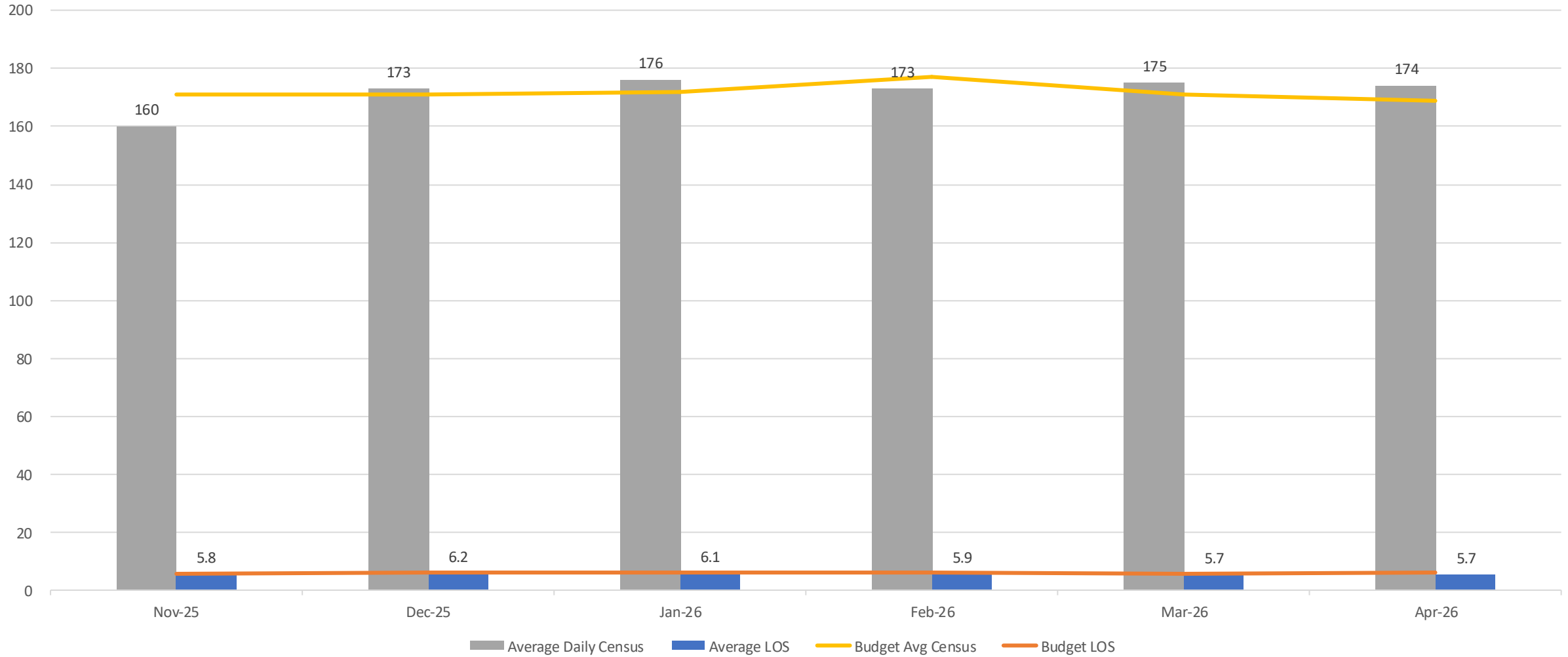




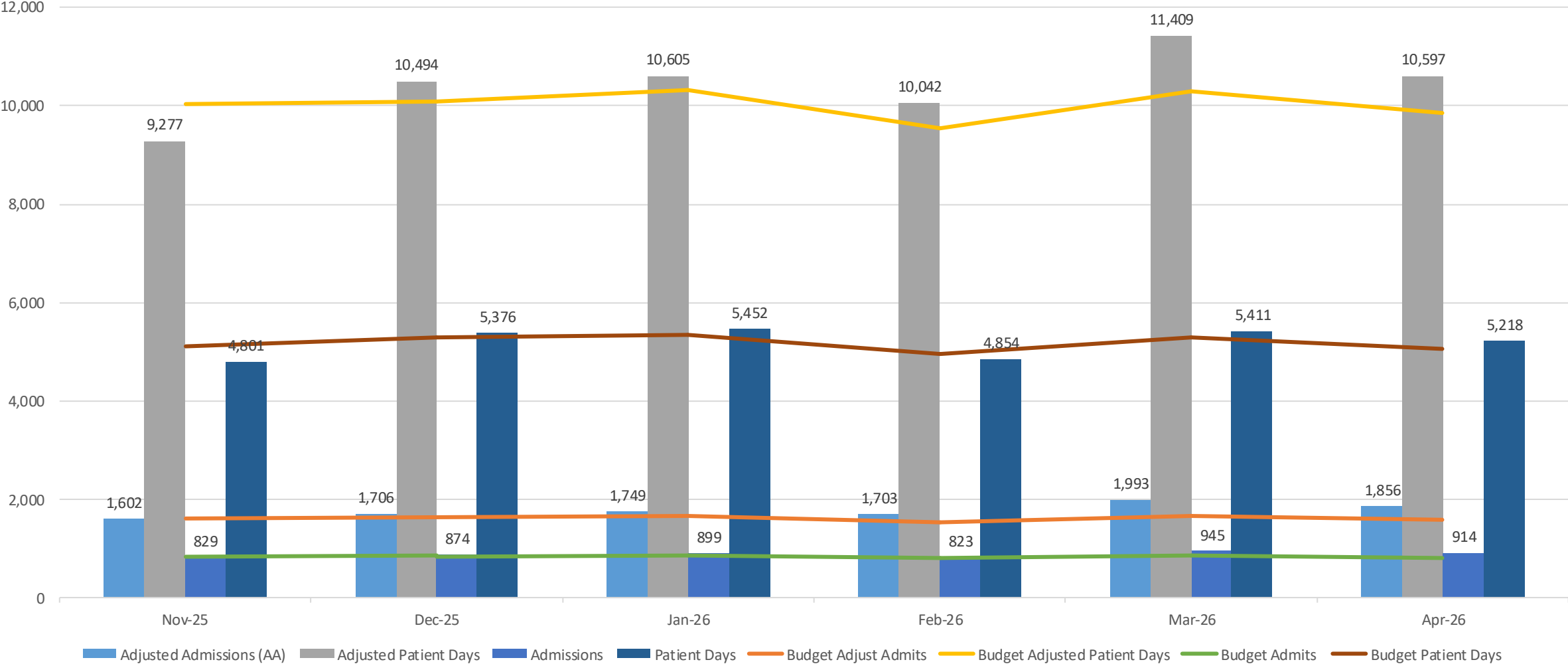
Board of Governors' Report
Kern Medical – April 2026

