



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
Tuesday, July 11, 2023 – 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
 - o June 6, 2023, Regular Meeting A

NEW BUSINESS

- IV. Hospital Board Chair Monthly Report S. DiBiasi verbal

- V. CEO Monthly Report S. Barron verbal

- | | | | |
|-------|---|------------|---|
| VI. | Bi-Monthly Patient Care Services Report | A. Brady | B |
| VII. | Quarterly Foundation Report | V. Hunter | C |
| VIII. | July, August, & September Board/Committee Meeting Calendars | S. DiBiasi | D |
| IX. | Committee Reports: | | |

Finance Committee:

- | | | | |
|---|---|-------------------------------|---------|
| * | Proposed Action – Recommend approval to the Healthcare District Board to adopt Resolution No. 2023-04, a resolution of the San Gorgonio Memorial Healthcare District Board of Directors approving the form and authorizing the execution and delivery of an equipment lease agreement in connection with the acquisition of equipment and approving certain related actions. | J. Peleuses | E |
| | ▪ ROLL CALL | | |
| * | Proposed Action – Recommend approval to the Healthcare District Board of the Data Center Upgrade not to exceed \$300K upon District Board approval | C. Maja | handout |
| | ▪ ROLL CALL | | |
| * | Proposed Action – Approve May 2023 Financial Statement (Unaudited)
○ June 27, 2023, regular meeting minutes
(Approval recommended by Finance Committee 06/27/2023) | S. DiBiasi/
D. Heckathorne | F |
| | ▪ ROLL CALL | | |
| * | Proposed Action – Recommend approval to the Healthcare District Board of FYE 2024 Operating, Capital and Cash Flow Budgets | D. Heckathorne | G |
| | ▪ ROLL CALL | | |

Executive Committee:

- | | | | |
|-----|---|-----------------------------------|---|
| | ○ June 27, 2023, regular meeting minutes
○ Reports | S. DiBiasi | H |
| X. | Chief of Staff Report
* Proposed Action - Approve Recommendations of the Medical Executive Committee | R. Sahagian, MD
Chief of Staff | I |
| | ▪ ROLL CALL | | |
| XI. | * Proposed Action - Approve Policies and Procedures | Staff | J |
| | • ROLL CALL | | |

XII. Community Benefit events/Announcements/
and newspaper articles S. DiBiasi K

XIII. Future Agenda Items

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

- Proposed Action - Recommend approval to Healthcare District Board - Medical Staff Credentialing
(*Health & Safety Code §32155; and Evidence Code §1157*)
- Receive Environment of Care/Life Safety/Utility Management Report
(*Health & Safety Code §32155*)
- Telephone conference with legal counsel – Pending litigation
(Government Code § 54956.9(d)(1))
*Desert Anesthesia Consultants, LP v. San Gorgonio Memorial
Hospital, et al.* (Case No. RIC2000609)

XIV. 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

XV. 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 7, 2023, 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 7, 2023



Ariel Whitley, Executive Assistant

TAB A

REG~~ULAR~~ ME~~ETI~~NG OF THE
S~~AN~~ GORGO~~ONIO~~ MEM~~ORIAL~~ HOSPIT~~AL~~
BO~~ARD~~ OF ~~DIR~~ECTORS

June 2023

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Tuesday June 2023 in Modular C meeting room 000, Highland Springs Avenue, Banning, California.

Members Present: Susan Biyasi (Chair), Perry Goldstein, Ron Rader, Steve Rutledge (Vice Chair), Randal Stevens, Manny Sierdlo, Dennis Tankersley

Members Absent: Carrell Petersen, Shannon McCougall

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), Sheriff Khalil M. Chief of Staff, Annah Gram (CHRO), Ariel Whitley (Executive Assistant), Angie Brady (COO), John Peleuses (PP), Ancillary and Support Services, Aram P. Singh (CMO), Dey Hunter (Security Director)

AGENDA ITEM		ACTION / FOLLOW-UP
Call To Order	Chair Susan Biyasi called the meeting to order at 10:02 pm.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action - Approve Minutes May 2, 2023, regular meeting.	Chair Susan Biyasi asked for any changes or corrections to the minutes of the May 2, 2023 regular meeting. There were none.	The minutes of the May 2, 2023, regular meeting will stand correct as presented.
NEW BUSINESS		
Hospital Board Chair Monthly Report	Chair Biyasi used this time to rearrange committee assignments as there has been changes in members. An updated list will be sent to all members.	
CEO Monthly Report	Steve Barron announced that we are in our 4 th quarter and we've been focused on finishing up challenges from the action plan with Altera. We are actively working but it is slow.	
June, July, and August Board/Committee meeting calendars	Calendars for June, July, and August were included on the board tablets.	
COMMITTEE REPORTS:		

AGENDA ITEM		ACTION / FOLLOW-UP																				
<p>Finance Committee</p> <p>Proposed Action – Recommend Approval of the April 2023 Financial Statement (Unaudited).</p>	<p>Jan Heckathorn, CFO reviewed the Executive Summary of the April 2023 Financial report which was included on the board tablet. A copy of the Finance Committee’s May 30, 2023 meeting minutes were also included on the board tablet. It was noted that the Finance Committee recommends approval of the April 2023 Financial report as presented.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 537 1255 716"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougal</td> <td>Abstent</td> <td>Petersen</td> <td>Abstent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougal	Abstent	Petersen	Abstent	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Yes	Motion carried.		<p>M.S.C., (Rader/Swerdlow), the SGMH Board of Directors approved the April 2023 Financial Statement as presented.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougal	Abstent	Petersen	Abstent																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Yes	Motion carried.																				
<p>Proposed Action - Recommend approval to the Healthcare District Board</p> <ul style="list-style-type: none"> • Annual Insurance Renewals 	<p>The Annual Insurance Renewals include:</p> <ul style="list-style-type: none"> • Professional and General Liability • Directors and Officers Liability • Employment Practices Liability • Auto Liability • Workers’ Compensation <p>It was noted that approval is recommended to the Healthcare District Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 1142 1255 1320"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougal</td> <td>Abstent</td> <td>Petersen</td> <td>Abstent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougal	Abstent	Petersen	Abstent	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Yes	Motion carried.		<p>M.S.C. (Rutledge/Rader), the SGMH Board of Directors voted to recommend approval of the Annual Insurance Renewals to the Healthcare District Board of Directors.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougal	Abstent	Petersen	Abstent																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Yes	Motion carried.																				
<p>Proposed Action – Approve the Altera Interface fees of \$108,000, plus \$6,500 per year for ongoing support fees</p>	<p>Establishment of the 300B program with CraneCare will require the development of appropriate interfaces needed to transfer data from the Altera H.R. system to CraneCare.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 1541 1255 1719"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougal</td> <td>Abstent</td> <td>Petersen</td> <td>Abstent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougal	Abstent	Petersen	Abstent	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Yes	Motion carried.		<p>M.S.C. (Stevens/Swerdlow), the SGMH Board of Directors voted to approve the Altera interface fees of \$108,000, plus \$6,500 per year for ongoing support fees as presented.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougal	Abstent	Petersen	Abstent																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Yes	Motion carried.																				

AGENDA ITEM		ACTION / FOLLOW-UP																				
<p>Chief of Staff Report</p> <p>Proposed Action – Approve Recommendations of the Medical Executive Committee</p>	<p>Sherif Khalil, M.D., 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"> 2023 Annual Approval of Policies & Procedures <p>Informational Items:</p> <ul style="list-style-type: none"> Election of Medical Staff Officers <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="383 642 1255 821"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Abstent</td> <td>Petersen</td> <td>Abstent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougall	Abstent	Petersen	Abstent	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Yes	Motion carried.		<p>M.S.C., (Swerdlow/Rader), the SGMH Board of Directors approved the Medical Executive Committee recommended approval items as submitted.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougall	Abstent	Petersen	Abstent																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Yes	Motion carried.																				
<p>Proposed Action – Approve Policies and Procedures</p>	<p>There were forty-three (43) 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 1020 1255 1199"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Goldstein</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Abstent</td> <td>Petersen</td> <td>Abstent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> <tr> <td>Stevens</td> <td>Yes</td> <td>Swerdlow</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Goldstein	Yes	McDougall	Abstent	Petersen	Abstent	Rader	Yes	Rutledge	Yes	Stevens	Yes	Swerdlow	Yes	Tankersley	Yes	Motion carried.		<p>M.S.C., (Rutledge/Stevens), the SGMH Board of Directors approved the policies and procedures as submitted.</p>
DiBiasi	Yes	Goldstein	Yes																			
McDougall	Abstent	Petersen	Abstent																			
Rader	Yes	Rutledge	Yes																			
Stevens	Yes	Swerdlow	Yes																			
Tankersley	Yes	Motion carried.																				
<p>Community Benefit events/Announcements and newspaper articles</p>	<p>Miscellaneous information was included on the board tablets.</p>																					
<p>Future Agenda Items</p>	<ul style="list-style-type: none"> None 																					
<p>Adjourn to Closed Session</p>	<p>Chair DiBiasi reported the items to be reviewed and discussed and/or acted upon during Closed Session will be:</p> <ul style="list-style-type: none"> ➤ Recommend approval to the Healthcare District Board – Medical Staff Credentialing ➤ Receive Quarterly Infection Prevention and Control Report <p>The meeting adjourned to Closed Session at 7:00pm.</p>																					
<p>Reconvene to Open Session</p>	<p>The meeting adjourned from closed session at 7:12 pm.</p> <p>At the request of Chair DiBiasi, Ariel Whitley reported on the actions taken/information received during the Closed Session as follows:</p>																					

AGENDA ITEM		ACTION / FOLLOW-UP
	<ul style="list-style-type: none"> ➤ Recommended approval to the Healthcare District Board – Medical Staff Credentialing ➤ Received quarterly Infection Prevention and Control Report 	
Adjourn	The meeting was adjourned at 1:00 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 100 W. Highland Springs Avenue Banning CA 92220 during regular business hours Monday through Friday 8:00 am to 3:30 pm.

Respectfully submitted by Ariel Whitley Executive Assistant

TAB B



Bi-Monthly Patient Care Services Report

The Omnicell machines were delivered, and the rep was on-site and made sure all the machines were able to sign on to the network. We need to program the drug locations of each machine once Omnicell uploads the drug formulary to the server. We are waiting on HCAI approval to move forward and this may take anywhere between 1-4 months before we can go live.

The Nursing Skills Fair was a success and took place in the last week of June. We had 15 nursing education stations and each was heavily attended.

Staff were trained on the mobile CT and we have started to use it the last couple of weeks. We rented an ambulance gurney for easier transfer in and out of the mobile unit. There was education on CVAs at the nursing fair and we have been seeing an increase in stroke activation in the ED. Training for physicians and APPs is the next course of action for the primary stroke center accreditation.

TAB C

SGMH Foundation report as of June 30, 2023

<u>Foundation Finances for May 2023</u>		(as of 5/31/2022)
Bank of Hemet Checking	\$291,817.84	
Acct:		(actual as of <u>5/31/2023</u>)
Bank of Hemet Money Mar-	\$128,336.25	
ket Acct:		(actual as of <u>5/31/2023</u>)
I.E. Community Foundation	\$96,290.92	
Acct:		(actual as of <u>5/31/2023</u>)
Total	\$516,445.01	

Foundation Report

- The Foundation office is in full golf mode. Golf invites will be going out and with the amount of discussion there is, the Foundation Golf Committee is projecting that the tournament will sell out. The difference between the golf tournament and the tournaments of the past, are that over 25 celebrity athletes have been invited and so far, 10 have confirmed.
- The Foundation President, Allen Koblin, and the Foundation Director are working to meet with a local developer to support the Foundation.
- The Foundation is currently working on becoming up to date with information on the SGMH website.
- The Foundation is dark for July 2023.

TAB D



July 2023

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 <i>Movies Under the Stars at Noble Creek Park</i>	4 Administration Closed	5	6	7	8
9	10 <i>Movies Under the Stars at Noble Creek Park</i>	11 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting <i>Calimesa Chamber Breakfast @7:30AM</i>	12 <i>*Dr. Singh speaking to the Four Seasons residents at Four Seasons</i>	13	14 <i>Beaumont Chamber Breakfast @7:30 AM</i> <i>Market in the Park @ Noble Creek Park 5:30pm-9:30pm.</i>	15
16	17 <i>Movies Under the Stars at Noble Creek Park</i>	18	19 9:00 am HR Committee Meeting 10:00 am Community Planning Meeting <i>*John Peleuses speaking at Banning Chamber Breakfast</i>	20	21 <i>Banning Chamber Breakfast @7AM</i>	22
23	24 <i>Movies Under the Stars at Noble Creek Park</i>	25 9:00 am Finance Committee	26	27	28 <i>Market in the Park @ Noble Creek Park 5:30pm-9:30pm.</i> <i>Banning Chamber Mixer @5:30PM</i>	29
30	31					

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

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



August 2023

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	2	3	4	5
6	7	8 <i>*Dr. Singh speaking @ Calimesa Chamber Breakfast @7:00AM</i>	9	10	11 <i>Beaumont Chamber Breakfast @7:30 AM</i> <i>Market in the Park @ Noble Creek Park 5:30pm-9:30pm.</i>	12
13	14	15	16 <i>Banning Chamber Breakfast @7AM</i>	17	18	19
20	21	22	23	24	25 <i>Market in the Park @ Noble Creek Park 5:30pm-9:30pm.</i>	26 <i>Smiles for Seniors Fundraising Event 12p-3p</i>
27	28	29 9:00 am Finance Committee	30	31		

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

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



September 2023

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4 <i>Administration Closed for Labor Day</i>	5 4:00 pm Hospital Board Meeting 6:00 pm Healthcare District Board Meeting	6	7	8 <i>Beaumont Chamber Breakfast @7:30 AM</i>	9
10	11	12	13 World Sepsis Day	14	15 <i>Oktoberfest</i>	16 <i>Oktoberfest</i>
17 <i>Oktoberfest</i> World Patient Safety Day	18	19 National IT Professionals Day	20 <i>Banning Chamber Breakfast @7AM</i>	21	22	23
24	25	26 9:00 am Finance Committee	27	28 <i>Beaumont 2023 State of the City</i>	29	30 <i>Habitat for Humanity Gala</i>

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

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

TAB E

RESOLUTION NO. 2023-04

RESOLUTION OF THE SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BOARD OF DIRECTORS APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE AGREEMENT IN CONNECTION WITH THE ACQUISITION OF EQUIPMENT AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, the District, a body politic and local healthcare district organized under the Local Health Care District Law (constituting Division 23 of the California Health and Safety Code) is authorized by the laws of the State of California to acquire and lease certain equipment and other property for the benefit of the District and its inhabitants and to enter into contracts with respect thereto;

WHEREAS, in order to properly operate the District's facilities, the Board has determined that a true and very real need now exists for the acquisition and lease of certain capital equipment from Mindray pursuant to a proposal dated June 21, 2023, to be used in its health facilities (the "Equipment") on the terms and conditions herein provided;

WHEREAS, the District proposes to borrow monies in order to acquire the Equipment, and reimburse or pay certain of its costs thereof, including, but not limited to any or all expenses incidental thereto or connected therewith;

WHEREAS, in order to finance the acquisition of the Equipment, the District has determined to engage in an equipment finance lease transaction with Med One Capital Funding, LLC (the "Lessor"), whereby the Lessor will lend monies to the District with which the Equipment will be acquired in consideration of the District's agreement to provide the Lessor a security interest in the Equipment and to make certain lease payments to Lessor;

WHEREAS, the Board deems it is for the benefit of the District and the efficient and effective administration thereof to enter into an Equipment Lease Agreement, expected to be dated in July of 2023 (the "Agreement"), and various other agreements and certificates for the acquisition and financing of the Equipment pursuant to the Agreement, to be more specifically described in the terms and conditions therein and herein;

WHEREAS, the District has determined to take all necessary action to accomplish the proposed financing with Lessor, pursuant to the provisions of section 32130.6(b) of the California Health and Safety Code; and

WHEREAS, pursuant to section 5852.1 of the California Government Code, certain information relating to the Agreement is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors (the "Board") of San Gorgonio Memorial Healthcare District (the "District"), as follows:

Section 1. The negotiation of certain material terms contained in the Agreement and the borrowing of monies used to select, negotiate and acquire the Equipment pursuant to the District's entering into a lease financing with Lessor pursuant to the Agreement and involving an aggregate principal amount of not to exceed \$1,200,000 and granting of a security interest in the Equipment (all such actions being collectively referred to herein as the "Financing"), is hereby authorized and approved.

Section 2. The findings and declarations of the District contained in the above "WHEREAS" clauses are true and correct and are hereby incorporated into this Resolution by this reference. The District is authorized to enter into the Agreement, and execute and deliver any other agreements, certificates and other documents relating to and effecting the Financing, and to lease the Equipment.

Section 3. The form of the Agreement, including all exhibits pertaining thereto, by and between the District and the Lessor, in substantially final form, each as presented at this meeting, is hereby approved. The Chief Executive Officer, the Chief Financial Officer, or the designee thereof (an "Authorized Officer"), is hereby authorized and directed, for and in the name of the District, to execute and deliver the Agreement, in substantially the form presented to this meeting, with such changes therein as an Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery of the Agreement. The rental payments, interest rates, the scope and type of security interest granted, rental payment dates, prepayment terms, termination rights, place or places of payment, terms of assignment and other terms shall be as provided in the Agreement and such other documents, each as finally executed.

Section 4. Each Authorized Officer is hereby authorized and directed, for and in the name of the District, to execute and deliver any other documents as may be deemed necessary or appropriate to implement and consummate the Financing including, but not limited to, an acceptance certificate and certificate of insurance.

Section 5. The Secretary of the Board is hereby authorized and directed to, for and in the name of the District, to execute and deliver a certificate of incumbency and attest the signature of any Authorized Officer as may be required in each case in accordance with this Resolution and in connection with the execution and delivery of the Agreement, and all documents and certificates thereto.

Section 6. Each Authorized Officer is hereby authorized and directed to do the following with respect to the negotiation and consummation of the Financing: (a) take any and all actions and execute, acknowledge, deliver and file any and all agreements, instruments or other documents of any kind required of the District; and (b) act as an agent of the District for the purposes of the Financing and any additional negotiations, authorizations, approvals, executions, consents, notices, deliveries or other acts required to consummate the Financing.

Section 7. All actions taken by any Authorized Officer which have been undertaken to date or which will be undertaken with respect to the planning, negotiation, authorization, approval, and implementation of the Financing are hereby ratified, confirmed and approved in all respects.

Section 8. This Resolution shall take effect immediately upon its passage.

* * * * *

PASSED AND ADOPTED this 11th day of July, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

By _____
Chair, Board of Directors
San Gorgonio Memorial Healthcare District

I hereby certify that the foregoing resolution was duly adopted at a meeting of the Board of Directors of San Gorgonio Memorial Healthcare District held on the 11th day of July, 2023.

By _____
Secretary, Board of Directors
San Gorgonio Memorial Healthcare District

APPENDIX A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the District's financial advisor which has been represented to have been provided in good faith:

- (A) True Interest Cost of the Lease Financing: 11.75%
- (B) Finance Charges (Costs of Issuance): \$0.00
- (C) Net Proceeds to be Received for the Lease (net of finance charges): \$1,178,316
- (D) Total Payment Amount through Maturity: \$1,563,600

The foregoing estimates constitute good faith estimates only.

The principal amount, the true interest cost, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the lease financing being different than the date assumed for purposes of such estimates, (b) the actual principal amount of the Agreement being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Agreement being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the lease financing being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale date and the actual principal amount of lease financing will be determined by the District based on the timing of the need for proceeds of the Agreement and other factors. The actual interest rates with respect to the Agreement will depend on market interest rates at the time of sale thereof. The actual amortization of the Agreement will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District of their financial advisor.

A GLOBAL LEADER IN PATIENT MONITORING, ANESTHESIA AND ULTRASOUND SYSTEMS

PROPOSAL FOR:
SAN GORGONIO MEMORIAL HOSPITAL

PREPARED BY:
Jeffrey Barnard
Jun 21, 2023



monitoring | anesthesia | ultrasound

Proposal Summary

Proposal Date: Jun 21, 2023
 Proposal Number: Q-115968
 Proposal Exp. Date: Jun 30, 2023
 Sales Rep: Jeffrey Barnard
 Proposal For: SAN GORGONIO MEMORIAL HOSPITAL

Mindray DS USA, Inc.
 800 MacArthur Blvd.
 Mahwah, NJ 07430
 Tel: 201-995-8000
 Fax: 800.266.9624

Contact:
 Title:
 Phone:
 Email:

Total Price By Department

ICU			
Department Name	List Price	Departmental Discount	Net Price
ICU	USD 561,917.00	USD -223,470.91	USD 338,446.09
ICU TOTAL:			USD 338,446.09

Med Surg/ Tele			
Department Name	List Price	Departmental Discount	Net Price
Med Surg/ Tele	USD 486,855.00	USD -179,888.37	USD 306,966.63
Med Surg/ Tele TOTAL:			USD 306,966.63

War Room			
Department Name	List Price	Departmental Discount	Net Price
War Room	USD 54,936.00	USD -41,228.92	USD 13,707.08
War Room TOTAL:			USD 13,707.08

PACU			
Department Name	List Price	Departmental Discount	Net Price
PACU	USD 165,554.00	USD -63,227.22	USD 102,326.78
PACU TOTAL:			USD 102,326.78

GI			
Department Name	List Price	Departmental Discount	Net Price
GI	USD 23,427.50	USD -8,987.82	USD 14,439.68
GI TOTAL:			USD 14,439.68

OR - 2 x A5 / N15 / AGM			
Department Name	List Price	Departmental Discount	Net Price
OR - 2 x A5 / N15 / AGM	USD 201,512.80	USD -88,776.50	USD 112,736.30
OR - 2 x A5 / N15 / AGM TOTAL:			USD 112,736.30

OR Transport

Department Name	List Price	Departmental Discount	Net Price
OR Transport	USD 19,525.00	USD -7,352.75	USD 12,172.25
OR Transport TOTAL:			USD 12,172.25

Enterprise Server/ R4 Upgrade

Department Name	List Price	Departmental Discount	Net Price
Enterprise Server/ R4 Upgrade	USD 323,202.39	USD -97,903.85	USD 225,298.54
Enterprise Server/ R4 Upgrade TOTAL:			USD 225,298.54

ED Wkstn R4-R5 Upgrade

Department Name	List Price	Departmental Discount	Net Price
ED Wkstn R4-R5 Upgrade	USD 42,000.00	USD -39,750.00	USD 2,250.00
ED Wkstn R4-R5 Upgrade TOTAL:			USD 2,250.00

E-Gateway Upgrade

Department Name	List Price	Departmental Discount	Net Price
e-Gateway Upgrade	USD 58,873.00	USD -8,900.00	USD 49,973.00
E-Gateway Upgrade TOTAL:			USD 49,973.00

TOTAL: USD 1,178,316.35

To:
 SAN GORGONIO MEMORIAL
 HOSPITAL
 600 NORTH HIGHLAND
 SPRINGS AVENUE
 BANNING, CA 92220-3090

Sales Representative: Jeffrey Barnard
Quote Number: Q-115968

Proposal Date: Jun 21, 2023

Phone: (951) 216-0000
E-mail: j.barnard@mindray.com

Affiliation: PRE1

ICU						
Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
1	121-001603-00	N17 Monitor with Early Warning Score, DVI, HemoSight, SepsisSight and 24 hour ECG N17 Monitor-includes 5 year warranty, battery, 6 module slots, quick reference guide, line cord and 1 roll of paper	USD 15,255.00	USD 9,153.00	16	USD 146,448.00
2	121-001586-00	Sidestream CO2 module 1X (115-049134-00) with adult/pediatric accessory kit Sales BOM	USD 3,700.00	USD 2,220.00	16	USD 35,520.00
3	115-062361-00	N Series Combo Ops Manual	Included	Included	1	USD 0.00
4	045-003253-00	N12/N15/N17 GCX VHM series arm with transition plate	USD 1,575.00	USD 1,181.25	16	USD 18,900.00
5	0436-00-0206	Cable Hooks GCX Cable Hook (mounts under Arm) Compatible with DPM 6, DPM 7, Passport 12m and Passport 17m, when mounted to A-Series anesthesia machines	USD 37.50	USD 28.13	16	USD 450.08
6	121-001561-00	MPM-15 Masimo SpO2 3/5/12-lead Arrhythmia and ST (M51CE-PA00003) Multiparameter Modules-include SpO2 reusable adult finger sensor and cable, reusable adult NIBP cuff (pn 115-027715-00) and hose (pn 6200-30-09688), ECG 5 lead adult defib proof cable (pn 009-004266-00) and ECG 5 lead snap 24" wire set (pn 009-004782-00), and MR420B adapter cable for YSI probe (pn 040-001235-00). All other accessories must be ordered separately.	USD 8,000.00	USD 4,800.00	16	USD 76,800.00
7	009-004786-00	5-Lead ECG Mobility Leadset, AHA, Pinch, 24" Compatible with TM80/TM70/TD60	USD 145.00	USD 108.75	17	USD 1,848.75
8	GRP-NS12LEAD-PINCH	N Series 12 Lead Bundle Pinch (040-003528-00, 0010-30-42904 and 009-004787-00)	USD 0.00	USD 0.00	3	USD 0.00
9	040-003528-00	ECG cable, 10' (3.1 m), 12-lead, defibrillation-proof, for N/T 5#lead leadwires	USD 400.00	USD 300.00	3	USD 900.00
10	0010-30-42904	12-lead ECG wire, chest, clip	USD 65.00	USD 48.75	3	USD 146.25
11	009-004787-00	5-Lead ECG Mobility Leadset, AHA, Pinch, 36" Compatible with TM80/TM70/TD60 (used for limb)	USD 155.00	USD 116.25	3	USD 348.75
12	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	16	USD 19,036.80
13	121-001580-00	IBP Module (115-047286-00) Sales BOM	USD 760.00	USD 456.00	1	USD 456.00
14	001C-30-70757	IM2202 12 pin IBP cable (BD)	USD 160.00	USD 120.00	16	USD 1,920.00

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
15	121-001961-00	N1 Monitor with SepsisSight® , Masimo SET® SpO2, ST/Arrhythmia analysis, QT/QTc, 3/5/6/12-lead ECG, NIBP, two invasive pressures, dual temperature, respiration, 2.4/5GHz wireless enabled, integrated battery and analog output port. (12-lead ECG cable and leadwires must be ordered separately #040-003528-00) (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 12,795.00	USD 7,677.00	2	USD 15,354.00
16	121-001635-00	Docking Station with pole mount kit Sales BOM	USD 1,100.00	USD 660.00	2	USD 1,320.00
17	115-054851-00	Transport Modular rack/handle with 1X module slot and bedrail hook kit	USD 875.00	USD 656.25	2	USD 1,312.50
18	115-050935-00	BeneVision DMS Workstation, Mini PC	USD 3,000.00	USD 1,740.00	1	USD 1,740.00
19	803-040044-00	WorkStation/Tower Install & Setup w/ CABL includes programming, configuration and verification	USD 3,250.00	USD 2,550.00	1	USD 2,550.00
20	0992-00-0002-04	OEM Uninterrupted power supply APCBR800	USD 186.00	USD 145.08	1	USD 145.08
21	121-001453-00	BeneVision DMS Widescreen Touch Display	USD 2,975.00	USD 1,725.50	1	USD 1,725.50
22	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
23	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	18	USD -3,240.00
24	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
25	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	18	USD 3,240.00
26	803-070877-00	N1 Install & Setup includes programming, configuration and verification	USD 200.00	USD 162.00	2	USD 324.00
27	023-001566-00	HP LaserJet Enterprise M608n Printer	USD 3,700.00	USD 2,220.00	1	USD 2,220.00
28	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	1	USD 1,189.80
29	803-040040-00	Device Install & Setup w/o CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 815.00	USD 815.00	2	USD 1,630.00
30	115-050935-00	BeneVision DMS Workstation, Mini PC	USD 3,000.00	USD 1,740.00	1	USD 1,740.00
31	803-040044-00	WorkStation/Tower Install & Setup w/ CABL includes programming, configuration and verification	USD 3,250.00	USD 2,550.00	1	USD 2,550.00
32	0992-00-0002-04	OEM Uninterrupted power supply APCBR800	USD 186.00	USD 145.08	1	USD 145.08
33	121-001453-00	BeneVision DMS Widescreen Touch Display	USD 2,975.00	USD 1,725.50	1	USD 1,725.50
34	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
35	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	18	USD 3,240.00
36	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
37	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	18	USD -3,240.00
ICU TOTAL:						USD 338,446.09

Med Surg/ Tele

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
38	121-002199-00	VS9 Vitals sign Monitor - Includes Touchscreen display, Non-Invasive Blood Pressure, Masimo Pulse Oximetry, Exergen Temporal Thermometry, MEWS, Hardwire and 5GHz Wireless communication, eGateway and BeneVision Central Station connectivity, Bluetooth, Recorder and Accessories	USD 5,865.00	USD 3,460.35	6	USD 20,762.10
39	115-034132-00	Smart Li-ion Battery kit(5600mAh)	USD 255.00	USD 191.25	6	USD 1,147.50
40	045-004267-00	Mobile Stand with Quick Release Mount	USD 445.00	USD 333.75	6	USD 2,002.50
41	045-004285-00	Hand Sanitizer Holder	USD 18.00	USD 13.50	6	USD 81.00
42	045-002935-00	Mount for disinfecting wipes for Mobile Stand	USD 35.00	USD 26.25	6	USD 157.50
43	115-031807-00	Reusable Bladderless NIBP Cuff Kit: Includes one Child, Small Adult, Adult, Large Adult, and Thigh cuff Compatible with Accutorr V, DPM 3, DPM 4, DPM 5, DPM 6, DPM 7, Duo, Trio, Passport 2, Passport V, Spectrum, Spectrum OR, V12, V21, Accutorr 3, Accutorr 7, Passport 8, Passport 12, T1, Passport 12m, Passport 17m	USD 162.00	USD 121.50	6	USD 729.00
44	115-088398-00	VS9 Manual CD	USD 5.00	USD 0.00	1	USD 0.00
45	803-071151-00	Design, implementation, and installation of the a Vital Sign monitoring solution	USD 1,040.00	USD 1,040.00	1	USD 1,040.00
46	115-050935-00	BeneVision DMS Workstation, Mini PC	USD 3,000.00	USD 1,740.00	1	USD 1,740.00
47	803-040044-00	WorkStation/Tower Install & Setup w/ CABL includes programming, configuration and verification	USD 3,250.00	USD 2,550.00	1	USD 2,550.00
48	0992-00-0002-04	OEM Uninterrupted power supply APCBR800	USD 186.00	USD 145.08	1	USD 145.08
49	121-001453-00	BeneVision DMS Widescreen Touch Display	USD 2,975.00	USD 1,725.50	3	USD 5,176.50
50	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
51	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	48	USD -8,640.00
52	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
53	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	48	USD 8,640.00
54	121-001700-00	WiFi Telemetry Transmitter With Alarms (TM80) (includes 1 ea - 3 AA Battery Pack), Compatible with both Masimo and Nellcor Pulse Oximetry. (SpO2)	USD 4,600.00	USD 2,760.00	55	USD 151,800.00
55	009-004782-00	5-Lead ECG Mobility Leadset, AHA, Snap, 24" Compatible with TM80/TM70/TD60	USD 135.00	USD 101.25	55	USD 5,568.75
56	009-004936-00	Masimo SpO2 Module for BeneVision TD60/TM80 Display Telepack	USD 1,175.00	USD 705.00	48	USD 33,840.00
57	0600-00-0126	LNCS DCI, reusable, adult, >30 kg	USD 315.00	USD 236.25	48	USD 11,340.00
58	115-030107-00	BeneVision TM80/TM70/TD60 Rechargeable Lithium-Ion Battery Pack.	USD 325.00	USD 243.75	72	USD 17,550.00
59	115-030108-00	BeneVision Central Charger. Charges up to 10 Lithium-Ion Battery Packs simultaneously	USD 2,200.00	USD 1,650.00	5	USD 8,250.00
60	115-032957-00	Disposable Telepack pouch TM80/TM70TD60. (Box of 25)	USD 70.00	USD 52.50	1	USD 52.50
61	803-040050-00	Telepack installation & setup includes programming, configuration and verification	USD 98.00	USD 82.80	48	USD 3,974.40

