



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, July 5, 2022 – 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

- June 7, 2022, Regular Meeting

A

**NEW BUSINESS**

IV. Hospital Board Chair Monthly Report

S. DiBiasi

verbal

San Geronio Memorial Hospital  
 Board of Directors Regular Meeting  
 July 5, 2022

- |  |   |                                 |        |
|--|---|---------------------------------|--------|
| V.   | CEO Monthly Report  | S. Barron                       | verbal |
| VI.  | July, August, & September Board/Committee Meeting Calendars   | S. DiBiasi                      | B      |
| VII.   | <b>*Proposed Action – Appoint Ad Hoc Affiliation Committee</b><br>▪ <b>ROLL CALL</b>  | S. DiBiasi                      | verbal |
| VIII.  | Foundation monthly report   | R. Robbins/<br>V.Hunter         | C      |
| IX.  | Patient Care Services Bi-Monthly Report   | P. Brown                        | D      |
| X.   | Committee Reports:  |                                 |        |
|  | <ul style="list-style-type: none"> <li>• Finance Committee           <ul style="list-style-type: none"> <li>○ May 31, 2022, regular meeting minutes</li> <li>• <b>* Proposed Action – Approve April 2022 Financial Statement (Unaudited)</b><br/>               (Approval recommended by Finance Committee 06/28/2022)               <ul style="list-style-type: none"> <li>▪ <b>ROLL CALL</b></li> </ul> </li> <li>○ <b>* Proposed Action – Recommend Approval to the Healthcare District Board of the FY 2023 Operating Budget and FY 2023 Capital Budget</b><br/>               (approval recommended by Finance Committee 6/28/2022)               <ul style="list-style-type: none"> <li>▪ <b>ROLL CALL</b></li> </ul> </li> </ul> </li> </ul> | E. Ngo/<br>D. Heckathorne       | E      |
|  |   |                                 | F      |
| XI.  | Chief of Staff Report   | S. Khalil, MD<br>Chief of Staff | verbal |
| XII.   | <b>* Proposed Action - Approve Policies and Procedures</b><br>• <b>ROLL CALL</b>  | Staff                           | G      |
| XIII.  | Community Benefit events/Announcements/<br>and newspaper articles   | S. DiBiasi                      | H      |
| XIV.   | Future Agenda Items   |                                 |        |
| <b>*** ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION</b> |   | S. DiBiasi                      |        |
|  | ➤ Proposed Action - Recommend approval to Healthcare District Board - Medical Staff Credentialing<br>(Health & Safety Code §32155; and Evidence Code §1157)   |                                 |        |
|  | ➤ Receive Quarterly Environment of Care/Life Safety/Utility Management report<br>(Health & Safety Code §32155; and Evidence Code §1157)   |                                 |        |

XV. **ADJOURN TO CLOSED SESSION**

**\* 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

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 July 1, 2022, 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 July 1, 2022



Ariel Whitley, Executive Assistant

**TAB A**

**REGULAR MEETING OF THE  
SAN GORGONIO MEMORIAL HOSPITAL  
BOARD OF DIRECTORS**

June 7, 2022

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Tuesday, June 7, 2022. In an effort to prevent the spread of COVID-19 (coronavirus), there was no public location for attending this board meeting in person. Board members and members of the public participated via WebEx.

Members Present: Phillip Capobianco III, Susan DiBiasi (Chair), Ehren Ngo, Ron Rader, Steve Rutledge (Vice Chair), Randal Stevens, Dennis Tankersley, Siri Welch

Members Absent: Joel Labha

Required Staff: Steve Barron (CEO), Pat Brown (CNO/COO), Daniel Heckathorne (CFO), Sherif Khalil, MD (Chief of Staff), Annah Karam (CHRO), Ariel Whitley (Executive Assistant), Karan P. Singh, MD (CMO), Angie Brady (ED Director), Margaret Kammer (Controller), Susan Sommers (Infection Control Director), Peter Kim (Performance Improvement Director), Jayme Goodner (Surgical Services Director)

AGENDA ITEM		ACTION / FOLLOW-UP
<b>Call To Order</b>	Chair, Susan DiBiasi, called the meeting to order at 4:01 pm.	
<b>Public Comment</b>	Members of the public who wished to comment on any item on the agenda were encouraged to submit comments by emailing <a href="mailto:publiccomment@sgmh.org">publiccomment@sgmh.org</a> prior to this meeting.  No public comment emails were received.	
<b>GENERAL TOPIC</b>		
<b>Stroke Program Presentation</b>		
<b>OLD BUSINESS</b>		
<b>Proposed Action - Approve Minutes May 3, 2022,</b>	Chair, Susan DiBiasi, asked for any changes or corrections to the minutes of the May 3, 2022, regular meeting as included on the board tablets.	<b>The minutes of the May 3, 2022, regular meeting will stand correct</b>

AGENDA ITEM		ACTION / FOLLOW-UP																				
<b>regular meeting.</b>		<b>as presented.</b>																				
<b>NEW BUSINESS</b>																						
<b>Hospital Board Chair Monthly Report</b>	Chair DiBiasi thanked Vice Chair, Steve Rutledge, for stepping in while she was absent.																					
<b>CEO Monthly Report</b>	Steve Barron, CEO briefly reported that there are two pieces of equipment being requested related to breast surgery. Steve also reported that the funds to purchase the equipment will come from the Nelda Rankin Trust.																					
<b>June, July, &amp; August Board/Committee meeting calendars</b>	Calendars for June, July, & August were included on the board tablets.																					
<b>Proposed Action – Reappoint existing board member to a second four-year term expiring June 30, 2026.</b>	<p>Chair DiBiasi reported that one existing Hospital board members term was expiring as of June 30, 2022, and he is eligible for reappointment to serve a second full four-year term.</p> <p>The board member is Steve Rutledge.</p> <p><b>BOARD MEMBER ROLL CALL:</b></p> <table border="1" data-bbox="383 1234 1250 1423"> <tbody> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </tbody> </table>	Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	Welch	Yes	Motion carried.		<b>M.S.C., (DiBiasi/Rader) of Directors approved the reappointment of existing board member Steve Rutledge to a second four-year term, expiring June 30, 2026.</b>
Capobianco	Yes	DiBiasi	Yes																			
Labha	Absent	Ngo	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Tankersley	Absent																			
Welch	Yes	Motion carried.																				
<b>Proposed Action – Recommend approval to Healthcare District Board.</b> <ul style="list-style-type: none"> <li>• <b>Acquisition of Two CT Scanners from Canon Medical Systems, USA</b></li> </ul>	<p>Cannon Medical Systems USA provides innovative imaging solutions and services. To be designated as a Stroke Center, it is required of SGMH to house two CT Scanners. Cannon Medical Systems USA was selected as the company to acquire the two CT Scanners from.</p> <p><b>BOARD MEMBER ROLL CALL:</b></p> <table border="1" data-bbox="383 1749 1250 1898"> <tbody> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> </tbody> </table>	Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	<b>M.S.C., (Rader/Welch), the SGMH Board of Directors voted to recommend approval to the Healthcare District Board of the acquisition of two CT Scanners from Canon Medical Systems, USA.</b>				
Capobianco	Yes	DiBiasi	Yes																			
Labha	Absent	Ngo	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Tankersley	Absent																			

AGENDA ITEM				ACTION / FOLLOW-UP																				
	Welch	Yes	Motion carried.																					
<b>COMMITTEE REPORTS:</b>																								
<b>Human Resources Committee</b>	At the request of Committee Chair, Ron Rader, Annah Karam, Chief Human Resources Officer, briefly reviewed the reports that were reviewed at the committee meeting and the reports discussed as included on the board tablets. A copy of the Human Resources Committee’s May 18, 2022, meeting minutes were also included on the board tablets.																							
<b>Finance Committee</b>  <b>Proposed Action – Recommend Approval of the April 2022 Financial Statement (Unaudited).</b>	Dan Heckathorne, CFO, reviewed the Executive Summary of the April 2022 Financial report which was included on the board tablet. A copy of the Finance Committee’s May 31, 2022, meeting minutes were also included on the board tablet. It was noted that the Finance Committee recommends approval of the April 2022 Financial report as presented.  <b>BOARD MEMBER ROLL CALL:</b>  <table border="1" data-bbox="383 1024 1250 1213"> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>			Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	Welch	Yes	Motion carried.		<b>M.S.C., (Rader/Welch), the SGMH Board of Directors approved the April 2022 Financial Statement as presented.</b>
Capobianco	Yes	DiBiasi	Yes																					
Labha	Absent	Ngo	Yes																					
Rader	Yes	Rutledge	Yes																					
Stevens	Yes	Tankersley	Absent																					
Welch	Yes	Motion carried.																						
<b>Proposed Action - Recommend Approval to Healthcare District Board to Approve Annual Insurance Renewals</b> <ul style="list-style-type: none"> <li>• <b>Professional and General Liability Programs</b></li> <li>• <b>Property and Casualty Programs</b></li> </ul>	Dan Heckathorne, CFO, reviewed the Annual Insurance Renewals including the Professional and General Liability and Property and Casualty Programs.  Steve then discussed the Earthquake Limits proposal. The proposal was included as a handout and is available if requested.  The Committee agreed that the Professional and General Liability Programs coverages and the Property and Casualty Programs coverages are recommended for approval to the Hospital Board as outlined.  ** The Committee then reviewed options to obtain Earthquake insurance coverage. After discussion, it was determined that the Hospital’s budget does not have the funds required for such coverages at this time, and the Committee chose not to recommend the acquisition of earthquake coverages.			<b>M.S.C., (Rutledge/Stevens), the SGMH Board of Directors voted to recommend approval to the Healthcare District Board of the Annual Insurance Renewals.</b>																				

AGENDA ITEM		ACTION / FOLLOW-UP																				
	<p>It was noted that approval is recommended to the Hospital Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 459 1250 648"> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	Welch	Yes	Motion carried.		
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Stevens	Yes	Tankersley	Absent																			
Welch	Yes	Motion carried.																				
<p><b>Chief of Staff Report</b></p> <p><b>Proposed Action – Approve Recommendations of the Medical Executive Committee</b></p>	<p>Sherif Khalil, MD, Chief of Staff, briefly reviewed the Medical Executive Committee report as included on the board tablets.</p> <p>Approval Items:</p> <ul style="list-style-type: none"> <li>2022 Annual Approval of Policies and Procedures</li> </ul> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 980 1247 1169"> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	Welch	Yes	Motion carried.		<p><b>M.S.C., (Rader/Stevens), the SGMH Board of Directors approved the Medical Executive Committee recommended approval items as submitted.</b></p>
Capobianco	Yes	DiBiasi	Yes																			
Labha	Absent	Ngo	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Tankersley	Absent																			
Welch	Yes	Motion carried.																				
<p><b>Proposed Action – Approve Policies and Procedures</b></p>	<p>There were nine (9) policies and procedures included on the board tablets presented for approval by the Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 1472 1247 1661"> <tr> <td>Capobianco</td> <td>Yes</td> <td>DiBiasi</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Absent</td> <td>Ngo</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>Tankersley</td> <td>Absent</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	DiBiasi	Yes	Labha	Absent	Ngo	Yes	Rader	Yes	Rutledge	Yes	Stevens	Yes	Tankersley	Absent	Welch	Yes	Motion carried.		<p><b>M.S.C., (Welch/Ngo), the SGMH Board of Directors approved the policies and procedures as submitted.</b></p>
Capobianco	Yes	DiBiasi	Yes																			
Labha	Absent	Ngo	Yes																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Tankersley	Absent																			
Welch	Yes	Motion carried.																				
<p><b>Community Benefit events/Announcements/and newspaper articles</b></p>	<p>Miscellaneous information was included on the board tablets.</p>																					



AGENDA ITEM		ACTION / FOLLOW-UP
<b>Future Agenda Items</b>	None.	
<b>Adjourn to Closed Session</b>	<p>Vice Chair, Rutledge reported the items to be reviewed and discussed and/or acted upon during Closed Session will be:</p> <ul style="list-style-type: none"> <li>➤ Recommend approval to the Healthcare District Board – Medical Staff Credentialing</li> </ul> <p>The meeting adjourned to Closed Session at 5:11 pm.</p>	
<b>Reconvene to Open Session</b>	<p>The meeting adjourned from closed session at 5:26 pm.</p> <p>At the request of Vice Chair Rutledge, Ariel Whitley reported on the actions taken/information received during the Closed Session as follows:</p> <ul style="list-style-type: none"> <li>➤ Recommended approval to the Healthcare District Board – Medical Staff Credentialing</li> </ul>	
<b>Adjourn</b>	The meeting was adjourned at 5:26 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**



**SAN GORGONIO**  
MEMORIAL HOSPITAL

# July 2022

## Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4 <b>ADMIN. CLOSED IN OBSERVANCE OF INDEPENDENCE DAY</b>	5 4:00 pm Hospital Board Meeting  6:00 pm Healthcare District Board Meeting	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26 9:00 am Finance Committee	27	28	29	30
31						

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

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



**SAN GORGONIO**  
MEMORIAL HOSPITAL

# August 2022

## Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	3	4	5	6
7	8	9	10	11	12	13
14	15	16 9:00 am Community Planning Committee	17 9:00 am HR Committee	18	19	20
21	22	23	24	25	26	27
28	29	30 9:00 am Finance Committee	31			

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

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



**SAN GORGONIO**  
MEMORIAL HOSPITAL

# September 2022

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5 <b>ADMIN. CLOSED</b> <b>LABOR DAY</b>	6 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27 9:00 am Finance Committee 10:00 am Executive Committee	28	29	30	

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

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

**TAB C**

## SGMH Foundation June 2022 Report

### Foundation Finances for June 2022

(as of June 29, 2022)

Bank of Hemet Checking Acct:	\$244,140.04	(actual as of <u>6/29/2022</u> )
Bank of Hemet Money Market Acct:	\$128,143.92	(actual as of <u>6/29/2022</u> )
I.E. Community Foundation Acct:	\$97,772.61	<u>Actual for May 2022/June 2022 not available</u>
<b>Total</b>	<b>\$470,056.57</b>	

### Foundation Report

- The Foundation department is starting an employee giving campaign in July 2022.
- The Foundation department is in the planning phases of its first event. The Foundation's first event out of Covid is tentatively a golf tournament in October 2023.
- The Foundation Director and the Foundation Executive Team are continuing its search for grants to support the Foundation's mission.
- The Foundation is dark in July 2022.

**TAB D**





## **CNO REPORT TO THE BOARD**

**JULY 2022**

### **Patient Care Quality and Safety:**

The Patient Experience Committee met on May 11th and June 8<sup>th</sup>. The membership reorganization of the committee has been working well and we are getting excellent participation from our associates. This is an enthusiastic group dedicated to improving the patient experience. Current focus areas for the group are improving communication among caregivers by updating white boards in patient rooms more frequently, holding departmental huddles to pass on new information promptly, using visual reminder boards in break rooms and meeting rooms, and making a hospital communication board outside the cafeteria. Another focus is improving communication about medications to the patients. This is an opportunity for us as our scores have been low in this area. The group had a brainstorming session and came up with several ideas for improvement which we are starting to trial.

The Annual Nursing Skills Fair was held May 23<sup>rd</sup> through May 26<sup>th</sup>. 192 nurses completed the update. That is a participation rate over 80%. We will be having one make up day in July for those who could not attend in May.

During May and June, 18 leaders and 75 associates received training from Press/Ganey through a workshop called "Enhancing the Patient Experience through Communication". The purpose of the session was to learn and practice universal relationship skills that will help influence a great patient experience. This group will serve as facilitators, mentors, coaches and role models for other associates in the communication skills needed to provide a better hospital experience for our patients.

Robotic cases are increasing and going well. We are recruiting for an RNFA (registered nurse first assist) to be able to do more complex cases. The OR crew are very pleased with our new anesthesiologists. They are very skilled and have been working cohesively with the OR director to make sure things are running smoothly.

On May 1<sup>st</sup>, the LLUMC neurology physicians took over our tele-neurology services. This has been going well. The plan is to increase the scope of their services as the stroke center progresses.

### **Regulatory Issues**

On April 6<sup>th</sup> we had a Riverside County Department of Environmental Health hazardous materials inspection. There were a few opportunities for improvement identified. On June 13th our re-inspection was conducted and all concerns resolved. Our next inspection will be scheduled in 3 years.

# TAB E

REGULAR MEETING OF THE  
SAN GORGONIO MEMORIAL HOSPITAL  
BOARD OF DIRECTORS

FINANCE COMMITTEE  
Tuesday, June 28, 2022

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, June 28, 2022. To prevent the spread of COVID-19 (coronavirus), there was no public location for attending this committee meeting in person. Committee members, staff members, and members of the public participated telephonically.

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

Members Absent: None

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

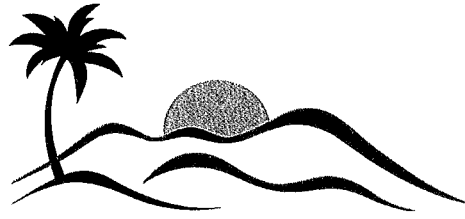
AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
<b>Call To Order</b>	Chair Ngo called the meeting to order at 9:03 am.	
<b>Public Comment</b>	Members of the public who wished to comment on any item on the agenda were encouraged to submit comments by emailing <a href="mailto:publiccomment@sgmh.org">publiccomment@sgmh.org</a> prior to this meeting.  No public comment emails were received.	
<b>OLD BUSINESS</b>		
<b>Proposed Action - Approve Minutes May 31, 2022, regular meeting</b>	Chair Ngo asked for any changes or corrections to the minutes of the May 31, 2022, regular meeting. There were none.	<b>The minutes of the May 31, 2022, regular meeting will stand correct as presented.</b>
<b>NEW BUSINESS</b>		

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
<p><b>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – May 2022</b></p>	<p>Daniel Heckathorne, CFO, reviewed the Unaudited May 2022 finance report as included in the board packets.</p> <p>Mr. Heckathorne reported that May had \$277K positive EBIDA compared to budgeted EBIDA loss of \$1.42M. The average inpatient census was 18.7, and Emergency visits were high at 3,417 and May surgery visits remained high at 153 plus 23 G.I. procedures. Other adjustments/unusual items included Supplemental Income as follows: \$336K QAF Quarterly grant, \$690K of AB113 funds, mostly from a previous year’s adjustment, and \$127K AB113 funds for current year, for a total \$1.15M of Supplemental Funding. Overall Operating Expenses were under budget for the month by \$410K.</p> <p>On a YTD basis the EBIDA is -\$3.6M compared to the budgeted -\$7.9M.</p> <p>It was noted that approval is recommended to the Hospital Board.</p> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="394 1024 1221 1140"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Ngo	Yes	Rader	Yes	Rutledge	Yes	Welch	Yes	Motion carried.		<p><b>M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval of the Unaudited May 2022 Financial report to the Hospital Board of Directors.</b></p>
DiBiasi	Yes	Ngo	Yes											
Rader	Yes	Rutledge	Yes											
Welch	Yes	Motion carried.												
<p><b>Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board FY 2023 Operating Budget and FY 2023 Capital Budget</b></p>	<p>Daniel Heckathorne gave a detailed review of the SGMH FYE June 30, 2023, Budget Package: Operating Budget, Capital Budget, Combined Balance Sheet, Cash Flow Statement, and the SGMHD Operating Budget presentation as included in the board packets.</p> <p>It was noted that approval is recommended to the Hospital Board.</p> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="394 1545 1209 1661"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Welch</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Ngo	Yes	Rader	Yes	Rutledge	Yes	Welch	Yes	Motion carried.		<p><b>M.S.C. (Welch/Rutledge) SGMH Finance voted to recommend approval of the FY 2023 Operating budget and FY 2023 Capital budget to the Hospital Board of Directors and the Healthcare District Board of Directors.</b></p>
DiBiasi	Yes	Ngo	Yes											
Rader	Yes	Rutledge	Yes											
Welch	Yes	Motion carried.												
<p><b>Future Agenda Items</b></p>	<p>None.</p>													

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION / FOLLOW-UP</b>
<b>Next Meeting</b>	The next regular Finance Committee meeting will be held on July 26, 2022.	
<b>Adjournment</b>	The meeting was adjourned 10:31 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**

**SAN GORGONIO MEMORIAL HOSPITAL  
BANNING, CALIFORNIA**

**Unaudited Financial Statements**

**for**

**ELEVEN MONTHS ENDING MAY 31, 2022**

**Certification Statement:**

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

**Certified by:**

*Daniel R. Heckathorne*

**Daniel R. Heckathorne**

CFO

# San Gorgonio Memorial Hospital

## Financial Report - Executive Summary

For the Month of May 31, 2022 and Eleven Months Ended May 31, 2022 (Unaudited)

### Profit/Loss (EBIDA) Summary (MTD) Positive and (YTD) Negative (see YTD Note)

The month of May resulted in \$277K Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA loss of \$1.42M.

