



AGENDA

REGULAR MEETING OF THE FINANCE COMMITTEE A COMMITTEE OF THE BOARD OF DIRECTORS

Tuesday, August 30, 2022 – 9:00 AM
Classroom B
600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

E. Ngo

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Finance Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Geronio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee’s part; a response will be forthcoming.

OLD BUSINESS

III. * Proposed Action – Approval of Minutes
• July 26, 2022, regular meeting

E. Ngo

A

NEW BUSINESS

- IV. *** Proposed Action – Recommend approval to Hospital Board** D. Heckathorne B
- **July 2022 Financial Report (Unaudited)**
- **ROLL CALL**
- V. *** Proposed Action – Recommend approval to Hospital Board and** D. Heckathorne C
- Healthcare District Board**
- **Update and Revision to FY 2023 Operating Budget**
- **ROLL CALL**
- VI. Future Agenda Items
- VII. Next Meeting – September 27, 2022
- VIII. Adjournment E. Ngo

*** Requires Action**

In accordance with The Brown Act, Section 54957.5, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Committee. Such records shall be available at the Hospital office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Certification of Posting

I certify that on August 26, 2022, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Hospital - Finance Committee, and on the San Gorgonio Memorial Hospital website said time being at least 72 hours in advance of the regular meeting of the Finance Committee (*Government Code Section 54954.2*).

Executed at Banning, California, on August 26, 2022

Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
Tuesday, July 26, 2022

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, July 26, 2022, in Classroom B, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi, Ehren Ngo (Chair), Ron Rader, Steve Rutledge, Siri Welch

Members Absent: Daniel Heckathorne (CFO)

Required Staff: Steve Barron (CEO), Pat Brown (CNO/COO), Ariel Whitley (Executive Assistant), Margaret Kammer (Controller), Angela Brady (ED Director), Annah Karam (CHRO), Karan P. Singh (CMO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Chair Ngo called the meeting to order at 9:10 am.	
Public Comment	No public addressed the committee.	
OLD BUSINESS		
Proposed Action - Approve Minutes June 28, 2022, regular meeting	Chair Ngo asked for any changes or corrections to the minutes of the June 28, 2022, regular meeting. There were none.	The minutes of the June 28, 2022, regular meeting will stand correct as presented.
NEW BUSINESS		

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
<p>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – June 2022</p>	<p>Steve Barron, CEO, reviewed the Unaudited June 2022 finance report as included in the board packets.</p> <p>Steve reported that the current YTD EBIDA was negative at \$2.6M compared to a budgeted loss of \$8.3M (adjusted to \$7.4M to remove \$895K IGT Expense booked in 2021). YTD Variances included Salaries being under budget while Contract Labor was over budget by \$485K due to shortage of nurses and the covid surge. Overall, June resulted in \$1.02M EBIDA compared to budgeted loss of \$712K. June Surgery visits remained high, Emergency visits were high, the average inpatient census was 22.7, up from 18.7 in May.</p> <p>It was noted that approval is recommended to the Hospital Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="394 877 1221 993"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Ngo	Yes	Rader	Yes	Rutledge	Yes	Welch	Yes	Motion carried.		<p>M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval of the Unaudited June 2022 Financial report to the Hospital Board of Directors.</p>
DiBiasi	Yes	Ngo	Yes											
Rader	Yes	Rutledge	Yes											
Welch	Yes	Motion carried.												
<p>Future Agenda Items</p>	<ul style="list-style-type: none"> • Review of Audit Partners 													
<p>Next Meeting</p>	<p>The next regular Finance Committee meeting will be held on August 30, 2022.</p>													
<p>Adjournment</p>	<p>The meeting was adjourned 10:44 am.</p>													

In accordance with The Brown Act, *Section 54957.5*, all reports, and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

TAB B



SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA

Unaudited Financial Statements

for

ONE MONTH ENDING JULY 31, 2022

FY 2023

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements, except for the uncertainty of IGT revenue accruals, do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

Daniel R. Heckathorne

Daniel R. Heckathorne

CFO

San Gorgonio Memorial Hospital

Financial Report - Executive Summary

For the Month of July 31, 2022 and One Month Ended July 31, 2022 (Unaudited)

Profit/Loss (EBIDA) Summary (MTD) Negative and (YTD) Negative

The month of July resulted in negative \$788K Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA loss of \$1.26M.

YTD – (Same as July).

Month – Adjustments and Items of note:

- The July Surgery visits remained high again at 142 plus 23 G.I. procedures.
- The Emergency visits were also high at 3,548.
- Other Income was under budget due to a delay in receipt of the quarterly \$336K HQAF Direct Grant. This should be received in the next few months.
- Total Operating Expenses were \$933K below budget (see comments below)
- An Average Aggregated 4.49% rate increase was implemented in July, however, the impact to Net Revenues is nominal.
- Non-Operating Contributions included a donation of \$1,384,498 for new CT Scanners

July's inpatient average daily census was 21.9. Adjusted Patient Days were 9.5% under budget (1,785 vs. 1,973) and Patient Days were 31% below budget (680 vs. 991). Emergency Visits were 9.2% over budget (3,548 vs. 3,248), and overall Surgeries were over budget by 16% (142 vs. 122).

YTD - (Same as July).

Patient Revenues (MTD) Negative (YTD) Negative

Month - The Net Patient Revenue in July was \$107K below budget, however the net results continue to reflect improved A/R collections ratios and managed care rate increases were estimated at \$187K for the month. (See Rate Increase comment above.)

YTD – (Same as July).

Total Operating Revenues (MTD) Negative & (YTD) Negative

Month – Operating Revenue in July was \$462K below budget. This was impacted by the variances in Net Patient Revenues and Other Income described above.

YTD – (Same as July).

Operating Expenses (MTD) Positive & (YTD) Positive

Month - Operating Expenses in July were \$6.9M and were under budget by \$922K. Key items that impacted overall Expenses were as follows: 1) Salaries were under budget by \$163K, which was impacted by the current PTO Flex-Down program currently in place (approximately \$300K), along with overall Adjusted Patient Days being below budget; 2) Contract Labor was \$63K over budget, impacted by staffing needs in the OB service; 3) Physician fees were under budget as Anesthesia fees and Residency fees accounted for most of this outcome; 4) Purchased Services were favorable by \$213K, as legal fees were \$96K below budget, coupled with several other departments (I/T, Radiology and Administration) and Allscripts/Navigant (\$40K) being lower than expected. Supplies were under budget by \$406K, and large favorable variances included Drugs (\$168K), Surgery (\$92K), ICU/MedSurg (\$47K), and Lab (\$39K). Note: Some of these large variances may tend to “level” out as the year progresses, i.e., the monthly budget allocations can be somewhat difficult to predict, such as incurrence of legal fees. Also, during the first part of the fiscal year, we attempt to defer any expenditures possible, especially in lower volume months and during the slower time of the year.

YTD – (Same as July).

Balance Sheet/Cash Flow

Patient cash collections in July were \$4.7M following \$5.0M in May and record months in April (\$7.0M), March (\$6.7M) and February (\$6.68M). The Gross A/R Days rose from 67.0 in June to 70.3 in July and the Net A/R days also increased from 57 in June to 67 in July.

Cash balances decreased in July to \$9.67M, down from \$11.3M in June. The Bond Reserve Account dropped by \$5.09M due to the semi-annual debt service payments, and the Accrued Bond Interest Payment account was reduced by \$1.9M for the same reason. The Line of Credit balance remained at \$12M in July and Accounts Payable increased slightly to \$10.67M, compared to \$10.60M at the end of June.

Concluding Summary

Positive takeaways:

- 1) Total Surgeries were 16% over budget.
- 2) Emergency Visits were 9% over budget
- 3) Patient Revenue, although under budget was favorable.
- 4) Operating Expenses were under budget.
- 5) EBIDA performance was \$471K better than expected.

Negative takeaways:

- 1) Patient Days are less than expected.

STATISTICS

Inpatient Admissions/Discharges (Monthly Average)	Represents number of patients admitted/discharged into and out of the hospital.
Patient Days (Monthly Average)	Each day a patient stays in the hospital is counted as a patient day. This count is normally done at midnight.
Average Daily Census (Inpatient)	Equals the average number of inpatients in the hospital on any given day or month.
Average Length of Stay (Inpatient)	Represents that average number of days that inpatients stay in the hospital.
Emergency Visits (Monthly Average)	Represents the number of patients who sought services at the emergency room.
Surgery Cases - Excluding G.I. (Monthly Average)	Equals the number of patients who had a surgical procedure(s) performed.
G.I. Cases (Monthly)	Number of patients who had a gastrointestinal exam performed.
Newborn Deliveries (Monthly)	Number of babies delivered.

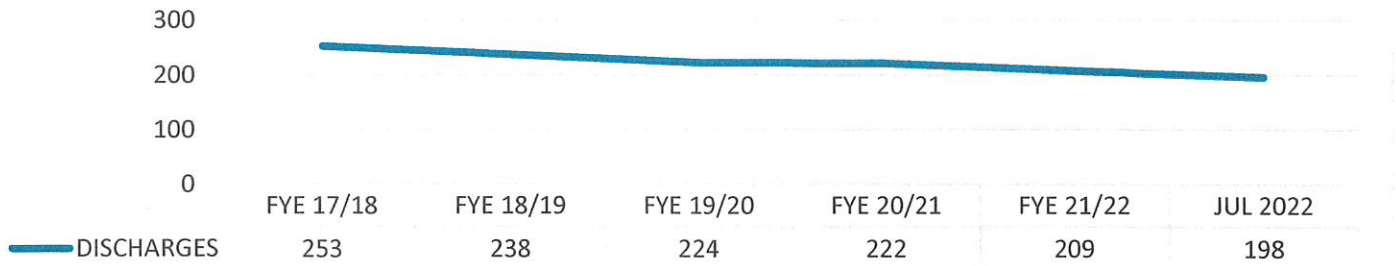
PRODUCTIVITY

Worked FTEs (includes Registry FTEs)	Represents an equivalency of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of hours in the respective work period (40, 80, etc.) Example: 340 hours worked in an 80 hour pay period = 4.25 FTE's
Worked FTES per APD	Divides the Total Worked FTE's by the daily average of the Adjusted Patient Days.
Paid FTEs (includes Registry FTEs)	Represents an equivalency of full-time staff paid. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours paid (includes all hours paid consisting of worked hours, PTO hours, sick pay, etc.) by the number of hours in the respective work period (40, 80, etc.) Example: 500 hours paid in an 80 hour pay period = 6.25 FTE's.
Paid FTES per APD	Divides the Total Paid FTE's by the daily average of the Adjusted Patient Days.
ADJUSTED PATIENT DAYS	This is a blend of total patient days stayed in the hospital for a month, plus an equivalency factor (based on average inpatient revenue per patient day) applied to the outpatient revenues in order to account for outpatient workloads.

