,318,979	(477,143)	-36.2%	1,796,122	1,584,946	(211,176)	-13.3%	1,318,979	(477,143)	-36.2%
Total Operating Expenses	22,981,385	21,674,781	(1,306,604)	-6.0%	21,102,796	(1,878,589)	-8.9%	22,981,385	21,674,781	(1,306,604)	-6.0%	21,102,796	(1,878,589)	-8.9%
Net Operating Income	(2,341,013)	(88,136)	(2,252,878)	2556.1%	(1,092,062)	(1,248,952)	114.4%	(2,341,013)	(88,136)	(2,252,878)	2556.1%	(1,092,062)	(1,248,952)	114.4%
Investment Income	58,410	-	58,410	0.0%	771,990	(713,580)	-92.4%	58,410	-	58,410	0.0%	771,990	(713,580)	-92.4%
Other Nonop Inc(Exp)	18,846	40,718	(21,872)	-53.7%	86,566	(67,721)	-78.2%	18,846	40,718	(21,872)	-53.7%	86,566	(67,721)	-78.2%
Interest Expense	(266,282)	(325,000)	58,718	-18.1%	(178,156)	(88,127)	49.5%	(266,282)	(325,000)	58,718	-18.1%	(178,156)	(88,127)	49.5%
Net Income	(2,530,040)	(372,418)	(2,157,622)	579.4%	(411,661)	(2,118,379)	514.6%	(2,530,040)	(372,418)	(2,157,622)	579.4%	(411,661)	(2,118,379)	514.6%
Contractual %	-69.6%	-69.1%	-0.4%		-67.7%			-69.6%	-69.1%	-0.4%		-67.7%		
Operating Margin	-11.3%	-0.4%	-10.9%	2677.9%	-5.5%	-5.9%		-11.3%	-0.4%	-10.9%	2677.9%	-5.5%	-5.88%	107.8%
Operating EBITDA	(1,601,644)	663,913	(2,265,557)	-341.2%	(149,274)	(1,452,371)	973.0%	(1,601,644)	663,913	(2,265,557)	-341.2%	(149,274)	(1,452,371)	973.0%
Operating EBITDA %	-7.8%	3.1%	-10.8%	-352.3%	-0.7%	-7.0%		-7.8%	3.1%	-10.8%	-352.3%	-0.7%	-7.01%	940.2%
EBITDA	(1,524,389)	704,631	(2,229,020)	-316.3%	709,283	(2,233,671)	-314.9%	(1,524,389)	704,631	(2,229,020)	-316.3%	709,283	(2,233,671)	-314.9%
EBITDA %	-7.4%	3.3%	-10.6%	-326.3%	3.5%	-10.9%		-7.4%	3.3%	-10.6%	-326.3%	3.5%	-10.93%	-308.4%
Key Stats														
Discharges	533	586	(53)	-9.0%	520	13	2.5%	533	586	(53)	-9.0%	520	13	2.5%
Patient Days	1,998	2,567	(569)	-22.2%	2,482	(484)	-19.5%	1,998	2,567	(569)	-22.2%	2,482	(484)	-19.5%
LOS	3.75	4.38	(0.63)	-14.4%	4.77	(1.02)	-21.5%	3.75	4.38	(0.63)	-14.4%	4.77	(1.02)	-21.5%
Adjusted Days	5,316	6,217	(901)	-14.5%	5,984	(668)	-11.2%	5,316	6,217	(901)	-14.5%	5,984	(668)	-11.2%
Adjusted Discharges	1,418	1,419	(1)	-0.1%	1,254	164	13.1%	1,418	1,419	(1)	-0.1%	1,254	164	13.1%
Per Adjusted Day														
Net Revenue/APD	3,817	3,419	398	11.6%	3,303	514	15.5%	3,817	3,419	398	11.6%	3,303	514	15.5%
SWB+CL/APD	2,423	1,847	(576)	-31.2%	2,002	420	21.0%	2,423	1,847	(576)	-31.2%	2,002	420	21.0%
Salary+CL/APD	1,984	1,505	(478)	-31.8%	1,652	331	20.0%	1,984	1,505	(478)	-31.8%	1,652	331	20.0%
Supply Cost/APD	702	652	(50)	-7.7%	566	137	24.1%	702	652	(50)	-7.7%	566	137	24.1%
Other Expense/APD	635	502	(133)	-26.4%	497	137	27.6%	635	502	(133)	-26.4%	497	137	27.6%
Per Adjusted Discharge														