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
62	023-001566-00	HP LaserJet Enterprise M608n Printer	USD 3,700.00	USD 2,220.00	1	USD 2,220.00
63	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	1	USD 1,189.80
64	803-040195-00	WiFi Installation per 100 SQFT includes tenting material, installation and verification	USD 310.00	USD 310.00	115	USD 35,650.00
Med Surg/ Tele TOTAL:						USD 306,966.63

War Room

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
65	115-050935-00	BeneVision DMS Workstation, Mini PC	USD 3,000.00	USD 1,740.00	1	USD 1,740.00
66	803-040044-00	WorkStation/Tower Install & Setup w/ CABL includes programming, configuration and verification	USD 3,250.00	USD 2,550.00	1	USD 2,550.00
67	0992-00-0002-04	OEM Uninterrupted power supply APCBR800	USD 186.00	USD 145.08	1	USD 145.08
68	121-001453-00	BeneVision DMS Widescreen Touch Display	USD 2,975.00	USD 1,725.50	3	USD 5,176.50
69	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
70	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	55	USD -9,900.00
71	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
72	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	64	USD 11,520.00
73	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
74	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	32	USD -5,760.00
75	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
76	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	32	USD 5,760.00
77	121-001453-00	BeneVision DMS Widescreen Touch Display	USD 2,975.00	USD 1,725.50	1	USD 1,725.50
78	803-020220-00	BeneVision WorkStation Software Upgrade	USD 1,000.00	USD 750.00	1	USD 750.00
War Room TOTAL:						USD 13,707.08

PACU

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
79	121-002199-00	VS9 Vitals sign Monitor - Includes Touchscreen display, Non-Invasive Blood Pressure, Masimo Pulse Oximetry, Exergen Temporal Thermometry, MEWS, Hardwire and 5GHz Wireless communication, eGateway and BeneVision Central Station connectivity, Bluetooth, Recorder and Accessories	USD 5,865.00	USD 3,460.35	2	USD 6,920.70
80	115-034132-00	Smart Li-ion Battery kit(5600mAh)	USD 255.00	USD 191.25	2	USD 382.50
81	045-004269-00	Power plus mobile stand without battery	USD 520.00	USD 483.75	2	USD 967.50

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
82	115-031807-00	Reusable Bladderless NIBP Cuff Kit: Includes one Child, Small Adult, Adult, Large Adult, and Thigh cuff Compatible with Accutorr V, DPM 3, DPM 4, DPM 5, DPM 6, DPM 7, Duo, Trio, Passport 2, Passport V, Spectrum, Spectrum OR, V12, V21, Accutorr 3, Accutorr 7, Passport 8, Passport 12, T1, Passport 12m, Passport 17m	USD 162.00	USD 121.50	2	USD 243.00
83	115-088398-00	VS9 Manual CD	USD 5.00	USD 0.00	1	USD 0.00
84	803-071151-00	Design, implementation, and installation of the a Vital Sign monitoring solution	USD 1,040.00	USD 1,040.00	1	USD 1,040.00
85	121-001607-00	N15 Monitor with Early Warning Score, SepsisSight and 24 hour ECG N15 Monitor- includes 5 year warranty, battery, 6 module slots, quick reference guide, line cord and 1 roll of paper (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 11,405.00	USD 6,843.00	6	USD 41,058.00
86	115-062361-00	N Series Combo Ops Manual	Included	Included	1	USD 0.00
87	045-003426-00	M Series wall mount with bracket. (PP12m and PP17m)	USD 350.00	USD 262.50	6	USD 1,575.00
88	0436-00-0206	Cable Hooks GCX Cable Hook (mounts under Arm) Compatible with DPM 6, DPM 7, Passport 12m and Passport 17m, when mounted to A-Series anesthesia machines	USD 37.50	USD 28.13	6	USD 168.78
89	121-001586-00	Sidestream CO2 module 1X (115-049134-00) with adult/pediatric accessory kit Sales BOM	USD 3,700.00	USD 2,220.00	6	USD 13,320.00
90	121-001561-00	MPM-15 Masimo SpO2 3/5/12-lead Arrhythmia and ST (M51CE-PA00003) Multiparameter Modules-include SpO2 reusable adult finger sensor and cable, reusable adult NIBP cuff (pn 115-027715-00) and hose (pn 6200-30-09688), ECG 5 lead adult defib proof cable (pn 009-004266-00) and ECG 5 lead snap 24" wire set (pn 009-004782-00), and MR420B adapter cable for YSI probe (pn 040-001235-00). All other accessories must be ordered separately.	USD 8,000.00	USD 4,800.00	6	USD 28,800.00
91	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	6	USD 7,138.80
92	009-005266-00	ECG Cable, 10'(3.1 m)# Def-P# for N/T	USD 105.00	USD 78.75	6	USD 472.50
93	125-000123-00	12 Pin IBP cable for Edwards (TruWave)	USD 160.00	USD 120.00	2	USD 240.00
PACU TOTAL:						USD 102,326.78

GI

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
94	121-001522-00	N12 Monitor with Early Warning Score and 2.4/5GHz wireless N12 Monitor- includes 5 year warranty, battery, 4 module slots, quick reference guide, line cord and 1 roll of paper (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 9,605.00	USD 5,763.00	1	USD 5,763.00
95	115-062361-00	N Series Combo Ops Manual	Included	Included	1	USD 0.00

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
96	045-003427-00	M Series wall mount with quick release mount. (N12, PP8, PP12, ePM, T1, N1, and Accutorr VS)	USD 480.00	USD 360.00	1	USD 360.00
97	0436-00-0206	Cable Hooks GCX Cable Hook (mounts under Arm) Compatible with DPM 6, DPM 7, Passport 12m and Passport 17m, when mounted to A-Series anesthesia machines	USD 37.50	USD 28.13	1	USD 28.13
98	121-001586-00	Sidestream CO2 module 1X (115-049134-00) with adult/pediatric accessory kit Sales BOM	USD 3,700.00	USD 2,220.00	1	USD 2,220.00
99	121-001561-00	MPM-15 Masimo SpO2 3/5/12-lead Arrhythmia and ST (M51CE-PA00003) Multiparameter Modules-include SpO2 reusable adult finger sensor and cable, reusable adult NIBP cuff (pn 115-027715-00) and hose (pn 6200-30-09688), ECG 5 lead adult defib proof cable (pn 009-004266-00) and ECG 5 lead snap 24" wire set (pn 009-004782-00), and MR420B adapter cable for YSI probe (pn 040-001235-00). All other accessories must be ordered separately.	USD 8,000.00	USD 4,800.00	1	USD 4,800.00
100	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	1	USD 1,189.80
101	009-005266-00	ECG Cable, 10'(3.1 m)# Def-P# for N/T	USD 105.00	USD 78.75	1	USD 78.75
GI TOTAL:						USD 14,439.68

OR - 2 x A5 / N15 / AGM

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
102	121-001427-00	Spirometry and Bypass Ventilation Package	USD 2,000.00	USD 1,500.00	2	USD 3,000.00
103	AS3PATSUCO	Ohmeda Patient Suction Regulator kit; Kit includes 15 ft. Ohmeda VAC (white) hose, suction regulator, mount and canister bracket.	USD 892.00	USD 669.00	2	USD 1,338.00
104	0004-00-0077-11	O2 Hose - Ohmeda O2 Gas Supply Hose 15' Ohmeda - Green Compatible with A-Series	USD 125.00	USD 93.75	2	USD 187.50
105	0004-00-0078-11	N2O Hose - Ohmeda N2O Gas Supply Hose 15' Ohmeda - Blue Compatible with A-Series	USD 125.00	USD 93.75	2	USD 187.50
106	0004-00-0079-11	Air Hose - Ohmeda Air Gas Supply Hose 15' Ohmeda - Yellow Compatible with A-Series	USD 125.00	USD 93.75	2	USD 187.50
107	0004-00-0081-11	EVAC Hose - Ohmeda EVAC Gas Supply Hose 15' Ohmeda - - Lavender Compatible with A-Series	USD 200.00	USD 150.00	2	USD 300.00
108	0004-00-0081-31	15 FT SUPPLY HSE, EVAC, VAC, OHM	Included	Included	2	USD 0.00
109	115-048035-00	Flexible Bag Arm for A-Series Anesthesia Machines.	USD 624.90	USD 596.25	2	USD 1,192.50
110	803-040035-00	Installation, Anesthesia Machine, first unit.	USD 853.00	USD 767.70	1	USD 767.70
111	803-040036-00	Installation, Anesthesia Machine, each additional unit.	USD 412.00	USD 370.80	1	USD 370.80
112	803-070260-00	White Glove Delivery for Anesthesia Machines, first unit.	USD 125.00	USD 125.00	1	USD 125.00

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
113	803-070261-00	White Glove Delivery for Anesthesia Machines, each additional unit.	USD 75.00	USD 75.00	1	USD 75.00
114	121-001466-00	A5 Anesthesia System with Gas Module capability, Includes microprocessor controlled bellows ventilator with: VCV, PCV, PCV-VG, SIMV-VC, SIMV-PC and CPAP/PS. Built in 15" touch screen, dual selectatec manifold, on screen virtual flow indicators for O2, air and N2O, aux O2/air blender, warmed breathing system, three storage drawers, central wheel brake, caster guards, waste gas scavenger system, user interface back-up touchpad, pipeline connections for O2, air, and N2O. Includes, tank washers, pre-operation check list, and aux O2/air reference card. Additional ventilation modes, spirometry, bypass and low flow optimizer available.	USD 49,990.00	USD 29,994.00	2	USD 59,988.00
115	115-009546-00	User Resource Kit	USD 290.00	USD 217.50	1	USD 217.50
116	121-001638-00	2 slot/N-Series Multi-gas module with accessory kit, O2 Sensor and port cover, A5 Software	USD 12,975.00	USD 5,400.00	2	USD 10,800.00
117	121-001546-00	N15 Monitor with Early Warning Score N15 Monitor-includes 5 year warranty, battery, 6 module slots, quick reference guide, line cord and 1 roll of paper (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 9,905.00	USD 5,943.00	2	USD 11,886.00
118	115-062361-00	N Series Combo Ops Manual	Included	Included	1	USD 0.00
119	121-001559-00	MPM-2 Masimo SpO2 3/5/6 lead Arrhythmia and ST (M51CE-PA00001) Multiparameter Modules-include SpO2 reusable adult finger sensor and cable, reusable adult NIBP cuff (pn 115-027715-00) and hose (pn 6200-30-09688), ECG 5 lead adult defib proof cable (pn 009-004266-00) and ECG 5 lead snap 24" wire set (pn 009-004782-00), and MR420B adapter cable for YSI probe (pn 040-001235-00). All other accessories must be ordered separately.	USD 6,500.00	USD 3,900.00	2	USD 7,800.00
120	009-004786-00	5-Lead ECG Mobility Leadset, AHA, Pinch, 24" Compatible with TM80/TM70/TD60	USD 145.00	USD 108.75	2	USD 217.50
121	009-004787-00	5-Lead ECG Mobility Leadset, AHA, Pinch, 36" Compatible with TM80/TM70/TD60 (used for limb)	USD 155.00	USD 116.25	2	USD 232.50
122	009-005268-00	ECG cable, 10' (3.1 m), ESU-proof, for N/T	USD 125.00	USD 93.75	2	USD 187.50
123	045-003814-00	Cable management kit	USD 62.00	USD 46.50	2	USD 93.00
124	0436-00-0198	MOUNT ARM, PIVOT, 16"	USD 240.00	USD 180.00	2	USD 360.00
125	045-003425-00	Transition mounting plate. (N12, N15 and N17)	USD 120.00	USD 90.00	2	USD 180.00
126	046-012060-01	A5/A4 DSP Ops Manual, Printed	USD 60.00	USD 60.00	2	USD 120.00
127	115-062361-00	N Series Combo Ops Manual	USD 10.00	USD 7.50	2	USD 15.00
128	ANESTHESIA-PKG-DSCT	Anesthesia and Monitoring Package Discount.	USD 0.00	USD -3,000.00	2	USD -6,000.00
129	121-001546-00	N15 Monitor with Early Warning Score N15 Monitor-includes 5 year warranty, battery, 6 module slots, quick reference guide, line cord and 1 roll of paper (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 9,905.00	USD 5,943.00	1	USD 5,943.00

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
130	803-040039-00	Device Install & Setup w/ CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 1,500.00	USD 1,189.80	1	USD 1,189.80
131	121-001552-00	Multi-Gas 2X with auto ID, O2 (115-051561-00) and accessory kit Sales BOM	USD 12,975.00	USD 7,785.00	1	USD 7,785.00
132	121-001559-00	MPM-2 Masimo SpO2 3/5/6 lead Arrhythmia and ST (M51CE-PA00001) Multiparameter Modules-include SpO2 reusable adult finger sensor and cable, reusable adult NIBP cuff (pn 115-027715-00) and hose (pn 6200-30-09688), ECG 5 lead adult defib proof cable (pn 009-004266-00) and ECG 5 lead snap 24" wire set (pn 009-004782-00), and MR420B adapter cable for YSI probe (pn 040-001235-00). All other accessories must be ordered separately.	USD 6,500.00	USD 3,900.00	1	USD 3,900.00
133	115-062361-00	N Series Combo Ops Manual	Included	Included	1	USD 0.00
134	045-003425-00	Transition mounting plate. (N12, N15 and N17)	USD 120.00	USD 90.00	1	USD 90.00
OR - 2 x A5 / N15 / AGM TOTAL:						USD 112,736.30

OR Transport

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
135	121-001570-00	N1 Monitor with Masimo SET® SpO2, ST/ Arrhythmia analysis, 3/5/12-lead NIBP, two invasives, dual temperature, integrated battery, 2.4/5GHz wireless enabled (12-lead ECG accessories must be ordered separately). Multiparameter Modules-include Masimo or Nellcor SpO2 adult reusable sensor, Masimo or Nellcor SpO2 cable, reusable adult NIBP cuff and hose , ECG 5 lead adult defib proof cable and ECG 5 lead snap 24" wire set , and MR420B adapter cable for YSI probe . All other accessories must be ordered separately. (N-Series Monitors connected to BeneVision DMS must be at R4.01 or greater. eGateway compatibility is eGateway 6.7 or greater.)	USD 12,295.00	USD 7,377.00	1	USD 7,377.00
136	803-040040-00	Device Install & Setup w/o CABL for one of the following - patient monitor, printer or display. Includes programming, configuration and verification	USD 815.00	USD 815.00	1	USD 815.00
137	121-001621-00	Microstream CO2 module (6800-30-50820) with accessory kit Sales BOM	USD 4,440.00	USD 2,664.00	1	USD 2,664.00
138	121-001635-00	Docking Station with pole mount kit Sales BOM	USD 1,100.00	USD 660.00	1	USD 660.00
139	115-054851-00	Transport Modular rack/handle with 1X module slot and bedrail hook kit	USD 875.00	USD 656.25	1	USD 656.25
OR Transport TOTAL:						USD 12,172.25

Enterprise Server/ R4 Upgrade

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
140	115-053154-00	BeneVision Enterprise DMS Server.	USD 10,500.00	USD 6,300.00	2	USD 12,600.00
141	121-001372-CRDT	BeneVision DMS Server Software License Key Credit.	USD 0.00	USD -5,917.00	1	USD -5,917.00

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
142	121-001373-CRDT	BeneVision CS Bed License (FD, Bed, Adv) - Per Channel	USD 0.00	USD -244.00	32	USD -7,808.00
143	121-001372-PAN	BeneVision DMS Server Software License Key Credit.	USD 0.00	USD -1,900.00	2	USD -3,800.00
144	121-001373-PAN	Panorama to BeneVision Central Station Bed License Credit	USD 0.00	USD -80.00	66	USD -5,280.00
145	121-001493-00	BeneVision DMS Server License. Supports up to 32 sector, Maximum 4 per server.	USD 13,000.00	USD 7,800.00	4	USD 31,200.00
146	121-002152-00	Server License IT Sales BOM	USD 0.01	USD 0.01	4	USD 0.04
147	121-001588-00	BeneVision DMS Redundant Enterprise Server License	USD 1,950.00	USD 1,170.00	4	USD 4,680.00
148	121-002152-00	Server License IT Sales BOM	USD 0.01	USD 0.01	4	USD 0.04
149	121-001373-00	BeneVision CS Bed License (FD, Bed, Adv) - Per Channel	USD 400.00	USD 232.00	110	USD 25,520.00
150	121-001589-00	BeneVision DMS Redundant Bed/Sector License - Per Channel (supports Advanced Algorithm)	USD 60.00	USD 36.00	110	USD 3,960.00
151	121-001269-00	BeneVision Central Station - TelePack license Key Package. Includes: One Arrythmia detection, St Segment analysis and QT Monitoring license per TelePack channel.	USD 875.00	USD 507.50	42	USD 21,315.00
152	121-001590-00	BeneVision DMS Redundant Arrhythmia License - ST - QT - Per Channel	USD 132.00	USD 79.20	42	USD 3,326.40
153	803-040043-00	WiFi/BeneVision DMS System Design & Implementation per 5 Servers	USD 22,400.00	USD 22,400.00	1	USD 22,400.00
154	803-040058-00	Single WiFi Controller Redundancy provides a single backup controller programmed to allow uninterrupted operations in the event of a single controller failure. Does not include additional APs.	USD 12,950.00	USD 12,950.00	1	USD 12,950.00
155	023-000996-01	USB Flash Disk 32GB	USD 25.00	USD 18.75	9	USD 168.75
156	803-040055-00	Redundant Hardwire Network Installation includes redundant Core and Distribution Layer	USD 22,400.00	USD 22,400.00	1	USD 22,400.00
157	803-070874-00	Project Management Service Tier 2 provides project management for medium complexity projects	USD 1,000.00	USD 900.00	27	USD 24,300.00
158	803-071159-00	BeneVision Enterprise Clinical Support training to include development and deployment of clinical defaults of each BeneVision Workstation and Patient Monitor included in this quotation. Incorporating an on-Site Clinical Educator for the Train-the-Trainer program and Go-Live support. To facilitate Enterprise communication this will encompass the Mindray CMS Viewer and the BeneVision DMS System Management Console. When available this will extend to incorporating the demographics of ADT integration for positive patient identification. This pertains to the necessary training needed for a BeneVision System to "go-live". This training is provided during standard business hours and includes travel. Additional Training may be purchased as needed.	USD 56,110.30	USD 56,110.30	1	USD 56,110.30
159	045-003660-08	BeneVision 05.01.01 Media Kit	USD 0.01	USD 0.01	1	USD 0.01

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
160	803-070971-00	SNMP System Design and Implementation allowing registered devices on the BeneVision DMS Network to send event notification to hospital based Network Management Systems for improved device management and system uptime.	USD 728.00	USD 728.00	1	USD 728.00
161	803-070972-00	SNMP Setup and Configurations of devices on the network. This is a per device charge. (DMS Server/eGw/Controller/Patient Monitor Device)	USD 10.30	USD 10.30	150	USD 1,545.00
162	121-002326-00	BeneVision DMS Remote System Management Console Access Enterprise Server License (per Server)	USD 4,250.00	USD 3,187.50	1	USD 3,187.50
163	121-002328-00	BeneVision DMS Remote System Management Console Access Redundant Enterprise Server License (per Server)	USD 750.00	USD 562.50	1	USD 562.50
164	803-040184-00	System Management Console Server setup and configuration	USD 1,150.00	USD 1,150.00	1	USD 1,150.00
Enterprise Server/ R4 Upgrade TOTAL:						USD 225,298.54

ED Wkstn R4-R5 Upgrade

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
165	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
166	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	32	USD -5,760.00
167	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
168	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	32	USD 5,760.00
169	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
170	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	32	USD -5,760.00
171	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
172	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	32	USD 5,760.00
173	121-001375-CRDT	BeneVision DMS Workstation Software License Key Credit.	USD 0.00	USD -1,972.00	1	USD -1,972.00
174	110-004115-CRDT	BeneVision DMS Workstation Bed License Credit	USD 0.00	USD -180.00	32	USD -5,760.00
175	121-001375-00	BeneVision WorkStation Server License	USD 3,400.00	USD 1,972.00	1	USD 1,972.00
176	110-004115-00	BeneVision WorkStation Bed License.	USD 300.00	USD 180.00	32	USD 5,760.00
177	803-020220-00	BeneVision WorkStation Software Upgrade	USD 1,000.00	USD 750.00	3	USD 2,250.00
ED Wkstn R4-R5 Upgrade TOTAL:						USD 2,250.00

E-Gateway Upgrade

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
178	121-001784-00	Upgrade - eGateway Software only - Newest eGateway Software (VM compatible) for compatible host, please refer to the Host Platform Requirements and Configuration Guide.	USD 13,000.00	USD 13,000.00	1	USD 13,000.00
179	803-070960-00	Charge for installation, setup and configuration of VM eGateway	USD 1,375.00	USD 1,375.00	1	USD 1,375.00
180	803-020132-00	ADT Mapping Upgrade.	USD 5,663.75	USD 5,663.75	1	USD 5,663.75

Line #	Part Number	Description	List Price	Net Price	QTY	Total Net
181	803-020133-00	Results Mapping Upgrade.	USD 8,734.25	USD 8,734.25	1	USD 8,734.25
182	121-001405-01	BeneVision R4 CMS Viewer license	USD 18,000.00	USD 13,500.00	1	USD 13,500.00
183	803-070961-00	Charge for installation, setup and configuration of CMS Viewer	USD 1,100.00	USD 1,100.00	1	USD 1,100.00
184	121-001923-00	Clin Verification using AD/LDAP BOM	USD 11,000.00	USD 6,600.00	1	USD 6,600.00
E-Gateway Upgrade TOTAL:						USD 49,973.00

To:
SAN GORGONIO MEMORIAL
HOSPITAL
600 NORTH HIGHLAND
SPRINGS AVENUE
BANNING, CA 92220-3090

Sales Representative: Jeffrey Barnard
Quote Number: Q-115968

Proposal Date: Jun 21, 2023

Phone: (951) 216-0000
E-mail: j.barnard@mindray.com

Affiliation: PRE1

Affiliation Notes: Premier Healthcare Alliance – Patient Monitoring Contract #PP-NS-1478 – (PRE1): Standard One Year-On Site Warranty for parts & labor on Passport Monitors, Gas Module, Central Stations. Standard One Year. Standard Three Year Mail-In Warranty on Accutorr Monitors, VS9 Monitors. N Series Monitors - Standard 5 year warranty. EPM Monitors – Standard 3 Year Warranty Premier Anesthesia Contract #PP-OR-2052: Anesthesia Machines - Standard three year warranty. Premier Ultrasound Contract #PP-IM-309: M7, M9, TE5, TE7, TE7 Max, TEX & ME8 Ultrasound Machines & Transducers – Standard 5 Year Warranty (Excluding 4D & TEE Transducers - Standard one year) (Excluding 4D & TEE Transducers - Standard one year) DC8 Expert Ultrasound Machine & Transducers - Standard five year warranty. Resona7 & Resona I9 Ultrasound Machine & Transducers - Standard 5 Year Warranty. ZS3 ultrasound systems include a 5 year warranty except for the TEE, 3d and Aux transducers which all carry a 1 year warranty. Z.One Emerald systems include a 5 year warranty except for the TEE and any refurbished transducers which carry the first year warranty.
EXCEPTION: DEMO EQUIPMENT (12 MONTHS ONLY)

Payment Terms: NET 45 DAYS (Subject to Credit Approval)

Shipping Terms: F.O.B. SUPPLIERS Dock (Freight & Insurance Prepaid on Contracted Products Only)
"To ensure on-time delivery of your orders, Mindray may drop ship products directly from our overseas factories or distribution warehouses"

Proposal Notes:

Product Notes: Biomedical training credits issued to customers at the time of sale, are for the sole use of employees of the facility purchasing the equipment, and are non transferable.

Central Station - Hospitals, or buying groups, that require special containment procedures while opening plenum spaces including the use of a negative chamber tent system will be billed separately for the containment costs. These cost will include, but not be limited to, rental of a containment system, plus the additional cost incurred by the cable installer and the Mindray Representative who are required to use the system. This will also apply to any containment costs incurred after the installation for Mindray Representatives when performing maintenance on the system.

Trash Removal responsibility

Mindray is not responsible for the disposal of packing material associated with newly installed Mindray products. Mindray will work with the customer to collect and centralize the packing material for ease of disposal by the customers' personnel. The customer will be responsible for sorting and disposal of packing material.

De-Installation of existing cabling

Mindray is not responsible for the de-installation of existing cabling associated with an existing patient monitoring system. Mindray will provide this service on a time and material basis in the event that the customer would like to have this work done by Mindray at the time of the installation. Customer will be responsible for pulling of cable and certification, if these items are not charged on the body of this quote.

Fiber Optics Requirements

In the event that fiber optics network runs are necessary due to the location of the central rack, then it will be the customer's responsibility to add the necessary fiber optic run(s). Mindray Technology service will provide this service on a T+M basis in the event that the customer would like to have this work done by Mindray.

Pricing for cable pull and certification is based on nonunion labor. If Union labor is required customer will be invoiced for any additional cost. Pricing for cablepull includes installation of cables above ceilings or any horizontal/vertical pathways and shall be supported per BISC1 standards utilizing communications rated J-hooks. Pricing does not include major structural changes to go between walls or floors, e.g., penetration of interior or exterior cement walls or the installation of conduit/Raceway.

Core Drilling requirements

In the event that core drilling (i.e drilling between floors to accommodate network runs) is required to complete an installation, the customer will be responsible for customary costs associated with this work. Mindray Technology Services will provide this service on a T+M basis if requested by the customer.

(Customary charges are approximately \$450 each)

Purchase order acceptance and delivery of Mindray Certified Refurbished products is subject to inventory availability.

Product Notes:

Please complete at time of purchase:

Uncrating Needed: YES / NO

Receiving Dock Hours: _____

Debris Removal: YES / NO

Lift Gate Required: YES / NO

Prior Notification: YES / NO

Inside Delivery Required: YES / NO

Contact Name: _____

Department: _____

Contact Phone #(s) _____

E-mail Address(s) _____

Purchase order acceptance and delivery of Mindray Certified Refurbished products is subject to inventory availability.

This quotation contains no provisions for Biomedical training tuition or credits.

If your terms are Cash-in-advance, please remit check directly to:

Mindray DS USA, Inc. 24312 Network Place, Chicago, IL 60673-1243

Total Price By Department

ICU			
Department Name	List Price	Departmental Discount	Net Price
ICU	USD 561,917.00	USD -223,470.91	USD 338,446.09
ICU TOTAL:			USD 338,446.09

Med Surg/ Tele			
Department Name	List Price	Departmental Discount	Net Price
Med Surg/ Tele	USD 486,855.00	USD -179,888.37	USD 306,966.63
Med Surg/ Tele TOTAL:			USD 306,966.63

War Room			
Department Name	List Price	Departmental Discount	Net Price
War Room	USD 54,936.00	USD -41,228.92	USD 13,707.08
War Room TOTAL:			USD 13,707.08

PACU			
Department Name	List Price	Departmental Discount	Net Price
PACU	USD 165,554.00	USD -63,227.22	USD 102,326.78
PACU TOTAL:			USD 102,326.78

GI			
Department Name	List Price	Departmental Discount	Net Price
GI	USD 23,427.50	USD -8,987.82	USD 14,439.68
GI TOTAL:			USD 14,439.68

OR - 2 x A5 / N15 / AGM			
Department Name	List Price	Departmental Discount	Net Price
OR - 2 x A5 / N15 / AGM	USD 201,512.80	USD -88,776.50	USD 112,736.30
OR - 2 x A5 / N15 / AGM TOTAL:			USD 112,736.30

OR Transport			
Department Name	List Price	Departmental Discount	Net Price
OR Transport	USD 19,525.00	USD -7,352.75	USD 12,172.25
OR Transport TOTAL:			USD 12,172.25

Enterprise Server/ R4 Upgrade			
Department Name	List Price	Departmental Discount	Net Price
Enterprise Server/ R4 Upgrade	USD 323,202.39	USD -97,903.85	USD 225,298.54
Enterprise Server/ R4 Upgrade TOTAL:			USD 225,298.54

ED Wkstn R4-R5 Upgrade

Department Name	List Price	Departmental Discount	Net Price
ED Wkstn R4-R5 Upgrade	USD 42,000.00	USD -39,750.00	USD 2,250.00
ED Wkstn R4-R5 Upgrade TOTAL:			USD 2,250.00

E-Gateway Upgrade

Department Name	List Price	Departmental Discount	Net Price
e-Gateway Upgrade	USD 58,873.00	USD -8,900.00	USD 49,973.00
E-Gateway Upgrade TOTAL:			USD 49,973.00

TOTAL: USD 1,178,316.35

Quotation

Total List Amount	USD 1,937,802.69
Total GPO Discount	USD 745,212.34
Total Additional Discount/TradeIn	USD 14,274.00
Total Net Amount	USD 1,178,316.35

Mindray Capital Leasing Options
Monthly Lease Payment Amount:

36 months USD 0.00
48 months USD 0.00
60 months USD 0.00

Leasing Notes:

This quote is non-binding and is subject to credit approval and acceptance by Mindray Capital. Monthly payments do not include applicable freight and taxes.



Total Net Price For Purchase:

USD 1,178,316.35

To:
SAN GORGONIO MEMORIAL
HOSPITAL
600 NORTH HIGHLAND
SPRINGS AVENUE
BANNING, CA 92220-3090

Sales Representative: Jeffrey Barnard
Quote Number: Q-115968

Proposal Date: Jun 21, 2023

Phone: (951) 216-0000
E-mail: j.barnard@mindray.com

Affiliation: PRE1

Title of Buyer	Printed Name of the Buyer

Purchase Order Number	Date	Signature of the Buyer

Ship to Address:

Bill to Address:

**Mindray North America now has a \$150 minimum order policy.
Unless otherwise stated, the total net price of this quotation does not include, freight or sales tax.**

Required Agreements and Install Guides

Required Agreements:

Agreement 0002-08-37071 Rev. D: Mindray Shared Infrastructure Agreement, acknowledging all of the Mindray Shared Infrastructure applications to be purchased and installed on a facilities' network. Each application is supported by a corresponding installation guide to provide clarity.

Required Install Guides:

**Installation Guide 046-011214-00 Rev. 3: Mindray BeneVision CMS Viewer Installation Guide
Installation Guide 046-012774-00 Rev. G: Host Platform Requirements and Configuration Guide eGateway Integration Manager**

**SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
COMPARISON OF EQUIPMENT FINANCING PROPOSALS RECEIVED**

Lessor	Lease Amount	Lease Type	Term	Base Rate	Yield*	Monthly Payment	Legal Fees	Purchase Option	Deposits	Security	Rate Lock	Index	Prepay Terms	Covenants		
														DSCR	Other	Other Provisions
Mindray Capital Bill Yardley, 949-683-7604	\$ 375,000	Finance	36 mos.	8.76%	8.76%	\$ 11,883	250	\$ 1	\$ 798,500	equipment	no	4-yr. swap	no penalty after year 1	no	no	Requires \$798,500 in equity payments
Popular/K2 Capital Patrick Daly 952-224-2474	\$ 1,173,500	Finance	60 mos.	9.16%	9.16%	\$ 24,450	\$ -	\$ 101	\$ -	equipment	no	SOFR	no penalty	no	no	Rate adjusts to SOFR index Credit was not approved by Lessor
Med One Brian Nappi 800-248-5882	\$ 1,178,316	Finance	60 mos.	11.75%	11.75%	\$ 26,060	\$ -	\$ 1	\$ -	equipment	maybe	no	no penalty	no	no	Rate is locked when agreement is signed

* Yield takes into consideration all fees, expenses advance deposits, etc.