**YTD** – There was a \$3.6M loss in Earnings before Interest, Depreciation and Amortization (EBIDA) compared to a budgeted loss of \$7.9M (adjusted to \$7.0M to remove \$895K IGT Expense booked in 2021).

**Month** – Adjustments/unusual items: The May Surgery visits remained high at 153 plus 23 G.I. procedures. The Emergency visits were also high at 3,417. The average inpatient census was 18.7. The positive May activities were as follows:

- Other Income included: \$336K QAF Quarterly grant, \$690K of AB113 funds, mostly from a previous year's adjustment, and \$127K AB113 funds for current year, for a total \$1.15M of Supplemental Funding.
- Total Operating Expenses were \$410K below budget (see comments below)

May's inpatient average daily census was 18.7, compared to 20.3 in April and 20.7 in March. Adjusted Patient Days were 18.9% under budget (1,706 vs. 2,105) and Patient Days were 45% below budget (580 vs. 1,048). Emergency Visits were 13.8% over budget (3,417 vs. 3,002), and overall Surgeries were significantly over budget by 66% (153 vs. 92).

**YTD** – Overall workloads are as follows: Adjusted Patient Days = 21,783 vs. 24,114 budgeted (-9.6%); Patient Days = 9,009 vs. 11,840 budgeted (-24%); Emergency Visits = 35,958 vs. 34,918 (+3.0%), and Surgeries were 1,293 vs. 991 (+30%). EBIDA results are now \$4.29M better than the unadjusted EBIDA target of -\$7.9M for the first 11 months of the year. Overall Operating Revenues are \$4.19M better than budget, while Operating Expenses were \$96K under budget.

### Patient Revenues (MTD) Positive (YTD) Positive

**Month** - The Net Patient Revenue in May continues to reflect improved A/R collections ratios, higher than expected payments on some long-term patient stays, and managed care rate increases estimated at \$185K for the month. These resulted in a favorable \$393K variance.

**YTD** – Net Patient Revenue through May was \$57.9M compared to the budgeted \$55.9M. Of note, the increase in managed care contracted revenue since September is estimated at \$1.76M.

### Total Operating Revenues (MTD) Positive & (YTD) Positive

**Month** – Operating Revenue in May was \$1.29M over budget. This was impacted by the key variances in Net Patient Revenues and Other Income described above.

**YTD** – Operating Revenue was \$4.19M over budget, impacted by the Net Patient Revenues being \$2.0M over budget and the Non-Patient Revenues were \$2.2M over budget.

### Operating Expenses (MTD) Positive & (YTD) Positive

**Month** - Operating Expenses in May were \$6.6M and were under budget by \$410K. Unusual items that impacted overall Expenses were BETA dividends of \$26K for the Liability coverage, a premium credit of \$30K, and a \$44K dividend for Workers Comp coverage. We also received a \$76K refund from previously over-billed ICU nurse registry fees. These items resulted in a combined total reduction of \$175K for the month. Nevertheless, many costs were down and were impacted by the lower inpatient workloads.

There were other "re-classes" of expenses between the various Expense categories which did not impact the overall "bottom line" total. These included 1) reclassing the first half of the yearly BETA refunds of

\$70K received earlier in the year from “Other Revenues” to a \$26K offset of “Insurance Expense” and a \$44K offset of “Employee Benefits”; 2) reclassing \$79K of robotic rental fees from “Supplies” to “Rents & Leases”, and 3) reclassing \$168K of Occupational Medicine contracted service fees from “Physician Fees” into “Purchased Services”. Finally, unusual costs incurred in May related to the December Measure H election fee received from the County which added \$75K to “Other Expense”.

**YTD – Variances include:** 1) Salaries were \$1.0M under budget while Contract Labor was over budget by \$422K due to shortage of nurses and the covid surge; 2) Benefits were \$476K (5.2%) over budget which has been consistent with previous monthly experience. 3) Purchased Services were \$412K over budget which includes Allscripts/Navigant \$692K variance to budget based on overall collection performance, Infection Control (\$86K), Environmental Services (\$67K), and Human Resources (\$115K), with large offsets of favorable variances in Administration (\$171K), I/T (\$105K), Surgery (\$140K), and Laundry (\$63K); 4) Supplies were over budget by \$1.74M, largely due to the covid surges and much higher Surgery volumes than budgeted. Some of the major variances over budget include Surgery (\$626K), Lab (\$612K), Pharmaceuticals (\$443K), Emergency (\$127K), Blood (\$116K), and ICU and Med Surg (\$222K). These were offset by several other departments whose supply costs were below budget; 5) Utilities are over budget by \$247K (20%) – it appears that the warmer than usual summer and the cooler than usual winter are having an impact on these costs; 6) Repairs were over budget by \$211K, which included accelerated repairs made on emergency doors and negative pressure rooms and all of the testing/repairs referred to in the April monthly comment; 7) Other Expenses were \$1.07M below budget as generally everyone is taking a conservative approach toward many projects during this year, including dues and subscriptions, outside education, and travel (combined \$349K), along with other expenditures which have not been incurred; 8) IGT Expense was under budget by \$895K due to those costs being included in the previous year’s audited statements; and 9) Leases and Rentals were \$572K below budget, of which \$309K was impacted by the exclusion of leasing telemetry monitors along with the delay in the surgical robotics lease, and Respiratory Therapy rentals are \$127K less than expected.

### **Balance Sheet/Cash Flow**

Patient cash collections in May were \$4.29M following record months in April (\$7.0M), March (\$6.7M) and February (\$6.68M). The Gross A/R Days increased from 70.5 in April to 74.4 in May, and the Net A/R days increased by about 2 days. This increase in Gross Days was impacted by the low revenues in April and May, along with about \$5.5M being “held” in A/R waiting for Bad Debt write off and assignment to collection agencies. Again, this is due to complications surrounding implementation of the new California AB1020 rule which changed the “150 day” self-pay billing process to a mandated “180 day” billing process. (This matter will clear in June.)

Cash balances decreased in May to \$6.5M compared to April’s \$8.4M. The Accounts Payable were also decreased by \$554K from April. The line of credit balance was maintained at \$6M in May as it has been since the end of February. There were large amounts of District taxes received in May, causing those Receivables to drop by \$2.6M from the previous month, and impacting the Bond Reserve account to increase by \$3.6M from the prior month. Finally, the Stimulus Funds advance \$387K balance was paid off in May.

### **Concluding Summary**

#### **Positive takeaways:**

- 1) Total Surgeries were 66% over budget, which reflects the trends of the past three months.
- 2) Operating Expenses were under budget.
- 3) Total Operating Revenues were strong due to Net Revenues and Supplemental Funding.

#### **Negative takeaways:**

- 1) Supply expenses continue to be the biggest YTD challenge.



**STATISTICS**

Inpatient Admissions/Discharges (Monthly Average)

Represents number of patients admitted/discharged into and out of the hospital.

Patient Days (Monthly Average)

Each day a patient stays in the hospital is counted as a patient day. This count is normally done at midnight.

Average Daily Census (Inpatient)

Equals the average number of inpatients in the hospital on any given day or month.

Average Length of Stay (Inpatient)

Represents that average number of days that inpatients stay in the hospital.

Emergency Visits (Monthly Average)

Represents the number of patients who sought services at the emergency room.

Surgery Cases - Excluding G.I. (Monthly Average)

Equals the number of patients who had a surgical procedure(s) performed.

G.I. Cases (Monthly)

Number of patients who had a gastrointestinal exam performed.

Newborn Deliveries (Monthly)

Number of babies delivered.

**PRODUCTIVITY**

Worked FTEs ( includes Registry FTEs)

Represents an equivalency of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of hours in the respective work period (40, 80, etc.) Example: 340 hours worked in an 80 hour pay period = 4.25 FTE's

Worked FTEs per APD

Divides the Total Worked FTE's by the daily average of the Adjusted Patient Days.

Paid FTEs ( includes Registry FTEs)

Represents an equivalency of full-time staff paid. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours paid (includes all hours paid consisting of worked hours, PTO hours, sick pay, etc.) by the number of hours in the respective work period (40, 80, etc.) Example: 500 hours paid in an 80 hour pay period = 6.25 FTE's.

Paid FTEs per APD

Divides the Total Paid FTE's by the daily average of the Adjusted Patient Days.

**ADJUSTED PATIENT DAYS**

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

W-A

# SAN GORGONIO MEMORIAL HOSPITAL

## INPATIENT DISCHARGES

300  
200  
100  
0

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
DISCHARGES	253	238	224	222	214	253	251	196	185	194	269	192	183	184	170

## INPATIENT DAYS

1,500  
1,000  
500  
0

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
PAT. DAYS	969	833	767	917	755	1,157	935	658	732	814	1,306	827	641	608	580

## AVERAGE LENGTH OF STAY

6.00  
4.00  
2.00  
0.00

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
ALOS	3.83	3.50	3.43	4.13	3.53	4.57	3.73	3.36	3.96	4.20	4.86	4.31	3.50	3.30	3.41

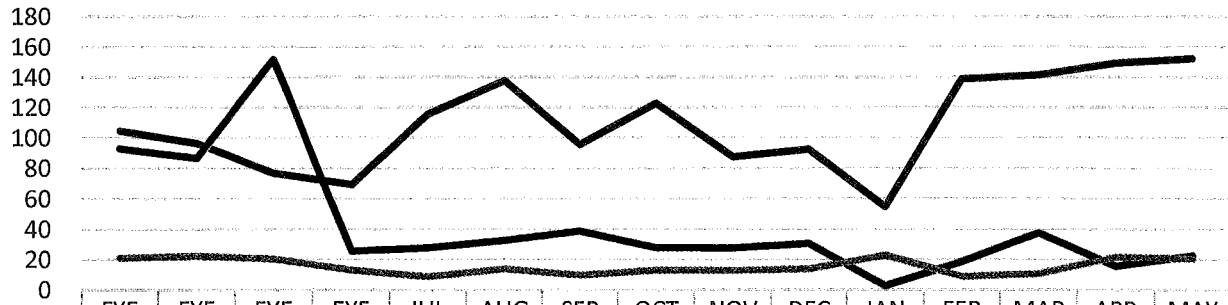
## EMERGENCY VISITS

4,000  
3,000  
2,000  
1,000  
0

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
VISITS	3,714	3,641	3,500	2,775	3,548	3,742	3,277	3,284	3,268	3,212	3,466	2,647	3,016	3,195	3,417

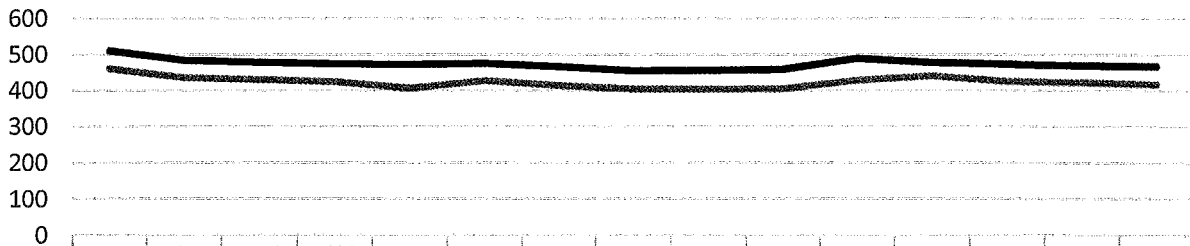
# SAN GORGONIO MEMORIAL HOSPITAL

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



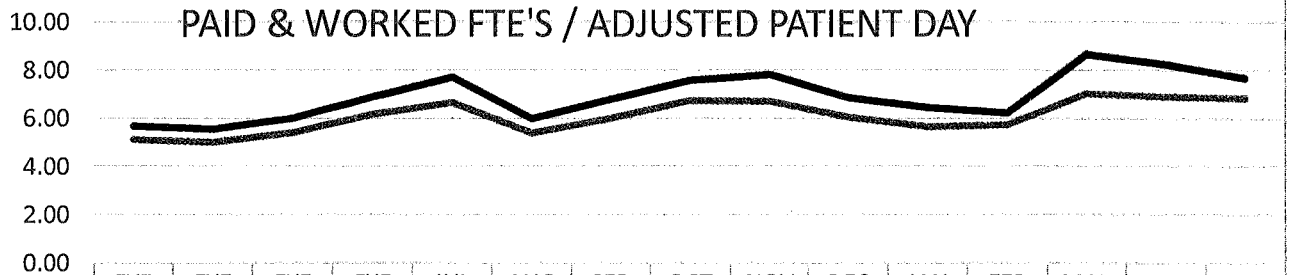
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
— SURG.	105	97	77	70	116	138	96	123	88	93	55	139	142	150	153
— G.I. CASES	93	87	152	26	28	33	39	28	28	31	3	19	38	16	23
— BIRTHS	21	22	21	13	9	14	10	13	13	14	23	9	11	22	21

## PAID & WORKED FTE'S



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
— P FTE's	511	484	479	474	473	476	468	455	457	460	491	479	474	471	470
— W FTE's	461	436	431	425	408	428	414	404	405	406	429	442	426	423	419

## PAID & WORKED FTE'S / ADJUSTED PATIENT DAY



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
— PFTES/APD	5.69	5.55	6.01	6.89	7.72	6.00	6.79	7.59	7.84	6.88	6.47	6.23	8.68	8.26	7.71
— WFTES/APD	5.13	5.00	5.41	6.18	6.66	5.39	6.01	6.74	6.72	6.06	5.66	5.75	7.05	6.93	6.87

**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 (new in February, 2022)

This measurement illustrates that Net Patient Revenues basically only cover Total Labor Expense, and that all of the Other Revenues and Supplemental Incomes are necessary to cover the remaining operational Expenses and EBIDA required to operate the Hospital.

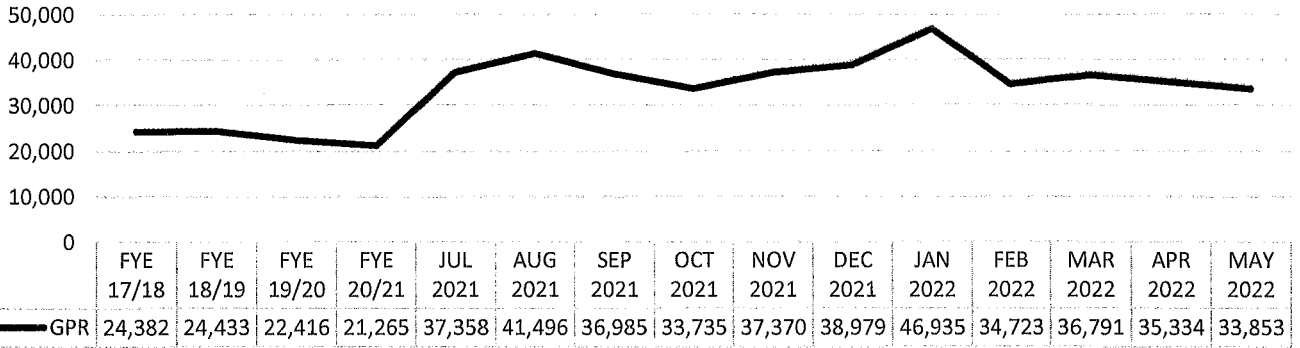
Operating Revenues (Normalized), Expenses, Staffing Expenses, and EBIDA (Normalized) (new in February, 2022)

This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating the Rate Range Income booked in December, 2021 over the all 6 months of the FYE December 31, 2021.