Net Revenue/Adj DC	14,308	14,980	(672)	-4.5%	15,767	(1,459)	-9.3%	14,308	14,980	(672)	-4.5%	15,767	(1,459)	-9.3%
SWB+CL/Adj DC	9,082	8,093	(990)	-12.2%	9,557	(475)	-5.0%	9,082	8,093	(990)	-12.2%	9,557	(475)	-5.0%
Salary+CL/Adj DC	7,435	6,594	(841)	-12.8%	7,887	(451)	-5.7%	7,435	6,594	(841)	-12.8%	7,887	(451)	-5.7%
Supply Cost/Adj DC	2,633	2,858	225	7.9%	2,701	(68)	-2.5%	2,633	2,858	225	7.9%	2,701	(68)	-2.5%
Other Expense/Adj DC	2,379	2,200	(179)	-8.2%	2,374	5	0.2%	2,379	2,200	(179)	-8.2%	2,374	5	0.2%
Pct of Net Revenue														
SWB+CL	63.5%	54.0%	-9.5%		60.6%	-2.9%		63.5%	54.0%	-9.5%		60.6%	-2.9%	
Supplies	18.4%	19.1%	0.7%		17.1%	-1.3%		18.4%	19.1%	0.7%		17.1%	-1.3%	
Other Expense	16.6%	14.7%	-1.9%		15.1%	-1.6%		16.6%	14.7%	-1.9%		15.1%	-1.6%	
Bad Debt & Charity	2.8%	4.5%	-1.7%		5.7%	2.9%		2.8%	4.5%	-1.7%		5.7%	2.9%	
FTE's														
Total Salary Hours	150,422	141,395	(9,027)	-6.4%	163,307	12,884	7.9%	150,422	141,395	(9,027)	-6.4%	163,307	12,884	7.9%
Total Contract Hours	10,041	9,484	(557)	-5.9%	17,011	17,011	100.0%	10,041	9,484	(557)	-5.9%	17,011	6,970	41.0%
Total Salary FTE's	851.49	800.39	(51.10)	-6.4%	921.89	70.40	7.6%	851.49	800.39	(51.10)	-6.4%	921.89	70.40	7.6%
Total Contract FTE's	56.84	53.69	(3.15)	-5.9%	96.03	39.19	40.8%	56.84	53.69	(3.15)	-5.9%	96.03	39.19	40.8%
Total Facility Paid FTEs	908.33	854.08	(54.26)	-6.4%	1,017.92	109.59	10.8%	908.33	854.08	(54.26)	-6.4%	1,017.92	109.59	10.8%
Paid FTE per Adj Day	5.30	4.26	(1.04)	-24.4%	5.27	(0.02)	-0.4%	5.30	4.26	(1.04)	-24.4%	5.27	(0.02)	-0.4%
Average Hourly Rate	\$ 65.71	\$ 62.02	(3.69)	-6.0%	\$ 54.83	(10.88)	-19.8%	\$ 65.71	\$ 62.02	(3.69)	-6.0%	\$ 54.83	(10.88)	-19.8%
Employed Avg Hourly Rate	\$ 59.47	\$ 51.47	(8.00)	-15.5%	\$ 48.97	(10.50)	-21.4%	\$ 59.47	\$ 51.47	(8.00)	-15.5%	\$ 48.97	(10.50)	-21.4%

# Bay Area Hospital

Consolidated Income Statement Trend - July 2025

	2024	2024	2024	2024	2024	2024	2025	2025	2025	2025	2025	2025	2025
	JulMTD	AugMTD	SepMTD	OctMTD	NovMTD	DecMTD	JanMTD	FebMTD	MarMTD	AprMTD	MayMTD	JunMTD	JulMTD
<b>Gross Patient Revenue</b>													
Inpatient Revenue	25,353,388	27,276,721	25,382,904	24,051,678	23,614,135	25,694,463	29,469,328	24,746,364	25,768,844	25,314,375	23,510,008	21,889,108	25,067,912
Outpatient Revenue	35,769,424	37,523,031	35,779,035	37,718,112	33,375,687	36,795,512	37,779,051	34,088,451	36,979,463	37,584,034	37,023,474	37,235,073	41,625,217
<b>Total Gross Patient Revenue</b>	<b>61,122,812</b>	<b>64,799,752</b>	<b>61,161,939</b>	<b>61,769,790</b>	<b>56,989,822</b>	<b>62,489,975</b>	<b>67,248,378</b>	<b>58,834,815</b>	<b>62,748,306</b>	<b>62,898,409</b>	<b>60,533,482</b>	<b>59,124,181</b>	<b>66,693,128</b>