2021 Revenue Bonds:

Permitted Encumbrances allows for purchase money security interests and capitalized lease obligations.

Section 3.04 of the Indenture allows for the issuance of Parity Debt. However, the Financing Lease being considered is not Parity Debt.

Section 5.05(a) of the Indenture allows for Long-Term Indebtedness so long as the District provides a Certificate to the Trustee certifying that the aggregate principal amount of the Long-Term Indebtedness and all other Outstanding Long-Term Indebtedness incurred pursuant to this clause (i) does not exceed 20% of the Total Revenues of the District for the most recent Fiscal Year for which audited financial statements are available.

Total Revenues for the FYE June 30, 2022, equals \$88,123,088 x 20% = \$17,624,617. The only debt issued pursuant to this section since the 2021 Revenue Bonds per the District and their auditors is approximately \$314,000. Therefore, given the current gross debt capacity pursuant to Section 5.05(a)(i) is \$17,624,617 (see above) and the \$314,000 in debt issued, would provide a net debt capacity of approximately \$17,310,000. As such, it is my opinion that the leasing of approximately \$1,200,000 in equipment is allowed pursuant to Section 5.05(a)(i) of the 2021 Revenue Bonds Indenture.

2022 Revenue Bonds:

The 2022 Bonds do not have any limitations on the issuance of debt secured by other than the District's general operating ad valorem taxes.

Line of Credit:

The Line of Credit does not have any limitations on the issuance of debt.



Med One Capital Funding, LLC
 In behalf of Med One Capital Funding - California L.P.
EQUIPMENT LEASE AGREEMENT

10712 South 1300 East, Sandy, Utah 84094

phone (800) 248.5882

fax (800) 468.5528

CUSTOMER San Gorgonio Memorial Health Care
 District dba. San Gorgonio Memorial
 Hospital

ADDRESS 600 North Highland Springs Avenue
 Banning, CA 92220-3046

CONTACT

PHONE 951-845-1121

EMAIL

DATE 6/27/2023

AGREEMENT A71181-1

VENDOR Mindray, DS, USA, Inc.

CONTACT Jeffrey Barnard

PHONE 951-216-0000

EMAIL j.barnard@mindray.com

QUOTE ID

EQUIPMENT

QTY	EQUIPMENT	UNIT COST	SUBTOTAL
1	Equipment - as fully detailed in Mindray Quote #Q-115968	\$1,178,316.35	\$1,178,316.35
Total Cost			\$1,178,316.35

PRICING

Months 1 - 60	\$26,060.00
First Payment Due	30 days After Acceptance of Equipment
<p>At the end of the Lease Term or any subsequent extension of the Lease Term, Customer may choose from any of the following:</p> <p>Purchase for \$1.00</p> <p>Payments to be made via Electronic Debit/ACH</p>	

TERMS & CONDITIONS

- LEASE.** Med One Capital Funding, LLC hereby leases the equipment described on the first page of this Lease (the "Equipment") to Customer and Customer hereby leases the Equipment from Med One Capital Funding, LLC pursuant to the terms and conditions set forth herein.
- LEASE TERM.** The term of this Lease shall commence on conditions set forth above (Due Date of First Lease Payment), and shall terminate after the sixtieth lease payment has been received, unless earlier terminated or extended as otherwise provided herein (the "Term").
- CONDITION PRECEDENT.** This Agreement is presented conditioned upon Med One Capital Funding, LLC's review and approval of Customer's credit and financial information and receipt of Customer's purchase order issued for the Term and rental price reflected in the pricing section on the first page of this Agreement. Customer's purchase order shall be issued to Med One Capital Funding, LLC at the address listed on page one.



Med One Capital Funding, LLC

In behalf of Med One Capital Funding - California L.P.

EQUIPMENT LEASE AGREEMENT

10712 South 1300 East, Sandy, Utah 84094

phone (800) 248.5882

fax (800) 468.5528

4.) **DELIVERY; ACCEPTANCE.** Customer agrees to inspect the Equipment when delivered and, if it is satisfactory, to execute a Notice of Delivery and Acceptance supplied by Med One Capital Funding, LLC as evidence thereof. Med One Capital Funding, LLC is not responsible for delivery of the Equipment, which shall be shipped directly to Customer from the Vendor. Any delay in delivery of the Equipment shall not affect the validity of this Lease, provided that Med One Capital Funding, LLC shall have the option to terminate this Lease if the Equipment is not delivered within 180 days of the date Customer executed this Lease. CUSTOMER'S EXECUTION OF THE NOTICE OF DELIVERY AND ACCEPTANCE WILL CONCLUSIVELY ESTABLISH THAT THE EQUIPMENT WAS RECEIVED, WAS INSPECTED, AND IS ACCEPTABLE FOR ALL PURPOSES UNDER THIS LEASE.

5.) **LEASE PAYMENTS.** During the Term, Customer shall pay to Med One Capital Funding, LLC the Monthly Lease Payment, as set forth on the first page hereof (the "Payment"), plus any other charges due and payable hereunder, including, but not limited to, sales and use taxes which may be applicable. The Payment shall be deemed late and subject to a 5% late fee if any given payment is not received by Med One Capital Funding, LLC within five days after the due date.

6.) **NET LEASE; OTHER CHARGES.** This Lease is a net lease. Customer shall pay when due all taxes (including sales and use taxes, personal property taxes, fines and penalties, but excluding income taxes), insurance charges, service and maintenance costs, and all inspection or certification costs related to or arising from the Equipment or this Lease. If Customer fails to pay such amounts, Med One Capital Funding, LLC may pay such amounts for Customer, in which case Customer shall immediately reimburse Med One Capital Funding, LLC together with interest on such amounts at the rate of 1.5% per month. Customer shall also pay Med One Capital Funding, LLC any UCC filing fees paid or incurred by Med One Capital Funding, LLC.

7.) **NON-CANCELABLE LEASE.** This Lease may not be cancelled, and Customer agrees that it has an absolute and unconditional obligation to pay to Med One all Payments and other amounts when due. Customer is not entitled to abate or reduce such payments, or to set off any charge against any such amount due to Med One. Customer and Med One agree that this Lease is a "Finance Lease" as defined by the Uniform Commercial Code ("UCC") Article 2A. Customer shall be responsible for and shall indemnify Med One against all costs, expenses and claims of every nature whatsoever arising out of or in connection with or related to this Lease of the Equipment, except for costs, expenses and claims arising from the misconduct or gross negligence of Med One.

8.) **BANKRUPTCY.** It is the intent of the parties that Med One Capital Funding, LLC shall be entitled to the benefits of Section 365 of the Bankruptcy Code or any analogous section of the Federal bankruptcy laws, as amended from time to time with respect to the right to repossess the Equipment as provided herein or therein, and in any circumstances where more than one construction of the terms and conditions of this Lease is possible, a construction that would preserve such benefits shall control over any construction that would not preserve such benefits or would render them doubtful. To the extent consistent with the provisions of Section 365 of the Bankruptcy Code or any analogous section of the Federal bankruptcy laws, as amended from time to time, it is hereby expressly agreed and provided that notwithstanding any other provisions of the Federal bankruptcy law, as amended from time to time, any right of Med One Capital Funding, LLC and its assignees to take possession of the Equipment in compliance with the provisions of this Lease shall not be affected by the provisions of Sections 362 or 363 of the Bankruptcy code, or any analogous provisions of any superseding statute or any power of the bankruptcy court to enjoin such taking of possession. Furthermore, Customer expressly acknowledges and agrees that if it files or seek relief pursuant to any of the Federal bankruptcy laws, that Med One Capital Funding, LLC shall be entitled to an order granting Med One Capital Funding, LLC relief from the automatic stay imposed by any such bankruptcy proceedings. Customer hereby expressly acknowledges and agrees that such a remedy for Med One Capital Funding, LLC is appropriate and that Customer will not oppose any such motion that Med One Capital Funding, LLC may file seeking an order for relief from the automatic stay. The parties hereby agree that the provisions of this § 9 shall be interpreted in a manner that is most favorable to Med One Capital Funding, LLC's position.

9.) **TITLE.** Med One Capital Funding, LLC is the owner of the Equipment and shall have sole title to the Equipment and Customer shall have no right, title or interest therein except as to the use thereof subject to the terms and conditions of this Lease. For purposes of the foregoing and subject to Section 11 below, Customer transfers to Med One Capital Funding, LLC all of Customer's right, title and interest (including all ownership interest) in and to the Equipment free and clear of all liens, security interests and encumbrances. Med One Capital Funding, LLC may affix (or require Customer to affix) tags, decals, or plates to the Equipment indicating Med One Capital Funding, LLC's ownership, and Customer shall not permit their removal or concealment. Customer shall not permit the name of any person or entity other than Med One Capital Funding, LLC or its assigns to be placed on the Equipment as a designation that might be interpreted as a claim of ownership or security interest. Customer shall not pledge or encumber the Equipment, permit any lien or other encumbrance against the Equipment or make any representation to any third party which is inconsistent with Med One Capital Funding, LLC's ownership rights.

10.) **CUSTOMER COVENANTS.** Customer shall use the Equipment for business purposes only and not for personal, family or household purposes. Customer shall keep and use the Equipment only at Customer's location as shown on this Lease and shall not move the Equipment unless Med One Capital Funding, LLC consents in writing. Customer shall, at its own cost and expense, cause the Equipment to be inspected, tested, repaired, maintained and/or certified, as and to the extent required by applicable federal, state or local laws, rules or regulations governing the use, possession or operation of medical diagnostic equipment such as the Equipment.

11.) **END OF TERM.** Provided no Customer material default shall have occurred and be continuing under this Agreement, Customer shall purchase the Equipment at the end of the Term for \$1.00. Upon payment of this final amount and all other amounts due and owing under this Agreement, Med One Capital Funding, LLC shall transfer all of Med One Capital Funding, LLC's right, title and interest (including all ownership interest) in and to the Equipment to Customer free and clear of all liens, security interests and encumbrances. Sale of the Equipment to the Customer at the end of the Term shall be on an "as is", "where is" basis, and without representation, warranty or recourse on the part of Med One Capital Funding, LLC or its successors or assigns.

12.) **RISK OF LOSS.** Customer shall be and is responsible for all risk of loss or destruction of or damage to the Equipment. No such loss or damage relieves Customer from its payment obligations under this Lease. Customer shall be responsible for (and shall be deemed to have possession and control of) all of the Equipment from the time it is shipped from the Vendor's location, including without limitation any loss, damage, destruction or theft which may occur in loading or in transit. Customer Acknowledges that the Equipment is being shipped FOB Vendor's location. Customer's obligations under this agreement and in particular this paragraph 13 shall remain operative and in full force and effect. Customer shall promptly notify Med One Capital Funding, LLC in writing of any loss or damage and, at Customer's election, Customer shall either (i) pay to Med One Capital Funding, LLC the present value of the total of all Payments and other payments for the full Lease Term, discounted at six percent (11.75%) per year, or (ii) replace the lost or damaged Equipment and complete the remaining terms of this Lease. Customer may use any insurance proceeds to satisfy either option set forth in the preceding sentence.



Med One Capital Funding, LLC

In behalf of Med One Capital Funding - California L.P.

EQUIPMENT LEASE AGREEMENT

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13.) **INSURANCE.** Customer shall keep the Equipment fully insured against loss in an amount not less than the replacement cost (as determined by Med One Capital Funding, LLC in its reasonable discretion) until this Lease is terminated and, as set forth in § 11, above, Med One Capital Funding, LLC has delivered possession of the Equipment to Customer. No such policy(ies) shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Med One Capital Funding, LLC by the insurer. All such policies shall be written as primary policies, not contributing with and not in excess of coverage which Med One Capital Funding, LLC may carry. Med One Capital Funding, LLC shall be added as an additional named insured on such policies and Customer shall furnish written proof of same on or before the commencement date of this Lease. Med One Capital Funding, LLC may also request proof of insurance and review a copy of the policy upon reasonable request. Customer shall pay any deductibles applicable under any such policies.

14.) **ASSIGNMENT.** Customer shall not sell, transfer, assign or sublease the Equipment or its rights under this Lease without the written consent of Med One Capital Funding, LLC, which consent will not be unreasonably withheld or delayed. Med One Capital Funding, LLC may sell, assign, or transfer this Lease and, if Med One Capital Funding, LLC does so, the new owner will have the same rights and benefits as Med One Capital Funding, LLC and Med One Capital Funding, LLC will have no further duties or obligations to Customer under this Lease other than to provide written notice of such transfer. Customer agrees that the rights of the new owner will not be subject to any claims, defenses or set offs that Customer may have or claim against Med One Capital Funding, LLC or any third party.

15.) **EVENTS OF DEFAULT.** Any of the following events or conditions shall constitute an event of default and a breach hereunder: (a) Customer shall default in the payment or performance when due of any material indebtedness for borrowed money of Customer arising independently of this Lease; (b) Customer fails to pay any rentals, or other monies or charges within five days after the due date, or fails to observe any other term, covenant, or condition of this Lease which is not cured within 30 days following written notice by Med One Capital Funding, LLC; (c) Customer ceases doing business as a going concern; (d) dissolution, termination of existence, or assignment for the benefit of creditors by or against Customer or Customer becomes insolvent or unable to pay debts at they mature; (e) a case is commenced by or against Customer under the Federal Bankruptcy Code or any similar law or statute which is not dismissed within 60 days; (f) Customer applies for or consents to the appointment of a receiver, trustee, conservator, or liquidator of Customer or such receiver, trustee, conservator, or liquidator is appointed without the consent of Customer; (g) any statement, representation or warranty of Customer herein or in any other writing at any time furnished by Customer to Med One Capital Funding, LLC is untrue in any material respect when made; (h) an attachment, garnishment, execution, judgment or other process is issued or a lien is filed against any material property of Customer; (i) Customer makes a transfer of all or substantially all of its furniture, fixtures, furnishings, or other Equipment or inventory or if a transfer is made of any interest in any part of the Equipment without the written authorization of Med One Capital Funding, LLC; or (j) any guarantor dies or any event described above occurs with respect to any guarantors.

16.) **REMEDIES.** Upon the happening of any one of more events or conditions of default or breach, Med One Capital Funding, LLC shall have the right, in Med One Capital Funding, LLC's sole discretion, to exercise any one or more of the following remedies: (a) to declare all unpaid rentals immediately due and payable and to recover the balance of rent and charges reserved under this Lease reduced to present value as of the date of determination at a rate equal to 11.75% per annum; (b) to sue for all rentals due under this Lease as they shall accrue; (c) with or without notice, demand, or legal process, to re-take possession of the Equipment under this Lease and (1) re-lease the Equipment and recover from the Customer the amount by which the balance of rent and charges under this Lease for the remainder of the term exceeds the net proceeds received by Med One Capital Funding, LLC for such releasing for the same period; or (2) sell the Equipment and recover from the Customer the amount by which the balance of the rental and charges under this Lease for the term of the lease period exceeds the net proceeds received by Med One Capital Funding, LLC from such sale of Equipment. As used in this Lease, the net proceeds shall be deemed to be the proceeds of re-lease or sale minus all costs and expenses for recovery, repair, storage, renting or sale, including all court costs and reasonable attorney's fees. In the event Med One Capital Funding, LLC elects to retake possession of the Equipment and, in fact, recovers and repossesses the Equipment, Med One Capital Funding, LLC shall use its best efforts to sell or re-lease the same in a commercially reasonable manner. Any said taking of possession of the Equipment by Med One Capital Funding, LLC shall not constitute a termination of this Lease. Customer agrees that any requirements of reasonable notice in connection with any sale, re-lease or other disposition of the Equipment shall be met if notice is given or received by Customer not less than 10 calendar days prior to the sale, re-lease or other disposition of the Equipment; (d) without prior notice or demand, to set off against this Lease, all money or other amounts owed by Med One Capital Funding, LLC in any capacity to Customer, and Med One Capital Funding, LLC shall be deemed to have exercised such rights of set off and to have made a charge against any such money or amounts immediately upon any occurrence of such default even though such charge is entered into the books of Med One Capital Funding, LLC subsequent thereto; or (e) pursue any other remedy permitted at law or in equity. No failure on the part of Med One Capital Funding, LLC to exercise and no delay in exercising any right or remedy hereunder will operate as a waiver thereof. The remedies of Med One Capital Funding, LLC hereunder are cumulative and not mutually exclusive.

17.) **UCC FILINGS.** Customer hereby authorizes Med One Capital Funding, LLC to file a UCC financing statement to give public notice of Med One Capital Funding, LLC's interest in the Equipment. As noted above, Med One Capital Funding, LLC and Customer agree that this Lease constitutes a "finance lease" as defined in the UCC – Leases chapter of the Utah Code, in that (a) Customer has selected the Equipment in its sole discretion, (b) Med One Capital Funding, LLC has acquired the Equipment solely for purpose of leasing such Equipment to Customer under this Lease, and (c) Customer has received or has the right to receive a copy of the contract evidencing Med One Capital Funding, LLC's purchase of the Equipment. Customer grants Med One Capital Funding, LLC a security interest in the Equipment, and all additions, attachments, accessions, and accessories thereto, all substitutions, replacements or exchanges therefore, and all insurance and/or other proceeds thereof, whether now owned or hereafter acquired, if this Lease is deemed a secured transaction. In all instances, Customer appoints Med One Capital Funding, LLC as Customer's attorney-in-fact and agent, with full power of substitution, to execute and deliver any such UCC financing statement or other instrument(s) in order to record its interest in the Equipment. Customer confirms that such power of attorney is irrevocable and coupled with Med One Capital Funding, LLC's interest in the Equipment, provided that such power of attorney shall be coterminous with Med One Capital Funding, LLC's interest in the Equipment.

18.) **REPRESENTATIONS AND WARRANTIES.** Med One Capital Funding, LLC and Customer each represent and warrant, each to the other, as follows: (a) the execution, delivery and performance of this Lease and its consummation of the transactions contemplated hereby have been duly authorized and approved as required by the applicable laws and articles, bylaws, and other charter instruments governing its affairs and operations; and (b) this Agreement and the other agreements and instruments contemplated hereby which are to be signed by the party have been duly executed and delivered by the party and, assuming due authorization, execution and delivery by the other party, this Agreement and the other agreements contemplated hereby which are to be executed by them, respectively, constitute the legally valid and binding obligations of the party. In addition, Customer represents and warrants that the Equipment is reasonable and necessary for the legitimate business purposes of Customer and will be used exclusively by Customer.



EQUIPMENT LEASE AGREEMENT

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19.) LIMITED WARRANTY. Customer leases the Equipment from Med One Capital Funding, LLC "AS IS, WHERE IS AND WITH ALL FAULTS." Except as set forth in §18 above, Med One Capital Funding, LLC MAKES NO FURTHER REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY, OPERATION, OR CONDITION OF ANY EQUIPMENT, THE MERCHANTABILITY OR FITNESS OF EQUIPMENT FOR A PARTICULAR PURPOSE, OR ISSUES REGARDING PATENT INFRINGEMENT, TITLE OR THE LIKE. Customer represents and warrants that it has selected all Equipment without Med One Capital Funding, LLC's assistance.

20.) LIMITATION OF REMEDIES; INDEMNITY. To the extent permitted by applicable law, Customer agrees that Med One Capital Funding, LLC shall not have any liability to Customer, Customer's customers, or any third parties for any incidental, indirect, special or consequential damages arising out of this Lease or concerning any Equipment, or for any damages based on strict or absolute tort liability, negligence or other theory of liability (except to the extent of contract liability to Customer arising from a Med One Capital Funding, LLC default under this Lease). Customer shall indemnify, defend and hold Med One Capital Funding, LLC harmless from and against any claim for losses or injury caused by Customer's possession, use or operation of the Equipment.

21.) ENTIRE AGREEMENT. This Agreement is the final and complete expression of the terms and conditions between Customer and Med One Capital Funding, LLC regarding the Lease. The contract shall be legally binding upon and effective against the parties. No other terms or conditions, regardless of whether written or verbal and regardless of whether set forth in any proposals, negotiations, credit applications, purchase orders, invoices or similar documents or statements between Customer and Med One Capital Funding, LLC are part of this contract.

22.) MISCELLANEOUS PROVISIONS. Time is of the essence in the performance of this Lease. This Lease may be modified only by a written instrument dated subsequent to the date hereof and signed by Customer.

23.) RATE FLUCTUATION. The lease payments provided herein were calculated based, in part, on an interest rate equivalent as quoted on the Intercontinental Exchange website, at https://www.theice.com/marketdata/reports/180, under the USD Rates 1100 Series. Med One Capital Funding, LLC reserves the right to adjust the payments prior to contract commencement in order to maintain current economics of this lease transaction.

24.) Payments to be made through Electronic Debit/ACH (automated clearing house). Customer agrees to execute documentation pertaining to this process.

INSURANCE ON LEASED EQUIPMENT

Customer is responsible to provide both casualty and liability insurance on the Equipment that is the subject of this Agreement. Please provide insurance information as requested below or provide a letter to Med One Capital Funding, LLC that Customer intends to "Self Insure" the Equipment:

We intend to Self Insure YES NO Self Insurance Contact Info:

We will provide insurance coverage:

Contact for Insurance Information: John Peleuses

Name of Insurance Company: Alliant Contact Name: Josie Charley

Contact Email: Josie.Charley@alliant.com Contact Phone: (949) 242-6280

Insurance Company Address: 18100 Von Karman Ave, Irvine, CA 92612

Please notify your insurance company that Med One Capital Funding, LLC will contact them to request an insurance certificate.



Med One Capital Funding, LLC
 In behalf of Med One Capital Funding - California L.P.
EQUIPMENT LEASE AGREEMENT

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CUSTOMER ACKNOWLEDGEMENT- San Gorgonio Memorial Health Care District dba. San Gorgonio Memorial Hospital

We hereby acknowledge, accept and agree to the terms of this Agreement and have issued our Purchase Order Number.

95-6004149

PURCHASE ORDER NUMBER (required)

TAX PAYER ID NUMBER (required)

If Customer is tax exempt, an exemption certificate must be furnished to Med One Capital Funding, LLC, otherwise use tax will be assessed and added to the lease payment which is reflected above.

SALES TAX EXEMPT YES NO SALES TAX EXEMPTION NUMBER _____

The undersigned hereby acknowledges that they have full power and authority to execute this Agreement in behalf of the Customer listed above. Performance of this Agreement by Customer has been authorized and requires no additional approval or consent by any other person or entity.

This Agreement may be signed by facsimile and in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

Customer hereby waives any right it may have under Section 2A-517 of the Uniform Commercial Code or otherwise to revoke its acceptance for any reason whatsoever including but not limited to: i) any assumption by Customer that a nonconformity would be cured; ii) to discover a nonconformity before acceptance; or iii) any Lessor default under the Lease. Customer further hereby waives its rights under Section 2A-401 and 2A-402 of the Uniform Commercial Code to suspend performance of any of its obligations under the Lease with respect to the Equipment hereby accepted.

San Gorgonio Memorial Health Care District dba. San Gorgonio Memorial Hospital

Steve Barron

CEO

28 June 2023

PRINT NAME

SIGNATURE

TITLE

DATE

Med One Capital Funding, LLC

In behalf of Med One Capital Funding - California L.P.

PRINT NAME

SIGNATURE

TITLE

DATE



AUTOMATIC ACH WITHDRAWAL

ADDRESS 10712 South 1300 East, Sandy, UT 84094

PHONE (801) 566.6433

FAX (801) 566.7049

WEB www.medonegroup.com

By signing this agreement, _____ hereby authorizes Med One Capital Funding LLC (Med One Group) and its affiliated companies to collect lease / rental payments as well as applicable freight charges via Automatic Clearing House (ACH) for any and all lease or rental transactions which are or shall be entered into between Med One and _____ (lessee).

This agreement applies to all transactions between Med One and lessee per the payment schedule established by the lease / rental agreement. Lessee shall not terminate the Auto-Draft Authorization Agreement unless Lessee first completes and executes a new Auto-Draft Authorization Agreement.

ACCOUNT INFORMATION

Name on Account _____

Name of Bank _____

Account Number _____

Routing Number _____

Steve Barron _____ 6/28/2023
SIGNATURE / TITLE DATE

909 910-0625 _____ SBARRON@SGMH.ORG.
PHONE # OF SIGNER EMAIL OF SIGNER

Please return completed form to:
Mark Stevens
Senior Vice President of Operations
mstevens@medonegroup.com or via fax: 801-566-7049

TAB F

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
June 27, 2023

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, June 27, 2023, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Shannon McDougall, Darrell Petersen, Steve Rutledge

Members Absent: None.

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), Ariel Whitley (Executive Assistant), John Peleuses (VP Support & Ancillary Svs.), Angela Brady (CNE), Annah Karam (CHRO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP				
Call To Order	Susan DiBiasi called the meeting to order at 9:02 am.					
Public Comment	No public present.					
OLD BUSINESS						
Proposed Action - Approve Minutes May 30, 2023, regular meeting	Susan DiBiasi asked for any changes or corrections to the minutes of the May 30, 2023, regular meeting. There were none.	The minutes of the May 30, 2023, regular meeting will stand correct as presented.				
NEW BUSINESS						
Proposed Action – Recommend approval to the Hospital Board and Healthcare District Board to acquire Mindray Cardiac Monitors and related anesthesia equipment	<p>Current ICU/DOU monitors have been end-of-life for the last several years. Parts are unable to be found and we are unable to obtain a service agreement with the company due to this. The monitors in Med/Surg have also been end-of-life for the last five years. The District’s Financial Advisor, Gary Hicks, is working to obtain appropriate financing for the equipment.</p> <p>It was noted that approval is recommended to the Hospital Board and Healthcare District Board.</p> <p>ROLL CALL:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DiBiasi</td> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%;">McDougall</td> <td style="width: 25%; text-align: center;">Yes</td> </tr> </table>	DiBiasi	Yes	McDougall	Yes	M.S.C. (Rutledge/Petersen), the SGMH Finance Committee voted to recommend approval of the Unaudited May 2023 Financial report to the Hospital Board of Directors.
DiBiasi	Yes	McDougall	Yes			

AGENDA ITEM	DISCUSSION				ACTION / FOLLOW-UP								
	Petersen	Yes	Rutledge	Yes									
<p>Proposed Action – Recommend approval to the Hospital Board and Healthcare District Board of the acquisition of IT Upgrades and Server Replacements (end of life equipment)</p>	<p>The Finance Committee voted to recommend the approval of the Data Center not to exceed \$300K upon District Board approval. The Switches Upgrade ask will be put on hold at this time.</p> <p>It was noted that approval is recommended to the Hospital Board and Healthcare District Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 659 1214 730"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>McDougall</td> <td>Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>				DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	<p>M.S.C. (DiBiasi/Rutledge), the SGMH Finance Committee voted to recommend approval of the Data Center Upgrade not to exceed \$300K upon District Board Approval.</p>
DiBiasi	Yes	McDougall	Yes										
Petersen	Yes	Rutledge	Yes										
<p>Proposed Action – Recommend approval to the Executive Committee of the Hospital Board</p> <ul style="list-style-type: none"> • Annual Insurance Renewals – Property and Casualty Programs 	<p>The Annual Insurance Renewals Include:</p> <ul style="list-style-type: none"> ○ Property and Casualty Programs <ul style="list-style-type: none"> ○ All Risk Property Coverage including Business Interruption Coverage ○ Boiler and Machinery ○ Flood ○ Cyber and Excess Cyber ○ Crime ○ Fiduciary Liability ○ Underground Storage Tanks ○ Deadly Weapon Response ○ Crime <p>It was noted that approval is recommended to the Executive Committee of the Hospital Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 1398 1214 1470"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>McDougall</td> <td>Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>				DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	<p>M.S.C. (Petersen/McDougall), the SGMH Finance Committee voted to recommend approval of the Annual Insurance Renewals, Property and Casualty Programs to the Executive Committee of the Hospital Board as presented.</p>
DiBiasi	Yes	McDougall	Yes										
Petersen	Yes	Rutledge	Yes										
<p>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – May 2023</p>	<p>Daniel Heckathorne, CFO, reviewed the Unaudited May 2023 finance report as included in the committee packets.</p> <p>The month of May resulted in a positive \$1.52M EBIDA compared to budgeted EBIDA income of \$1.71M.</p> <p>A few adjustments and items of note include:</p> <ul style="list-style-type: none"> • The May Average Daily Census was 17.3 compared to April’s 20.2 (Budget = 31.4) • Emergency visits exceeded budget and Surgery cases were 				<p>M.S.C. (Rutledge/Petersen), the SGMH Finance Committee voted to recommend approval of the Unaudited May 2023 Financial report to the Hospital Board of Directors.</p>								

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
	<p>over budget.</p> <ul style="list-style-type: none"> • Net gains from Supplemental fundings totaled \$210K. • Other Income included a \$75K dividend from BETA and a \$278K IEHP final covid grant. <p>It was noted that approval is recommended to the Hospital Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 562 1211 634"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>McDougall</td> <td>Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							
<p>Proposed Action - Recommend approval to Hospital Board and the Healthcare District Board of FYE 2024 Operating, Capital, and Cashflow Budgets.</p>	<p>Dan Heckathorne, CFO, presented the FYE 2021 Operating, Capital, and Cashflow Budgets as it is an annual requirement.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 835 1211 907"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>McDougall</td> <td>Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	<p>M.S.C. (Rutledge/Petersen), the SGMH Finance Committee voted to recommend approval of FYE 2024 Operating, Capital, and Cashflow Budgets to the Hospital Board and Healthcare District Board as presented.</p>
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							
<p>Future Agenda Items</p>	<p>None</p>									
<p>Next Meeting</p>	<p>The next regular Finance Committee meeting will be held on July 25, 2023 @ 9:00 am.</p>									
<p>Adjournment</p>	<p>The meeting was adjourned at 11:27 am.</p>									

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

Minutes respectfully submitted by Ariel Whitley, Executive Assistant



SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA

Unaudited Financial Statements

for

ELEVEN MONTHS ENDING MAY 31, 2023

FY 2023

Certification Statement:

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

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

Certified by:

Daniel R. Heckathorne

Daniel R. Heckathorne

CFO

San Gorgonio Memorial Hospital

Financial Report - Executive Summary

For the Month of May, 2023 and Eleven Months Ended May 31, 2023 (Unaudited)

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

The month of May resulted in negative \$955K Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA loss of \$1.60M.

YTD – The YTD May results were a negative \$422K Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA gain of \$160K.

Month – Adjustments and Items of Note:

- The May Average Daily Census was 17.3 compared to April's 20.2 (Budget = 31.4)
- Emergency visits exceeded budget and Surgery cases were over budget.
- Net gains from Supplemental fundings totaled \$210K.
- Other Income included a \$75K dividend from BETA and a \$278K IEHP final covid grant

Month – May's inpatient average daily census was 17.3. Adjusted Patient Days were 15% under budget (1,656 vs. 1,939) which includes the Patient Days which were 45% below budget (537 vs. 974). Emergency Visits were 14.8% over budget (3,543 vs. 3,086), and Surgeries were over budget by 8.7% (125 vs. 115).

YTD - Inpatient average daily census was 21.3. Adjusted Patient Days were 11.6% under budget (19,696 vs. 22,293) and Patient Days were 36% below budget (7,128 vs. 11,199). Emergency Visits were 7% over budget (38,502 vs. 35,894), and overall Surgeries were 3.1% under budget (1,300 vs. 1,342).