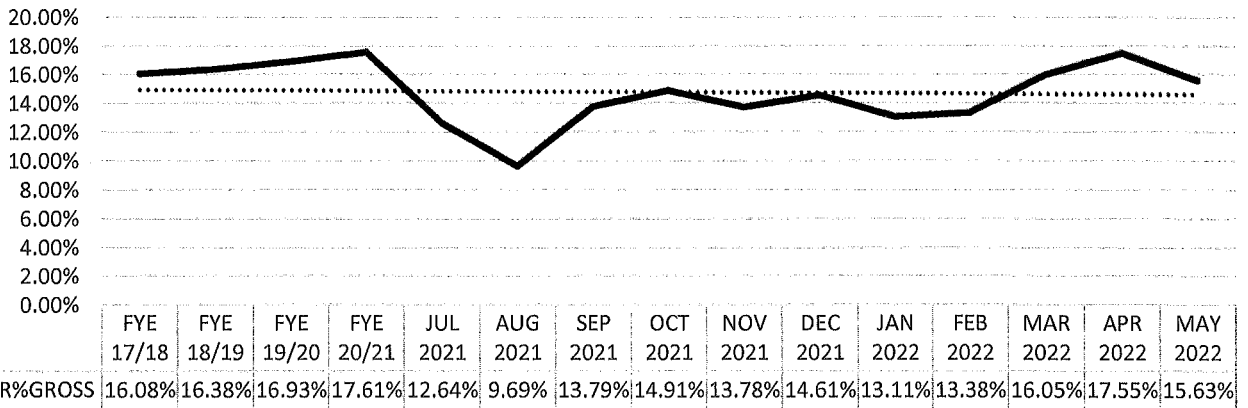
WJ

# SAN GORGONIO MEMORIAL HOSPITAL

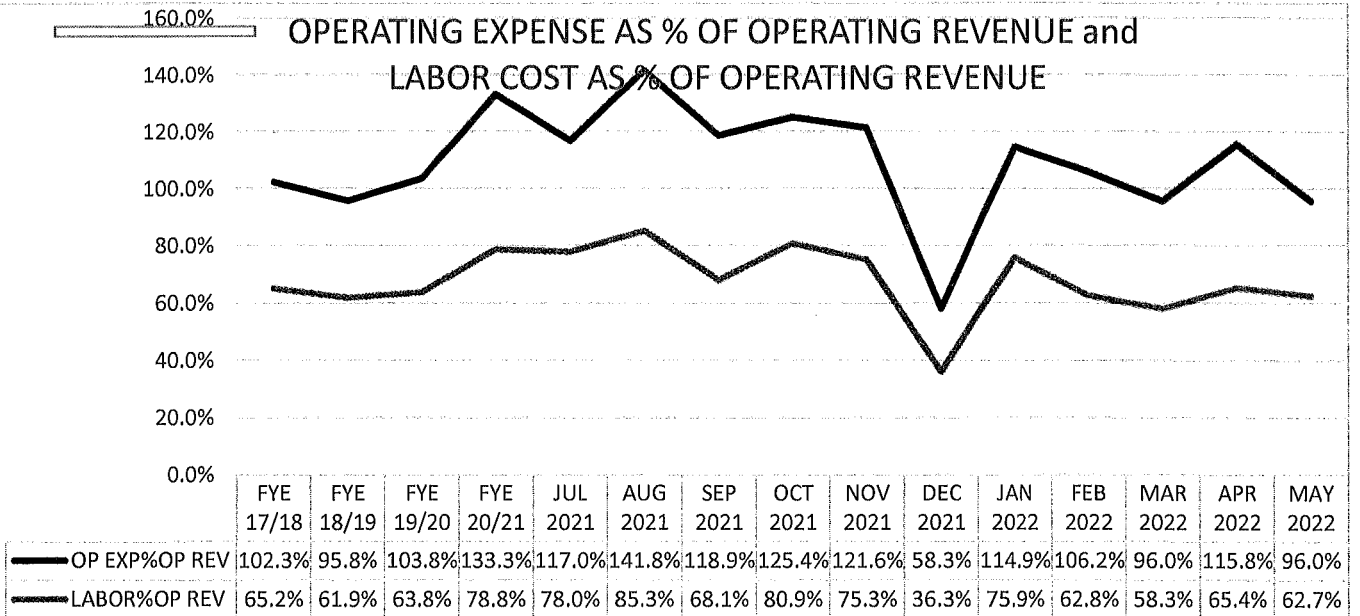
## GROSS PATIENT REVENUE



## NET PATIENT REVENUE AS % OF GROSS



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



**SAN GORGONIO MEMORIAL HOSPITAL  
OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE,  
AND EBIDA**

14,000  
12,000  
10,000  
8,000  
6,000  
4,000  
2,000  
0  
(2,000)  
(4,000)

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
OP REV	6,006	6,069	6,165	5,160	5,275	4,914	5,787	5,541	6,107	12,147	6,796	6,054	7,693	6,990	6,896
OP EXP	6,147	5,817	6,398	6,878	6,175	6,969	6,880	6,947	7,429	7,079	7,808	6,428	7,383	8,097	6,619
STAFF EXP	3,915	3,755	3,932	4,065	4,115	4,194	3,939	4,484	4,601	4,405	5,160	3,799	4,483	4,575	4,321
EBIDA	(141)	252	(233)	(1,719)	(899)	(2,055)	(1,093)	(1,406)	(1,321)	5,068	(1,012)	(374)	310	(1,107)	277

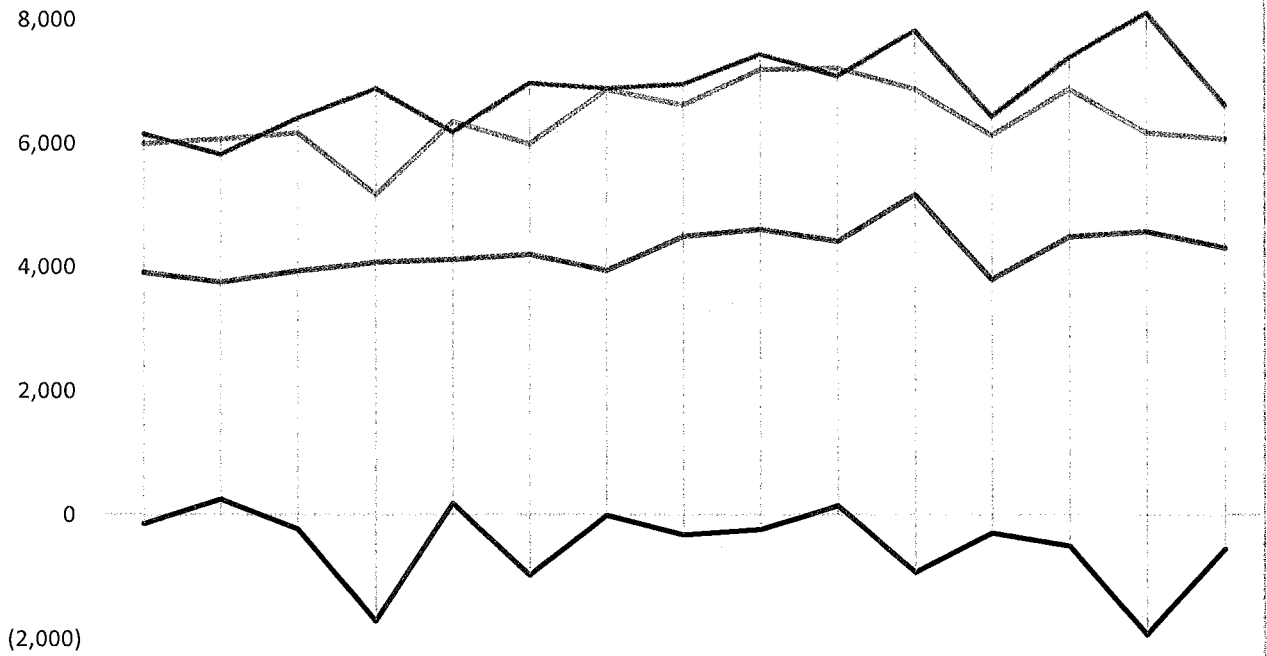
7,000  
6,000  
5,000  
4,000  
3,000  
2,000  
1,000  
0

**NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE**

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
NET PAT REV	3,921	4,003	3,795	3,744	4,722	4,019	5,100	5,031	5,149	5,695	6,155	4,644	5,905	6,202	5,291
LABOR EXP	3,915	3,755	3,932	4,065	4,115	4,194	3,939	4,484	4,601	4,405	5,160	3,799	4,483	4,575	4,321

# SAN GORGONIO MEMORIAL HOSPITAL

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



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022
REV NORMAL	6,006	6,069	6,165	5,160	6,351	5,990	6,863	6,617	7,183	7,211	6,870	6,128	6,878	6,175	6,081
OP EXP	6,147	5,817	6,398	6,878	6,175	6,969	6,880	6,947	7,429	7,079	7,808	6,428	7,383	8,097	6,619
LABOR EXP	3,915	3,755	3,932	4,065	4,115	4,194	3,939	4,484	4,601	4,405	5,160	3,799	4,483	4,575	4,321
EBIDA NORMAL	(141)	252	(233)	(1,719)	177	(979)	(17)	(330)	(245)	132	(938)	(300)	(505)	(1,922)	(538)

**SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA**  
**Month-to Month FYE June 30, 2022**

**Statement of Revenue and Expense**

	FYE17/18	FYE18/19	FYE19/20	FYE20/21	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22	FYE21/22
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.
<b>Gross Patient Revenue</b>	\$ 8,652,325	\$ 7,667,883	\$ 7,401,282	\$ 8,331,371	\$ 15,966,746	\$ 20,315,097	\$ 18,658,896	\$ 11,148,784	\$ 17,581,450	\$ 29,180,538	\$ 16,023,727	\$ 14,009,575	\$ 12,985,480	\$ 12,689,298	\$ 186,021,040
Inpatient Psych/Rehab Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inpatient Revenue	15,730,069	16,765,365	15,067,104	11,933,662	20,695,307	21,991,078	18,326,106	22,866,269	19,318,269	17,754,388	18,699,730	22,348,929	21,153,874	21,153,874	227,538,373
Long Term Care Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Home Health Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Patient Revenue	24,382,394	24,433,247	22,468,386	21,265,053	37,596,310	41,496,339	36,985,002	33,735,063	37,369,717	38,978,936	34,723,457	35,334,409	33,853,172	33,853,172	413,559,413
<b>Deductions From Revenue</b>	(19,635,639)	(19,588,148)	(17,845,734)	(16,635,734)	(30,816,009)	(31,157,700)	(27,094,692)	(30,704,377)	(30,841,080)	(38,941,080)	(28,951,935)	(29,655,536)	(27,674,758)	(26,569,751)	(338,976,098)
Discounts and Allowances	(806,002)	(858,023)	(663,280)	(624,956)	(1,371,210)	(1,478,073)	(1,466,791)	(1,468,564)	(1,744,778)	(1,661,127)	(1,097,242)	(1,207,383)	(1,432,016)	(1,104,685)	(15,083,314)
GI/HMO Discounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Charity Care	(60,410)	(56,168)	(86,517)	(41,362)	(144,020)	(148,810)	(142,285)	(97,440)	(23,772)	(177,583)	(29,837)	(22,283)	(25,690)	(887,352)	(1,584,221)
Total Deductions From Revenue	(20,522,051)	(20,502,339)	(18,595,527)	(17,501,490)	(32,331,239)	(32,635,773)	(28,705,718)	(32,220,382)	(33,283,504)	(40,779,789)	(30,079,074)	(30,885,200)	(29,132,464)	(28,961,688)	(355,643,633)
<b>Net Patient Revenue</b>	3,860,343	3,930,908	3,882,859	3,763,563	4,019,246	4,019,246	5,099,995	5,031,335	6,155,137	6,155,137	4,644,443	5,905,378	6,201,945	5,291,484	57,915,780
<b>Non-Patient Revenues</b>	1,530,975	1,485,337	1,157,326	859,707	546,990	546,990	0	0	6,016,888	0	1,025,766	1,404,234	404,979	1,221,031	6,016,888
IGT/OSH Revenues	193,507	205,590	750,434	505,190	549,411	549,411	0	0	51,070	257,227	1,025,766	1,404,234	404,979	1,221,031	6,016,888
Grants & Other Op Revenues	20,106	22,362	15,743	0	0	0	0	0	0	0	0	0	0	0	0
CLINIC Net Revenues	174,852	196,524	199,489	209,744	233,333	233,333	233,333	233,333	233,333	233,333	233,333	233,333	233,333	233,333	2,566,663
Tax Subsidies Measure D	106,376	115,388	114,061	142,552	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,650,000
Tax Subsidies Prop 13	16,858	16,159	9,064	16,163	0	0	0	0	0	0	0	0	0	0	1,650,000
Tax Subsidies County Supplmtl Funds	2,041,675	2,041,381	2,246,097	1,743,355	1,479,734	550,693	888,641	691,726	508,322	956,499	1,409,099	1,787,567	788,312	1,604,364	16,277,073
<b>Total Operating Revenue</b>	5,902,018	5,972,289	6,128,956	5,506,919	6,744,805	5,272,745	4,907,888	5,791,721	5,539,656	12,146,722	6,795,697	7,692,944	6,990,257	6,895,648	74,192,853
<b>Operating Expenses</b>	3,000,485	2,941,226	3,104,224	3,125,159	3,436,945	3,189,198	3,247,078	3,119,355	3,609,281	3,541,554	3,869,331	3,024,051	3,443,890	3,522,753	37,806,400
Salaries and Wages	784,204	702,477	752,708	856,989	834,232	846,091	723,743	806,996	807,750	785,147	1,176,353	891,149	886,002	795,019	9,176,957
Fringe Benefits	130,625	106,628	106,628	114,886	99,011	99,011	207,397	66,995	62,832	108,418	114,373	145,998	244,817	39,673	1,089,122
Contract Labor	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	211,630	2,116,300
Physicians Fees	581,239	513,857	691,327	691,327	691,327	691,327	691,327	691,327	691,327	691,327	691,327	691,327	691,327	691,327	6,913,270
Purchased Services	699,167	685,518	751,025	903,883	992,644	644,984	1,273,837	1,133,627	1,033,756	1,044,298	931,808	907,500	1,024,948	966,521	9,917,970
Supply Expense	74,205	75,471	82,287	110,854	67,465	67,465	119,284	158,917	145,701	135,515	130,260	102,218	114,367	99,273	1,219,397
Utilities	55,974	58,325	59,592	139,712	78,803	107,979	71,453	89,547	48,900	48,900	58,985	37,984	183,195	73,948	866,836
Repairs and Maintenance	86,537	85,277	103,277	112,047	112,047	112,047	115,996	115,996	115,996	129,887	130,590	119,850	122,480	29,026	1,232,515
Insurance Expense	68,153	70,922	160,745	148,752	91,365	63,027	56,824	122,768	46,020	75,944	154,768	50,537	67,734	194,597	1,005,236
IGT Expense	217,249	58,745	109,484	172,366	0	0	0	0	0	0	0	0	0	0	0
Leases and Rentals	80,927	76,150	79,233	79,424	78,564	69,305	73,820	56,259	87,089	74,138	51,487	89,694	113,459	112,625	864,206
1206 (b) CLINIC	80,927	98,810	94,628	34,096	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	6,045,502	5,720,023	6,377,305	6,901,255	7,074,538	6,174,581	6,969,083	6,887,564	7,428,666	7,078,738	7,808,187	6,427,676	7,382,712	6,618,763	77,819,921
<b>EBIDA</b>	(143,485)	252,266	(248,351)	(1,394,337)	(329,733)	(901,836)	(2,061,196)	(1,095,843)	(1,407,147)	(1,322,832)	(374,133)	310,232	(1,106,891)	277,085	(3,627,068)
<b>Interest, Depreciation, and Amortization</b>	512,466	497,808	506,497	494,721	504,865	504,865	504,865	504,865	504,865	504,865	504,865	504,865	504,865	504,865	5,563,515
Depreciation and Amortization	432,490	418,193	422,094	447,994	412,686	386,425	413,384	335,467	404,425	374,425	393,735	393,056	374,425	452,052	4,539,541
Interest Expense	944,956	916,000	928,591	942,715	917,551	918,249	918,249	909,257	909,257	879,290	898,600	1,095,878	897,921	879,290	956,957
Total Interest, Depr. & Amort.	1,457,452	1,431,993	1,456,982	1,445,430	1,430,237	1,405,556	1,436,363	1,413,951	1,413,951	1,413,951	1,413,951	1,413,951	1,413,951	1,413,951	14,038,008
<b>Non-Operating Revenue:</b>	14,354	7,745	27,759	7,121	43,344	3,213	29,832	2,969	1,708	1,695	963	186,373	9,437	183,295	476,786
Contributions & Other	652,487	692,457	666,966	698,410	613,966	613,966	613,966	613,966	613,966	613,966	613,966	613,966	613,966	613,966	6,139,622
Tax Subsidies for CO Bonds - M-A	665,641	700,202	694,725	605,531	657,310	617,179	643,947	616,935	615,674	618,347	614,928	800,339	623,403	797,260	7,230,408
Total Non Operating Revenue/(Expense)	(421,599)	36,467	(482,217)	(1,734,821)	(589,974)	(1,175,948)	(2,335,697)	(1,319,240)	(4,807,040)	(1,296,162)	(669,672)	35,714	(1,188,921)	(13,037)	(6,489,715)
<b>Total Net Surplus/(Loss)</b>	0	0	0	(650)	0	0	0	0	0	0	0	0	0	0	0
Change in Interest in Foundation	0	0	0	(650)	0	0	0	0	0	0	0	0	0	0	0
Extra-ordinary Loss on Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Increase/(Decrease) in Unrestricted Net.</b>	\$ (421,599)	\$ 36,467	\$ (1,171,791)	\$ (1,732,171)	\$ (589,974)	\$ (1,175,948)	\$ (2,335,697)	\$ (1,319,240)	\$ (1,700,764)	\$ (1,296,162)	\$ (669,672)	\$ 35,714	\$ (1,188,921)	\$ (13,037)	\$ (6,489,715)
<b>Total Profit Margin</b>	-7.1%	0.6%	-7.9%	-31.4%	-9.7%	-22.3%	-47.6%	-30.7%	-26.7%	-19.1%	-11.1%	0.5%	-17.0%	-0.2%	-8.7%
<b>EBIDA %</b>	-2.4%	4.2%	-4.1%	-25.3%	-4.9%	-17.1%	-42.0%	-21.7%	-25.4%	-14.9%	-6.2%	4.0%	-15.8%	4.0%	-4.9%

Note: Trend variances in the FYE 21/22 monthly columns are explained in the respective monthly financial reports - "Financial Report - Executive Summary".