Deductions	40,233,661	42,283,339	41,207,637	41,050,061	37,639,433	41,112,167	45,425,365	38,901,551	42,813,281	42,338,031	40,820,822	40,344,193	45,833,251
Bad Debt	863,279	(10,576)	731,038	300,119	476,057	310,298	406,037	(1,038,403)	11,883	(87,907)	(166,025)	753,585	154,851
Charity	259,518	622,331	388,681	398,581	834,586	667,530	427,527	1,082,894	999,956	1,023,039	562,617	199,108	415,079
<b>Total Deductions</b>	<b>41,356,458</b>	<b>42,895,094</b>	<b>42,327,355</b>	<b>41,748,761</b>	<b>38,950,076</b>	<b>42,089,995</b>	<b>46,258,929</b>	<b>38,946,042</b>	<b>43,825,120</b>	<b>43,273,162</b>	<b>41,217,414</b>	<b>41,296,885</b>	<b>46,403,181</b>
Net Healthcare Revenue	19,766,355	21,904,658	18,834,583	20,021,029	18,039,746	20,399,980	20,989,450	19,888,773	18,923,187	19,625,247	19,316,068	17,827,296	20,289,947
Other Oper Revenue	244,379	219,268	468,640	273,998	305,755	521,874	651,119	405,859	120,242	576,185	494,088	358,227	350,424
<b>Total Net Revenue</b>	<b>20,010,734</b>	<b>22,123,926</b>	<b>19,303,223</b>	<b>20,295,027</b>	<b>18,345,501</b>	<b>20,921,854</b>	<b>21,640,569</b>	<b>20,294,632</b>	<b>19,043,429</b>	<b>20,201,432</b>	<b>19,810,155</b>	<b>18,185,523</b>	<b>20,640,371</b>
<b>Expenses</b>													
Salaries	7,997,083	8,228,925	7,990,088	8,110,716	8,504,800	8,703,884	8,290,688	7,531,899	8,184,820	7,944,501	8,422,402	7,718,741	8,945,952
Contract Labor	1,890,222	2,086,578	2,084,154	1,826,306	1,303,577	1,489,725	1,679,801	1,657,777	1,386,190	1,917,651	1,727,271	1,816,954	1,597,850
Benefits	2,094,132	2,158,386	1,495,905	2,540,363	1,530,651	2,116,212	3,250,180	2,326,422	2,624,358	2,406,065	2,381,375	2,013,796	2,335,181
Physician & Prof Fee	1,656,984	1,735,681	1,374,740	1,577,395	1,429,296	1,575,795	1,584,947	1,533,512	1,584,515	1,441,414	1,746,562	1,454,501	1,577,921
Supplies	3,386,576	3,831,892	3,926,175	4,263,386	3,146,847	4,033,969	3,457,835	3,742,160	3,292,867	3,634,029	4,338,049	3,261,502	3,734,160
Purchased Services	1,800,189	1,913,244	2,250,529	2,282,321	1,995,417	2,296,703	2,363,672	2,333,839	2,338,573	2,223,000	2,748,281	2,010,074	2,238,543
Leases/Rentals	15,842	14,262	17,292	14,710	15,475	14,455	26,319	19,892	24,782	26,427	16,944	10,788	16,288
Depreciation	942,788	938,047	939,915	923,445	923,747	918,484	773,830	766,642	764,352	766,089	798,927	743,521	739,369
Other Oper Expense	1,318,979	1,791,651	1,749,701	1,246,141	1,638,267	1,471,925	1,582,981	1,520,649	1,423,841	1,254,969	1,579,023	1,604,075	1,796,122
<b>Total Operating Expenses</b>	<b>21,102,796</b>	<b>22,698,666</b>	<b>21,828,500</b>	<b>22,784,783</b>	<b>20,488,079</b>	<b>22,621,152</b>	<b>23,010,252</b>	<b>21,432,792</b>	<b>21,624,297</b>	<b>21,614,146</b>	<b>23,758,834</b>	<b>20,633,952</b>	<b>22,981,385</b>