Census & ALOS

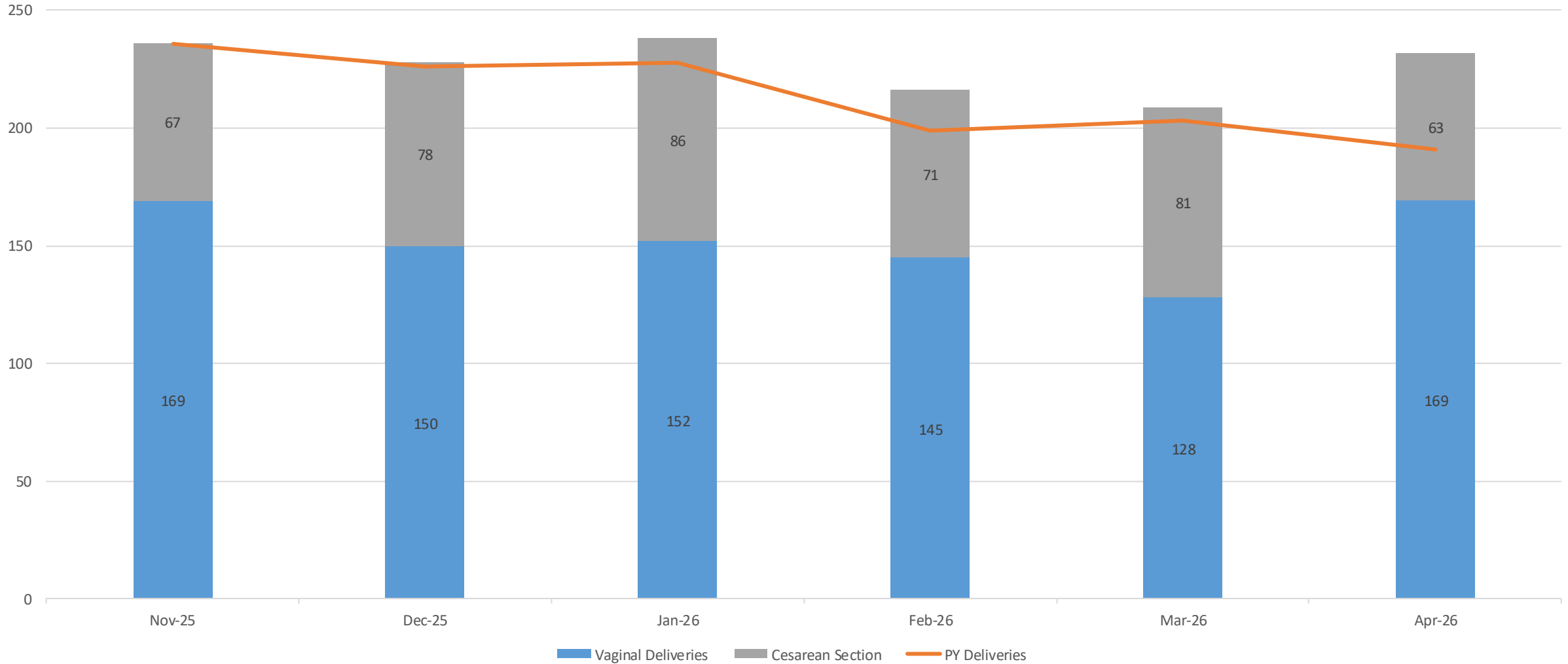


Slide 2

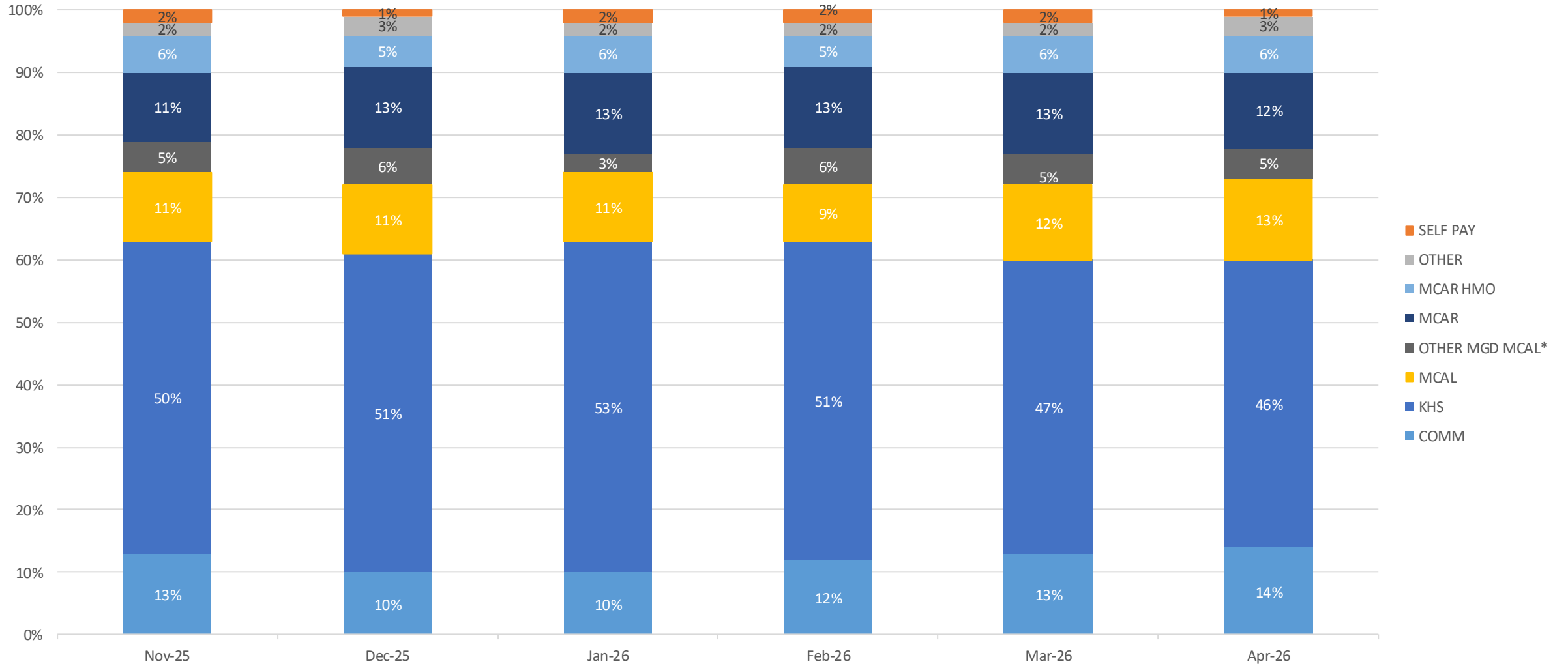
Hospital Volumes



Deliveries

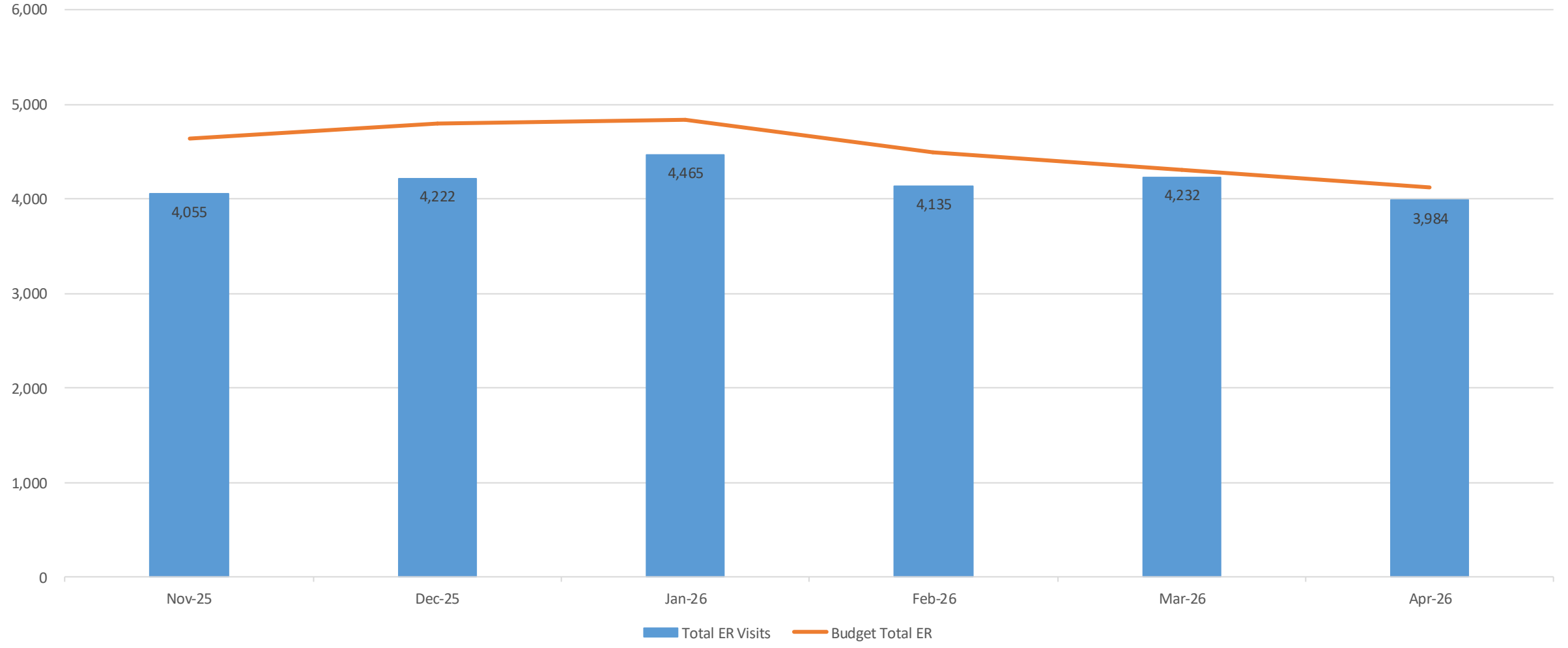


PAYER MIX

