



Bay Area Hospital District Joint Board and Finance Committee Meeting Agenda

September 15, 2026 @ Bay Area Hospital, Myrtle Conference Room

TIME

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|--|--------------------|-----------------------------------|
| <hr/> | | |
| 5:00 Call to Order | | Simon Alonzo, Chairperson |
| <ul style="list-style-type: none">Public Input—3 minutes per speaker | | |
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| 5:02 Patient Success Story | | Simon Alonzo, Chairperson |
| <hr/> | | |
| 5:20 Consent Agenda | ACTION ITEM | Simon Alonzo, Chairperson |
| <ul style="list-style-type: none">Minutes of BOD/Finance meetingApproved Minutes of MEC meetingApproved Minutes of QPSC meeting | | |
| <hr/> | | |
| 5:25 Radio Pharmaceutical Program PLUVICTO | | Jared Carter and Dr. Gay |
| <hr/> | | |
| 5:45 Report of the Chief Executive Officer | | Gretchen Nichols, CEO |
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| 5:55 Quality and Patient Safety Committee Report (QPSC) | | Patrice Parrott, Secretary |
| <ul style="list-style-type: none">Executive Summary | | |
| <hr/> | | |
| 6:10 Finance Committee Meeting | | Kyle Stevens, Treasurer |
| <ul style="list-style-type: none">Financial UpdateAction on Capital Requests<ul style="list-style-type: none">Cath Lab ACTION ITEMCT Scanner ACTION ITEM | | |
| <hr/> | | |
| 6:45 Nurse Staffing | | Jennifer Culbertson, CNO |
| <hr/> | | |
| 7:00 Executive Session ORS 192.660(2) | | |
| <ul style="list-style-type: none">Medical Executive Committee (MEC) ReportMedical Staff ReportCEO Evaluation<ul style="list-style-type: none"><i>(c) to consider matters pertaining to the function of the medical staff at a public hospital</i><i>(f) to consider information or records that are exempt by law from public inspection</i><i>(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.</i> | | |

7:20 Board Actions**Simon Alonzo, Chairperson**

- Medical Executive Committee (MEC) Report **ACTION ITEM**
- Medical Staff Report **ACTION ITEM**
- **Chairperson and Board Member Comments**

7:30 Adjourn – next regular meeting - Tuesday, October 13, 2026

**BAY AREA HOSPITAL DISTRICT
JOINT BOARD OF DIRECTORS AND FINANCE COMMITTEE MEETING
August 18, 2026**

CALL TO ORDER

Board Chair called the Joint Meeting of the Bay Area Hospital District Board of Directors and Finance Committee to order at 5:00 pm.

PUBLIC COMMENT

No public comments were received.

PATIENT SUCCESS STORY

A letter of appreciation from the Frederickson family was shared with the Board. The family expressed gratitude for the compassionate care provided to their father during end-of-life care in June. The family specifically recognized nursing staff, physicians, nursing assistants, environmental services staff, and emergency department personnel for their professionalism, kindness, and support.

CONSENT AGENDA

The Board reviewed the Consent Agenda.

Action Taken by the Board:

A motion was made and seconded to approve the Consent Agenda. The motion carried unanimously.

PATIENT EXPERIENCE REPORT

Leadership presented patient experience performance data and ongoing improvement initiatives.

Highlights included:

- Acute care patient recommendation scores improved from the 6th percentile to the 22nd percentile for the month of June.
- Ambulatory surgery achieved performance in the 79th percentile for June.
- Emergency Department patient experience scores continued to improve through focused leadership and provider engagement.
- Leadership identified opportunities to improve survey participation through implementation of electronic survey distribution methods.

Additional patient experience initiatives discussed included:

- Charge nurse rounding improvements
- Bedside shift report compliance
- Leadership rounding expectations
- Development of RN/MD rounding processes
- Weekend and evening leadership rounding efforts

No Board action was required.

NURSING AND QUALITY INITIATIVES

The Board received updates regarding several patient care improvement projects, including:

Atlas Medication Assistance Program

Leadership reported that 87 patient medication assistance awards had been granted through the program to date.

Specialty Pharmacy

Leadership reported that the Specialty Pharmacy had opened and was beginning operations through a phased implementation process. Initial prescriptions were being processed while inventory development continued.

Professional Practice Initiatives

Updates included:

- Expansion of Unit-Based Councils outside nursing departments
- Development of a Perinatal Substance Use Initiative with a September 1 kickoff date
- Continued implementation of Right Patient, Right Bed initiatives
- Deployment planning for Epic Deterioration Index utilization
- Progress toward the FY27 Quality Improvement goals

No Board action was required.

CEO REPORT

The Chief Executive Officer provided updates regarding strategic initiatives and operational priorities.

Strategic Initiatives

Updates included:

- Epic transition planning activities
- Progress on the Cascade Region Clinically Integrated Network
- Development planning for a second cardiac catheterization laboratory
- Foundation fundraising activities
- Ratification of the UFCW labor contract
- Resolution of Oregon Health Authority corrective action requirements
- Oregon OSHA review activities within the Acute Psychiatric Unit
- Psychiatric provider recruitment and telepsychiatry coverage implementation
- Medical Staff Bylaw modernization efforts regarding advanced practice providers

No Board action was required.

CATHETERIZATION LAB EXPANSION DISCUSSION

Leadership presented preliminary information regarding the proposed cardiac catheterization laboratory expansion project.

Discussion included:

- Growth in interventional cardiology and interventional radiology volumes.
- Life-saving interventions recently performed through the interventional radiology program.
- Current facility and equipment limitations.

- Proposal to construct a second catheterization laboratory and renovate the existing laboratory.
- Estimated project cost of approximately \$5.7 million.
- Potential congressional funding opportunities and community fundraising strategies.

Formal project approval was deferred pending future review of financial analysis and project recommendations.

RISK MANAGEMENT REPORT

A Risk Management update was presented by Quinny Myers, Risk Manager.

Topics discussed included:

- Root Cause Analysis processes and safety event review procedures.
- Event reporting trends.
- Peer review activities.
- Grievance management.
- Professional liability claims activity.
- Insurance and tort cap protections.
- Workplace violence prevention initiatives.
- Implementation of Gracie Medical Defense training.
- Security event reporting and workplace safety monitoring.

No Board action was required.

RESOLUTION NO. 2026-08-18

MORGAN STANLEY BANKING AUTHORITY

The Board considered a resolution authorizing designated representatives to act on behalf of the District in matters relating to Morgan Stanley banking relationships.

Action Taken by the Board:

A motion was made and seconded to approve Resolution No. 2026-08-18, authorizing Gretchen Nichols and Patrick Banks as authorized representatives of the District for Morgan Stanley banking purposes.