<b>Net Operating Income</b>	<b>(1,092,062)</b>	<b>(574,740)</b>	<b>(2,525,277)</b>	<b>(2,489,756)</b>	<b>(2,142,578)</b>	<b>(1,699,298)</b>	<b>(1,369,684)</b>	<b>(1,138,160)</b>	<b>(2,580,868)</b>	<b>(1,412,713)</b>	<b>(3,948,679)</b>	<b>(2,448,430)</b>	<b>(2,341,013)</b>
Investment Income	771,990	427,800	488,055	(726,631)	320,385	(152,390)	211,196	446,682	71,188	154,156	39,127	172,596	58,410
Other Nonop Inc(Exp)	86,566	44,413	294,853	643,244	35,468	108,818	39,529	17,321	(1,850,477)	69,440	27,254	2,089	18,846
Interest Expense	(178,156)	(182,692)	(166,666)	(176,301)	(176,160)	(170,428)	(20,250)	(156,710)	(376,996)	(278,947)	(176,794)	(294,464)	(266,282)
<b>Net Income</b>	<b>(411,661)</b>	<b>(285,220)</b>	<b>(1,909,035)</b>	<b>(2,749,444)</b>	<b>(1,962,885)</b>	<b>(1,913,298)</b>	<b>(1,139,208)</b>	<b>(830,867)</b>	<b>(4,737,154)</b>	<b>(1,468,065)</b>	<b>(4,059,093)</b>	<b>(2,568,209)</b>	<b>(2,530,040)</b>
<b>Operating Margin %</b>	<b>-5.5%</b>	<b>-2.6%</b>	<b>-13.1%</b>	<b>-12.3%</b>	<b>-11.7%</b>	<b>-8.1%</b>	<b>-6.3%</b>	<b>-5.6%</b>	<b>-13.6%</b>	<b>-7.0%</b>	<b>-19.9%</b>	<b>-13.5%</b>	<b>-11.3%</b>
<b>Operating EBIDA</b>	<b>(149,274)</b>	<b>363,307</b>	<b>(1,585,362)</b>	<b>(1,566,311)</b>	<b>(1,218,831)</b>	<b>(780,814)</b>	<b>(595,854)</b>	<b>(371,518)</b>	<b>(1,816,516)</b>	<b>(646,624)</b>	<b>(3,149,752)</b>	<b>(1,704,908)</b>	<b>(1,601,644)</b>
<b>Operating EBIDA %</b>	<b>-0.7%</b>	<b>1.6%</b>	<b>-8.2%</b>	<b>-7.7%</b>	<b>-6.6%</b>	<b>-3.7%</b>	<b>-2.8%</b>	<b>-1.8%</b>	<b>-9.5%</b>	<b>-3.2%</b>	<b>-15.9%</b>	<b>-9.4%</b>	<b>-7.8%</b>
<b>EBIDTA</b>	<b>709,283</b>	<b>835,520</b>	<b>(802,454)</b>	<b>(1,649,698)</b>	<b>(862,978)</b>	<b>(824,386)</b>	<b>(345,129)</b>	<b>92,485</b>	<b>(3,595,806)</b>	<b>(423,029)</b>	<b>(3,083,372)</b>	<b>(1,530,224)</b>	<b>(1,524,389)</b>
<b>EBDITA Margin</b>	<b>3.5%</b>	<b>3.8%</b>	<b>-4.2%</b>	<b>-8.1%</b>	<b>-4.7%</b>	<b>-3.9%</b>	<b>-1.6%</b>	<b>0.5%</b>	<b>-18.9%</b>	<b>-2.1%</b>	<b>-15.6%</b>	<b>-8.4%</b>	<b>-7.4%</b>
<b>Key Stats</b>													
Days in Month	31	31	30	31	30	31	31	28	31	30	31	30	31
Adj Factor	2.41	2.38	2.41	2.57	2.41	2.43	2.28	2.38	2.44	2.48	2.57	2.70	2.66
Discharges	520	589	525	581	526	587	585	553	536	552	543	443	533
Patient Days	2,482	2,522	2,379	2,291	2,335	2,487	2,372	2,292	2,150	2,109	2,001	1,958	1,998
LOS	4.77	4.28	4.53	3.94	4.44	4.24	4.05	4.14	4.01	3.82	3.69	4.42	3.75
Adjusted Days	5,984	5,991	5,732	5,884	5,635	6,048	5,413	5,449	5,235	5,240	5,152	5,289	5,316
Adjusted Discharges	1,254	1,399	1,265	1,492	1,269	1,428	1,335	1,315	1,305	1,372	1,398	1,197	1,418
<b>Per Adjusted Day</b>													