Patient Revenues (MTD) Negative (YTD) Negative

Month - Net Patient Revenues in May were \$212K (3.8%) below budget. This continues to be impacted by the Deductions from Revenues consisting of the higher-than-expected mix of Outpatient Revenues (compared to Inpatient Revenues), which generally pay about 10% of charges compared to Inpatient Revenues which generally pay about 17% of charges. This also directly relates to the much lower-than-expected count of Inpatient Days. The Residency Program recovery was \$41K and is included in the Deductions from Revenues.

YTD – Net Patient Revenues were \$8.81M (14%) below budget. This is markedly impacted by the Deductions from Revenues consisting of the higher-than-expected mix of Outpatient Revenues (compared to Inpatient Revenues), which generally pay about 10% of charges compared to Inpatient Revenues which generally pay about 17% of charges. This also directly relates to the lower-than-expected Inpatient Days. The Deductions are favorably offset by \$492K Residency Program recovery.

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

Month – Operating Revenue in May was \$117K under budget. This is mostly impacted by the Net Patient Revenues being \$212K under budget and the Non-Patient Revenues being \$95K over budget.

YTD - Operating Revenue was \$6.79M below budget. This was impacted by the \$8.81M negative variance in Net Patient Revenues for the eleven months and a \$2.02M positive variance in Other Income.

Operating Expenses (MTD) Positive & (YTD) Positive

Month - Operating Expenses in May were \$7.07M and were under budget by \$602K. Key items that impacted overall Expenses were as follows: 1) Salaries and Wages, Benefits, and Contract Labor were

collectively \$116K under budget; 2) Purchased Services were \$249K below budget which included a) favorable variances in Altera (Allscripts) fees (\$27K), along with favorable variances in I/T , Radiology, and Plant Services; 3) Supplies were under budget by \$283K, which can be attributed to a) lower than expected Inpatient Admissions, and b) no covid surges; Repairs and Other Operating Expense were collectively \$41K over budget due primarily to Plant Operations repairs, Anesthesia Repairs, and Hospital Week employee activities.

Year-to Date – Operating Expenses were \$79.7M and were under budget by \$6.2M. Key items that impacted overall Expenses were as follows: 1) Salaries, Benefits, and Contract Labor, which included \$746K of Employee Retention payments, were a combined \$955K under budget. This favorable impact was affected by the PTO Flex-Down variance during the summer months along with the much lower than expected Patient Days workloads. (Note: Employee Retention costs were offset by \$673K reimbursement by the State, and these offsets are included in Other Income); 2) Physician fees were \$447K under budget and key variances relate to the Residency Program (\$332K) and Anesthesia (\$106K); 3) Purchased Services showed a favorable variance of \$2.45M due to Allscripts/Navigant (\$953K), I/T (\$560K, partially due to transfer of Leases), Dialysis (\$159K), Plant Operations (\$120K), Human Resources (\$141K), Legal fees (\$311K), and Administration/Accounting (\$142K) along with various other Service Agreements being lower than expected; 4) Supplies were under budget by \$2.98M, which included Drugs (\$1.86M), General Medical Supplies (\$837K), Non-Medical Supplies (\$255K) Prostheses (\$125K), Oxygen (\$87K), all of which can be attributable to a) much lower than expected Inpatient Admissions, b) no covid surges thus far, and c) not experiencing the full impact of inflation; 5) Other Operating Expenses were over budget by \$442K, which was largely driven by the Prime Grant Expense closing costs (\$254K) and Election Fees being much higher than anticipated.

Balance Sheet/Cash Flow

Patient cash collections in May totaled \$4.44M compared to April's \$4.9M. There was approximately \$600K of cash collections that got held up in the bank in May due to problems with account routing numbers. This has since been corrected, and the cash flowed to the Hospital in June; nevertheless the cash collections would have exceeded \$5M in May and the Gross A/R Days would have decreased by about 2 days due to this issue. This also impacted Cash balances, which were \$8.32M compared to \$8.78M in April. The LOC borrowing remains at zero as of this writing, which well exceeds the 30 days requirement. Again Cash and A/P was impacted by receipt of various Supplemental funds in April and May. Accounts Payable decreased slightly to \$7.19M compared to \$7.68M in April. A liability is in place reflecting \$1.70M payable to Medicare for current year's estimated overpayments for outliers and sequestration funds. Finally, several Liability accounts were impacted by re-classifications of Leases and Debt Liabilities.

Summary

Positive takeaways:

- 1) Supplemental Funding and Other Income continue to enhance Operating Revenues

Negative takeaways:

- 1) YTD EBIDA, adjusted for Cash Payments required for Leases is a negative \$1.16M.
- 2) Inpatient Days significantly lagged behind a normal May's activity.

STATISTICS

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

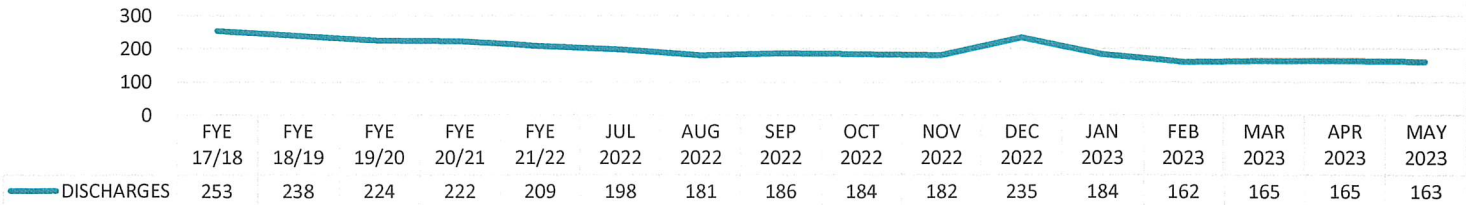
PRODUCTIVITY

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

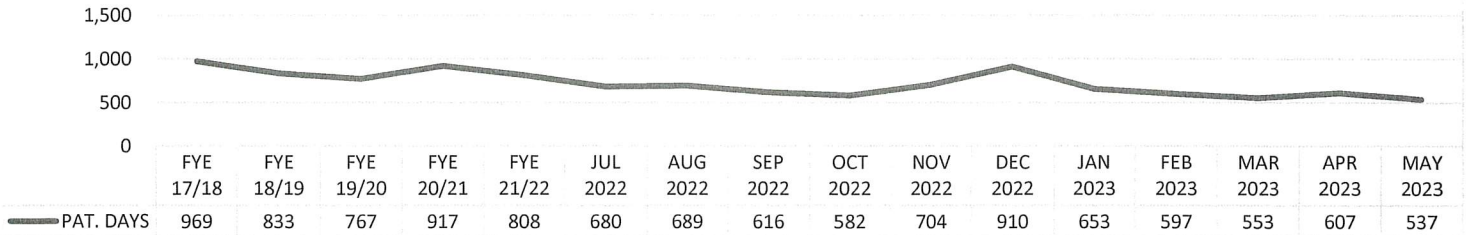
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SAN GORGONIO MEMORIAL HOSPITAL

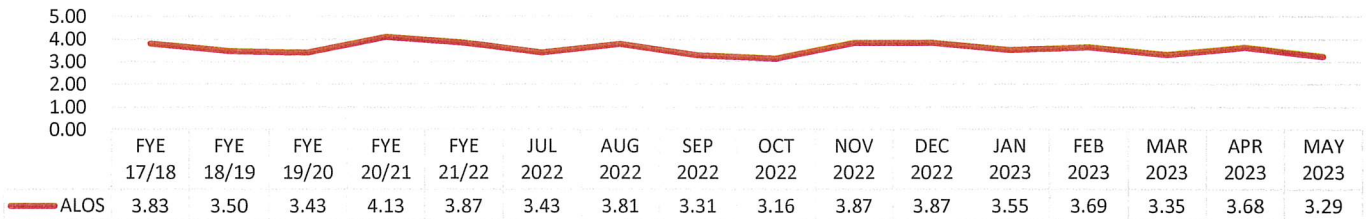
INPATIENT DISCHARGES



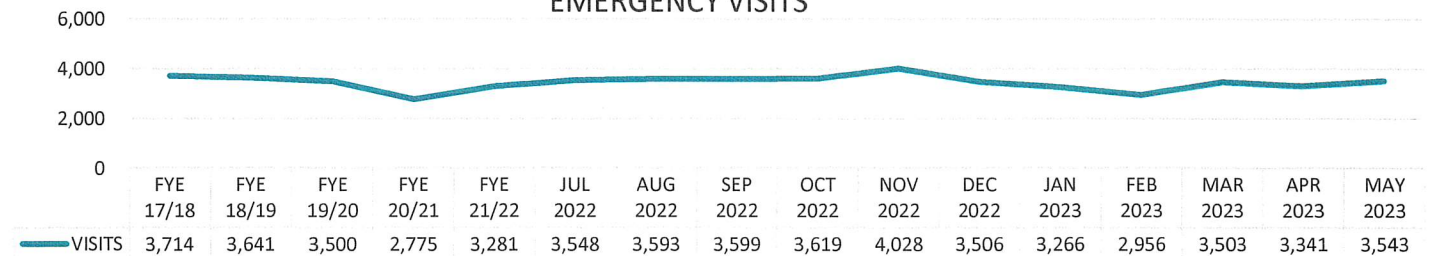
INPATIENT DAYS



AVERAGE LENGTH OF STAY

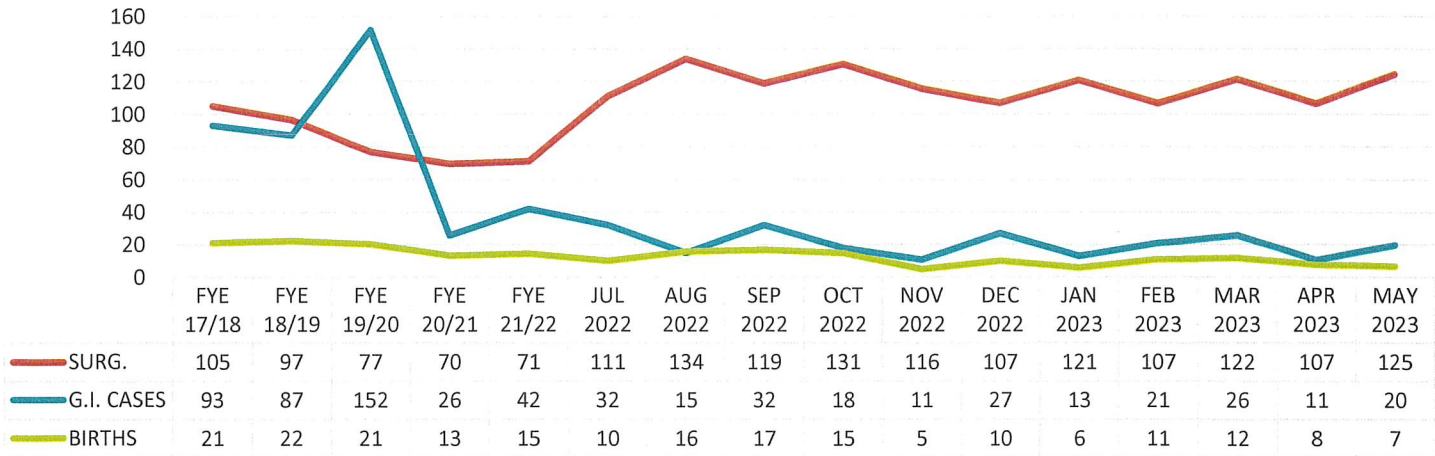


EMERGENCY VISITS

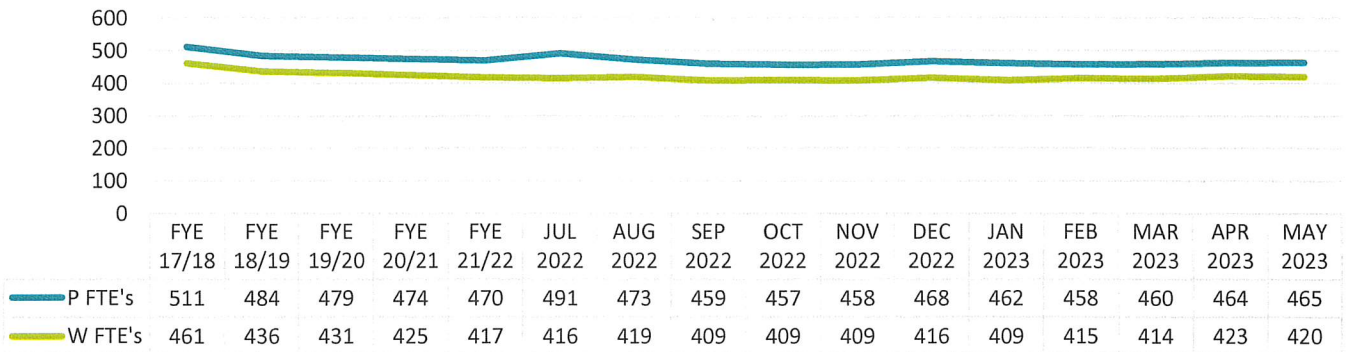


SAN GORGONIO MEMORIAL HOSPITAL

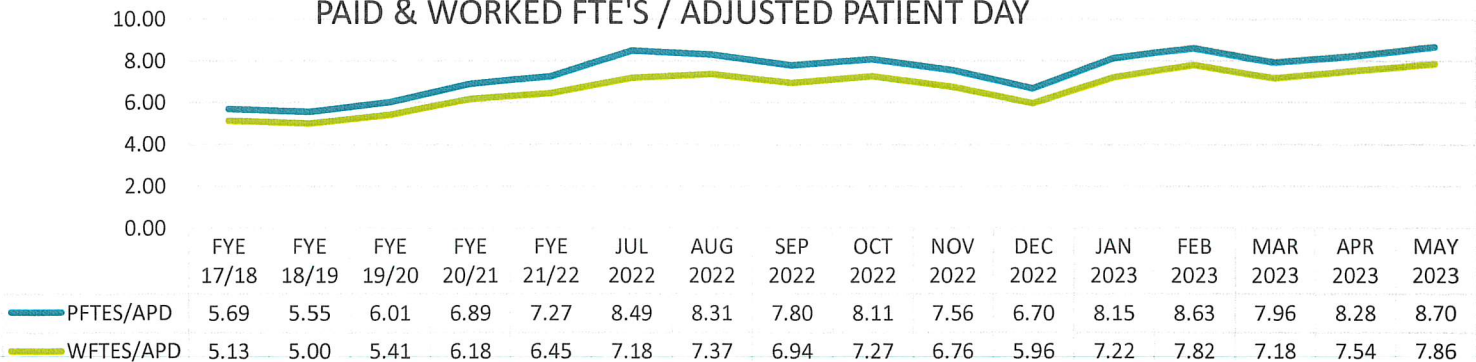
SURGERY CASES, G.I. CASES, N/B DELIVERIES



PAID & WORKED FTE'S



PAID & WORKED FTE'S / ADJUSTED PATIENT DAY



3-C

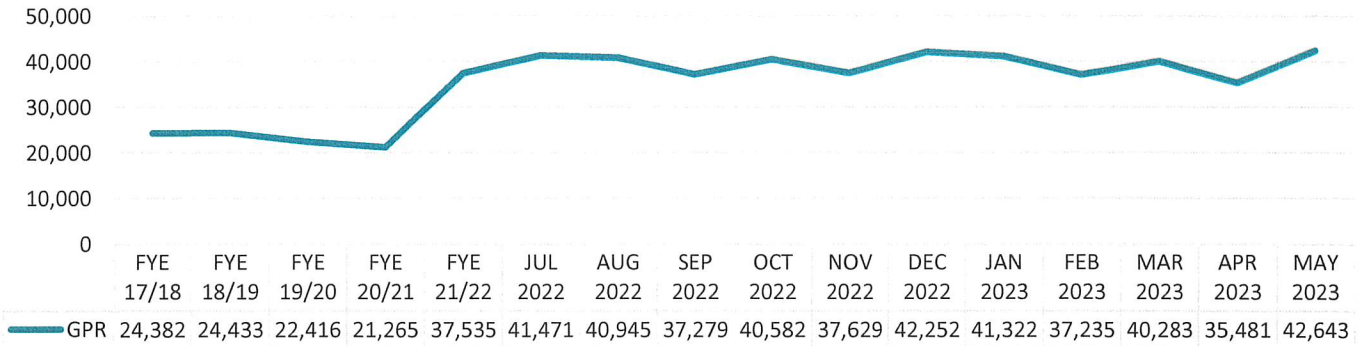
INCOME STATEMENT

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

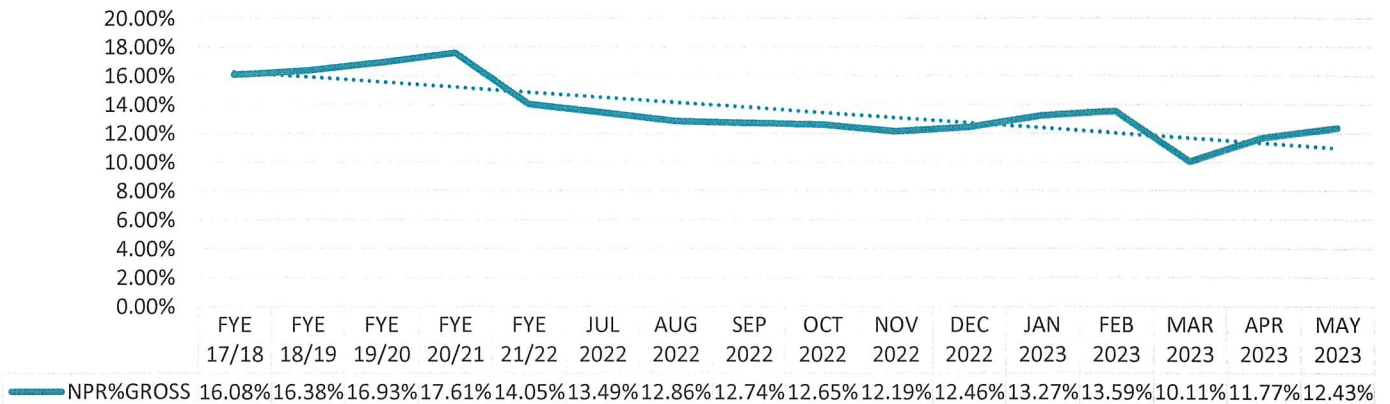
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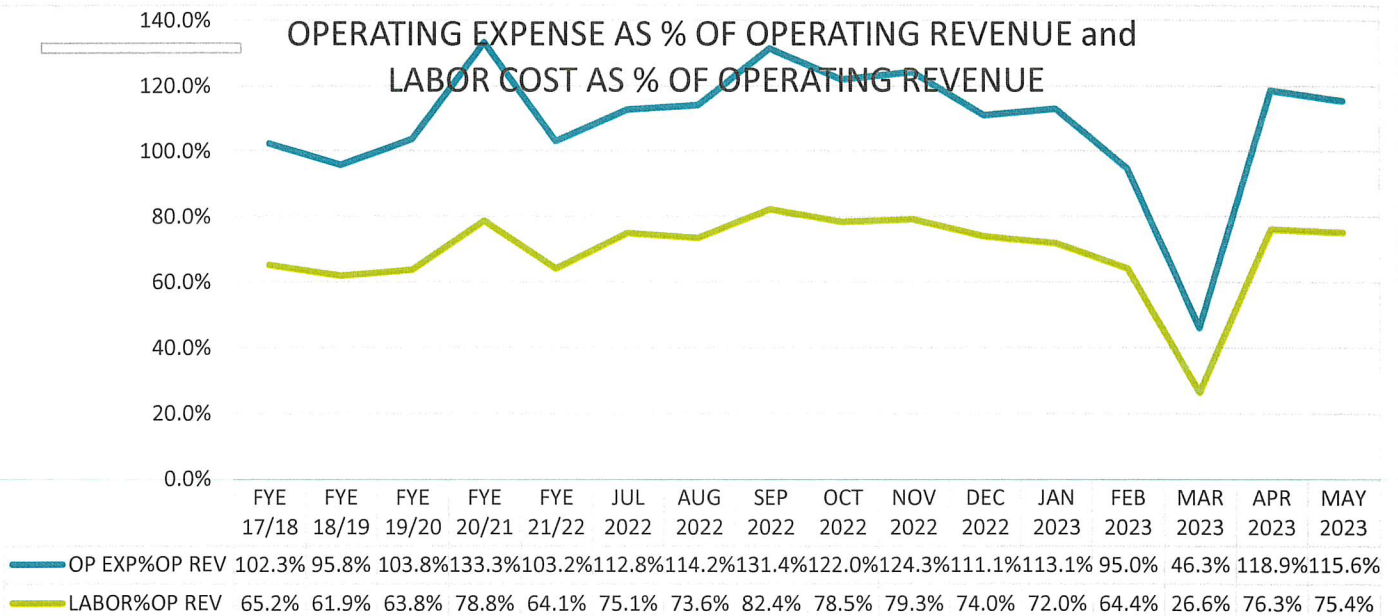
GROSS PATIENT REVENUE (000's)



NET PATIENT REVENUE AS % OF GROSS

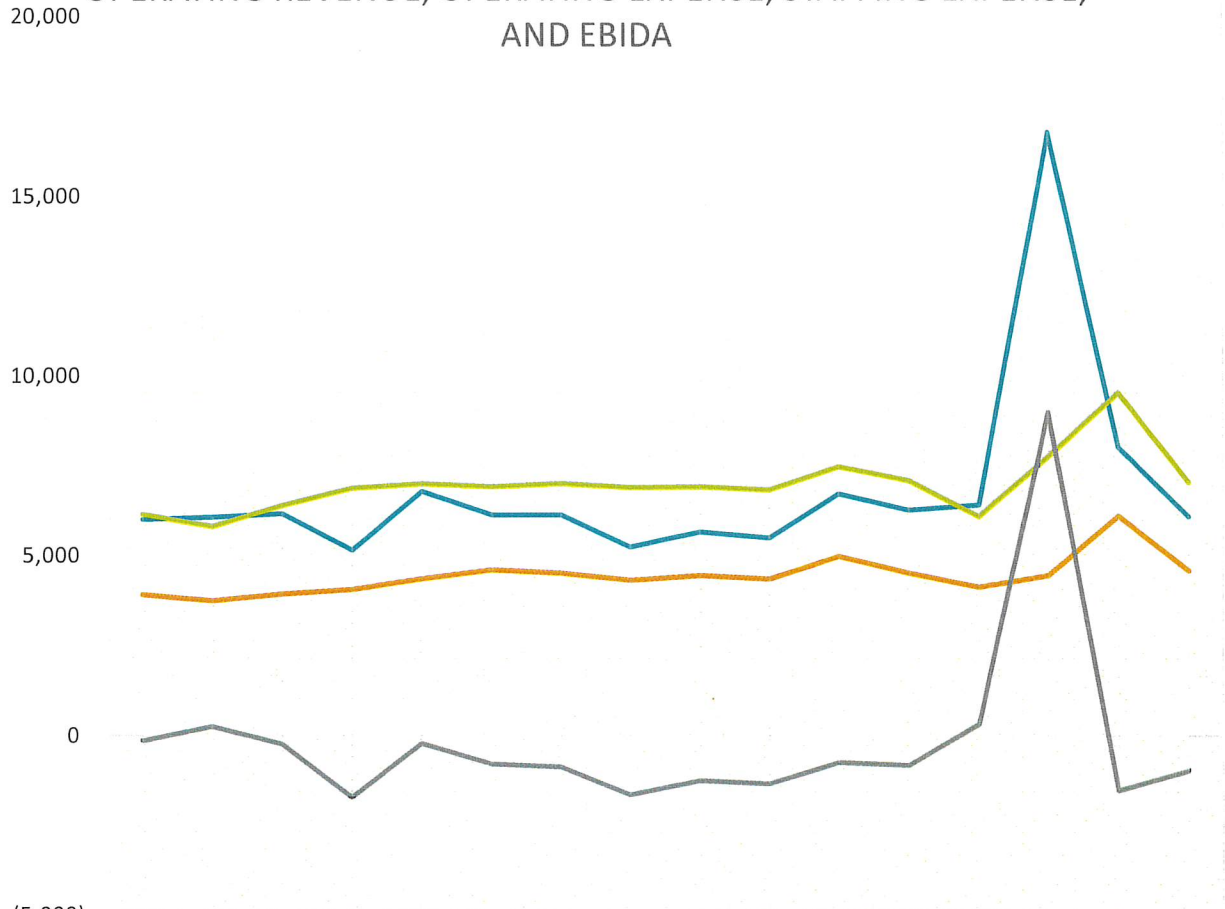


OPERATING EXPENSE AS % OF OPERATING REVENUE and LABOR COST AS % OF OPERATING REVENUE



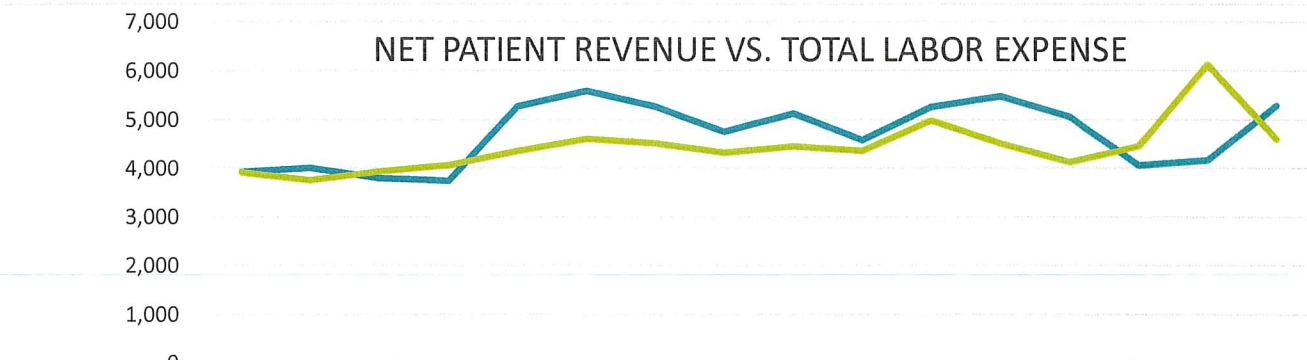
SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023	MAY 2023
OP REV	6,006	6,069	6,165	5,160	6,791	6,132	6,137	5,246	5,674	5,499	6,728	6,269	6,413	16,788	8,041	6,112
OP EXP	6,147	5,817	6,398	6,878	7,007	6,920	7,010	6,893	6,923	6,834	7,475	7,091	6,094	7,771	9,557	7,067
STAFF EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136	4,608
EBIDA	(141)	252	(233)	(1,719)	(216)	(788)	(873)	(1,648)	(1,249)	(1,335)	(747)	(822)	319	9,017	(1,516)	(956)

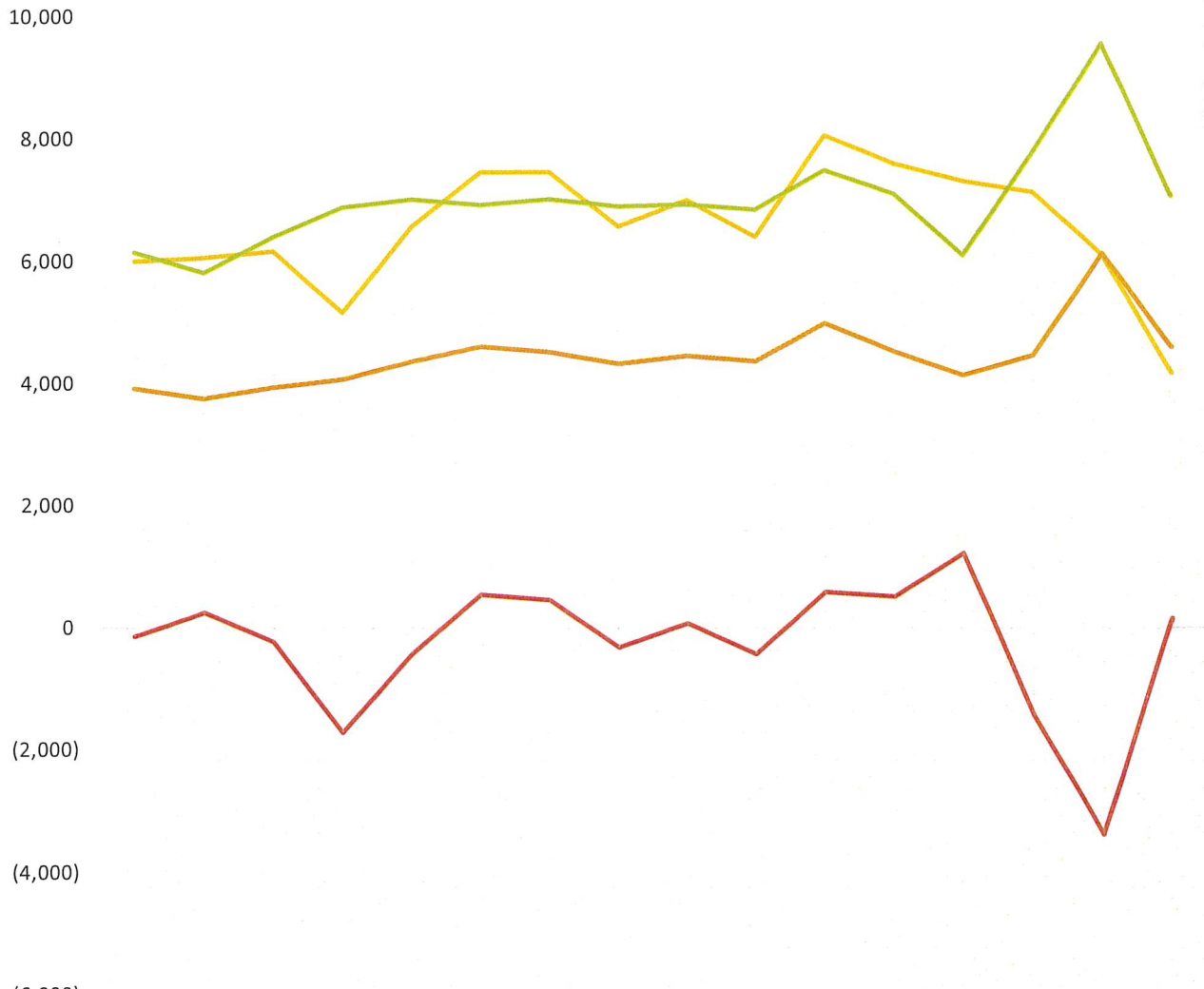
NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023	MAY 2023
NET PAT REV	3,921	4,003	3,795	3,744	5,275	5,594	5,267	4,751	5,134	4,585	5,266	5,485	5,060	4,071	4,176	5,300
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136	4,608

SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE (NORMALIZED), OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA (NORMALIZED) (000's)



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023	MAY 2023
REV NORMAL	6,006	6,069	6,165	5,160	6,569	7,453	7,458	6,567	6,995	6,399	8,049	7,591	7,307	7,133	6,106	4,177
OP EXP	6,147	5,817	6,398	6,878	7,007	6,920	7,010	6,893	6,923	6,834	7,475	7,091	6,094	7,771	9,557	7,067
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136	4,608
EBIDA NORMAL	(141)	252	(233)	(1,719)	(438)	533	448	(326)	72	(435)	574	499	1,214	(1,437)	(3,373)	156

SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA

Month-to Month FYE June 30, 2023

Statement of Revenue and Expense

	FYE17/18	FYE18/19	FYE19/20	FYE 20/21	FYE 21/22	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	7/31/2022	8/31/2022	9/30/2022	10/31/2022	11/30/2022	12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	
Gross Patient Revenue																			
Inpatient Revenue	\$ 8,862,325	\$ 7,667,883	\$ 7,401,282	\$ 9,331,371	\$ 16,603,390	\$ 14,373,195	\$ 15,786,344	\$ 13,463,161	\$ 13,156,157	\$ 13,207,417	\$ 14,560,451	\$ 17,505,552	\$ 15,327,216	\$ 13,691,246	\$ 12,451,963	\$ 12,872,356	\$ 13,178,063	\$ 158,105,146	
Inpatient Psych/Rehab Revenue	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	
Outpatient Revenue	15,730,069	16,765,365	15,067,104	11,933,682	20,932,075	25,359,692	25,684,830	27,481,674	24,122,862	27,374,507	23,068,968	24,746,141	\$ 25,994,869	23,543,943	27,831,252	22,609,141	\$ 29,465,200	278,956,615	
Long Term Care Revenue	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	
Home Health Revenue	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	
Total Gross Patient Revenue	24,392,394	24,433,247	22,468,386	21,265,053	37,535,465	39,732,887	41,471,174	40,944,835	37,279,018	40,581,924	37,629,419	42,251,693	41,322,085	37,235,189	40,283,214	35,481,497	42,643,263	\$ 437,061,761	
Deductions From Revenue																			
Discounts and Allowances	(19,635,639)	(19,588,148)	(17,845,730)	(16,635,734)	(31,267,149)	(33,701,560)	(34,966,058)	(34,797,135)	(30,986,845)	(34,683,286)	(32,035,399)	\$ (35,904,405)	\$ (35,468,343)	\$ (30,914,713)	(35,779,812)	(30,383,694)	\$ (35,144,037)	(370,717,158)	
Bad Debt Expense	(806,002)	(658,023)	(653,280)	(824,395)	(1,045,570)	(940,288)	(883,157)	(813,947)	(1,113,485)	(734,463)	(971,962)	\$ (1,015,237)	\$ (353,998)	\$ (1,246,067)	(334,016)	(799,841)	\$ (2,076,998)	(10,343,172)	
GI HMO Discounts	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -	\$ -	0	0	\$ -	-	
Charity Care	(80,410)	(56,168)	(86,517)	(41,362)	(136,947)	(89,586)	(28,117)	(66,596)	(427,789)	(29,952)	(36,715)	\$ (65,555)	\$ (14,815)	\$ (14,782)	(57,399)	(121,864)	\$ (121,864)	(985,448)	
Total Deductions From Revenue	(20,522,051)	(20,502,339)	(18,585,527)	(17,501,490)	(32,449,666)	(34,731,434)	(35,677,331)	(35,677,679)	(32,528,120)	(35,447,702)	(33,044,076)	(36,985,198)	(35,637,156)	(32,175,562)	(36,171,227)	(31,305,399)	(37,342,898)	(382,045,777)	
	-84.2%	-83.9%	-82.7%	-82.3%	-86.5%	-87.4%	-86.5%	-87.1%	-87.3%	-87.3%	-87.8%	-87.5%	-86.7%	-86.4%	-89.8%	-88.2%	-87.6%	-87.4%	
Net Patient Revenue	3,860,343	3,930,908	3,882,859	3,763,563	5,085,799	5,001,453	5,593,843	5,267,156	4,750,899	5,134,222	4,585,343	5,266,495	5,484,928	5,059,628	4,111,987	4,176,098	5,300,365	\$ 55,015,984	
Non-Patient Revenues																			
IGT/DSH Revenues	1,530,976	1,485,337	1,157,326	869,707	501,407	1,024,873	0	0	0	0	0	0	0	0	8,095,568	3,178,030	\$ -	11,273,599	
Grants & Other Op Revenues	193,507	205,990	750,434	505,190	725,066	783,636	136,873	468,018	93,358	138,568	512,304	1,059,520	383,032	951,722	4,151,470	285,071	\$ 440,060	8,619,998	
Clinic Net Revenues	20,106	22,382	15,743	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Tax Subsidies Measure D	174,852	196,524	199,469	209,744	229,405	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	2,716,932	
Tax Subsidies Prop 13	105,376	115,388	114,061	142,552	146,104	151,773	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	1,669,500	
Tax Subsidies County Supplmtl Funds	16,858	16,159	9,064	16,163	25,561	2,517	0	0	0	0	0	0	0	0	0	0	0	27,692	
Non-Patient Revenues	2,041,676	2,041,381	2,246,097	1,743,355	1,627,542	2,209,793	538,367	869,512	494,852	540,062	913,798	1,461,014	784,526	1,353,216	12,676,224	3,864,596	811,554	\$ 24,307,720	
Total Operating Revenue	5,902,018	5,972,289	6,128,956	5,506,919	6,713,341	7,211,246	6,132,210	6,136,668	5,245,751	5,674,284	5,499,141	6,727,509	6,269,454	6,412,844	16,788,211	8,040,693	6,111,918	\$ 79,323,704	
Operating Expenses																			
Salaries and Wages	3,000,486	2,941,226	3,104,224	3,125,159	3,420,974	3,609,522	3,566,637	3,581,670	3,344,149	3,505,628	3,406,624	3,976,933	3,389,453	3,077,122	3,403,893	\$ 4,883,009	3,569,623	39,704,740	
Fringe Benefits	784,204	702,477	752,708	856,889	830,599	940,921	898,552	866,467	904,958	895,221	926,984	921,667	923,548	909,630	983,304	\$ 1,136,954	980,844	10,350,130	
Contract Labor	130,625	106,628	59,516	114,886	99,977	93,064	138,575	64,443	72,561	50,991	25,244	81,713	199,814	141,964	74,693	\$ 115,720	57,987	1,023,703	
Physicians Fees	211,630	246,631	331,858	350,783	330,533	324,551	273,621	277,977	293,059	308,777	291,979	352,767	359,584	329,986	329,711	\$ 350,804	344,225	3,570,066	
Purchased Services	581,239	513,857	691,337	772,336	892,521	792,793	829,624	848,417	1,003,052	802,604	890,157	746,115	797,016	476,515	768,170	\$ 849,809	766,813	8,720,718	
Supply Expense	699,167	685,518	751,025	903,883	995,446	858,192	698,214	888,903	895,128	735,602	839,353	987,328	723,243	988,949	\$ 1,051,584	808,794	9,440,116		
Utilities	74,205	75,471	80,680	92,287	111,192	113,918	104,925	97,819	113,507	99,363	120,651	115,611	96,716	105,867	98,940	\$ 194,633	105,066	1,253,098	
Repairs and Maintenance	63,674	58,325	58,592	139,712	77,524	93,383	74,098	124,767	51,558	111,348	66,765	98,149	83,712	101,598	85,772	\$ 101,922	127,526	1,027,215	
Insurance Expense	86,537	85,267	103,277	110,683	112,745	120,759	137,478	127,547	133,709	119,141	122,505	118,248	114,116	117,116	103,000	\$ 117,993	122,000	1,328,351	
All Other Operating Expenses	68,153	70,922	160,745	148,752	101,142	136,290	97,102	53,610	47,279	84,177	189,078	143,484	139,122	48,806	72,459	\$ 384,176	118,594	1,499,189	
IGT Expense	217,249	58,743	109,484	172,366	0	99,817	0	0	0	0	0	0	0	0	\$ 800,045	\$ 297,940	-	1,097,985	
Leases and Rentals	67,507	76,150	79,233	79,424	37,952	66,404	101,241	76,060	106,555	51,072	58,251	80,559	765	61,844	\$ 62,060	\$ 72,328	65,966	730,445	
1206 (b) CLINIC	80,927	98,810	94,628	34,096	0	0	0	0	0	0	0	0	0	0	0	0	0	-	
Total Operating Expenses	6,045,602	5,720,023	6,377,306	6,901,255	7,010,605	7,249,614	6,920,067	7,009,680	6,893,407	6,923,449	6,833,839	7,474,599	7,091,173	6,093,690	7,770,997	9,556,872	7,067,438	\$ 79,745,756	
EBIDA	(143,488)	252,266	(248,351)	(1,394,337)	(297,264)	(38,368)	(787,858)	(873,012)	(1,647,656)	(1,249,165)	(1,334,698)	(747,090)	(821,719)	319,154	9,017,214	(1,516,179)	(955,520)	(422,052)	
Interest, Depreciation, and Amortization																			
Depreciation and Amortization	512,466	497,808	506,497	494,721	472,317	552,881	550,044	406,450	406,450	446,580	426,319	648,669	\$ 661,981	660,120	626,682	627,615	\$ 609,030	6,081,695	
Interest Expense	432,490	418,193	422,094	447,994	391,606	486,990	427,682	571,834	409,794	394,794	419,794	625,830	\$ 491,596	425,067	467,039	550,064	\$ 573,399	5,356,891	
Total Interest, Depr, & Amort.	944,956	916,000	928,591	942,715	863,923	1,039,871	977,726	978,283	816,243	841,374	846,112	1,274,500	1,153,577	1,085,187	1,093,721	1,177,679	1,182,429	11,438,586	
Non-Operating Revenue:																			
Contributions & Other	14,354	7,745	27,759	7,121	25,068	163,008	1,387,913	2,599	3,065	2,068	3,065	\$ 307,953	(48,783)	1,875	\$ 3,578	5,682	\$ 2,771	1,793,087	
Tax Subsidies for GO Bonds - M-A	682,487	692,457	666,966	598,410	616,059	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	\$ 627,353	627,353	\$ 627,353	6,900,884	
Total Non Operating Revenue/Expense	696,841	700,202	694,725	605,531	641,127	790,361	2,015,266	629,952	630,418	629,421	630,418	935,307	578,570	629,228	630,931	633,035	630,125	8,693,971	
Total Net Surplus/(Loss)	(421,699)	36,467	(482,217)	(1,731,521)	(520,060)	(287,879)	249,682	(1,221,343)	(1,833,481)	(1,461,118)	(1,550,393)	(1,086,283)	(1,						

SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA
5 Year Monthly Averages and 12 Rolling Months Ended 05 31 2023

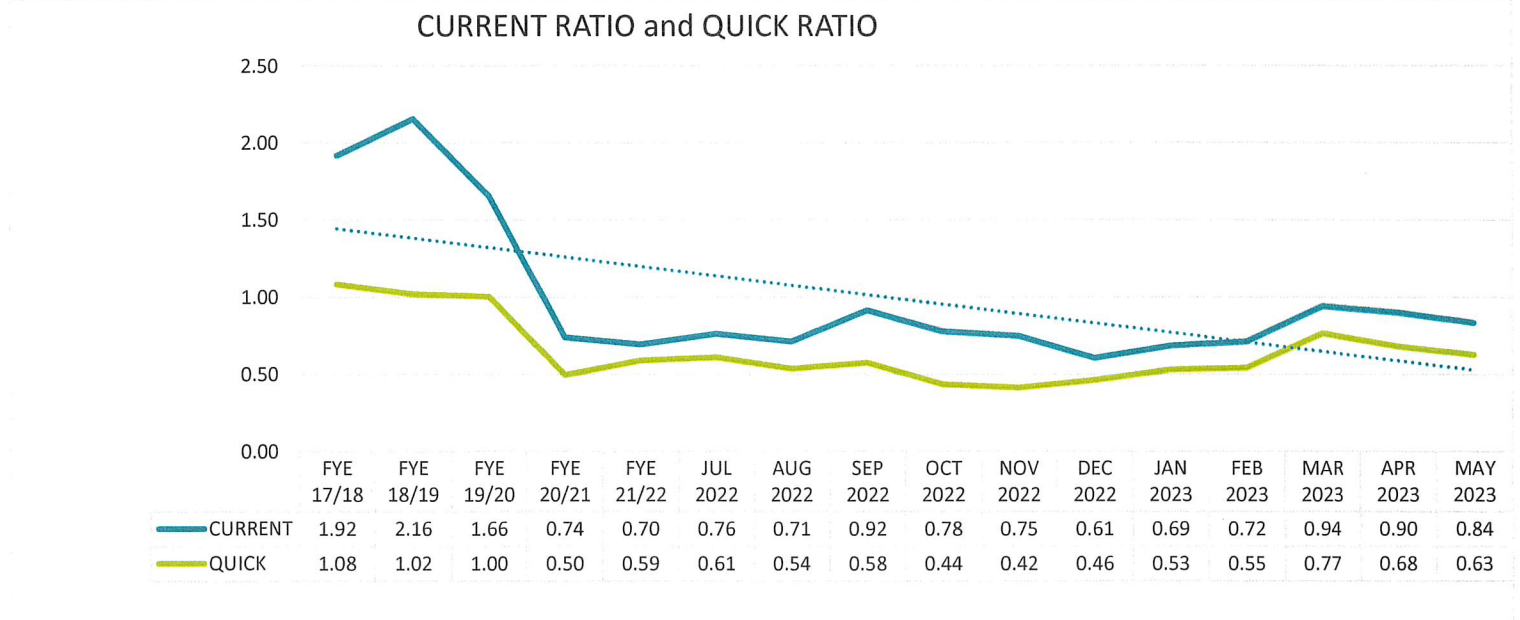
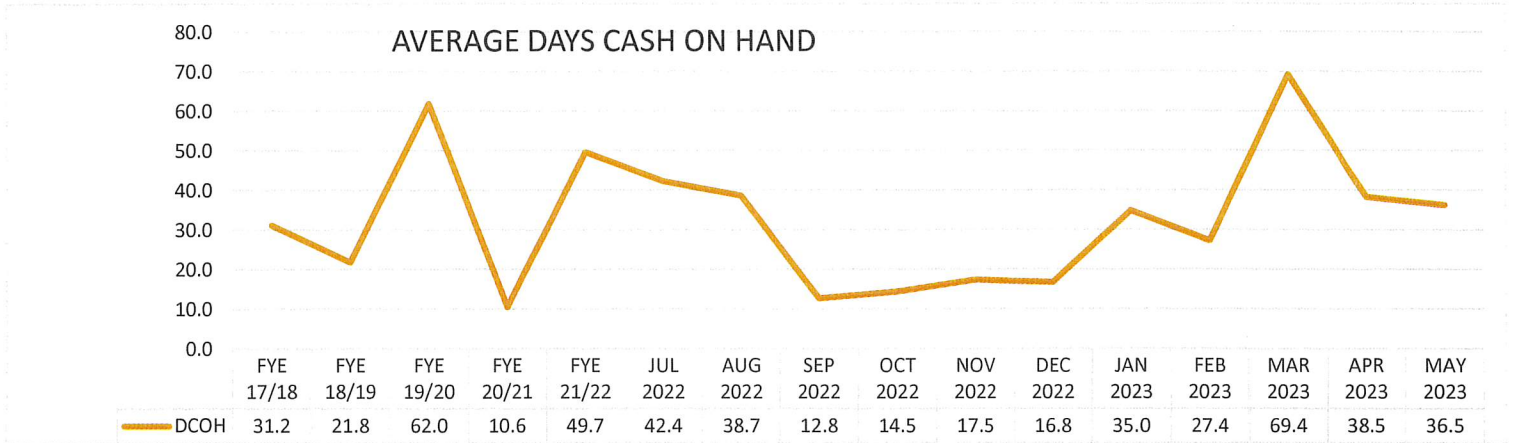
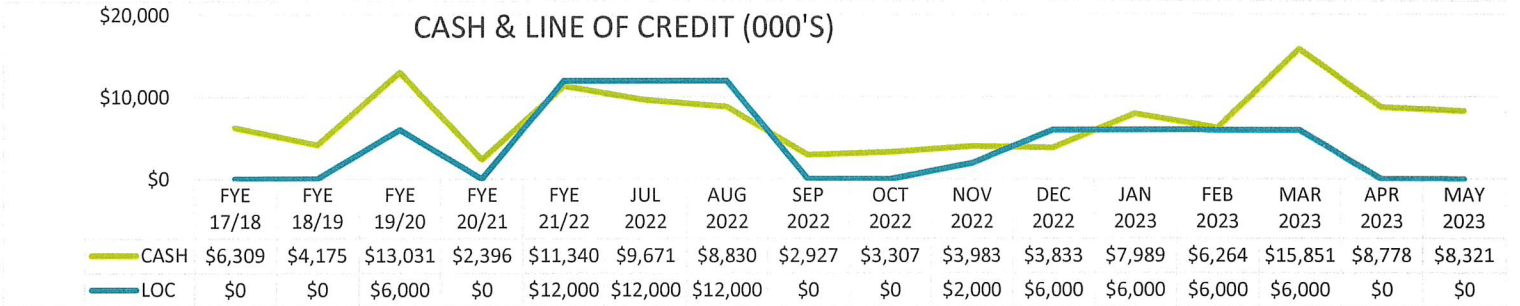
	FYE17/18	FYE18/19	FYE19/20	FYE 20/21	FYE 21/22	FYE 21/22	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	6/30/2022	7/31/2022	8/31/2022	9/30/2022	10/31/2022	11/30/2022	12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023
Gross Patient Revenue																	
Inpatient Revenue	\$ 8,652,325	\$ 7,667,883	\$ 7,401,282	\$ 9,331,371	\$ 16,603,390	\$ 13,219,644	\$ 15,793,211	\$ 16,241,100	\$ 13,156,157	\$ 13,207,417	\$ 14,560,451	\$ 17,505,552	\$ 15,327,216	\$ 13,691,246	\$ 12,451,963	\$ 12,872,356	\$ 13,178,063
Inpatient Psych/Rehab Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outpatient Revenue	15,730,069	16,765,365	15,067,104	11,933,682	20,932,075	23,646,523	25,672,092	24,753,736	24,122,862	27,374,507	23,068,968	24,746,141	\$ 25,994,869	\$ 23,543,943	\$ 27,831,252	\$ 22,609,141	\$ 29,465,200
Long Term Care Revenue	0	0	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	0	0
Total Gross Patient Revenue	24,382,394	24,433,247	22,468,386	21,265,053	37,535,465	36,866,167	41,465,303	40,994,836	37,279,019	40,581,924	37,629,419	42,251,693	41,322,085	37,235,189	40,283,214	35,481,497	42,643,263
Deductions From Revenue																	
Discounts and Allowances	(19,635,639)	(19,588,148)	(17,845,730)	(16,635,734)	(31,267,149)	(36,229,684)	(34,966,058)	(34,797,135)	(30,986,845)	(34,683,286)	(32,035,399)	(35,904,405)	(35,468,343)	(30,914,713)	(35,779,812)	(30,383,694)	(35,144,037)
Bad Debt Expense	(806,002)	(858,023)	(653,280)	(824,395)	(1,045,570)	2,536,474	(883,157)	(813,947)	(1,113,485)	(734,463)	(971,962)	(1,015,237)	(353,998)	(1,246,067)	(334,016)	(799,841)	(2,076,998)
GI HMO Discounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Charity Care	(80,410)	(56,168)	(86,517)	(41,362)	(136,947)	(59,144)	(28,117)	(66,596)	(427,789)	(29,952)	(36,715)	(65,555)	(14,815)	(14,782)	(57,399)	(121,864)	(121,864)
Total Deductions From Revenue	(20,522,051)	(20,502,339)	(18,585,527)	(17,501,490)	(32,449,666)	(33,752,355)	(35,877,331)	(35,677,679)	(32,528,120)	(35,447,702)	(33,044,076)	(36,985,198)	(35,837,156)	(32,175,562)	(36,171,227)	(31,305,399)	(37,342,898)
Net Patient Revenue	3,860,343	3,930,908	3,882,859	3,763,563	5,085,799	3,113,812	5,587,972	5,317,157	4,750,899	5,134,222	4,585,343	5,266,495	5,484,928	5,059,627	4,111,987	4,176,098	5,300,365
Non-Patient Revenues																	
IGT/DSH Revenues	1,530,975	1,485,337	1,157,326	869,707	501,407	-	-	-	-	-	-	-	-	-	\$ 8,095,568	\$ 3,178,030	\$ -
Grants & Other Op Revenues	193,507	205,590	750,434	505,190	725,065	2,657,264	136,873	468,018	93,358	138,568	512,304	1,059,520	383,032	\$ 951,722	\$ 4,151,470	\$ 285,071	\$ 440,060
Clinic Net Revenues	20,106	22,382	15,743	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Subsidies Measure D	174,852	196,524	199,469	209,744	229,405	186,194	246,994	246,994	246,994	246,994	246,994	246,994	246,994	\$ 246,994	\$ 246,994	\$ 246,994	\$ 246,994
Tax Subsidies Prop 13	105,376	115,388	114,061	142,552	146,104	103,245	154,500	154,500	154,500	154,500	154,500	154,500	154,500	\$ 154,500	\$ 154,500	\$ 154,500	\$ 124,500
Tax Subsidies County Suplmtl Funds	16,858	16,159	9,064	16,163	25,561	306,727	-	-	-	-	-	-	-	\$ -	\$ 27,692	\$ -	\$ -
Non-Patient Revenues	2,041,675	2,041,381	2,246,097	1,743,355	1,627,542	3,253,430	538,367	869,512	494,852	540,062	913,798	1,461,014	784,526	1,353,216	12,676,224	3,864,596	811,554
Total Operating Revenue	5,902,018	5,972,289	6,128,956	5,506,919	6,713,341	6,367,242	6,126,339	6,186,669	5,245,751	5,674,284	5,499,141	6,727,509	6,269,454	6,412,844	16,788,211	8,040,693	6,111,918
Operating Expenses																	
Salaries and Wages	3,000,485	2,941,226	3,104,224	3,125,159	3,420,974	3,245,290	3,566,637	3,581,670	3,344,149	3,505,628	3,406,624	\$ 3,976,933	\$ 3,389,453	\$ 3,077,122	\$ 3,403,893	4,883,009	3,569,623
Fringe Benefits	784,204	702,477	752,708	856,889	830,599	790,636	898,552	868,467	904,958	895,221	926,984	\$ 921,667	\$ 923,548	\$ 909,630	\$ 983,304	1,136,954	980,844
Contract Labor	130,625	106,628	59,516	114,886	99,977	110,598	138,575	64,443	72,561	50,991	25,244	\$ 81,713	\$ 199,814	\$ 141,964	\$ 74,693	115,720	57,887
Physicians Fees	211,630	246,631	331,858	350,783	330,533	243,800	273,621	277,977	350,634	308,777	291,979	\$ 352,767	\$ 359,584	\$ 329,986	\$ 329,711	350,804	344,225
Purchased Services	581,239	513,857	691,337	772,336	892,521	792,287	829,624	848,417	945,477	802,604	890,157	\$ 746,115	\$ 797,016	\$ 476,515	\$ 768,170	849,809	766,813
Supply Expense	699,167	685,518	751,025	903,883	995,446	1,026,266	898,214	888,903	823,019	895,128	735,602	\$ 839,353	\$ 987,328	\$ 723,243	\$ 988,949	1,051,584	808,794
Utilities	74,205	75,471	80,680	92,287	111,192	114,902	104,925	97,819	113,507	99,363	120,651	\$ 115,611	\$ 96,716	\$ 105,867	\$ 98,940	194,633	105,066
Repairs and Maintenance	53,574	58,325	58,592	139,712	77,524	63,450	74,098	124,767	11,558	111,348	66,765	\$ 98,149	\$ 83,712	\$ 101,598	\$ 85,772	101,922	127,526
Insurance Expense	86,537	85,267	103,277	110,683	112,745	120,427	137,478	127,547	133,709	119,141	122,505	\$ 118,248	\$ 114,116	\$ 117,116	\$ 103,000	117,993	122,000
All Other Operating Expenses	68,153	70,922	160,745	148,752	101,142	208,464	97,102	53,610	47,279	84,177	189,078	143,484	139,122	48,806	72,459	384,176	118,594
IGT Expense	217,249	58,743	109,484	172,366	0	0	0	0	0	0	0	0	0	0	800,045	297,940	0
Leases and Rentals	57,507	75,150	79,233	79,424	37,952	(408,504)	101,241	76,060	106,555	51,072	58,251	80,559	765	61,844	62,060	72,328	65,966
1206 (b) CLINIC	80,927	98,810	94,628	34,096	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	6,045,502	5,720,023	6,377,306	6,901,255	7,010,605	6,307,616	6,920,067	7,009,680	6,893,407	6,923,449	6,833,839	7,474,599	7,091,173	6,093,690	7,770,997	9,556,872	7,067,438
EBIDA	(143,485)	252,266	(248,351)	(1,394,337)	(297,264)	59,626	(793,729)	(823,011)	(1,647,656)	(1,249,165)	(1,334,698)	(747,090)	(821,719)	319,154	9,017,214	(1,516,179)	(955,520)
Interest, Depreciation, and Amortization																	
Depreciation and Amortization	512,466	497,808	506,497	494,721	472,317	114,286	550,044	406,450	406,450	446,580	426,319	648,669	661,981	660,120	626,682	\$ 627,615	\$ 609,030
Interest Expense	432,490	418,193	422,094	447,994	391,606	159,730	427,682	571,834	409,794	394,794	419,794	625,830	491,596	425,067	467,039	\$ 550,064	\$ 573,399
Total Interest, Depr, & Amort.	944,956	916,000	928,591	942,715	863,923	274,016	977,726	978,283	816,243	841,374	846,112	1,274,500	1,153,577	1,085,187	1,093,721	1,177,679	1,182,429
Non-Operating Revenue:																	
Contributions & Other	14,354	7,745	27,759	7,121	25,068	(175,971)	1,387,913	2,599	3,065	2,068	3,065	307,953	(48,783)	1,875	3,578	5,682	\$ 2,771
Tax Subsidies for GO Bonds - M-A	652,487	692,457	666,966	598,410	616,059	639,084	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	\$ 627,353
Total Non Operating Revenue/(Expense)	666,841	700,202	694,725	605,531	641,127	463,113	2,015,266	629,952	630,418	629,421	630,418	935,307	578,570	629,228	630,931	633,035	630,125
Total Net Surplus/(Loss)	(421,599)	36,467	(482,217)	(1,731,521)	(520,060)	248,723	243,811	(1,171,342)	(1,833,481)	(1,461,118)	(1,550,393)	(1,086,283)	(1,396,726)	(136,804)	8,554,424	(2,060,822)	(1,507,824)
Change in Interest in Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra-ordinary Loss on Financing	0	0	(689,574)	(650)	(284,792)	(3,417,500)	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease in Unrestricted Net / \$	(421,599)	\$ 36,467	(1,171,791)	(1,732,171)	(804,852)	(3,168,777)	\$ 243,811	(1,171,342)	(1,833,481)	(1,461,118)	(1,550,393)	(1,086,283)	(1,396,726)	(136,804)	8,554,424	(2,060,822)	(1,507,824)
Total Profit Margin	-7.1%	0.6%	-7.9%	-31.4%	-7.7%												

BALANCE SHEET (Period End)

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

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SAN GORGONIO MEMORIAL HOSPITAL



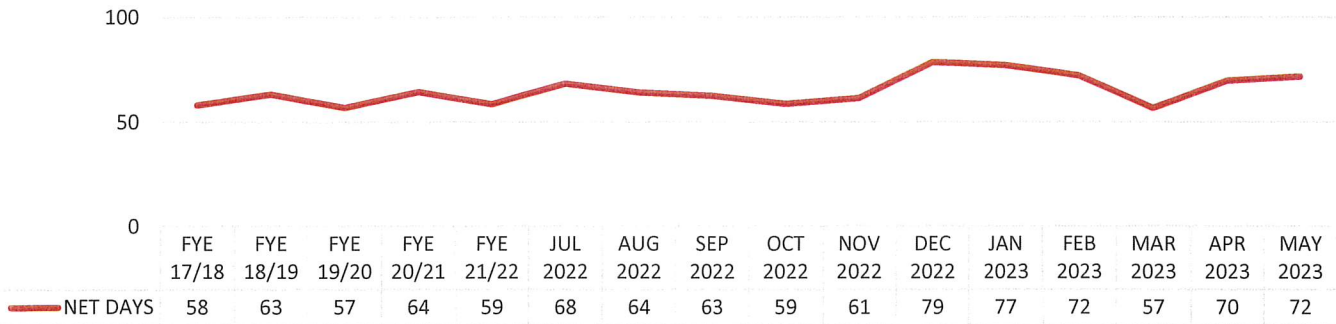
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SAN GORGONIO MEMORIAL HOSPITAL

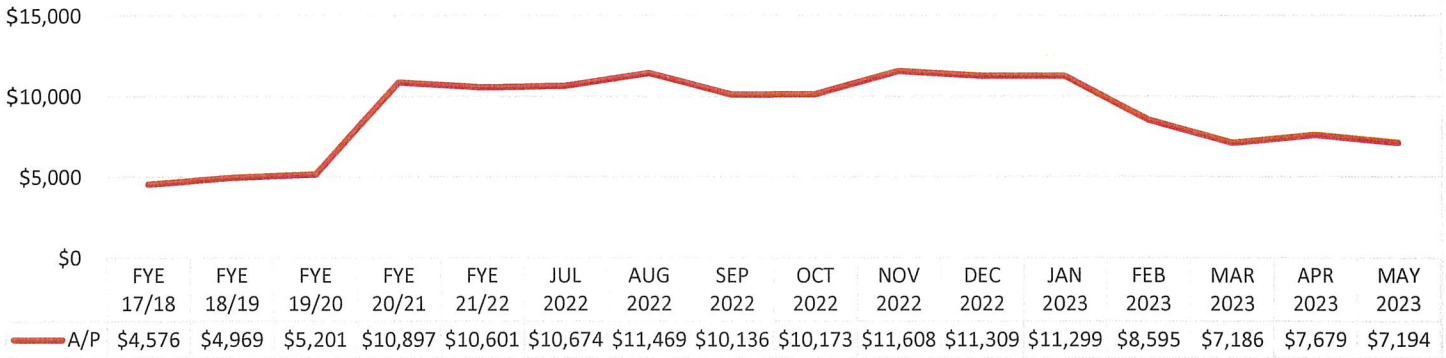
NET ACCOUNTS RECEIVABLE (000'S)



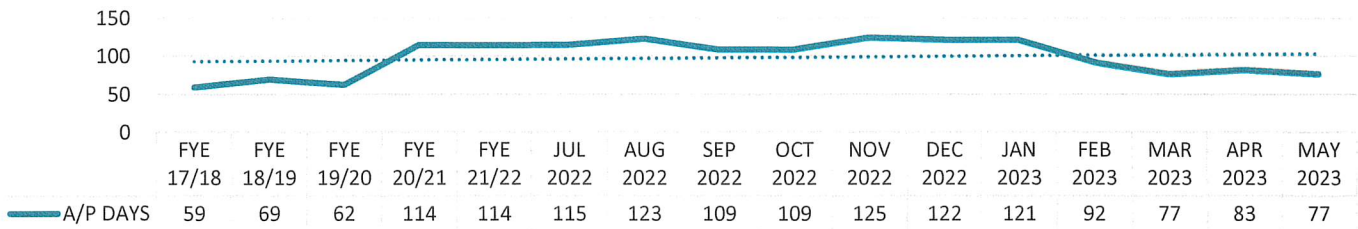
AVE. DAYS OF COLLECTIONS IN NET A/R



ACCOUNTS PAYABLE (000'S)