The motion carried unanimously.

QUALITY AND PATIENT SAFETY COMMITTEE REPORT

The Board received the Quality and Patient Safety Committee report.

Topics reviewed included:

- Serious safety events and Root Cause Analyses.
- Patient experience performance.
- Corrective action plans.
- Pain reassessment compliance.
- Blood culture contamination rates.
- Tracer program activities and regulatory readiness.

FINANCE COMMITTEE REPORT

The Chief Financial Officer presented the July financial report.

Highlights included:

- July operating margin of approximately \$86,000.
- Improved financial performance compared to July 2025.
- Favorable performance within the cardiac catheterization laboratory.
- Continued reductions in contract labor utilization.
- Stable cash position with approximately 63 days cash on hand.
- Early indicators suggesting improved payer mix and financial performance for August.

No Board action was required.

MEDICAL STAFF REPORT

Action Taken by the Board:

A motion was made and seconded to approve the Medical Staff Report.

The motion carried unanimously.

CREDENTIALING AND PRIVILEGING REPORT

Action Taken by the Board:

A motion was made and seconded to approve the Credentialing and Privileging Report.

The motion carried unanimously.

BOARD MEMBER COMMENTS

Board members:

- Expressed appreciation to executive leadership for organizational progress.
- Recognized leadership efforts in successfully completing UFCW negotiations.
- Acknowledged legislative accomplishments related to House Bill 4075.
- Thanked outgoing leaders and staff for their contributions and service.

EXECUTIVE SESSION

The Board entered Executive Session pursuant to applicable Oregon Revised Statutes as announced by legal counsel.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:16 pm.

The logo graphic for Bay Area Hospital features a series of overlapping, wavy bands in various shades of blue and teal, creating a sense of motion and depth. The bands are layered, with some appearing more prominent than others, and they curve across the top of the page.

BAY AREA HOSPITAL

Unaudited Financial Statements

for

Period ending August 31, 2026

Prepared
Thursday, September 10, 2026

Finance Committee Chair
Kyle Stevens

Chief Financial Officer
Patrick Banks

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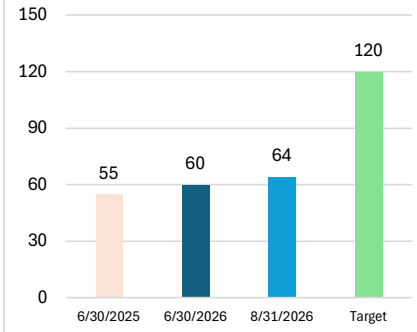
BAY AREA HOSPITAL

MONTH END:8/31/2026

BALANCE SHEET

	YTD 8/31/2026	Prior FYE 6/30/2026
ASSETS		
Current Assets	\$ 60,700,357	\$ 56,747,947
Investments	28,605,193	28,485,325
Capital Assets (Net)	57,451,123	57,971,456
Other Assets	8,291,444	8,540,259
Total Unrestricted Assets	\$ 155,048,117	\$ 151,744,987
Defined Benefit Pension Asset	3,207,625	3,207,625
Total Assets	\$ 158,255,742	\$ 154,952,612
LIABILITIES & NET POSITION		
Current Liabilities	\$ 41,782,281	\$ 38,099,888
Long-Term Debt	43,980,671	44,382,704
Other Long-Term Liabilities	13,552,115	13,482,446
Total Liabilities	\$ 99,315,066	\$ 95,965,037
Net Position	58,940,676	58,987,576
Total Liabilities & Net Position	\$ 158,255,742	\$ 154,952,613

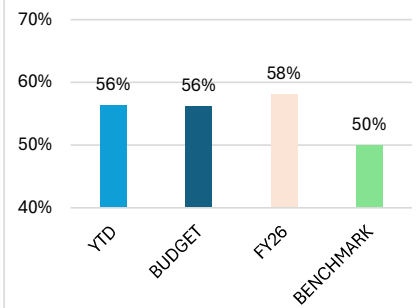
Days Cash On Hand



STATEMENT OF REVENUE AND EXPENSES - YTD

	MONTH OF 8/31/2026		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Gross Patient Revenues	\$ 84,244,481	\$ 84,950,120	\$ 171,280,670	\$ 169,900,453
Deductions From Revenue	(63,189,432)	(63,494,147)	(128,680,074)	(127,050,453)
Bad Debt & Charity Write-Offs	(1,066,200)	(1,361,827)	(2,057,595)	(2,723,654)
Net Patient Revenues	\$ 19,988,849	\$ 20,094,146	\$ 40,543,000	\$ 40,126,346
Other Operating Revenues	1,307,980	2,174,575	2,242,042	4,349,506
Total Operating Revenues	\$ 21,296,830	\$ 22,268,721	\$ 42,785,042	\$ 44,475,852
Salaries, Benefits & Contr. Lbr	\$ 11,447,869	\$ 11,307,661	\$ 22,850,230	\$ 22,538,102
Purchased Serv & Phys Fees	3,574,693	3,951,747	7,651,756	7,918,460
Supplies	3,832,330	4,010,859	7,476,631	8,020,129
Other Operating Expenses	1,612,587	2,195,782	3,175,336	4,391,451
Depreciation	713,655	702,020	1,428,967	1,404,897
Total Expenses	\$ 21,181,133	\$ 22,168,070	\$ 42,582,921	\$ 44,273,039
Net Operating Surplus (Loss)	\$ 115,696	\$ 100,651	\$ 202,122	\$ 202,813
Non-Operating Income (Expense)	(39,020)	(135,642)	(249,018)	(271,285)
TOTAL NET SURPLUS (LOSS)	\$ 76,676	\$ (34,991)	\$ (46,896)	\$ (68,472)

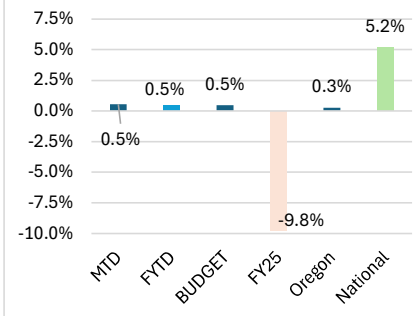
Compensation Costs %



KEY STATISTICS AND RATIOS

	8/31/2026		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Total Discharges	539	565	1,038	1,130
Acute ALOS (Non-Psych)	3.76	3.74	3.82	3.74
Emergency Room Visits	2,608	2,556	5,186	5,132
Total Outpatient Visits	11,199	11,124	22,807	22,248
Operating Room Cases	265	311	517	622
Cath Lab Cases	116	130	245	260
Total Worked FTEs	758	765	746	765
Total Paid FTEs	857	863	843	863
EBIDA	5.1%	4.1%	4.5%	4.2%
Adjusted EBIDA	5.5%	4.5%	4.9%	4.5%
Current Ratio	1.5	n/a	1.5	n/a
Total Adult ADC	63.0	66.9	62.3	66.9