Net Revenue/APD	3,303	3,656	3,286	3,403	3,201	3,373	3,878	3,650	3,615	3,745	3,749	3,371	3,817
SWB+CL/APD	2,002	2,082	2,018	2,121	2,012	2,035	2,442	2,113	2,329	2,341	2,432	2,184	2,423
Salary+CL/APD	1,652	1,722	1,757	1,689	1,741	1,685	1,842	1,686	1,828	1,882	1,970	1,803	1,984
Supply Cost/APD	566	640	685	725	558	667	639	687	629	693	842	617	702
Other Expense/APD	497	589	545	480	544	504	585	560	575	515	645	578	635
<b>Per Adjusted Discharge</b>													
Net Revenue/Adj DC	15,767	15,655	14,889	13,418	14,211	14,290	15,723	15,127	14,498	14,309	13,816	14,899	14,308
SWB+CL/Adj DC	9,557	8,915	9,146	8,362	8,932	8,623	9,903	8,759	9,344	8,945	8,963	9,652	9,082
Salary+CL/Adj DC	7,887	7,372	7,964	6,660	7,727	7,140	7,469	6,990	7,333	7,191	7,260	7,969	7,435
Supply Cost/Adj DC	2,701	2,739	3,104	2,857	2,479	2,826	2,590	2,846	2,523	2,650	3,103	2,726	2,633
Other Expense/Adj DC	2,374	2,521	2,470	1,892	2,416	2,135	2,373	2,323	2,305	1,966	2,379	2,556	2,379
<b>Pct of Net Revenue</b>													
SWB	60.6%	56.9%	61.4%	62.3%	62.9%	60.3%	63.0%	57.9%	64.4%	62.5%	64.9%	64.8%	63.5%
Supplies	17.1%	17.5%	20.8%	21.3%	17.4%	19.8%	16.5%	18.8%	17.4%	18.5%	22.5%	18.3%	18.4%
Other Expense	15.1%	16.1%	16.6%	14.1%	17.0%	14.9%	15.1%	15.4%	15.9%	13.7%	17.2%	17.2%	16.6%
Bad Debt & Charity	5.7%	2.8%	5.9%	3.5%	7.3%	4.8%	4.0%	0.2%	5.3%	4.8%	2.1%	5.3%	2.8%
<b>FTE's</b>													
Total Salary FTE's	921.89	901.11	905.73	900.32	907.34	917.92	916.71	910.57	885.98	918.78	852.42	857.97	851.49
Total Contract FTE's	96.03	108.38	77.59	74.82	51.12	61.26	51.80	69.53	52.32	76.44	58.04	27.23	56.84
Total Facility Paid FTE's	1,017.92	1,009.49	983.32	975.14	958.46	979.18	968.50	980.10	938.30	995.21	910.47	885.20	908.33
Paid FTE per AOB	5.27	5.22	5.15	5.14	5.10	5.02	5.55	5.04	5.56	5.70	5.48	5.02	5.30
Average Hourly Rate	\$ 54.83	\$ 57.69	\$ 59.76	\$ 57.53	\$ 59.70	\$ 58.77	\$ 58.12	\$ 58.60	\$ 57.58	\$ 57.96	\$ 63.10	\$ 63.01	\$ 65.71
Employed Avg Hourly R	\$ 48.97	\$ 51.55	\$ 51.46	\$ 50.86	\$ 54.68	\$ 53.53	\$ 51.05	\$ 51.70	\$ 52.15	\$ 50.58	\$ 55.93	\$ 52.62	\$ 59.47

**Bay Area Hospital**  
**Balance Sheet (Including Foundation)**  
**7/31/2025**

	<u>Jul-25</u>	<u>Preliminary Jun-25</u>	<u>Audited Jun-24</u>
<b>Assets And Deferred Outflows Of Resources</b>			
Current Assets			
Cash & Cash Equivalents	10,709,504	9,388,266	10,815,033
Accounts Receivable (Net)	25,666,273	26,086,475	28,459,041
Inventory	5,315,041	5,330,425	5,131,308
Other Current Assets	9,120,392	8,174,998	7,400,592
Total Current Assets	50,811,210	48,980,164	51,805,974
Assets Limited As to Use	32,449,639	32,402,288	47,940,908
Capital Assets			
Depreciable Capital Assets (Net)	61,525,067	62,170,275	69,238,682