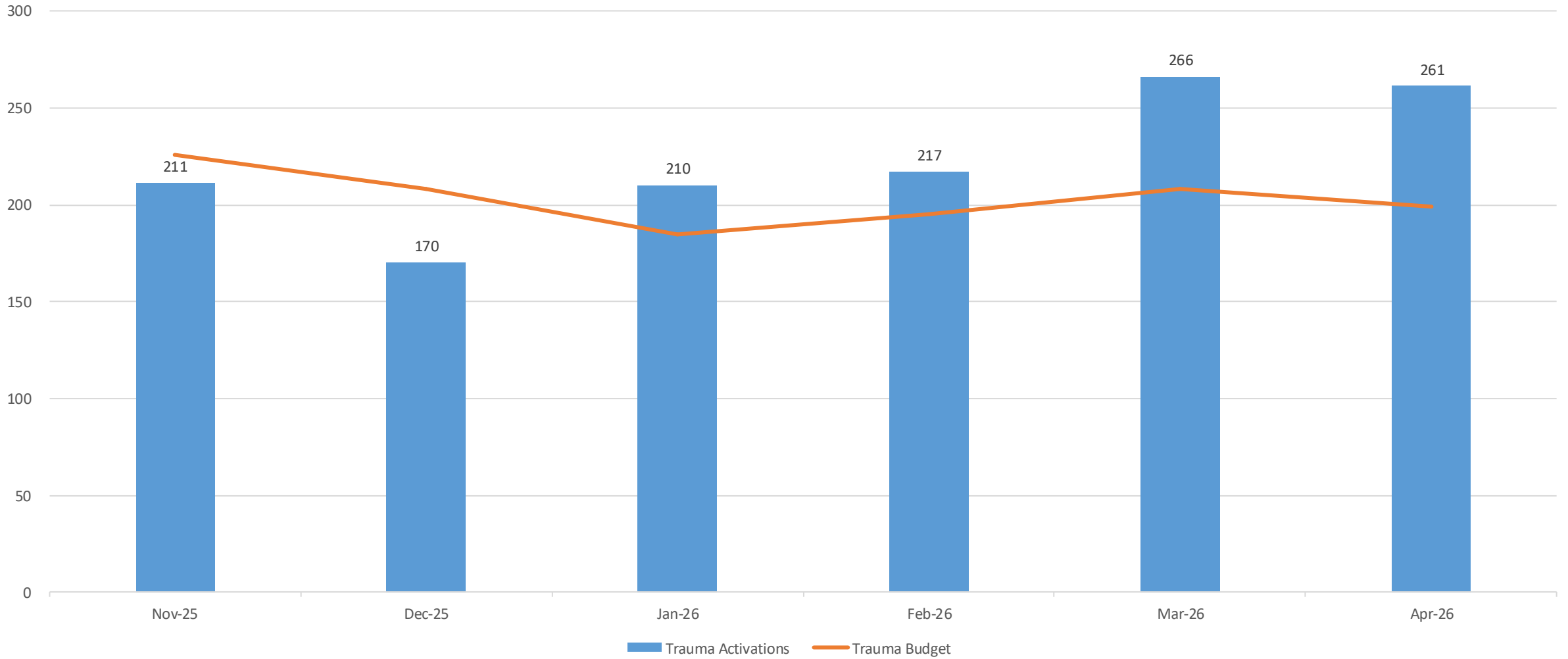


Slide 5

Emergency Room Volume

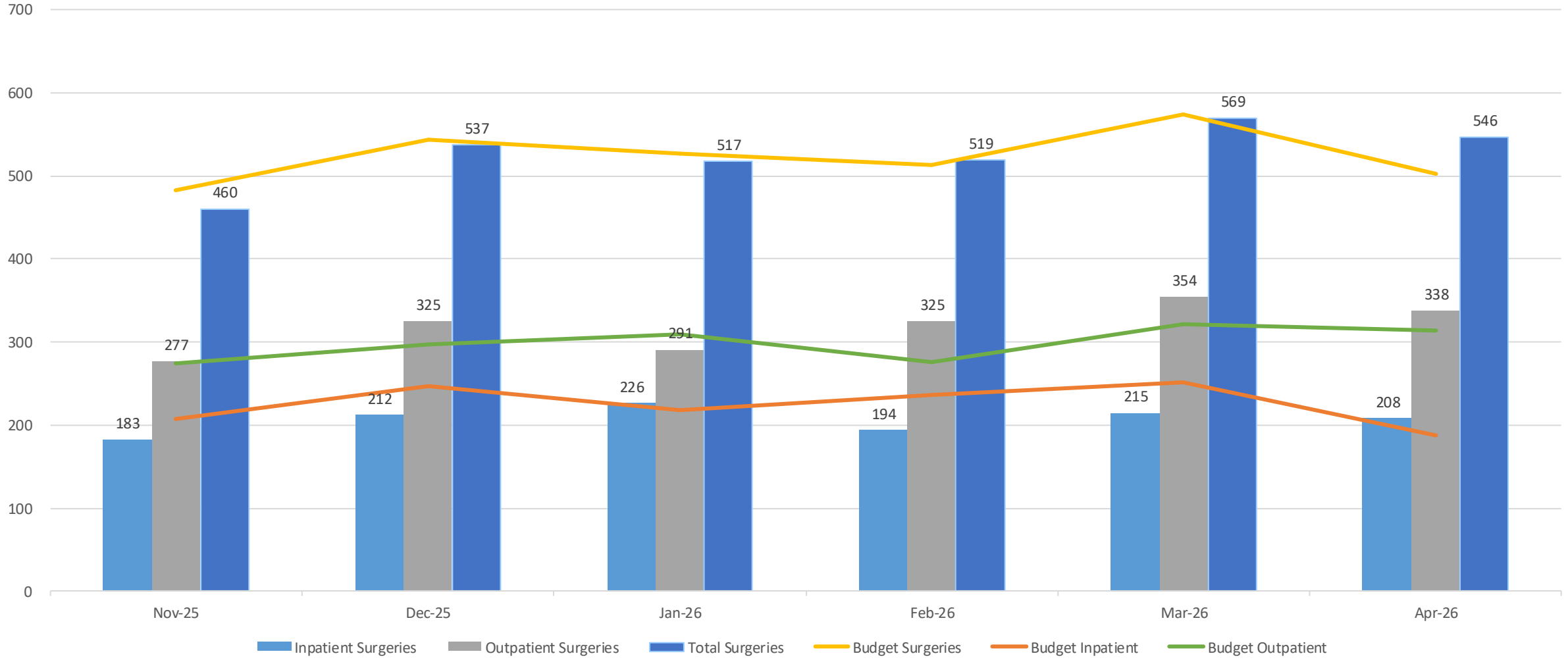


Trauma Activations



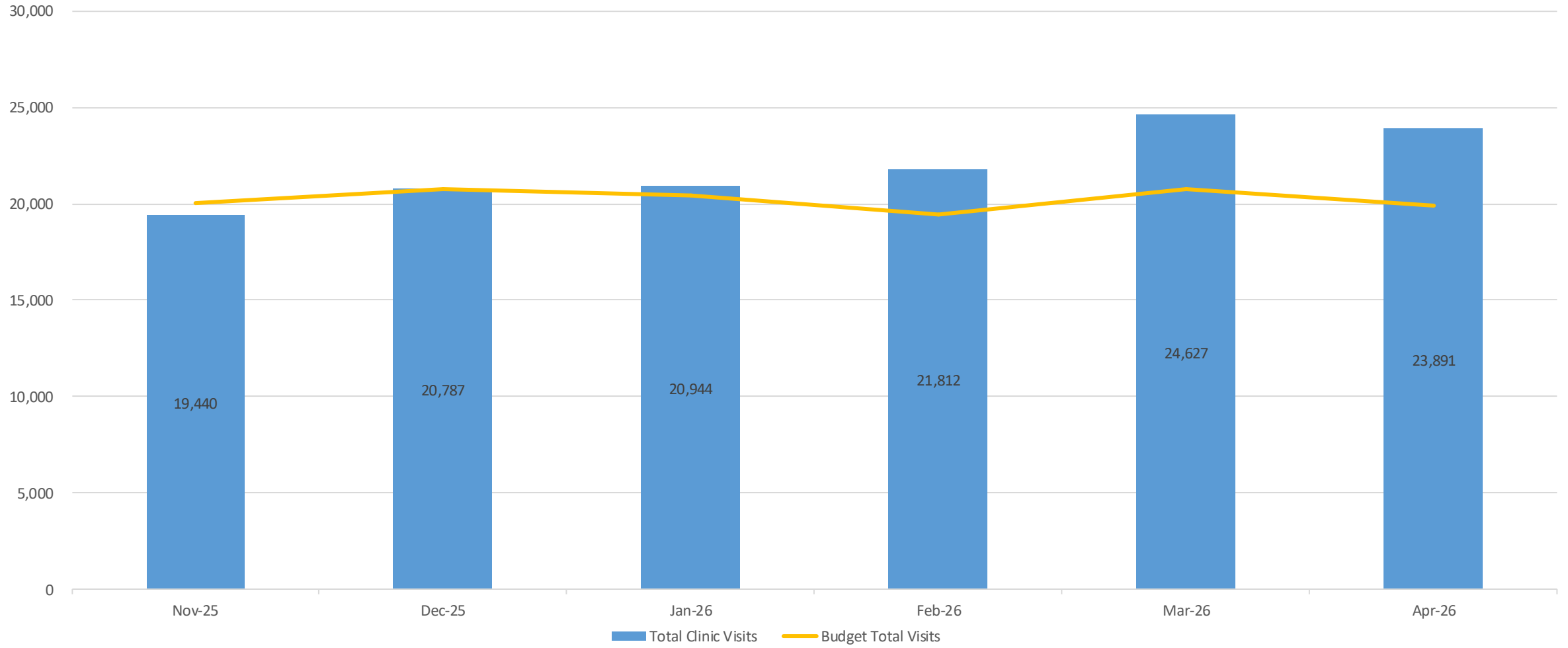
Slide 7

Surgical Volume