Operating Margins



BAY AREA HOSPITAL

MONTH END: 8/31/2026

	Year to Date 8/31/2026	Prior FYE 6/30/2026
Profitability:		
Operating Margin	0.5%	-1.6%
Total Net Surplus (Loss) Margin	-0.1%	-2.1%
EBIDA Margin	4.5%	2.6%
Deductions from Revenue Percentage	76.3%	71.2%
Outpatient Factor	2.78	2.68
Liquidity:		
Days Cash On Hand, All Sources	64	60
Net Days in Accounts Receivable	41	42
Average Payment Period	28	25
Current Ratio	1.45	1.50
Capital Structure:		
Age of Plant (Annualized, in Years)	18.35	15.94
Debt to Assets Ratio	0.82	0.82
Debt Service Coverage Ratio	2.16	2.08
Productivity and Efficiency:		
Worked FTE/AOB	4.33	4.31
Paid FTE/AOB	4.90	4.87
SWB & Contr. Labor as a % of Net Patient Revenue	56%	58%
Salary Expense per Paid FTE (annualized)	\$134,134	\$169,007
Supply Expense Per Adj Discharge	\$2,851	\$2,939
Bad Debt Write-off %	0.96%	0.78%
Charity Care Write-off %	0.24%	0.40%
Other Ratios:		
Gross Days in Accounts Receivable	48.92	48.92
Net Revenue per Adjusted Discharge	\$14,836	\$14,960
Operating Expense per Adjusted Discharge	\$14,766	\$15,203

BAY AREA HOSPITAL

MONTH END: 8/31/2026

Current Month				Year-To-Date				
Actual	Budget	Variance	Prior Year	STATISTICS	Actual	Budget	Variance	Prior Year
8/31/2026	8/31/2026		8/31/2025	Discharge	8/31/2026	8/31/2026		8/31/2025
464	491	(27)	512	Medical, Surgical, ICU, and IMCU	900	982	(82)	1,015
22	28	(6)	24	Psychiatric	44	56	(12)	47
486	519	(33)	536	Total Adult Discharges	944	1,038	(94)	1,062
53	46	7	61	Newborn	94	92	2	107
539	565	(26)	597	Total Discharges	1,038	1,130	(92)	1,169
				Patient Days				
1,745	1,837	(92)	1,740	Medical, Surgical, ICU, and IMCU	3,438	3,674	(236)	3,534
208	238	(30)	232	Psychiatric	426	476	(50)	431
1,953	2,075	(122)	1,972	Total Adult Patient Days	3,864	4,150	(286)	3,965
85	92	(7)	104	Newborn	157	184	(27)	189
2,038	2,167	(129)	2,076	Total Patient Days	4,021	4,334	(313)	4,154
				Average Length of Stay (ALOS)				
3.76	3.74	0.02	3.40	Medical, Surgical, ICU, and IMCU	3.82	3.74	0.08	3.48
9.45	8.50	0.95	9.67	Psychiatric	9.68	8.50	1.18	9.17
4.02	4.00	0.02	3.68	Total Adult ALOS	4.09	4.00	0.10	3.73
1.60	2.00	(0.40)	1.70	Newborn ALOS	1.67	2.00	(0.33)	1.77
				Average Daily Census (ADC)				
56	59	(3)	56	Medical, Surgical, ICU, and IMCU	55	59	(4)	57
7	8	(1)	7	Psychiatric	7	8	(1)	7
63	67	(4)	64	Total Adult ADC	62	67	(5)	64
3	3	(0)	3	Newborn	3	3	(0)	3
				Emergency Room Statistics				
460	423	37	404	ER Visits - Admitted	832	846	(14)	792
2,118	2,143	(25)	2,213	ER Visits - Discharged	4,354	4,286	68	4,412
2,608	2,556	52	2,587	Total ER Visits	5,186	5,132	54	5,204
17.64%	16.55%	1.09%	15.62%	% of ER Visits Admitted	16.04%	16.48%	(0.44%)	15.22%
94.65%	81.50%	13.15%	75.37%	ER Admissions as a % of Total Admissions	88.14%	81.50%	6.63%	74.58%
				Other Statistics				
11,199	11,124	75	11,129	Total Outpatients Visits	22,807	22,248	559	22,707
215	105	110	118	Observation Bed Days	345	210	135	194
2,192	2,340	(148)	2,197	Clinic Visits - Specialty Clinics	4,615	4,680	(65)	4,483
85	93	(8)	93	IP Surgical Cases	164	186	(22)	196
180	218	(38)	205	OP Surgical Cases	353	436	(83)	429
116	130	(14)	142	Cath Lab Cases	245	260	(15)	279
				Productivity Statistics				
737	731	6	770	FTE Worked (Excluding Providers)	725	731	(6)	771
833	826	7	870	FTE Paid (Excluding Providers)	819	826	(7)	872
21	34	(13)	33	FTE Worked (Providers)	21	34	(13)	33
24	37	(13)	36	FTE Paid (Providers)	24	37	(13)	36
1.6198	1.5953	0.0245	1.5918	Case Mix Index - Medicare	1.6198	1.5953	0.0245	1.5918
1.4430	1.5832	(0.1402)	1.5469	Case Mix Index - All Payers	1.4430	1.5832	(0.1402)	1.5469