AVERAGE DAYS IN ACCOUNTS PAYABLE



SAN GORGONIO MEMORIAL HOSPITAL
EXECUTIVE FINANCIAL SUMMARY
ELEVEN MONTHS ENDING MAY 31, 2023

STATEMENT OF REVENUE AND EXPENSES - MONTH & YTD						
REF LINE#		05/31/23 ACTUAL	05/31/23 BUDGET	YTD ACTUAL	YTD BUDGET	YTD DIFFERENCE
	Revenue:					
[1]	Gross Patient Revenues	\$ 42,643,263	\$ 42,233,225	\$ 437,061,761	\$ 488,402,734	\$ (51,340,972)
[2]	Deductions From Revenue	(37,342,898)	(36,720,850)	(382,045,778)	(424,576,519)	42,530,741
[3]	Net Patient Revenues	5,300,365	5,512,375	55,015,984	63,826,215	(8,810,231)
[4]	IGT Revenue	-	-	11,273,599	12,288,244	(1,014,645)
[5]	Other Operating Revenue	811,554	557,030	13,034,121	10,002,520	3,031,601
[6]	Total Operating Revenues	6,111,918	6,069,405	79,323,704	86,116,979	(6,793,275)
	Expenses:					
[7]	Salaries, Benefits	4,550,467	4,648,967	50,054,870	51,194,436	1,139,566
	Contract Labor	57,987	75,606	1,023,703	839,486	(184,218)
	Physicians Fees	344,225	365,231	3,570,066	4,017,541	447,476
	Other Purchase Services	766,813	1,016,275	8,720,718	11,175,286	2,454,568
[8]	Purchased Serv. & Physician Fees	1,169,025	1,457,112	13,314,487	16,032,313	2,717,826
[9]	Supply Expenses	808,794	1,091,834	9,440,116	12,419,794	2,979,677
[10]	Other Operating Expenses & Clinic Loss	539,152	471,212	5,838,300	5,212,595	(625,705)
[11]	Supplimental and Grant Expense	-	-	1,097,983	1,097,985	2
[12]	Total Expenses	\$ 7,067,438	\$ 7,669,125	\$ 79,745,756	\$ 85,957,123	\$ 6,211,367
[13]	EBIDA	\$ (955,520)	\$ (1,599,720)	\$ (422,052)	\$ 159,856	\$ (581,908)
[14]	Depreciation & Interest Expense	1,182,429	1,128,087	11,438,587	11,882,131	443,545
[15]	Non-Operating Revenue/(Exp.)	630,125	1,092,982	8,693,972	12,022,798	(3,328,827)
[16]	TOTAL NET SURPLUS (LOSS)	\$ (1,507,824)	\$ (1,634,826)	\$ (3,166,667)	\$ 300,523	\$ (3,467,190)

SAN GORGONIO MEMORIAL HOSPITAL

EXECUTIVE FINANCIAL SUMMARY

ELEVEN MONTHS ENDING MAY 31, 2023

BALANCE SHEET				
		YTD	Prior FYE	
		5/31/2023	6/30/2022	
ASSETS				
[1]	Current Assets	\$ 24,982,578	\$ 23,401,085	
[2]	Assets Whose Use is Limited	17,267,590	12,704,494	
[3]	Property, Plant & Equipment (Net)	74,142,660	73,514,801	
[4]	Other Assets	576,739	503,000	
[5]	Total Unrestricted Assets	116,969,566	110,123,380	
[6]	Restricted Assets	0	0	
[7]	Total Assets	\$ 116,969,566	\$ 110,123,380	
LIABILITIES AND NET ASSETS				
[8]	Current Liabilities	\$29,809,710	\$33,649,575	
[9]	Long-Term Debt	119,197,777	105,323,946	
[10]	Other Long-Term Liabilities	4,852,624	2,231,626	
[11]	Total Liabilities	\$ 153,860,111	\$ 141,205,147	
[12]	Net Assets	\$ (36,890,545)	\$ (31,081,767)	
[13]	Total Liabilities and Net Assets	\$ 116,969,566	\$ 110,123,380	

KEY STATISTICS AND RATIOS

	03/31/23 ACTUAL	05/31/23 ACTUAL	05/31/23 BUDGET	2023 11 MOS.TOTAL	2022 11 MOS.TOTAL	2022 YR END TOTAL
	FY 23	FY 23	FY 23	FY 23	FY 22	FY 22
[1] Total Acute Patient Days	607	537	974	7,128	9,009	9,689
[2] Average Daily Census	20.2	17.3	31.4	21.3	26.9	26.5
[3] Average Acute Length of Stay	3.7	3.3	4.1	3.6	4.0	3.9
[4] Patient Discharges	165	163	240	2,005	2,270	2,478
[5] Adjusted Patient Days	1,789	1,738	1,939	19,696	19,767	21,422
[6] Observation Days	246	292	226	2,896	2,534	2,775
[7] Total Emergency Room Visits	3,341	3,543	3,086	38,502	35,904	39,374
[8] Average ED Visits Per Day	111	114	100	115	107	108
[9] Total Surgeries (Excluding G.I.'s)	107	125	115	1,300	773	855
[10] Deliveries/Births	8	7	11	117	159	175

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ELEVEN MONTHS ENDING MAY 31, 2023

	DISTRICT ONLY	CURRENT MONTH			
		FY 23	FY 23	Positive	Percentage
		ACTUAL	CUR MO BUD	(Negative)	
ACTUAL	ACTUAL	ACTUAL	Variance	Variance	
	05/31/23	05/31/23	05/31/23		
Gross Patient Revenue					
[1] Inpatient Revenue	\$ -	\$ 13,178,063	\$ 21,157,043	\$ (7,978,980)	-37.7%
[2] Inpatient Psych/Rehab Revenue	-	-	-	-	-
[3] Outpatient Revenue	-	29,465,200	\$ 21,076,182	8,389,018	39.8%
[4] Long Term Care Revenue	-	-	-	-	-
[5] Home Health Revenue	-	-	-	-	-
[6] Total Gross Patient Revenue	\$ -	\$ 42,643,263	\$ 42,233,225	\$ 410,037	1.0%
Deductions From Revenue					
[7] Discounts and Allowances	-	(35,144,037)	\$ (35,157,087)	\$ 13,050	0.0%
[8] Bad Debt Expense	-	(2,076,998)	\$ (1,487,248)	(589,750)	39.7%
[9] Prior Year Settlements	-	-	\$ -	-	-
[10] Charity Care	-	(121,864)	\$ (76,516)	(45,347)	59.3%
[11] Total Deductions From Revenue	-	(37,342,898)	(36,720,850)	\$ (622,048)	1.7%
[12]		87.6%	-86.9%		
[13] Net Patient Revenue	\$ -	\$ 5,300,365	\$ 5,512,375	\$ (212,010)	-3.8%
Non Patient Operating Revenues					
[14] IGT/DSH Revenues	-	-	\$ -	\$ -	0.0%
[15] Grants & Other Op Revenues	-	440,060	\$ 303,855	136,205	44.8%
[16] Clinic Net Revenues	-	-	\$ -	-	-
[17] Tax Subsidies Measure D	246,994	246,994	\$ 246,994	(0)	0.0%
[18] Tax Subsidies Prop 13	124,500	124,500	\$ 154,500	(30,000)	-19.4%
[19] Tax Subsidies County Supplemental Funds	-	-	\$ 11,250	(11,250)	-100.0%
Non Patient Revenue	\$ 371,494	\$ 811,554	\$ 716,599	\$ 94,955	13.3%
Total Operating Revenue	\$ 371,494	\$ 6,111,918	\$ 6,228,974	\$ (117,055)	-1.9%
Operating Expenses					
[20] Salaries and Wages	-	3,569,623	3,729,661	\$ 160,037	4.3%
[21] Fringe Benefits	-	980,844	919,306	(61,538)	-6.7%
[22] Contract Labor	-	57,987	75,606	17,619	23.3%
[23] Physicians Fees	-	344,225	365,231	21,006	5.8%
[24] Purchased Services	15,479	766,813	1,016,275	249,462	24.5%
[25] Supply Expense	-	808,794	1,091,834	283,041	25.9%
[26] Utilities	996	105,066	110,398	5,333	4.8%
[27] Repairs and Maintenance	36,454	127,526	75,564	(51,962)	-68.8%
[28] Insurance Expense	-	122,000	122,979	979	0.8%
[29] All Other Operating Expenses	-	118,594	99,325	(19,269)	-19.4%
[30] Supplemental and Grant Expense	-	-	0	-	#DIV/0!
[31] Leases and Rentals	-	65,966	62,946	(3,020)	-4.8%
[32] Clinic Expense	-	-	0	-	0.0%
[33] Total Operating Expenses	\$ 52,929	\$ 7,067,438	\$ 7,669,125	\$ 601,687	7.8%
[34] EBIDA	\$ 318,565	\$ (955,520)	\$ (1,440,151)	\$ 484,632	-33.7%
Interest Expense and Depreciation					
[35] Depreciation	406,450	609,030	625,347	\$ 16,316	2.6%
[36] Interest Expense and Amortization	-	573,399	502,740	(70,658)	-14.1%
[37] Total Interest & depreciation	406,450	1,182,429	1,128,087	(54,342)	-4.8%
Non-Operating Revenue:					
[38] Contributions & Other	2,030	2,771	466,744	(463,973)	-99.4%
[39] Tax Subsidies for GO Bonds - M-A	627,353	627,353	626,237	1,116	0.2%
[40] Total Non Operating Revenue/(Expense)	629,383	630,125	1,092,982	\$ (462,857)	-42.3%
[41] Total Net Surplus/(Loss)	\$ 541,498	\$ (1,507,824)	\$ (1,475,257)	\$ (32,568)	2.2%
[42] Extra-ordinary loss on Financing	-	-	-	-	-
[43] Increase/(Decrease in Unrestricted Net Assets	\$ 541,498	\$ (1,507,824)	\$ (1,475,257)	\$ (32,568)	2.2%
[44] Total Profit Margin	145.76%	-24.67%	-23.68%		
[45] EBIDA %	85.75%	-15.63%	-23.12%		

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ELEVEN MONTHS ENDING MAY 31, 2023

	YEAR-TO-DATE				
	DISTRICT ONLY			Positive (Negative) Variance	Percentage Variance
	Actual 05/31/23	Actual 05/31/23	Budget 05/31/23		
Gross Patient Revenue					
[1] Inpatient Revenue	\$ -	\$ 158,105,146	\$ 243,309,818	\$ (85,204,672)	-35.0%
[2] Inpatient Psych/Rehab Revenue	-	-	0	-	
[3] Outpatient Revenue	-	278,956,616	\$ 245,092,915	33,863,700	13.8%
[4] Long Term Care Revenue	-	-	\$ -	-	
[5] Home Health Revenue	-	-	-	-	
[6] Total Gross Patient Revenue	\$ -	\$ 437,061,761	\$ 488,402,734	\$ (51,340,972)	-10.5%
Deductions From Revenue					
[7] Discounts and Allowances	-	(370,717,158)	\$ (406,571,299)	\$ 35,854,141	-8.8%
[8] Bad Debt Expense	-	(10,343,172)	\$ (17,199,154)	6,855,983	-39.9%
[9] Prior Year Settlements	-	-	\$ -	-	
[10] Charity Care	-	(985,448)	\$ (806,065)	(179,383)	22.3%
[11] Total Deductions From Revenue	-	(382,045,778)	(424,576,519)	\$ 42,530,741	-10.0%
[12]		87.4%	-86.9%		
[13] Net Patient Revenue	\$ -	\$ 55,015,984	\$ 63,826,215	\$ (8,810,231)	-13.8%
Non Patient Operating Revenues					
[14] IGT/DSH Revenues	-	11,273,599	\$ 12,288,244	\$ (1,014,645)	-8.3%
[15] Grants & Other Op Revenues	-	8,619,997	\$ 5,462,338	3,157,659	57.8%
[16] Clinic Net Revenues	-	-	\$ -	-	
[17] Tax Subsidies Measure D	2,716,932	2,716,932	\$ 2,716,932	(0)	0.0%
[18] Tax Subsidies Prop 13	1,669,500	1,669,500	\$ 1,699,500	(30,000)	-1.8%
[19] Tax Subsidies County Supplemental Funds	27,692	27,692	\$ 123,750	(96,058)	-77.6%
Non- Patient Revenue	\$ 4,414,124	\$ 24,307,720	\$ 22,290,764	\$ 2,016,956	9.0%
Total Operating Revenue	\$ 4,414,124	\$ 79,323,704	\$ 86,116,979	\$ (6,793,275)	-7.9%
Operating Expenses					
[20] Salaries and Wages	-	39,704,740	41,075,963	\$ 1,371,222	3.3%
[21] Fringe Benefits	-	10,350,130	10,118,473	(231,656)	-2.3%
[22] Contract Labor	-	1,023,703	839,486	(184,218)	-21.9%
[23] Physicians Fees	-	3,570,066	4,017,541	447,476	11.1%
[24] Purchased Services	164,511	8,720,718	11,175,286	2,454,568	22.0%
[25] Supply Expense	-	9,440,116	12,419,794	2,979,677	24.0%
[26] Utilities	22,441	1,253,098	1,243,645	(9,453)	-0.8%
[27] Repairs and Maintenance	131,577	1,027,215	831,201	(196,014)	-23.6%
[28] Insurance Expense	-	1,293,214	1,352,767	59,553	4.4%
[29] All Other Operating Expenses	216,754	1,534,328	1,092,572	(441,756)	-40.4%
[30] Supplemental and Grant Expense	-	1,097,983	1,097,985	2	0.0%
[31] Leases and Rentals	-	730,446	692,411	(38,034)	-5.5%
[32] Clinic Expense	-	-	0	-	0.0%
[33] Total Operating Expenses	\$ 535,282	\$ 79,745,756	\$ 85,957,123	\$ 6,211,367	7.2%
[34] EBIDA	\$ 3,878,842	\$ (422,052)	\$ 159,856	\$ (581,908)	-364.0%
Interest Expense and Depreciation					
[35] Depreciation	4,494,540	6,081,695	6,742,383	\$ 660,688	9.8%
[36] Interest Expense and Amortization	4,177,671	5,356,891	5,139,748	(217,143)	-4.2%
[37] Total Interest & depreciation	8,672,211	11,438,587	11,882,131	443,545	3.7%
Non-Operating Revenue:					
[38] Contributions & Other	1,409,368	1,793,087	5,134,187	(3,341,100)	-65.1%
[39] Tax Subsidies for GO Bonds - M-A	6,900,884	6,900,884	6,888,612	12,273	0.2%
[40] Total Non Operating Revenue/(Expense)	8,310,252	8,693,972	12,022,799	(3,328,827)	-27.7%
[41] Total Net Surplus/(Loss)	\$ 3,516,882	\$ (3,166,667)	\$ 300,523	\$ (3,467,190)	-1153.7%
[42] Extra-ordinary loss on Financing	-	-	-	-	
[43] Increase/(Decrease in Unrestricted Net Assets	\$ 3,516,882	\$ (3,166,667)	\$ 300,523	\$ (3,467,190)	-1153.7%
[44] Total Profit Margin	79.67%	-3.99%	0.35%		
[45] EBIDA %	87.87%	-0.53%	0.19%		

Balance Sheet - Assets

**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ELEVEN MONTHS ENDING MAY 31, 2023**

		ASSETS				
		DISTRICT ONLY				
		Current Month 5/31/2023	Current Month 5/31/2023	Prior Month 4/30/2023	Positive/ (Negative) Variance	Prior Year End 6/30/2022
Current Assets						
[1]	Cash and Cash Equivalents	3,148,271	\$8,320,587	\$8,777,821	\$ (457,234)	\$ 11,340,002
[2]	Gross Patient Accounts Receivable	\$0	\$86,744,177	\$84,936,165	\$ 1,808,012	77,594,807
[3]	Less: Bad Debt and Allowance Reserves	\$0	(\$76,309,238)	(\$74,767,757)	\$ (1,541,481)	(69,099,845)
[4]	Net Patient Accounts Receivable	\$0	\$10,434,940	\$10,168,408	\$ 266,532	8,494,961
[5]	Taxes Receivable	\$5,992,878	\$5,992,878	\$6,039,876	\$ (46,998)	1,178,859
[6]	Other Receivables (includes advances)	660,465	(\$473,540)	(\$592,005)	\$ 118,465	738,141
[7]	Inventories	\$0	\$2,866,447	\$2,627,548	\$ 238,899	2,297,204
[8]	Prepaid Expenses	126,169	\$843,467	\$887,583	\$ (44,116)	1,197,395
[9]	Due From Third Party Payers-DSH	\$0	(\$3,002,201)	(\$2,846,945)	\$ (155,256)	(1,845,477)
[10]	Malpractice Receivable	\$0	\$0	\$0	\$ -	-
[11]	Supplimental Receivables	\$0	\$0	\$0	\$ -	-
	Total Current Assets	9,927,783	24,982,578	25,062,287	\$ (736,481)	\$ 23,401,085
Assets Whose Use is Limited						
[12]	Cash					
[13]	Investments					
[14]	Bond Reserve/Debt Retirement Fund	\$17,267,590	\$17,267,590	\$17,266,949	\$ 642	12,704,494
[15]	Trustee Held Funds					
[16]	Funded Depreciation					
[17]	Board Designated Funds					
[18]	Other Limited Use Assets					0
	Total Limited Use Assets	17,267,590	17,267,590	17,266,949	\$ (223,324)	\$ 12,704,494
Property, Plant, and Equipment						
[19]	Land and Land Improvements	4,828,182	4,828,182	4,828,182	\$ -	\$ 4,828,182
[20]	Building and Building Improvements	129,281,491	129,281,491	129,281,491	\$ -	129,281,491
[21]	Equipment	27,119,506	29,633,206	29,691,479	\$ (58,273)	26,856,789
[22]	Construction In Progress	3,204,149	3,232,839	3,156,255	\$ 76,583	1,694,007
[23]	Capitalized Interest					
[24]	Gross Property, Plant, and Equipment	164,433,328	166,975,718	166,957,408	\$ 18,311	162,660,469
[25]	Less: Accumulated Depreciation	(\$92,833,058)	(\$92,833,058)	(\$92,426,609)	\$ (406,450)	(89,145,667)
[26]	Net Property, Plant, and Equipment	71,600,270	74,142,660	74,530,799	\$ (475,050)	\$ 73,514,801
Other Assets						
[27]	Unamortized Loan Costs	\$627,385	\$576,739	\$579,327	\$ (2,589)	\$ 614,440
[28]	Assets Held for Future Use		\$0	\$0	\$ -	485
[29]	Investments in Subsidiary/Affiliated Org.	\$31,431,679	\$0	\$0	\$ -	(111,925)
[30]	Other					
[31]	Total Other Assets	32,059,063	576,739	579,327	\$ (2,589)	\$ 503,000
[32]	TOTAL UNRESTRICTED ASSETS	130,854,706	116,969,566	117,439,362	\$ (469,795)	\$ 110,123,381
Restricted Assets						
		0	0	0	0	0
[33]	TOTAL ASSETS	\$130,854,706	\$116,969,566	\$117,439,362	\$ (469,795)	\$ 110,123,381

Balance Sheet - Liabilities and Net Assets

**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
ELEVEN MONTHS ENDING MAY 31, 2023**

	DISTRICT ONLY	LIABILITIES AND FUND BALANCE			
	Current Month 5/31/2023	Current Month 5/31/2023	Prior Month 4/30/2023	Positive/ (Negative) Variance	Prior Year End 6/30/2022
Current Liabilities					
[1] Accounts Payable	\$ 1,189,951	\$ 7,193,520	\$ 7,679,175	\$ (485,655)	\$ 10,600,622
[2] Notes and Loans Payable (Line of Credit)	-	-	-	\$ -	12,000,000
[3] Accounts Payable- Tax advance	-	-	-	\$ -	-
[4] Accrued Payroll Taxes	-	5,184,834	5,945,203	\$ (760,368)	5,597,527
[5] Accrued Benefits	-	-	-	\$ -	-
[6] Accrued Benefits Current Portion	-	-	-	\$ -	-
[7] Other Accrued Expenses	-	-	-	\$ -	-
[8] Accrued GO Bond Interest Payable	1,452,002	1,452,002	1,085,066	\$ 366,936	2,526,756
[9] Lease Liabilities	-	4,126,796	2,635,537	\$ 1,491,260	4,259
[10] Due to Third Party Payers (Settlements)	-	3,417,500	3,417,500	\$ -	-
[11] Advances From Third Party Payers	-	-	-	\$ -	-
[12] Current Portion of LTD (Bonds/Mortgages)	2,335,000	2,335,000	2,335,000	\$ -	2,335,000
[13] Current Portion of LTD (Leases)	-	5,509,384	2,382,475	\$ 3,126,909	-
[14] Other Current Liabilities	-	590,672	585,931	\$ 4,741	585,411
Total Current Liabilities	4,976,953	29,809,710	26,065,887	\$ 3,743,823	33,649,575
Long Term Debt					
[15] Bonds/Mortgages Payable (net of Cur Portion)	99,543,964	\$99,996,965	\$ 102,345,323	\$ (2,348,358)	\$ 103,030,598
[16] Leases Payable (net of current portion)	\$19,799,676	\$19,200,811	\$19,557,247	\$ (356,436)	\$2,293,348
[17] Total Long Term Debt (Net of Current)	119,343,640	119,197,777	121,902,571	\$ 360,443,988	105,323,946
Other Long Term Liabilities					
[18] Deferred Revenue	-	-	-	\$ -	-
[19] Accrued Pension Expense (Net of Current)	-	-	-	\$ -	-
[20] Other-Bridge Loan	0	4,852,624	4,852,624	\$ -	2,231,628
[21] Total Other Long Term Liabilities	0	4,852,624	4,852,624	\$ -	2,231,628
TOTAL LIABILITIES	\$ 124,320,594	\$ 153,860,111	\$ 152,821,082	\$ 1,039,029	\$ 141,205,148
Net Assets:					
[22] Unrestricted Fund Balance	3,017,231	(33,723,878)	(33,723,878)	\$ -	\$ (25,347,940)
[23] Temporarily Restricted Fund Balance	-	-	-	\$ -	-
[24] Restricted Fund Balance	-	-	-	\$ -	-
[25] Net Revenue/(Expenses)	3,516,882	(3,166,667)	(1,657,843)	\$ (1,508,824)	(5,733,827)
[26] TOTAL NET ASSETS	6,534,113	(36,890,545)	(35,381,721)	\$ (1,508,824)	\$ (31,081,767)
[27] TOTAL LIABILITIES AND NET ASSETS	\$ 130,854,707	\$ 116,969,566	\$ 117,439,362	\$ (469,796)	\$ 110,123,381
	\$ 0	\$ (0)	\$ 0	\$ 0	\$ -

Statement of Cash Flows

SAN GORGONIO MEMORIAL HOSPITAL BANNING, CALIFORNIA ELEVEN MONTHS ENDING MAY 31, 2023

		CASH FLOW	
		Current	
HEALTHCARE SYSTEM CASH FLOW		Month	
		5/31/2023	
BEGINNING CASH BALANCES			
[1]	Cash: Beginning Balances- HOSPITAL	\$	6,629,389
[2]	Cash: Beginning Balances- DISTRICT		2,148,432
[3]	Cash: Beginning Balances TOTALS	\$	8,777,821
Receipts			
[4]	Pt Collections	\$	4,444,196
[5]	Tax Subsidies Measure D/Prop 13		1,075,976
[6]	Misc Tax Subsidies		-
[7]	Donations/Grants		-
[8]	IGT & other Supplemental (Net)		303,854
[9]	Draws/(Paydown) of LOC Balances		-
[10]	Other Misc Receipts/Transfers		440,060
	TOTAL RECEIPTS	\$	6,264,086
Disbursements			
[11]	Payroll/ Benefits	\$	4,550,467
[12]	Other Operating Costs		2,580,225
[13]	Capital Spending		76,283
[14]	Debt serv payments (Hosp onlyw/ LOC interest)		
[15]	Other (increase) in AP /other bal sheet		(485,655)
[16]	TOTAL DISBURSEMENTS	\$	6,721,320
[17]	TOTAL CHANGE in CASH	\$	(457,234)
ENDING CASH BALANCES			
[18]	Ending Balances- HOSPITAL	\$	5,172,316
[19]	Ending Balances- DISTRICT		3,148,271
[20]	Ending Balances- TOTALS	\$	8,320,587
ADDITIONAL INFO			
[21]	LOC CURRENT BALANCES	\$	-
			\$216,000

TAB G

San Gorgonio Memorial Hospital and San Gorgonio Memorial Health Care District

To: Finance Committee, Board of Directors, and District Board

Agenda Item for June 27, 2023 Finance Committee and July 11, 2023 Board Meetings

Subject:

Recommendation for Approval of San Gorgonio Memorial Hospital and Health Care District
June 30, 2024 Operating and Capital Budgets

Key Issues:

Each year it is required that the Hospital and District prepare budgets for the upcoming fiscal year.

The 2024 Operating and Capital Budget Package is included as an Attachment to this write-up.

Executive Leadership will present this package to the respective Committees and Boards at the meetings listed above.

Recommended Action:

To approve the San Gorgonio Memorial Hospital and Health Care District FYE June 30, 2024 Operating and Capital Budgets as presented.

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT and HOSPITAL

FYE June 30, 2024 Budget Package

Operating Budget

Assumptions

Workload Indicators

Statement of Revenues and Expenses

Combined Balance Sheet:

San Gorgonio Memorial Hospital & District

Cash Flow Statement

Capital Budget

SGMHD Operating Budget

Prepared: June 21, 2023

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT AND HOSPITAL

FYE June 30, 2024 Budget Assumptions

Key Issues:

Growth Opportunities and Recovery from Volume Downturn in 2023

Programs:

Complete development and set-up for new Stroke Program services with expected opening by January, 2024

Initiate development of expanded O/B Program to commence July 2024

Internal Medicine Residency Program to be expanded

Continuation of Physician Specialty Coverages in Emergency Room

Workloads:

A general overall 5% patient workload increase is projected

Operations:

Revenues:

Slight increase in Medicare Reimbursement; No change in Medi-Cal Reimbursement

Nominal increases in PPO and other managed care contracts

Supplemental Funding, DSH, P4P, and Other Income and Grants will decrease by \$1,564,116

Graduate Medical Education Funding program to be expanded

There are no Aggregated Overall Increase in Patient Charge Rates for FYE 2024 (following 4.46% and 72.2% increases in 2022 and 2021 respectively).

Expenses:

Focus to continue with 2023 Operating and Staffing levels – Slight increases in various areas required for patient safety, quality, compliance monitoring or otherwise mandated by regulation; Flex down during lower volume periods

Wages include impact of 2.5% overall \$1,007,000 increase in April, 2023, plus net \$480,000 allocated for changes in certain shift, weekend, and lead staff differentials, per diem pay rates, and CPSL costs

Ensure Operational Efficiencies:

Improve overall productivity by 2.3%

Reduction in Contract Labor, Overtime, and Double time costs

Increase in Residency Costs (to be offset from Medicare)

Purchased Services costs to increase primarily for Altera, Guidehouse, and Legal fees for litigation matters

Supplies cost increases consistent with 2023 changes and various inflationary rates annualized at 4.1%

Utilities slight decrease due to savings created by new energy reduction program

Other Expenses to decrease primarily to absence of District election costs (\$225,000) and Prime grant (\$140,000)

Leases/Rentals are impacted by the changes in GASB requirements for equipment and software leases booking requirements. (Non-Operating Depreciation Expense is also impacted by these GASB requirements.)

Capital and Financing:

Key Items: Patient Monitoring, Anesthesia Machines, I/T Servers, Surgery Sterilizers, 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

Repay first QIP Loan and 2022 Other Non-Operating Expenses

Renew \$12M Line of Credit

Report Format:

The 2024 Operating Budget was prepared in the new Premier Budget Financial Reporting (BFR) software system. Future financial reporting will also be prepared in this system and will reduce report preparation time. Please note that the BFR system tabulates Totals from the "bottom up" method, in contrast to the "top down" method which we have historically used.

	C	D	E	J	K	L	M
1	SAN GORGONIO MEMORIAL HEALTH CARE DISTRICT AND HOSPITAL	ACTUAL 2021	ACTUAL 2022	FORECAST 2023	BUDGET 2024	VARIANCE 2024 TO 2023	VARIANCE PERCENTAGE
2	WORKLOAD INDICATORS						
3							
4	PATIENT DAYS	11,033	9,689	8,131	8,538	407	5.01%
5							
6	AVERAGE DAILY CENSUS	30.23	26.55	22.28	23.33	1.05	4.72%
7							
8	INPATIENT ADMISSIONS/DISCHARGES	2,667	2,478	2,268	2,381	113	4.98%
9							
10	AVERAGE LENGTH OF STAY	4.14	3.91	3.59	3.59	0.00	0.02%
11							
12	EMERGENCY VISITS	33,299	39,374	42,173	44,282	2,109	5.00%
13							
14	EMERGENCY VISITS PER DAY	91	108	116	121	5	4.71%
15							
16	SURGICAL CASES	837	855	1,419	1,490	71	5.00%
17							
18	G.I. CASES	307	503	254	267	13	5.12%
19							
20	NEWBORN DELIVERIES	158	175	135	142	7	5.19%
21							
22	PAID FTE'S	476	469	464	476	12	2.55%
23							
24	ADJUSTED PATIENT DAYS	25,143	21,904	22,128	22,691	563	2.54%
25							
26	PAID FTE'S PER ADJUSTED PATIENT DAY	6.91	7.82	7.65	7.65	0.00	0.01%
27							
28	Note: Patient Day increases include an estimated 120 days related to the Stroke Program which is planned to open in January, 2024					Prepared:	06/20/23

	C	D	E	F	G	H	I	K	L	Q	R	S	T
1	SAN GORGONIO MEMORIAL HEALTH CARE DISTRICT AND HOSPITAL							ACTUAL 2021	ACTUAL 2022	FORECAST 2023	BUDGET 2024	VARIANCE 2024 TO 2023	Var%
2	STATEMENT OF REVENUES AND EXPENSES												
3								(20,786,050)	(9,658,218)	696,075	1,151,173	455,098	65.38%
4													
5	NET SERVICE REVENUE							66,083,022	80,560,097	88,088,341	90,754,657	2,666,316	3.03%
6	NET PATIENT REVENUE							45,162,759	61,029,594	59,658,744	63,889,176	4,230,432	7.09%
7	GROSS REVENUE FROM PATIENT SERVICES							255,180,641	450,425,580	473,302,199	501,869,129	28,566,930	6.04%
8	TOTAL INPATIENT REVENUE							111,976,457	199,240,684	173,912,500	188,837,210	14,924,710	8.58%
9	TOTAL OUTPATIENT REVENUE							143,204,184	251,184,896	299,389,699	313,031,919	13,642,220	4.56%
10	DEDUCTIONS FROM REVENUE							(210,017,882)	(389,395,986)	(413,643,455)	(437,979,953)	(24,336,498)	5.88%
13	CONTRACTUAL ALLOWANCES							(199,628,805)	(375,205,782)	(402,687,745)	(426,868,911)	(24,181,166)	6.00%
14	BAD DEBT EXPENSE							(9,892,737)	(12,546,840)	(9,919,409)	(10,060,048)	(140,639)	1.42%
15	CHARITY WRITE_OFFS							(496,340)	(1,643,364)	(1,036,301)	(1,050,994)	(14,693)	1.42%
16	OTHER OPERATING REVENUE							20,920,263	19,530,503	28,429,597	26,865,481	(1,564,116)	-5.50%
17	OTHER REVENUE - RATE RANGE							10,436,480	6,622,953	11,273,599	11,273,599	0	0.00%
18	OTHER REVENUE - OTHER SUPPLEMENTALS							3,418,942	5,723,549	5,309,174	5,284,257	(24,917)	-0.47%
19	OTHER REVENUE - DSH							1,090,188	515,700	1,468,419	960,965	(507,454)	-34.56%
20	OTHER REVENUE - P4P							0	0	1,398,555	475,500	(923,055)	-66.00%
21	OTHER REVENUE - OTHER							1,553,151	1,855,472	4,128,694	3,953,232	(175,462)	-4.25%
22	OPERATING TAX REVENUES							4,421,502	4,812,829	4,851,156	4,917,928	66,772	1.38%
23	TOTAL OPERATING EXPENSE							82,815,064	84,127,263	86,961,392	89,767,508	2,806,116	3.23%
25	TOTAL LABOR EXPENSE							49,163,195	52,218,603	55,679,918	57,032,657	1,352,739	2.43%
26	EMPLOYEE WAGES & BENEFITS							47,784,569	51,018,883	54,521,058	55,955,399	1,434,341	2.63%
27	WAGES							37,501,904	41,051,690	43,277,915	43,988,069	710,154	1.64%
38	EMPLOYEE BENEFITS							10,282,665	9,967,193	11,243,143	11,967,330	724,187	6.44%
47	CONTRACT LABOR							1,378,626	1,199,720	1,158,860	1,077,258	(81,602)	-7.04%
50	PHYSICIAN FEES							4,209,399	3,966,400	3,871,008	3,746,233	(124,775)	-3.22%
53	PURCHASED SERVICES							9,268,035	10,710,257	9,680,115	10,733,763	1,053,648	10.88%
69	SUPPLY EXPENSE							10,846,597	11,945,347	10,262,587	11,018,170	755,583	7.36%
92	UTILITIES							1,107,443	1,334,299	1,377,639	1,296,509	(81,130)	-5.89%
97	REPAIRS AND MAINTENANCE							1,676,546	930,286	1,079,627	989,056	(90,571)	-8.39%
99	INSURANCE							1,328,202	1,352,942	1,446,424	1,755,470	309,046	21.37%
100	OTHER EXPENSES							2,194,176	1,213,701	1,656,714	1,199,908	(456,806)	-27.57%
121	IGT EXPENSES - RATE RANGE							2,068,389	0	1,097,985	1,097,985	0	0.00%
122	LEASE AND RENTALS							953,082	455,428	809,375	897,757	88,382	10.92%
126	TOTAL NON-OPERATING REVENUE & EXPENSE							7,266,367	7,693,520	9,946,066	11,844,574	1,898,508	19.09%
131	OTHER NON-OPERATING REVENUE							85,447	300,815	2,417,830	4,316,338	1,898,508	78.52%
135	NON-OPERATING TAX REVENUE							7,180,920	7,392,705	7,528,236	7,528,236	0	0.00%
136	EXTRAORDINARY REVENUE (EXPENSE)							(7,800)	(3,417,500)	0	0	0	0.00%
141	TOTAL INTEREST & DEPRECIATION							11,312,575	10,367,072	10,376,940	11,680,550	1,303,610	12.56%
142	DEPRECIATION EXPENSE							5,936,648	5,667,801	5,092,791	6,415,113	1,322,322	25.96%
143	INTEREST & AMORTIZATION							5,375,927	4,699,271	5,284,149	5,265,437	(18,712)	-0.35%
144	INTEREST EXPENSE							348,576	408,970	846,621	944,735	98,114	11.59%
145	AMORTIZATION EXPENSE							5,027,351	4,290,301	4,437,528	4,320,702	(116,826)	-2.63%