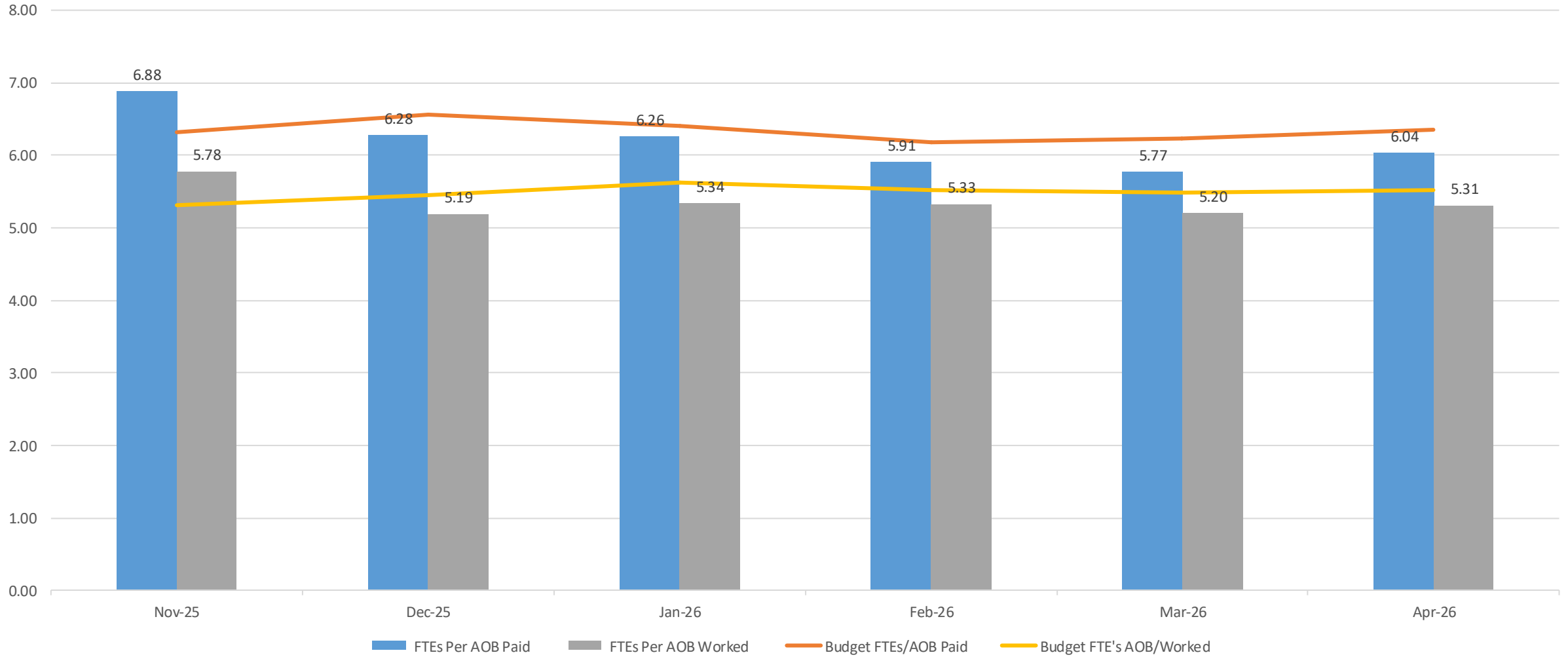


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Clinic Visits

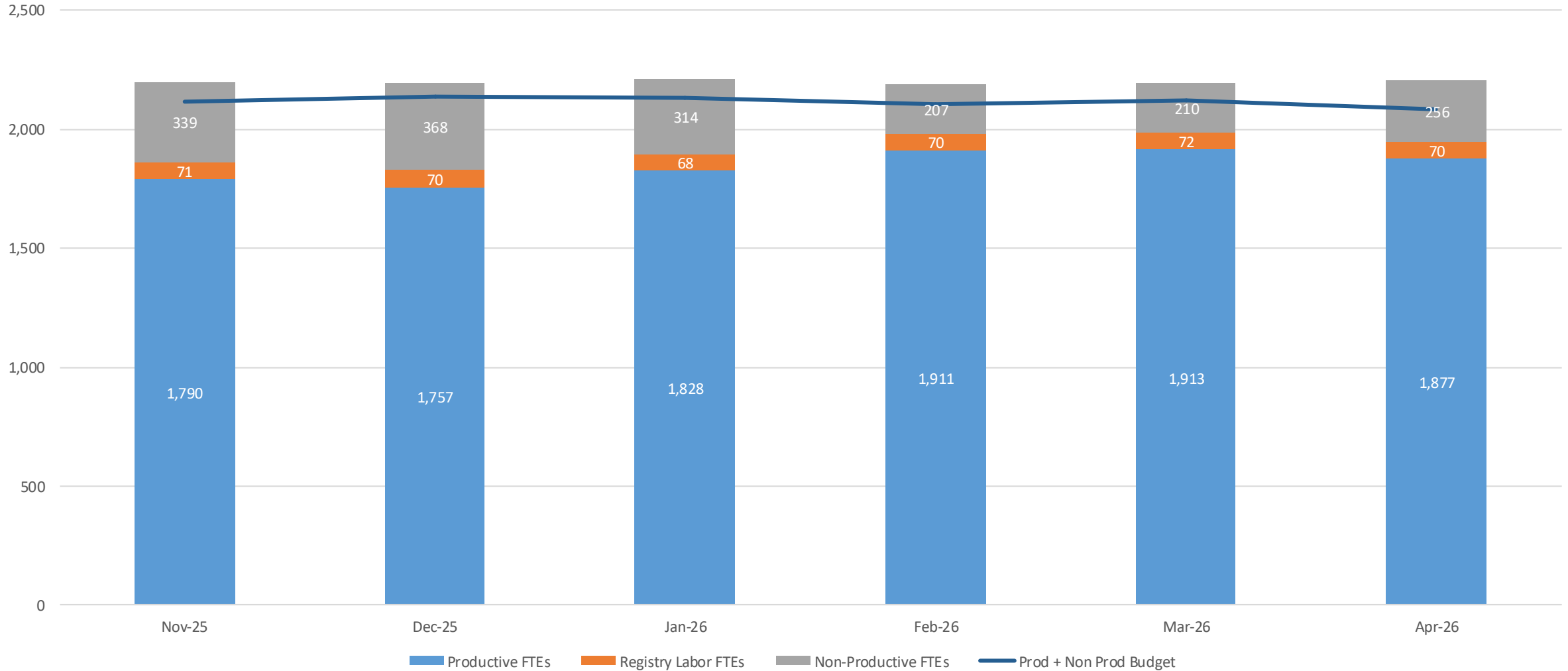


Labor Metrics



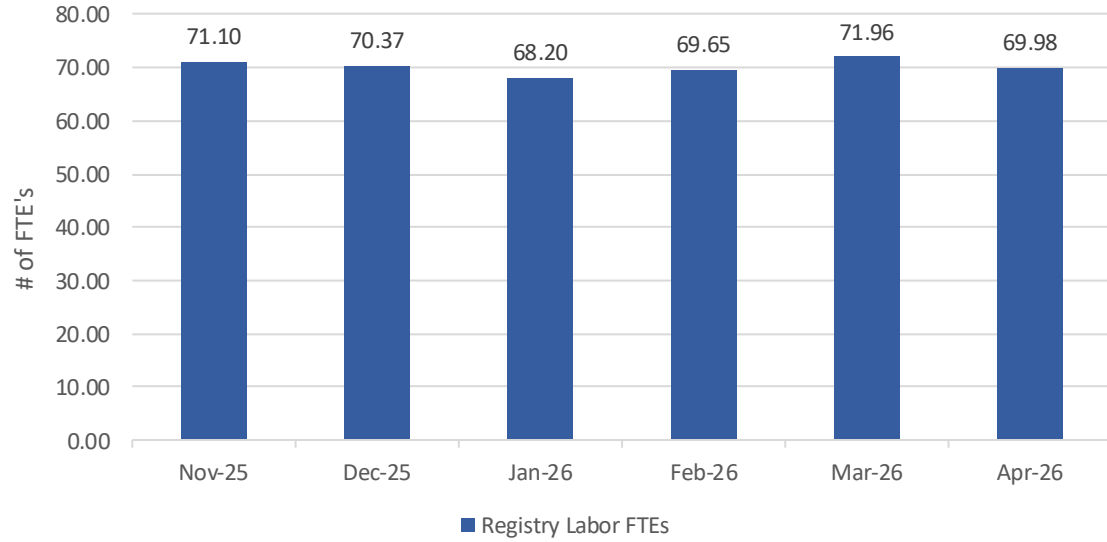