BAY AREA HOSPITAL

MONTH END:8/31/2026

Month to Date							
	8/31/2026	Budget	Variance	Var %	8/31/2025	Variance	Var %
Gross Patient Revenue							
Inpatient Revenue	\$ 31,149,482	\$ 32,539,349	\$ (1,389,867)	-4.3%	\$ 25,712,601	\$ 5,436,881	21.1%
Outpatient Revenue	53,094,999	52,410,771	684,228	1.3%	40,825,879	12,269,120	30.1%
Total Gross Patient Revenue	\$ 84,244,481	\$ 84,950,120	\$ (705,639)	-0.8%	\$ 66,538,480	\$ 17,706,001	26.6%
Deductions	\$ 63,189,432	\$ 63,494,147	\$ 304,715	0.5%	\$ 46,951,840	\$ (16,237,592)	-34.6%
Bad Debt	885,697	789,828	(95,869)	-12.1%	390,753	(494,944)	-126.7%
Charity	180,503	571,999	391,496	68.4%	72,326	(108,177)	-149.6%
Total Deductions	\$ 64,255,632	\$ 64,855,974	\$ 600,342	0.9%	\$ 47,414,919	\$ (16,840,713)	-35.5%
Net Patient Revenue	\$ 19,988,849	\$ 20,094,146	\$ (105,297)	-0.5%	\$ 19,123,561	\$ 865,288	4.5%
Supplemental Payments	1,200,000	1,754,923	(554,923)	-31.6%	1,695,376	(495,376)	-29.2%
Other Oper Revenue	107,980	419,652	(311,672)	-74.3%	468,529	(360,548)	-77.0%
Total Net Revenue	\$ 21,296,830	\$ 22,268,721	\$ (971,892)	-4.4%	\$ 21,287,466	\$ 9,363	0.0%
Net to Gross Patitent Rev Ratio	23.7%	23.7%			28.7%		
Operating Expenses							
Salaries	\$ 8,425,650	\$ 8,284,857	\$ (140,793)	-1.7%	\$ 8,244,951	\$ (180,699)	-2.2%
Contract Labor	1,065,102	926,718	(138,384)	-14.9%	1,814,985	749,883	41.3%
Benefits	1,957,117	2,096,086	138,969	6.6%	2,767,300	810,183	29.3%
Physician & Prof Fee	1,564,085	1,657,073	92,988	5.6%	1,564,475	389	0.0%
Supplies	3,832,330	4,010,859	178,529	4.5%	3,479,092	(353,238)	-10.2%
Purchased Services	2,010,607	2,294,674	284,067	12.4%	2,049,830	39,223	1.9%
Leases/Rentals	21,492	25,354	3,862	15.2%	21,281	(211)	-1.0%
Depreciation	713,655	702,020	(11,634)	-1.7%	764,537	50,882	6.7%
Provider Tax Expense	1,212,000	1,759,066	547,066	31.1%	1,695,376	483,376	28.5%
Other Oper Expense	379,095	411,362	32,267	7.8%	132,771	(246,324)	-185.5%
Total Operating Expenses	\$ 21,181,133	\$ 22,168,070	\$ 986,937	4.5%	\$ 22,534,599	\$ 1,353,466	6.0%
Net Operating Income	\$ 115,696	\$ 100,651	\$ 15,045	14.9%	\$ (1,247,133)	\$ 1,362,829	-109.3%
Investment Income	92,238	70,000	22,238	31.8%	197,536	(105,298)	-53.3%
Other Nonop Inc(Exp)	162,865	51,024	111,841	219.2%	21,601	141,265	654.0%
Interest Expense	(294,123)	(256,667)	(37,457)	14.6%	(282,780)	(11,343)	4.0%
Net Surplus (Loss)	\$ 76,676	\$ (34,991)	\$ 111,667	-319.1%	\$ (1,310,776)	\$ 1,387,452	-105.8%

BAY AREA HOSPITAL

MONTH END: 8/31/2026

	Year to Date						
	8/31/2026	Budget	Variance	Var %	8/31/2025	Variance	Var %
Gross Patient Revenue							
Inpatient Revenue	\$ 61,651,431	\$ 65,078,698	\$ (3,427,267)	-5.3%	\$ 50,780,513	\$ 10,870,918	21.4%
Outpatient Revenue	109,629,239	104,821,755	4,807,484	4.6%	82,451,096	27,178,144	33.0%
Total Gross Patient Revenue	\$ 171,280,670	\$ 169,900,453	\$ 1,380,217	0.8%	\$ 133,231,608	\$ 38,049,061	28.6%
					0.00%		
Deductions	\$ 128,680,074	\$ 127,050,453	\$ (1,629,621)	-1.3%	\$ 94,459,315	\$ (34,220,759)	-36.2%
Bad Debt	1,651,038	1,579,656	(71,382)	-4.5%	545,604	(1,105,434)	-202.6%
Charity	406,557	1,143,998	737,441	64.5%	487,405	80,848	16.6%
Total Deductions	\$ 130,737,669	\$ 129,774,107	\$ (963,562)	-0.7%	\$ 95,492,324	\$ (35,245,345)	-36.9%
					0.00%		
Net Patient Revenue	\$ 40,543,000	\$ 40,126,346	\$ 416,654	1.0%	\$ 37,739,284	\$ 2,803,716	7.4%
Supplemental Payments	2,361,146	3,510,201	(1,149,055)	-32.7%	3,369,601	(1,008,455)	-29.9%
Other Oper Revenue	(119,104)	839,305	(958,409)	-114.2%	818,953	(938,057)	-114.5%
Total Net Revenue	\$ 42,785,042	\$ 44,475,852	\$ (1,690,809)	-3.8%	\$ 41,927,838	\$ 857,204	2.0%
<i>Net to Gross Ratio</i>	30.1%	29.6%			28.6%		
Operating Expenses							
Salaries	\$ 16,677,359	\$ 16,499,114	\$ (178,246)	-1.1%	\$ 17,190,903	\$ 513,543	3.0%
Contract Labor	1,885,812	1,853,436	(32,377)	-1.7%	3,412,835	1,527,023	44.7%
Benefits	4,287,059	4,185,553	(101,505)	-2.4%	5,102,481	815,423	16.0%
Physician & Prof Fee	3,141,285	3,304,563	163,278	4.9%	3,142,396	1,112	0.0%
Supplies	7,476,631	8,020,129	543,498	6.8%	7,213,252	(263,379)	-3.7%
Purchased Services	4,510,471	4,613,897	103,425	2.2%	4,288,374	(222,098)	-5.2%
Leases/Rentals	36,671	51,308	14,637	28.5%	37,569	897	2.4%
Depreciation	1,428,967	1,404,897	(24,069)	-1.7%	1,503,906	74,939	5.0%
Provider Tax Expense	2,384,758	3,517,129	1,132,371	32.2%	3,352,858	968,100	28.9%
Other Oper Expense	753,907	823,014	69,107	8.4%	271,410	(482,497)	-177.8%
Total Operating Expenses	\$ 42,582,921	\$ 44,273,039	\$ 1,690,119	3.8%	\$ 45,515,984	\$ 2,933,064	6.4%
Net Operating Income	\$ 202,122	\$ 202,813	\$ (691)	-0.3%	\$ (3,588,146)	\$ 3,790,268	-105.6%
Investment Income	150,217	140,000	10,217	7.3%	255,946	(105,729)	-41.3%
Other Nonop Inc(Exp)	164,744	102,049	62,695	61.4%	40,446	124,298	307.3%
Interest Expense	(563,980)	(513,333)	(50,646)	9.9%	(549,062)	(14,917)	2.7%
Net Surplus (Loss)	\$ (46,896)	\$ (68,472)	\$ 21,575	-31.5%	\$ (3,840,816)	\$ 3,793,919	-98.8%