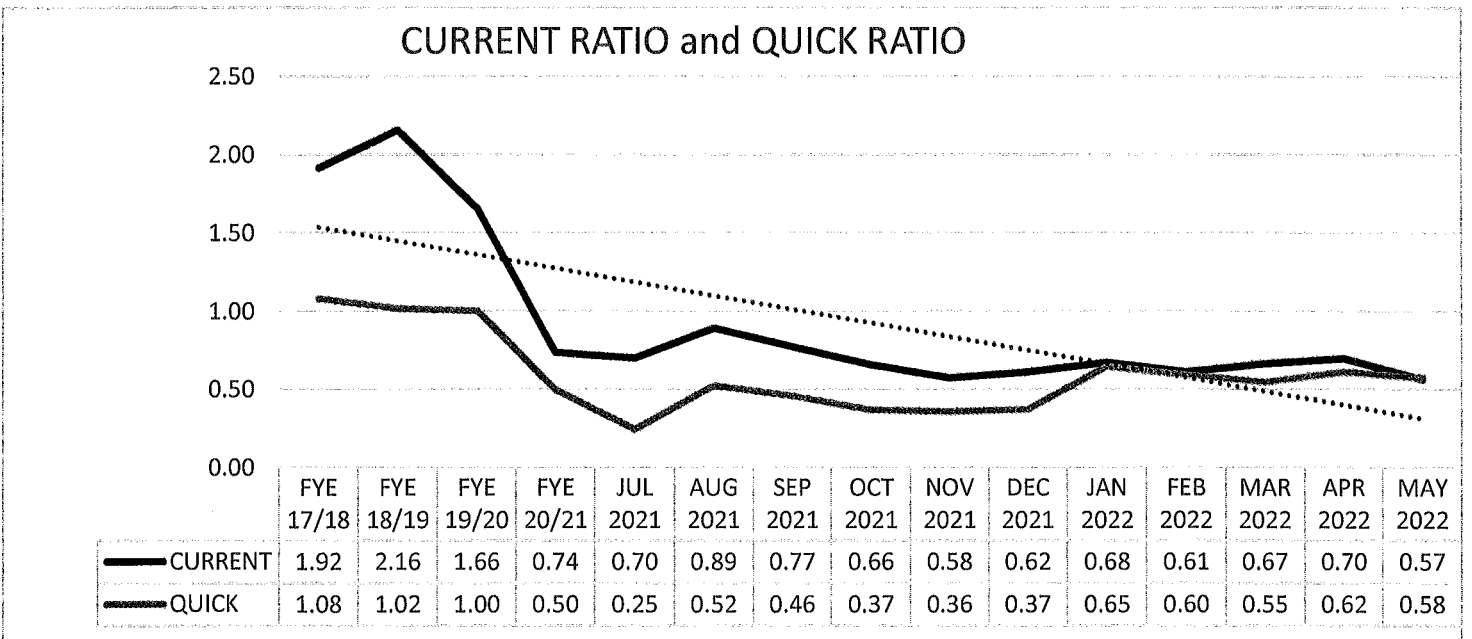
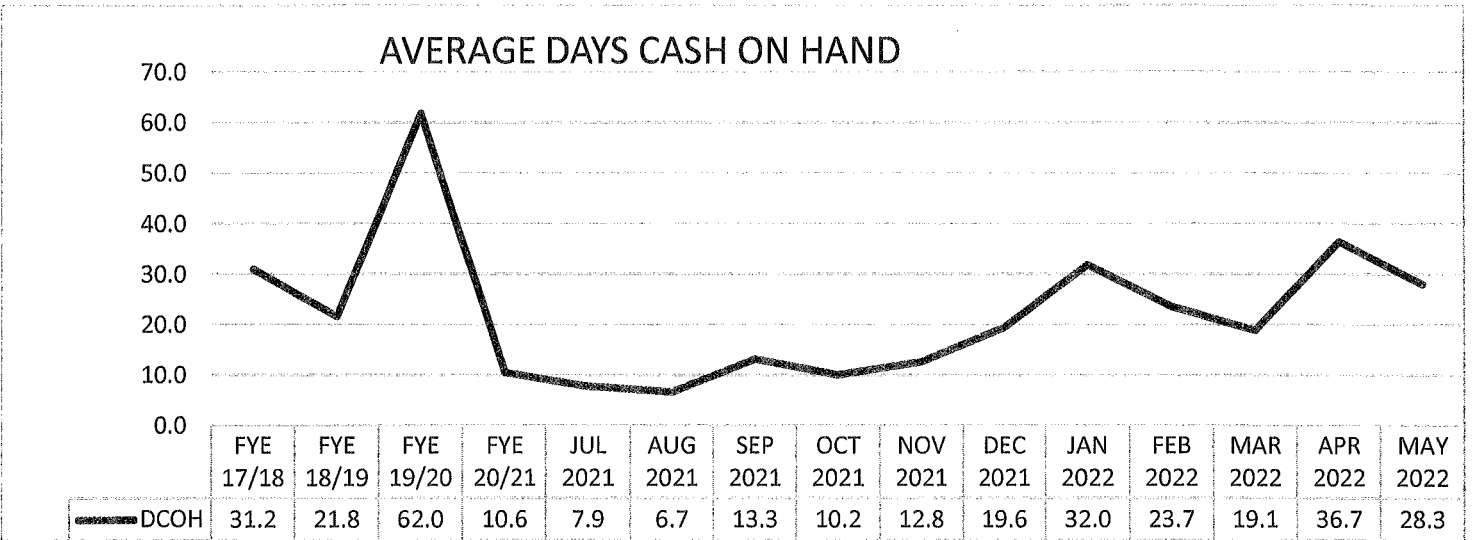
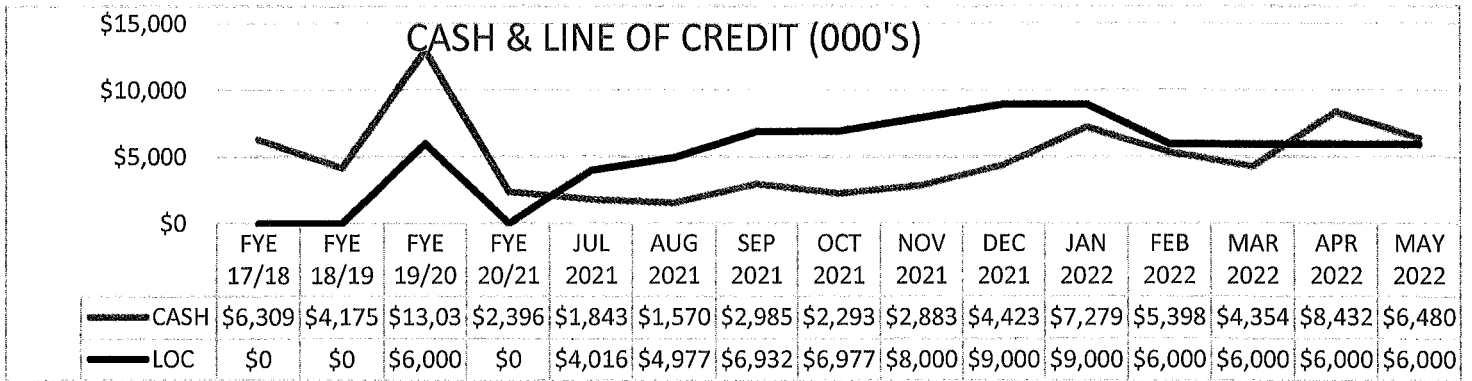
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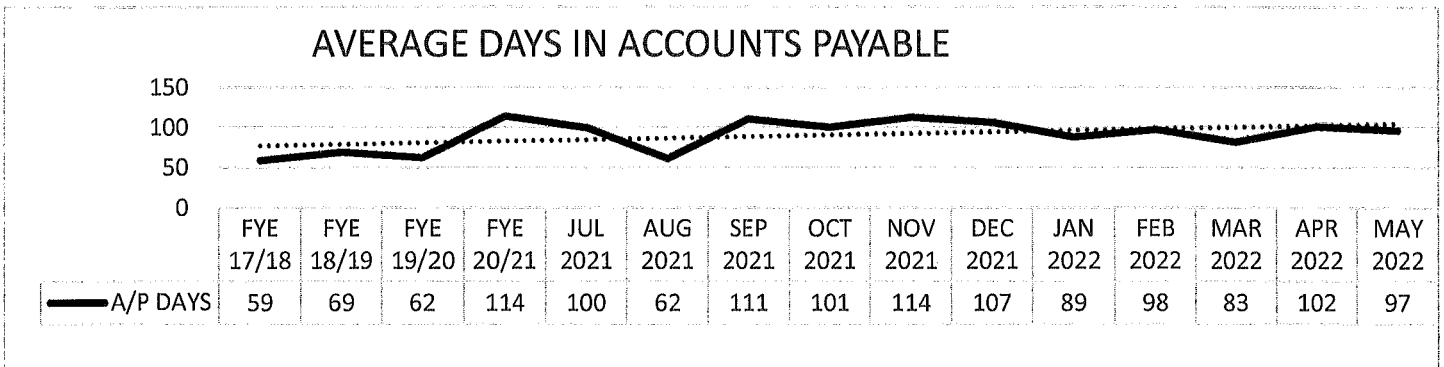
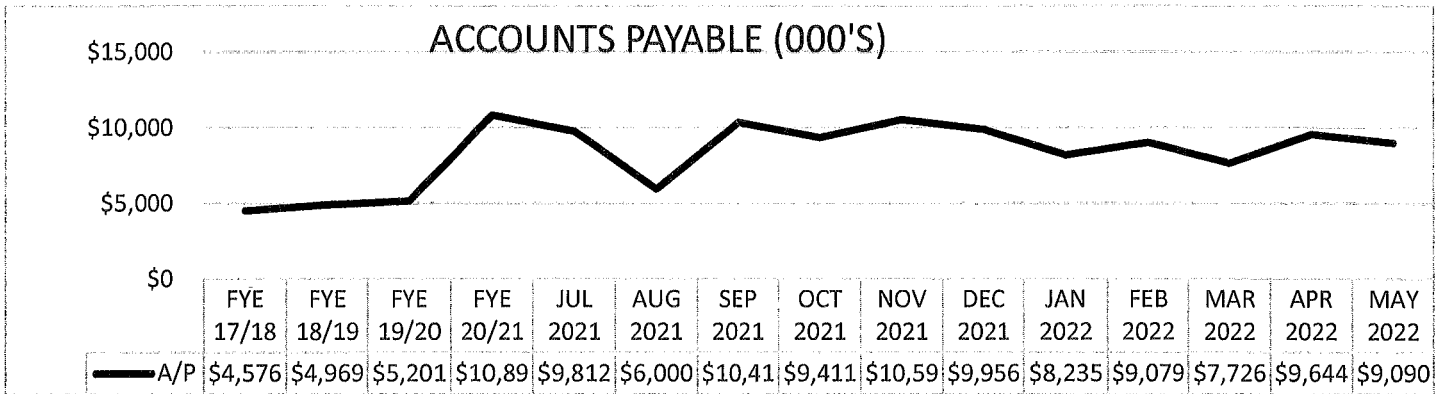
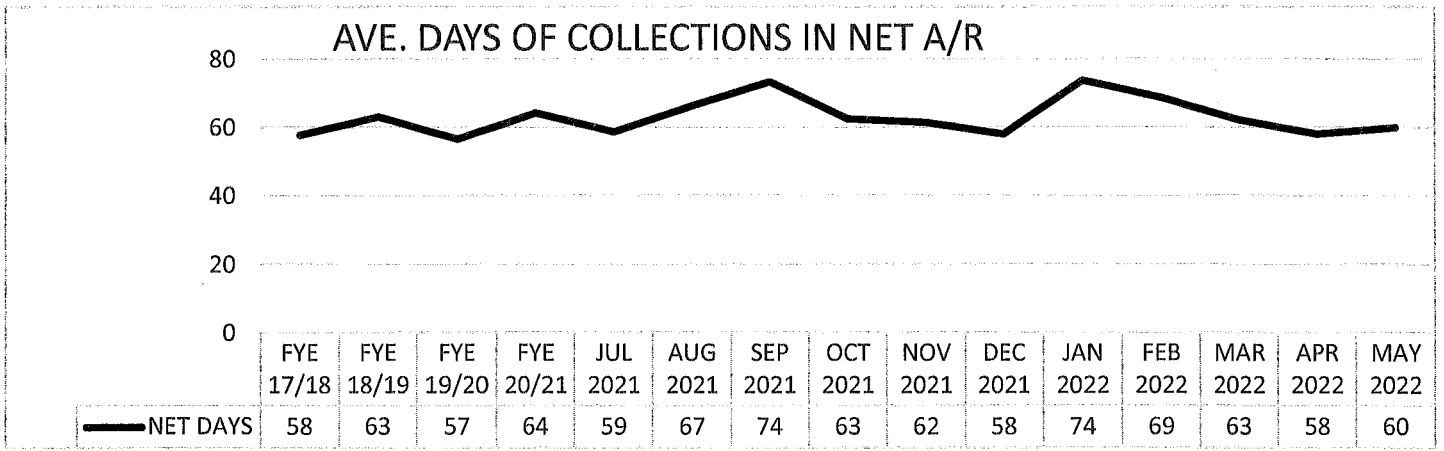
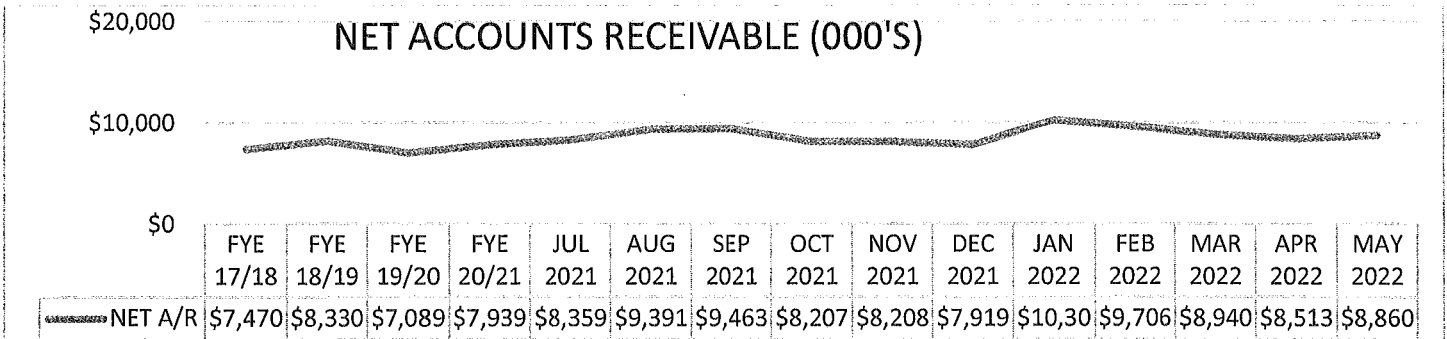
**BALANCE SHEET (Period End)**

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

# SAN GORGONIO MEMORIAL HOSPITAL



# SAN GORGONIO MEMORIAL HOSPITAL



3-K



**SAN GORGONIO MEMORIAL HOSPITAL**  
**EXECUTIVE FINANCIAL SUMMARY**  
**ELEVEN MONTHS ENDING MAY 31, 2022**

<b>BALANCE SHEET</b>			
	YTD	Prior FYE	
	5/31/2022	6/30/2021	
<b>ASSETS</b>			
[1] Current Assets	\$ 15,066,087	\$ 16,547,047	
[2] Assets Whose Use is Limited	12,546,077	10,422,841	
[3] Property, Plant & Equipment (Net)	74,002,271	77,876,031	
[4] Other Assets	617,479	1,196,701	
[5] <b>Total Unrestricted Assets</b>	<b>102,231,915</b>	<b>106,042,620</b>	
[6] Restricted Assets	0	0	
[7] <b>Total Assets</b>	<b>\$ 102,231,915</b>	<b>\$ 106,042,620</b>	
<b>LIABILITIES AND NET ASSETS</b>			
[8] Current Liabilities	\$26,493,422	\$24,037,506	
[9] Long-Term Debt	105,344,521	108,480,892	
[10] Other Long-Term Liabilities	2,231,628	0	
[11] <b>Total Liabilities</b>	<b>\$ 134,069,570</b>	<b>\$ 132,518,398</b>	
[12] Net Assets	\$ (31,837,655)	\$ (26,475,778)	
[13] <b>Total Liabilities and Net Assets</b>	<b>\$ 102,231,915</b>	<b>\$ 106,042,620</b>	

KEY STATISTICS AND RATIOS						
	04/30/22 ACTUAL FY 22	05/31/22 ACTUAL FY 22	05/31/22 BUDGET FY 22	2022 YTD FY 22	2021 YR END TOTAL FY 21	
[1] Total Acute Patient Days	608	580	1,048	9,009	11,008	
[2] Average Daily Census	20.3	18.7	33.8	26.9	30.2	
[3] Average Acute Length of Stay	3.3	3.4	4.1	3.9	4.1	
[4] Patient Discharges	184	170	254	2,291	2,667	
[5] Observation Days	208	228	231	2,534	2,512	
[6] Total Emergency Room Visits	3,195	3,417	3,002	35,958	33,299	
[7] Average ED Visits Per Day	107	110	97	107	91	
[9] Total Surgeries	150	153	92	1,293	837	
[10] Deliveries/Births	22	21	15	159	158	

**Statement of Revenue and Expense**  
**SAN GORGONIO MEMORIAL HOSPITAL**  
**BANNING, CALIFORNIA**  
**ELEVEN MONTHS ENDING MAY 31, 2022**

		CURRENT MONTH				
		DISTRICT ONLY	FY 21	FY 21	Positive	
		ACTUAL	ACTUAL	CUR MO BUD	(Negative)	Percentage
		05/31/22	05/31/22	05/31/22	Variance	Variance
<b>Gross Patient Revenue</b>						
[1]	Inpatient Revenue	\$ -	\$ 12,699,299	\$ 20,085,218	\$ (7,385,920)	-58.2%
[2]	Inpatient Psych/Rehab Revenue	-	-	-	-	-
[3]	Outpatient Revenue	-	21,153,874	\$ 20,278,971	874,903	4.1%
[4]	Long Term Care Revenue	-	-	-	-	-
[5]	Home Health Revenue	-	-	-	-	-
[6]	<b>Total Gross Patient Revenue</b>	<b>\$ -</b>	<b>\$ 33,853,172</b>	<b>\$ 40,364,189</b>	<b>\$ (6,511,017)</b>	<b>-19.2%</b>
<b>Deductions From Revenue</b>						
[7]	Discounts and Allowances	-	(26,569,751)	\$ (34,557,424)	\$ 7,987,673	-30.1%
[8]	Bad Debt Expense	-	(1,104,585)	\$ (850,000)	(254,585)	23.0%
[9]	Prior Year Settlements	-	-	-	-	-
[10]	Charity Care	-	(887,352)	\$ (58,333)	(829,019)	93.4%
[11]	<b>Total Deductions From Revenue</b>	<b>-</b>	<b>(28,561,688)</b>	<b>(35,465,758)</b>	<b>\$ 6,904,069</b>	<b>-24.2%</b>
[12]			-84.4%	-88%		
[13]	<b>Net Patient Revenue</b>	<b>\$ -</b>	<b>\$ 5,291,484</b>	<b>\$ 4,898,432</b>	<b>\$ 393,052</b>	<b>7.4%</b>
<b>Non Patient Operating Revenues</b>						
[14]	IGT/DSH Revenues	-	-	\$ -	\$ -	0.0%
[15]	Grants & Other Op Revenues	-	1,221,031	\$ 300,191	920,840	75.4%
[16]	Clinic Net Revenues	-	-	\$ -	-	-
[17]	Tax Subsidies Measure D	233,333	233,333	\$ 239,583	(6,250)	-2.7%
[18]	Tax Subsidies Prop 13	150,000	150,000	\$ 166,667	(16,667)	-11.1%
[19]	Tax Subsidies County Supplemental Funds	-	-	\$ -	-	0.0%
	<b>Non- Patient Revenue</b>	<b>\$ 383,333</b>	<b>\$ 1,604,364</b>	<b>\$ 706,441</b>	<b>\$ 897,923</b>	<b>56.0%</b>
	<b>Total Operating Revenue</b>	<b>\$ 383,333</b>	<b>\$ 6,895,848</b>	<b>\$ 5,604,873</b>	<b>\$ 1,290,975</b>	<b>18.7%</b>
<b>Operating Expenses</b>						
[20]	Salaries and Wages	-	3,522,753	3,577,310	\$ 54,558	1.5%
[21]	Fringe Benefits	-	755,019	773,971	18,952	2.5%
[22]	Contract Labor	-	43,083	68,656	25,473	59.1%
[23]	Physicians Fees	-	192,367	340,810	148,443	77.2%
[24]	Purchased Services	6,621	912,287	868,853	(43,435)	-4.8%
[25]	Supply Expense	-	683,784	813,647	129,862	19.0%
[26]	Utilities	1,555	99,273	86,253	(13,020)	-13.1%
[27]	Repairs and Maintenance	3,903	73,948	55,920	(18,028)	-24.4%
[28]	Insurance Expense	-	29,026	115,494	86,468	297.9%
[29]	All Other Operating Expenses	-	194,597	193,338	(1,259)	-0.6%
[30]	Supplimental and Grant Expense	-	-	0	-	0.0%
[31]	Leases and Rentals	-	112,625	134,381	21,756	19.3%
[32]	Clinic Expense	-	-	0	-	0.0%
[33]	<b>Total Operating Expenses</b>	<b>\$ 12,079</b>	<b>\$ 6,618,763</b>	<b>\$ 7,028,533</b>	<b>\$ 409,770</b>	<b>6.2%</b>
[34]	<b>EBIDA</b>	<b>\$ 371,254</b>	<b>\$ 277,085</b>	<b>\$ (1,423,660)</b>	<b>\$ 1,700,745</b>	<b>613.8%</b>
<b>Interest Expense and Depreciation</b>						
[35]	Depreciation	504,865	504,865	636,486	\$ 30,621	6.1%
[36]	Interest Expense and Amortization	360,016	452,092	431,460	(20,632)	-4.6%
[37]	<b>Total Interest &amp; depreciation</b>	<b>864,881</b>	<b>956,957</b>	<b>966,945</b>	<b>9,988</b>	<b>1.0%</b>
<b>Non-Operating Revenue:</b>						
[38]	Contributions & Other	52,093	52,869	75,000	(22,131)	-41.9%
[39]	Tax Subsidies for GO Bonds - M-A	613,966	613,966	666,667	(52,701)	-8.6%
[40]	<b>Total Non Operating Revenue/(Expense)</b>	<b>666,058</b>	<b>666,835</b>	<b>741,667</b>	<b>\$ (74,832)</b>	<b>-11.2%</b>
[41]	<b>Total Net Surplus/(Loss)</b>	<b>\$ 172,431</b>	<b>\$ (13,037)</b>	<b>\$ (1,648,939)</b>	<b>\$ 1,635,902</b>	<b>-12548.2%</b>
[42]	Extra-ordinary loss on Financing	-	-	-	-	-
[43]	<b>Increase/(Decrease in Unrestricted Net Assets</b>	<b>\$ 172,431</b>	<b>\$ (13,037)</b>	<b>\$ (1,648,939)</b>	<b>\$ 1,635,902</b>	<b>-12548.2%</b>
[44]	<b>Total Profit Margin</b>	<b>44.98%</b>	<b>-0.19%</b>	<b>-29.42%</b>		
[45]	<b>EBIDA %</b>	<b>96.85%</b>	<b>4.02%</b>	<b>-25.40%</b>		