Slide 10

Productivity

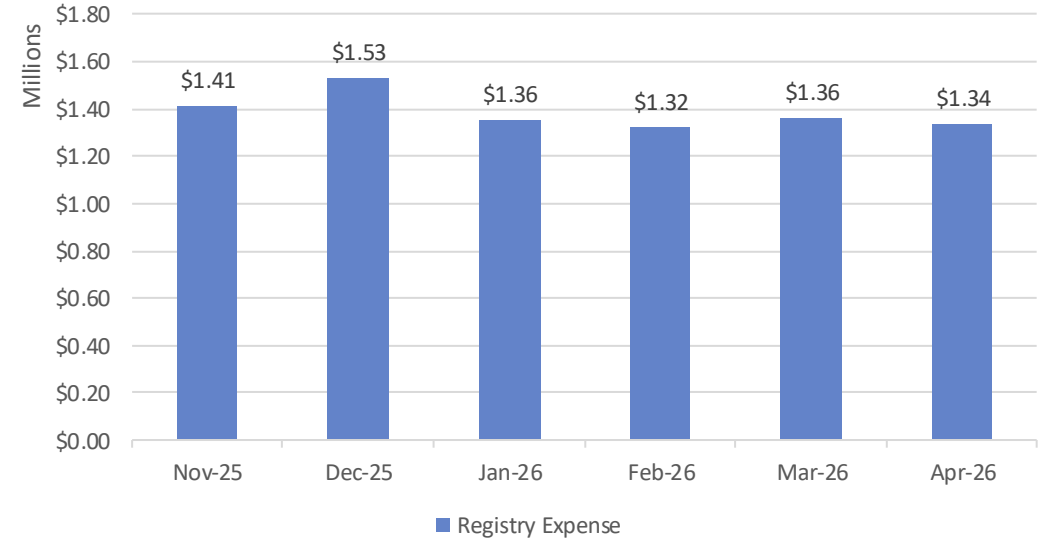


Slide 11

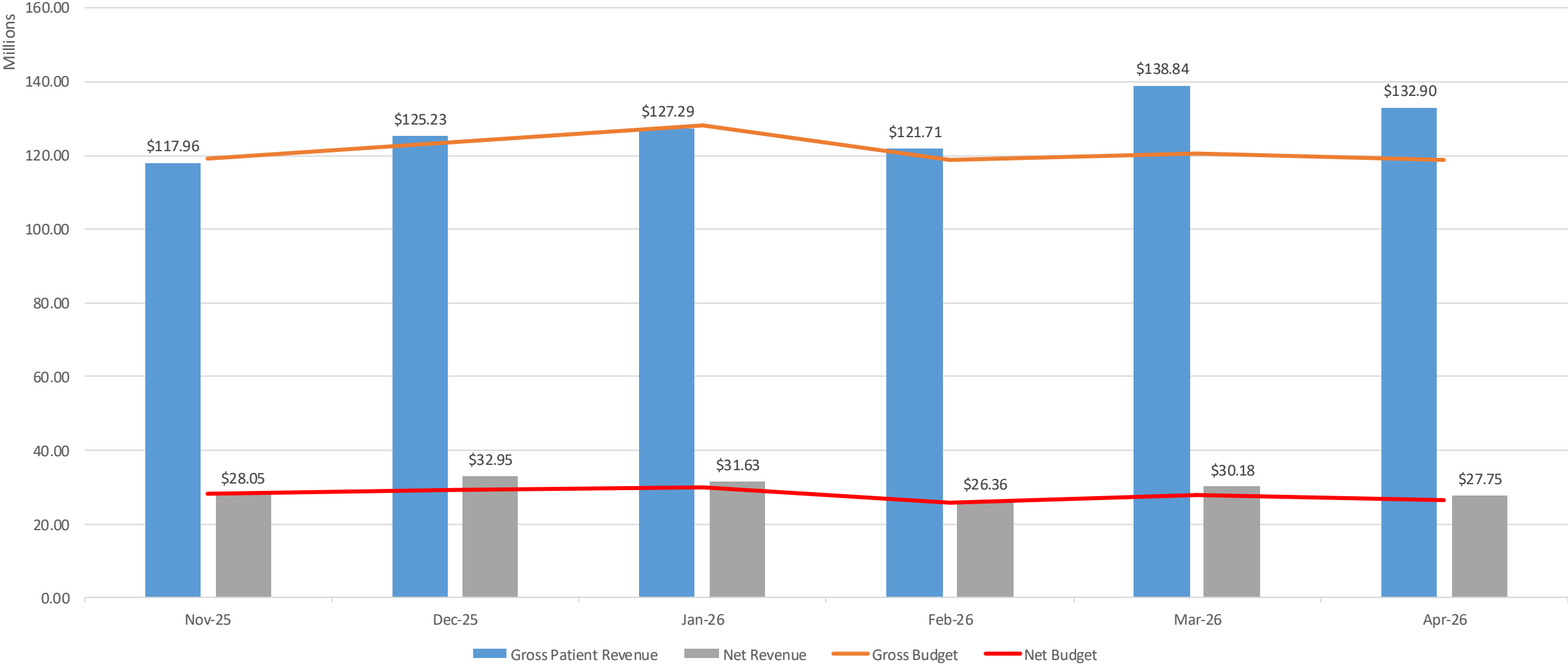
Registry FTE's



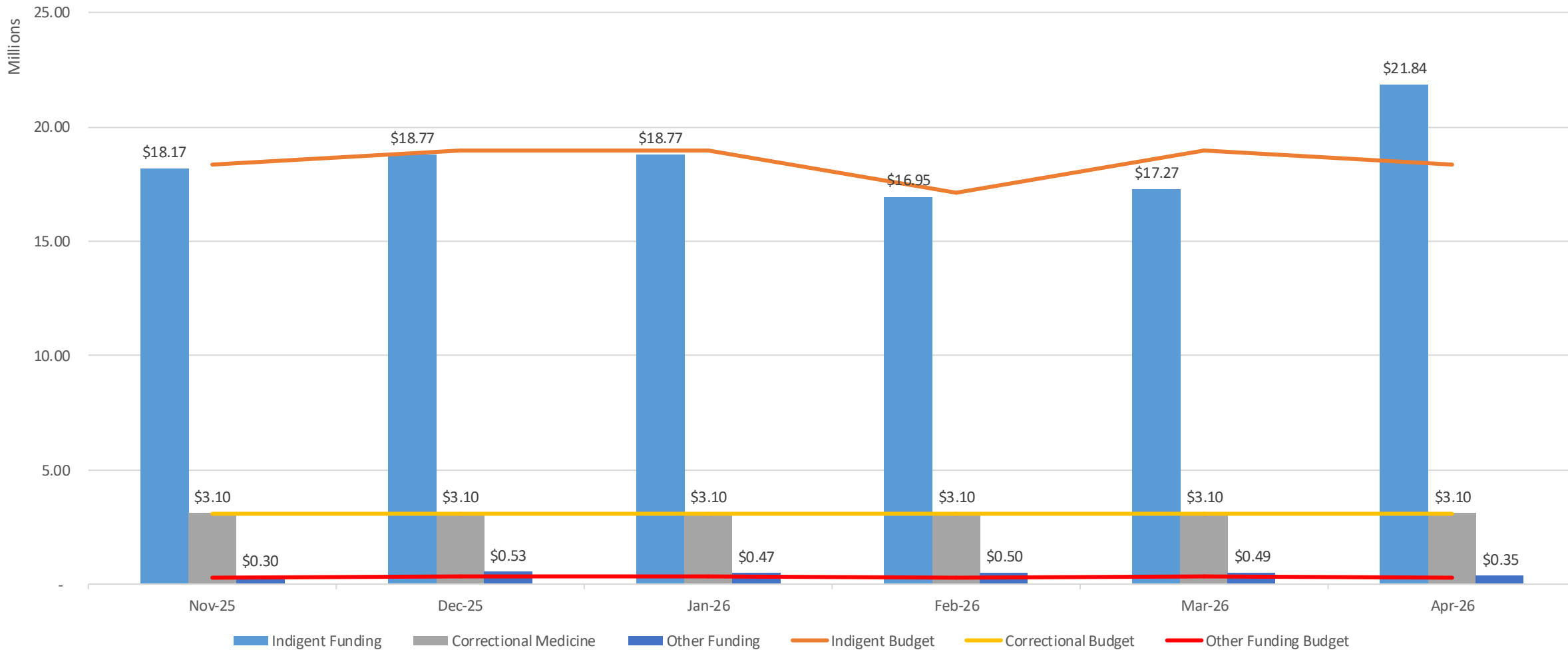
Registry Expense