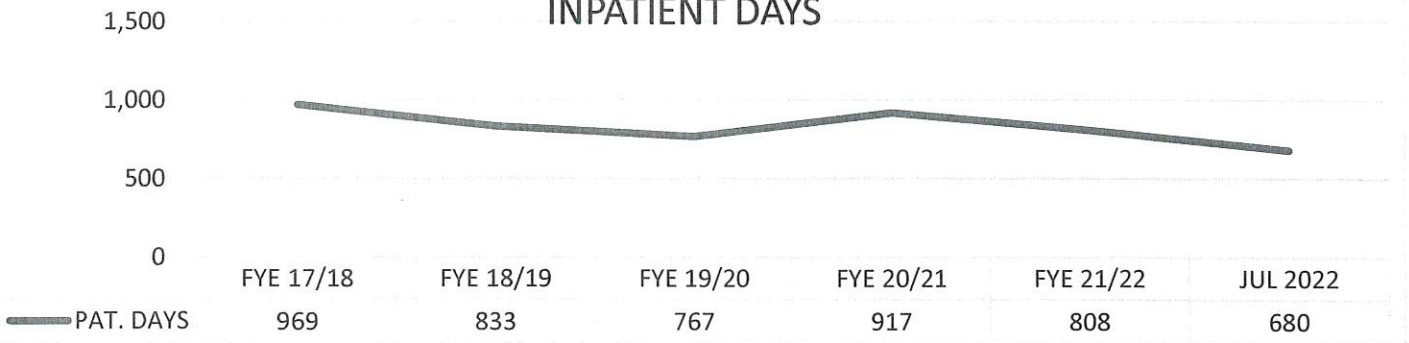
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SAN GORGONIO MEMORIAL HOSPITAL

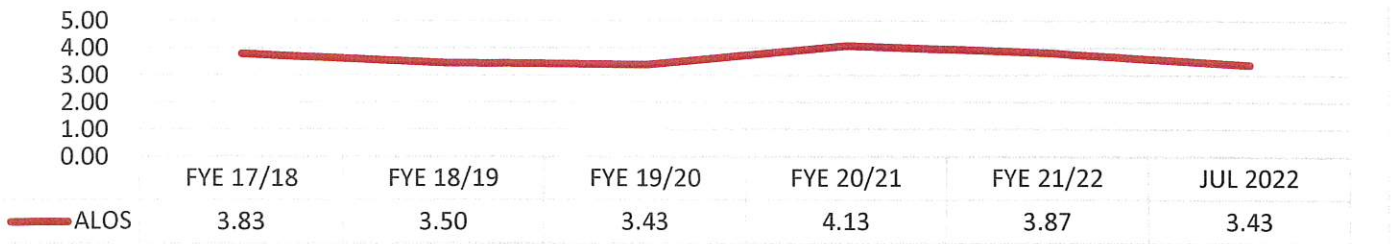
INPATIENT DISCHARGES



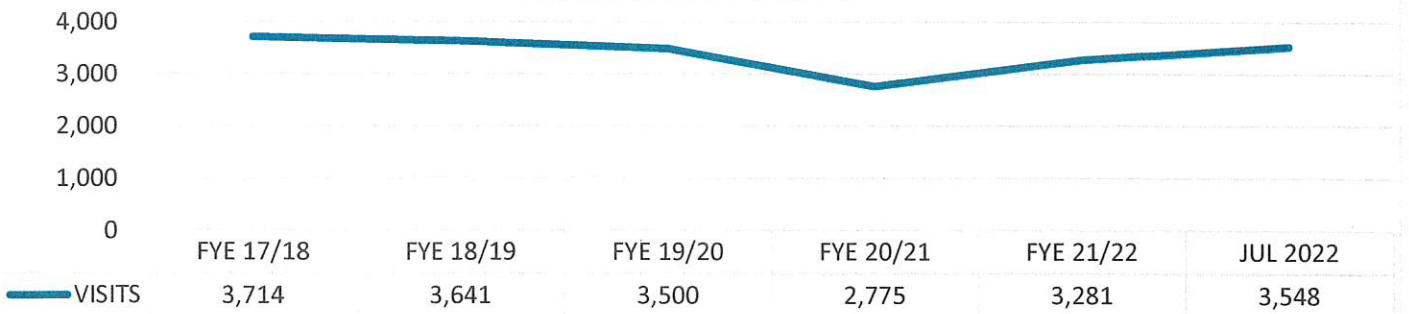
INPATIENT DAYS



AVERAGE LENGTH OF STAY



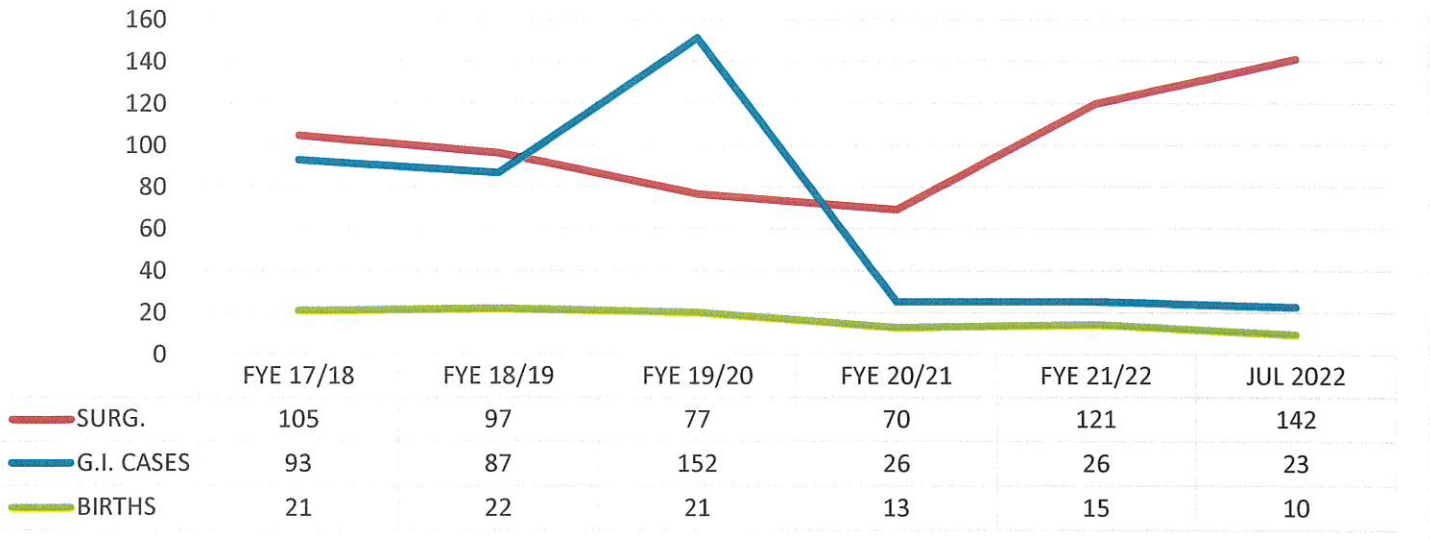
EMERGENCY VISITS



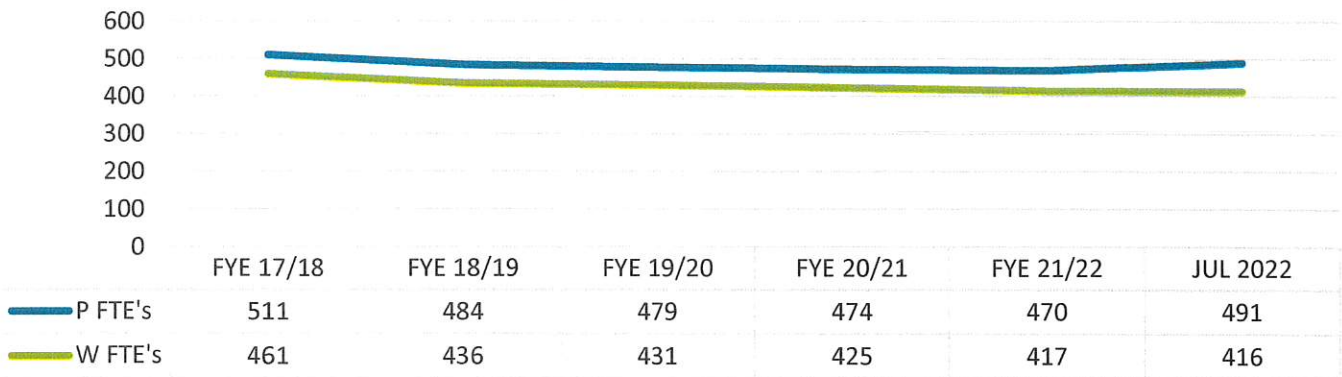
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SAN GORGONIO MEMORIAL HOSPITAL

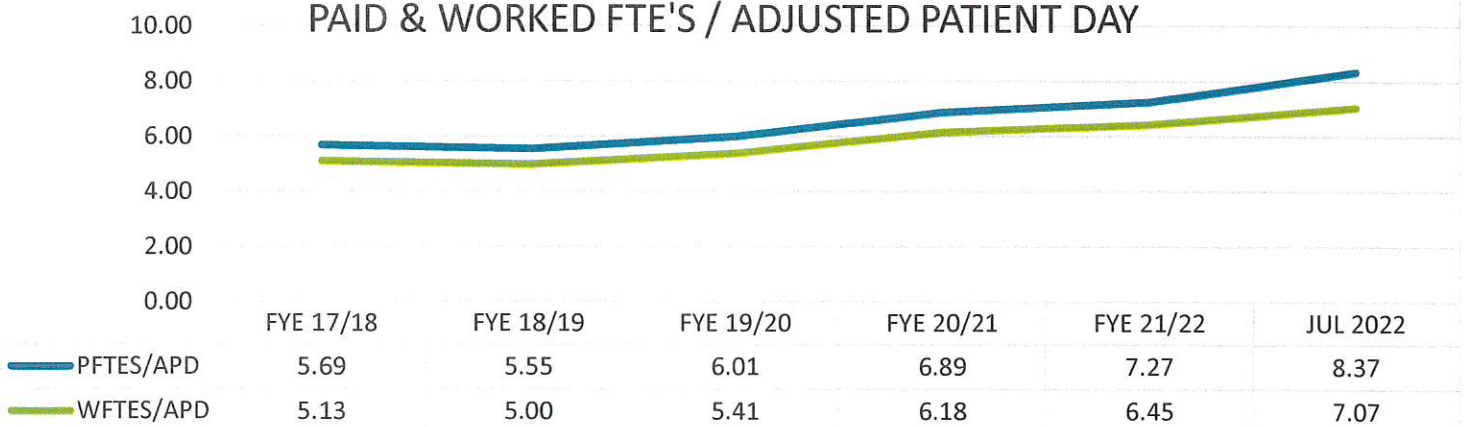
SURGERY CASES, G.I. CASES, N/B DELIVERIES