BAY AREA HOSPITAL

MONTH END:8/31/2026

Assets And Deferred Outflows Of Resources	8/31/2026	7/31/2026	6/30/2026
Current Assets			
Cash & Cash Equivalents	\$ 13,110,575	\$ 8,814,394	\$ 10,815,007
Accounts Receivable, net	27,652,013	28,059,576	27,874,641
Inventory	4,776,357	4,698,213	4,709,190
Other Current Assets	15,161,412	14,013,215	13,349,110
Total Current Assets	\$ 60,700,357	\$ 55,585,399	\$ 56,747,947
Investments	\$ 28,605,193	\$ 28,527,300	\$ 28,485,325
Capital Assets			
Depreciable Capital Assets, net	\$ 54,940,143	\$ 55,495,051	\$ 56,046,266
Nondepreciable Capital Assets	2,510,980	2,134,794	1,925,190
Total Capital Assets, net	\$ 57,451,123	\$ 57,629,845	\$ 57,971,456
Leases and Subscriptions, net	\$ 4,430,348	\$ 4,594,095	\$ 4,757,842
Other Non Current Assets	3,861,096	3,791,256	3,782,417
Total Assets	\$ 155,048,117	\$ 150,127,895	\$ 151,744,987
Deferred Outflows Of Resources	3,207,625	3,207,625	3,207,625
Total Assets And Deferred Outflows	\$ 158,255,742	\$ 153,335,520	\$ 154,952,612
Liabilities, Deferred Inflows of Resources, And Net Position	8/31/2026	7/31/2026	6/30/2026
Current Liabilities			
Accounts Payable	\$ 9,443,355	\$ 6,926,689	\$ 7,484,533
Accrued Payroll and Payroll Taxes	2,926,281	1,998,398	4,761,098
Accrued Paid Time Off	5,210,445	5,192,467	5,225,436
Other Accrued Liabilities	15,193,153	13,686,193	11,849,189
3rd Party Settlements Payable, net	5,665,526	5,665,526	5,436,110
Current Portion of Long Term Obligations	3,343,522	3,343,522	3,343,522
Total Current Liabilities	\$ 41,782,281	\$ 36,812,794	\$ 38,099,888
Long Term Obligations, net of current portion	\$ 43,980,671	\$ 44,176,324	\$ 44,382,704
Other Noncurrent Liabilities	3,429,853	3,360,013	3,360,013
Net Pension Liability	0	0	0
Total Liabilities	\$ 89,192,805	\$ 84,349,131	\$ 85,842,605
Deferred Inflows Of Resources	\$ 10,138,074	\$ 10,138,074	\$ 10,138,074
Inter Fund Receivables (Payables)	(15,813)	(15,685)	(15,642)
Total Liabilities & Deferred Cash Inflows	\$ 99,315,066	\$ 94,471,520	\$ 95,965,037
Net Position	\$ 58,940,676	\$ 58,864,000	\$ 58,987,575
Total Liabilities, Deferred Inflows, Net Position	\$ 158,255,742	\$ 153,335,520	\$ 154,952,612

BAY AREA HOSPITAL

MONTH END:8/31/2026

	Month	Year to Date
Cash Flows from Operating Activities:		
Net Income / (loss)	\$ 76,676	\$ (46,896)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Change in Value of Investments	\$ (77,893)	\$ (119,868)
Depreciation & Amortization	713,655	1,428,967
Decreases (Increases) In:		
Receivables	407,563	222,628
Inventories of Supplies	(78,144)	(67,167)
Other Current Assets	(1,148,196)	(1,812,302)
Net Pension Asset and Liability	-	-
Other Noncurrent Assets	(69,840)	(78,679)
Increases (Decreases) In:		
Accounts Payable	2,516,666	1,958,821
Accrued Payroll and Payroll Taxes	927,883	(1,834,817)
Accrued Paid Time Off	17,978	(14,991)
Other Current Liabilities	1,506,960	3,343,964
Estimated 3rd Party Settlements	-	229,416
Other Noncurrent Liabilities	69,840	69,840
Net cash provided by operating activities	\$ 4,863,148	\$ 3,278,916
Cash flows from investing activities:		
Purchase of PP&E & Subscriptions	\$ (117,605)	\$ (252,618)
Leases and Other Subscription Arrangements in Capital	(253,581)	(328,525)
Transfers of Investments to Cash	-	-
Net cash provided by investing activities	\$ (371,186)	\$ (581,143)
Cash flows from financing activities:		
Changes in Interfund Payables/Receivables	\$ (128)	\$ (171)
Principle Payments on Debt and Leases	(195,653)	(402,033)
Net cash provided by financing activities	\$ (195,781)	\$ (402,204)
Net increase (decrease) in cash	\$ 4,296,181	\$ 2,295,569
Beginning Cash Balance	\$ 8,814,394	\$ 10,815,007
Ending Cash Balance	\$ 13,110,575	\$ 13,110,576