Patient Revenue

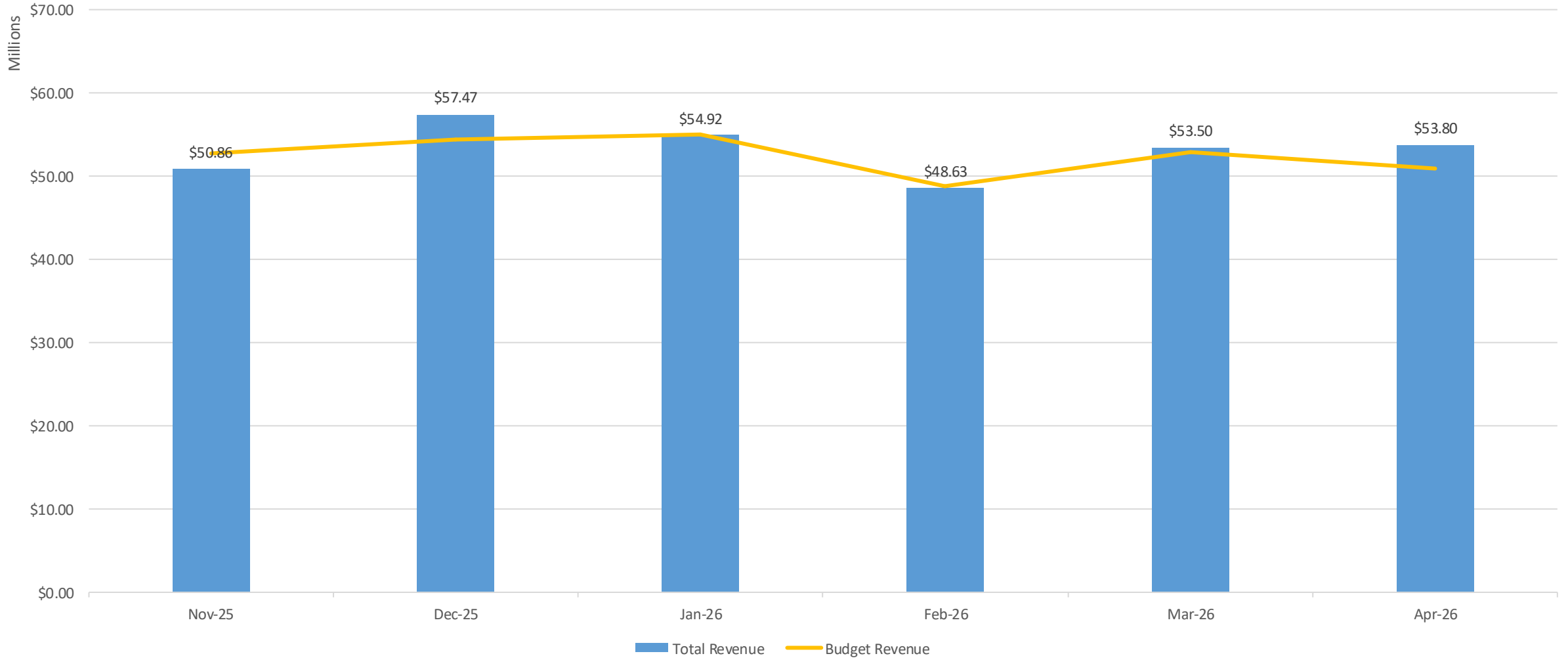


Indigent & Correctional Revenue

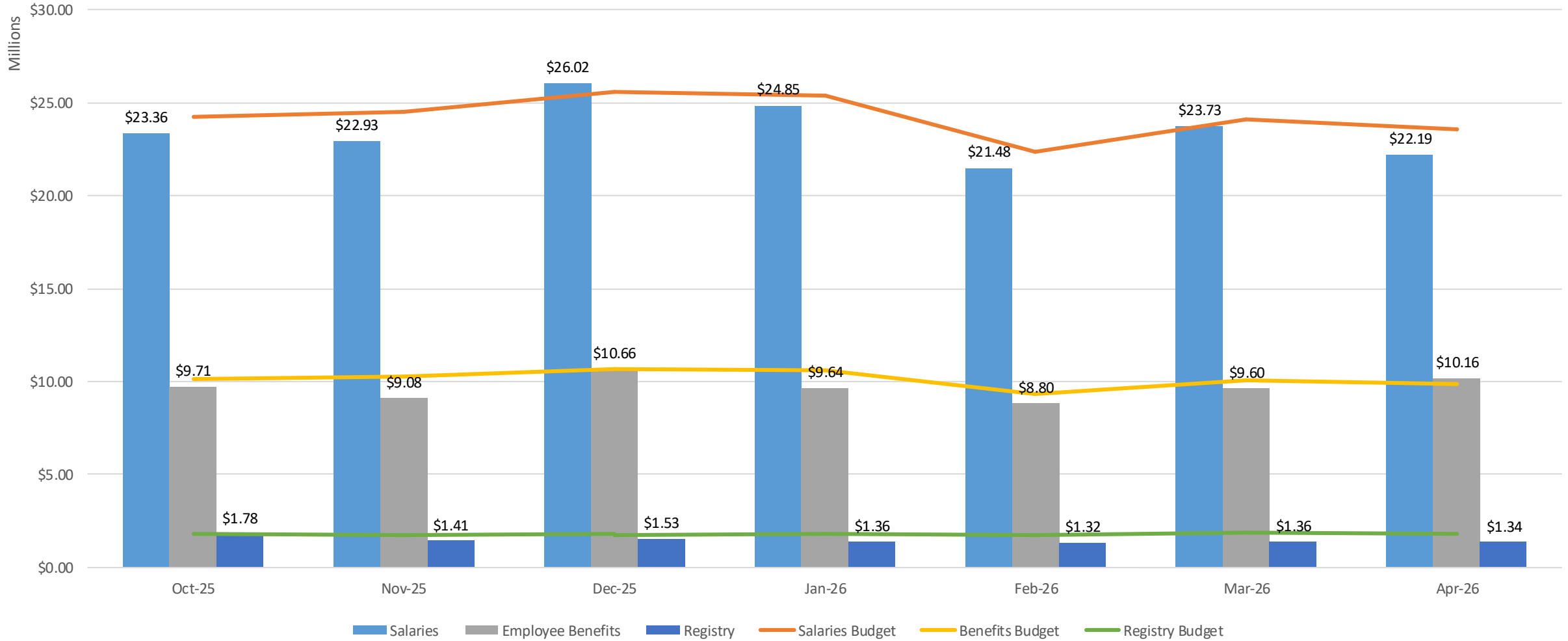


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Total Revenue