	C	D	E	F	G	H	U	V
2	SAN GORGONIO MEMORIAL HEALTH CARE DISTRICT & HOSPITAL				FYE 2021	FYE 2022	PROJECTED FYE 2023	BUDGET FYE 2024
3	NET BALANCE SHEET				(24,065,659)	(33,723,878)	696,075	1,151,173
4								
5	TOTAL ASSETS				105,194,600	113,846,353	117,122,860	114,409,133
6	CURRENT ASSETS				15,343,190	23,514,397	24,577,759	19,816,688
7	CASH & EQUIVALENTS				2,420,953	11,073,862	12,441,424	6,200,802
8	NET PATIENT ACCOUNTS RECEIVABLE				7,939,203	8,746,991	10,007,649	9,989,635
9	HOSPITAL ACCOUNTS RECEIVABLE				58,800,003	77,594,809	83,593,351	83,442,883
10	LESS: ALLOWANCE FOR BAD DEBTS				(50,860,800)	(68,847,818)	(73,585,702)	(73,453,248)
11	OTHER CURRENT ASSETS				4,983,034	3,693,544	2,128,686	3,626,251
12	TAXES RECEIVABLE				2,015,108	1,517,880	2,126,934	1,820,287
13	MISC RECEIVABLE				0	0	432,332	648,000
14	DUE FROM 3RD PARTIES				1,169,887	0	(3,363,068)	(1,863,068)
15	INVENTORIES				1,776,554	1,829,462	2,332,548	2,391,095
16	PREPAID EXPENSES				21,485	346,202	599,940	629,937
17	ASSETS WITH LIMITED USE				9,566,747	12,449,588	17,266,949	19,852,693
18	BOND DEBT SERVICE & RESERVES				78,808,343	76,582,823	74,124,678	73,648,438
19	NET PROPERTY, PLANT, AND EQUIPMENT				162,386,701	165,828,982	164,317,091	168,888,346
20	PROPERTY, PLANT, AND EQUIPMENT				2,774,116	2,774,116	4,828,182	4,828,182
21	LAND & LAND IMPROVEMENTS				122,335,676	122,335,676	129,281,491	129,281,491
22	BUILDINGS & BUILDING IMPROVEMENTS				36,103,703	38,143,422	26,851,163	33,722,418
23	FIXED EQUIPMENT				1,173,206	2,575,768	3,356,255	1,056,255
24	CONSTRUCTION IN PROGRESS				(83,578,358)	(89,246,159)	(90,192,413)	(95,239,908)
25	LESS: ACCUMULATED DEPRECIATION				645,507	605,217	486,459	455,379
26	OTHER ASSETS				551,194	409,634	90,278	90,278
27	OTHER ASSETS				279,619	284,694	576,737	545,657
28	INVESTMENT IN AFFILIATE							
29	BONDS							
30	TOTAL LIABILITIES & FUND BALANCE				105,194,600	113,846,353	117,122,860	114,409,133
31	TOTAL LIABILITIES				129,260,259	147,570,231	150,150,663	146,285,763
32	CURRENT LIABILITIES				22,911,584	39,379,684	24,317,610	31,405,130
33	ACCOUNTS PAYABLE				A/P	10,897,079	10,416,438	5,727,056
34								
35	PAYROLL PAYABLES				4,865,852	6,546,139	4,676,033	5,142,547
36	SALARIES & WAGES PAYABLE - ACCRUED PAYR				1,775,320	2,057,716	581,249	826,409
37	PAYROLL TAXES & DEDUCTIONS PAYABLE				807,904	2,029,678	1,483,558	1,587,407
38	ACCRUED PTO & SICK DAYS PAYABLE				2,282,628	2,458,745	2,611,226	2,728,731
39	LINE OF CREDIT				0	12,000,000	3,000,000	12,000,000
40	OTHER CURRENT LIABILITIES				7,148,653	10,417,107	10,914,521	7,645,064
41	ACCRUED INTEREST PAYABLE				1,943,680	1,929,921	1,835,516	1,582,547
42	CURRENT PORTION LTD (DISTRICT)				2,640,000	2,917,257	4,717,475	5,697,724
43	LEASE LIABILITIES				444,396	608,561	542,777	191,065
44	NON OPERATING LIABILITIES				2,120,577	3,417,500	3,417,500	0
45	OTHER CURRENT LIABILITIES				0	1,543,868	401,253	173,728
46								
47	LONG TERM LIABILITIES				106,348,675	108,190,547	125,833,053	114,880,633
48	LONG-TERM DEBT				105,840,892	104,662,452	120,211,203	111,965,415
49	LONG-TERM LEASE				507,783	1,273,925	769,226	267,747
50	OTHER LT LIABILITIES - QIP				0	2,254,170	4,852,624	2,647,471
51								
52	NET ASSETS - BEGINNING OF PERIOD				(3,261,178)	(24,065,659)	(33,723,878)	(33,027,803)

	B	E	F	G	H
1	SAN GORGONIO MEMORIAL HEALTH CARE DISTRICT AND HOSPITAL				
2					
3	CASH FLOW STATEMENT - Abbreviated (Excluding G.O Bonds Taxes & Related Debt Service)				
4					
5		FY 2021	FY 2022	PROJECTED FY 2023	BUDGET FY 2024
6	Cash: Beginning Balances	\$ 9,735,801	\$ 2,395,672	\$ 11,073,862	\$ 12,441,424
7	Receipts				
8	Pt Collections	61,413,594	58,895,822	62,615,995	63,889,176
9	Taxes (Non- Debt Service)	1,860,424	4,812,829	4,851,156	4,917,928
10	Supplementals & Other Income	4,621,512	14,693,053	23,578,441	21,947,554
11	Supplemental Loans (QIP)	0	2,254,169	2,647,471	0
12	Revenue Bond for Siemens Project	2,350,000	0	0	0
13	Revenue Bonds to Restricted	(2,035,000)	0	0	0
14	Bridge Loan Financing	0	0	8,424,538	0
15	Equipment Grant	0	0	381,000	452,000
16	Increases (Decr.) in LOC Principal Owed	(6,000,000)	12,000,000	(9,000,000)	9,000,000
17	Foundation Capital Funding	0	1,601,860	2,036,830	3,864,336
18	Other Receipts/Payments/ Adjust.	12,463,615	1,700,342	(3,208,109)	(4,871,401)
19	Total Receipts	74,674,145	95,958,075	92,327,322	99,199,593
20					
21	Disbursements				
22	Payroll/ Benefits	47,043,419	49,103,172	54,521,058	55,011,919
23	Other Operating Costs	35,213,556	34,034,688	32,228,334	35,411,380
24	Reduction (Incr) in A/P	(1,382,995)	480,641	(533,255)	(921,544)
25	Capital Spending	377,004	1,997,152	2,417,830	6,375,956
26	Interest: LOC, Bonds ('21 & '22)	674,371	465,216	846,621	896,621
27	Third Party Repayments	0	0	0	1,500,000
28	Capital Lease Payments	0	0	655,238	976,896
29	Loan / Non-Operating Payments	63,638	1,199,016	823,934	6,188,987
30	Total Disbursements	81,988,993	87,279,885	90,959,760	105,440,215
31	Total Change in Cash	(7,314,848)	8,678,190	1,367,562	(6,240,622)
32	Ending Balances	\$ 2,420,953	\$ 11,073,862	\$ 12,441,424	\$ 6,200,802
33					
34	Goal - Cash on Hand	\$ 4,000,000	\$ 11,750,000	\$ 12,300,000	\$ 12,800,000
35	LOC Balance	\$ -	\$ 12,000,000	\$ 3,000,000	\$ 12,000,000

San Gorgonio Memorial Hospital

3-Year Capital Budget
FYE's 2024 - 2026

				FY 2023	Priority	FY 2024	FY 2025	FY 2026
					1 = Highest, 4 = Lowest			
DESCRIPTION	DEPARTMEN	Owner	Notes					
Pharmicutaical Dispensing systems	Pharmacy	Lopez		\$ 850,000		\$ -		\$ -
ICU Monitors & Telemetry System	Nursing Units	Brady		\$ 673,000	1-P	\$ 1,178,316		\$ -
Metal Detectors - OB and ER Entrances	Nursing Units	Hunter		\$ 36,170	1	\$ 40,000		
Automatic Transfer Switch	Plant	Sanchez		\$ 150,000	2		\$ 200,000	\$ -
Floor Replacement due Poor Moisture	Plant	Sanchez	Main Hallways		4		\$ 225,000	\$ -
Parking Lot Striping	Plant	Sanchez			4			\$ 75,000
Circulating Pump	Plant	Sanchez		\$ 15,000	4	\$ -		\$ 15,000
Air Curtain Fly Fan x 4	Plant	Sanchez	\$6,300 each	\$ 28,000	4	\$ -		\$ 28,000
Storage containers (3)	Plant	Sanchez	Life Safety Issue		4		\$ 52,000	\$ -
Infant Security System	Plant	Sanchez	OB Upgrade	\$ 40,000		\$ -		\$ -
OR1 Med Gas panel Communication	Plant	Sanchez	Regulatory - panel is not communicating with PBX or Eng = a regulatory issue	\$ 8,000	1	\$ 8,000		
Medcial Gas Control panel replacement	Plant	Sanchez	Replacement malfunctioning unit	\$ 20,000	1	\$ 20,000		\$ 20,000
Sterile Processing Humidification System	Plant	Sanchez	Regulatory	\$ 246,850	1	\$ 250,000		\$ -
Package A/C Units (6each)	Plant	Sanchez	5 units for replacment of aged units		1	\$ 25,000	\$ 50,000	\$ 50,000
Riding Floor Care unit	EVS	Medraano	Efficiency		2	\$ 12,000		
Doppler Ultrasound System	O/R	Goodner			4		\$ 43,575	\$ -
New Scrub Sinks (& faucet repair)	O/R	Goodner		\$ 29,053	4		\$ 29,053	\$ -
Power Set	O/R	Goodner		\$ -	1-P	\$ 28,000		\$ -
Steam Instrument Sterilizer	O/R	Goodner	Aging Equipment	\$ 121,895	1-P	\$ 325,000		\$ -
Operating Lights	O/R	Goodner	Make OR 3 functional	\$ 141,630	1	\$ 200,000		\$ -
Anesthesia Machines	OR	Goodner	Old Equipment 2 Eavh with monitors			\$ 1,900,000		
Surgical Robotic system `	OR	Goodner	DaVinci					
Robotic Table	O/R	Goodner		\$ 97,896	3		\$ 100,000	\$ -
Fracture Table	O/R	Goodner		\$ 112,516	1	\$ 120,000		\$ -
						\$ -		
Mindray Monitors in RC/Doc Area	ED	Phillippi	Included in Pt Monitors		4	\$ -		\$ -
Space IV Pumps (x 5)	ED	Phillippi		\$ 63,750	2	\$ 63,750		\$ -
Visitor Camera System	Security	Hunter		\$ -	4	\$ -		\$ 38,000
Panic Alarm	Security	Hunter	Expansion of Units		3		\$20,000	
Flouroscoy/Rad Room (Room 2)	Imaging	Chamberlin		\$ 1,005,000	2		\$ 1,005,000	\$ -
Rad Room 1	Imaging	Chamberlin			2			\$ 800,000
PAC'S Cube Replacement	Imaging	Chamberlin		\$ 14,319	1	\$ 14,319		\$ -
AI Doc	Imaging	Chamberlin			1	\$ 150,000		
Portable X-Ray Machine	Imaging	Chamberlin		\$ 170,000	2		\$ 130,000	
Hybrid CT/NM Camera (Spect)	Imaging	Chamberlin		\$ 2,000,000	1	\$ 2,000,000		\$ -
Mammograph w/ Tomo & Stereo	Imaging	Chamberlin		\$ 536,000	4	\$ -		\$ 500,000

San Geronio Memorial Hospital

3-Year Capital Budget
FYE's 2024 - 2026

				FY 2023	Priority	FY 2024	FY 2025	FY 2026
					1 = Highest, 4 = Lowest			
DESCRIPTION	DEPARTMEN	Owner	Notes					
Disaster Food Replacement			Needed in FY 2026		4			\$ 20,000
Dietary Food Management (Software)	Dietary	Hawthorne		\$ 49,365	4	\$ -		\$ 48,000
IS Upgrades and Server Replacements	I/T	Maja	3PAR -High Priority, Med Surg rooms P	\$ 250,000	1-P	\$ 300,000		\$ -
Hospitalwide Badge Computer Access	I/T	Maja		\$ 151,050	3		\$ 151,000	\$ -
CS-2500 Coagulation Analyzer (Back-up Unit)	Lab	Hazley	Stroke Program	\$ 45,000	1	\$ 44,000		\$ -
Chemistry Analyzers	Lab	Hazley	Aged Equipment		1	\$ 360,000		
Blood Bank Program Upgrade	Lab	Hazley	Software sunsetted		1	\$ 190,000		
CD Image Maker	HIM	Cornwall	Cost savings	\$ -	2	\$ 16,620		\$ -
Panda Infant Warmer	OB	Gunther			3		\$35,000	
Labor Bed	OB	Gunther			3		\$18,750	\$ -
Guest pull-out bed/chairs x 11	OB	Gunther	\$3,850 each		3		\$42,350	
Delivery Room Monitor Carts	OB	Gunther	6 each		3		\$45,000	
Patient Transport Van	Behavioral H.	Maciel	Replacement Van		3	\$ 45,000		\$ -
Flooring for Therapy Rooms	Behavioral H.	Maciel	Replace worn/torn carpet with		2	\$ 10,000		\$ -
Contingency	All	Barron		\$ 413,791	1	\$ 219,805		
Total Requests				\$ 7,268,285		\$ 7,519,810	\$ 2,146,728	\$ 1,594,000
Less Donated Equipment			FY 2022 Projected = (\$831,623)	\$ (5,200,000)		\$ (6,415,000)	\$ -	\$ -
Less Projected Donations				\$ (5,540,931)		\$ (150,000)		
Less Property Taxes for Capital				\$ (1,854,000)		\$ (954,810)		
Requests Over (Under) Funds				\$ (5,326,646)		\$ -	\$ 2,146,728	\$ 1,594,000

	C	D	E	F	G	H	I	K	L	Q	R	S	T	
1	SAN GORGONIO MEMORIAL HEALTH CARE DISTRICT (ONLY)							ACTUAL 2021	ACTUAL 2022	FORECAST 2023	BUDGET 2024	VARIANCE 2024 TO 2023	Var%	
2	STATEMENT OF REVENUES AND EXPENSES													
3								(121,707)	844,183	3,699,679	4,636,257	936,578	25.32%	
4														
5	NET SERVICE REVENUE							4,421,502	3,392,404	4,841,531	4,956,145	114,614	2.37%	
6	NET PATIENT REVENUE							0	0	0	0	0	0.00%	
7	GROSS REVENUE FROM PATIENT SERVICES							0	0	0	0	0	0.00%	
8	TOTAL INPATIENT REVENUE							0	0	0	0	0	0.00%	
9	TOTAL OUTPATIENT REVENUE							0	0	0	0	0	0.00%	
10	DEDUCTIONS FROM REVENUE							0	0	0	0	0	0.00%	
13	CONTRACTUAL ALLOWANCES							0	0	0	0	0	0.00%	
14	BAD DEBT EXPENSE							0	0	0	0	0	0.00%	
15	CHARITY WRITE_OFFS							0	0	0	0	0	0.00%	
16	OTHER OPERATING REVENUE							4,421,502	3,392,404	4,841,531	4,956,145	114,614	2.37%	
17	OTHER REVENUE - RATE RANGE							0	0	0	0	0	0.00%	
18	OTHER REVENUE - OTHER SUPPLEMENTALS							0	0	0	0	0	0.00%	
19	OTHER REVENUE - DSH							0	0	0	0	0	0.00%	
20	OTHER REVENUE - P4P							0	0	0	0	0	0.00%	
21	OTHER REVENUE - OTHER							44,156	227,933	23,603	38,217	14,614	61.92%	
22	OPERATING TAX REVENUES							4,377,346	3,164,471	4,817,928	4,917,928	100,000	2.08%	
23	TOTAL OPERATING EXPENSE							818,882	566,199	604,026	483,912	(120,114)	-19.89%	
25	TOTAL LABOR EXPENSE							0	0	0	0	0	0.00%	
26	EMPLOYEE WAGES & BENEFITS							0	0	0	0	0	0.00%	
27	WAGES							0	0	0	0	0	0.00%	
38	EMPLOYEE BENEFITS							0	0	0	0	0	0.00%	
47	CONTRACT LABOR							0	0	0	0	0	0.00%	
50	PHYSICIAN FEES							0	0	0	0	0	0.00%	
53	PURCHASED SERVICES							670,027	163,198	340,632	445,518	104,886	30.79%	
69	SUPPLY EXPENSE							0	0	0	0	0	0.00%	
92	UTILITIES							0	0	0	0	0	0.00%	
97	REPAIRS AND MAINTENANCE							0	0	0	0	0	0.00%	
99	INSURANCE							0	0	0	0	0	0.00%	
100	OTHER EXPENSES							148,855	403,001	263,394	38,394	(225,000)	-85.42%	
121	IGT EXPENSES - RATE RANGE							0	0	0	0	0	0.00%	
122	LEASE AND RENTALS							0	0	0	0	0	0.00%	
126	TOTAL NON-OPERATING REVENUE & EXPENSE							7,282,040	7,476,364	9,839,114	11,844,574	2,005,460	20.38%	
131	OTHER NON-OPERATING REVENUE							101,120	83,654	2,310,878	4,316,338	2,005,460	86.78%	
135	NON-OPERATING TAX REVENUE							7,180,920	7,392,710	7,528,236	7,528,236	0	0.00%	
136	EXTRAORDINARY REVENUE (EXPENSE)							(7,800)	0	0	0	0	0.00%	
141	TOTAL INTEREST & DEPRECIATION							10,998,567	9,458,386	10,376,940	11,680,550	1,303,610	12.56%	
142	DEPRECIATION EXPENSE							5,936,648	5,131,231	5,092,791	6,415,113	1,322,322	25.96%	
143	INTEREST & AMORTIZATION							5,061,919	4,327,155	5,284,149	5,265,437	(18,712)	-0.35%	
144	INTEREST EXPENSE							0	0	846,621	944,735	98,114	11.59%	
145	AMORTIZATION EXPENSE							5,061,919	4,327,155	4,437,528	4,320,702	(116,826)	-2.63%	

TAB H

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

EXECUTIVE COMMITTEE
June 27, 2023

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Executive Committee was held on Tuesday, June 27, 2023, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (C), Darrell Petersen, Ron Rader, Steve Rutledge

Members Absent: None

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), Annah Karam (CHRO), Ariel Whitley (Executive Assistant), Angela Brady (CNE), John Peleuses (VP, Ancillary and Support Services)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Committee Chair Susan DiBiasi called the meeting to order at 11:30 am.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action - Approve Minutes March June 29, 2021, Regular Meeting	Chair DiBiasi asked for any changes or corrections to the minutes of the June 29, 2021, regular meeting. There were none.	The minutes of the June 29, 2021, regular meeting will stand correct as presented.
NEW BUSINESS		
Proposed Action – Approve Annual Insurance Renewals <ul style="list-style-type: none"> • Property and Casualty Programs 	The Annual Insurance Renewals include: <ul style="list-style-type: none"> ○ Property and Casualty Programs It was noted that approval is recommended by the Finance Committee. ROLL CALL:	M.S.C. (DiBiasi/Rutledge), the SGMH Executive Committee approved the Property and Casualty Programs

AGENDA ITEM	DISCUSSION				ACTION / FOLLOW-UP
	DiBiasi	Yes	Petersen	Yes	Insurance Renewals as presented.
	Rader	Yes	Rutledge	Yes	
	Motion carried.				
Adjourn	The meeting was adjourned at 11:36 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 submitted by Ariel Whitley, Executive Assistant

San Gorgonio Memorial Hospital and San Gorgonio Memorial Health Care District

To: Finance Committee, Board of Directors, and District Board

Agenda Items for June 27, 2023 Finance and Executive Committee Meetings

Subject:

Annual Insurance Renewals:

A) Property and Casualty Programs

- 1) All Risk Property Coverage including Business Interruption Coverage
- 2) Boiler and Machinery
- 3) Flood
- 4) Cyber and Excess Cyber
- 5) Crime
- 6) Fiduciary Liability (was renewed January, 2023)
- 7) Underground Storage Tanks (Pollution)
- 8) Deadly Weapon Response
- 9) Crime (Prorated until November 1 renewal for SGMH Foundation)

Property and Casualty Program – The Districts’ Broker, Courtney Ramirez, Senior Vice President of the Public Entity Division of Alliant Insurance Services, and her team, have represented SGMHCD for several years, and have obtained coverages available to Public Entities via the Hospital All Risk Property Program (HARPP).

Included is information regarding the Insurance markets, along with the specifics for San Gorgonio Memorial District/Hospital. Ms. Ramirez reports that this HAARP program is still the best option for SGMH, as many major insurance carriers are not taking additional risk in the California market.

The renewal packet is impacted by two main components: 1) We requested an updated appraisal of the District’s properties in order to insure to current replacement values and this resulted in an increase in values of almost 10%; 2) The extremely difficult market caused an increase in rates of over 29%. As such, the overall package is increasing by 34%.

Recommendations: That Option 1 renewal package be approved at an overall cost of \$368,088.15 for the Hospital All Risk Property Program (HARPP) with overall cost of \$453,679 for all listed coverages.

Heckathorne, Daniel

From: Josie Charley <Josie.Charley@alliant.com>
Sent: Thursday, June 15, 2023 8:55 AM
To: Heckathorne, Daniel
Cc: Kammer, Margaret; Courtney Ramirez
Subject: 23-24 HARPP Proposal - San Gorgonio Memorial Hospital
Attachments: _2023-2024 HARPP Proposal - San Gorgonio.pdf, _Binding Requirements & Invoice.pdf

Categories: Red Category

Hi Dan,

Please find attached the HARPP renewal proposal for the 2023-2024 policy period. The below is a high level executive summary, we are looking forward to discussing with you Friday morning.

As we previously discussed, this year we were expecting a rate increase and this year the rate increase was just a little under 30%. The Total Insurable Value (TIV) increase also factored into the premium. Please keep in mind that the values were increased due to the appraisal conducted. As outlined on the Executive Summary on page 3 of the proposal, there was a TIV increase of ~10%.

Market Update:

On page 2 of the proposal, we have provided an in-depth update on the state of the property market. In summary, Insurance buyers face the hardest property insurance market in a generation, with historic inflation and skyrocketing natural disaster losses causing "significant pressure," according to a report from the American Property Casualty Insurance Association (APCIA).

Comments on the HARPP Proposal:

Please see the Executive Summary of the Proposal for the Year-over-Year Rate and Premium Comparison. We have separated out the Premiums for Property, Core Cyber and Pollution to identify where the portion of the increases emanate. The premium for the \$25,000 deductible option can be found on page 12 of the attached proposal. There would be a ≈\$2.3K decrease in property premium to increase your deductible from \$10,000 to \$25,000. In addition to increasing the deductible, the Option 2 includes the Upgrade to Green \$5,000,000 limit.

Comments on the Cyber Market:

The Cyber market in general has been an extremely unstable coverage line with many insurers exiting the market due to catastrophic ransomware attacks. Ransomware is one of the most pressing issues for cyber insurers today. We believe the Cyber coverage provided by HARPP represents one of the best values in the marketplace and the great results are shown at the renewal.

Core Cyber (Privacy Liability) Coverage for both 1st and 3rd parties is provided by Beazley Syndicates at Lloyd's. Core Cyber provides a \$2,000,000 Aggregate Limit, there is also a Program Policy Aggregate Limit up to \$45,000,000 for all Insureds/Members combined. The policy provides specific coverage for regulatory defense and penalties, notification and credit monitoring costs, for claims due to theft, loss or disclosure of personal information; please see attached for specific limits and sub-limits. The Cyber retention is \$50,000.

Comments on Pollution:

Pollution Coverage for both 1st and 3rd parties is placed with Ironshore Specialty Insurance Company, A.M. Best Rated A XV. There is \$2,000,000 Per Member / Aggregate for First Party Remediation Costs, First Party Emergency Response Cost, and Third Party Liability for a pollution condition on, at under or migrating from a covered location; an indoor

environmental condition at a covered location; or a pollution condition resulting from transportation. Includes contracted operations, non-owned disposal sites and storage tanks. The Pollution retention is \$50,000; with other various deductibles by coverage.

We have also provided a separate attachment that includes all of the documents that will require a signature for binding. To renew these coverages, please sign and return the attached documents at your soonest but no later than ~~Monday June 26th~~. **CHANGED TO TUESDAY, JUNE 27.**

- Request to Bind Coverage Form
- APIP Claims Acknowledgement Form
- CA D1 (Surplus Lines Disclosure)
- Notice of Terrorism


Please be sure to review the entire proposal and let us know if you have any questions.

Best Regards,

Josie Charley, CLIC, WCIP, CCIP

Account Manager
CA License No. 0J16289
Public Entity

T: 949.242.6280
Alliant.com

 Alliant Insurance Services, Inc.
CA License No. 0C36861

The More Rewarding Way to Manage Risk

Important note about mail service, remitting payment and reporting claims:

A number of our offices around the region are experiencing disruption with mail and deliveries. To make sure we receive your payment timely **please mail all checks to the lockbox address on your invoice and follow claim reporting procedures** provided by your claim advocate. Please contact us at any time if you have concerns or questions.

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San Geronio Memorial Healthcare District



2023-2024

Alliant Property Insurance Program

HOSPITAL ALL RISK PROPERTY PROGRAM

Presented on June 16, 2023 by:

Courtney L. Ramirez
Senior Vice President

Josie Charley
Account Manager

Alliant Insurance Services, Inc. • 18100 Von Karman Avenue 10th Floor Irvine, CA 92612 •

PHONE (949) 756-0271 FAX (949) 756-2713 • www.alliant.com • License No.0C36861

HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP)



July 1, 2023 – July 1, 2024

EXECUTIVE SUMMARY

Attached please find the annual renewal summary of the Hospital All Risk Property Program (HARPP) for the 7/1/2023 renewal. An overview of the most significant issues is discussed here.

The property market is proving very challenging as we approach the 7/1/2023 HARPP renewal. Weather related events are problematic to the insurance industry and the frequency and severity of these events has increased over the last few years. Recent weather events adversely impacting both the capacity and the pricing of direct carriers and reinsurers include:

- 2022 Hurricane Ian (estimated \$53B in insured losses – the second most costly hurricane in history);
- 2022 Winter Storm Elliott (impacted 42 states and insured damage estimates of \$5.4B);
- 2021 Winter Storm Uri (estimated \$15B in insured losses primarily in Texas and Oklahoma);
- 2021 Hurricane Ida (estimated \$40B in insured losses from Gulf Coast to Northeastern States – fourth most costly hurricane in history)
- U.S. Wildfires (Over \$10B in insured losses in 4 of last 5 years)

In addition, underwriters are concerned about valuation and ensuring that an insured's reported values properly and accurately reflect their exposure. HARPP closely monitors insured values for accuracy including application of a 7.5% trend factor for real and personal property. Due to the conditions described above, we expect insureds in the HARPP program to have rate increases at renewal. Generally, insureds that are loss free and/or non-Catastrophe (CAT) exposed will have lower than average rate increases while insureds that are loss challenged and/or CAT exposed will have higher than average rate increases.

For the 2023/24 renewal, Berkshire Hathaway Specialty Insurance (BHSI) will lead the first \$25,000,000 of the program. Maximum program limits are \$800,000,000 to \$1,000,000,000 and will be placed with worldwide markets rated at A.M. Best A- VII or higher. Insureds should note several key highlights for this year's renewal:

- Boiler & Machinery cover for participating insureds of the HARPP Boiler Program will be maintained with Hartford Steam Boiler (HSB), who will also continue to perform required jurisdictional inspections.
- Cyber (Privacy Liability) Coverage for both 1st and 3rd parties from the Beazley Syndicate at Lloyd's, A.M. Best Rated A XV, (for those eligible insureds) with coverage as outlined on the following proposal will be provided. Additional excess options are available, if requested for insureds with good security controls in place. The Cyber market has become extremely volatile in the past 2 years primarily due to a pronounced increase in ransomware claims and worldwide unrest. Due to the difficulty of even maintaining Cyber coverage for many public entities, we believe the Cyber coverage provided by HARPP represents one of the best values in the marketplace. **Please note claims reporting timeframe limitations for this coverage**
- Pollution Coverage for both 1st and 3rd parties from Ironshore Specialty Insurance Company, A.M. Best Rated A XV, (for those eligible insureds) with coverage as outlined on the following proposal will be provided. **Please note claims reporting timeframe limitations for this coverage**
- Vehicles/Contractor's Equipment – please note on the attached proposal whether the vehicle/contractors equipment valuation is Replacement Cost (new) or Actual Cash Value (ACV). If Replacement Cost (new) valuation is needed, the insured must submit a schedule of vehicles or a vehicle valuation reporting form (provided in the pre-renewal packet) and vehicles must be valued at today's Replacement Cost (new). If values are not reported at Replacement Cost (new), the vehicle/contractor's equipment valuation basis will be ACV

Alliant Business Services (ABS) continues to play a significant role not only in providing various types of loss control services, but also in providing appraisal services, business interruption values consultation, and infrared testing. Please see inserts for further details on ABS services provided. For the program, property valuations continue to be a key focus. As a reminder, it is underwriters' intent to have all buildings with a scheduled value of \$5,000,000 or more appraised once every seven to ten years. This service is included in the total program cost. Insureds may also choose to have lower valued buildings appraised. The cost to have all, or specific buildings appraised that are valued on an insureds schedule between \$25,000 and \$5,000,000 will be quoted at the time the request is made.

Please review important Disclosure and Loss Notification information included in your renewal materials. Your review and acknowledgement of these documents are required via your signature, once you authorize a request to bind coverage with your Alliant representative. Although this proposal is as complete as possible, the program is being negotiated up to the 7/1/23 effective date. We will endeavor to provide any known material changes prior to renewal.

HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP)
July 1, 2023 – July 1, 2024
EXECUTIVE SUMMARY

The following table depicts key financial statistics relative to last year:

Year-over-Year Rate and Premium Comparison

<u>San Geronio Memorial Healthcare District</u>	<u>2022-2023 (at 03/08/2023)</u>	<u>2023-2024</u>	<u>Variance</u>
Total Insurable Values (TIV):	\$ 198,762,071	\$ 218,401,962	9.88%
Earthquake TIV:	Not Applicable	Not Applicable	N/A
Earthquake Limit:	Not Covered	Not Covered	N/A
*Property Annual Cost:	\$ 247,509.26	\$ 356,653.74	44.09%
Cyber Liability Annual Cost:	\$ 9,304.89	\$ 9,112.86	-2.06%
Pollution Liability Annual Cost:	\$ 2,038.16	\$ 2,321.55	13.90%
Total Account Rate (\$/100):	0.1302322	0.1685370	29.41%
**Total Annual Cost:	\$ 258,852.31	\$ 368,088.15	42.20%

*Property Annual Cost includes: all premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes

** Total Annual Cost includes the following: Property Annual Cost

The following pages are coverage items currently under review with the HARPP markets to be effective on July 1, 2023.

Thank you for your continued support of HARPP. We look forward to working with you this next year. Please let us know if you have any questions about your renewal.

HARPP SUMMARY OF PROPOSED CHANGES

BELOW IS A SUMMARY OF PROPOSED CHANGES FOR THE 2023-2024 POLICY PERIOD AS OF MAY 04, 2023

Coverage	2022-2023 Sub-limit / Deductible	2023-2024 Sub-limit / Deductible
Scheduled Landfill sub-limit	Not specified	\$5,000,000 Scheduled Landfills (as more fully defined in the policy); or 120% of values on on file with Alliant Insurance Services, Inc. whichever is less.
Personal Property Outside of USA	\$1,000,000 Personal Property Outside of the USA	\$1,000,000 Personal Property Outside of the USA (<u>including associated business interruption</u>)
Cyber Liability	Please refer to Proposal for Summary of Changes <i>if</i> coverage is purchased.	
Pollution Liability	Please refer to Proposal for Summary of Changes <i>if</i> coverage is purchased.	

Coverage	2022-2023 Master Policy Form	2023-2024 Master Policy Form
Policy Period	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
USA Form No.	18	19
Section I, E. 2 Sub-Limits of Liability		Scheduled Landfills; or 120% of values on file with Alliant Insurance Services, Inc. whichever is less.
Section I, E. 2 Sub-Limits of Liability	Personal Property outside the U.S.A.	Personal Property outside the U.S.A. (<u>including associated business interruption</u>)
Section II, B. 4. Off Premises Services Interruption	Last sentence: to an Insured Location. The coverage provided by this clause is sub-limited to USD as per Declaration Page.	Last sentence: to an Insured Location. The coverage provided by this clause is sub-limited to USD as per Declaration Page. <u>Coverage under this extension is subject to a 24-hour waiting period.</u>
Section II, B. 8. Debris Removal	This Policy also covers expenses incurred in the removal of debris of the property covered hereunder from the Insured Location that may be destroyed or damaged by a covered peril(s).	This Policy also covers expenses incurred in the removal of debris of the property covered hereunder from the Insured Location that may be destroyed or damaged by a covered peril(s).
Section II, B. 11. Increased Cost of Construction	See Policy	See Policy for details. Wording has been modified to provide clarity on intent.
Section II, B. 15. Transit	See Policy	See Policy for details. Wording has been modified to exclude Ocean Marine coverages.
Section II, D. 6	Library contents	Library contents value increased per 18.6% inflation value
Section II, D. 7	See Policy	See Policy for details. Wording has been modified for valuation on vehicles greater than 10 years of age to actual cash value.
Section IV, AF. Service of Suit Clause (USA) Applicable to Excess Carriers	See Policy	See Policy for details
Endorsement 1	1. Company means Lexington Insurance Company	1. Company means <u>any Insurance Company offering coverage under this policy.</u>

San Gorgonio Memorial Healthcare District

2023/24 Executive Summary

as of: 6/16/2023

	Premium 7/1/22 - 7/1/23	Premium 7/1/23 - 7/1/24	Δ	Notes
Hospital All Risk Property Program (HARPP): Property, B&M, Cyber & Pollution				
Policy Limits: \$250,000,000 All Risk				
Deductible: \$10,000 All Risk				
Exposure	198,762,071	218,401,962	9.88%	TIV
Rate per \$100 of TIV	0.13023	0.16854	29.41%	
Premium:	\$ 258,852	\$ 368,088	42.20%	Bindable/Final
APIP Cyber Excess				
Policy Limits: \$2,000,000 Each Member Aggregate / \$2,000,000 Policy Aggregate				
Premium	\$ 62,455	\$ 67,881	8.69%	Bound
Alliant Deadly Weapon Response Program (ADWRP)				
Policy Limits: \$500,000 Each And Every Deadly Weapon Event/ Aggregate				
Deductible: \$10,000 Each And Every Deadly Weapon Event				
Exposure	198,762,071	218,401,962	9.88%	TIV
Premium	\$ 6,399	\$ 6,865	7.28%	Bound
Crime (ACIP)				
Policy Limits: \$5,000,000				
Deductible: \$25,000				
Exposure	629	609	-3.18%	EE Count
Premium	\$ 10,304	\$ 10,304	0.00%	Bound
Non Profit Crime (San Gorgonio Memorial Hospital Foundation)				
Policy Limits: \$500,000				
Deductible: \$5,000				
Exposure	-	11		EE Count
Premium	-	\$ 541		Bindable/Final
		*Annual Premium to be pro-rated based on effective date		
Total	\$ 338,011	\$ 453,679	34.22%	

**ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)**

PROPERTY PROPOSAL

TYPE OF INSURANCE: Insurance Reinsurance

PROGRAM: Hospital All Risk Property Program (HARPP)

NAMED INSURED: San Gorgonio Memorial Healthcare District

DECLARATION: 8-Hospitals 3

POLICY PERIOD: July 1, 2023 to July 1, 2024

COMPANIES: See Attached List of Companies

**TOTAL INSURED
VALUES:** \$ 218,401,962 as of June 13, 2023

**ALL RISK
COVERAGES &
SUB-LIMITS:**

\$	250,000,000	Per Occurrence: all Perils, Coverages (subject to policy exclusions) and all Named Insureds (as defined in the policy) combined, per Declaration, regardless of the number of Named Insureds, coverages, extensions of coverage, or perils insured, subject to the following per occurrence and/or aggregate sub-limits as noted below.
\$	10,000,000	Flood Limit - Per Occurrence and in the Annual Aggregate (for those Named Insured(s) that purchase this optional dedicated coverage).
	Not Covered	Per Occurrence and in the Annual Aggregate for scheduled locations in Flood Zones A & V (inclusive of all 100 year exposures). This Sub-limit does not increase the specific flood limit of liability for those Named Insured(s) that purchase this optional dedicated coverage.
	Not Applicable	Per Occurrence for losses to locations in Tier 1 and/or Tier 2 Counties and resulting from a Named Windstorm.
	Not Covered	Earthquake Shock - Per Occurrence and in the Annual Aggregate (for those Named Insured(s) that purchase this optional dedicated coverage).
\$	100,000,000	Combined Business Interruption, Rental Income and Tuition Income (and related fees). However, if specific values for such coverage have not been reported as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc., this sub-limit amount is limited to \$500,000 per Named Insured subject to maximum of \$2,500,000 Per Occurrence, Per Declaration for Business Interruption, Rental Income and Tuition Income combined. Coverage for power generating plants is excluded, unless otherwise specified.
\$	50,000,000	Extra Expense.

**ALL RISK COVERAGES
& SUB-LIMITS:
(continued)**

Per Bound TIV	\$10,000,000	Miscellaneous Unnamed Locations for Named Insureds with total insurable values greater than or equal to \$250,000,000 at time of binding or \$5,000,000 Miscellaneous Unnamed Locations for Named Insureds with total insurable values less than \$250,000,000 at time of binding excluding Earthquake coverage for Alaska and California locations. If Flood coverage is purchased for scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V. Vacant properties are sub-limited to \$2,500,000.
365 Days	Extended Period of Indemnity	
See Policy Provisions	\$50,000,000, or a Named Insured's Policy Limit of Liability if less than \$50,000,000, Automatic Acquisition for 120 days except:	<ul style="list-style-type: none"> - \$25,000,000 Automatic Acquisition for 90 days for new sub-member and/or entity of an existing Pools, JPA or Group; - \$25,000,000 Automatic Acquisition for 90 days for Vacant properties; - \$10,000,000 Automatic Acquisition for 120 days for Licensed Vehicles; - \$2,500,000 Automatic Acquisition for 60 days for additional property and/or interests in Tier 1 Wind Counties, Parishes and Independent Cities for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii; - The peril of Earthquake is excluded for the states of Alaska and California; - If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
\$	1,000,000	Unscheduled Landscaping, tees, sand traps, greens, athletic fields and artificial turf and further subject to \$25,000 / 25 gallon maximum per item for existing Named Insureds excluding Earthquake coverage for Alaska and California locations. If Flood coverage is purchased for scheduled locations, this extension includes Flood coverage for any location not situated in Flood Zones A or V.
\$	5,000,000	or 110% of the scheduled values, whichever is greater, for Scheduled Landscaping, tees, sand traps, greens, athletic fields and artificial turf and further subject to \$25,000 / 25 gallon maximum per item.
\$	5,000,000	or 120% of the scheduled values, whichever is less, for Scheduled Landfills (as more fully defined in the policy).
\$	50,000,000	Errors & Omissions - This extension does not increase any more specific limit stated elsewhere in this policy or Declarations.
\$	25,000,000	Course of Construction and Additions (including new) for projects with completed values not exceeding the sub-limit shown. Projects valued greater than \$15,000,000 require underwriting approval and a premium charge.

ALL RISK COVERAGES & SUB-LIMITS: (continued)	\$	500,000	Money & Securities for named perils only as referenced within the policy, however fraudulent impersonation, fraudulent instruction or similar events are excluded.
	\$	2,500,000	Unscheduled Fine Arts.
	\$	250,000	Accidental Contamination per occurrence and annual aggregate per Named Insured with \$500,000 annual aggregate for all Named Insureds per Declaration. Coverage shall not attach or become insurance upon any property which at the time of loss is more specifically described and covered under any other policy form until the liability of such other insurance has first been exhausted and shall then cover only the excess of value of such property over and above the amount payable under such other insurance, whether collectible or not.
	\$	750,000	Unscheduled infrastructure including but not limited to tunnels, bridges, dams, catwalks (except those not for public use), roadways, highways, streets, sidewalks, culverts, channels, levees, dikes, berms, embankments, landfills (as more fully defined in the policy), docks, piers, wharves, street lights, traffic signals, meters, roadway or highway fencing (including guardrails), and all similar property unless a specific value has been declared. Unscheduled infrastructure coverage is excluded for the peril of Earthquake and excluded for Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters, providing said declaration provides funding for repairs.
	\$	50,000,000	Increased Cost of Construction due to the enforcement of building codes/ ordinance or law (includes All Risk and Boiler & Machinery) except \$2,500,000 for vacant properties.
	\$	25,000,000	Transit - Physical Damage only.
	\$	2,500,000	Unscheduled Animals; not to exceed \$50,000 per Animal, per Occurrence.
	\$	2,500,000	Unscheduled Watercraft up to 27 feet.
		Not Covered	Per Occurrence for Off Premises Vehicle Physical Damage.
	\$	25,000,000	Off Premises Services Interruption including Extra Expense resulting from a covered peril at non-owned/operated locations.
	\$	5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Earthquake Shock on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Earthquake Shock coverage, and/or where specific values for such items are not covered for optional dedicated Earthquake Shock coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc..

ALL RISK COVERAGES & SUB-LIMITS: (continued)	\$ 5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Flood on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Flood coverage, and/or where specific values for such items are not covered for optional dedicated Flood coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc..
	\$ 3,000,000	Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Values and Contingent Tuition Income separately.
	\$ 3,000,000	Tax Revenue Interruption – Per Policy Provisions. However, if specific values for such coverage have not been reported as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc., this sub-limit amount is limited to \$1,000,000 Per Occurrence – Per Policy Provisions.
	\$ 500,000	Jewelry, Furs, Precious Metals and Precious Stones Separately.
	\$ 1,000,000	Claims Preparation Expenses.
	\$ 50,000,000	Expediting Expenses.
	\$ 1,000,000	Personal Property Outside of the USA (including associated Business Interruption).

**ALL RISK COVERAGES
& SUB-LIMITS:
(continued)**

	Not Covered	Per Occurrence Per Declaration Upgrade to Green Coverage subject to the lesser of, the cost of upgrade, an additional 25% of the applicable limit of liability shown in the schedule of values or this sub limit.
	Not Covered	for Communicable Disease.
\$	100,000	Per Occurrence while in Storage and In Transit coverage subject to \$10,000 Deductible for Unmanned Aircraft as more fully defined in the Policy. Not Covered while in Flight.
\$	100,000	Per Occurrence with a \$1,000,000 Annual Aggregate per Declaration for Mold/Fungus Resultant Damage as more fully defined in the policy.
\$	100,000,000	Ingress/Egress Per Occurrence, Per Named Insured for the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a 10 mile radius of covered property, ingress to or egress from the covered property by this Policy is prevented.
\$	100,000,000	Interruption By Civil Authority Per Occurrence, Per Named Insured for the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a 10 mile radius of covered property, access to the covered property is specifically prohibited by order of a civil authority.
\$	10,000,000	Electronic Data Processing Media.

VALUATION:

- Repair or Replacement Cost (RCV)
- Actual Loss Sustained for Time Element Coverages
- Contractor’s Equipment /Vehicles either Replacement Cost (RCV) or Actual Cash Value (ACV) as declared by each insured. If not declared, valuation will default to Actual Cash Value (ACV)

**EXCLUSIONS
(Including but not limited to):**

- Seepage & Contamination
- Cost of Clean-up for Pollution
- Mold

Deductibles: If two or more deductible amounts provided in the Declaration Page apply for a single occurrence the total to be deducted shall not exceed the largest per occurrence deductible amount applicable. (The Deductible amounts set forth below apply Per Occurrence unless indicated otherwise).

**“ALL RISK”
DEDUCTIBLE:**

\$	10,000	Per Occurrence, which will apply in the event a more specific deductible is not applicable to a loss.
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**DEDUCTIBLES FOR
SPECIFIC PERILS
AND COVERAGES:**

	Not Covered	Per Occurrence for Flood Zones A & V (inclusive of all 100 year exposures).
\$	100,000	All Flood Zones Per Occurrence excluding Flood Zones A & V.

DEDUCTIBLES FOR SPECIFIC PERILS AND COVERAGES: (continued)

	Not Applicable	for losses to locations in Tier 1 and/or 2 Counties and resulting from a Named Windstorm.
	Not Covered	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the minimum deductible per occurrence.
\$	1,000	Per Occurrence for Specially Trained Animals.
\$	500,000	Unscheduled infrastructure including but not limited to tunnels, bridges, dams, catwalks (except those not for public use), roadways, highways, streets, sidewalks, culverts, channels, levees, dikes, berms, embankments, landfills (as more fully defined in the policy), docks, piers, wharves, street lights, traffic signals, meters, roadway or highway fencing (including guardrails), and all similar property unless a specific value has been declared. Unscheduled infrastructure coverage is excluded for the peril of Earthquake and excluded for Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters, providing said declaration provides funding for repairs.
\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits.
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits.
\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits.
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits.
	24 Hour	Waiting Period for Service Interruption for All Perils and Coverages.
	2.5%	of Annual Tax Revenue Value per Location for Tax Interruption.
	24 Hour	Waiting Period for Ingress/Egress
	24 Hour	Waiting Period for Civil Authority

DEDUCTIBLES FOR SPECIFIC PERILS AND COVERAGES: (continued)

Not Covered	Per Occurrence for Off Premises Vehicle Physical Damage. If Off-Premises coverage is included/purchased, the stated deductible will apply to vehicle physical damage both on and off-premises on a Per Occurrence basis, unless otherwise stated. If Off-Premises coverage is not included, On-Premises/In-Yard coverage is subject to the All Risk (Basic) deductible.
Not Covered	Per Occurrence for Contractor's Equipment.

SPECIAL TERMS AND CONDITIONS:

It is understood and agreed that notwithstanding anything contained herein to the contrary the following shall apply to this Policy:

The following stand-alone coverages are provided by the APIP program but are not covered in the Limit of Liability or the Sub-Limits of Liability above or attached to the Master Policy Form Wording. However, the coverage costs are included in the APIP Total Cost noted below. Carriers providing these coverages are included in the Schedule of Carriers.

\$ 100,000,000	Per Named Insured Per Occurrence subject to \$200,000,000 Annual Aggregate of Declarations 1-14, 18-30 and 32-35 combined as respects Property Damage, Business Interruption, Rental Income and Extra Expense Combined for Terrorism (Primary Layer).
\$ 10,000	Per Occurrence Deductible for Primary Terrorism.
\$ 600,000,000	Per Named Insured for Terrorism (Excess Layer) subject to;
\$ 1,100,000,000	Per Occurrence, All Named Insureds combined in Declarations 1-14, 18-21, 23-30 and 32-35 for Terrorism (Excess Layer) subject to;
\$ 1,400,000,000	Annual Aggregate shared by all Named Insureds combined in Declarations 1-14, 18-21, 23-30 and 32-35, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer).
\$ 500,000	Per Occurrence Deductible for Excess Terrorism (Applies only if the Primary Terrorism Limit is exhausted).
Included	Information Security & Privacy Insurance with Electronic Media Liability Coverage. See attached Cyber Coverage Summary for applicable Limits. (Cyber Liability) If, insured purchases such coverage.
TBD	Per Named Insured, Per occurrence subject to an Annual Aggregate of Declarations 1-14, 18-30 and 32-35 as respects Personal and Real property for Cyber Attack Resultant Damage
Included	- Healthcare Pollution Policy Pollution Liability Insurance Coverage. See attached Pollution Liability Insurance Coverage Document for applicable limits and deductibles. If, insured purchases such coverage. If, insured purchases such coverage.

TERMS & CONDITIONS:

Sub-limits, terms and conditions are subject to change.

25% Minimum Earned Premium and cancellations subject to 10% penalty

Except Cyber Liability Premium is calculated on a pro-rata basis, unless there is a claim in which case the premium is deemed fully earned. If, insured purchases such coverage.

Except Pollution Liability Premium is 100% Earned at Inception, unless there is a claim in which premium is deemed fully earned. If, insured purchases such coverage.

NOTICE OF CANCELLATION:

90 Days except 10 Days for non-payment of premium

OPTION 1 (Expiring)	\$ 10,000 All Risk Deductible / \$ 10,000 B&M Deductible Not Covered - Upgrade to Green Limit
	Annual Cost*
Total Property Premium:	\$ 332,105.00
Excess Boiler:	\$ 3,070.00
Cyber Liability Premium:	\$ 8,832.00
Pollution Liability Premium:	\$ 2,250.00
ABS Fee:	\$ 2,891.00
SLT&F's (Estimate)	\$ 11,010.97
Broker Fee:	\$ 7,929.18
TOTAL COST †: (Including Taxes and Fees)	\$368,088.15

OPTIONAL QUOTE(S) All terms and conditions are the same as quoted above with the exception of the following:

OPTION 2	\$ 10,000 All Risk Deductible / \$ 10,000 B&M Deductible INCLUDING - \$5,000,000 Upgrade to Green Limit
	Annual Cost*
TOTAL COST †: (Including Taxes and Fees)	\$376,390.97

*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.

† TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)

OPTION 3	\$ 25,000 All Risk Basic, B&M & Primary Terrorism Deductibles Not Covered - Upgrade to Green Limit
	Annual Cost*
TOTAL COST †: (Including Taxes and Fees)	\$357,618.25

*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.

† TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)

OPTION 4	\$ 25,000 All Risk Basic, B&M & Primary Terrorism Deductibles INCLUDING \$ 5,000,000 Upgrade to Green Limit
	Annual Cost*
TOTAL COST †: (Including Taxes and Fees)	\$365,555.65

*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.

† TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)

PRINT DATE: June 16, 2023
QUOTE VALID UNTIL: July 1, 2023
BROKER: **ALLIANT INSURANCE SERVICES, INC.**
License No. 0C36861
Courtney L. Ramirez
Senior Vice President

Josie Charley
Account Manager

NOTES:

- **Some coverage, limits, sub-limits, terms and conditions will change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2023 bound terms. Changes include but are not limited to a \$5M limit for landfills (as defined in the policy), restriction of valuation on vehicles greater than 10 years of age to actual cash value and expanding coverage on personal property outside of the United States to include associated Business Interruption. Coverage outlined in this Proposal is subject to the terms and conditions being negotiated with the policy. To be finalized and presented at Program Inception. Note: In addition to program specific changes noted, there are general restrictions within the market that we will address during the renewal process. Potential market restrictions include but are not limited to Strike, Riot and Civil Commotion and valuation restrictions (i.e. margin clauses and/or occurrence limit of liability endorsements).**
- **For most members the All Risk limit is \$800,000,000 in the proposal. The All Risk limit is estimated to bind between \$500,000,000 and \$1,000,000,000. If your All Risk limits are less than \$500,000,000 they are not expected to change.**
- **The program expects to continue purchasing Cyber Resultant Physical Damage cover which is provided to members purchasing Terrorism within the program – limits to be determined. See expiring Policy No. B0180PF2209084 and B0180PF2209624 for current coverage details.**
- **This proposal is based on the current loss experience and is subject to change if this insured's loss ratio deteriorates further and/or if the markets suffer a catastrophic event**
- **Change in Total Insurable Values will result in adjustment in premium**
- **Each line of coverage is rated separately. Increases in TIV's on highly rated coverages such as Vehicles, CE, EQ or 100 year Flood Zones, etc. may increase the insured's average account rate.**
- **The flood zones provided on the Schedule of Values (SOVs) are for rating purposes only. The actual flood zone will be determined at the time of loss.**

TAB I

SAN GORGONIO MEMORIAL HOSPITAL

Medical Staff Services Department

M E M O R A N D U M

DATE: June 14, 2023

TO: Susan DiBiasi, Chair
Governing Board

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

SUBJECT: MEDICAL EXECUTIVE COMMITTEE REPORT

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

Approval Item(s):

Approval of the July 1, 2025 – June 30, 2027, Medical Staff Officers

Chief of Staff-Elect: **Sherif Khalil, M.D.**

Treasurer-Elect: **Craig Seheult, M.D.**

Informational:

Introduction of July 1, 2023 – June 30, 2025, Medical Staff Officers

Chief of Staff: **Raffi Sahagian, M.D.**

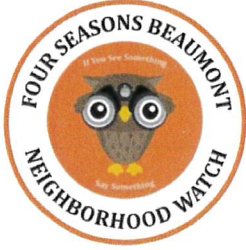
Treasurer: **Sameh Mikhail, M.D.**

TAB J

POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital Board Meeting July 11, 2023

	Title	Policy Area	Owner	Workflow Approval
1	Bedside Therapeutic Bronchoscopy	Respiratory Therapy	Peleuses, John: Interim VP of Ancillary Services	Ariel Whitley for Hospital Board of Directors
2	EKGs	Respiratory Therapy	Peleuses, John: Interim VP of Ancillary Services	Ariel Whitley for Hospital Board of Directors
3	Incentive Spirometer	Respiratory Therapy	Peleuses, John: Interim VP of Ancillary Services	Ariel Whitley for Hospital Board of Directors
4	Inventory and Searching of Patient Belongings	Nursing	Freude, Gayle: Nursing Director Med/Surg	Ariel Whitley for Hospital Board of Directors
5	Operation and Safety Precautions When Using the Volume Ventilator	Respiratory Therapy	Peleuses, John: Interim VP of Ancillary Services	Ariel Whitley for Hospital Board of Directors
6	Perioperative Services - Disaster Response Policy	Emergency Preparedness	Hunter, Joey: Director Emergency Preparedness, EOC & Security	Ariel Whitley for Hospital Board of Directors
7	Respiratory Care Practitioner Standby Time	Respiratory Therapy	Peleuses, John: Interim VP of Ancillary Services	Ariel Whitley for Hospital Board of Directors
8	Temperature Check of Warmers for Intravenous Fluids and Blankets	Nursing	Freude, Gayle: Nursing Director Med/Surg	Ariel Whitley for Hospital Board of Directors

TAB K



Four Seasons Beaumont
Neighborhood Watch

Join us

Wednesday, July 12th
10 AM In the Lodge Ballroom

With Special Guest from San G. Memorial Hospital:



Dr. Karan
Singh

Chief Medical Officer

For more information, please call
Anita Worthen 951-769-9858



BANNING
CHAMBER OF COMMERCE

Sunrise

BREAKFAST



John Peleuses

• *Vice-President*

Ancillary & Support Services

San Geronio Memorial Hospital

WEDNESDAY

July 19th

7:00 am

Location - Farm's House Restaurant
6261 Joshua Palmer Wy, Banning, 92220

Breakfast includes: Pancakes or French toast, potatoes, eggs, sausage, bacon, fresh fruit, water and coffee.

RSVP \$25.00 at the door \$30.00

Buy Tickets at www.thebanningchamber.com/events



Stronger Together: How Security Executives Build Solid Teams

Fostering connection among security teams and empowering employees helps security executives build strong departments.

By Adam Stone, Contributing Writer



Gorodenkoff / iStock / Getty Images Plus via Getty Images

In the realm of physical security, it isn't always easy to build a strong and cohesive team.

"Team building requires a level of inclusion and openness that has to be created and curated," says Bobbie Stempfle, Vice President and Business Unit Security Officer at Dell. "In the security industry, you tend to have people who — by requirement of their job — are a little more suspicious about the world around them. To foster a good culture, you have to push through their natural tendencies to not share and to not be open."

It isn't easy — but it's absolutely necessary. "Security can be a really thankless job. If it's going well, you tend not to be seen or recognized. When something goes wrong, that's when you end up being seen and recognized," Stempfle says. "So that internal team culture is really important in nurturing and retaining talent — to helping people see value in this space."

Team culture "also helps organizations be more integrated. The ability to have an open, communicative team helps us learn from each other, and learn from the environments that are around us," she says.

To sum up, security team-building is 1) necessary and 2) incredibly challenging. That sets a high bar. How do physical security leaders make it happen?

EMPOWERMENT AND LEVITY

When Steve W. Di Rito, CPP, CISM, joined HealthPartners as Vice President, Security and Chief Security Officer, he had team-building high on his to-do list.

HealthPartners offers health insurance and healthcare, and also does in education and research. "Like many others, our organization grew over time through acquisitions which often had an organic security team that continued operating independently," he says. "I was hired to integrate everyone into a system-wide security team."

That starts with empowerment, helping people to feel they are part of a greater whole. "A key piece of how I've built my team is to involve them in the vast majority of decisions," he says.

"It comes down to ownership. When people feel like they have a say or have a voice in the decisions, then they adopt them much more readily," and are more apt to perceive themselves as truly a part of the larger effort, he says.

And while security is a serious business, Di Rito says team spirit often comes together when people take a lighter approach.

Facing the bad and potentially-bad day after day, "it can be hard to deal with some of the tougher challenges without a good sense of humor," he says. "It can be something as simple as having nicknames for each other, or just a gentle teasing about something that helps to break that barrier down. I encourage people to lighten up a little bit, which helps us talk more openly."

Di Rito follows his own advice. For example, "I take ownership when I've made decisions that maybe weren't the best — and often make light of my own mistake," he says. "A good sense of humor within the team helps staff know they are supported by both their leader and peers, which empowers them to talk about issues and make better decisions."

STRUCTURAL APPROACH

At Dell, the distributed global nature of the operation can be a roadblock to team culture. "[Security teams] often operate in a variety of different locations, so they are rarely in the same place together," Stempfle says.

As part of her effort to get people working in unison despite being apart, Stempfley has given special attention to the structure of the security organization.

Dell is a converged security organization, with physical, cyber and product security all rowing together. "We spend time making sure that the organizational silos are really porous. That gives us a greater integrated picture, which gives us more eyes on a problem," she says.

"It also overcomes the 'us-versus-them' approach that tends to happen when you're talking about physical security versus cybersecurity," she says. "It helps when the whole team can see this is an integrated problem and it requires an integrated solution."



Steve Di Rito, Vice President, Security and Chief Security Officer at HealthPartners. Image courtesy of Di Rito



Joey Hunter, Director of Security and Emergency Management at San Geronio Memorial Hospital. Image courtesy of Hunter



Bobbie Stempfley, Vice President and Business Unit Security Officer at Dell. Image courtesy of Stempfley



Gary Stewart, Director of Corporate Security at Ecentria / OpticsPlanet. Image courtesy of Stewart

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“It comes down to ownership. When people feel like they have a say or have a voice in the decisions, then they adopt them much more readily.”

— Steve Di Rito, Vice President, Security and Chief Security Officer at HealthPartners

To generate that integrated understanding — that team culture — Stempfley encourages her personnel to look at common risks across the organizations. "It starts with looking at the threat landscape, because that is the common ground," she says.

An awareness of those common threats helps to build team cohesiveness — as does the sharing of experiences.

"On our team, whenever someone goes to a conference or has a customer interaction or an external-stakeholder interaction, they come back and share what they learned with the greater team," Stempfley says.

"We have a conversation about it, it's a normal part of our staff meetings. Everybody gets value out of what one person might bring to the table, and everyone contributes to the team's overall learning," she says. Those shared experiences help to forge a shared identity within the team.

INDIVIDUALIZED ATTENTION

At San Geronio Memorial Hospital in McKinney, Texas, Director of Security and Emergency Management Joey Hunter says you need star players to build a winning team.

"Building a strong security team culture starts with our employees," he says. "I try to hire the right people, people who are disciplined, who have some sense of personal pride, passion, motivation."

With the right people on board, Hunter then looks to make strong pairings. "We want to make sure that whoever we're putting them with is going to mentor and mold them... to help advance their career," he said. When people see that senior leadership is invested in their personal success, he suggested, they feel themselves to be part of a greater whole — part of a team.

That same individual attention drives the way he organizes his shifts, assigning personnel in ways that foster a team environment.

"I know every single one of these officers' personalities, so I make sure that when I put them with a team leader or a supervisor, I'm making sure that I balance out both the strengths and weaknesses of that particular team," he said.

FLATTEN THE ORGANIZATIONAL CHART

For Gary Stewart, Director of Corporate Security at the ecommerce platform Ecentria / OpticsPlanet, engagement drives team spirit.

"The way I train and manage my staff is to manage from the bottom up. You utilize everybody for goal setting, goal planning — if it's a desk officer, a security control room, a patrol officer, a gate officer, a frontline lead, even up into senior manager and director levels," he says.

"You're putting everyone to work on accomplishing the transformation, and it's a constant involvement," he says. That helps people to feel part of a larger program.

That effort extends to the bigger picture too, as Stewart works to flatten the organizational chart in support of stronger team spirit.

"Everybody wants to get to the top, but you can't take 20 officers and make them 20 managers at the same time," he says. That naturally generates competition, when what he needs is collaboration.

With this in mind, "I try to flatten my org chart, rather than have it structured like a Christmas tree... Rather than having regional groups, we have a national group: we don't have little pockets throughout the country, we have a one large organization," he says. With this structure, "if you're in Chicago, you're not focused on being a lead officer in Chicago. You can also be a leader in the company across all the states. It gives them a broader picture, rather than little tribe groupings."

This focus on organizational structure enables Stewart to create not just individual opportunities, but more cohesive teams. By dialing down the competition, he's encouraging personnel to feel that we are all in this together.