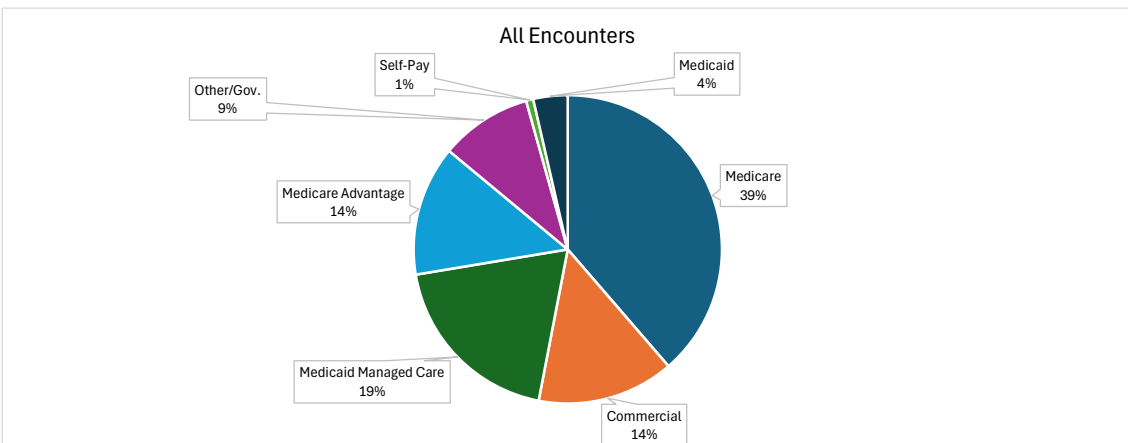
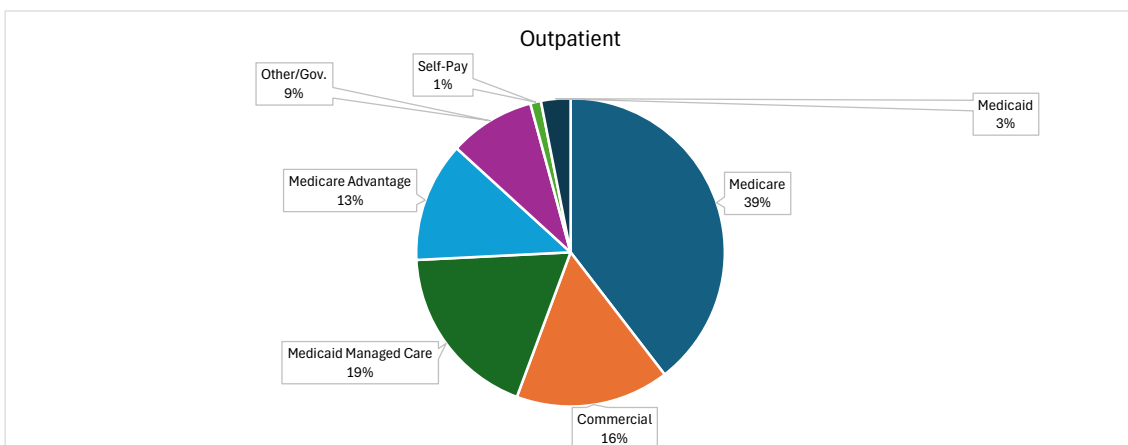
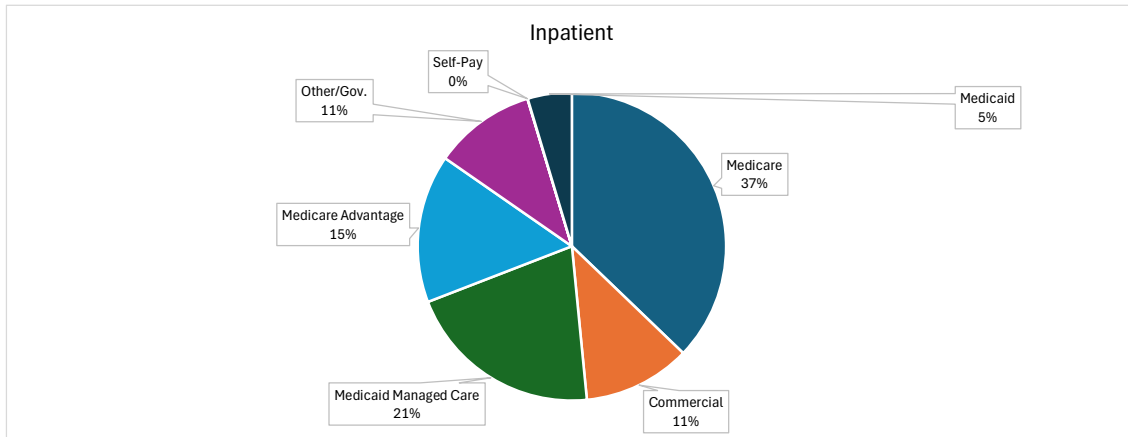
BAY AREA HOSPITAL

MONTH END: 8/31/2026

		Actual	Target
Net Days in Accounts Receivable		41.36	< 50
Gross Days in Unbilled Revenue - Discharges Not Final Billed		4.90	< 3.5
Gross Days in Credit Balances		0.58	< 1.0
Charity Care as a % of Gross Patient Revenue	Current Month	0.21%	~ 0%
	Year- To-Date	0.24%	~ 0%
Bad Debts as a % of Gross Patient Revenue	Current Month	1.05%	~ 1%
	Year- To-Date	0.96%	~ 1%
Collections as a Percentage of Net Patient Revenue	Current Month	103.25%	>= 100%
	Year- To-Date	100.37%	>= 100%
Percentage of Accounts Receivable > 90 Days	Medicare	9%	< 6%
	Commercial	19%	< 15%
	Medicare Advantage	25%	< 15%
	Advanced Health	9%	< 15%
	State Medicaid	16%	< 20%
	Other Payors	13%	< 25%
% of Claims Initially Denied - Partial or Zero Pay	Current Month	11.00%	< 3%
	Year- To-Date	10.40%	< 3%
% Denials Resolved	Current Month	98.30%	100%
% of Patient Responsibility Collected at Point of Service	Current Month	10.80%	20% or >
	Year- To-Date	9.50%	20% or >
Cost to Collect as a % of Cash Collections	Current Month	7.25%	< 5%
	Year- To-Date	7.47%	< 5%
Late Charges as a % of Total Charges	Current Month	4.13%	0%
	Year- To-Date	3.83%	0%
% of Insurance Registrations Verified	Current Month	97.60%	100%
	Year- To-Date	97.20%	100%
% of Accounts Pre-Authorized for Service	Current Month	98.50%	100%
	Year- To-Date	97.32%	100%

BAY AREA HOSPITAL

MONTH END: 8/31/2026



BAY AREA HOSPITAL

MONTH END: 7/31/2026

Current Month Purchases	Cost	Budgeted
26-007 Pevco Passport & Barcode (Inactive)	\$ 19,040	√
26-015 Prizm Cart System (Inactive)	\$ 32,467	√
26-021 PFT PC System	\$ 46,988	√
27-001 Urethrotome Set	\$ 8,823	√
27-003 Borescope	\$ 10,287	√
Capital Expenditure, Current Month	\$ 117,605	
Previously Purchased in Current Fiscal Year:		
24-121 UKG WorkForce Dimensions Impl.	\$ 61,518	√
26-022 GYNO Cart	\$ 10,269	√
26-024 Laproscopic Instrument	\$ 54,798	√
26-023 TeleDoc Cart	\$ 7,284	√
26-018 Teledoc Capital Lease	\$ 1,145	√
Capital Expenditure, Previously Purchased	\$ 135,014	
Total Capital Expenditure, Fiscal YTD	\$ 252,618	