**Statement of Revenue and Expense**  
**SAN GORGONIO MEMORIAL HOSPITAL**  
**BANNING, CALIFORNIA**  
**ELEVEN MONTHS ENDING MAY 31, 2022**

	YEAR-TO-DATE				
	DISTRICT ONLY			Positive (Negative) Variance	Percentage Variance
	Actual 05/31/22	Actual 05/31/22	Budget 05/31/22		
<b>Gross Patient Revenue</b>					
[1] Inpatient Revenue	\$ -	\$ 186,021,040	\$ 227,589,965	\$ (41,568,925)	-22.3%
[2] Inpatient Psych/Rehab Revenue	-	-	-	-	
[3] Outpatient Revenue	-	227,538,373	\$ 235,400,648	(7,862,275)	-3.5%
[4] Long Term Care Revenue	-	-	-	-	
[5] Home Health Revenue	-	-	-	-	
[6] Total Gross Patient Revenue	\$ -	\$ 413,559,413	\$ 462,990,613	\$ (49,431,200)	-12.0%
<b>Deductions From Revenue</b>					
[7] Discounts and Allowances	-	(338,976,099)	\$ (397,049,701)	\$ 58,073,602	17.1%
[8] Bad Debt Expense	-	(15,083,314)	\$ (9,350,000)	(5,733,314)	-38.0%
[9] Prior Year Settlements	-	-	\$ -	-	
[10] Charity Care	-	(1,584,221)	\$ (641,667)	(942,554)	-59.5%
[11] Total Deductions From Revenue	-	(355,643,633)	(407,041,367)	\$ 51,397,734	14.5%
[12]		86.0%	-87.9%		
[13] Net Patient Revenue	\$ -	\$ 57,915,780	\$ 55,949,246	\$ 1,966,534	3.4%
<b>Non Patient Operating Revenues</b>					
[14] IGT/DSH Revenues	-	6,016,888	\$ 6,282,227	\$ (265,339)	-4.4%
[15] Grants & Other Op Revenues	-	6,043,522	\$ 3,302,102	2,741,420	45.4%
[16] Clinic Net Revenues	-	-	\$ -	-	
[17] Tax Subsidies Measure D	2,566,663	2,566,663	\$ 2,635,417	(68,754)	-2.7%
[18] Tax Subsidies Prop 13	1,650,000	1,650,000	\$ 1,833,333	(183,333)	-11.1%
[19] Tax Subsidies County Supplemental Funds	-	-	\$ -	-	0.0%
Non- Patient Revenue	\$ 4,216,663	\$ 16,277,073	\$ 14,053,079	\$ 2,223,994	13.7%
<b>Total Operating Revenue</b>	\$ 4,216,663	\$ 74,192,853	\$ 70,002,324	\$ 4,190,528	5.6%
<b>Operating Expenses</b>					
[20] Salaries and Wages	-	37,739,084	\$ 38,763,287	\$ 1,024,203	2.7%
[21] Fringe Benefits	-	9,176,557	\$ 8,700,072	(476,485)	-5.2%
[22] Contract Labor	-	1,216,528	\$ 741,760	(474,768)	-39.0%
[23] Physicians Fees	-	3,595,194	\$ 3,726,068	130,874	3.6%
[24] Purchased Services	312,339	9,963,510	\$ 9,551,800	(411,709)	-4.1%
[25] Supply Expense	-	10,872,747	\$ 9,130,870	(1,741,877)	-16.0%
[26] Utilities	23,506	1,219,397	\$ 971,933	(247,464)	-20.3%
[27] Repairs and Maintenance	106,943	824,878	\$ 613,623	(211,256)	-25.6%
[28] Insurance Expense	-	1,307,515	\$ 1,270,436	(37,079)	-2.8%
[29] All Other Operating Expenses	-	1,048,488	\$ 2,122,747	1,074,259	102.5%
[30] Supplemental and Grant Expense	-	-	\$ 895,056	895,056	0.0%
[31] Leases and Rentals	-	856,022	\$ 1,428,194	572,173	66.8%
[32] Clinic Expense	-	-	\$ -	-	0.0%
[33] Total Operating Expenses	\$ 442,787	\$ 77,819,920	\$ 77,915,847	\$ 95,927	0.1%
[34] <b>EBIDA</b>	\$ 3,773,876	\$ (3,627,067)	\$ (7,913,523)	\$ 4,286,456	-118.2%
<b>Interest Expense and Depreciation</b>					
[35] Depreciation	5,553,515	5,553,515	\$ 5,522,894	\$ (30,621)	-0.6%
[36] Interest Expense and Amortization	4,011,748	4,539,541	\$ 4,725,397	185,856	4.1%
[37] Total Interest & depreciation	9,565,263	10,093,056	10,248,291	155,236	1.5%
<b>Non-Operating Revenue:</b>					
[38] Contributions & Other	112,004	476,786	\$ 825,000	(348,214)	-73.0%
[39] Tax Subsidies for GO Bonds - M-A	6,753,622	6,753,622	\$ 7,333,333	(579,711)	-8.6%
[40] Total Non Operating Revenue/(Expense)	6,865,626	7,230,408	8,158,333	(927,925)	-12.8%
[41] Total Net Surplus/(Loss)	\$ 1,074,239	\$ (6,489,715)	\$ (10,003,481)	\$ 3,513,766	-54.1%
[42] Extra-ordinary loss on Financing	-	-	-	-	
[43] Increase/(Decrease in Unrestricted Net Assets)	\$ 1,074,239	\$ (6,489,715)	\$ (10,003,481)	\$ 3,513,766	-54.1%
[44] Total Profit Margin	25.48%	-8.75%	-14.29%		
[45] EBIDA %	89.50%	-4.89%	-11.30%		



**Balance Sheet - Assets**

**SAN GORGONIO MEMORIAL HOSPITAL  
BANNING, CALIFORNIA  
ELEVEN MONTHS ENDING MAY 31, 2022**

		ASSETS				
		DISTRICT ONLY				
		Current Month 5/31/2022	Current Month 5/31/2022	Prior Month 4/30/2022	Positive/ (Negative) Variance	Prior Year End 6/30/2021
<b>Current Assets</b>						
[1]	Cash and Cash Equivalents	\$1,907,608	\$6,479,991	\$8,431,995	\$ (1,952,004)	\$ 2,395,672
[2]	Gross Patient Accounts Receivable	\$0	\$83,700,002	\$82,005,018	\$ 1,694,984	58,800,003
[3]	Less: Bad Debt and Allowance Reserves	\$0	(\$74,840,418)	(\$73,491,783)	\$ (1,348,635)	(50,860,800)
[4]	Net Patient Accounts Receivable	\$0	\$8,859,584	\$8,513,235	\$ 346,349	7,939,203
[5]	Taxes Receivable	\$117,177	\$117,177	\$2,688,710	\$ (2,571,534)	1,000,061
[6]	Other Receivables (Includes advances)	\$660,465	(\$2,267,925)	(\$1,959,582)	\$ (308,343)	2,015,108
[7]	Inventories	\$0	\$2,433,993	\$2,400,494	\$ 33,498	1,776,554
[8]	Prepaid Expenses	\$426,169	\$1,032,187	\$1,064,753	\$ (32,566)	21,485
[9]	Due From Third Party Payers-DSH	\$0	(\$1,845,477)	(\$1,845,477)	\$ -	138,601
[10]	Malpractice Receivable	\$0	\$0	\$0	\$ -	-
[11]	Supplimental Receivables	\$0	\$256,558	\$0	\$ 256,558	1,260,363
	<b>Total Current Assets</b>	<b>3,111,419</b>	<b>15,066,087</b>	<b>19,294,128</b>	<b>\$ (736,481)</b>	<b>\$ 16,547,047</b>
<b>Assets Whose Use is Limited</b>						
[12]	Cash					
[13]	Investments					
[14]	Bond Reserve/Debt Retirement Fund	\$12,546,077	\$12,546,077	\$8,925,981	\$ 3,620,097	10,422,841
[15]	Trustee Held Funds					
[16]	Funded Depreciation					
[17]	Board Designated Funds					
[18]	Other Limited Use Assets					0
	<b>Total Limited Use Assets</b>	<b>12,546,077</b>	<b>12,546,077</b>	<b>8,925,981</b>	<b>\$ (223,324)</b>	<b>\$ 10,422,841</b>
<b>Property, Plant, and Equipment</b>						
[19]	Land and Land Improvements	\$4,828,182	\$4,828,182	\$4,828,182	\$ (0)	\$ 3,655,877
[20]	Building and Building Improvements	\$129,281,561	\$129,281,561	\$129,281,491	\$ 70	130,453,796
[21]	Equipment	\$26,853,549	\$26,853,549	\$26,853,549	\$ -	26,562,201
[22]	Construction In Progress	\$1,679,782	\$1,679,782	\$1,613,608	\$ 66,174	291,444
[23]	Capitalized Interest					
[24]	Gross Property, Plant, and Equipment	162,643,074	162,643,074	162,576,830	\$ 66,243	160,983,318
[25]	Less: Accumulated Depreciation	(\$88,640,802)	(\$88,640,802)	(\$88,135,937)	\$ (504,865)	(83,087,287)
[26]	<b>Net Property, Plant, and Equipment</b>	<b>74,002,271</b>	<b>74,002,271</b>	<b>74,440,893</b>	<b>\$ (476,050)</b>	<b>\$ 77,876,031</b>
<b>Other Assets</b>						
[27]	Unamortized Loan Costs	\$627,385	\$617,029	\$619,618	\$ (2,589)	\$ 645,507
[28]	Assets Held for Future Use		\$450	\$160	\$ 290	
[29]	Investments in Subsidiary/Affiliated Org.	\$20,407,630	\$0	\$0	\$ 0	551,194
[30]	Other					
[31]	<b>Total Other Assets</b>	<b>21,035,014</b>	<b>617,479</b>	<b>619,778</b>	<b>\$ (2,299)</b>	<b>\$ 1,196,701</b>
[32]	<b>TOTAL UNRESTRICTED ASSETS</b>	<b>110,694,782</b>	<b>102,231,915</b>	<b>103,280,780</b>	<b>\$ (1,048,865)</b>	<b>\$ 106,042,620</b>
<b>Restricted Assets</b>						
		0	0	0	0	0
[33]	<b>TOTAL ASSETS</b>	<b>\$110,694,782</b>	<b>\$102,231,915</b>	<b>\$103,280,780</b>	<b>\$ (1,048,865)</b>	<b>\$ 106,042,620</b>

**Balance Sheet - Liabilities and Net Assets**  
**SAN GORGONIO MEMORIAL HOSPITAL**  
**BANNING, CALIFORNIA**  
**ELEVEN MONTHS ENDING MAY 31, 2022**

	DISTRICT ONLY	LIABILITIES AND FUND BALANCE			
	Current Month 5/31/2022	Current Month 5/31/2022	Prior Month 4/30/2022	Positive/ (Negative) Variance	Prior Year End 6/30/2021
<b>Current Liabilities</b>					
[1] Accounts Payable	\$ 1,263,505	\$ 9,090,210	\$ 9,644,221	\$ 554,011	\$ 11,184,294
[2] Notes and Loans Payable (Line of Credit)	-	6,000,000	6,000,000	\$ -	-
[3] Accounts Payable- Tax advance	-	-	-	\$ -	-
[4] Accrued Payroll Taxes	-	6,017,448	6,079,678	\$ 62,230	4,865,852
[5] Accrued Benefits	-	-	-	\$ -	-
[6] Accrued Benefits Current Portion	-	-	-	\$ -	-
[7] Other Accrued Expenses	-	-	-	\$ -	-
[8] Accrued GO Bond Interest Payable	1,805,354	2,049,071	2,263,537	\$ 214,466	1,945,116
[9] Stimulus Advance	-	-	387,388	\$ 387,388	2,120,577
[10] Due to Third Party Payers (Settlements)	-	-	-	\$ -	-
[11] Advances From Third Party Payers	-	400,001	194,908	\$ (205,093)	1,533,196
[12] Current Portion of LTD (Bonds/Mortgages)	2,335,000	2,335,000	2,335,000	\$ -	2,335,000
[13] Current Portion of LTD (Leases)	-	-	-	\$ -	-
[14] Other Current Liabilities	-	601,692	596,724	-	53,471
<b>Total Current Liabilities</b>	<b>5,403,860</b>	<b>26,493,422</b>	<b>27,501,456</b>	<b>\$ 791,861</b>	<b>24,037,506</b>
<b>Long Term Debt</b>					
[15] Bonds/Mortgages Payable (net of Cur Portion)	103,043,956	\$103,043,956	\$ 103,057,314	\$ 13,358	\$ 108,165,892
[16] Leases Payable (net of current portion)	\$2,300,565	\$2,300,565	\$2,315,000	\$ 14,435	\$315,000
[17] <b>Total Long Term Debt (Net of Current)</b>	<b>105,344,521</b>	<b>105,344,521</b>	<b>105,372,314</b>	<b>\$ 313,358</b>	<b>108,480,892</b>
<b>Other Long Term Liabilities</b>					
[18] Deferred Revenue	-	-	-	\$ -	-
[19] Accrued Pension Expense (Net of Current)	-	-	-	\$ -	-
[20] Other-Bridge Loan	0	2,231,628	2,231,628	\$ -	0
[21] <b>Total Other Long Term Liabilities</b>	<b>0</b>	<b>2,231,628</b>	<b>2,231,628</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 110,748,381</b>	<b>\$ 134,069,570</b>	<b>\$ 135,105,397</b>	<b>\$ 1,035,827</b>	<b>\$ 132,518,398</b>
<b>Net Assets:</b>					
[22] Unrestricted Fund Balance	(1,127,838)	(25,347,940)	(25,347,940)	\$ -	\$ 3,261,178
[23] Temporarily Restricted Fund Balance	-	-	-	-	-
[24] Restricted Fund Balance	-	-	-	-	-
[25] Net Revenue/(Expenses)	1,074,239	(6,489,715)	(6,476,678)	13,037	(29,736,956)
[26] <b>TOTAL NET ASSETS</b>	<b>(53,600)</b>	<b>(31,837,655)</b>	<b>(31,824,618)</b>	<b>\$ 13,037</b>	<b>\$ (26,475,778)</b>
[27] <b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 110,694,781</b>	<b>\$ 102,231,915</b>	<b>\$ 103,280,779</b>	<b>\$ 1,048,864</b>	<b>\$ 106,042,620</b>
	\$ (0)	\$ 0	\$ (0)	(\$0) 0	\$ -

## Statement of Cash Flows

### SAN GORGONIO MEMORIAL HOSPITAL BANNING, CALIFORNIA ELEVEN MONTHS ENDING MAY 31, 2022

		<b>CASH FLOW</b>	
		<b>Current Month 5/31/2022</b>	
<b>HEALTHCARE SYSTEM CASH FLOW</b>			
<b>BEGINNING CASH BALANCES</b>			
[1]	Cash: Beginning Balances- HOSPITAL	\$	6,524,387
[2]	Cash: Beginning Balances- DISTRICT		1,907,608
[3]	Cash: Beginning Balances TOTALS	\$	8,431,995
<b>Receipts</b>			
[4]	Pt Collections	\$	4,486,228
[5]	Tax Subsidies Measure D		1,066,870
[6]	Tax Subsidies Prop 13		3,616,548
[7]	Tax Subsidies County Supplemental Funds		-
[8]	IGT & other Supplemental (Net)		244,694
[9]	Draws/(Paydown) of LOC Balances		-
[10]	Other Misc Receipts/Transfers		166,280
	<b>TOTAL RECEIPTS</b>	<b>\$</b>	<b>9,580,620</b>
<b>Disbursements</b>			
[11]	Payroll/ Benefits	\$	4,277,772
[12]	Other Operating Costs		6,416,827
[13]	Capital Spending		50,063
[14]	Debt serv payments (Hosp onlyw/ LOC interest)		-
[15]	Other (increase) in AP /other bal sheet		787,963
[16]	<b>TOTAL DISBURSEMENTS</b>	<b>\$</b>	<b>11,532,625</b>
[17]	<b>TOTAL CHANGE in CASH</b>	<b>\$</b>	<b>(1,952,004)</b>
<b>ENDING CASH BALANCES</b>			
[18]	Ending Balances- HOSPITAL	\$	4,572,383
[19]	Ending Balances- DISTRICT		1,907,608
[20]	Ending Balances- TOTALS	\$	6,479,991
<b>ADDITIONAL INFO</b>			
[21]	LOC CURRENT BALANCES	\$	6,000,000

**TAB F**

# SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT and HOSPITAL

FYE June 30, 2023 Budget Package

Operating Budget

Capital Budget

Combined Balance Sheet:

San Gorgonio Memorial Hospital

San Gorgonio Memorial Healthcare District

Cash Flow Statement

SGMHD Operating Budget

## **SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT AND HOSPITAL**

FYE June 30, 2023 Budget Assumptions

### **Key Issues:**

Growth Opportunities and Recovery from impact of Covid-19 Pandemic

#### **Programs:**

Continue expansion of Surgical Robotics services

Complete development and set-up for new Stroke Program services with expected opening in July 2023

Initiate development of O/B Clinics and Midwifery Program to commence July 2023

Internal Medicine Residency Program to be continued

Continuation of Physician Specialty Coverages in Emergency Room

#### **Workloads:**

Increase Inpatient Discharges - (from 2,667 in 2021, 2,597 in 2022, to 2,996 in 2023)

Surgery Volume Increases – Major impact from robotics program (from 837 in 2021, 1,332 in 2022, to 1,457 in 2023)

Emergency Room Volume Increases (from 33,299 in 2021, 38,382 in 2022, to 38,959 in 2023)

#### **Operations:**

##### **Revenues:**

Decrease in Medicare Reimbursement; No change in Medi-Cal Reimbursement

Continued increase in IEHP contract rates

Nominal increases in PPO and other managed care contracts

Supplemental Funding programs to be re-instated similar to pre-2022 levels

DSH funding and Graduate Medical Education Funding included

Average Aggregated Overall Increase in Patient Charge Rates of 4.49% (Inpatient = 3.61%, Outpatient = 5.38%). No impact on Net Revenues.