PAID & WORKED FTE'S



PAID & WORKED FTE'S / ADJUSTED PATIENT DAY



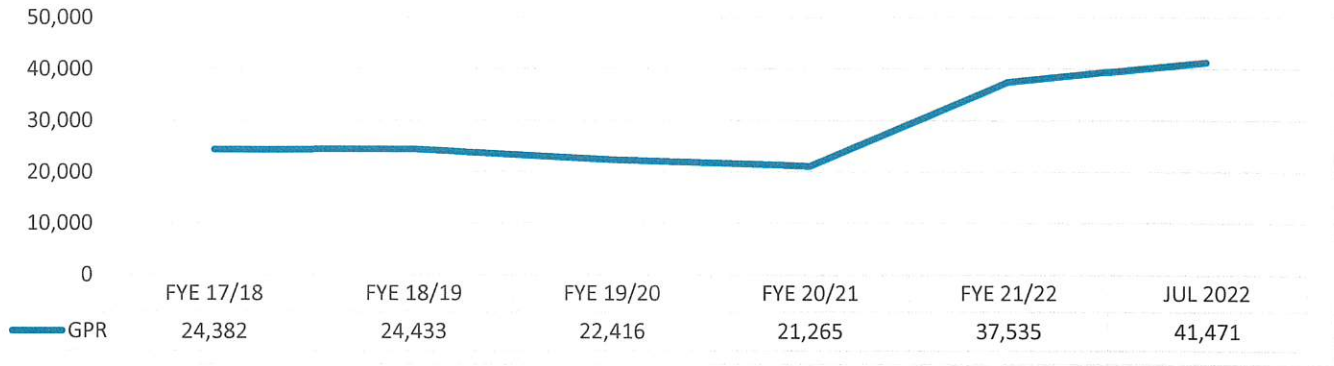
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INCOME STATEMENT

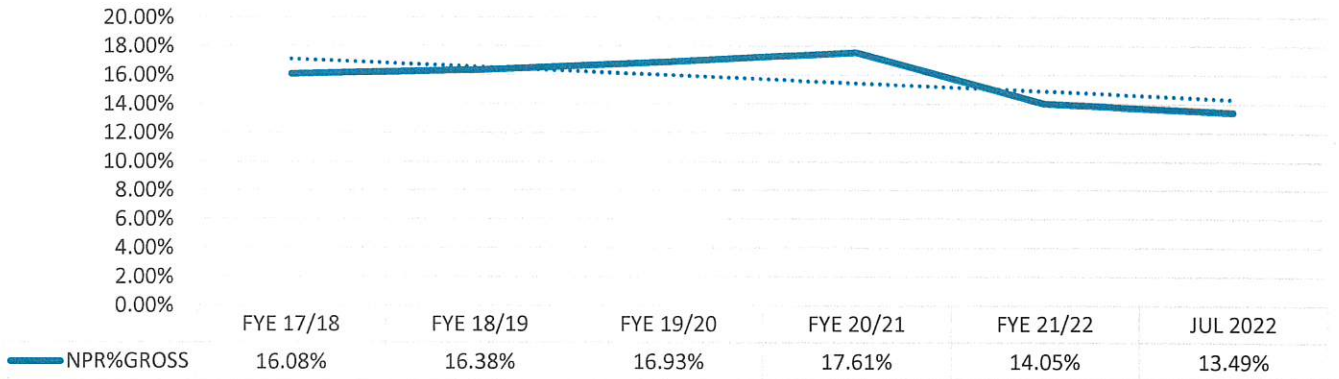
Gross Patient Revenue (000's) (Monthly Ave.)	Represents total charges (before discounts and allowances) made for all patient services provided.
Net Patient Revenue (NPR) (000's) (Monthly Ave.)	Equals the sum of all (patient) charges for services provided that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
NPR as % of Gross	Reflects the percentage of Gross Patient Revenues (charges) that are expected to be collected. Calculated by dividing Net Patient Revenue by the Gross Patient Revenue.
Total Operating Revenue (000's) (Monthly Ave.)	This reflects all Revenues available for payment of Operating Expenses. This includes Net Patient Revenue plus all other forms of miscellaneous Revenues.
Salaries, Wages, Benefits & Contract Labor (000's) (Monthly Ave.)	Represents the total staffing expenses of the Hospital
SWB + Contract Labor as % of Total Operating Revenue	Identifies what portion the Operating Revenues are spent on staffing costs.
Total Operating Expense (TOE) (000's)(Monthly Ave.)	Operating Expense reflects all costs needed to fund the Hospital's business operations.
TOE as % of Total Operating Revenue	Identifies the relationship that Operating Expenses have to the Total Operating Revenues.
EBIDA (000's)(Monthly Average)	Earnings Before Interest, Depreciation, and Amortization. This reflects the difference between Net Operating Revenues and Total Operating Expense. This is a quick measurement of the Hospital's ability to meet its financial obligations and have additional funds for equipment replacement and future growth of the organization.
EBIDA as % of NPR	This measurement is a guage of the surplus (or deficit) of funds available for operations and future growth.
Net Patient Revenue vs. Total Labor Expense (new in February, 2022)	This measurement illustrates that Net Patient Revenues basically only cover Total Labor Expense, and that all of the Other Revenues and Supplemental Incomes are necessary to cover the remaining operational Expenses and EBIDA required to operate the Hospital.
Operating Revenues (Normalized), Expenses, Staffing Expenses, and EBIDA (Normalized) (new in February, 2022)	This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating the Rate Range Income booked in December, 2021 over the all 6 months of the FYE December 31, 2021.