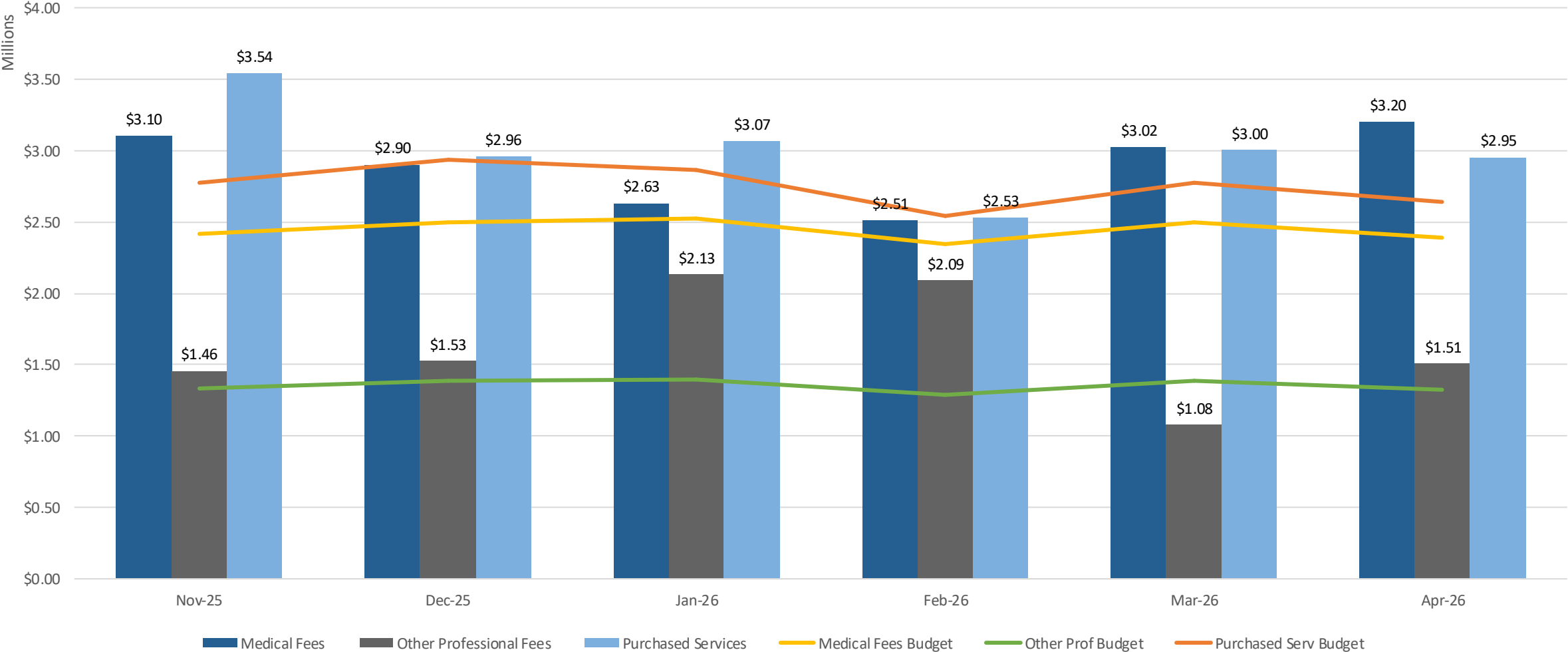


Expenses

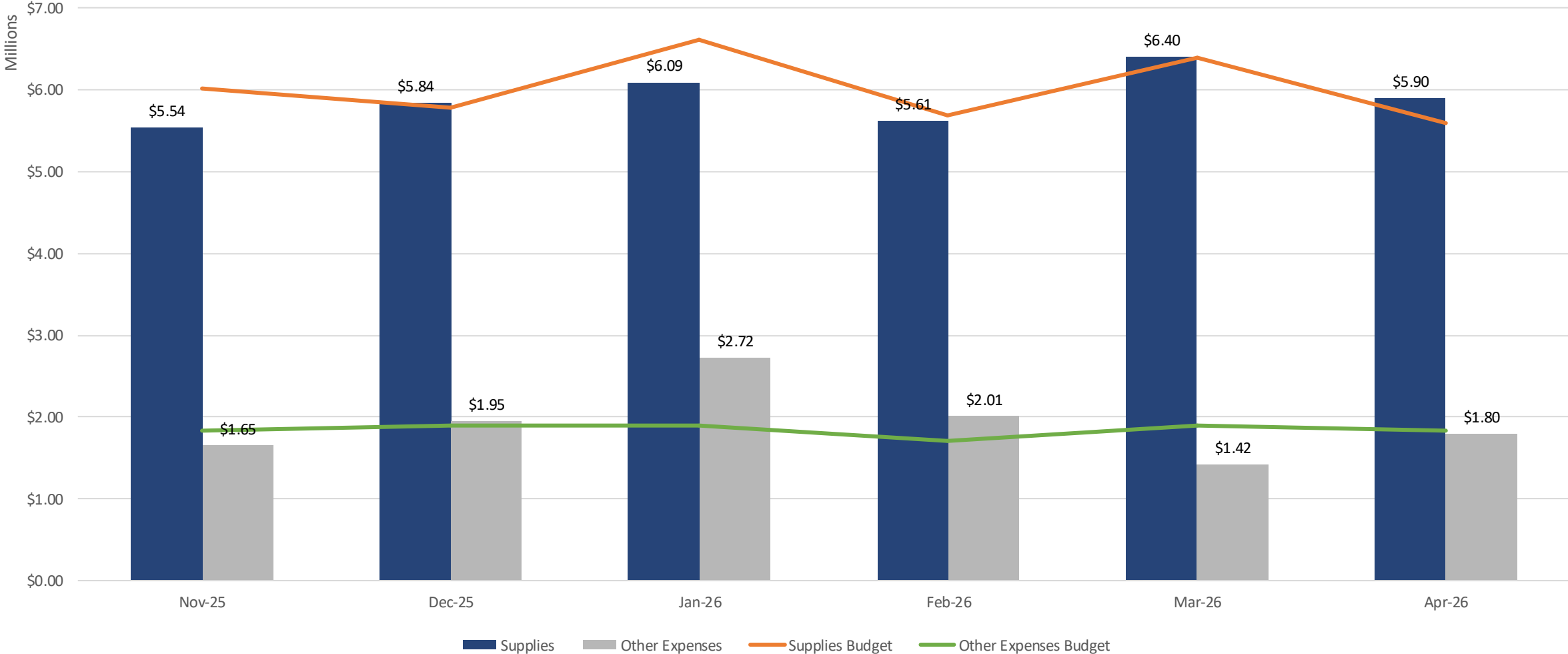


Slide 16

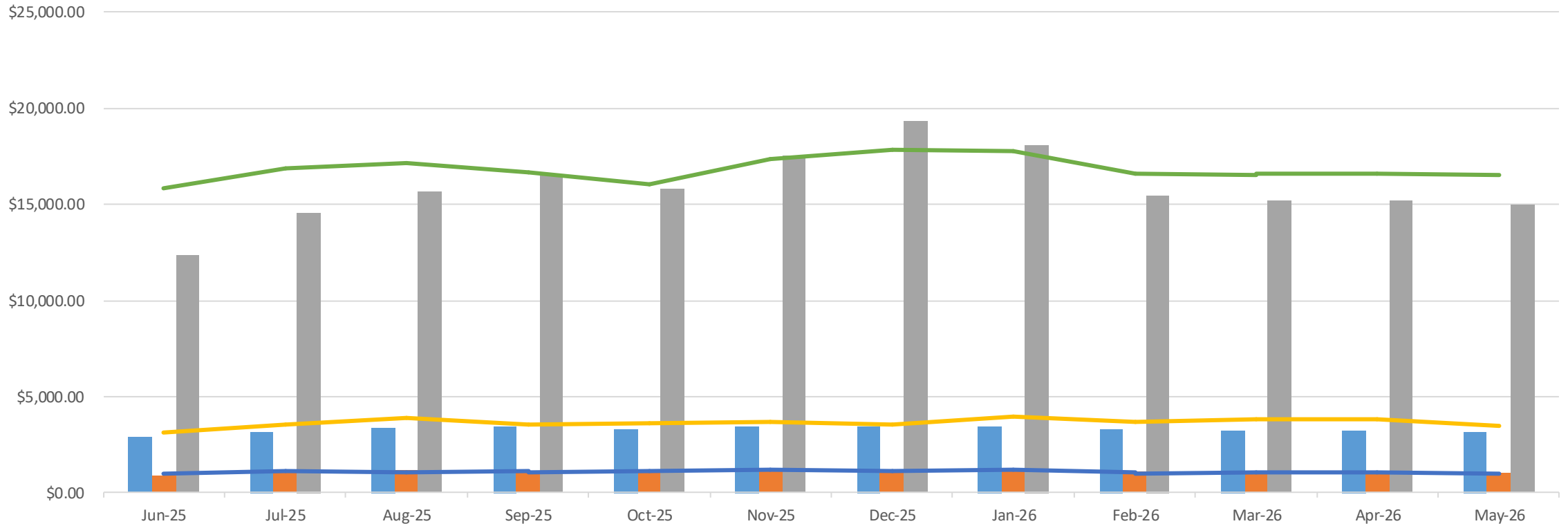
Expenses



Expenses

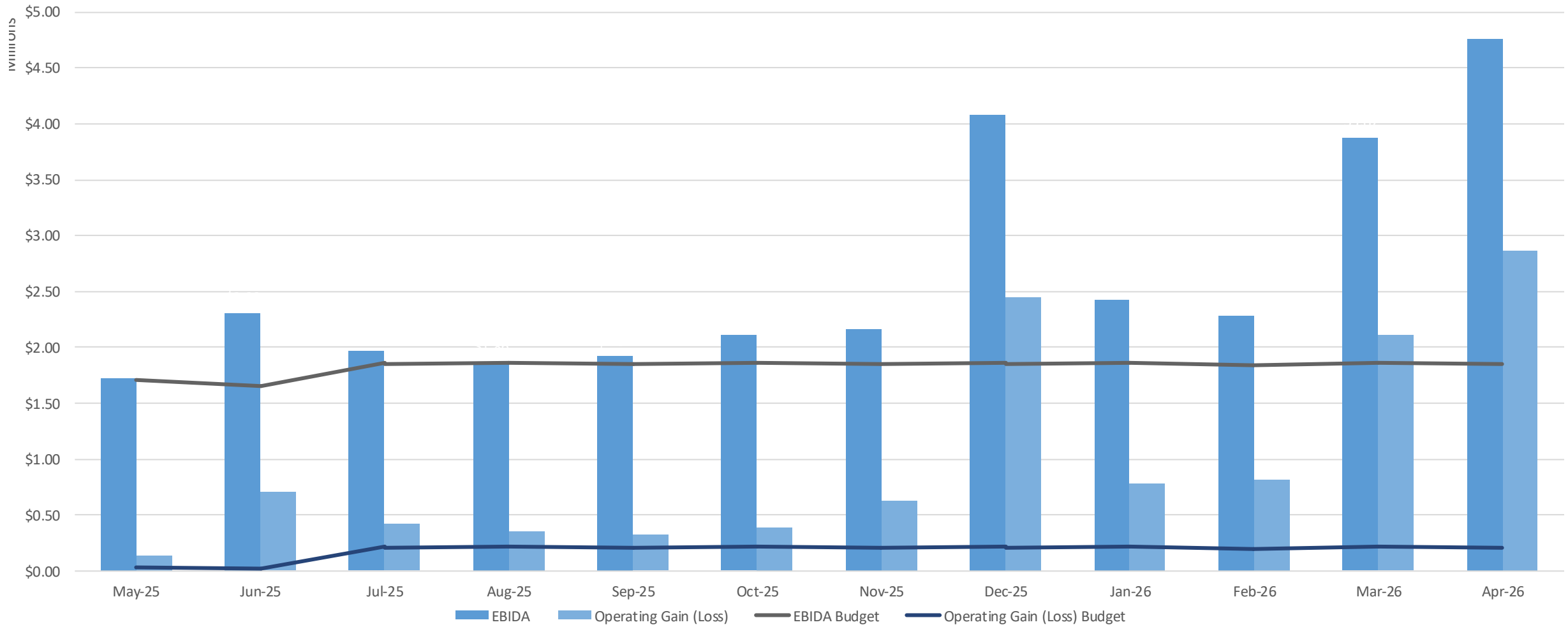