FYE June 30, 2023 Budget Assumptions (continued)

Expenses:

Continue with 2022 Operating and Staffing levels – Flex up primarily only in areas related to growth or as mandated by law

Wage increases planned for October, 2022; Small pool reserved for Market Adjustments

Ensure Operational Efficiencies –

Maintain Labor at current levels except as required in certain growth areas or as required by law;

Reduction in Contract Labor

Reduction in Physician Fees, i.e. drop In Anesthesia fees; Increase in Residency Costs (to be offset from Medicare)

Supplies cost increases consistent with 2022 changes and various inflationary rates; use of less costly covid supplies

Utilities minimal increase due to savings created by new energy reduction program

Other Expenses to hold at current trend

Leases/Rentals at current year trend plus full year of robotics equipment lease

Continue development and fine tuning Allscripts System Applications and Reporting

Legal fees included for various litigation matters

Capital and Financing:

Key Items: Patient Monitoring, Pharmaceutical Dispensing, Surgical Lighting, and Stroke program projects and equipment

Other routine equipment acquisitions

Pursue compliance with Line of Credit covenants

Continue Pursuit of Funding and Grants opportunities

Debt Service for Bridge Loan Financing and 2021 Revenue Bonds provided from Unrestricted Taxes and Revenues

Debt Service for General Obligation Bonds from Measure A property Taxes

SAN GORGONIO MEMORIAL HOSPITAL					PROJECTED	BUDGET	
BUDGET 2023 ASSUMPTIONS		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Comment
<b>SERVICE AND WORKLOAD</b>							
1	Continued Growth in Emergency Room Visits and Surgery Cases. Additional admissions resulting from increased Emergency visits, and Surgery cases, and expanded Medical Specialty coverages in the Emergency Room.						
<b>Operating Performance</b>							
2	EBIDA	\$3,027,191	(\$2,980,206)	(\$16,732,041)	(\$6,017,556)	\$282,300	
<b>Line of Credit Balances</b>							
3	Line of Credit Ending Balances	\$0	\$6,000,000	\$0	\$12,000,000	\$12,000,000	
<b>Growth and Inflation Rates</b>							
4	IP (ACUTE) Growth Rates vs. PYr	-14.11%	-7.87%	19.86%	-3.56%	14.23%	( By I/P Days)
5	OP Growth Rates vs. Prior Year	6.11%	-10.13%	-20.80%	5.51%	7.10%	(Based on Charges, w/o Rate Increase)
6	ER Growth Rates vs. Prior Year	-1.97%	-10.06%	-15.25%	15.26%	1.50%	( By ED Visits)
7	Aggregated Overall Price Increase	0.00%	0.00%	0.00%	72.37%	4.49%	(2022 =90% of Median of Regional Hospitals)
<b>Expense Inflation</b>							
8	Inflation Rate on Medical Supplies	2.00%	2.00%	2.00%	2.00%	0% to 5%	Various, generally in this range
9	Inflation Rate All Other (Excl SWB)	1.00%	1.00%	1.00%	1.00%	Current Run Rates	
<b>Reimbursement</b>							
10	Medicare Reduction of \$258K, Third Party Pay increases \$75K, GME Reimbursement \$1.1M, & expected M-Cal DSH \$700K						
<b>Employee Compensation</b>							
		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Comment
11	Average Wage Per Hour Change	-0.76%	10.44%	1.50%	10.98%	8.48%	(Large Market Adjustments in 2020 & 2022)
<b>IGTs and Other Supplemental Revenue Sources</b>							
12	IGT Revenue, Net of Expense	\$17,119,130	\$12,574,110	\$8,368,092	\$8,608,943	\$13,440,972	(Income, Net of Expense)
13	Supplemental, Other, & Tax Income	\$6,672,530	\$13,065,250	\$10,483,783	\$10,493,212	\$10,800,726	(Income)
<b>Capital Projects Planned and Financed in FY 22</b>							
14	Capital Projects District	\$459,974	\$787,310	\$377,004	\$1,610,000	\$7,054,000	
15	Capital Projects Contingent					\$5,540,931	
<b>FTE Changes</b>							
		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% VAR
16	Paid FTEs ( includes Registry)	501.4	479.2	475.3	471.0	469.8	-0.3%
17	Worked FTEs ( includes Registry)	450.6	434.2	425.5	419.3	418.2	-0.3%
18	Paid FTES per adj. occupied bed	5.75	6.26	6.90	7.74	7.09	-8.5%
19	Worked FTES / adj. occupied bed	5.17	5.67	6.18	6.89	6.31	-8.5%



<b>SAN GORGONIO MEMORIAL HOSPITAL</b>							
<b>Patient Workload Volumes</b>					<b>PROJECTED</b>	<b>BUDGET</b>	
		<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Comment</b>
<b>KEY STATISTICS</b>							
1	<b>Newborn Deliveries</b>	268	246	158	146	146	0.0%
2	<b>Nursery Days</b>	536	492	345	268	268	0.0%
3	<b>Acute Admits</b>	2,857	2,682	2,667	2,597	2,996	15.4%
4	<b>Acute Patient Days</b>	9,991	9,205	11,033	10,640	12,154	14.2%
5	<b>ER Visits</b>	43,687	39,293	33,299	38,382	38,959	1.5%
6	<b>Observation Days</b>	2,028	1,723	2,512	2,699	2,740	1.5%
7	<b>I/P Surgery</b>	422	466	396	440	481	9.3%
8	<b>O/P Surgery</b>	740	397	441	892	976	9.4%
9	<b>GI CASES</b>	1,002	1,726	307	309	309	0.0%
10	<b>Average Daily Census</b>	27.4	25.2	30.2	29.2	33.3	14.2%
11	<b>Average Lengths of Stay</b>	3.5	3.4	4.1	4.1	4.1	-1.0%
12	<b>% of ED Admits Admitted</b>	5.83%	6.20%	7.46%	5.29%	5.29%	0.0%
	<b>OP FACTOR</b>	3.19	3.04	2.28	2.09	2.01	-3.8%
13	<b>Adjusted Patient Days (APD)</b>	31,836	27,944	25,143	22,204	24,195	9.0%
<b>ACUTE DAYS (Excl. Observation Days)</b>							
		<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>PROJECTED FY 2022</b>	<b>BUDGET FY 2023</b>	<b>Comment</b>
14	<b>Med/Sur Acute Days</b>	7,385	6,129	6,716	6,842	7,906	15.6%
15	<b>ICU Acute Days</b>	1,350	1,178	1,737	1,555	1,754	12.8%
16	<b>DOU Acute Days</b>	2,257	2,009	2,154	1,869	2,120	13.4%
17	<b>OB Acute Days</b>	640	675	426	374	374	0.0%
18	<b>Total Acute Days</b>	11,632	9,991	11,033	10,640	12,154	14.2%

SAN GORGONIO MEMORIAL HOSPITAL							
Statement of Revenue and Expense				PROJECTED	BUDGET		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Comment	
<b>Gross Patient Revenue</b>							
1	Inpatient Revenue	\$92,014,593	\$88,815,381	\$111,976,457	\$216,865,666	\$264,016,318	Includes Rate Increases
2	Outpatient Revenue	201,184,376	180,805,253	143,204,184	235,707,329	266,029,277	" " "
3	Total Gross Patient Revenue	293,198,969	269,620,634	255,180,641	452,572,995	530,045,595	" " "
<b>Deductions From Revenue</b>							
4	Discounts and Allowances	(235,057,775)	(214,148,761)	(199,628,805)	(373,180,905)	(441,236,937)	Includes Rate Increases
5	Bad Debt Expense	(10,296,276)	(7,839,364)	(9,892,737)	(17,298,617)	(18,665,612)	
6	Charity Care	(674,019)	(1,038,200)	(496,340)	(915,655)	(960,312)	
7	Total Deductions From Revenue	(246,028,070)	(223,026,325)	(210,017,881)	(391,395,178)	(460,862,861)	Includes Rate Increases
8	% Deductions	-83.91%	-82.72%	-82.30%	-86.48%	-86.95%	Includes Rate Increases
<b>Net Patient Revenue</b>							
		47,170,899	46,594,309	45,162,760	61,177,817	69,182,734	
<b>Supplemental &amp; Non-Patient Revenue</b>							
9	IGT Revenues	17,824,040	13,887,912	10,436,480	8,608,944	14,538,957	
10	Other Operating Rev Incl DSH	2,467,079	9,005,213	6,106,437	5,693,553	5,847,800	
11	Clinic Net Revenues	268,589	188,916	0	0	0	
12	Tax Subsidies Measure D	2,358,293	2,393,627	2,516,922	2,858,198	2,963,926	
13	Tax Subsidies Prop 13	1,384,656	1,368,731	1,710,620	1,800,000	1,854,000	
14	Tax Subsidies -Other	193,913	108,763	149,804	141,461	135,000	
15	Total Non-Patient Revenue	24,496,570	26,953,162	20,920,263	19,102,156	25,339,683	
<b>Total Operating Revenue</b>							
		71,667,469	73,547,471	66,083,023	80,279,973	94,522,416	
<b>Expenses</b>							
16	Salaries and Wages	35,294,707	37,250,689	37,501,904	41,243,799	44,627,513	8.2%
17	Fringe Benefits	8,429,724	9,032,491	10,282,665	10,140,194	11,024,500	8.7%
18	Contract Labor	1,279,534	714,190	1,378,626	1,255,245	910,917	-27.4%
19	Physicians Fees	2,959,573	3,982,298	4,209,399	4,200,220	4,382,772	4.3%
20	Purchased Services	6,166,280	8,296,048	9,268,035	11,450,105	12,515,534	9.3%
21	Supply Expense	8,226,210	9,012,301	10,846,597	12,323,037	13,510,749	9.6%
22	Utilities	905,646	968,157	1,107,443	1,329,931	1,381,613	3.9%
23	Repairs and Maintenance	699,894	703,109	1,676,546	951,930	906,764	-4.7%
24	Insurance Expense	1,023,205	1,239,322	1,328,202	1,375,927	1,475,746	7.3%
25	All Other Operating Expenses	851,066	1,928,941	1,785,024	1,083,191	1,187,896	9.7%
26	IGT Expense	704,910	1,313,802	2,068,389	0	1,097,985	0.0%
27	Leases and Rentals	913,805	950,799	953,082	943,951	1,218,127	29.0%
28	1206 (b) CLINIC Expense	1,185,724	1,135,530	409,152	0	0	0.0%
29	Total Operating Expenses	68,640,278	76,527,677	82,815,064	86,297,530	94,240,116	9.2%
<b>EBIDA</b>							
		3,027,191	(2,980,206)	(16,732,041)	(6,017,556)	282,300	
<b>Interest Expense and Depreciation</b>							
30	Depreciation	5,973,693	6,077,964	5,936,648	6,078,380	6,600,523	
31	Interest Exp and Amortization	5,018,312	5,065,130	5,375,928	4,935,712	4,728,142	
32	Total Interest & Depreciation	10,992,005	11,143,094	11,312,576	11,014,092	11,328,665	
<b>Non-Operating Revenue:</b>							
33	Contributions	92,937	333,111	85,447	831,623	5,600,931	Includes Donation - Morongo Band of Mission Indians
34	Tax Subsidies GO Bonds - M-A	8,309,482	8,003,588	7,180,920	7,367,589	7,514,849	
35	Extraordinary losses		(8,274,886)	(7,800)			
	Total Non Operating Rev/(Exp)	8,402,419	61,813	7,258,567	8,199,212	13,115,780	
<b>Total Net Surplus/(Loss)</b>							
		\$437,605	(\$14,061,487)	(\$20,786,050)	(\$8,832,436)	\$2,069,415	
<b>Total Profit Margin</b>							
		0.61%	-19.12%	-31.45%	-11.00%	2.19%	
<b>EBIDA % (Adjusted)</b>							
		4.22%	-4.05%	-25.32%	-7.50%	0.30%	

	A	B	C	D	E	F	G	J	K	L	M	N	O	P
1	<b>San Gorgonio Memorial Hospital</b>							<b>FY 2022 (Approved in July, 2021)</b>		<b>FY 2023</b>	<b>Priority 1 = Highest, 4 = Lowest</b>	<b>FY 2024</b>		<b>FY 2025</b>
2	<b>3-Year Capital Budget FYE's 2022 - 2025</b>													
3	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>Owner</b>	<b>Notes</b>										
4	Pharmaceutical Dispensing systems	Nursing Units	Brown				\$ -		\$ 850,000	1	\$ -		\$ -	
5	ICU Monitors & Telemetry System	Nursing Units	Brown						\$ 673,000	1	\$ -		\$ -	
6	Metal Detectors - OB and ER Entrances	Nursing Units	Brown						\$ 36,170	1				
7														
8	Automatic Transfer Switch	Plant	Sanchez				\$ 125,000		\$ 150,000	2	\$ -		\$ -	
9	Floor Replacement due Poor Moisture	Plant	Sanchez	Main Hallways			\$ -			4	\$ 225,000		\$ -	
10	Parking Lot Striping	Plant	Sanchez				\$ -			4	\$ 75,000		\$ -	
11	Circulating Pump	Plant	Sanchez				\$ -		\$ 15,000	2	\$ -		\$ -	
12	Air Curtain Fly Fan x 4	Plant	Sanchez	\$6,300 each			\$ -		\$ 28,000	2	\$ -		\$ -	
13	Storage containers (3)	Plant	Sanchez	Life Safety Issue						4	\$ 52,000		\$ -	
14	Infant Security System	Plant	Sanchez	OB Upgrade			\$ -		\$ 40,000	2	\$ -		\$ -	
15	OR1 Med Gas panel Communication	Plant	Sanchez	Regulatory - panel is not communicating with PBX or Eng = a regulatory issue					\$ 8,000	1	\$ 8,000		\$ -	
16	Medcial Gas Control panel replacement	Plant	Sanchez	Replacement malfunctioning unit					\$ 20,000	1	\$ 20,000		\$ -	
17	Sterile Processing Humidification System	Plant	Sanchez	Regulatory			\$ 246,850		\$ 246,850	1	\$ -		\$ -	
18														
19	Doppler Ultrasound System	O/R	Goodner				\$ 43,575			4	\$ 49,995		\$ -	
20	New Scrub Sinks ( & faucet repair)	O/R	Goodner				\$ 25,000		\$ 29,053	1	\$ -		\$ -	
21	Badge Readers (8 door entryways)	O/R	Goodner				\$ 51,390		\$ -		\$ -		\$ -	
22	Power Set	O/R	Goodner	Dr. Reis			\$ 28,000		\$ -		\$ -		\$ -	
23	Steam Instrument Sterilizer	O/R	Goodner	Aging Equipment			\$ 119,417		\$ 121,895	2	\$ -		\$ -	
24	Operating Lights	O/R	Goodner	Make OR 3 functional			\$ 48,640		\$ 141,630	1	\$ -		\$ -	
25	Hysterscope	O/R	Goodner	Volume increases			\$ 14,173		\$ -		\$ -		\$ -	
26	Ligasure	O/R	Goodner	Dr. T/Ugochuku			\$ 25,978		\$ -		\$ -		\$ -	
27	Replace sink in PACU work room	PACU	Goodner	Lowside= \$5,940			\$ 7,500		\$ -		\$ -		\$ -	
28	Breast CA Markers	O/R	Goodner						\$ 70,000	1	\$ -		\$ -	
29	Sentinal Node Probe Biopsy	O/R	Goodner						\$ 76,267	1	\$ -		\$ -	
30	CO2 Insufflator	O/R	Goodner						\$ 54,231	1	\$ -		\$ -	
31	Robotic Table	O/R	Goodner						\$ 97,896	2	\$ -		\$ -	
32	Fracture Table	O/R	Goodner						\$ 112,516	2	\$ -		\$ -	
33	Iron Intern Retractor	O/R	Goodner						\$ 6,148	1	\$ -		\$ -	
34														
35	GE Ultrasound Machine	ED	Brady	Dr. Singh					\$ 41,000	2	\$ -		\$ -	
36	Hospitalwide Badge Computer Access	ED	Brady						\$ 151,050	1	\$ -		\$ -	
37	Mindray Monitors in RC/Doc Area	ED	Brady							4	\$ 16,284		\$ -	
38	Space IV Pumps (x 5)	ED	Brady				\$ 12,750		\$ 63,750	1	\$ 63,750		\$ -	
39														
40	Security Camera revolving upgrade	Security	Hunter	x 32			\$ 51,000		\$ -		\$ -		\$ -	
41	Visitor Camera System	Security	Hunter				\$ 32,000		\$ -		\$ -		\$ -	