SAN GORGONIO MEMORIAL HOSPITAL

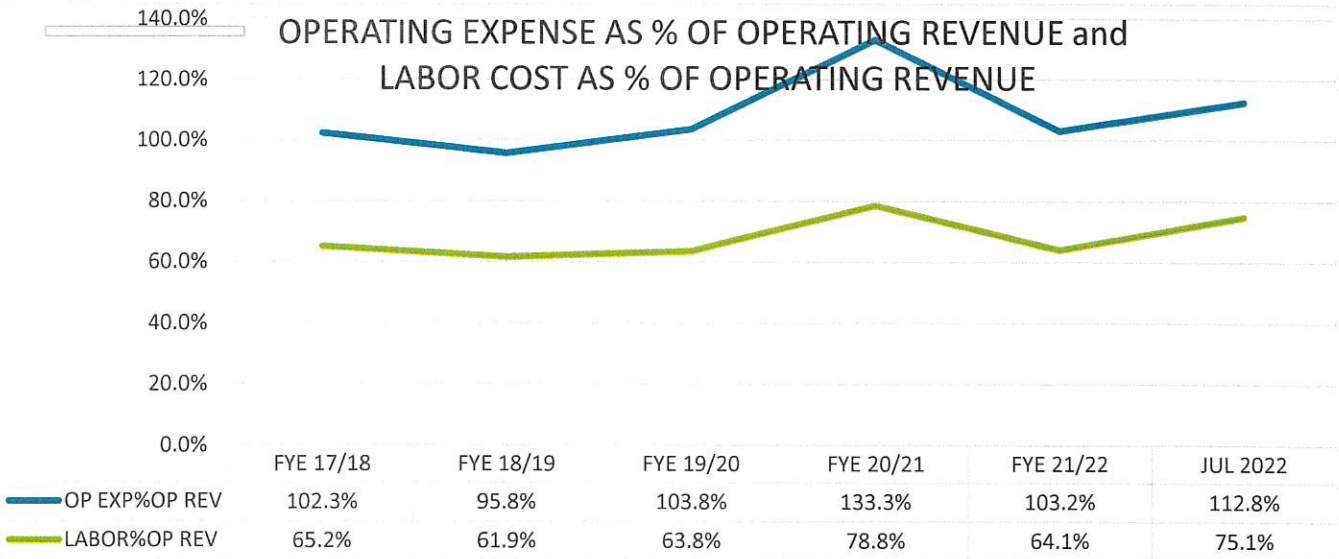
GROSS PATIENT REVENUE



NET PATIENT REVENUE AS % OF GROSS

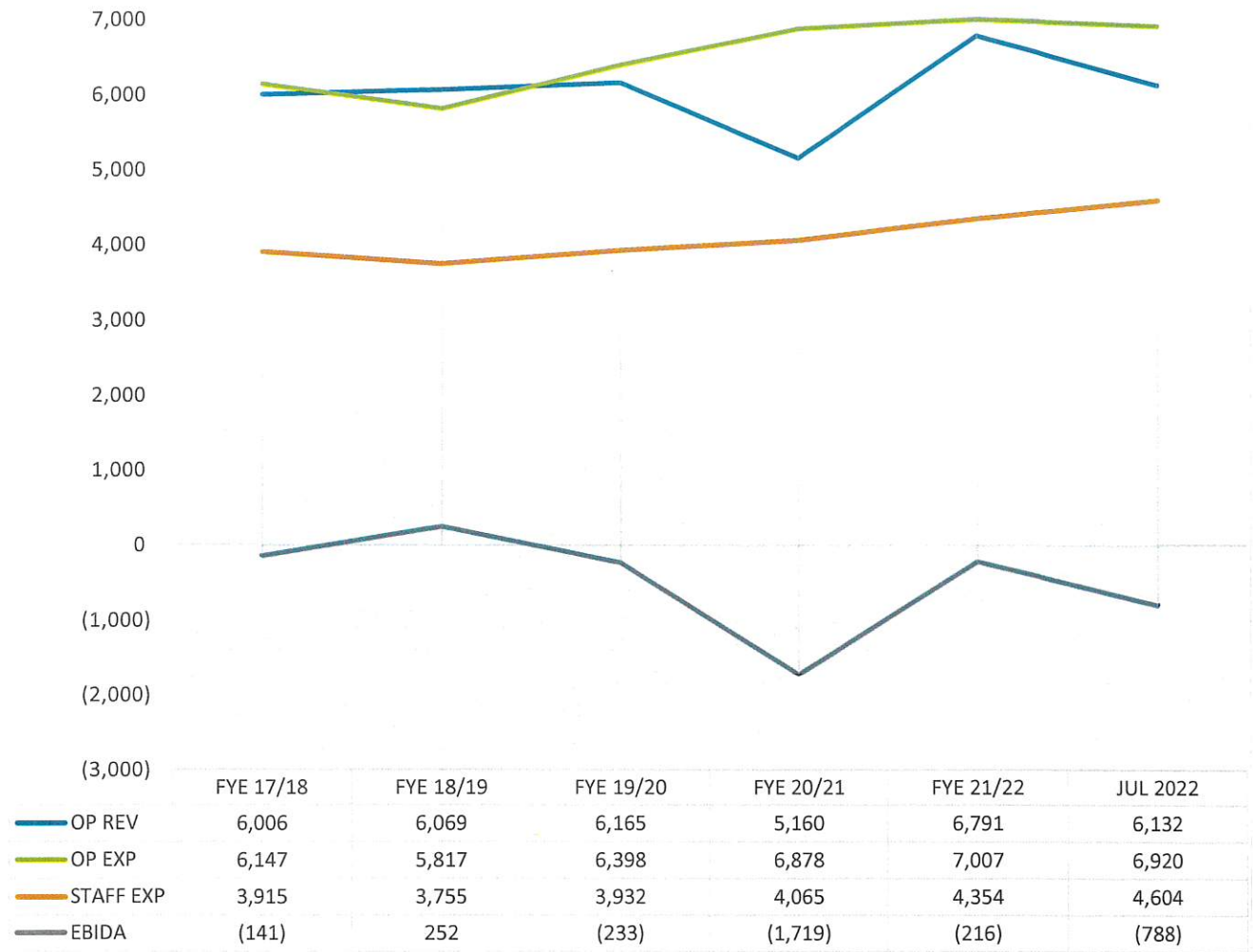


OPERATING EXPENSE AS % OF OPERATING REVENUE and LABOR COST AS % OF OPERATING REVENUE

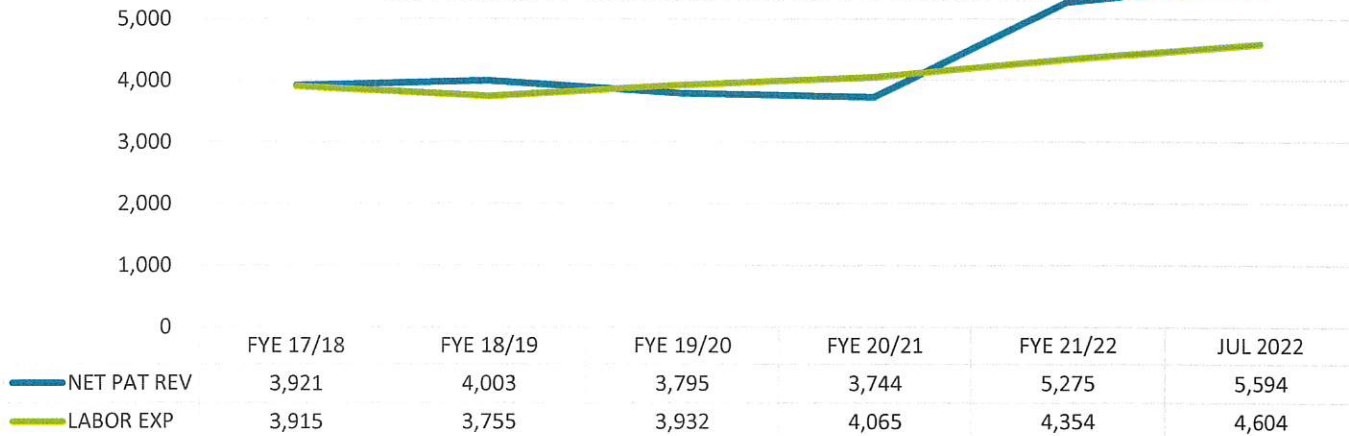


SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA



NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE



SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE (NORMALIZED), OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA (NORMALIZED)

10,000
8,000
6,000
4,000
2,000
0
(2,000)
(4,000)

REV NORMAL
OP EXP
LABOR EXP
EBIDA NORMAL

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022
REV NORMAL	6,006	6,069	6,165	5,160	6,569	7,831
OP EXP	6,147	5,817	6,398	6,878	7,007	6,920
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,604
EBIDA NORMAL	(141)	252	(233)	(1,719)	(438)	911

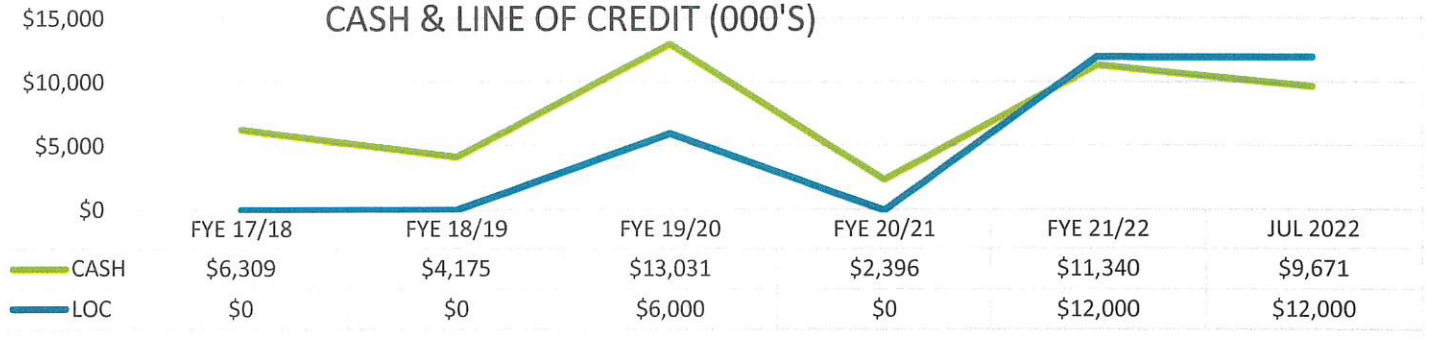
BALANCE SHEET (Period End)

Cash (000's)	Represents all unrestricted cash in the bank at each month-end.
Days Cash on Hand	Calculated by dividing amount of Cash on Hand by the historical average daily amount of cash requirements to cover operating expenses.
Accounts Receivable - Net (000's)	Equals the sum of all (patient) accounts that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
A/R Days - Net	This measures the average number of days it takes to collect payment of the Net Accounts Receivable. Lower values are desired.
Current Ratio (Current Assets/Current Liabilities)	A measure that illustrates the ability for the hospital to pay its obligations that come due over the course of the next year. The greater the Current Assets as compared to the Current Liabilities, the stronger position the organization is in to pay its upcoming obligations. Desired position is greater than 1:00 to 1:00, preferably at least 1:25 to 1:00 or greater.
Quick Ratio	This measures the Cash + Net Accounts Receivable compared to the Current Liabilities. Desired ratio is greater than 1.00 : 1.00.
Accounts Payable (000's)	Reflects payment obligations of the Hospital as of a point in time. Excludes Loans, Payroll and other Debt obligations. Lower values are desired.
Accounts Payable Days	Reflects the average number of days that it takes to pay routine bills. Lower numbers are desired. Calculated by dividing the Accounts Payable amount by the historical average daily cost of routine expenses.
Line of Credit Balance (000's)	The amount that is currently borrowed from a lending institution as of a given point in time.

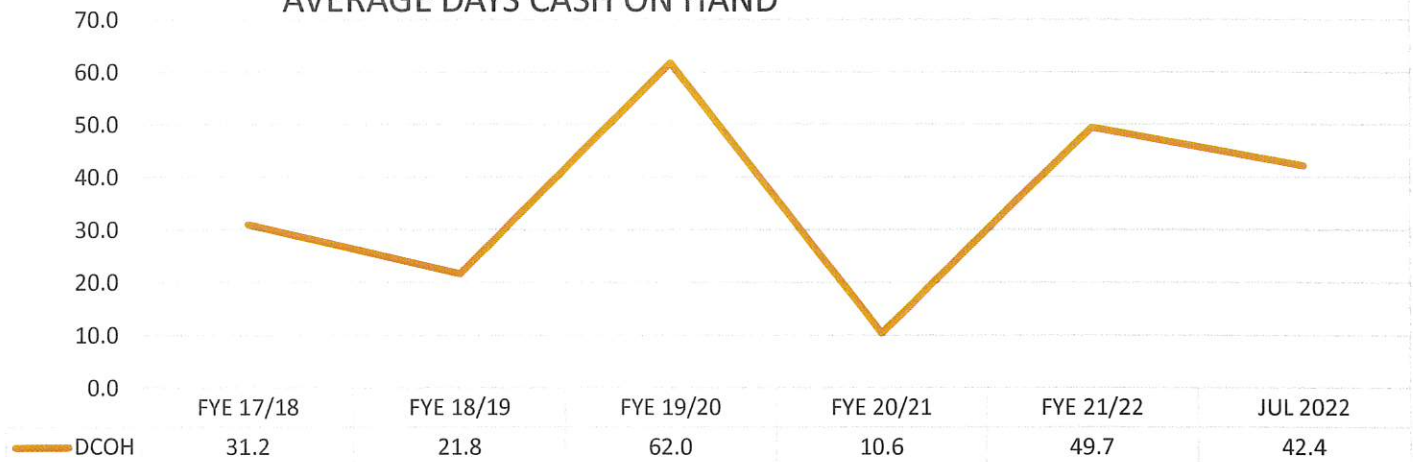
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SAN GORGONIO MEMORIAL HOSPITAL

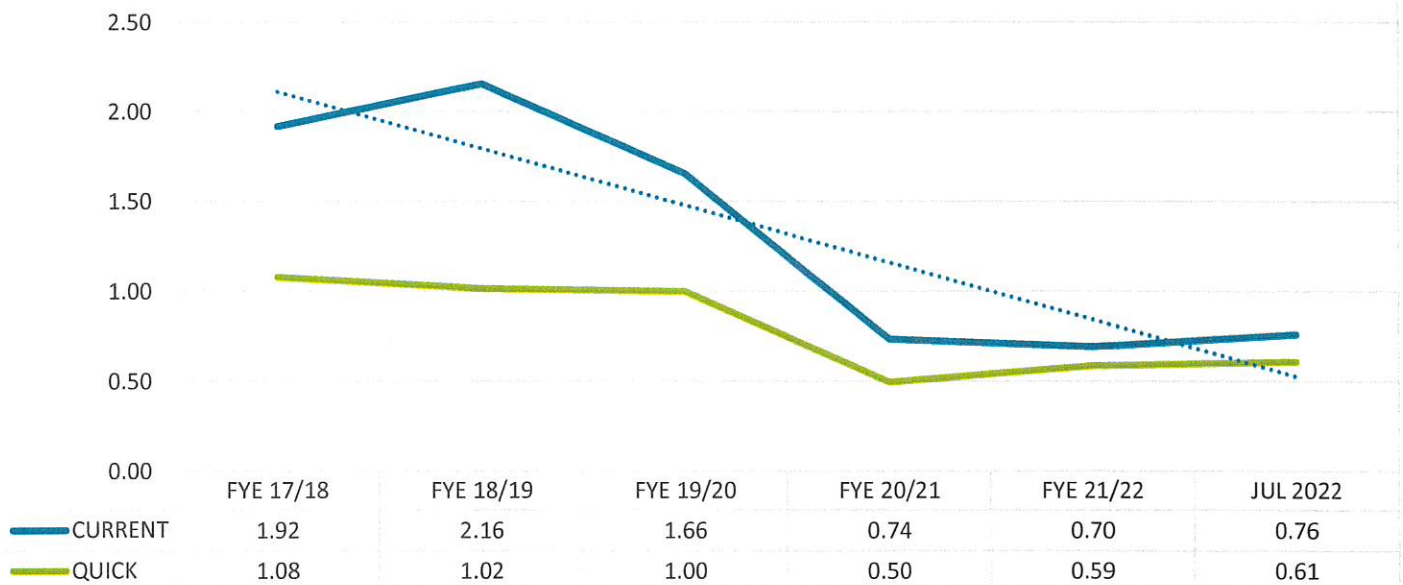
CASH & LINE OF CREDIT (000'S)



AVERAGE DAYS CASH ON HAND



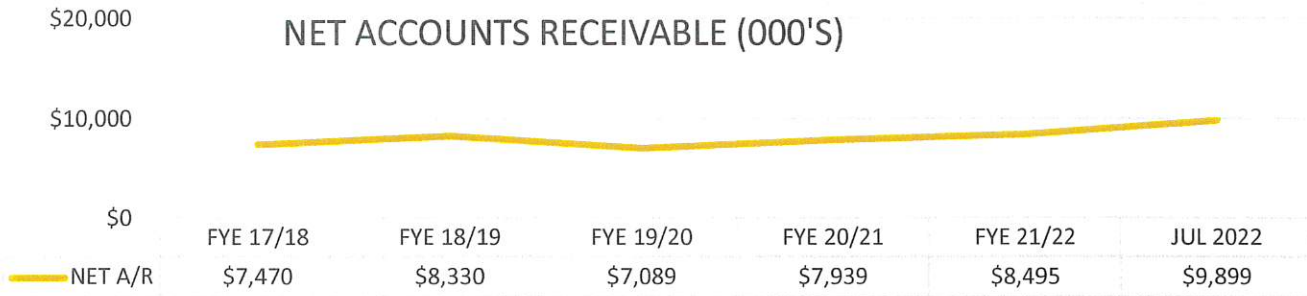
CURRENT RATIO and QUICK RATIO



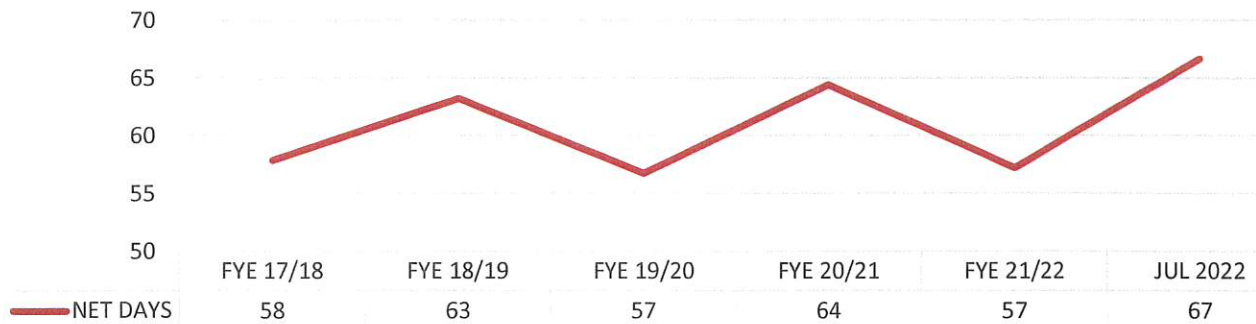
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SAN GORGONIO MEMORIAL HOSPITAL

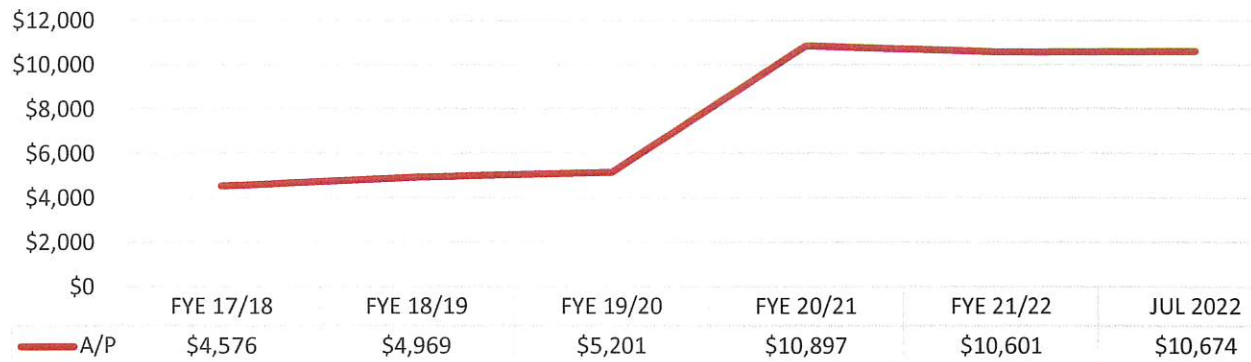
NET ACCOUNTS RECEIVABLE (000'S)



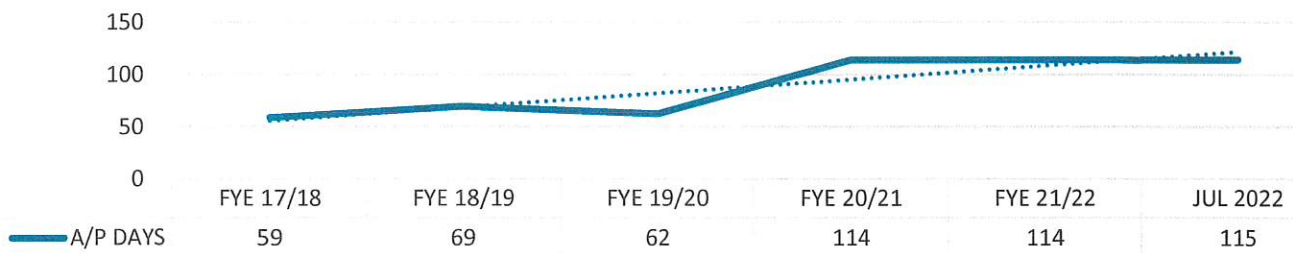
AVE. DAYS OF COLLECTIONS IN NET A/R



ACCOUNTS PAYABLE (000'S)



AVERAGE DAYS IN ACCOUNTS PAYABLE



SAN GORGONIO MEMORIAL HOSPITAL
EXECUTIVE FINANCIAL SUMMARY
ONE MONTH ENDING JULY 31, 2022

STATEMENT OF REVENUE AND EXPENSES - MONTH & YTD						
REF LINE#		07/31/22 ACTUAL	07/31/22 BUDGET	YTD ACTUAL	YTD BUDGET	YTD DIFFERENCE
	Revenue:					
[1]	Gross Patient Revenues	\$ 41,471,174	\$ 43,680,909	\$ 41,471,174	\$ 43,680,909	\$ (2,209,735)
[2]	Deductions From Revenue	(35,877,331)	(37,979,579)	(35,877,331)	(37,979,579)	2,102,248
[3]	Net Patient Revenues	5,593,843	5,701,330	5,593,843	5,701,330	(107,487)
[4]	IGT Revenue	-	-	-	-	-
[5]	Other Operating Revenue	538,367	893,094	538,367	893,094	(354,727)
[6]	Total Operating Revenues	6,132,210	6,594,424	6,132,210	6,594,424	(462,214)
	Expenses:					
[7]	Salaries, Benefits	4,465,189	4,648,967	4,465,189	4,648,967	183,777
	Contract Labor	138,575	75,606	138,575	75,606	(62,969)
	Physicians Fees	273,621	365,231	273,621	365,231	91,610
	Other Purchase Services	829,624	1,042,961	829,624	1,042,961	213,338
[8]	Purchased Serv. & Physician Fees	1,241,820	1,483,798	1,241,820	1,483,798	241,979
[9]	Supply Expenses	698,214	1,104,480	698,214	1,104,480	406,265
[10]	Other Operating Expenses & Clinic Loss	514,844	524,558	514,844	524,558	9,714
[11]	Supplimental and Grant Expense	-	91,499	-	91,499	91,499
[12]	Total Expenses	\$ 6,920,067	\$ 7,853,302	\$ 6,920,067	\$ 7,853,302	\$ 933,234
[13]	EBIDA	\$ (787,858)	\$ (1,258,878)	\$ (787,858)	\$ (1,258,878)	\$ 471,020
[14]	Depreciation & Interest Expense	977,726	940,122	977,726	940,122	(37,604)
[15]	Non-Operating Revenue/(Exp.)	2,015,266	1,092,982	2,015,266	1,092,982	922,284
[16]	TOTAL NET SURPLUS (LOSS)	\$ 249,682	\$ (1,106,019)	\$ 249,682	\$ (1,106,019)	\$ 1,355,701

SAN GORGONIO MEMORIAL HOSPITAL
EXECUTIVE FINANCIAL SUMMARY
ONE MONTH ENDING JULY 31, 2022

BALANCE SHEET

		YTD 7/31/2022	Prior FYE 6/30/2021
ASSETS			
[1]	Current Assets	\$ 24,444,705	\$ 23,401,085
[2]	Assets Whose Use is Limited	7,614,090	12,704,494
[3]	Property, Plant & Equipment (Net)	73,166,122	73,514,801
[4]	Other Assets	611,947	503,000
[5]	Total Unrestricted Assets	105,836,864	110,123,380
[6]	Restricted Assets	0	0
[7]	Total Assets	\$ 105,836,864	\$ 110,123,380
LIABILITIES AND NET ASSETS			
[8]	Current Liabilities	\$31,956,733	\$33,649,575
[9]	Long-Term Debt	102,480,588	105,323,946
[10]	Other Long-Term Liabilities	2,231,628	2,231,626
[11]	Total Liabilities	\$ 136,668,949	\$ 141,205,147
[12]	Net Assets	\$ (30,832,085)	\$ (31,081,767)
[13]	Total Liabilities and Net Assets	\$ 105,836,864	\$ 110,123,380



KEY STATISTICS AND RATIOS

	06/30/22 ACTUAL	07/31/22 ACTUAL	07/31/22 BUDGET	2023 YTD	2022 YR END TOTAL
	FY 22	FY 22	FY 22	FY 22	FY 22
[1] Total Acute Patient Days	680	680	991	680	9,689
[2] Average Daily Census	22.7	21.9	32.0	21.9	26.5
[3] Average Acute Length of Stay	3.2	3.4	4.0	3.4	3.9
[4] Patient Discharges	211	198	248	198	2,502
[5] Observation Days	241	228	228	228	2,775
[6] Total Emergency Room Visits	3,470	3,548	3,248	3,548	39,374
[7] Average ED Visits Per Day	116	114	122	114	108
[9] Total Surgeries	153	142	90	142	1,446
[10] Deliveries/Births	16	10	14	10	175

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ONE MONTH ENDING JULY 31, 2022

	DISTRICT ONLY	CURRENT MONTH				
		ACTUAL 07/31/22	FY 23		Positive (Negative) Variance	Percentage Variance
			ACTUAL 07/31/22	CUR MO BUD 07/31/22		
Gross Patient Revenue						
[1] Inpatient Revenue	\$ -	\$ 15,786,344	\$ 21,500,151	\$ (5,713,806)	-36.2%	
[2] Inpatient Psych/Rehab Revenue	-	-	-	-	-	
[3] Outpatient Revenue	-	25,684,830	\$ 22,180,758	3,504,071	13.6%	
[4] Long Term Care Revenue	-	-	-	-	-	
[5] Home Health Revenue	-	-	-	-	-	
[6] Total Gross Patient Revenue	<u>\$ -</u>	<u>\$ 41,471,174</u>	<u>\$ 43,680,909</u>	<u>\$ (2,209,735)</u>	<u>-5.3%</u>	
Deductions From Revenue						
[7] Discounts and Allowances	-	(34,966,058)	\$ (36,362,212)	\$ 1,396,154	-4.0%	
[8] Bad Debt Expense	-	(883,157)	\$ (1,538,228)	655,071	-74.2%	
[9] Prior Year Settlements	-	-	\$ -	-	-	
[10] Charity Care	-	(28,117)	\$ (79,139)	51,022	-181.5%	
[11] Total Deductions From Revenue	<u>-</u>	<u>(35,877,331)</u>	<u>(37,979,579)</u>	<u>\$ 2,102,248</u>	<u>-5.9%</u>	
[12]		-84.4%	-88%			
[13] Net Patient Revenue	<u>\$ -</u>	<u>\$ 5,593,843</u>	<u>\$ 5,701,330</u>	<u>\$ (107,487)</u>	<u>-1.9%</u>	
Non Patient Operating Revenues						
[14] IGT/DSH Revenues	-	-	\$ -	\$ -	0.0%	
[15] Grants & Other Op Revenues	-	136,873	\$ 480,350	(343,477)	-250.9%	
[16] Clinic Net Revenues	-	-	\$ -	-	-	
[17] Tax Subsidies Measure D	246,994	246,994	\$ 246,994	(0)	0.0%	
[18] Tax Subsidies Prop 13	154,500	154,500	\$ 154,500	-	0.0%	
[19] Tax Subsidies County Supplemental Funds	-	-	\$ 11,250	(11,250)	0.0%	
Non- Patient Revenue	<u>\$ 401,494</u>	<u>\$ 538,367</u>	<u>\$ 893,094</u>	<u>\$ (354,727)</u>	<u>-65.9%</u>	
Total Operating Revenue	<u>\$ 401,494</u>	<u>\$ 6,132,210</u>	<u>\$ 6,594,424</u>	<u>\$ (462,214)</u>	<u>-7.5%</u>	
Operating Expenses						
[20] Salaries and Wages	-	3,566,637	3,729,661	\$ 163,024	4.6%	
[21] Fringe Benefits	-	898,552	919,306	20,754	2.3%	
[22] Contract Labor	-	138,575	75,606	(62,969)	-45.4%	
[23] Physicians Fees	-	273,621	365,231	91,610	33.5%	
[24] Purchased Services	(98)	829,624	1,042,961	213,338	25.7%	
[25] Supply Expense	-	698,214	1,104,480	406,265	58.2%	
[26] Utilities	3,314	104,925	125,180	20,255	19.3%	
[27] Repairs and Maintenance	8,437	74,098	75,564	1,466	2.0%	
[28] Insurance Expense	-	137,478	122,979	(14,499)	-10.5%	
[29] All Other Operating Expenses	-	97,102	99,325	2,223	2.3%	
[30] Supplemental and Grant Expense	-	-	91,499	91,499	0.0%	
[31] Leases and Rentals	-	101,241	101,511	269	0.3%	
[32] Clinic Expense	-	-	0	-	0.0%	
[33] Total Operating Expenses	<u>\$ 11,653</u>	<u>\$ 6,920,067</u>	<u>\$ 7,853,302</u>	<u>\$ 933,234</u>	<u>13.5%</u>	
[34] EBIDA	<u>\$ 389,841</u>	<u>\$ (787,858)</u>	<u>\$ (1,258,878)</u>	<u>\$ 471,020</u>	<u>-59.8%</u>	
Interest Expense and Depreciation						
[35] Depreciation	550,044	550,044	514,865	\$ (35,179)	-6.4%	
[36] Interest Expense and Amortization	355,283	427,682	425,257	(2,425)	-0.6%	
[37] Total Interest & depreciation	<u>905,327</u>	<u>977,726</u>	<u>940,122</u>	<u>(37,604)</u>	<u>-3.8%</u>	
Non-Operating Revenue:						
[38] Contributions & Other	1,387,036	1,387,913	466,744	921,169	66.4%	
[39] Tax Subsidies for GO Bonds - M-A	627,353	627,353	626,237	1,116	0.2%	
[40] Total Non Operating Revenue/(Expense)	<u>2,014,389</u>	<u>2,015,266</u>	<u>1,092,982</u>	<u>\$ 922,284</u>	<u>45.8%</u>	
[41] Total Net Surplus/(Loss)	<u>\$ 1,498,903</u>	<u>\$ 249,682</u>	<u>\$ (1,106,019)</u>	<u>\$ 1,355,701</u>	<u>543.0%</u>	
[42] Extra-ordinary loss on Financing	-	-	-	-	-	
[43] Increase/(Decrease in Unrestricted Net Assets	<u>\$ 1,498,903</u>	<u>\$ 249,682</u>	<u>\$ (1,106,019)</u>	<u>\$ 1,355,701</u>	<u>543.0%</u>	
[44] Total Profit Margin	44.98%	-0.19%	-29.42%			
[45] EBIDA %	96.85%	4.02%	-25.40%			

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ONE MONTH ENDING JULY 31, 2022

	YEAR-TO-DATE				
	DISTRICT ONLY			Positive (Negative) Variance	Percentage Variance
	Actual 07/31/22	Actual 07/31/22	Budget 07/31/22		
Gross Patient Revenue					
[1] Inpatient Revenue	\$ -	\$ 15,786,344	\$ 21,500,151	\$ (5,713,806)	-36.2%
[2] Inpatient Psych/Rehab Revenue	-	-	-	-	-
[3] Outpatient Revenue	-	25,684,830	\$ 22,180,758	3,504,071	13.6%
[4] Long Term Care Revenue	-	-	-	-	-
[5] Home Health Revenue	-	-	-	-	-
[6] Total Gross Patient Revenue	\$ -	\$ 41,471,174	\$ 43,680,909	\$ (2,209,735)	-5.3%
Deductions From Revenue					
[7] Discounts and Allowances	-	(34,966,058)	\$ (36,362,212)	\$ 1,396,154	4.0%
[8] Bad Debt Expense	-	(883,157)	\$ (1,538,228)	655,071	74.2%
[9] Prior Year Settlements	-	-	\$ -	-	-
[10] Charity Care	-	(28,117)	\$ (79,139)	51,022	181.5%
[11] Total Deductions From Revenue	-	(35,877,331)	(37,979,579)	\$ 2,102,248	5.9%
[12] Net Patient Revenue		85.9%	-87.9%		
[13] Total Net Patient Revenue	\$ -	\$ 5,593,843	\$ 5,701,330	\$ (107,487)	-1.9%
Non Patient Operating Revenues					
[14] IGT/DSH Revenues	-	-	\$ -	\$ -	#DIV/0!
[15] Grants & Other Op Revenues	-	136,873	\$ 480,350	(343,477)	-250.9%
[16] Clinic Net Revenues	-	-	\$ -	-	-
[17] Tax Subsidies Measure D	246,994	246,994	\$ 246,994	(0)	0.0%
[18] Tax Subsidies Prop 13	154,500	154,500	\$ 154,500	-	0.0%
[19] Tax Subsidies County Supplemental Funds	-	-	\$ 11,250	(11,250)	0.0%
Non- Patient Revenue	\$ 401,494	\$ 538,367	\$ 893,094	\$ (354,727)	-65.9%
Total Operating Revenue	\$ 401,494	\$ 6,132,210	\$ 6,594,424	\$ (462,214)	-7.5%
Operating Expenses					
[20] Salaries and Wages	-	3,566,637	\$ 3,729,661	\$ 163,024	4.6%
[21] Fringe Benefits	-	898,552	\$ 919,306	20,754	2.3%
[22] Contract Labor	-	138,575	\$ 75,606	(62,969)	-45.4%
[23] Physicians Fees	-	273,621	\$ 365,231	91,610	33.5%
[24] Purchased Services	(98)	829,624	\$ 1,042,961	213,338	25.7%
[25] Supply Expense	-	698,214	\$ 1,104,480	406,265	58.2%
[26] Utilities	3,314	104,925	\$ 125,180	20,255	19.3%
[27] Repairs and Maintenance	8,437	74,098	\$ 75,564	1,466	2.0%
[28] Insurance Expense	-	137,478	\$ 122,979	(14,499)	-10.5%
[29] All Other Operating Expenses	-	97,102	\$ 99,325	2,223	2.3%
[30] Supplemental and Grant Expense	-	-	\$ 91,499	91,499	0.0%
[31] Leases and Rentals	-	101,241	\$ 101,511	269	0.3%
[32] Clinic Expense	-	-	\$ -	-	0.0%
[33] Total Operating Expenses	\$ 11,653	\$ 6,920,067	\$ 7,853,302	\$ 933,234	13.5%
[34] EBIDA	\$ 389,841	\$ (787,858)	\$ (1,258,878)	\$ 471,020	-59.8%
Interest Expense and Depreciation					
[35] Depreciation	550,044	550,044	\$ 514,865	\$ (35,179)	-6.4%
[36] Interest Expense and Amortization	355,283	427,682	\$ 425,257	(2,425)	-0.6%
[37] Total Interest & depreciation	905,327	977,726	940,122	(37,604)	-3.8%
Non-Operating Revenue:					
[38] Contributions & Other	1,387,036	1,387,913	\$ 466,744	921,169	66.4%
[39] Tax Subsidies for GO Bonds - M-A	627,353	627,353	\$ 626,237	1,116	0.2%
[40] Total Non Operating Revenue/(Expense)	2,014,389	2,015,266	1,092,982	922,284	45.8%
[41] Total Net Surplus/(Loss)	\$ 1,498,903	\$ 249,682	\$ (1,106,019)	\$ 1,355,701	543.0%
[42] Extra-ordinary loss on Financing	-	-	-	-	-
[43] Increase/(Decrease in Unrestricted Net Assets)	\$ 1,498,903	\$ 249,682	\$ (1,106,019)	\$ 1,355,701	543.0%
[44] Total Profit Margin	40.11%	-6.67%	-14.37%		
[45] EBIDA %	89.50%	-2.85%	-11.33%		

Balance Sheet - Assets

**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ONE MONTH ENDING JULY 31, 2022**

		ASSETS				
		DISTRICT ONLY				
		Current Month 7/31/2022	Current Month 7/31/2022	Prior Month 6/30/2022	Positive/ (Negative) Variance	Prior Year End 6/30/2021
Current Assets						
[1]	Cash and Cash Equivalents	\$1,899,473	\$9,670,986	\$11,340,002	\$ (1,669,016)	\$ 11,340,002
[2]	Gross Patient Accounts Receivable	\$0	\$85,573,484	\$77,594,807	\$ 7,978,677	77,594,807
[3]	Less: Bad Debt and Allowance Reserves	\$0	(\$75,674,132)	(\$69,099,845)	\$ (6,574,287)	(69,099,845)
[4]	Net Patient Accounts Receivable	\$0	\$9,899,352	\$8,494,961	\$ 1,404,391	8,494,961
[5]	Taxes Receivable	\$2,319,347	\$2,319,347	\$1,178,859	\$ 1,140,488	1,178,859
[6]	Other Receivables (includes advances)	\$539,354	\$230,069	\$738,141	\$ (508,072)	738,141
[7]	Inventories	\$0	\$2,685,538	\$2,297,204	\$ 388,334	2,297,204
[8]	Prepaid Expenses	\$426,169	\$1,484,890	\$1,197,395	\$ 287,495	1,197,395
[9]	Due From Third Party Payers-DSH	\$0	(\$1,845,477)	(\$1,845,477)	\$ (0)	(1,845,477)
[10]	Malpractice Receivable	\$0	\$0	\$0	\$ -	-
[11]	Supplimental Receivables	\$0	\$0	\$0	\$ -	-
	Total Current Assets	5,184,343	24,444,705	23,401,085	\$ (736,481)	\$ 23,401,085
Assets Whose Use is Limited						
[12]	Cash					
[13]	Investments					
[14]	Bond Reserve/Debt Retirement Fund	\$7,614,090	\$7,614,090	\$12,704,494	\$ (5,090,404)	12,704,494
[15]	Trustee Held Funds					
[16]	Funded Depreciation					
[17]	Board Designated Funds					
[18]	Other Limited Use Assets			0		0
	Total Limited Use Assets	7,614,090	7,614,090	12,704,494	\$ (223,324)	\$ 12,704,494
Property, Plant, and Equipment						
[19]	Land and Land Improvements	\$4,828,182	\$4,828,182	\$4,828,182	\$ (0)	\$ 4,828,182
[20]	Building and Building Improvements	\$129,281,491	\$129,281,491	\$129,281,491	\$ 0	129,281,491
[21]	Equipment	\$27,012,768	\$27,012,768	\$26,856,789	\$ 155,979	26,856,789
[22]	Construction In Progress	\$1,739,392	\$1,739,392	\$1,694,007	\$ 45,385	1,694,007
[23]	Capitalized Interest					
[24]	Gross Property, Plant, and Equipment	162,861,833	162,861,833	162,660,469	\$ 201,364	162,660,469
[25]	Less: Accumulated Depreciation	(\$89,695,711)	(\$89,695,711)	(\$89,145,667)	\$ (550,044)	(89,145,667)
[26]	Net Property, Plant, and Equipment	73,166,122	73,166,122	73,514,801	\$ (475,050)	\$ 73,514,801
Other Assets						
[27]	Unamortized Loan Costs	\$627,385	\$611,851	\$614,440	\$ (2,589)	\$ 614,440
[28]	Assets Held for Future Use		\$96	\$485	\$ (389)	485
[29]	Investments in Subsidiary/Affiliated Org.	\$21,282,258	\$0	(\$111,925)	\$ 111,925	(111,925)
[30]	Other					
[31]	Total Other Assets	21,909,642	611,947	503,000	\$ 108,947	\$ 503,000
[32]	TOTAL UNRESTRICTED ASSETS	107,874,198	105,836,864	110,123,381	\$ (4,286,517)	\$ 110,123,381
Restricted Assets						
		0	0	0	0	0
[33]	TOTAL ASSETS	\$107,874,198	\$105,836,864	\$110,123,381	\$ (4,286,517)	\$ 110,123,381

Balance Sheet - Liabilities and Net Assets

SAN GORGONIO MEMORIAL HOSPITAL

BANNING, CALIFORNIA

ONE MONTH ENDING JULY 31, 2022

	DISTRICT ONLY	LIABILITIES AND FUND BALANCE			
	Current Month 7/31/2022	Current Month 7/31/2022	Prior Month 6/30/2022	Positive/ (Negative) Variance	Prior Year End 6/30/2021
Current Liabilities					
[1] Accounts Payable	\$ 980,448	\$ 10,673,771	\$ 10,600,622	\$ (73,149)	\$ 10,600,622
[2] Notes and Loans Payable (Line of Credit)	-	12,000,000	12,000,000	\$ (0)	12,000,000
[3] Accounts Payable- Tax advance	-	-	-	\$ -	-
[4] Accrued Payroll Taxes	-	5,706,471	5,597,527	\$ (108,944)	5,597,527
[5] Accrued Benefits	-	-	-	\$ -	-
[6] Accrued Benefits Current Portion	-	-	-	\$ -	-
[7] Other Accrued Expenses	-	-	-	\$ -	-
[8] Accrued GO Bond Interest Payable	628,580	628,580	2,526,756	\$ 1,898,176	2,526,756
[9] Stimulus Advance	-	19,537	4,259	\$ (15,278)	4,259
[10] Due to Third Party Payers (Settlements)	-	-	-	\$ -	-
[11] Advances From Third Party Payers	-	-	-	\$ -	-
[12] Current Portion of LTD (Bonds/Mortgages)	2,335,000	2,335,000	2,335,000	\$ -	2,335,000
[13] Current Portion of LTD (Leases)	-	-	-	\$ -	-
[14] Other Current Liabilities	-	593,374	585,411	-	585,411
Total Current Liabilities	3,944,029	31,956,733	33,649,575	\$ 791,861	33,649,575
Long Term Debt					
[15] Bonds/Mortgages Payable (net of Cur Portion)	103,043,956	\$100,187,240	\$ 103,030,598	\$ 2,843,358	\$ 103,030,598
[16] Leases Payable (net of current portion)	\$2,293,348	\$2,293,348	\$2,293,348	\$ (0)	\$2,293,348
[17] Total Long Term Debt (Net of Current)	105,337,304	102,480,588	105,323,946	\$ 313,358	105,323,946
Other Long Term Liabilities					
[18] Deferred Revenue	-	-	-	\$ -	-
[19] Accrued Pension Expense (Net of Current)	-	-	-	\$ -	-
[20] Other-Bridge Loan	0	2,231,628	2,231,628	\$ 0	2,231,628
[21] Total Other Long Term Liabilities	0	2,231,628	2,231,628	0	2,231,628
TOTAL LIABILITIES	\$ 109,281,332	\$ 136,668,949	\$ 141,205,148	\$ 4,536,199	\$ 141,205,148
Net Assets:					
[22] Unrestricted Fund Balance	(2,906,037)	(31,081,767)	\$ (25,347,940)	\$ 5,733,827	\$ (25,347,940)
[23] Temporarily Restricted Fund Balance	-	-	-	-	-
[24] Restricted Fund Balance	-	-	-	-	-
[25] Net Revenue/(Expenses)	1,498,903	249,682	(5,733,827)	(5,983,509)	(5,733,827)
[26] TOTAL NET ASSETS	(1,407,134)	(30,832,085)	(31,081,767)	\$ (249,682)	\$ (31,081,767)
[27] TOTAL LIABILITIES AND NET ASSETS	\$ 107,874,198	\$ 105,836,864	\$ 110,123,381	\$ 4,286,517	\$ 110,123,381
	\$ 0	\$ (0)	\$ -	(\$0) 0	\$ -

Statement of Cash Flows

SAN GORGONIO MEMORIAL HOSPITAL BANNING, CALIFORNIA ONE MONTH ENDING JULY 31, 2022

		CASH FLOW	
		Current Month 7/31/2022	
		<hr/>	
HEALTHCARE SYSTEM CASH FLOW			
BEGINNING CASH BALANCES			
[1]	Cash: Beginning Balances- HOSPITAL	\$	9,466,720
[2]	Cash: Beginning Balances- DISTRICT		1,873,283
[3]	Cash: Beginning Balances TOTALS	\$	11,340,003
Receipts			
[4]	Pt Collections	\$	4,731,091
[5]	Tax Subsidies Measure D/Prop 13		-
[6]	Misc Tax Subsidies		-
[7]	Donations/Grants		1,384,498
[8]	IGT & other Supplemental (Net)		-
[9]	Draws/(Paydown) of LOC Balances		-
[10]	Other Misc Receipts/Transfers		136,873
	TOTAL RECEIPTS	\$	6,252,462
Disbursements			
[11]	Payroll/ Benefits	\$	5,115,779
[12]	Other Operating Costs		2,784,774
[13]	Capital Spending		198,674
[14]	Debt serv payments (Hosp onlyw/ LOC interest)		
[15]	Other (increase) in AP /other bal sheet		(175,728)
[16]	TOTAL DISBURSEMENTS	\$	7,921,479
[17]	TOTAL CHANGE in CASH	\$	(1,669,017)
ENDING CASH BALANCES			
[18]	Ending Balances- HOSPITAL	\$	7,771,513
[19]	Ending Balances- DISTRICT		1,899,473
[20]	Ending Balances- TOTALS	\$	9,670,986
ADDITIONAL INFO			
[21]	LOC CURRENT BALANCES	\$	12,000,000

TAB C

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT and HOSPITAL

Updated & Revised FYE June 30, 2023 Budget

Operating Budget

Combined Balance Sheet:

San Gorgonio Memorial Hospital

San Gorgonio Memorial Healthcare District

Cash Flow Statement

SGMHD Operating Budget

Prepared: August 24, 2022

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT AND HOSPITAL

FYE June 30, 2023 Budget Assumptions (Revised and Updated 8/24/22)

Key Issues:

Now that the “Bridge Financing” package via the proposed 2022 Revenue Bonds is being finalized, certain updates are in order to more accurately reflect the components of the 2023 Budgets.

This update incorporates the following:

- 1) The amount of the Bonds issued for 2022-23 are now at \$9,175,000, compared to \$12,900,000.
- 2) The 2021 Revenue Bonds of \$2,350,000 will not be repaid at this time, but will be paid in accordance with original terms.
- 3) The previous Cash Flow Budget included commencement of repayment of the \$12,900,000 proposed Bonds.
- 4) The previous Statement of Revenues and Expenses inadvertently omitted \$557K of Interest Expense related to the \$12,900,000 proposed Bonds issuance.
- 5) This Revised Budget incorporates all Interest Expense related to the 2022 Revenue Bonds, plus \$101K of additional updated Interest Expense Projections related to the recent large increases in interest rates.
- 6) The \$282K EBIDA amount remains unchanged from the original Budget package
- 7) The Overall Net Surplus is now reduced to \$1,174,518 as compared to \$2,069,415 in the original Budget package.

SAN GORGONIO MEMORIAL HOSPITAL							
Statement of Revenue and Expense				PROJECTED	BUDGET		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Comment	
Gross Patient Revenue							
1	Inpatient Revenue	\$92,014,593	\$88,815,381	\$111,976,457	\$216,865,666	\$264,016,318	Includes Rate Increases
2	Outpatient Revenue	201,184,376	180,805,253	143,204,184	235,707,329	266,029,277	" " "
3	Total Gross Patient Revenue	293,198,969	269,620,634	255,180,641	452,572,995	530,045,595	" " "
Deductions From Revenue							
4	Discounts and Allowances	(235,057,775)	(214,148,761)	(199,628,805)	(373,180,905)	(441,236,937)	Includes Rate Increases
5	Bad Debt Expense	(10,296,276)	(7,839,364)	(9,892,737)	(17,298,617)	(18,665,612)	
6	Charity Care	(674,019)	(1,038,200)	(496,340)	(915,655)	(960,312)	
7	Total Deductions From Revenue	(246,028,070)	(223,026,325)	(210,017,881)	(391,395,178)	(460,862,861)	Includes Rate Increases
8	% Deductions	-83.91%	-82.72%	-82.30%	-86.48%	-86.95%	Includes Rate Increases
Net Patient Revenue							
		47,170,899	46,594,309	45,162,760	61,177,817	69,182,734	
Supplemental & Non-Patient Revenue							
9	IGT Revenues	17,824,040	13,887,912	10,436,480	8,608,944	14,538,957	
10	Other Operating Rev Incl DSH	2,467,079	9,005,213	6,106,437	5,693,553	5,847,800	
11	Clinic Net Revenues	268,589	188,916	0	0	0	
12	Tax Subsidies Measure D	2,358,293	2,393,627	2,516,922	2,858,198	2,963,926	
13	Tax Subsidies Prop 13	1,384,656	1,368,731	1,710,620	1,800,000	1,854,000	
14	Tax Subsidies -Other	193,913	108,763	149,804	141,461	135,000	
15	Total Non-Patient Revenue	24,496,570	26,953,162	20,920,263	19,102,156	25,339,683	
Total Operating Revenue							
		71,667,469	73,547,471	66,083,023	80,279,973	94,522,416	
Expenses							
16	Salaries and Wages	35,294,707	37,250,689	37,501,904	41,243,799	44,627,513	8.2%
17	Fringe Benefits	8,429,724	9,032,491	10,282,665	10,140,194	11,024,500	8.7%
18	Contract Labor	1,279,534	714,190	1,378,626	1,255,245	910,917	-27.4%
19	Physicians Fees	2,959,573	3,982,298	4,209,399	4,200,220	4,382,772	4.3%
20	Purchased Services	6,166,280	8,296,048	9,268,035	11,450,105	12,515,534	9.3%
21	Supply Expense	8,226,210	9,012,301	10,846,597	12,323,037	13,510,749	9.6%
22	Utilities	905,646	968,157	1,107,443	1,329,931	1,381,613	3.9%
23	Repairs and Maintenance	699,894	703,109	1,676,546	951,930	906,764	-4.7%
24	Insurance Expense	1,023,205	1,239,322	1,328,202	1,375,927	1,475,746	7.3%
25	All Other Operating Expenses	851,066	1,928,941	1,785,024	1,083,191	1,187,896	9.7%
26	IGT Expense	704,910	1,313,802	2,068,389	0	1,097,985	0.0%
27	Leases and Rentals	913,805	950,799	953,082	943,951	1,218,127	29.0%
28	1206 (b) CLINIC Expense	1,185,724	1,135,530	409,152	0	0	0.0%
29	Total Operating Expenses	68,640,278	76,527,677	82,815,064	86,297,530	94,240,116	9.2%
EBIDA							
		3,027,191	(2,980,206)	(16,732,041)	(6,017,556)	282,300	
Interest Expense and Depreciation							
30	Depreciation	5,973,693	6,077,964	5,936,648	6,078,380	6,600,523	8.6%
31	Interest Exp and Amortization	5,018,312	5,065,130	5,375,928	4,935,712	5,623,039	13.9%
32	Total Interest & Depreciation	10,992,005	11,143,094	11,312,576	11,014,092	12,223,562	11.0%
Non-Operating Revenue:							
33	Contributions	92,937	333,111	85,447	831,623	5,600,931	Includes Donation - Morongo Band of Mission Indians
34	Tax Subsidies GO Bonds - M-A	8,309,482	8,003,588	7,180,920	7,367,589	7,514,849	
35	Extraordinary losses		(8,274,886)	(7,800)			
	Total Non Operating Rev/(Exp)	8,402,419	61,813	7,258,567	8,199,212	13,115,780	
Total Net Surplus/(Loss)							
		\$437,605	(\$14,061,487)	(\$20,786,050)	(\$8,832,436)	\$1,174,518	
Total Profit Margin							
		0.61%	-19.12%	-31.45%	-11.00%	1.24%	
EBIDA % (Adjusted)							
		4.22%	-4.05%	-25.32%	-7.50%	0.30%	

Changes in Net Interest Expense Include: \$556,561 Previously Omitted from Original Budget and \$101,250 Projected Prime Interest Increase for Line of Credit Interest.

San Gorgonio Memorial Hospital & Healthcare District					PROJECTED	BUDGET
COMBINED BALANCE SHEET		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ASSETS						
Current Assets						
1	Cash	\$4,175,262	\$12,894,407	\$2,420,953	\$9,680,014	\$13,011,115
2	Accounts Receivable (Net)	8,449,937	7,142,879	7,939,203	9,061,949	8,961,949
3	Inventories	1,668,855	1,789,075	1,776,554	2,433,993	2,190,594
4	Other Receivables	2,723,547	2,753,613	2,282,995	(3,600,886)	1,187,153
5	IGT Receivables	10,058,792	10,877,160	902,000	0	0
6	All Other Current Assets	353,247	288,583	21,485	1,000,753	999,621
7	Total Current Assets	27,429,640	35,745,717	15,343,190	18,575,823	26,350,431
Assets with Limited Use						
8	Total Limited Use Assets	8,671,080	9,305,009	9,846,366	12,546,077	13,946,077
Other Assets						
9	Unamortized Loan Costs	1,474,000	759,389	645,507	614,440	770,039
Property Plant & Equipment		168,081,679	160,586,314	160,963,318	163,761,830	170,558,566
10	Less Accumulated Depreciation	(71,081,214)	(77,151,389)	(83,087,287)	(89,145,667)	(95,746,190)
11	Net PPE	97,000,465	83,434,925	77,876,031	74,616,163	74,812,376
12	Interest Net Assets of Sys Fdn	646,319	496,107	551,194	5,500,000	500,000
Total Assets		\$135,221,504	\$129,741,147	\$104,262,288	\$111,852,503	\$116,378,923
LIABILITIES AND FUND BALANCE						
Current Liabilities						
		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
13	Accounts Payable -Operating	\$5,057,334	\$5,316,508	\$10,897,079	\$9,418,151	\$9,382,099
14	Accrued Payroll Benefits	3,051,669	4,124,703	4,865,852	5,597,026	4,834,773
15	Current Portion L-Term Debt	2,095,000	2,335,000	2,640,000	2,830,000	3,477,119
16	Third Party Settlements	732,545	2,435,348			
17	Bank Line of Credit	0	6,000,000	0	12,000,000	12,000,000
18	Accrued Interest Payable	2,055,146	2,020,229	1,945,116	1,890,661	2,253,256
19	Accounts Payable - Advance	0	322,211	402,258	387,388	0
20	Total Current Liabilities	12,991,694	22,553,999	20,750,305	32,123,226	31,947,247
Long Term Debt		110,739,214	110,448,326	107,559,211	104,877,314	113,405,195
Borrowing Re: State Transition to CY					2,231,628	2,231,628
Total Liabilities		123,730,908	133,002,325	128,309,516	139,232,168	147,584,070
21	Fund Balance	11,490,596	(3,261,179)	(24,047,228)	(27,379,664)	(31,205,146)
Total Liabilities and Fund Balance		\$135,221,504	\$129,741,146	\$104,262,288	\$111,852,503	\$116,378,923

CASH FLOW STATEMENT - Abbreviated (Excluding G.O Bonds Taxes & Related Debt Service)				PROJECTED	BUDGET	
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
1	Cash: Beginning Balances	\$6,308,962	\$4,175,262	\$12,894,407	\$2,420,953	\$9,680,014
	Receipts					
2	Pt Collections	49,278,795	48,188,723	50,511,153	63,950,228	66,672,207
3	Taxes (Non- Debt Service)	3,936,862	3,871,121	4,377,346	4,799,659	4,952,926
4	IGT & Other Supplemental (Net)	17,041,777	15,562,609	12,198,786	11,534,697	15,834,823
5	PY IGT or DSH Repay	(732,545)	(829,750)	(2,366,760)		
6	IGT Deposit for Future Yr					(1,600,000)
7	Supplemental Loans (QIP)				2,231,627	
8	Revenue Bond for Siemens Project			2,350,000		
9	Revenue Bonds to Restricted			(2,035,000)		
10	Bridge Loan Financing					8,449,538
11	Equipment Grant		52,112		360,000	0
12	Increases (Decr.) in LOC Principal Owed		6,000,000	(6,000,000)	12,000,000	0
13	Foundation Capital Funding	92,937	333,111	85,447	831,623	5,600,931
14	Other Receipts & Interco T-fers	2,467,079	10,128,133	7,898,096	4,368,659	6,612,695
15	Total Receipts	72,084,905	83,306,059	67,019,068	100,076,493	106,523,120
	Disbursements					
16	Payroll/ Benefits	43,962,904	45,210,146	47,043,419	53,986,195	55,652,013
17	Other Operating Costs	29,158,465	28,227,118	28,896,744	36,490,901	38,965,864
18	Capital Spending	517,242	787,310	377,004	1,610,000	7,196,736
19	Line of Credit Interest	117,924	342,836	314,009	280,042	564,792
20	Other, Incl.Loan Repayments	462,070	19,504	861,346	450,294	812,614
21	Total Disbursements	74,218,605	74,586,914	77,492,522	92,817,432	103,192,019
22	Total Change in Cash	(2,133,700)	8,719,145	(10,473,454)	7,259,061	3,331,101
23	Ending Balances	\$4,175,262	\$12,894,407	\$2,420,953	\$9,680,014	\$13,011,115
24	Goal - Cash on Hand	\$4,000,000	\$4,000,000	\$11,344,529	\$11,821,579	\$12,909,605
25	LOC Balance	\$0	\$6,000,000	\$0	\$12,000,000	\$12,000,000

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BUDGET

2023 BUDGET

				PROJECTED	BUDGET
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
CLINIC					
Patient Revenues	\$1,070,095	\$884,112	\$0	\$0	\$0
Deductions From Revenue	801,506	695,196	0	0	0
NET PATIENT REVENUES	268,589	188,916	0	0	0
Operating Expense	1,185,724	1,135,530	409,152	0	0
NET GAIN (LOSS) from CLINIC	(917,135)	(946,614)	(409,152)	0	0
NON CLINIC REVENUES					
Other Operating Revenue	37,445	37,445	39,024	39,024	39,024
Restricted Contributions	92,937	333,111	85,447	831,623	5,600,931
Tax Subsidies Measure D & H	2,358,293	2,393,627	2,516,922	2,858,198	2,963,926
Tax Subsidies for GO Bonds - M-A	8,309,482	8,003,588	7,180,920	7,226,128	7,384,849
Tax Subsidies Prop 13	1,384,656	1,368,731	1,710,620	1,800,000	1,854,000
County Supplemental Funds	193,913	108,763	149,804	141,461	130,000
TOTAL DISTRICT REVENUES	12,376,726	12,245,265	11,682,737	12,896,434	17,972,730
EXPENSES					
MOB Misc Expense	24,250	23,375	24,106	27,237	28,000
Legal & Other Purchased Services	25	0	248,006	86,080	85,250
All Other Operating Expenses	362,690	258,594	142,473	327,801	428,000
TOTAL OPERATING EXPENSES	386,965	281,969	414,585	441,118	541,250
DISTRICT Gains before Deprec. & Intere	11,989,761	11,963,296	11,268,152	12,455,316	17,431,480
Depreciation	5,973,693	6,077,964	5,936,648	6,078,380	6,600,523
Interest & Amortization Exp	5,018,312	5,065,130	5,375,928	4,935,712	5,623,039
NET GAIN (LOSS) from District	997,756	820,202	(44,424)	1,441,224	5,207,918
NET INCOME COMBINED DISTRICT	\$80,621	(\$126,412)	(\$453,576)	\$1,441,224	\$5,207,918
DISTRICT OPERATING CASH	\$3,126,083	\$2,544,822	\$762,594	\$969,554	\$866,074