BAY AREA HOSPITAL

MONTH END: 8/31/2026

CovenantStatus

1) TTM Income Available for Debt Service > \$5,000,000

\$ 10,318,773

2) Days Cash On Hand > 75

59.4

3) Unrestricted Liquid Funds > \$50,000,000

\$ 41,714,768

BAY AREA HOSPITAL

MONTH END: 8/31/2026

	Month to Date						
	8/31/2026	7/31/2026	6/30/2026	5/31/2026	4/30/2026	3/31/2026	2/28/2026
Gross Patient Revenue							
Inpatient Revenue	\$ 31,149,482	\$ 30,501,949	\$ 24,402,714	\$ 22,665,808	\$ 24,253,268	\$ 27,718,013	\$ 24,785,270
Outpatient Revenue	53,094,999	56,534,240	45,261,265	41,183,016	45,882,317	48,055,032	40,043,628
Total Gross Patient Revenue	\$ 84,244,481	\$ 87,036,189	\$ 69,663,979	\$ 63,848,824	\$ 70,135,585	\$ 75,773,045	\$ 64,828,898
Deductions							
Bad Debt	\$ 63,189,432	\$ 65,490,642	\$ 47,644,944	\$ 44,194,096	\$ 49,201,875	\$ 53,160,373	\$ 45,076,087
Charity	885,697	765,341	891,567	548,926	(518,513)	969,179	498,518
Total Deductions	\$ 64,255,632	\$ 66,482,037	\$ 48,697,916	\$ 45,043,499	\$ 49,214,606	\$ 54,333,433	\$ 45,847,788
Net Patient Revenue	\$ 19,988,849	\$ 20,554,151	\$ 20,966,063	\$ 18,805,325	\$ 20,920,979	\$ 21,439,613	\$ 18,981,110
Supplemental Payments	1,200,000	1,161,146	1,860,396	1,654,526	1,578,204	1,914,746	1,686,583
Other Oper Revenue	107,980	(227,085)	139,822	249,054	99,065	349,576	513,838
Total Net Revenue	\$ 21,296,830	\$ 21,488,213	\$ 22,966,281	\$ 20,708,905	\$ 22,598,248	\$ 23,703,934	\$ 21,181,531
<i>Net to Gross Patient Rev Ratio</i>	23.7%	23.6%	30.1%	29.5%	29.8%	28.3%	29.3%
Operating Expenses							
Salaries	\$ 8,425,650	\$ 8,251,709	\$ 7,778,160	\$ 8,241,018	\$ 7,734,115	\$ 8,107,901	\$ 7,350,047
Contract Labor	1,065,102	820,710	1,300,126	1,014,745	892,120	865,999	1,057,989
Benefits	1,957,117	2,329,942	2,738,721	1,633,313	3,063,878	2,125,341	1,758,927
Physician & Prof Fee	1,564,085	1,577,199	1,483,253	1,584,349	1,723,043	1,977,458	1,531,129
Supplies	3,832,330	3,644,301	4,238,817	3,002,740	4,774,497	4,488,361	4,635,729
Purchased Services	2,010,607	2,499,864	2,283,195	2,215,907	1,587,683	2,811,916	1,784,481
Leases/Rentals	21,492	15,180	22,206	22,370	22,944	35,056	15,262
Depreciation	713,655	715,312	718,521	761,446	759,992	769,694	770,547
Provider Tax Expense	1,212,000	1,172,758	1,879,000	1,671,071	1,593,986	1,933,893	1,703,449
Other Oper Expense	379,095	374,812	454,196	443,042	369,252	401,240	465,466
Total Operating Expenses	\$ 21,181,133	\$ 21,401,787	\$ 22,896,195	\$ 20,590,001	\$ 22,521,510	\$ 23,516,862	\$ 21,073,027
Net Operating Income	\$ 115,696	\$ 86,426	\$ 70,086	\$ 118,904	\$ 76,738	\$ 187,073	\$ 108,504
Investment Income	92,238	57,979	92,713	78,765	69,847	9,619	137,692
Other Nonop Inc(Exp)	162,865	1,879	97,607	62,103	25,633	155,989	179,432
Interest Expense	(294,123)	(269,856)	(272,931)	(271,827)	(272,484)	(256,406)	(283,115)
Net Surplus (Loss)	\$ 76,676	\$ (123,572)	\$ (12,525)	\$ (12,054)	\$ (100,266)	\$ 96,275	\$ 142,513

INCOME STATEMENT - CURRENT MONTH

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BAY AREA HOSPITAL

MONTH END: 8/31/2026

	Month to Date					
	1/31/2026	12/31/2025	11/30/2025	10/31/2025	9/30/2025	8/31/2025
Gross Patient Revenue						
Inpatient Revenue	\$ 25,285,811	\$ 27,533,675	\$ 24,794,900	\$ 26,626,663	\$ 26,728,010	\$ 25,712,601
Outpatient Revenue	42,203,815	42,929,314	39,172,236	45,309,041	41,227,365	40,825,879
Total Gross Patient Revenue	\$ 67,489,626	\$ 70,462,989	\$ 63,967,137	\$ 71,935,704	\$ 67,955,375	\$ 66,538,480
Deductions						
Deductions	\$ 47,381,190	\$ 48,583,922	\$ 45,505,698	\$ 51,088,823	\$ 47,460,525	\$ 46,951,840
Bad Debt	705,872	1,565,159	731,546	257,324	209,021	390,753
Charity	261,151	61,263	191,298	429,919	376,122	72,326
Total Deductions	\$ 48,348,214	\$ 50,210,344	\$ 46,428,542	\$ 51,776,066	\$ 48,045,667	\$ 47,414,919
Net Patient Revenue	\$ 19,141,412	\$ 20,252,644	\$ 17,538,595	\$ 20,159,638	\$ 19,909,708	\$ 19,123,561
Supplemental Payments	1,676,398	1,802,141	1,534,499	1,767,538	1,679,725	1,695,376
Other Oper Revenue	899,461	(63,067)	802,893	343,466	56,187	468,529
Total Net Revenue	\$ 21,717,271	\$ 21,991,719	\$ 19,875,987	\$ 22,270,643	\$ 21,645,620	\$ 21,287,466
<i>Net to Gross Patient Rev Ratio</i>	<i>28.4%</i>	<i>28.7%</i>	<i>27.4%</i>	<i>28.0%</i>	<i>29.3%</i>	<i>28.7%</i>
Operating Expenses						
Salaries	\$ 7,933,015	\$ 7,896,929	\$ 8,161,024	\$ 7,915,210	\$ 8,363,855	\$ 8,244,951
Contract Labor	1,126,720	901,445	726,015	1,607,600	1,503,921	1,814,985
Benefits	1,512,921	1,917,631	1,837,150	2,296,902	1,972,668	2,767,300
Physician & Prof Fee	2,008,633	1,521,919	1,347,277	1,461,946	1,613,154	1,564,475
Supplies	3,924,063	3,994,123	3,450,109	3,865,979	3,232,610	3,479,092
Purchased Services	2,375,422	2,003,334	1,812,019	2,300,742	2,415,248	2,049,830
Leases/Rentals	38,036	28,830	16,790	26,442	33,513	21,281
Depreciation	863,605	705,876	708,467	708,889	719,449	764,537
Provider Tax Expense	1,693,162	1,820,163	1,549,844	1,785,213	1,679,725	1,695,376
Other Oper Expense	167,886	1,037,336	587,523	597,781	948,860	132,771
Total Operating Expenses	\$ 21,643,463	\$ 21,827,587	\$ 20,196,218	\$ 22,566,704	\$ 22,483,004	\$ 22,534,599
Net Operating Income	\$ 73,808	\$ 164,132	\$ (320,231)	\$ (296,061)	\$ (837,384)	\$ (1,247,133)
Investment Income	64,439	75,553	136,471	125,137	126,043	197,536
Other Nonop Inc(Exp)	30,652	24,726	88,187	13,195	62,855	21,601
Interest Expense	(292,764)	(252,906)	(297,114)	(272,313)	(282,150)	(282,780)
Net Surplus (Loss)	\$ (123,865)	\$ 11,505	\$ (392,686)	\$ (430,042)	\$ (930,635)	\$ (1,310,776)