	A	B	C	D	E	F	G	J	K	L	M	N	O	P
1	<b>San Gorgonio Memorial Hospital</b>							<b>FY 2022</b> <b>(Approved in</b> <b>July, 2021)</b>		<b>FY 2023</b>	<b>Priority</b> <b>1 =</b> <b>Highest, 4</b> <b>= Lowest</b>	<b>FY 2024</b>		<b>FY 2025</b>
2	<b>3-Year Capital Budget</b>													
2	<b>FYE's 2022 - 2025</b>													
3	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>Owner</b>	<b>Notes</b>										
43	Stroke Center Package	Imaging	Chamberlin	\$400,000 projected for FY 2022						\$ 5,200,000	1	\$ -	\$ -	
44	Mobile Nuc Med Trailer Unit	Imaging	Chamberlin	Transistion cost				\$ -		Incl Above		\$ -	\$ -	
45	CT Scanner replacement	Imaging	Chamberlin	Equip= \$561,848				\$ 800,000		Incl Above		\$ -	\$ -	
46	Reconditioned SPECT Nuclear Med System	Imaging	Chamberlin	Whole body				\$ 613,325		Incl Above		\$ -	\$ -	
47	CT Scanner Back-up for Stroke Center	Imaging	Chamberlin	Equip= \$561,848				\$ -		Incl Above		\$ -	\$ -	
48	PAC'S Cube Replacement	Imaging	Chamberlin							\$ 14,319	1	\$ -	\$ -	
49	Portable X-Ray Machine	Imaging	Chamberlin							\$ 170,000	1	\$ -	\$ -	
50	Portable C-Arm	Imaging	Chamberlin							\$ 282,000	1	\$ -	\$ -	
51	Hybrid CT/NM Camera (Spect)	Imaging	Chamberlin							\$ 1,350,000	1	\$ -	\$ -	
52	Fluroscopy/Red Room (Room 2)	Imaging	Chamberlin							\$ 1,005,000	1	\$ -	\$ -	
53	Mammography w/ Tomo & Stereo	Imaging	Chamberlin							\$ 536,000	1	\$ -	\$ -	
54														
55	Dietary Food Management (Software)	Dietary	Hawthorne							\$ 49,365	2	\$ -	\$ -	
56														
57	IS Upgrades and Server Replacements	I/T	Maja	3PAR -High Priority, Med Surg rooms P				\$ 211,988		\$ 250,000	2	\$ 120,000	\$ -	
58														
59	Automated Blood Bank System	Lab	Hazley					\$ 108,488		\$ 97,000	3	\$ -	\$ -	
61	CS-2500 Coagulation Analyzer (Back-up Unit)	Lab	Hazley							\$ 45,000	3	\$ -	\$ -	
62														
63	Finanical Budgeting & Reporting System	Accounting	Heckathorne							\$ 150,000	1	\$ -	\$ -	
64														
65	CD Image Maker	HIM	Palmer	Cost savings				\$ 16,620		\$ -		\$ -	\$ -	
66														
67	Panda Infant Warmer	OB	Gunther					\$ 35,000			4	\$ 35,000	\$ -	
68	Labor Bed	OB	Gunther								4	\$ 18,750	\$ -	
69	Guest pull-out bed/chairs x 11	OB	Gunther	\$3,850 each							4	\$ 42,350	\$ -	
70											4			
71	Patient Transport Van	Behavioral H.	Maciel	Replacement Van							4	\$ 45,000	\$ -	
72	Flooring for Therapy Rooms	Behavioral H.	Maciel	Replace worn/torn carpet with								\$ 10,000	\$ -	
73														
74	Contingency	All	Barron							\$ 413,791	1			
75														
76	<b>Total Requests</b>							\$ 2,616,694		\$ 12,594,931		\$ 781,129	\$ -	
77	<b>Less Donated Equipment</b>							\$ (800,000)		\$ (5,200,000)		\$ -	\$ -	
78	<b>Less Projected Donations</b>							\$ -		\$ (5,540,931)		\$ (425,821)	\$ (65,851)	
79	<b>Less Property Taxes for Capital</b>							\$ (1,800,000)		\$ (1,854,000)		\$ (1,909,620)	\$ (2,005,101)	
80	<b>Requests Over (Under) Funds</b>							\$ 16,694		\$ -		\$ (1,554,312)	\$ (2,070,952)	

<b>San Gorgonio Memorial Hospital &amp; Healthcare District</b>				<b>PROJECTED</b>	<b>BUDGET</b>	
<b>COMBINED BALANCE SHEET</b>		<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>ASSETS</b>						
<b>Current Assets</b>						
1	Cash	\$4,175,262	\$12,894,407	\$2,420,953	\$9,680,014	\$13,234,678
2	Accounts Receivable (Net)	8,449,937	7,142,879	7,939,203	9,061,949	9,461,949
3	Inventories	1,668,855	1,789,075	1,776,554	2,433,993	2,190,594
4	Other Receivables	2,723,547	2,753,613	2,282,995	(3,600,886)	1,187,153
5	IGT Receivables	10,058,792	10,877,160	902,000	0	0
6	All Other Current Assets	353,247	288,583	21,485	1,000,753	999,621
7	<b>Total Current Assets</b>	<b>27,429,640</b>	<b>35,745,717</b>	<b>15,343,190</b>	<b>18,575,823</b>	<b>27,073,995</b>
<b>Assets with Limited Use</b>						
8	<b>Total Limited Use Assets</b>	<b>8,671,080</b>	<b>9,305,009</b>	<b>9,846,366</b>	<b>12,546,077</b>	<b>13,946,077</b>
<b>Other Assets</b>						
9	Unamortized Loan Costs	1,474,000	759,389	645,507	614,440	770,039
<b>Property Plant &amp; Equipment</b>						
10	Less Accumulated Depreciation	(71,081,214)	(77,151,389)	(83,087,287)	(89,145,667)	(95,746,190)
11	<b>Net PPE</b>	<b>97,000,465</b>	<b>83,434,925</b>	<b>77,876,031</b>	<b>74,616,163</b>	<b>74,812,376</b>
12	Interest Net Assets of Sys Fdn	646,319	496,107	551,194	5,500,000	500,000
<b>Total Assets</b>		<b>\$135,221,504</b>	<b>\$129,741,147</b>	<b>\$104,262,288</b>	<b>\$111,852,503</b>	<b>\$117,102,487</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Current Liabilities</b>						
		<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
13	Accounts Payable -Operating	\$5,057,334	\$5,316,508	\$10,897,079	\$9,418,151	\$7,382,099
14	Accrued Payroll Benefits	3,051,669	4,124,703	4,865,852	5,597,026	2,938,439
15	Current Portion L-Term Debt	2,095,000	2,335,000	2,640,000	2,830,000	3,427,570
16	Third Party Settlements	732,545	2,435,348			
17	Bank Line of Credit	0	6,000,000	0	12,000,000	12,000,000
18	Accrued Interest Payable	2,055,146	2,020,229	1,945,116	1,890,661	2,253,256
19	Accounts Payable - Advance	0	322,211	402,258	387,388	0
20	<b>Total Current Liabilities</b>	<b>12,991,694</b>	<b>22,553,999</b>	<b>20,750,305</b>	<b>32,123,226</b>	<b>28,001,364</b>
<b>Long Term Debt</b>						
		110,739,214	110,448,326	107,559,211	104,877,314	117,179,744
<b>Borrowing Re: State Transision to CY</b>						
					2,231,628	2,231,628
<b>Total Liabilities</b>		<b>123,730,908</b>	<b>133,002,325</b>	<b>128,309,516</b>	<b>139,232,168</b>	<b>147,412,736</b>
<b>Fund Balance</b>						
21	<b>Fund Balance</b>	11,490,596	(3,261,179)	(24,047,228)	(27,379,664)	(30,310,249)
<b>Total Liabilities and Fund Balance</b>		<b>\$135,221,504</b>	<b>\$129,741,146</b>	<b>\$104,262,288</b>	<b>\$111,852,503</b>	<b>\$117,102,486</b>

CASH FLOW STATEMENT - Abbreviated (Excluding G.O Bonds Taxes & Related Debt Service)				PROJECTED	BUDGET	
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
1	<b>Cash: Beginning Balances</b>	<b>\$6,308,962</b>	<b>\$4,175,262</b>	<b>\$12,894,407</b>	<b>\$2,420,953</b>	<b>\$9,680,014</b>
	<b>Receipts</b>					
2	<b>Pt Collections</b>	49,278,795	48,188,723	50,511,153	63,950,228	66,672,207
3	<b>Taxes (Non- Debt Service)</b>	3,936,862	3,871,121	4,377,346	4,799,659	4,952,926
4	<b>IGT &amp; Other Supplemental (Net)</b>	17,041,777	15,562,609	12,198,786	11,534,697	15,834,823
5	<b>PY IGT or DSH Repay</b>	(732,545)	(829,750)	(2,366,760)		
6	<b>IGT Deposit for Future Yr</b>					(1,600,000)
7	<b>Supplemental Loans (QIP)</b>				2,231,627	
8	<b>Revenue Bond for Siemens Project</b>			2,350,000		
9	<b>Revenue Bonds to Restricted</b>			(2,035,000)		
10	<b>Bridge Loan Financing</b>					12,900,000
11	<b>Equipment Grant</b>		52,112		360,000	0
12	<b>Increases (Decr.) in LOC Principal Owed</b>		6,000,000	(6,000,000)	12,000,000	0
13	<b>Foundation Capital Funding</b>	92,937	333,111	85,447	831,623	5,600,931
14	<b>Other Receipts &amp; Interco T-fers</b>	2,467,079	10,128,133	7,898,096	4,368,659	6,612,695
15	<b>Total Receipts</b>	<b>72,084,905</b>	<b>83,306,059</b>	<b>67,019,068</b>	<b>100,076,493</b>	<b>110,973,582</b>
	<b>Disbursements</b>					
16	<b>Payroll/ Benefits</b>	43,962,904	45,210,146	47,043,419	53,986,195	55,652,013
17	<b>Other Operating Costs</b>	29,158,465	28,227,118	28,896,744	36,490,901	38,965,864
18	<b>Capital Spending</b>	517,242	787,310	377,004	1,610,000	8,431,736
19	<b>Line of Credit Interest</b>	117,924	342,836	314,009	280,042	463,542
20	<b>Other, Incl.Loan Repayments</b>	462,070	19,504	861,346	450,294	3,905,763
21	<b>Total Disbursements</b>	<b>74,218,605</b>	<b>74,586,914</b>	<b>77,492,522</b>	<b>92,817,432</b>	<b>107,418,918</b>
22	<b>Total Change in Cash</b>	<b>(2,133,700)</b>	<b>8,719,145</b>	<b>(10,473,454)</b>	<b>7,259,061</b>	<b>3,554,664</b>
23	<b>Ending Balances</b>	<b>\$4,175,262</b>	<b>\$12,894,407</b>	<b>\$2,420,953</b>	<b>\$9,680,014</b>	<b>\$13,234,678</b>
24	<b>Goal - Cash on Hand</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$11,344,529</b>	<b>\$11,821,579</b>	<b>\$12,909,605</b>
25	<b>LOC Balance</b>	<b>\$0</b>	<b>\$6,000,000</b>	<b>\$0</b>	<b>\$12,000,000</b>	<b>\$12,000,000</b>

# SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BUDGET

**2023 BUDGET**

				PROJECTED	BUDGET
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>CLINIC</b>					
Patient Revenues	\$1,070,095	\$884,112	\$0	\$0	\$0
Deductions From Revenue	801,506	695,196	0	0	0
<b>NET PATIENT REVENUES</b>	268,589	188,916	0	0	0
Operating Expense	1,185,724	1,135,530	409,152	0	0
<b>NET GAIN (LOSS) from CLINIC</b>	<b>(917,135)</b>	<b>(946,614)</b>	<b>(409,152)</b>	<b>0</b>	<b>0</b>
<b>NON CLINIC REVENUES</b>					
Other Operating Revenue	37,445	37,445	39,024	39,024	39,024
Restricted Contributions	92,937	333,111	85,447	831,623	5,600,931
Tax Subsidies Measure D & H	2,358,293	2,393,627	2,516,922	2,858,198	2,963,926
Tax Subsidies for GO Bonds - M-A	8,309,482	8,003,588	7,180,920	7,226,128	7,384,849
Tax Subsidies Prop 13	1,384,656	1,368,731	1,710,620	1,800,000	1,854,000
County Supplemental Funds	193,913	108,763	149,804	141,461	130,000
<b>TOTAL DISTRICT REVENUES</b>	<b>12,376,726</b>	<b>12,245,265</b>	<b>11,682,737</b>	<b>12,896,434</b>	<b>17,972,730</b>
<b>EXPENSES</b>					
MOB Misc Expense	24,250	23,375	24,106	27,237	28,000
Legal & Other Purchased Services	25	0	248,006	86,080	85,250
All Other Operating Expenses	362,690	258,594	142,473	327,801	428,000
<b>TOTAL OPERATING EXPENSES</b>	<b>386,965</b>	<b>281,969</b>	<b>414,585</b>	<b>441,118</b>	<b>2,733,628</b>
<b>DISTRICT Gains before Deprec. &amp; Interest</b>	<b>11,989,761</b>	<b>11,963,296</b>	<b>11,268,152</b>	<b>12,455,316</b>	<b>15,239,102</b>
Depreciation	5,973,693	6,077,964	5,936,648	6,078,380	6,600,523
Interest & Amortization Exp	5,018,312	5,065,130	5,375,928	4,935,712	4,728,142
<b>NET GAIN (LOSS) from District</b>	<b>997,756</b>	<b>820,202</b>	<b>(44,424)</b>	<b>1,441,224</b>	<b>3,910,437</b>
<b>NET INCOME COMBINED DISTRICT</b>	<b>\$80,621</b>	<b>(\$126,412)</b>	<b>(\$453,576)</b>	<b>\$1,441,224</b>	<b>\$3,910,437</b>
<b>DISTRICT OPERATING CASH</b>	<b>\$3,126,083</b>	<b>\$2,544,822</b>	<b>\$762,594</b>	<b>\$969,554</b>	<b>\$866,074</b>

**TAB G**



POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital Board Meeting of July 5, 2022

	<b>Title</b>	<b>Policy Area</b>	<b>Owner</b>	<b>Workflow Approval</b>
1	Discharge Planning and Implementation	Case Management	Mitchell, Marvin: Director Case Management	Ariel Whitley for Hospital Board of Directors
2	Hand-Off Communication	Administration	Brown, Pat: Chief Nursing Officer	Ariel Whitley for Hospital Board of Directors

TAB H

# WE ARE EXCEPTIONALLY HONORED TO BE YOUR HEALING PLACE

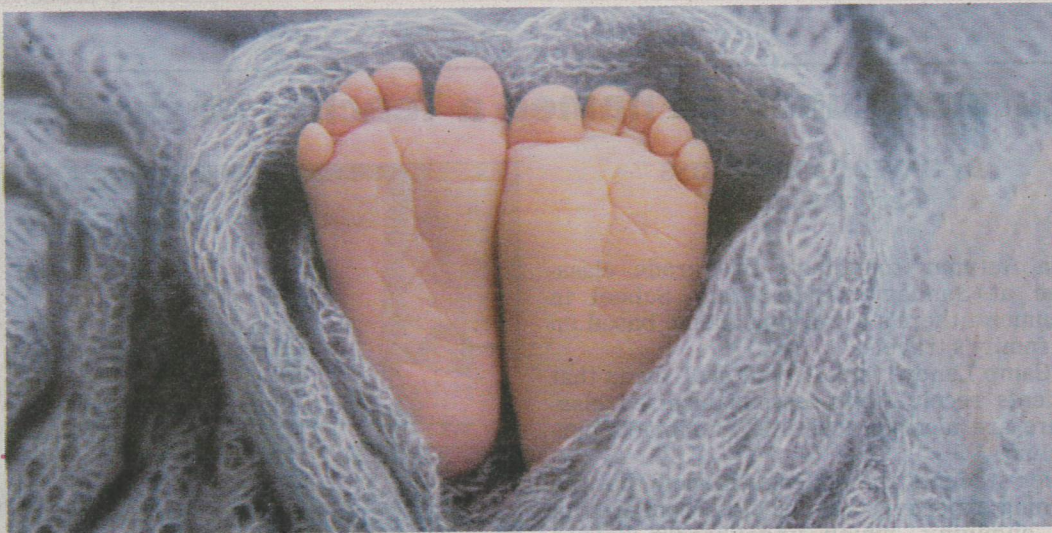


Since 1951 we've provided the best possible healthcare to our community. Whether you're new to the area, or have lived here for generations, San Gorgonio Memorial Hospital is here to care for you.

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951-845-1121 | [www.sgmh.org](http://www.sgmh.org)



# Big Dreams Small Toes



Since 1951 we've provided the best possible healthcare to our community.

Whether you're new to the area, or have lived here for generations, San Geronio Memorial Hospital is here to care for you.

600 N. Highland Springs Ave., Banning, CA  
951-845-1121 | [www.sgmh.org](http://www.sgmh.org)





**We'll make  
sure you  
and your  
family  
get off to  
a beautiful  
start**



**SAN GORONIO**  
MEMORIAL HOSPITAL  
**WOMEN'S CENTER**

Since 1951 we've provided the best possible healthcare to our community.

Whether you're new to the area, or have lived here for generations, San Gorgonio Memorial Hospital is here to care for you.

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# Desert Sun.

## HEALTH

# 'It's OK to not be OK': Local experts, students shed light on pandemic's effects on mental health

**Emma Sasic and Jonathan Horwitz** Palm Springs Desert Sun

Published 7:00 a.m. PT June 5, 2022 | Updated 9:17 a.m. PT June 6, 2022

For more than an hour, four Thomas Jefferson Middle School students, slightly tired from an early wakeup call and recent standardized testing, said they felt fine after everything they experienced over the course of the COVID-19 pandemic.

They were looking forward to the end of the school year, they liked being back in school with friends, and while they may have been a little stressed with distance learning, they said they hadn't experienced depression or anxiety during the last two years.

Then, they were asked if they had experienced any loss over the last two years. Each of them had or nearly had: An uncle who died from COVID-19 in Mexico. Another late uncle who loved the Raiders. A grandmother figure who died a month ago. A grandmother who fell gravely ill from COVID-19 and recovered. Another grandmother who is battling cancer.

Finally, their emotions poured out. Tears were shed.

Eighth grader D'Artagnan Leon-Montano found out he lost his uncle in the middle of the night when he heard sobs around the house. "I never heard my mom crying, and that night I heard her cry." To honor his uncle, he never takes off his Raiders hat.

"It's hard for me to come to school every day knowing her cancer can come back anytime," said seventh grader Cassandra Herrera about her grandmother. "I'm scared that when I'm older, I'll probably get it."

"I lost my step-grandma a month ago," said seventh-grader Keanna Atchison. "I didn't really want to talk to anybody the next day."

"It's OK to not be OK," said eighth-grader Romina Lopez Mendoza, who didn't get the chance to see her uncle in Mexico one last time before he died.

People's mental health, at all ages, were impacted in some way by the pandemic. Isolation from loved ones, fear over the unknown, changes in routines and loss were just some of the factors that made the early stages of the pandemic difficult for many, local mental health experts said, especially for those who already struggled with anxiety and depression.

Even though COVID-19 cases are rising again, many are ready to move on and resume their lives. But it's not that easy for everyone.

## **What experts saw**

In-person services at the San Geronimo Memorial Hospital Behavioral Health Center in Palm Springs never slowed down during the pandemic.

Facilities Coordinator Marquise Santiago would meticulously clean the center's van, pick up a handful of clients from their homes, take their temperatures, have them put on fresh masks and sit spaced apart from others. After he would drop off one group, he would sanitize the van again, go out to pick up others and repeat the process throughout the day.

It was difficult, and at times scary to do, mainly because there was so much unknown with the virus, but the center's registered nurse Donn Walker said it was necessary for the clients.