Nondepreciable Capital Assets	2,426,683	2,369,704	1,410,340
Total Capital Assets (Net)	63,951,750	64,539,978	70,649,022
Leases and Subscriptions (Net)	2,892,112	2,986,273	9,455,681
Other Non Current Assets	820,446	820,446	684,051
<b>Total Assets</b>	<b>150,925,158</b>	<b>149,729,150</b>	<b>180,535,634</b>
Deferred Outflows Of Resources	9,489,130	9,489,130	9,489,130
<b>Total Assets And Deferred Outflows</b>	<b>160,414,288</b>	<b>159,218,280</b>	<b>190,024,764</b>
<b>Liabilities, Deferred Inflows of Resources, And Net Position</b>			
Current Liabilities			
Accounts Payable	(7,829,011)	(7,641,440)	(9,869,356)
Accrued Liabilities			
Payroll, payroll taxes, withholdings	(5,120,886)	(4,414,629)	(4,234,648)
Paid Time Off	(5,468,094)	(5,407,083)	(5,770,522)
Other	(9,252,181)	(6,397,822)	(6,483,501)
3rd Party Settlements Payable (net)	(5,781,639)	(5,706,639)	(3,750,353)
Long-Term Obligations - Current Portion	(2,508,447)	(2,508,447)	(3,551,281)
Deferred Revenue	0	0	0
Total Current Liabilities	(35,960,258)	(32,076,060)	(33,659,662)
Long Term Obligations (Net of Current Portion)	(45,295,715)	(45,481,529)	(49,503,478)
Other Noncurrent Liabilities	(3,138,612)	(3,138,612)	(3,010,944)
Net Pension Liability	(3,332,177)	(3,304,177)	(3,652,580)
<b>Total Liabilities</b>	<b>(87,726,762)</b>	<b>(84,000,378)</b>	<b>(89,826,663)</b>
Deferred Inflows Of Resources	(11,397,373)	(11,397,373)	(11,397,373)
Inter Fund Payables/Receivables	4,363	4,027	
<b>Total Liabilities &amp; Deferred Cash Inflows</b>	<b>(99,119,772)</b>	<b>(95,393,723)</b>	<b>(101,224,036)</b>
Net Position	(63,824,557)	(88,800,728)	(93,761,140)
Net Income/Loss	2,530,040	24,976,171	4,960,412
<b>Total Liabilities, Deferred Inflows, Net Position</b>	<b>(160,414,288)</b>	<b>(159,218,280)</b>	<b>(190,024,764)</b>


**Bay Area Hospital**  
**Statement of Cash Flows**  
**July 2025**

	<b><u>Current Month</u></b>	<b><u>Year to Date</u></b>
<b>Cash flows from operating activities:</b>		
Excess of revenues over expenses	(2,530,040)	(2,530,040)
Adjustment to reconcile excess of revenues over expenses to net cash provided by operating expenses:		
Depreciation & Amortization	739,369	739,369
Loss (gain) on disposal of property, plant & equipment	0	0
Receivables	420,202	420,202
Inventory of supplies	15,384	15,384
Other current assets	(945,394)	(945,394)
Net Pension Asset and Liability	28,000	28,000
Other non current assets	0	0
Accounts Payable	187,571	187,571
Estimated 3rd Party Settlements	75,000	75,000
Other current liabilities	3,621,627	3,621,627
Other noncurrent liabilities	0	0
Deferred Revenue	0	0
Net cash provided by operating activities	<u>1,611,719</u>	<u>1,611,719</u>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant & equipment	(56,979)	(56,979)
Change in Value of Investments	(47,352)	(47,352)
Transfer Investments to Cash		0
Net cash provided by investing activities	<u>(104,331)</u>	<u>(104,331)</u>
<b>Cash flows from financing activities:</b>		
Deferred Inflows/Outflows of Resources/Interfund	(336)	(336)
Debt/Subscription Principle Payments	(185,814)	(185,814)
Increase in Capital Lease Obligations		0
Business Asset Disposal Gain/Loss		0
Net cash provided by financing activities	<u>(186,150)</u>	<u>(186,150)</u>
<b>Net increase (decrease) in cash</b>	<u>1,321,239</u>	<u>1,321,239</u>
<b>Beginning Cash Balance</b>	<u>9,388,266</u>	<u>9,388,266</u>
<b>Ending Cash Balance</b>	<u>10,709,504</u>	<u>10,709,504</u>

Bay Area Hospital  
Compliance Certification  
as of July 2025

	TTM Sep-24	TTM Dec-24	TTM Mar-25	Preliminary TTM Jun-25	TTM Jul-25
<b>A&amp;D. Income Available for Debt Service (Quarterly)</b>					
Excess Revenue over Expenses	\$ (5,495,412)	\$ (12,852,178)	\$ (19,099,626)	\$ (46,442,102)	\$ (48,560,481)
Add:					
Interest Expense	\$ 2,339,585	\$ 2,225,235	\$ 2,139,060	\$ 2,354,563	\$ 2,442,690
Depreciation	\$ 11,556,031	\$ 11,416,116	\$ 10,919,991	\$ 10,199,790	\$ 9,996,371
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	\$ (5,442,645)	\$ (2,260,096)	\$ (3,192,340)	\$ (3,175,478)	\$ (2,531,956)
(Gains) or Losses - M2M derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Non-recurring - Consultant, Severance, and Legal Fees	\$ 2,516,888	\$ 1,916,405	\$ -	\$ -	\$ -
<b>(D.1) Income Available for Debt Service</b>	<b>\$ 5,474,448</b>	<b>\$ 445,482</b>	<b>\$ (9,232,915)</b>	<b>\$ (37,063,226)</b>	<b>\$ (38,653,376)</b>
<b>(A.2) Debt Service Requirements (MADS)</b>	<b>\$ 3,904,267</b>	<b>\$ 3,904,267</b>	<b>\$ 3,904,267</b>	<b>\$ 3,904,267</b>	<b>\$ 3,904,267</b>
<b>(A.3) Ratio of Line D.1 to Line A.2</b>	<b>1.40</b>	<b>0.11</b>	<b>(2.36)</b>	<b>(9.49)</b>	<b>(9.90)</b>
<b>(D.2) Line D.1 must not be less than</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>
<b>(D.3) Borrower is in Compliance (Yes/No)</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>B.1 Days Cash on Hand (Monthly)</b>					
Cash & Equivalents	\$ 9,603,221	\$ 10,298,563	\$ 9,093,507	\$ 9,388,266	\$ 10,709,504
Add: Marketable Securities/Board designated Funds	\$ 43,596,706	\$ 42,849,887	\$ 36,542,696	\$ 32,402,288	\$ 32,449,639
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	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cash &amp; Equivalents</b>	<b>\$ 53,199,926</b>	<b>\$ 53,148,450</b>	<b>\$ 45,636,202</b>	<b>\$ 41,790,553</b>	<b>\$ 43,159,144</b>
<b>B.2 Cash Operating Expenses</b>					
Total Operating Expenses	\$ 256,974,342	\$ 261,584,751	\$ 264,882,179	\$ 263,598,249	\$ 265,476,839
Add: Interest Expenses	\$ 2,339,585	\$ 2,225,235	\$ 2,139,060	\$ 2,354,563	\$ 2,442,690
Less: Depreciation & Amortization	\$ 11,556,031	\$ 11,416,116	\$ 10,919,991	\$ 10,199,790	\$ 9,996,371
Less: Non-cash expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Losses on refinancing debt	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Provision for uncollectable accounts	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Cash Operating Expenses</b>	<b>\$ 247,757,896</b>	<b>\$ 252,393,870</b>	<b>\$ 256,101,248</b>	<b>\$ 255,753,023</b>	<b>\$ 257,923,157</b>
<b>B.3 Line B2 divided by 365</b>	<b>\$ 678,789</b>	<b>\$ 691,490</b>	<b>\$ 701,647</b>	<b>\$ 700,693</b>	<b>\$ 706,639</b>
<b>B.4 Ratio of Line B.1 to Line B3</b>	<b>78</b>	<b>77</b>	<b>65</b>	<b>60</b>	<b>61</b>
<b>B.5 Line B.4 must not be less than</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
<b>B.6 Borrower is in Compliance (Yes/No)</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>C.1 Unrestricted Liquid Funds (Monthly)</b>					
Cash & Equivalents	\$ 9,603,221	\$ 10,298,563	\$ 9,093,507	\$ 9,388,266	\$ 10,709,504
Add: Marketable Securities/Board designated Funds	\$ 43,596,706	\$ 42,849,887	\$ 36,542,696	\$ 32,402,288	\$ 32,449,639
<b>Unrestricted Liquid Funds</b>	<b>\$ 53,199,926</b>	<b>\$ 53,148,450</b>	<b>\$ 45,636,202</b>	<b>\$ 41,790,553</b>	<b>\$ 43,159,144</b>
<b>C.2 Line C.1 must not be less than</b>	<b>\$ 45,000,000</b>	<b>\$ 45,000,000</b>	<b>\$ 45,000,000</b>	<b>\$ 45,000,000</b>	<b>\$ 45,000,000</b>
<b>C.3 Borrower is in Compliance (Yes/No)</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>

Signature of Bay Area Hospital:

Name:   
Title: CFO  
Date: 8.20.25

Bay Area Hospital

Accounts Receivable Reserves Trend - July 2025

	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	2025	2025	2025	2025
	JUN-Audited	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	June - Prelim	JULY
Gross Accounts Receivable Allowances (ALL)	72,023,528 (42,739,413)	81,246,343 (52,330,006)	86,052,486 (50,588,600)	81,084,656 (48,231,855)	71,429,050 (41,436,583)	70,875,603 (41,354,346)	64,774,618 (34,589,406)	63,241,779 (32,994,981)	57,984,659 (28,769,962)	58,666,428 (30,104,696)	55,711,176 (27,895,165)	53,896,384 (26,581,198)	56,483,284 (33,863,152)	54,093,305 (28,129,959)
Net Accounts Receivable	29,284,115	28,916,338	35,463,885	32,852,801	29,992,467	29,521,257	30,185,212	30,246,798	29,214,696	28,561,733	27,816,011	27,315,186	22,620,131	25,963,346
Accounts Receivable Net to Gross	40.7%	35.6%	41.2%	40.5%	42.0%	41.7%	46.6%	47.8%	50.4%	48.7%	49.9%	50.7%	40.0%	48.0%