Bay Area Hospital
Capital Expenditure Requisition

Date	09/15/2026
Cost Center	Cath Lab
Requested By	Department

Description of Asset
The cardiac catheterization lab is a vital piece of equipment for lifesaving interventional cardiology and radiology procedures. It is also used for outpatient procedures and is projected to have significant growth as the Hospital continues developing interventional radiology, electrophysiology, and cardiology. The project consists of two pieces: first, the build out and addition of "Cath Lab 2" in the existing shelled space. Second, the replacement of the existing old cath lab in "Cath lab 1"

Purpose of Expenditure	Complete for Equipment Replacement Only
☐ Safety	☒ Routine Replacement
☐ Agency Requirement	☐ Emergency Replacement
☒ Increase Revenue	☐ Decrease Expenses
☐ Other (Specify):	☒ Patient Care Improvement
	Fixed Asset Number
	Original Purchase Date
	Depreciated Value of Item
	Expected Disposition
	☐ Scrap ☒ Trade-In

Capital Allocation Category
☒ Clinical Equipment – MD Request
☒ Clinical Equipment – Department Request
☐ Support Services Equipment
☐ Information Systems (Hardware and Software)
☐ Plant and Grounds
☐ Contingency Funds (if applicable)

USEFUL LIFE OF ASSET	(Per AHA Guidelines): 10 years
WAS THIS ITEM INCLUDED IN THE CAPITAL BUDGET:	Yes
If NO, is a budgeted item being substituted? Describe item and \$:	
WILL THIS ITEM BE PURCHASED VIA VIZIENT:	Yes
If NO, explain why not	

Funding Source
☒ Cash
☐ Capital Lease
☐ Operating Lease
☒ Grant Funds
☒ Other (Specify): Community Capital Campaign

Itemized Cost	Budget Variance Explanation
Equipment	\$3,627,417.00
Installation/Renovation	\$1,942,814.00
Freight	\$0.00
Other Costs	\$194,281.40
TOTAL Actual Cost	\$5,764,512.40
TOTAL Per Capital Budget	\$5,100,000.00
Difference (Over)/Under	(\$664,512.40)
	Construction contingency
	Cost estimate included in capital budget was low for Lab 1 and Construction

Service Contract/Warranty:	☒ YES (If Yes, Continue)	☐ NO
10.5 year parts/labor service contract, guarantees 98% uptime	Annual Costs \$:	\$270,457
Includes software/firmware updates through life of contract.	☒ Parts	☒ Labor
	☒ PM	☐ Other (explain)
Currently the hospital is tracking to spend over \$240k in FY27 maintaining one lab versus \$270k for two new labs due to the significant age of the equipment.		

Approvals	
Department Manager:	Purchasing Department:
Chief Financial Officer:	Chief Executive Officer:
Board of Directors Approval Meeting Date (Items over \$200,000):	
Purchase Order Date:	Purchase Order #:



Bay Area Hospital
Capital Expenditure Requisition

Date	09/15/2026
Cost Center	Imaging
Requested By	Department

Description of Asset
A CT machine (computed tomography or CAT scanner) combines x-ray images taken from different angles to form detailed, 3D images of the the inside of a patient's body. The Hospital's existing CT is old and overbooked with a backlog over 300 patients despite near constant daytime use. The CT machine is critical for stroke care and to preserve availability for outpatient services and interventional radiology growth.

Purpose of Expenditure	Complete for Equipment Replacement Only
☐ Safety	☐ Routine Replacement
☐ Agency Requirement	☐ Emergency Replacement
☒ Increase Revenue	☐ Decrease Expenses
☐ Other (Specify):	☒ Patient Care Improvement
Fixed Asset Number	
Original Purchase Date	
Depreciated Value of Item	\$0
Expected Disposition	☐ Scrap ☒ Trade-In

Capital Allocation Category	
☒ Clinical Equipment – MD Request	☐ Information Systems (Hardware and Software)
☒ Clinical Equipment – Department Request	☐ Plant and Grounds
☐ Support Services Equipment	☐ Contingency Funds (if applicable)

USEFUL LIFE OF ASSET (Per AHA Guidelines): 7 years

WAS THIS ITEM INCLUDED IN THE CAPITAL BUDGET: Yes

If NO, is a budgeted item being substituted? Describe item and \$:

WILL THIS ITEM BE PURCHASED VIA VIZIENT: Yes

If NO, explain why not

Funding Source		
☒ Cash	☐ Capital Lease	☐ Operating Lease
☒ Grant Funds	☐ Other (Specify):	

Itemized Cost	Budget Variance Explanation
Equipment	\$1,000,000.00
Installation/Renovation	\$500,000.00
Freight	\$0.00
Other Costs	\$0.00
TOTAL Actual Cost	\$1,500,000.00
TOTAL Per Capital Budget	\$1,500,000.00
Difference (Over)/Under	\$0.00 Cost estimate included in capital budget

Service Contract/Warranty:	☒ YES (If Yes, Continue)	☐ NO
Service contract for parts/labor/software through life of contract is expected.	Annual Costs \$:	~\$120,000
	☒ Parts	☒ Labor
	☒ PM	☐ Other (explain)

Approvals	
Department Manager:	Purchasing Department:
Chief Financial Officer:	Chief Executive Officer:
Board of Directors Approval Meeting Date (Items over \$200,000):	
Purchase Order Date:	Purchase Order #: