



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
Tuesday, December 3, 2024 – 4:00 PM

Modular C Classroom
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) 769-2160. **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 S. DiBiasi, Chair

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Hospital Board of Directors on any matter under the subject jurisdiction of the Board. 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 Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Hospital Board of Directors, we want you to know that the Board acknowledges the comments or concerns that you direct to this Board. While the Board may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the Hospital CEO, or other Hospital Executive personnel, to do further research and report back to the Board 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 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’s part; a response will be forthcoming.

OLD BUSINESS

III. ***Proposed Action - Approve Minutes** S. DiBiasi
 • November 5, 2024, Regular Meeting A

NEW BUSINESS

IV. Hospital Board Chair Monthly Report S. DiBiasi verbal

V. CEO Monthly Report S. Barron verbal

San Geronio Memorial Hospital
Board of Directors Regular Meeting
December 3, 2024

- | | | | |
|-------|-------------------------------------------------------------------------------------------------------------|-----------------|---------|
| VI. | December, January, and February Board/Committee Meeting Calendars | S. DiBiasi | B |
| VII. | FOR REVIEW – Hospital Bylaws
(Scheduled for approval at January 2025 meeting per Bylaws Section 4.05. i) | S. DiBiasi | C |
| VIII. | FOR REVIEW – Mission/Vision/Values Statement
(Proposed approval scheduled for January 2025 meeting) | S. Barron | D |
| IX. | Committee Reports: | | |
| | • Finance Committee | S. DiBiasi/ | E |
| | ○ November 26, 2024, regular meeting minutes | D. Heckathorne | |
| | * Proposed Action – Approve October 2024 Financial Statement (Unaudited) | | |
| | ▪ ROLL CALL | | |
| X. | * Proposed Action – Recommend approval to the Healthcare District Board | D. Heckathorne/ | handout |
| | ○ FYE 24 Financial Audit | Wipfli, LLP | |
| | ▪ ROLL CALL | | |
| XI. | Chief of Staff Report – Recommendations of the Medical Executive Committee – Informational | S. Khalil, M.D. | F |
| | | Chief of Staff | |
| XII. | * Proposed Action – Recommend Approval to the Healthcare District Board of Policies and Procedures | Staff | G |
| | ▪ ROLL CALL | | |
| XIII. | Community Benefit events/Announcements/
and newspaper articles | S. DiBiasi | H |

***** ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION** S. DiBiasi

- Receive Quarterly Infection Prevention and Control Report
(*Health & Safety Code §32155*)
- Proposed Action - Recommend approval to Healthcare District Board - Medical Staff Credentialing
(*Health & Safety Code §32155; and Evidence Code §1157*)

XIV. ADJOURN TO THE CLOSED SESSION OF THE HOSPITAL BOARD

*** The Board will convene to the Open Session portion of the meeting approximately 2 minutes after the conclusion of Closed Session.**

RECONVENE TO OPEN SESSION

***** REPORT ON ACTIONS TAKEN DURING CLOSED SESSION**

S. DiBiasi

XV. Future Agenda Items

XVI. **ADJOURN**

S. DiBiasi

***Action Required**

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 Board. Such records shall be available 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.

I certify that on November 27, 2024, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Hospital, and on the San Gorgonio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Board of Directors
(*Government Code Section 54954.2*).

Executed at Banning, California, on November 27, 2024



Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

November 5, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Tuesday, November 5, 2024, in Modular C meeting room, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Perry Goldstein, Shannon McDougall, Darrell Petersen, Ron Rader, Steve Rutledge, Randal Stevens, Lanny Swerdlow

Members Absent: Dennis Tankersley

Required Staff: Steve Barron (CEO), Sherif Khalil, MD (Chief of Staff), Angie Brady (CNE), John Peleuses (VP Ancillary and Support Services), Ariel Whitley (EA/Director of Comp. and Privacy), Annah Karam (CHRO), Dan Heckathorne (CFO), Thomas Jeffry (Legal Counsel), Sarah Benator (Legal Counsel)

AGENDA ITEM		ACTION / FOLLOW-UP
Call To Order	Chair, Susan DiBiasi, called the meeting to order at 4:05 pm.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action - Approve Minutes October 1, 2024, regular meeting.	Chair, Susan DiBiasi, asked for any changes or corrections to the minutes of the October 1, 2024, regular meeting. There was a misspelling of the word “we’re”. It will be corrected.	The minutes of the October 1, 2024, regular meeting will be approved upon correction.
NEW BUSINESS		
Hospital Board Chair Monthly Report	No formal report.	
CEO Monthly Report	Steve Barron reported that Dr. Raffi Sahagian stepped down as Chief of Staff. Dr. Khalil, Chief of Staff Elect, has stepped in.	
November 2024, December 2024, and January 2025 Board/Committee meeting calendars	Calendars for November 2024, December 2024, and January 2025 were included on the board tablets.	

AGENDA ITEM		ACTION / FOLLOW-UP																				
Proposed Action – Approve 2025 Meeting Dates	<p>Chair DiBiasi reported that included on the board tablets is a list of suggested meeting dates for 2025.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 438 1253 615"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Petersen</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Absent</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougall	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Absent	Motion carried.		<p>M.S.C., (Rader/Petersen), the SGMH Board of Directors approved the 2025 Meeting Dates as presented.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougall	Yes	Petersen	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Absent	Motion carried.																				
<p>COMMITTEE REPORTS:</p>																						
<p>Finance Committee</p> <p>Proposed Action – Approve September 2024 Financial Statement (Unaudited).</p>	<p>Dan Heckathorne, CFO, reviewed the Executive Summary of the September 2024 Financial Report which was included on the board tablet. A copy of the Finance Committee’s October 29, 2024, meeting minutes were also included on the board tablet.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 911 1253 1087"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Petersen</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Absent</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougall	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Absent	Motion carried.		<p>M.S.C., (Rutledge/Stevens), the SGMH Board of Directors approved the September 2024 Financial Statement as presented.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougall	Yes	Petersen	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Absent	Motion carried.																				
<p>P4P Q1 2024 Report – Informational</p>	<p>Angela Brady, CNE, gave the P4P Q1 2024 report as included on the board tablets.</p>																					
<p>Patient Care Services Report</p>	<p>Angela Brady, CNE, gave the Patient Care Services report as included on the board tablets.</p>																					
<p>Chief of Staff Report</p> <p>Recommendations of the Medical Executive Committee – Informational</p>	<p>A discussion was held regarding the recommendations of the Medical Executive Committee. The report was provided as informational</p> <p>Approval Item(s):</p> <ul style="list-style-type: none"> • CT Contrast Policy – 2024 Annual Approval • Reference Laboratory 																					
<p>Proposed Action – Recommend Approval to the Healthcare District Board of Policies and Procedures</p>	<p>There were fifty (50) policies and procedures presented for recommended approval to the Healthcare District Board. The Hospital Board recommended forty-seven (47) to the Healthcare District Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 1707 1253 1879"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Petersen</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Absent</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougall	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Absent	Motion carried.		<p>M.S.C., (Rutledge/Petersen), the SGMH Board of Directors voted to recommend approval to the Healthcare District board of the forty-seven policies and procedures as submitted.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougall	Yes	Petersen	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Absent	Motion carried.																				

AGENDA ITEM		ACTION / FOLLOW-UP
Community Benefit events/Announcements/and newspaper articles	Miscellaneous information was included on the board tablets.	
GENERAL TOPIC		
The Role of the Board in Medical Staff Credentialing – Video Presentation	The Board watched a video provided by the American Hospital Association (AHA) entitled, “The Role of the Board in Medical Staff Credentialing”. Tom Jeffry was present to answer any general questions that the board may have had.	
Adjourn to Closed Session	<p>Chair, DiBiasi reported on the items to be reviewed and discussed and/or acted upon during Closed Session will be:</p> <ul style="list-style-type: none"> ➤ Recommend approval to the Healthcare District Board – Medical Staff Credentialing ➤ Conference with legal counsel – Pending litigation ➤ Conference with Legal Counsel – Potential litigation ➤ Receive Performance Improvement Committee Report ➤ Receive Quarterly Security/Safety/ and Emergency Preparedness Report ➤ Receive Quarterly Corporate Compliance Report <p>The meeting adjourned to Closed Session at 6:16 pm.</p>	
Reconvene to Open Session	<p>The meeting adjourned from closed session at 7:00 pm.</p> <p>Chair DiBiasi reported on the actions taken/information received during the Closed Session as follows:</p> <ul style="list-style-type: none"> ➤ Recommended approval to the Healthcare District Board – Medical Staff Credentialing ➤ Participated in a telephone conference with legal counsel – Pending litigation – No action was taken. ➤ Participated in a telephone conference with Legal Counsel – Potential litigation – No action was taken. ➤ Received the Performance Improvement Committee Report ➤ Received the Quarterly Security/Safety/and Emergency Preparedness Report ➤ Received the Quarterly Corporate Compliance Report 	
Future Agenda Items	<ul style="list-style-type: none"> • None 	
Adjourn	The meeting was adjourned at 7:01 pm.	

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.

Respectfully submitted by Ariel Whitley, Executive Assistant

TAB B



December 2024

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	4	5	6	7
8	9	10	11	12	13 Beaumont Chamber Breakfast @7:30 AM	14
15	16	17 9:00 am Finance Committee 10:00 am Executive Committee	18 Banning Chamber Breakfast @7AM	19	20	21
22	23	24 Administration Closed Christmas Eve	25 Administration Closed Christmas Day	26	27	28
29	30	31 Administration Closed New Year's Eve				

Items in **bold** = Board/Committee meetings

Items with * = Associate functions that Board members are invited to attend



January 2025

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 <i>Admin Closed—New Year's Day!</i>	2	3	4
5	6	7 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	8	9	10 Beaumont Chamber Breakfast @7:30AM	11
12	13	14	15 9:00 am HR Committee Meeting 10:00 am Community Planning Meeting	16	17	18
19	20	21	22	23	24	25
26	27	28 9:00 am Finance Committee	29	30	31	



February 2025

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	5	6	7	8
9	10	11	12	13	14 7:00 Banning Chamber Breakfast	15
16	17 <i>Admin Closed— Presidents' Day!</i>	18	19 7:00 Banning Chamber Breakfast	20	21	22
23	24	25 9:00 am Finance Committee	26	27	28	

TAB C

**AMENDED AND RESTATED BYLAWS
OF
SAN GORGONIO MEMORIAL HOSPITAL
HOSPITAL BOARD**

A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

Approved by SGMH Board of Directors on January 2, 2024

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AMENDED AND RESTATED BYLAWS

OF

SAN GORGONIO MEMORIAL HOSPITAL

A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

**ARTICLE 1
OFFICES**

Section 1.01 Principal Office

The principal office of the Corporation for the transaction of its business shall be located at San Gorgonio Memorial Hospital, which is located at the southeastern corner of Highland Springs Avenue and West Wilson Street in the City of Banning, in the County of Riverside, State of California, or such other place or places within the boundaries of the San Gorgonio Memorial Healthcare District (“District”) as the Board of Directors may from time to time designate.

**ARTICLE 2
NONPROFIT NATURE**

Section 2.01 Goals and Purposes

The Corporation manages the San Gorgonio Memorial Hospital for the San Gorgonio Memorial Healthcare District, a local healthcare district under California Health & Safety Code Section 32000. Under the management services agreement between the District and the Corporation, the Corporation is charged with providing management and pharmacy services to the Hospital for the benefit of the communities served by the District. The goals and purposes of this Corporation are to:

- a. operate and maintain the Hospital and provide hospital services for the benefit of the communities served by the San Gorgonio Memorial Healthcare District.
- b. maintain a hospital for the care of persons suffering from illnesses or disabilities which require that the patients receive hospital care.
- c. carry on any activities related to healthcare services which, in the opinion of the Board of Directors, may be justified by the facilities, personnel, funds or other assets that are or can be made available.
- d. participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the community.
- e. provide health education to the Hospital’s patients and members of the community regarding wellness and prevention.

- f. attract and retain a diverse staff of qualified well trained and competent healthcare practitioners and support personnel who will provide care in a competent manner.

Section 2.02 Exempt Purposes

The purposes for which this Corporation is organized are exclusively charitable and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (or any successor statute). Notwithstanding any other provisions of these Bylaws, the Corporation shall not, except to an insubstantial degree, engage in or carry on any activities or exercise any power that is not in furtherance with the goals and purposes of this Corporation, or which are not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (or any successor statute) or Section 23701d of the California Revenue and Taxation Code, as amended from time to time (or any successor statute) or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended from time to time (or any successor statute) or under Section 17201 and related Sections of the California Revenue and Taxation Code, as amended from time to time (or any successor statute).

Section 2.03 Dedication of Assets

The property of this Corporation is irrevocably dedicated to the charitable and educational purposes set forth in these Bylaws, and no part of the net income or assets of this Corporation shall inure to the personal benefit of any Director, Officer, or Member of this Corporation or to the benefit of any other private person. Upon the winding up and dissolution of this Corporation, its assets remaining after payment of, or provision for payment of, all the Corporation's debts and liabilities shall be distributed to the San Gorgonio Memorial Healthcare District, or any successor public agency charged with carrying out the purposes of the District, to continue to promote and accomplish the public purpose of this Corporation as set forth in these Bylaws. If the District, or the successor entity referred to in the preceding sentence, shall no longer exist at such time, then upon the winding up and dissolution of this Corporation, its assets remaining after payment of, or provision for payment of, all the Corporation's debts and liabilities shall be distributed to another non-profit corporation, trust or fund which is organized and operated exclusively for charitable purposes and which has established its tax exempt status within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (or any successor statute), and Section 23701(d) of the California Revenue and Taxation Code, as amended from time to time (or any successor statute), such assets to be used exclusively for the purpose of continuing to promote and accomplish the charitable purpose of this Corporation as set forth in the Articles and in the Bylaws of the Corporation.

ARTICLE 3 MEMBERS

Section 3.01 No Members

The Corporation shall have no members, within the meaning of California Corporations Code Section 5056.

ARTICLE 4 DIRECTORS

Section 4.01 Number

This Corporation shall have nine (9) regular Directors, who shall be known collectively as the Board of Directors. Members of the Board of Directors shall be elected, as set forth in Article 5, provided that each individual who takes office as a Director of the District shall be an *ex officio* Director of the Corporation, with full voting rights and shall count for purposes of establishing a quorum. All of the Directors, including *ex officio* Directors, shall be subject to the same terms and provisions of these Bylaws and applicable law except as expressly provided to the contrary by these Bylaws. Subject to the discretion of the Board, two members of the Board of Directors may be members of the Medical Staff of San Gorgonio Memorial Hospital.

The Chief of Staff shall be an invited guest at all meetings of the Board of Directors, but shall excuse himself or herself from Board meetings when requested to do so by the Chair, and may not attend closed session meetings of the Board unless his or her experience and expertise is required by the Board and he or she is asked to attend by the Board. As the Chief of Staff is not a Director, the Chief of Staff shall have no voting rights and shall not count for purposes of establishing a quorum. The Chief of Staff shall abide by all policies of the Corporation applicable to Directors with respect to conflicts of interests and maintaining the confidentiality of trade secret, competitively sensitive information and closed session information.

Section 4.02 Use of Terms “Directors” and “Board”

The words “Directors” and “Board”, as used in the Articles of Incorporation of this Corporation, or in these Bylaws, in relation to any power or duty requiring collective action, mean “Board of Directors”.

Section 4.03 Restriction on Interested Persons and Employees as Directors

Subject to the additional restrictions in Section 4.18 of these Bylaws, no more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, such as an independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. Employees of the Corporation or District may not serve on the Board. However, except as provided to the contrary by Government Code Section 1090, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 4.04 Powers

The Directors shall exercise the powers of the Corporation, control its property, and conduct its affairs, except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws. The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 4.05 Duties

The Board of Directors has responsibility to establish policy for the Hospital and its business including, but not limited to, all matters pertaining to quality of care rendered within the Hospital. The Board of Directors shall exercise this authority in conformity with applicable laws, regulations and accreditation requirements. In furtherance of the foregoing, the role of the Directors shall be as follows:

- a. establish policy for the operation, maintenance and development of the Hospital and its business including, but not limited to, assuring the quality of care within the Hospital.
- b. appoint a competent and experienced Chief Executive Officer who shall be its direct representative in the management of the Hospital.
- c. review the performance of the Chief Executive Officer on an annual basis.
- d. approve the annual operating budget and capital expenditures.
- e. approve the strategic plan on an annual basis.
- f. review and approve periodic financial statements and other financial matters of the Corporation.
- g. assure that adequate revenues are retained by the Corporation and expended in accordance with its charitable purposes.
- h. review and act on financing arrangements recommended by the Chief Executive Officer for the Corporation.
- i. review these Bylaws, the Bylaws of the Medical Staff and all committees on an annual basis, and approve needed changes.
- j. review and approve written personnel policies and establish a procedure for notifying employees of changes in such personnel policies.
- k. review and, where appropriate, approve policies and procedures to promote care, treatment and rehabilitation of patients.
- l. review and revise, as appropriate, all department and service policies and procedures when warranted and ensure that the Medical Staff participates, as appropriate.
- m. act as the final decision-making authority with respect to all matters pertaining to credentialing and privileges. Upon the recommendation and advice of the Medical Staff, the Board shall appoint members of the Medical Staff and grant such privileges as may, in their judgments, be warranted by the experience and training of the applicant.

Section 4.06 Compensation

The members of the Board of Directors shall be entitled to receive compensation equivalent in amount to that which is payable to the members of the Board of Directors of a California Healthcare District pursuant to the terms of Health & Safety Code Sections 32103. Such amounts shall not be mandatory and Board Members choosing not to accept compensation may do so. Additionally, each Board member shall also be entitled to receive reimbursement for expenses reasonably incurred in conjunction with educational seminars directly related to their function as a hospital board member, subject to such annual budgetary limitations as may be determined from time to time by the Board of Directors.

Section 4.07 Meetings Generally: Organizational Meeting

The meetings of the Board of Directors of the Corporation are subject to the Ralph M. Brown Act, as provided in California Government Code Section 54952(c). The Board of Directors shall hold its meetings in accordance with the agenda, open meeting and other requirements of the Ralph M. Brown Act, Government Code Section 54950 et seq. The Board of Directors shall annually hold organizational meeting where it shall organize by electing from its number the officers provided in Article 6 hereof to hold office until their successors are appointed as herein provided.

Section 4.08 Place

Meetings of the Board of Directors shall be held on the campus of the San Geronio Memorial Hospital or at such other place within the boundaries of the District as may be designated from time to time by the Board of Directors.

Section 4.09 Regular Meetings

Regular meetings of the Board of Directors shall be held at such times as may be prescribed from time to time by resolution of the Board of Directors, but not less than ten times annually. Upon adoption of such a resolution, a copy of the resolution shall be delivered to each member of the Board of Directors. Thereafter, no notice of any meeting held pursuant to the schedule described in the resolution shall be required, other than as may be required by law.

Section 4.10 Special Meetings

Special meetings of the Board of Directors shall be held whenever called by the Chair, or not less than four (4) of the Directors.

Section 4.11 Meeting by Telephone

Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or other communications equipment so long as (i) each member participating in the meeting can communicate with all of the other members concurrently, and (ii) each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection, to a specific action to be taken by this Corporation, provided that it complies with California Government Code Section 54953(b).

Section 4.12 Notice and Agenda

At least 72 hours before a regular meeting and at least 24 hours before a special meeting, the Corporation shall post an agenda containing a brief but descriptive general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session in accordance with the Ralph M. Brown Act.

Notice of the time and place of all special meetings of the Board of Directors shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone, including a voice messaging system or technology designed to record and communicate messages, or electronic transmission by the corporation (as defined in California Corporations Code Section 20). All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Corporation.

Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph, facsimile, electronic mail, or other electronic means shall be delivered, telephoned or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. It need not specify the purpose of the meeting.

Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned.

Section 4.13 Quorum

A quorum shall consist of a majority of the members of the Board of Directors, unless a greater number is expressly required by statute, by the Articles of Incorporation of this Corporation, or by these Bylaws. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors, except where any law, regulation, or policy of any governmental agency requires a larger minimum vote in favor of any resolution.

Section 4.14 Conduct of Meetings

The Chair, or in his absence, the Vice Chair or, in the absence of both, a chair chosen by a majority of the Directors present, shall preside at all meetings of the Board of Directors. Meetings shall be governed by such rules of procedure as may be reasonably appropriate under the circumstances, insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with law. Each Director present shall have an affirmative duty to vote for or against each matter presented for a vote unless the Director has a conflict of interest that requires the Director to recuse himself. If a Board Member abstains from voting the abstention shall be counted on the side of the matter receiving the highest number of votes. Recusal for these purposes means (i) not voting, and (ii) leaving the meeting after answering any questions posed by the other Directors.

Section 4.15 Meetings Public

All meetings of the Board of Directors shall be open to the public in accordance with the Ralph M. Brown Act, Government Code Section 54950, et seq. and subject to the other terms of said Act. However, certain items, including but not limited to personnel matters, labor negotiations, quality improvement and other protected Medical Staff matters and litigation matters, are not appropriate for public discussion. Accordingly, where an exception to the open meeting requirement exists under the Brown Act, the Health & Safety Code or other applicable law and where the matter is properly agendized the Board of Directors may meet in closed session.

Section 4.16 Adjournment

The Board may adjourn any regular, adjourned, special or adjourned special meeting to a time and place specified in the order of adjournment. A copy of the notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of adjournment in accordance with Government Code Section 54955.

Section 4.17 Ethics Training and Sexual Harassment Avoidance Training Requirements

All members of the Board of Directors shall complete a course with a minimum of two hours of training in ethics pursuant to Government Code 54235 (AB 1234), similar to that as is required of the District Board of Directors. Such training will be required of newly appointed Directors within one year of assuming office and shall be renewed each two years thereafter. A certificate of completion showing at least two hours of training must be submitted and placed in each board member's file.

In addition to ethics training, all members of the Board of Directors shall complete a course with a minimum of two hours of training in sexual harassment avoidance pursuant to Government Code 12950.1 (AB 1825 & AB 1661) and 2 CCR 11024. Such training will be required of newly appointed Directors within six months of assuming office and shall be renewed each two years thereafter. A certificate of completion showing at least two hours of training must be submitted and placed in each board member's file.

Section 4.18 Conflicts of Interest and Other Policies

Members of the Board of Directors shall comply with the District's Conflict of Interest Code, as it may be amended or supplemented from time to time, applicable provisions of the Political Reform Act, Government Code Section 81000, et seq., Government Code Section 1090, et seq. and other policies adopted by the Board, including but not limited to its confidentiality policies. As required by the forgoing laws, Board members shall file an FPPC Form 700 with the Corporation within 30 days of taking office, annually, and within 30 days of leaving office.

Section 4.19 Confidentiality: Public Statements

The Board of Directors, and each of its members, shall maintain the confidentiality of any and all information that has been discussed in closed session or that is normally discussed in closed

session. Further, each Director with access to confidential information regarding this Corporation or this Corporation's business is expected to hold such information in confidence and to refrain from either using such information for personal gain or disclosing it unnecessarily outside the scope of the Director's duty with respect to this Corporation. No Board member shall make a public statement on behalf of the Board, or in a manner that appears to be on behalf of the Board, unless a majority of the Board has given prior authorization for the public statement at a duly noticed meeting of the Board of Directors.

Section 4.20 Appropriation of Business Opportunity and Confidential Information

No Director of this Corporation may appropriate or divert to others any opportunity for profit in connection with a transaction in which it is known or could be anticipated that this Corporation is or would be interested. Such opportunities include but are not limited to, acquisition of real or personal property, appointment of suppliers, or design or development of new products, services or areas of business related to this Corporation's present or planned services or service areas.

ARTICLE 5 ELECTION OF DIRECTORS

Section 5.01 Votes Required to Elect Director

Except as provided in Section 4.01 with respect to *ex officio* Directors, a candidate must receive the vote of a majority of the Directors present to be elected as a Director.

Section 5.02 Term of Office of Directors

Directors shall serve a term of four (4) years. Each Director may serve a maximum of two (2) consecutive terms. Former directors will be eligible to serve again after one (1) year of non-service. However, *ex officio* Board members shall serve for a term equal to their term on the District Board, and upon their resignation or removal from the District Board for any reason whatsoever, their terms of office as Directors of this Corporation shall cease and terminate, and their successors on the District Board shall be *ex officio* Directors of this Corporation in their place and stead. Each Director other than *ex-officio* Directors, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected, and until a successor has been appointed. The successor Director shall serve the unexpired term of the predecessor Director. If the unexpired term is two (2) years or less, then the successor Director shall serve a term of four (4) years plus the unexpired term. If the unexpired term is more than two (2) years, then the successor Director shall serve the unexpired term and face re-election to serve a new four (4)-year term.

5.03 Vacancies

- a. Events Causing Vacancies. A Board member, including but not limited to an *ex officio* Director as a consequence of being a District Board member, shall be deemed to have vacated his seat on the occurrence of any of the following:

- (1) The death or resignation of the Director.

- (2) The declaration or resolution of the Board of the vacancy of the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by a final order or judgment of any court to have breached a duty under Sections 5230, et seq., of the California Nonprofit Public Benefit Corporation Law.
 - (3) Except as provided in Section 4.01 with respect to *ex officio* Directors, any Director may be removed, either with or without cause, by majority vote of the Directors then in office, at any regular or special meeting of the Board of Directors.
 - (4) Except as provided in Section 4.01 with respect to *ex officio* Directors, the absence of a Director from three consecutive meetings of the Board of Directors, and the determination of a majority of the remaining members of the Board of Directors that such absence was not excused.
 - (5) An increase in the authorized number of Directors.
 - (6) The failure of the Directors, at any meeting of the Directors at which any Director or Directors are to be elected, to fill a vacancy scheduled to be filled by election at such meeting.
- b. Resignations. Any Director may resign, which resignation shall be effective upon giving written notice to the Chair, the Chief Executive Officer, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to be effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.
- c. Vacancies of Directors. An Ad Hoc nominating committee will be formed for the purpose of recommending candidates to fill vacancies of Directors. This committee will be appointed in adherence with Section 7.06 and will include no less than two (2) *ex officio* Directors from the District Board. The Directors may elect a Director or Directors at any time to fill any vacancy or vacancies in the Board of Directors. Directors elected to fill a vacancy or vacancies in the Board of Directors of *ex officio* Directors by virtue of being a District Board member need to be the Director elected to the District Board to fill the vacancy on the District Board.
- d. No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires unless such an intent is shown in the records of the meeting and a majority of the directors approve the reduction in number of directors.

ARTICLE 6 OFFICERS

Section 6.01 Number and Titles

The Officers of this Corporation shall be a Chair of the Board, a Vice Chair, a Secretary, and a Treasurer. This Corporation may also have, at the Board's discretion, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with these Bylaws. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair of the Board. The Board shall also appoint a Chief Executive Officer and a Chief Financial Officer of the Corporation who shall be salaried employees of the Corporation.

Section 6.02 Other Officers

The Board may appoint and may authorize the Chair of the Board, or other officer, to appoint such additional officers that the Corporation may require. Each Officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined by the Board.

Section 6.03 Qualification, Election, and Term of Office

The Officers of the Corporation, except those appointed under Section 6.02 of these Bylaws, shall be elected by majority vote of the Directors present at the annual organizational meeting of the Board of Directors. No more than two (2) Officers of the Corporation may be Directors of the District serving as ex officio Directors. Each such Officer shall hold office until the next organizational meeting, or until his removal, death, or resignation. The Officers shall hold their respective offices at the pleasure of the Board of Directors and shall be subject to removal by the Board of Directors at any time.

Section 6.04 Removal and Resignation

Any Officer may be removed, either with or without cause, by majority vote of the Directors then in office, at any regular or special meeting of the Board of Directors, and such Officer shall be removed should he cease to be qualified for the office as herein required. Subject to the terms of any written employment agreement between an officer and the Corporation, any Officer may resign at any time by delivering written notice to the Board of Directors or to the Chair or to the Secretary of the Corporation. Acceptance by the Board of Directors of any such resignation shall not be necessary to make it effective.

Section 6.05 Vacancies

Any vacancy caused by the death, resignation, removal, disqualification, or the like, of an Officer shall be filled by majority vote of the Board of Directors for the unexpired portion of the term.

Section 6.06 Duties of Chair

The Chair of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time.

Section 6.07 Duties of Vice Chair

If the Chair is absent or disabled, the Vice Chair shall perform all duties of the Chair. When so acting, the Vice Chair shall have all powers of and be subject to all restrictions on the Chair. The Vice Chair shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

Section 6.08 Duties of Secretary

The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and Committees of the Board. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and of Committees of the Board required by these Bylaws or the California Corporations Code. The Secretary shall keep the Corporate Seal in safe custody and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

Section 6.09 Duties of Treasurer

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

The Treasurer shall deposit or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the Chair of the Board, to the Chief Executive Officer, and to the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement or removal from office.

Section 6.10 Duties of Chief Executive Officer

Subject to such supervisory powers as the Board may give to the Chair of the Board, if any, and subject to the control of the Board, the Chief Executive Officer (“CEO”) shall be the General Manager of the Corporation and shall supervise, direct, and control the Corporation’s activities, affairs, and officers. The Chief Executive Officer shall have such other powers and duties as the Board or these Bylaws may prescribe. The authority and responsibility of the CEO shall include

- a. carrying out all policies established by the Board.
- b. development, and submission to the Board for approval, of a strategic plan for the organization and operation of the Hospital.
- c. preparation of an annual budget showing the expected receipts and expenditures of the Corporation.
- d. selection, employment, control and discharge of employees, and development and maintenance of personnel policies and practices for the Hospital.
- e. maintenance of physical properties in a good state of repair and operating condition.
- f. supervision of all business affairs to ensure that funds are collected and expended to the best possible advantage.
- g. cooperation with the Medical Staff and with all those concerned with the rendering of professional services to the end that high quality care shall be rendered to the patients.
- h. presentation to the Board of periodic reports reflecting the services provided by the Hospital and the financial activities of the Corporation and preparation and submission of such special reports as may be required by the Board.
- i. attendance at all meetings of the Board and committees thereof.

Section 6.11 Execution of Contracts

The Board may authorize any officer or officers, agent or agents, including but not limited to the Chief Executive Officer, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances and may be established by the Bylaws, Resolutions or the adoption of specific policies and procedures from time to time; provided, however, that unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Corporation by a contract or engagement, or to pledge its credit, or to render it liable for any purpose or any amount.

ARTICLE 7 COMMITTEES

Section 7.01 Committees of the Board

The committees of the Board may be standing or special. Standing committees shall be the Finance Committee, the Human Resources Committee, and the Community Planning Committee, and other standing committees may also be authorized by the approval of the Board of Directors (collectively, “standing committees”).

For special committees, the Board, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one (1) or more special Committees (“special committees”). Each special committee will have a minimum of three (3) and a maximum of five (5) members who may be Directors and persons who are not Directors who serve at the pleasure of the Board. No more than two (2) members of any special committee may be Directors of the District serving as *ex officio* Directors.

Except as otherwise provided in these Bylaws, all committee member appointments (including the appointment of Committee Chairs) shall be made by the Chair of the Board. The Chair of each Committee must be a member of the Board of Directors. A committee member shall serve his or her designated term unless he or she resigns, is removed or otherwise disqualified to serve, and all committee member terms shall terminate with the reorganization of the Board of Directors at the annual organizational meeting. Committee members shall not be entitled to compensation.

Each committee member shall be entitled to one (1) vote, to be exercised in person. Neither cumulative, substitute, nor proxy voting shall be allowed. A majority of the committee members shall constitute a quorum. All matters submitted to the committee for determination shall be decided by a minimum of a majority of a quorum of committee members.

Except as otherwise provided in these Bylaws, meetings of the committee may be called at any time by the Board Chair or the Chair of the committee. Meetings of all committees shall be open to the public in accordance with the Ralph M. Brown Act, Government Code Section 54950, et seq. and subject to the other terms of said Act as set forth in Section 4.15 of these Bylaws. A summary of all committee meetings including but not limited to all action of such committees shall be reported to the Board of Directors at the next regular or special meeting thereof.

Except as otherwise specifically described herein, the following Sections of these Bylaws pertaining to the Board of Directors shall pertain to members of committees: Section 4.17 Ethics Training and Sexual Harassment Avoidance Training Requirements, Section 4.18 Conflicts of Interest and Other Policies, Section 4.19 Confidentiality: Public Statements, and Section 4.20 Appropriation of Business Opportunity and Confidential Information.

All committees shall be advisory and no committee shall have the power to bind the Board, except when specifically authorized by the Board. The Board may delegate management of certain activities of the Corporation to any such committee as specified in the Board resolution, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall

be exercised under the ultimate direction of the Board and provided further that no committee, regardless of Board resolution, may:

- a. Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members or of the Board of Directors or approval of a majority of all members or of the Board of Directors;
- b. Fill vacancies on the Board or on any Committee that has the authority of the Board;
- c. Fix compensation of the Directors for serving on the Board or on any Committee;
- d. Amend or repeal Bylaws or adopt new Bylaws;
- e. Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- f. Create any other Committees of the Board or appoint the members of the Committees of the Board;
- g. Expend corporate funds to support a nominee for Director after more people have been nominated for Director than can be elected; or
- h. Approve any contract or transaction to which the Corporation is a party and in which one (1) or more of its Directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.

Section 7.02 Executive Committee

The Executive Committee of the Board of Directors, shall consist of the Board Chair, the Board Vice Chair, the Board Secretary, the Board Treasurer and one (1) Director to be selected via a vote held by the Directors of the District serving as ex officio Directors. Each member of the Executive Committee must be a Director. No more than two (2) members of the Executive Committee may be Directors of the District serving as ex officio Directors.

The Executive Committee shall be delegated all powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, except those powers reserved to the Board of Directors as a whole pursuant to Section 7.01. The Executive Committee shall meet quarterly to conduct its business, at a time and place to be designated by the members, or as otherwise provided by an appropriate resolution. The Executive Committee shall also hold special meetings on the call of the Chair.

Section 7.03 Finance Committee

The Finance Committee shall consist of a minimum of three (3) and a maximum of five (5) members of the Board of Directors, together with the Chief Executive Officer and the Chief Financial Officer. No more than two (2) members of the Finance Committee may be Directors of the District serving as *ex officio* Directors. The Finance Committee shall meet monthly, and shall be responsible for advising the Board for the management of all funds of the Corporation. It shall review and submit to the Board each year a proposed budget showing the expected receipts and income for the ensuing year. It shall make recommendations on all major capital expenditures, and significant hospital rate changes. It shall review and make recommendations to the Board of Directors with respect to all salary and wage adjustments, and for overall budget projections. It shall recommend a written plan for annual operations and for a three-year capital expenditure plan, which shall be updated annually.

Section 7.04 Human Resources Committee

The Human Resources Committee shall consist of a minimum of three (3) and a maximum of five (5) members of the Board of Directors, together with the Chief Executive Officer and the Director of Human Resources. No more than two (2) members of the Human Resources Committee may be Directors of the District serving as *ex officio* Directors. The Human Resources Committee shall meet bi-monthly for the purpose of determining the changing personnel requirements of the Hospital, reviewing and analyzing potential modifications to the Hospital's wage and benefit plans, and generally making recommendations to the full Board of Directors regarding personnel matters within the Hospital.

Section 7.05 Community Planning Committee

The Community Planning Committee shall consist of a minimum of three (3) and a maximum of five (5) members of the Board of Directors in addition to the Chief Executive Officer. No more than two (2) members of the Community Planning Committee may be Directors of the District serving as *ex officio* Directors. Community Planning Committee shall meet quarterly for the purpose of determining proposed long range goals for the Hospital and recommendations for methods whereby such goals may be accomplished. Areas of planning shall include, but shall not be limited to, potential expansion, contraction or modification of services rendered by the Hospital, determining and seeking methods of accomplishing marketing goals for the Hospital, including but not limited to those relating to advertising, community involvement, physician recruitment, patient relations and insurance and other third party payment programs (such as HMOs, PPOs and employer groups). All recommendations shall be presented to the Board of Directors for approval or action.

Section 7.06 Ad Hoc Committees

Ad hoc committees may be appointed by the Chair of the Board, with the concurrence of the majority of the Board and in such numbers and for such special tasks as circumstances warrant. Such special Committees shall limit their activities to the accomplishment of the task for which created and appointed, and shall have no power to act except such as is specifically conferred by

action of the Board. Upon completion of the tasks for which appointed, each such special committee shall stand discharged.

ARTICLE 8 MEDICAL STAFF

Section 8.01 Organization

The Board shall cause to be created a Medical Staff organization, to be known as the Medical Staff of San Geronio Memorial Hospital, whose membership shall be comprised of all duly licensed physicians, dentists, psychologists and podiatrists who are privileged to attend patients in the Hospital. Membership in this Medical Staff organization shall be a prerequisite to the exercise of clinical privileges in the Hospital, except as otherwise specifically provided in the Medical Staff Bylaws. No applicant to the Medical Staff shall be denied Medical Staff membership on the basis of sex, race, creed, color or national origin, or on the basis of any other criterion lacking professional justification.

Section 8.02 Medical Staff Bylaws, Rules and Regulations

- a. **Purpose.** The Medical Staff organization shall propose and adopt by vote bylaws, rules and regulations for its internal governance (“Medical Staff Bylaws”) which shall be effective when approved by the Board. These Medical Staff Bylaws shall create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staff by the Board. The Medical Staff Bylaws, rules and regulations shall state the purposes, functions and policies by which the Medical Staff exercises its responsibilities. The Board of Directors will review and approve the Medical Staff Bylaws annually.
- b. **Procedure.** The Medical Staff shall have the initial responsibility to formulate, adopt and recommend to the Board Medical Staff Bylaws and amendments thereto which shall be effective when approved by the Board. If the Medical Staff fails to exercise this responsibility in good faith and in a reasonable, timely and responsible manner and after written notice from the Board to such effect including a reasonable period of time for response, the Board may resort to its own initiative in formulating or amending Medical Staff Bylaws. In such event, staff recommendations and views shall be carefully considered by the Board during its deliberation and in its actions.

Section 8.03 Medical Staff Membership and Clinical Privileges

- a. **Responsibilities of the Medical Staff Members.** Each member of the Medical Staff shall have appropriate authority and responsibility for the care of his/her patients, subject to such limitations as are contained in these Bylaws, and in the Medical Staff Bylaws, and subject, further, to limitations attached to his/her appointment. The attending physician shall be responsible for preparation of a complete and legible medical record for each patient. Its contents shall be pertinent and current. This record shall include, at a minimum: identification data; chief complaint; past history; family history; history of present illness;

physical examination; special reports such as necessary consultations; clinical laboratory reports and radiology reports and others; provisional diagnosis; appropriate consents; medical and surgical treatment; operative report; pathological findings; progress notes; final diagnosis; condition on discharge; discharge summary and autopsy report when applicable. The CEO shall arrange for all administrative assistance to receive appointment applications to the Medical Staff, and further to provide for necessary administration support to process all materials pertinent to the application of any potential member of the Medical Staff. All applications for and appointments to the Medical Staff shall be in writing and addressed to the Medical Staff Office. The application shall contain full information concerning the applicant's education, licensure, practice, previous hospital experience, and any unfavorable history with regard to licensure and hospital privileges. This information shall be verified by the appropriate body within the Medical Staff. Upon appointment, the applicant will agree in writing to follow the Bylaws, rules and regulations of the Corporation and of the Medical Staff, and all other approved policies of the Medical Staff and the Corporation. All applications shall be reviewed by the Medical Staff prior to being submitted to the Governing Body for approval. When an appointment is not renewed or when privileges have been proposed to be reduced, altered, suspended, or terminated, the staff member shall be afforded the opportunity of a hearing in accordance with the Fair Hearing Plan then in effect. It is the Board of Directors' policy that: (1) only a member of the Medical Staff with admitting privileges shall admit patients to the Hospital; (2) only an appropriately licensed practitioner with clinical privileges shall be directly responsible for a patient's diagnosis and treatment within the area of his privileges; (3) each patient's general medical condition shall be the responsibility of a physician member of the Medical Staff; (4) each patient admitted to the Hospital shall receive a baseline history and physician examination by a physician who is either a member of, or approved by, the Medical Staff; and (5) direct medical care of patients provided by Allied Health Personnel shall be under the appropriate degree of supervision by a licensed practitioner with clinical privileges.

- b. **Delegation to the Medical Staff.** The Board shall delegate to the Medical Staff the responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership status, clinical privileges and corrective action, and shall require that the Medical Staff adopt and forward to it specific written recommendations with appropriate supporting documentation that will allow the Board to take informed action.
- c. **Action by the Board.** Final action on all matters relating to Medical Staff membership status, clinical privileges and corrective action shall be taken by the Board after considering the Medical Staff recommendations, provided that the Board shall act in any event if the Medical Staff fails to adopt and submit any such recommendation within the time period set forth in the Medical Staff Bylaws. Such Board action without a Medical Staff recommendation shall be based on the same kind of documented investigation and evaluation of current

ability, judgment and character as is required for Medical Staff recommendation, and shall be taken only after written notice to the Medical Executive Committee.

- d. **Criteria for Board Action.** In acting on matters of Medical Staff membership status, the Board shall consider the Medical Staffs recommendations and the extent of applicant's utilization of this Hospital, the Hospital's and the community's needs, and such additional criteria as are set forth in the Medical Staff Bylaws. No aspect of membership status nor any specific clinical privileges shall be limited or denied to a practitioner on the basis of sex, race, creed, color, or national origin, nor on the basis of any other criterion unrelated to: (i) good patient care at the Hospital, (ii) professional qualifications, (iii) the Hospital's purposes, needs and capabilities, or (iv) community needs.
- e. **Terms and Conditions of Medical Staff Membership and Clinical Privileges.** The terms and conditions of membership status in the Medical Staff, and the exercise of clinical privileges, shall be as specified in the Medical Staff Bylaws or as more specifically defined in the notice of individual appointment. At a minimum, however, each member of the Medical Staff shall (1) exhibit the skill necessary to allow him to appropriately carry out his duties and (2) carry such malpractice insurance as may be determined to be appropriate from time to time by the Board of Directors. Additionally, each member of the Medical Staff having active staff privileges shall provide on-call back-up coverage within his field of specialty to the Hospital's Emergency Room, pursuant to such back-up call schedule as may be adopted by his Service of the Medical Staff. If no other back-up call coverage schedule is adopted by a Service, Emergency Room back-up call coverage for such Service shall be scheduled on the basis of alphabetical order by last name within such Service, rotating among all active staff physicians within the Service, each being responsible for 24 hour back-up coverage.
- f. **Ethics.** The Principles of Ethics of the appropriate National Association as now in effect or as may be hereinafter amended by that association shall govern the professional conduct of the members of the Medical Staff.
- g. **Procedure.** The procedure to be followed by the Medical Staff and the Board in acting on matters of membership status, clinical privileges, and corrective action shall be specified in the Medical Staff Bylaws. However, each member of the Medical Staff shall be required to obtain and maintain, at his or her own expense, malpractice insurance in such amount as may be determined to be appropriate from time to time by the Board of Directors.
- h. **Fair Hearing Plan.** The Board shall require that any adverse recommendation made by the Medical Executive Committee or any adverse action taken by the Board of Directors with respect to a practitioner's staff appointment, reappointment, Service affiliation, staff category, admitting prerogative or clinical privileges, shall, except under circumstances for which specific

provision is made in the Medical Staff Bylaws, be accomplished in accordance with the Fair Hearing Plan then in effect. Such plan shall provide for procedures to assure fair treatment and afford an opportunity for presentation of all pertinent information. For the purposes of this Section an “adverse recommendation” of the Medical Executive Committee and “adverse action” of the Board shall be defined in the Fair Hearing Plan. The Fair Hearing Plan shall provide for an appeals procedure whereby any applicant for Medical Staff Membership feels a decision of the Medical Staff has been unjust shall have recourse to a hearing by a joint committee composed of Directors and Medical Staff Members. The appellant in such a case shall have the opportunity to present any and all evidence and testimony bearing upon his qualifications for appointment to the Medical Staff. Following such presentation of evidence, the Committee shall present evidence in support of its findings. Failure of an applicant to request a hearing within the time frames set forth in the Fair Hearing Plan shall constitute a waiver of the applicant’s rights to a hearing under the Fair Hearing Plan.

ARTICLE 9 QUALITY OF PROFESSIONAL SERVICES

Section 9.01 Board Responsibility

The Board shall require, after considering the recommendations of the Medical Staff, and the other health care professional staffs providing patient care services, the conduct of specific review and evaluation activities to assess, preserve and improve the overall quality and efficiency of patient care in the Hospital. The Board, through the CEO, shall provide whatever administrative assistance is reasonably necessary to support and facilitate the implementation and the ongoing maintenance and operation of these review and evaluation activities.

Section 9.02 Accountability to Board

The Medical Staff and the other health care professionals providing patient care services shall conduct and be accountable to the Board for conducting activities that contribute to the preservation and improvement of the quality, safety and efficiency of patient care provided in the Hospital. These activities include:

- a. Review and evaluation of the quality of patient care (generally on a retrospective basis) through a valid and reliable patient care review procedure.
- b. Ongoing monitoring and evaluation of patient care practices through the defined functions of the Medical Staff, the other professional services, and the Hospital administration.
- c. Delineation of clinical privileges for members of the Medical Staff commensurate with individual credentials and demonstrated ability and judgment and assignment of patient care responsibilities to other health care professionals consistent with individual qualification and demonstrated ability.

- d. Review of utilization of the Hospital's resources to provide appropriate allocation of those resources to patients in need of them.
- e. Such other measures as the Board may, after considering the advice of the Medical Staff, the other professional services and the Hospital administration, deem necessary for the preservation and improvement of the quality, safety and efficiency of patient care.

Section 9.03 Documentation

The Board shall require, receive, consider and act upon the findings and recommendations emanating from the activities required by Article 8. All such findings and recommendations shall be in writing, and shall be supported and accompanied by appropriate documentation upon which the Board can take informed action.

ARTICLE 10 BOARD OF DIRECTORS INITIATION OF PEER REVIEW

Section 10.01 Basic Policy

It is the policy of this Hospital that peer review be performed by members of the Medical Staff, inasmuch as only licentiates who possess the same or similar education, training and experience have the requisite expertise to insure an efficient, fair and responsive peer review system. Notwithstanding the foregoing, however, in those instances in which the Medical Staffs failure to investigate or to initiate disciplinary action is contrary to the weight of the evidence, the Board of Directors shall have the authority to direct the Medical Executive Committee to initiate an investigation or disciplinary action, but only after consultation with the Chief of Staff. No action shall be taken in an unreasonable manner. In the event the Medical Staff fails to take action in response to a direction from the Board of Directors, the Board of Directors shall have the authority to take action against a member of the Medical Staff. Such action shall be taken only after written notice to the Medical Staff and shall fully comply with the procedures and rules applicable to peer review proceedings established by Sections 809.1 through 809.6, inclusive, of the Business and Professions Code of the State of California.

Section 10.02 Suspension of Privileges

When no person authorized by the Medical Staff is available to summarily suspend or restrict clinical privileges, the Board of Directors, or its designee, may immediately suspend the clinical privileges of a member of the Medical Staff if the failure to summarily suspend those privileges is likely to result in an imminent danger to the health of any individual; provided the Board of Directors has, before the suspension, made reasonable attempts to contact the Medical Executive Committee. A suspension by the Board of Directors which has not been ratified by the Medical Executive Committee within two working days, excluding weekends and holidays, shall terminate automatically.

ARTICLE 11 INDEMNIFICATION

Section 11.01 Right of Indemnity

To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding”, as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is, or was, a person described in that section. “Expenses”, as used in these Bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 11.02 Approval of Indemnity

On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 11.03 Advancement of Expenses

To the fullest extent permitted by law, and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 11.01, 11.02 or 11.03 of this Article in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 11.04 Insurance

The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, and employees.

Section 11.05 Other Fiduciary Positions

This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person’s capacity as such, even though such person may also be covered by the first sentence of Section 1 of this Article 11. This Corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subsection (f) of Section 5140 of the California Corporations Code.

Section 11.06 Provisions Not Exclusive

The indemnification and advancement of expenses provided by this Article 11 of these Bylaws shall not be deemed exclusive of any rights to which those seeking indemnification or expense advancement may be entitled under any agreement, vote of disinterested Directors, or otherwise, both as to action in his or her official capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, or employee and agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 11.07 Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article 11 shall affect any right to indemnification to which persons other than Directors of the Corporation, or any of its subsidiaries, may be entitled by contract or otherwise.

ARTICLE 12 CORPORATE RECORDS, REPORTS, AND SEAL

Section 12.01 Minutes of Meetings

The Corporation shall keep at its principal office, or at such other place as the Board of Directors may order, a book of the minutes of all meetings of Directors with the time and place of holding, whether regular or special, and, if special how authorized, the notice given and the names of those Directors and presenting staff present.

Section 12.02 Books of Account

The Corporation shall keep and maintain adequate and correct accounts of its properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

Section 12.03 Annual Report

The Corporation shall cause an annual report or statement to be sent to the Board of Directors not later than 120 days after the close of the fiscal year in accordance with the provisions of Sections 1500 and 1501. Such report shall contain a balance sheet as of the end of the fiscal year, an income statement and a statement of changes in financial position for such fiscal year, all prepared according to generally accepted accounting procedures, and accompanied by any report thereon of an independent accountant, or if there is no such report, a certificate of the Chief Financial Officer or Chief Executive Officer that such statements were prepared without audit from the books and records of the Corporation. The report shall also provide any information required by California Corporations Code Section 6322.

Section 12.04 Maintenance of Records and Inspection by Directors

The Corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation, Bylaws, and other records of the Corporation. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every

kind and the physical properties of the Corporation and each subsidiary corporation. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extract of documents.

Section 12.05 Corporate Seal

The Board of Directors shall provide a corporate seal consisting of two concentric circles with the words "San Gorgonio Memorial Hospital", and the words and figures, "INCORPORATED May 8, 1990, CALIFORNIA."

ARTICLE 13 HOSPITAL AUXILIARY AND FOUNDATION

The Hospital Auxiliary shall be an integral part of this Corporation, and shall have no separate existence as a corporation or other unincorporated association. The Bylaws of the Hospital Auxiliary shall be approved by the Board of Directors of the Hospital. The Hospital Foundation shall be a separate and independent corporation existing for the benefit of the Hospital.

ARTICLE 14 EFFECTIVE DATE & AMENDMENT

Section 14.01 Effective Date

These Bylaws shall become effective immediately upon their adoption and shall supersede and replace all previous Bylaws of the Corporation. Amendments to these Bylaws shall become effective immediately upon their adoption.

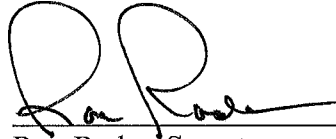
Section 14.02 Amendment

Except as otherwise provided herein or by law, the Board may, after lawful notice to all Directors then in office, adopt, amend or repeal these Bylaws upon the majority vote of the Directors, provided a quorum is present.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of SAN GORGONIO MEMORIAL HOSPITAL, and that the above Amended and Restated Bylaws, consisting of 28 pages, are the Bylaws of this Corporation as adopted by the Corporation's Board of Directors on January 2, 2024, that they supersede all previous versions of the Bylaws for the Corporation.

Executed on January 2, 2024, at Banning, California.

A handwritten signature in black ink, appearing to read "Ron Rader", written over a horizontal line.

Ron Rader, Secretary

TAB D



Mission

To restore health and relieve suffering by providing safe, high-quality, affordable healthcare services

Vision

Patients trust San Gorgonio Memorial Hospital to provide safe, personalized healthcare services.

Values

- We make those we serve our highest priority
- We respect privacy and confidentiality
- We communicate effectively
- We conduct ourselves professionally
- We have a sense of ownership
- We are committed to each other and to our community

We Care for Our Community

*Safe Care • Quality Care • **Our Care***

Safe, Great, Modern Healthcare

Approved by the Board of Directors
December 5, 2023

TAB E

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
November 26, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, November 26, 2024, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Ron Rader, Steve Rutledge

Members Absent: Darrell Petersen

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), John Peleuses (VP, Ancillary & Support Services), Lani Webb (Administrative Assistant), Annah Karam (CHRO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
Call To Order	Susan DiBiasi called the meeting to order at 9:04 am.									
Public Comment	No public present.									
OLD BUSINESS										
Proposed Action - Approve Minutes October 29, 2024, regular meeting	Susan DiBiasi asked for any changes or corrections to the minutes of the October 29, 2024, regular meeting. There were none.	The minutes of the October 29, 2024, regular meeting will stand correct as presented.								
NEW BUSINESS										
Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – October 2024	<p>Daniel Heckathorne, CFO, reviewed the Unaudited October 2024 finance report as informational.</p> <p>The month of October resulted in...</p> <p>ROLL CALL:</p> <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="padding: 2px;">DiBiasi</td> <td style="padding: 2px;">Yes</td> <td style="padding: 2px;">Petersen</td> <td style="padding: 2px;">Absent</td> </tr> <tr> <td style="padding: 2px;">Rader</td> <td style="padding: 2px;">Yes</td> <td style="padding: 2px;">Rutledge</td> <td style="padding: 2px;">Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Absent	Rader	Yes	Rutledge	Yes	M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval of the Unaudited October 2024 Financial report to the Hospital Board of Directors.
DiBiasi	Yes	Petersen	Absent							
Rader	Yes	Rutledge	Yes							
Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board – FYE 24 Financial Audit	The FYE 24 Audit will be presented to the full board at the December 3, 2024, meeting. A discussion was held but no action was taken at this time.									

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Future Agenda Items	<ul style="list-style-type: none"> • Committee Appointments 	
Next Meeting	The next regular Finance Committee meeting will be held on December 17, 2024 @ 9:00 am.	
Adjournment	The meeting was adjourned at 10:00 am.	

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



**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA**

Unaudited Financial Statements

for

FOUR MONTHS ENDING OCTOBER 31, 2024

FY 2025

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements, except for the impact of incomplete and unbooked June 30, 2024 year end audit entries, 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.

Note: Because these reports are prepared for internal users only, they do not purport to conform to the principles contained in U.S. GAAP.

Certified by:

Daniel R. Heckathorne

Daniel R. Heckathorne

11/22/2024

CFO

San Geronio Memorial Hospital

Financial Report - Executive Summary – 11 22 24

For the Month of October, 2024 and YTD Four Months Ended October 31, 2024

Profit/Loss (EBIDA) Summary (MTD) Negative and (YTD) Negative (comparisons to Budget)

Month - The month of October resulted in negative \$1.61M Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted negative EBIDA of \$1.27M. Overall Surplus was negative \$2.25M compared to the budgeted negative Surplus of \$336K.

YTD – The four months ending October resulted in negative \$7.76M Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted negative EBIDA of \$7.12M. Overall Surplus was negative \$10.54M compared to the budgeted negative Surplus of \$6.72M.

Note: If the unaccrued Supplemental funds, projected DSH and P4P funds, along with provision for lease principal payments were booked, the YTD EBIDA would be a negative \$2.14M compared to the actual negative booked \$7.12M.

Monthly Adjustments and Items of Note:

- Adjusted Patient Days and E/R visits exceeded budget; Patient Days and Surgeries were below budget.
- Net Revenues were below budget due to changes in I/P vs. O/P mix.
- Note: Balance Sheet balances are subject to continuing final reconciliations being prepared for the annual financial audit.
- P4P Quality earnings from IEHP totaled \$688,364.
- Other items of note are presented in the Extraordinary Items summary immediately following this Executive Summary.

Monthly Workloads – The October inpatient average daily census was 20.0 compared to the budgeted 21.4. Adjusted Patient Days were 5.0% over budget (2,008 vs. 1,912), while Patient Days were 6.6% under (620 vs. 664) budget. Emergency Visits were 3.1% over budget (3,656 vs. 3,546), and Surgeries were 1.7% under budget (111 vs. 113), and were 5.7% over the 105 cases the previous October.

YTD Workloads - The inpatient average daily census through October was 22.2 compared to the budgeted 21.9. Adjusted Patient Days were 10.7% over budget (8,531 vs. 7,703), while Patient Days were 1.5% over (2,732 vs. 2,692) budget. Emergency Visits were 1.1% over budget (14,406 vs. 14,253), and Surgeries were 7.6% under budget (414 vs. 448, and 461 in the previous year).

Patient Revenues (MTD) Negative Variance (YTD) Positive Variance

Month - Net Patient Revenues in October were \$5.04M, or \$109K below budget even though the Adjusted Patient Day's had a positive variance. Other items of note included the fact that gross Inpatient Revenues were \$1.08M below budget while on the other hand gross Outpatient Revenues were \$1.95M over budget. As discussed in the past, Inpatient Revenues pay about 16% of charges, compared to Outpatient Revenues which pay under 9% of charges.

YTD – Net Patient Revenues through October were \$20.71M, or \$594K over budget, reflecting Adjusted Patient Day's positive variance of 10.7% and strong collections. Other items of note included the fact that gross Inpatient Revenues were \$4.79M below budget, and gross Outpatient Revenues were \$4.61M over budget, which equates to an approximate deficit in Net Revenues of \$351K.

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

Month – Operating Revenue in October was \$187K under budget. This is impacted by the Net Patient Revenues being \$109K under budget and the Non-Patient Revenues being \$78K under budget.

YTD - Operating Revenue through October was \$474K over budget. This is impacted by the Net Patient Revenues being \$594K over budget and the Non-Patient Revenues being \$120K under budget.

Operating Expenses (MTD) Negative & (YTD) Negative Variance

Month - Operating Expenses in October were \$7.94M which was over budget by \$157K. Key items that impacted Expenses were: 1) Salaries, Wages, Benefits, and Contract Labor were collectively \$49K under budget. The Wages were \$55K (1.4%) over budget while the Benefits were \$126K under budget and the Contract Labor was over budget by \$22K; 2) Purchased Services were over budget by \$226K due to a) accounting project fees (\$98K), b) \$23K of other staffing services, and c) \$59K for the DSH audit consulting; 3) Insurance Expense was under budget due to a \$68K refund from a previous overpayment; 4) and Other Expenses were over budget by \$30K which included \$50K for Associates Holiday gift cards. Other Items: Non-Operating Revenues & Expenses - 1) Measure A Tax income projected revenues are reduced to \$400K per month based on the newly approved tax rate that was established at the August Board meeting; 2) Interest expenses included accruals for a) \$32K for the recent litigation settlement and b) \$90K for LOC interest; 3) Contributions were \$1.1M under budget due to accrual of \$1.5M for these items in the previous fiscal year.

Year-to Date – Operating Expenses through October were \$32.20M which was over budget by \$1.10M. Key items that impacted Expenses were: 1) Salaries, Wages, Benefits, and Contract Labor were collectively \$215K below budget. 2) Purchased Services were over budget by \$985K due to a) accounting and other project fees (\$465K), b) Lab (\$119K), I/T (\$112K), \$94K for Allscripts/Navigant Fees and various other Service and Purchased Services variance of \$195K; 3) Supplies were over budget by \$141K including prostheses (\$82K) and drugs (\$43K); 4) Repairs were over budget by \$174K, which included Plant Operation ongoing maintenance project costs of \$171K; 5) Other Expenses are over budget (\$119K) for phone services, dues and subscriptions, and Holiday events for staff. Other Items: (See “Monthly” comments above: Property Tax Revenues are under budget \$1.31M, and Interest costs are \$858K over budget due to litigation (\$128K), LOC (\$363K), and booking to the new “normal” for all bonds costs for the first four months.

Balance Sheet/Cash Flow

Note: The Balance Sheet items are still subject to final audit entries and will be modified as the audit adjustments are completed.

Patient cash collections in October were \$5.26M compared to \$5.01M in September and \$5.35M in August. Gross Accounts Receivable Days in October dropped to 56.5 compared to 57.4 in September and 59.5 in August.

October's operating cash balance was \$14.01M compared to \$12.78M in September and \$19.44M on June 30. Accounts Payable in October were \$12.76M compared to \$11.54M in September and \$9.38M on June 30. The Line of Credit balance remained at \$12M, the same as it was as of June 27, 2024. Other major changes from September include receipt of \$1.18M of Prop 13 cash, a reclass of the \$2.64M QIP from long term to short term debt, and reclass of \$1.2M to Patient Refunds (A/P) from Prior Year Fund Balance (to reflect a pending entry from the June 30 financial statement).

Summary

Positive takeaways:

- 1) Adjusted Patient Days exceeded budget.
- 2) The YTD Net Revenues are over budget after the first four months of the fiscal year.

Negative/Challenging takeaways:

- 1) Operating Expenses Exceeded budget mostly due to Purchased Services Expenses.
- 2) Non-Operating Revenue/Expenses did not meet budget due to lower Measure A taxes along with there being no Donations to be recorded in October.

	A	B	C	D	E	F	G	H	I
1	SGMH OCTOBER 2024 EXTRAORDINARY ITEMS IMPACTING OVERALL FINANCIAL OUTCOMES								11/22/2024
2									
3	EXPENSE						INCOME		GAIN/(LOSS)
4									
5	EBIDA ITEMS:								
6									
7	SALARIES / BENEFITS/ CONTRACT LABOR & RELATED ITEMS				REVENUES				
8									
9	COMBINED LABOR AND BENEFITS OVER (UNDER) BUDGET		(49,395)		NET PATIENT REVENUES OVER (UNDER) BUDGET		(109,371)		
10									
11	HOLIDAY GIFT CARDS FOR SGMH ASSOCIATES		49,560		SUPPLEMENTAL REVENUES				
12									
13	UNEMPLOYMENT FEES		35,781		P4P EARNINGS FROM IEHP (HEALTH PLAN)		688,364		
14									
15	OTHER EXPENSE								
16									
17	ACCOUNTING PROJECT NET OF CONTROLLER & 3 STAFF MEMBERS)		68,323						
18									
19	INSURANCE REFUND FROM PREVIOUS OVERPAYMENT		(67,881)						
20									
21	LEGAL FEES OVER BUDGET		37,086						
22									
23	DSH AUDIT CONSULTING FEES (PARTS 1 & 2 OF 3)		59,066						
24									
25									
26	EXTRAORDINARY NEGATIVE EXPENSES: EBIDA RELATED		132,540		EXTRAORDINARY POSITIVE (NEGATIVE) REVENUES: EBIDA RELATED		578,993		446,453
27									
28									
29	NON EBIDA ITEMS:								
30									
31	LINE OF CREDIT INTEREST EXPENSE		93,000		INTEREST EARNINGS OVER BUDGET		30,099		
32									
33	INTEREST EXPENSE ACCRUAL - LITIGATION MATTERS		33,067		MEASURE A TAX INCOME OVER (UNDER) BUDGET		(328,307)		
34									
35					DONATED CAPITAL UNDER BUDGET (PREVIOUSLY ACCRUED IN JUNE 30, 2024)		(1,123,000)		
36									
37	EXTRAORDINARY NEGATIVE EXPENSES: NON-EBIDA RELATED		126,067		EXTRAORDINARY POSITIVE (NEGATIVE) REVENUES: NON-EBIDA RELATED		(1,421,208)		(1,547,275)
38									
39	Note: These variances are not intended to account for all variances, but are meant to highlight key or unusual variations.								

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

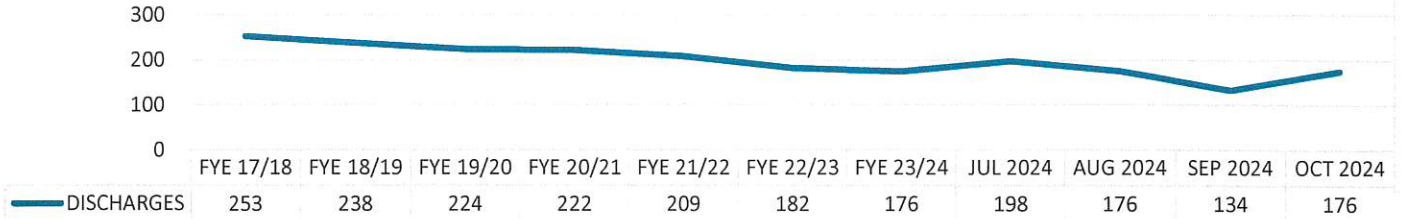
67 Worked FTEs (includes Registry FTEs)	Represents an equivalency of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of 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

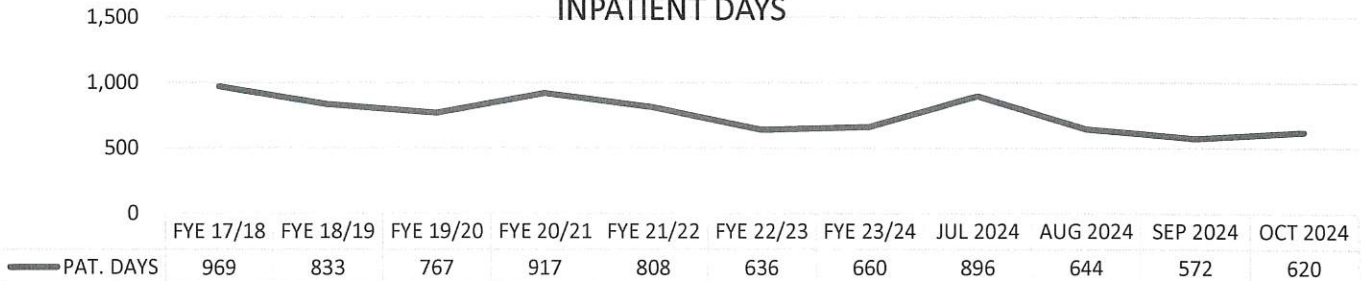
This is a blend of total patient days stayed in the hospital for a month, plus an equivalency factor (based on average inpatient revenue per patient day) applied to the outpatient revenues in order to account for outpatient workloads.

SAN GORGONIO MEMORIAL HOSPITAL

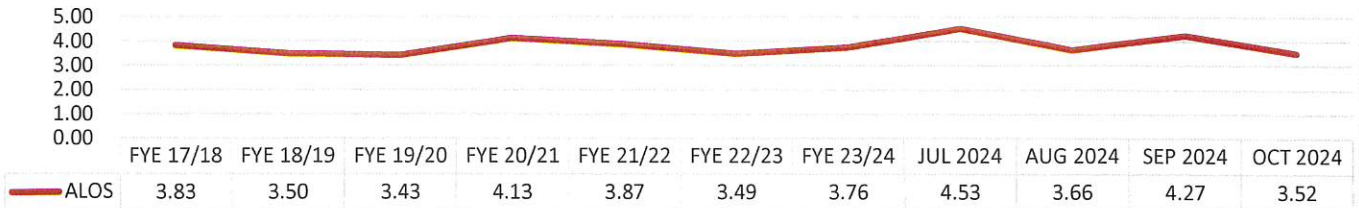
INPATIENT DISCHARGES



INPATIENT DAYS



AVERAGE LENGTH OF STAY

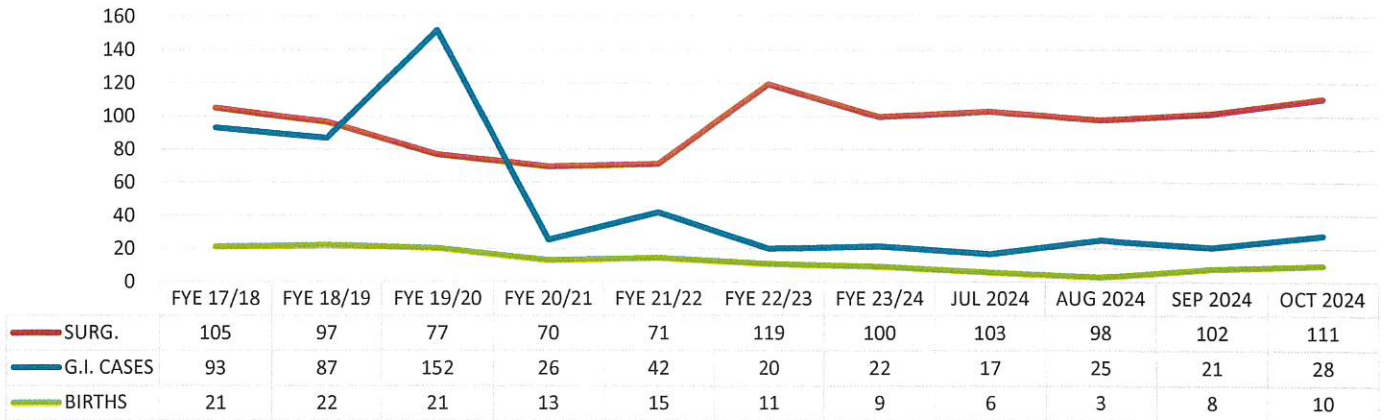


EMERGENCY VISITS

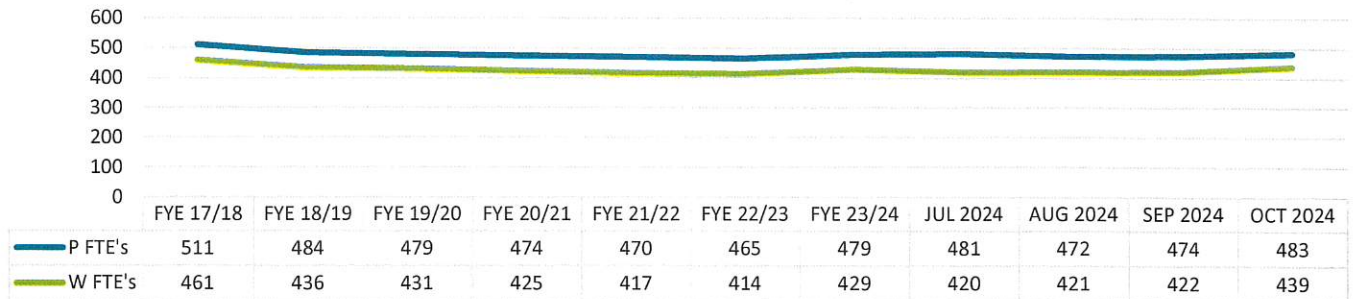


SAN GORGONIO MEMORIAL HOSPITAL

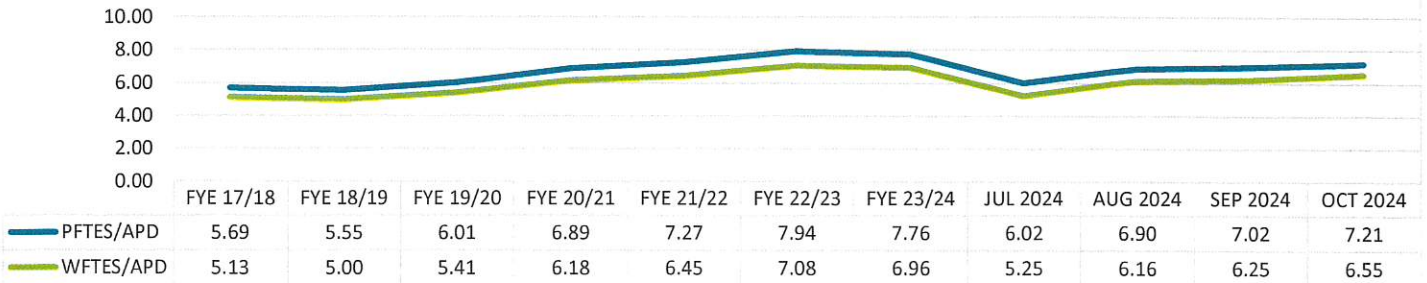
SURGERY CASES, G.I. CASES, N/B DELIVERIES




PAID & WORKED FTE'S



PAID & WORKED FTE'S / ADJUSTED PATIENT DAY

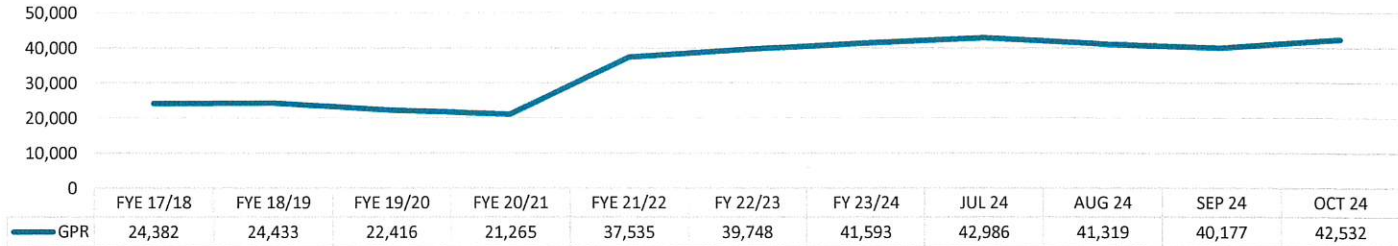


INCOME STATEMENT

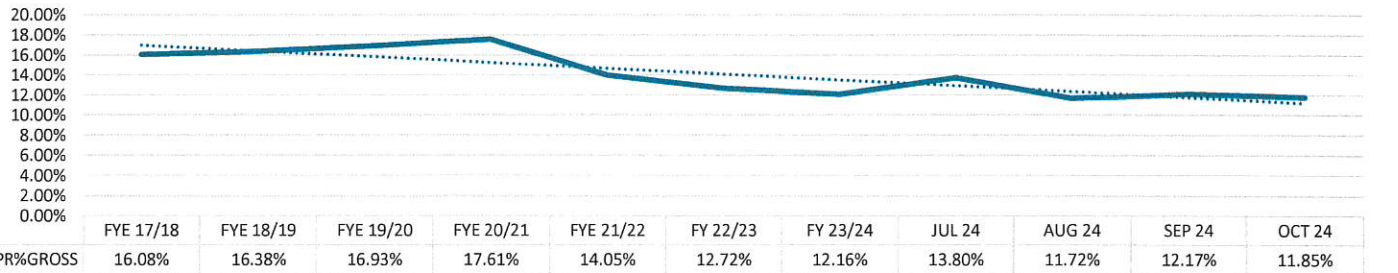
Gross Patient Revenue (000's) (Monthly Ave.)	Represents total charges (before discounts and allowances) made for all patient services provided.
Net Patient Revenue (NPR) (000's) (Monthly Ave.)	Equals the sum of all (patient) charges for services provided that are due to the hospital, less estimated adjustments 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 gauge of the surplus (or deficit) of funds available for operations and future growth.
Net Patient Revenue vs. Total Labor Expense	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)	This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating proportionate Supplemental Revenues and related Expenses into the current month and YTD results.

SAN GORGONIO MEMORIAL HOSPITAL

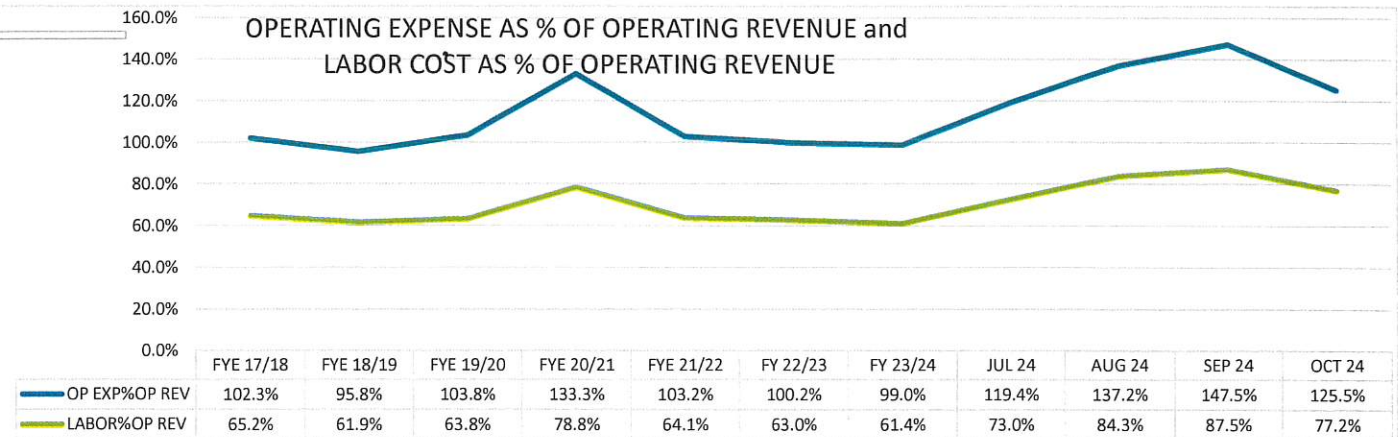
GROSS PATIENT REVENUE (000's)



NET PATIENT REVENUE AS % OF GROSS

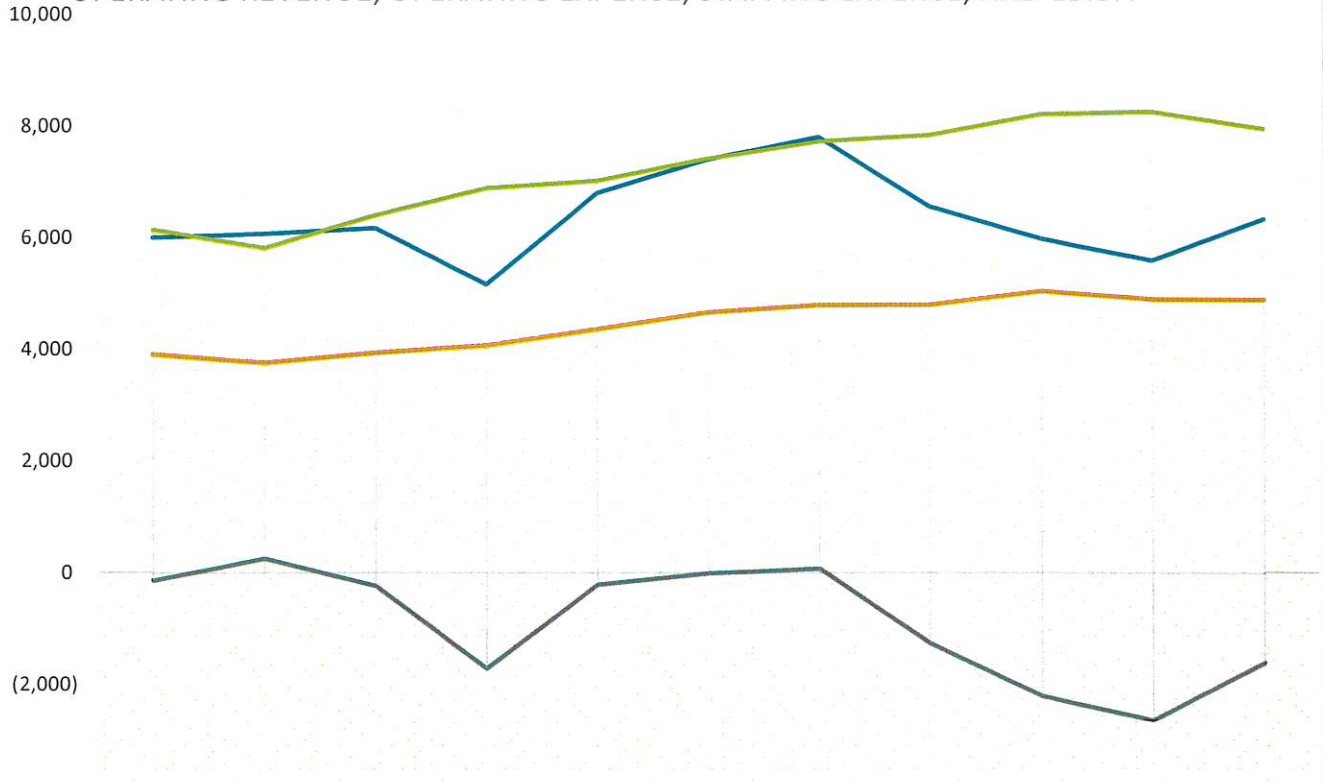


OPERATING EXPENSE AS % OF OPERATING REVENUE and LABOR COST AS % OF OPERATING REVENUE



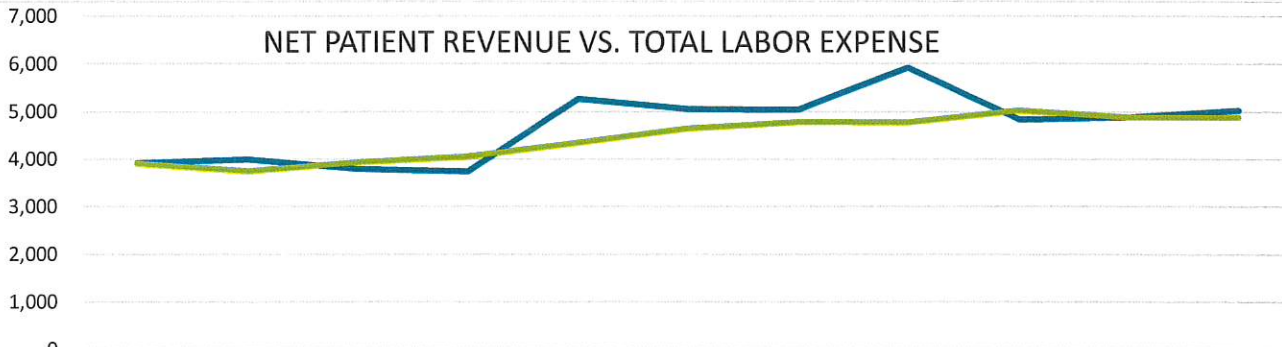
SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	FY 23/24	JUL 24	AUG 24	SEP 24	OCT 24
OP REV	6,006	6,069	6,165	5,160	6,791	7,391	7,793	6,554	5,973	5,588	6,331
OP EXP	6,147	5,817	6,398	6,878	7,007	7,403	7,716	7,823	8,197	8,240	7,943
STAFF EXP	3,915	3,755	3,932	4,065	4,354	4,654	4,787	4,781	5,032	4,891	4,889
EBIDA	(141)	252	(233)	(1,719)	(216)	(13)	70	(1,270)	(2,224)	(2,652)	(1,612)

NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	FY 23/24	JUL 24	AUG 24	SEP 24	OCT 24
NET PAT REV	3,921	4,003	3,795	3,744	5,275	5,057	5,056	5,933	4,843	4,888	5,042
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,654	4,787	4,781	5,032	4,891	4,889

BALANCE SHEET (Period End)

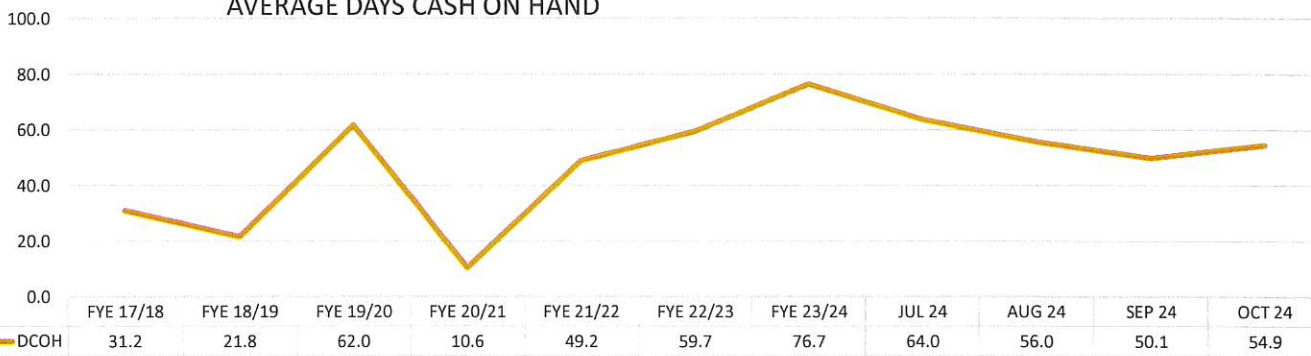
Cash (000's)	Represents all unrestricted cash in the bank at each month-end.
Days Cash on Hand	Calculated by dividing amount of Cash on Hand by the historical average daily amount of cash requirements to cover operating expenses.
Accounts Receivable - Net (000's)	Equals the sum of all (patient) accounts 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.
12 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.

SAN GORGONIO MEMORIAL HOSPITAL

CASH & LINE OF CREDIT (000'S)



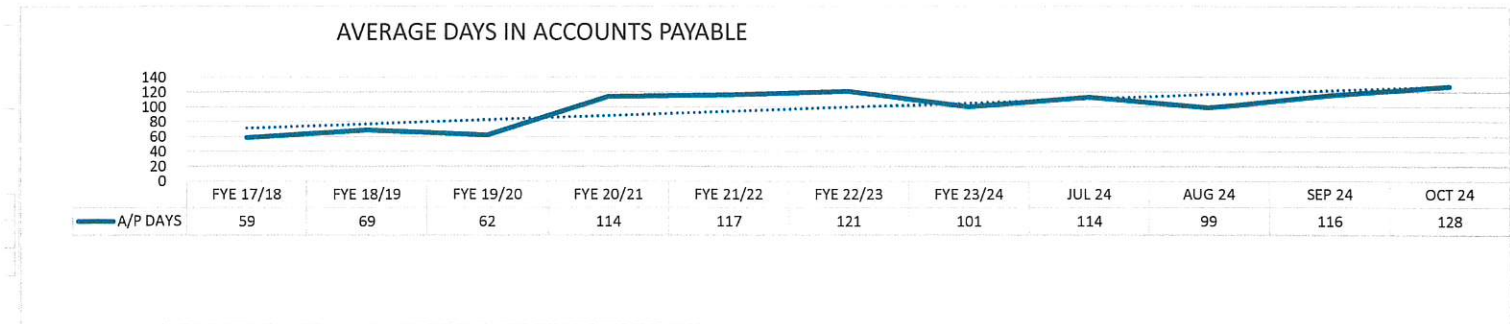
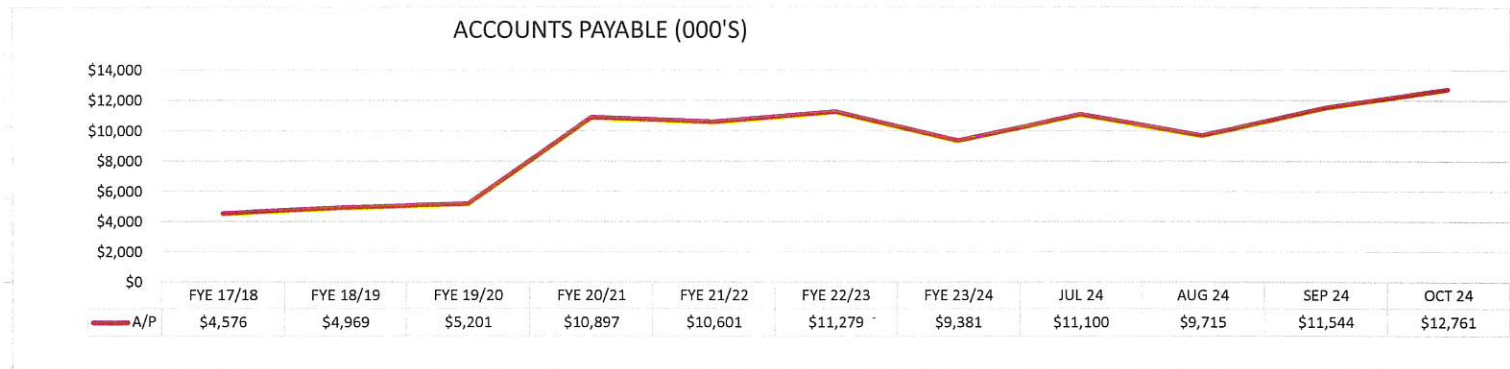
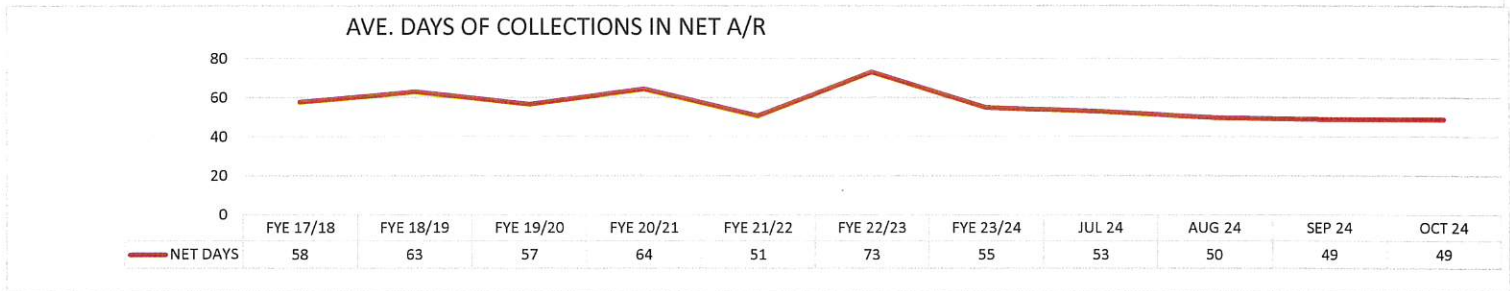
AVERAGE DAYS CASH ON HAND



CURRENT RATIO and QUICK RATIO



SAN GORGONIO MEMORIAL HOSPITAL



SAN GORGONIO MEMORIAL HOSPITAL

		FY24	FY 25	FY 25		FY 24	FY 25	FY 25		FY 24
		10/31/23	10/31/24	10/31/24		10/31/23	10/31/24	10/31/24		6/30/2023
		ACTUAL	ACTUAL	BUDGET		4 MOS. YTD ACTUAL	4 MOS. YTD ACTUAL	4 MOS. YTD BUDGET		YR END TOTAL
[1]	Total Acute Patient Days	611	620	664		2,594	2,732	2,692		7,921
[2]	Average Daily Census	19.7	20.0	21.4		21.1	22.2	21.9		21.6
[3]	Average Acute Length of Stay	3.6	3.5	3.6		3.6	4.0	3.6		3.8
[4]	Patient Discharges	168	176	183		715	684	740		2,107
[5]	Adjusted Patient Days	1,799	2,008	1,912		7,502	8,531	7,703		22,887
[6]	Observation Count	345	333	342		1,208	1,185	1,375		4,109
[7]	Total Emergency Room Visits	3,585	3,655	3,546		13,492	14,406	14,253		42,587
[8]	Average ED Visits Per Day	116	118	114		110	117	116		116
[9]	Total Surgeries (Excluding G.I.'s)	105	111	113		461	414	448		1,197
[10]	Deliveries/Births	8	10	10		43	28	42		112

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	A	B	C	D	E	F	G	H	I	J	K
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL										11/22/2024
2	INCOME STATEMENT		OCTOBER 2024 BUDGET	OCTOBER 2024 ACTUAL	VARIANCE OCTOBER ACTUAL TO BUDGET	VARIANCE PER CENTAGE		OCTOBER 2024 YTD BUDGET	OCTOBER 2024 YTD ACTUAL	VARIANCE OCTOBER YTD ACTUAL TO BUDGET	VARIANCE PER CENTAGE
3	NET INCOME		(336,358)	(2,251,952)	(1,915,594)	-569.5%		(6,717,687)	(10,497,242)	(3,779,555)	-56.3%
4	EBIDA		(1,267,909)	(1,612,274)	(344,365)	-27.2%		(7,124,546)	(7,757,971)	(633,425)	-8.9%
5											
6	TOTAL OPERATING REVENUE		6,518,066	6,331,160	(186,906)	-2.9%		23,972,490	24,446,224	473,734	2.0%
7	NET PATIENT REVENUE		5,150,969	5,041,598	(109,371)	-2.1%		20,111,009	20,705,442	594,433	3.0%
13	OTHER OPERATING REVENUE		1,367,097	1,289,562	(77,535)	-5.7%		3,861,481	3,740,782	(120,699)	-3.1%
20											
21	TOTAL OPERATING EXPENSE		7,785,975	7,943,434	(157,459)	-2.0%		31,097,036	32,204,195	(1,107,159)	-3.6%
34											
35	NON-OPERATING REVENUE & EXPENSE										
36	TOTAL NON-OPERATING REVENUE & EXPENSE		1,865,956	444,748	(1,421,208)	-76.2%		4,144,824	1,889,308	(2,255,516)	-54.4%
42	TOTAL INTEREST & DEPRECIATION		934,405	1,084,426	(150,021)	-16.1%		3,737,965	4,628,579	(890,614)	-23.8%

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	A	B	C	D	E	F
1	SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD					11/22/24
2	BALANCE SHEET	JUNE 2024 (UNAUDITED)	SEPTEMBER 2024	OCTOBER 2024	VARIANCE SEPTEMBER 2024 TO OCTOBER 2024	VARIANCE PERCENTAGE
3						
4	TOTAL ASSETS	123,950,129	114,416,913	112,946,866	(1,470,047)	-1.3%
5	CURRENT ASSETS	29,875,725	24,568,124	24,641,815	73,691	0.3%
17	ASSETS WITH LIMITED USE	17,839,022	13,119,370	12,223,135	(896,235)	-7.3%
18	NET PROPERTY, PLANT, AND EQUIPMENT	75,250,288	75,757,731	75,123,105	(634,626)	-0.8%
25	OTHER ASSETS	985,094	971,688	958,811	(12,877)	-1.3%
26						
27	TOTAL LIABILITIES & FUND BALANCE	123,950,042	114,416,922	112,946,870	(1,470,052)	-1.3%
28	TOTAL LIABILITIES	156,218,818	154,930,902	155,712,802	781,900	0.5%
29	CURRENT LIABILITES	36,129,119	38,809,939	42,804,877	3,994,938	9.3%
41	LONG TERM LIABILITIES	120,089,699	116,120,963	112,907,925	(3,213,038)	-2.8%
42						
43	NET ASSETS					

27

	A	B	C	D	E	F	G	H	I	J	K
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL										11/22/2024
2	INCOME STATEMENT		OCTOBER 2024 BUDGET	OCTOBER 2024 ACTUAL	VARIANCE OCTOBER ACTUAL TO BUDGET	VARIANCE PER CENTAGE		OCTOBER 2024 YTD BUDGET	OCTOBER 2024 YTD ACTUAL	VARIANCE OCTOBER YTD ACTUAL TO BUDGET	VARIANCE PER CENTAGE
3	NET INCOME		(336,358)	(2,251,952)	(1,915,594)	-569.5%		(6,717,687)	(10,497,242)	(3,779,555)	-56.3%
4	EBIDA		(1,267,909)	(1,612,274)	(344,365)	-27.2%		(7,124,546)	(7,757,971)	(633,425)	-8.9%
5											
6	TOTAL OPERATING REVENUE		6,518,066	6,331,160	(186,906)	-2.9%		23,972,490	24,446,224	473,734	2.0%
7	NET PATIENT REVENUE		5,150,969	5,041,598	(109,371)	-2.1%		20,111,009	20,705,442	594,433	3.0%
8	GROSS REVENUE FROM PATIENT SERVICES		41,665,428	42,532,108	866,680	2.1%		167,191,346	167,013,788	(177,558)	-0.1%
9	TOTAL INPATIENT REVENUE		14,217,686	13,134,794	(1,082,892)	-7.6%		57,982,596	53,193,197	(4,789,399)	-8.3%
10	TOTAL OUTPATIENT REVENUE		27,447,742	29,397,314	1,949,572	7.1%		109,208,750	113,820,591	4,611,841	4.2%
11	DEDUCTIONS FROM REVENUE		(36,514,459)	(37,490,510)	(976,051)	2.7%		(147,080,337)	(146,308,346)	771,991	-0.5%
12											
13	OTHER OPERATING REVENUE		1,367,097	1,289,562	(77,535)	-5.7%		3,861,481	3,740,782	(120,699)	-3.1%
14	OTHER REVENUE - RATE RANGE		0	0	0	0.0%		0	0	0	0.0%
15	OTHER REVENUE - OTHER SUPPLEMENTALS		0	0	0	0.0%		456,322	456,322	0	0.0%
16	OTHER REVENUE - DSH		8,065	0	(8,065)	-100.0%		32,260	0	(32,260)	-100.0%
17	OTHER REVENUE - P4P		688,364	688,364	0	0.0%		690,227	690,227	0	0.0%
18	OTHER REVENUE - OTHER		207,562	138,092	(69,470)	-33.5%		830,248	741,809	(88,439)	-10.7%
19	OPERATING TAX REVENUES		463,106	463,106	0	0.0%		1,852,424	1,852,424	0	0.0%
20											
21	TOTAL OPERATING EXPENSE		7,785,975	7,943,434	(157,459)	-2.0%		31,097,036	32,204,195	(1,107,159)	-3.6%
22	TOTAL LABOR EXPENSE		4,937,901	4,888,506	49,395	1.0%		19,808,410	19,593,022	215,388	1.1%
23	WAGES		3,821,295	3,876,666	(55,371)	-1.4%		15,320,236	15,618,999	(298,763)	-2.0%
24	EMPLOYEE BENEFITS		998,783	872,378	126,405	12.7%		4,000,038	3,520,948	479,090	12.0%
25	CONTRACT LABOR		117,823	139,462	(21,639)	-18.4%		488,136	453,075	35,061	7.2%
26	PHYSICIAN FEES		526,919	499,724	27,195	5.2%		2,107,676	1,985,613	122,063	5.8%
27	PURCHASED SERVICES		936,878	1,163,016	(226,138)	-24.1%		3,760,305	4,745,652	(985,347)	-26.2%
28	SUPPLY EXPENSE		859,197	849,416	9,781	1.1%		3,498,609	3,639,933	(141,324)	-4.0%
29	UTILITIES		112,666	121,798	(9,132)	-8.1%		470,980	450,665	20,315	4.3%
30	REPAIRS AND MAINTENANCE		74,394	108,211	(33,817)	-45.5%		300,113	474,102	(173,989)	-58.0%
31	INSURANCE		143,966	76,730	67,236	46.7%		575,864	571,634	4,230	0.7%
32	OTHER EXPENSES		157,844	187,658	(29,814)	-18.9%		430,239	549,623	(119,384)	-27.7%
33	LEASE AND RENTALS		36,210	48,375	(12,165)	-33.6%		144,840	193,951	(49,111)	-33.9%
34											
35	NON-OPERATING REVENUE & EXPENSE										
36	TOTAL NON-OPERATING REVENUE & EXPENSE		1,865,956	444,748	(1,421,208)	-76.2%		4,144,824	1,889,308	(2,255,516)	-54.4%
37	OTHER NON-OPERATING REVENUE INCL DONATIONS		1,137,649	44,748	(1,092,901)	-96.1%		1,231,596	289,308	(942,288)	-76.5%
38	OTHER NON-OPERATING DONATIONS		1,123,000	0	(1,123,000)	0.0%		1,173,000	50,000	(1,123,000)	0.0%
39	NON OPERATING TAX REVENUE		728,307	400,000	(328,307)	-45.1%		2,913,228	1,600,000	(1,313,228)	-45.1%
40	EXTRAORDINARY REVENUE		0	0	0	0.0%		0	0	0	0.0%
41											
42	TOTAL INTEREST & DEPRECIATION		934,405	1,084,426	(150,021)	-16.1%		3,737,965	4,628,579	(890,614)	-23.8%
43	DEPRECIATION		521,275	526,424	(5,149)	-1.0%		2,085,445	2,117,257	(31,812)	-1.5%
44	INTEREST & AMORTIZATION		413,130	558,002	(144,872)	-35.1%		1,652,520	2,511,322	(858,802)	-52.0%
45											
46	Note: If the unaccrued Supplemental funds, projected DSH and P4P funds, along with provision for lease principal payments were booked, the YTD Net Loss through October would be										
47	reduced from (\$10,497,242) to (\$4,881,245) and the EBIDA loss would be reduced from (\$7,757,971) to (\$2,141,974).										

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	A	B	C	D	E	F
1	SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD					11/22/24
2	BALANCE SHEET	JUNE 2024 (UNAUDITED)	SEPTEMBER 2024	OCTOBER 2024	VARIANCE SEPTEMBER 2024 TO OCTOBER 2024	VARIANCE PERCENTAGE
3						
4	TOTAL ASSETS	123,950,129	114,416,913	112,946,868	(1,470,047)	-1.3%
5	CURRENT ASSETS	29,875,725	24,568,124	24,641,815	73,691	0.3%
6	CASH & EQUIVALENTS	19,438,107	12,789,509	14,013,996	1,224,487	8.7%
7	NET PATIENT ACCOUNTS RECEIVABLE	9,181,423	8,197,739	8,038,468	(159,271)	-2.0%
8	HOSPITAL ACCOUNTS RECEIVABLE	89,675,653	78,882,377	78,682,964	(199,413)	-0.3%
9	LESS: ALLOWANCE FOR BAD DEBTS	(80,494,230)	(70,684,638)	(70,644,496)	40,142	-0.1%
10	OTHER CURRENT ASSETS	1,256,195	3,580,876	2,589,351	(991,525)	-38.3%
11	TAXES RECEIVABLE	2,078,826	4,109,734	3,383,456	(726,278)	-21.5%
12	MISC RECEIVABLE	(2,631,352)	(2,623,049)	(2,940,385)	(317,336)	10.8%
13	DUE FROM 3RD PARTIES	(940,346)	(816,989)	(775,870)	41,119	-5.3%
14	INVENTORIES	2,075,663	2,139,177	2,239,470	100,293	4.5%
15	PREPAID EXPENSES	673,404	772,003	682,680	(89,323)	-13.1%
16						
17	ASSETS WITH LIMITED USE	17,839,022	13,119,370	12,223,135	(896,235)	-7.3%
18	NET PROPERTY, PLANT, AND EQUIPMENT	75,250,288	75,757,731	75,123,105	(634,626)	-0.8%
19	PROPERTY, PLANT, AND EQUIPMENT	173,489,236	175,268,850	175,057,149	(211,701)	-0.1%
20	LAND & LAND IMPROVEMENTS	4,828,182	4,861,325	4,861,325	0	0.0%
21	BUILDINGS & BUILDING IMPROVEMENTS	132,533,755	132,652,072	132,652,072	0	0.0%
22	FIXED EQUIPMENT	31,736,836	31,714,056	31,694,512	(19,544)	-0.1%
23	CONSTRUCTION IN PROGRESS	4,390,463	6,041,397	5,849,240	(192,157)	-3.3%
24	LESS: ACCUMULATED DEPRECIATION	(98,238,948)	(99,511,119)	(99,934,044)	(422,925)	0.4%
25	OTHER ASSETS	985,094	971,688	958,811	(12,877)	-1.3%
26						
27	TOTAL LIABILITIES & FUND BALANCE	123,950,042	114,416,922	112,946,870	(1,470,052)	-1.3%
28	TOTAL LIABILITIES	156,218,818	154,930,902	155,712,802	781,900	0.5%
29	CURRENT LIABILITIES	36,129,119	38,809,939	42,804,877	3,994,938	9.3%
30	ACCOUNTS PAYABLE	9,381,110	11,543,921	12,760,750	1,218,829	9.5%
31	PAYROLL PAYABLES	4,653,853	5,768,926	5,578,197	(190,729)	-3.4%
32	SALARIES & WAGES PAYABLE	909,057	1,370,355	1,839,145	468,790	25.5%
33	PAYROLL TAXES & DEDUCTIONS PAYABLE	847,813	1,446,158	855,327	(590,831)	-69.1%
34	ACCRUED PTO & SICK DAYS PAYABLE	2,896,983	2,952,413	2,883,725	(68,688)	-2.4%
35	LINE OF CREDIT	12,065,351	12,299,058	12,266,742	(32,316)	-0.3%
36	OTHER CURRENT LIABILITIES	10,028,805	9,198,034	12,199,188	3,001,154	24.6%
37	ACCRUED INTEREST PAYABLE	1,967,348	1,074,271	1,093,003	18,732	1.7%
38	OTHER CURRENT LIABILITIES	4,166,440	3,865,783	3,858,897	(6,886)	-0.2%
39	DEBT - CURRENT	3,895,017	4,257,980	7,247,288	2,989,308	41.2%
40						
41	LONG TERM LIABILITIES	120,089,699	116,120,963	112,907,925	(3,213,038)	-2.8%
42						
43	NET ASSETS					
44	NET ASSETS - UNRESTRICTED	(32,268,776)	(40,513,980)	(42,765,932)	(2,251,952)	5.3%
45	NET ASSETS - BEGINNING OF PERIOD	(35,868,911)	(32,268,690)	(32,268,690)	0	0.0%
46	CURRENT YEAR NET GAIN/(LOSS)	3,600,135	(8,245,290)	(10,497,242)	(2,251,952)	21.5%
47						
48	Note: If the unaccrued Supplemental funds, projected DSH and P4P funds, along with provision for lease principal payments were booked, the YTD Net Loss					
49	through October would be reduced from (\$10,497,242) to (\$4,881,245) and the EBIDA loss would be reduced from (\$7,757,971) to (\$2,141,974).					

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	B	C	D	E	F	G	H		
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL								
2						(UNAUDITED)	(UNAUDITED)		
3						Current Month	Y-T-D		
4						10/31/2024	10/31/2024		
5	BEGINNING CASH BALANCES								
6		Cash: Beginning Balances- Hospital				\$	12,176,113	\$ 18,067,421	
7		Cash: Beginning Balances- District					613,396	1,370,686	
8		Cash: Beginning Balances Totals				\$	12,789,509	\$ 19,438,107	
9									
10	Receipts								
11		Patient Collections				\$	5,269,178	\$ 21,855,408	
12		Tax Subsidies/Measure D/Prop 13					463,106	1,852,424	
13		Misc Tax Subsidies					-	-	
14		Donations/Grants/Loans					25,000	100,000	
15		Supplemental Funding (Rate Range, Etc.)					688,364	1,146,549	
16		Draws/(Paydown) of LOC Balances					-	-	
17		Other Revenues/Receipts/Transfers					113,092	691,809	
18	TOTAL RECEIPTS						\$	6,558,740	\$ 25,646,190
19									
20	Disbursements								
21		Wages, Benefits, & Contract Labor				\$	4,888,506	\$ 19,593,022	
22		Other Operating Costs					3,054,928	12,611,173	
23		Capital Spending					260,391	2,038,006	
24		Debt Service Payments (Excl.G/O Bonds)					80,825	323,300	
25		Other - Changes in Accounts Payable, IGT's, Etc.					(2,950,397)	(3,495,200)	
26	TOTAL DISBURSEMENTS						\$	5,334,253	\$ 31,070,301
27									
28	TOTAL CHANGE in CASH						\$	1,224,487	\$ (5,424,111)
29									
30	ENDING CASH BALANCES								
31		Ending Balances- Hospital				\$	13,232,590	\$ 13,564,454	
32		Ending Balances- District					781,406	449,542	
33		Ending Balances- Totals				\$	14,013,996	\$ 14,013,996	
34									
35									
36									
37		LOC Current Balances				\$	12,000,000	\$ 12,000,000	
38		LOC Interest Expense Incurred					93,000	471,000	
39	11/22/2024								
40									
41									
42	NOTE: THE CASH FLOW STATEMENT IS BASED ON DATA FROM THE UNAUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2024 AND WILL BE								
43	SUBJECT TO ADJUSTMENTS ASSOCIATED WITH THE FINAL AUDITED FINANCIAL STATEMENTS.								

TAB F

SAN GORGONIO MEMORIAL HOSPITAL

Medical Staff Services Department

M E M O R A N D U M

DATE: November 20, 2024

TO: Chair
Governing Board

FROM: Sherif Khalil, M.D., Chairman
Medical Executive Committee

SUBJECT: MEDICAL EXECUTIVE COMMITTEE REPORT

At the Medical Executive Committee held this date, the following items were approved, with recommendations for approval by the Governing Board:

Approval Item(s):

2024 Annual Approval of Policies & Procedures

The attached list of policies & procedures is recommended for approval (See attached).

Karius Test

The Karius Test is a blood test based on metagenomic next-generation sequencing of plasma microbial cell free DNA (See attached). Testing is contingent upon approval by Dr. Johnny Lique, M.D., Infectious Diseases.

**SAN GORGONIO MEMORIAL HOSPITAL
2024 ANNUAL APPROVAL
POLICIES & PROCEDURES**

Title	Policy Area	Revised?
Abuse – Identification and Reporting of Elder and Dependent Person (Adult)	Administration	Revised
Admissions Arriving at Change of Shift	Nursing	Revised
After-Hours Acquisition of Equipment and Supplies	Nursing	Revised
Alarms on Clinical Equipment	Nursing	Revised
Alternate Healthcare Documentation During Episodes of Surge Activity	Nursing	Unchanged
Assignment of Beds	Nursing	Revised
Care and Management of Suicidal Patients (Patients that are Danger to Self or Others)	Nursing	Revised
Coroner: Reportable Deaths	Nursing	Revised
Credentialing Licensed Independent Practitioners - Disaster Policy	Emergency Preparedness	Revised
Critical Test Results Reporting for Clinical Departments	Administration	Revised
CT Shutdown Procedure for Generator Check – Canon Scanner	Diagnostic Imaging	New
Dialysis Nurse Licensure and Orientation Verification	Nursing	Revised
Dietary Procedure for Patients in Isolation	Infection Prevention	Revised
Disposable Blood Pressure Cuffs	Nursing	Revised
Fifty-One Fifty Patients: Care of	Nursing	Revised
Flowers and Plants	Infection Prevention	Revised
Forgoing Life-Sustaining Treatment	Administration	Revised
Gestational Diabetes	Obstetrics	Revised
Handling of Placentas	Obstetrics	Revised
House Supervisor, Contacting	Nursing	Unchanged
Influenza Vaccine Screening and Administration Protocol	Nursing	Revised
Intrauterine Pressure Catheter	Obstetrics	Revised
Intravenous (IV) Admixture for Nursing	Nursing	Revised
Intravenous Therapy, LVN	Nursing	Revised
Lab - Specimen Transportation Bag	Nursing	Revised
Leaving Hospital Against Medical Advice	Nursing	Revised
Management of Umbilical Cord Prolapse	Obstetrics	Revised
Medication Error Reduction Plan	Pharmacy & Therapeutics	Revised
Neonatal Resuscitation	Obstetrics	Revised
No Prenatal Care	Obstetrics	Revised
Non-Stress Test	Obstetrics	Revised
Nursing Services Staffing Patterns and Schedules	Nursing	Revised

Obstetrics Records	Obstetrics	Revised
Patient Charges: Log or Cards	Nursing	Revised
Patient Identifiers	Nursing	Revised
Pitocin (Oxytocin) Administration Protocol	Obstetrics	Revised
Placenta Previa, Care of the Patient with	Obstetrics	Revised
Polyhydramnios of the Intrapartum Patient	Obstetrics	Revised
Postmortem Precautions when Handling Bodies	Infection Prevention	Revised
Pre-Eclampsia/Eclampsia	Obstetrics	Revised
Premature Labor	Obstetrics	Revised
Premature or Low Birth Weight Newborns, Care of	Obstetrics	Revised
Pronation of Mechanically Ventilated Patients in the ICU	Critical Care Services	Revised
Prone Positioning in Non-Intubated Patients with Hypoxemic Respiratory Failure	Nursing	Revised
Propofol: Care of the Patient Receiving Continuous Propofol Infusion	Critical Care Services	Revised
Respiratory Hygiene and Cough Etiquette	Infection Prevention	Revised
Side Rails on Hospital Beds	Nursing	Revised
Telemedicine and Stroke	Administration	Revised
Temporary Reassignment (Floating) for Associates	Nursing	Revised
Terbutaline (Brethine), Administration of	Obstetrics	Revised
Terminal Wean	Critical Care Services	Revised
Termination of Isolation on Discharge or Transfer of Patient	Infection Prevention	Revised
Unaccounted for (Missing) Patients	Nursing	Revised

TAB G

POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital Board Meeting December 3, 2024

	Title	Policy Area	Owner	Workflow Approval
1	Child Abuse Reporting: Actual or Suspected	Administration	Brady, Angela: Chief Nursing Executive	Ariel Whitley for Healthcare District Board of Directors
2	Nurse-Driven Indwelling Urinary Catheter Removal Standardized Procedure	Nursing	Freude, Gayle: Director Med/Surg/CM and SW and P&P Chairperson	Ariel Whitley for Healthcare District Board of Directors
3	Obstetrical Triage and Medical Screening Examination Standardized Procedure	Obstetrics	Garcia, Antonia: Director of OB Services	Ariel Whitley for Healthcare District Board of Directors

TAB H



NATIONALLY RECOGNIZED

A

SPRING 2024

LEAPFROG
HOSPITAL
SAFETY GRADE

WHEN IT COMES TO
PATIENT SAFETY, WE
MADE THE **GRADE.**





Since 1951, San Geronio Memorial Hospital has been dedicated to providing safe, high-quality, personalized healthcare services.

Our High-Quality Healthcare Services Include:

- Emergency Services - Rapid Care 24/7
- Surgical Services - General/Vascular/Ortho
- Robotic Surgery - Minimally Invasive
- Cardiology
- Urology
- Pulmonology
- Teleneurology
- Gastroenterology
- Hospitalist Services
- Obstetrics & Gynecology
- Behavioral Health
- Cardiac Rehabilitation
- Clinical Laboratory
- Intensive Care
- Nutritional Services
- Advanced Imaging
- Orthopedic Services
- Physical Therapy
- Social Services



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