"A lot of these folks already live fairly isolated lives," he said. Most clients either live with other individuals who struggle with mental health concerns or independently, away from family and typically without a vast social network around them.

"The great thing about the fact that we could keep this program open is this is really, for patients, some of the main ways they socialize and see other people," Walker continued. "Some told us they were able to see their friends here. If we had closed, it would have been even more isolated."

The Behavioral Health Center, once attached to the San Geronimo Memorial Hospital location in Banning, has been operating in Palm Springs for more than 10 years, said Director Christian Maciel. There are currently around 45 patients — ranging in age from 20-something to 80-something — who attend group therapy sessions dedicated to mood or thought disorders twice a week, and there's a growing waitlist.

Over the course of the last few months, navigating the pandemic has become easier for clients. If a family member gets sick, however, Walker said anxiety goes up with that client and is reminiscent of the early days of the pandemic.

In the first year of the COVID-19 pandemic, global prevalence of anxiety and depression increased by 25%, according to a scientific brief from the World Health Organization.

Clinician Rick Bloom, speaking about a previous telehealth position, said the pandemic was "horrendous" for his clients who were "normally anxious on the best of days." One individual he worked with for a number of years suffered with severe anxiety. They were making improvements, he said, but once the pandemic hit, it set that individual back several years.

"Their overall fear was the world was a dangerous place, and then the pandemic came along and it really proved to him that what he was fearful about was clearly completely accurate," Bloom said.

He added that clients with depression "felt like it was OK for them not to be interactive because it was OK to be isolated."

Similarly, Lizett Palacios, now the center's case manager, worked at clinics in the eastern Coachella Valley in 2020 and saw people of all ages struggle with anxiety. She also noticed a rise in suicidal ideation among clients. The most stressful moments she experienced were when people called and told her they were thinking of taking their life.

"I would have to stay on the phone with them up to three hours," Palacios said. "I would have two phones on me, one having a conversation with them but another phone hoping to get hold of a clinic."

A study that surveyed individuals from eight countries in 2020 and 2021 found that suicide ideation increased over the course of the COVID-19 pandemic — 24.2% and 27.5% of participants reported suicide ideation in 2020 and 2021, respectively.

When Palacios received those phone calls, it was difficult to not be in the same room as her clients, she said, because "how are you going to get through to them over the phone and convince them not to do something to themselves?"

As much as clients struggled, so too did mental health care providers. Maciel's uncle died at 50, leaving his aunt as a widow, and as other family members struggled, he said he just had to push through. Additionally, three days before the birth of his daughter, he was exposed to COVID-19, and his biggest fear was getting her sick or worse. But Maciel believes it's still not a topic many discuss.

"Providers just have to soldier on and kind of put their needs last," Maciel said. "It's almost like a shameful thing to say as a therapist. You think, I'm a trained therapist, I'm always in



control, but I'm not."

Many clinics decided to shut down to in-person services, but soon shifted to an online format, such as Jewish Family Services of the Desert. The Palm Springs center provides a number of services, such as mental health counseling, senior case management and children's programs. On average, the center sees around 3,000 unduplicated clients yearly.

Clients dealt with loneliness, clinical director Judith Monetathchi said, and it was hard for them to change their routines and be away from loved ones or even their therapists. Similarly, losing friends and family to the virus and going through the grief process was difficult.

The period brought back many memories for Monetathchi, whose husband died nearly 20 years ago. Overwhelmed with grief, taking care of three young children and having difficulty functioning day-to-day, she began seeing a therapist, she said, who "offered me tools I could use to process that grief and heal."

Fast forward to 2020, and as she listened to her clients express their own struggles with grief during the pandemic, she said she was able to empathize deeper and create a "stronger connection" with them.

## **Children's impacts**

Mindy McEachran begins every Wednesday in a wellness circle with her students at Nellie N. Coffman Middle School in Cathedral City.

The students gather in an outdoor space dedicated to mental health, a makeshift Zen garden on a lot where there was nothing but concrete, brick walls and a lonely tree before the pandemic.

The garden, and the adjacent indoor wellness center where students can go for social-emotional coaching, is part of a major investment Palm Springs Unified and the district's foundation are making in mental health services.

The plan is to open a wellness center at a cost of \$25,000 at each of the district's 27 schools. Desert Sands Unified and Coachella Valley Unified school districts are operating and investing in wellness centers, too.

Now, the tree is draped with Japanese lanterns, there's a sand box, artificial turf and patio furniture. It's not much, but it's more than there was before.

McEachran's therapy dog, Ziggy, lies on the turf as students go around the circle saying how they feel on a scale of one to five. They can elaborate if they wish. Few choose to.

It's the day after the Uvalde, Texas, school massacre during which 19 primary students and two teachers were killed.

Moods are down at Nellie Coffman. Principal Karen Dimick asked for a moment of silence over the daily announcements before first period. Now, most students are going around the circle saying they feel like they're at a "two" or a "three."

One male student, although physically present in the circle, had to ask what the prompt was when it was his turn to speak. His head was down and his shoulders were slumped. He said he felt like a one out of five.

McEachran, a Nellie N. Coffman Teacher of the Year, noted afterward that some students go the whole week without anyone asking them, "How are you?" That's why, even if they choose not to speak in the circle, checking in with them on Wednesday mornings, observing their responses and their body language, is so important.\*

It can be the difference between a student feeling invisible or feeling seen.

Although Wednesday might have been a particularly awful time given the deadliest shooting at a U.S. grade school in 10 years had occurred just a day before, children and adolescents are grappling with a national mental health crisis that was bad before the pandemic and has gotten worse since. The Centers for Disease Control and Prevention reported that before the pandemic, from 2016-2019, 2.7 million children ages 3 through 17 had depression, 5.5 million had behavior problems and 5.8 million had anxiety.

The CDC's first nationally representative survey of high school students during the pandemic shows a troublesome pattern. In 2021, more than a third of high school students reported they experienced poor mental health during the pandemic, and 44% reported they persistently felt sad or hopeless during the past year.

While some students did well in virtual learning, more than half of high schoolers surveyed reported they experienced emotional abuse by a parent or other adult in the home. More than one in 10 said they experienced physical abuse by a parent or other adult in the home. More than a quarter reported a parent or other adult in their home lost a job.

Sadly, Coachella Valley youth have not escaped these national trends, and, in some aspects, they are faring worse.

"In general, there's been a huge increase in mental health needs for students, staff and families," said Laura Meusul, executive director of student support services for Palm Springs Unified.

## **'I don't know how many opportunities students see for themselves'**

A lot of the demand for mental health services is, of course, being driven by rising trends in anxiety, depression and ADHD among youth, but part of the demand is stemming from societal awareness and openness about mental health. And, schools are being asked to do more than ever to provide mental health support and to normalize conversations about emotional wellness before behavioral issues become acute or chronic.

"Over my career, I've definitely seen the shift to more openness and being willing to discuss mental health issues," said Danielle McClain-Parks, a mental health coordinator at Palm Springs Unified. "I think that we are, as a society and as communities, more willing to acknowledge these mental health issues exist. I come from a generation where we didn't really talk about these kinds of things, but just because we didn't talk about them didn't mean that they didn't exist. They've always been there. We've had different names for them throughout different generations, but they've always existed. And, so, I think there's a little bit more willingness right now to acknowledge the impact."

A 2021 Palm Springs Unified survey of 9,850 secondary students revealed that 48% of respondents reported being able to persevere through setbacks to achieve important long-term goals, down from 65% in 2017.

Only 56% of secondary students responded that they do a good job of managing their emotions, thoughts and behaviors in different situations, down from 72% in 2017.

The data show students reporting similar rates of perseverance and emotional management across race and gender.

On the topics of perseverance and emotional management, Palm Springs Unified is performing near the 10th percentile out of 1,500 districts nationwide — representing 21,000 schools and 15 million students — that also completed this panorama survey on social emotional wellness.

Meusel hypothesized that low perseverance metrics among local secondary students might be worse than the national average in part due to the Coachella Valley's lack of access to higher

education.

"I don't know how many opportunities students see for themselves," she said. "And I'm talking about the fact there isn't a college other than College of the Desert right here."

"So for some students who have never left this area or have never seen anything else, I think that has a lot to do with some of this," she continued. "We have to educate students on all of the options that are available to them whether it be junior college, a four-year college, trade school, jobs in the community — what else is out there besides what they see in their limited area. And, I don't mean that in a condescending way. I just mean we need to broaden options for students."

## **Schools as service providers**

Each of the three districts use what's called multi-tiered systems of support to address student wellness. Tier one of care is available to every student. It can look a lot like McEachran's wellness circles or include teachers incorporating breathing exercises at the beginning of class.

A tier-two service would be something like small group counseling, and it's reserved for students who express a need through a school counselor, teacher or parent referral.

"We had a large amount of students who had a family member pass away from COVID, and, so, we have a lot of grief counseling groups going on," Meusel said. "We have a lot of families that lost their income or lost their jobs or their housing, and, so, (there's) some anxiety around 'Where are we sleeping? Are my parents going to be able to provide for us?'"

About 15% of PSUSD students are in tier-two services where these questions are discussed, Meusel said.

Tier-three service referrals for individual counseling are for students with acute mental health issues such as disordered eating, cutting, suicidal thoughts and higher levels of depression or anxiety, Meusel said.

At the start of the school year, Palm Springs Unified had seven therapists. Now, it has 14, Meusel said, and it is hiring to have 20 therapists by the start of the next school year in August.

State Superintendent Tony Thurmond declared an "urgent need to address student trauma" in March, and he has been advocating for the state senate to pass SB-1229, a bill that

would establish a mental health workforce grant program that, if passed, Thurmond says could help secure 10,000 mental health clinicians in the state and lower student-to-counselor ratios in schools.

For now, Coachella Valley school districts are struggling to recruit mental health professionals even as they each earmark millions of federal COVID-19 relief funds for the purposes of hiring mental health therapists, counselors, psychologists and behavioral support staff.

"It's been a challenge to hire enough people," Meusel said. "We have the money. We have the positions open. It's just hard to recruit."

Palm Springs Unified alone has seen about 1,000 students enter individual therapy this year through the district as their free-of-charge provider. That's about one in 20 students in the district receiving individual therapy, and that number does not include some insured students who received mental health services through other providers in the past year.

In the eastern valley, Coachella Valley Unified has sponsored billboards promoting the district's free mental health services for students and families.

In a March report to the school board, district staff said they had provided mental health counseling to 1,629 students since the school year began last August, and 352 students had entered a controlled substance intervention program over that time.

Of the 1,629 students to receive mental health counseling, 60% attend elementary school. More than 100 are in kindergarten or transitional kindergarten. More kindergartners received therapy than high school juniors or seniors.

512 students were counseled and/or diagnosed for anxiety

205 students were counseled for behavior

138 students were counseled and/or diagnosed for depression

110 students were counseled for family divorce/separation

64 students were counseled for issues with adjusting to change/COVID

55 students were counseled for grief

Ninety students reported suicidal ideation, and 64 reported self-harm.

The numbers are dreary when taken in aggregate, but 615 students had a positive outcome from the district's counseling, meaning they either were discharged from counseling having made progress or having reached goals linked to services. Another 640 students continued in

district counseling as of March, whereas a much smaller percentage of students or their parents/guardians declined counseling services or did not achieve positive outcomes.

## **Anxiety lingers after return to school**

Sue Ann Blach, a mental health therapist at Desert Sands Unified, said since the pandemic began, she's seen many students struggle with anxiety and depression that could be linked to increased electronic use, lack of physical activity, lack of social interactions and poor sleep.

Lopez Mendoza, the eighth grader, said during the early stages of the pandemic her principle form of social interaction came through FaceTime with friends.

During virtual school days, there was little social stimulation.

"No one else had their cameras on," Lopez Mendoza said. "I really wanted to come back and socialize."

Of course, many students did not have their cameras on for a variety of reasons, including limited broadband internet capabilities or sharing living/work spaces with siblings, adults or others.

Leon-Montano said he struggled showing up on time to Zoom classes even though class was only a few clicks on the computer away.

"Being at school is better than home, not gonna lie," he said.

But, a year after school has resumed in-person, there is still a great deal of uncertainty about the future, and anxiety about the unknown is continuing to affect kids and adults, both, experts say.

"As we've come back, everybody, I think adults and children alike, have really experienced some of that continuing sense of the unknown... and for some of our younger students who thrive on structure, it's been harder for them to kind of keep adjusting as we go," McClain-Parks said.

For older students, she said, "It's been great that they're coming back, but then some of the lingering issues that were brought up during the pandemic have been difficult for them to deal with."

"Students are just kind of processing what's happened in the last couple of years," she added. "We've experienced kind of a community and society-wide trauma. And when you think

about it for our students, that's a really significant portion of their lives. For us, as adults, it's big. But for our students, two years is a huge developmental leap for them, and they've had to experience that with lots and lots of changes and not knowing what's going to happen next."

Monetathchi said many youth discussed their frustrations with distance learning, often "causing low self esteem because they struggled to learn and then felt bad about themselves."

Similarly, they felt lonely from lack of socializing, and even grieved beloved events, such as proms, graduation and quinceañeras, she added.

"It is important for children and teens to have a safe space to share their feelings and for adults to validate and normalize those feelings," Monetathchi said. "Counseling sessions can offer that safe space for them to express their feelings while teaching them useful coping strategies for anxiety and depression, as well as help them raise their self esteem and practice social skills."

"Exploring meaningful ways for honoring the events they missed, either by celebrating with family or with their friends in some way, can also be helpful," she added.

## **More resources available**

Many are ready to move on from the pandemic, but for those who have struggled with their mental health, it might not be quite so easy.

Riverside County is providing more resources, especially in some of the most underserved areas in the Coachella Valley. The Riverside County Board of Supervisors recently received \$7 million in Crisis Care Mobile Unit grant funds from the California Department of Health Care Services.

The grant funds will bring Mobile Crisis Management Teams to the cities of Blythe, Corona, Hemet, Indio, Moreno Valley, Temecula, Banning, Menifee and Riverside. Some cities, including Coachella, Thermal, Mecca and North Shore, will receive two teams to assist with high volumes of crisis needs.

Rhyan Miller, deputy director of Integrated Programs with the county's Behavioral Health department, said two teams are being sent to east valley cities because "these communities have long been underserved by field-based response teams." A CBAT team (a behavioral health therapist that rides along with law enforcement) is also being sent to Thermal to

The Mobile Crisis Management Teams provide mobile crisis response and wraparound services to help those with ongoing mental health care needs and substance use treatment. Teams consist of clinical therapists, peer support specialists, substance use counselors and a homeless and housing case manager.

“The goals of these teams are to be responsive, person-centered and use recovery tools to prevent crisis and divert unnecessary psychiatric hospitalization whenever possible,” Kristin Miller, administrator of Riverside University Health System Behavioral Health Crisis Support System of Care, said in a statement.

Mental health clinics are also doing what they can to further assist clients. The San Geronimo Memorial Hospital Behavioral Health Center has brought back Friday group sessions, which Maciel said clients have "begged" to have. Maciel said he is hoping to implement activity-based programming on Fridays rather than the traditional discussions that already take place throughout the week.

"It provides the camaraderie, they really, truly like each other," he said.

The director also hopes to provide individual mental health counseling for clients in the future.

What's most exciting to him is that the pandemic made people more open to discussing mental health, and it even became a family affair for some. Maciel said that people in the past would come in for personal issues, and mainly kept their struggles to themselves.

"But with the pandemic, it seemed like entire families wanted treatment, and things were talked about more openly about mental health," Maciel said. "A mother would come in and say, 'Next week you're going to see my husband,' and then the husband would say, 'Next week you're going to see my sister-in-law.' It was just like let's get everybody help because this pandemic is really taking a toll."

For those who have not sought help for their mental health needs, there are plenty of resources available locally, including those that are free of charge. The Coachella Valley chapter of the National Alliance on Mental Illness, serving residents from Desert Hot Springs to the Salton Sea, provides free mental health support, online groups, resources and education.

President Christine Thomstad and Treasurer George Thomstad initially were introduced to NAMI when they were seeking mental health resources for their son, who lives with schizoaffective disorder.



"The biggest thing that NAMI tells you, and we hear it all the time, is the first time someone attends a support group, they realize there are other people out there going through the same thing they're going through, and that's what we found," Christine Thomstad said.

Over the course of 15 years, they've become advocates for mental health, connecting people with others who understand what they're going through. NAMI Coachella Valley holds two group sessions twice a month — a family support group and recovery support group — on Zoom. There are also plans to hold some meetings in-person in the future and provide groups sessions in Spanish.

There's no one solution to mental health struggles, but integrative mental health specialist Louise B. Miller, of Rancho Mirage, said people can be more in tune with themselves by taking their emotional/mental temperature. Often times, she said, people will power through difficulties in life without properly examining them.

"Living mindfully and being aware, not only how your body is feeling, but also how your mind is doing," she said. "People don't stop and take their emotional temperature throughout the day, and I think that's really important because you can stop it in its tracks and go, 'What's going on with me?'"

## **Mental health resources**

### **San Geronio Memorial Hospital Behavioral Health Center:**

Visit <https://sgmh.org/services/behavioral-health/> or call 760-325-2683

**Jewish Family Service of the Desert:** Visit <https://jfsdesert.org/> or call 760-325-4088

**It's Up to Us:** The site has tools for having conversations, checking in on friends and referrals to places people can go to get immediate help. Visit <https://up2riverside.org/>

**CARES Line, (800) 499-3008:** The Community Access, Referral, Evaluation and Support line is answered by licensed clinicians who provide support and crisis intervention, as well as connections to outpatient, inpatient and community resources.

**Peer Navigation Line, (888) 768-4968:** Not sure where to start? The peer navigation line connects you to someone who is currently recovering from their own mental health issues in Riverside County. They will talk to you about how you're feeling and direct you to resources that could help.

**2-1-1 Community Connect:** By dialing 2-1-1, Riverside County residents are connected to a local information hotline for individuals in crisis.

**National Alliance on Mental Illness, Coachella Valley, (888) 881-6264:** Provides support groups (for those experiencing mental illness and the loved ones of those experiencing it) and behavioral health resource referrals to residents from Desert Hot Springs to the Salton Sea.

**Riverside County 24/7 mental health urgent care, Palm Springs, (442) 268-7000:** If you are experiencing troubling thoughts and need immediate help, the clinic is able to instantly connect you to counseling, nursing and provide psychiatric medication, if needed. Everyone is welcome regardless of insurance or ability to pay for services. The clinic is open 24/7 and no appointment is needed. Located at 2500 N. Palm Canyon Drive, Suite A4, Palm Springs.

**Crisis Stabilization Unit in Indio, (760) 863-8600:** Individuals experiencing troubling thoughts who need immediate help can go to the clinic at 47-915 Oasis St., Indio.

**National Suicide Prevention Hotline, (800) 273-8255:** The hotline is available 24/7.

*\*Correction: An earlier version of this story incorrectly described Mindy McEachran's "teacher of the year" accolade. She is a Nellie N. Coffman Middle School Teacher of the Year.*

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