Operating Metrics



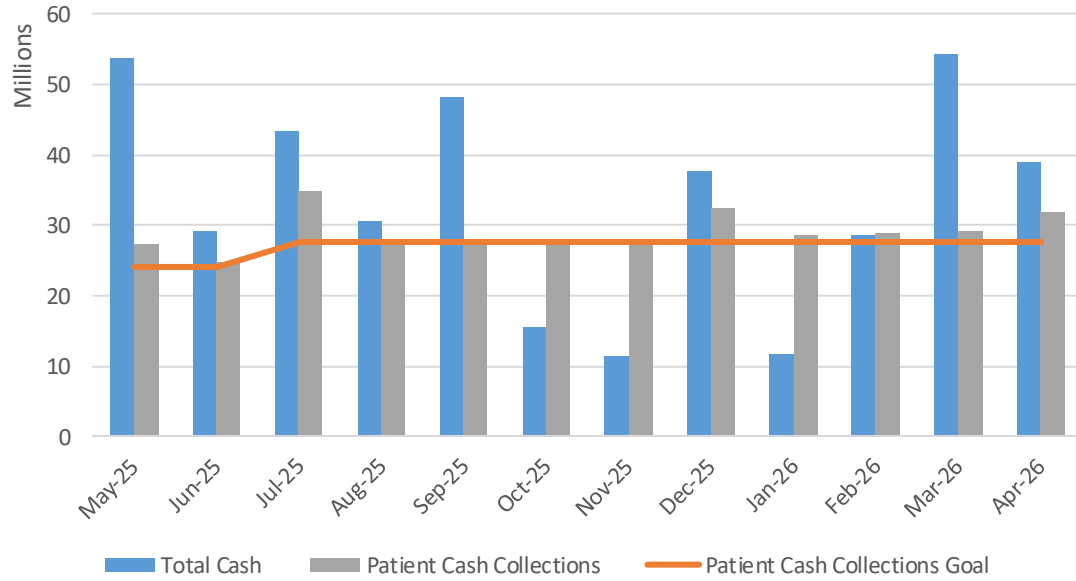
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Supply Expense per AA	\$2,868	\$3,191	\$3,412	\$3,471	\$3,338	\$3,458	\$3,421	\$3,482	\$3,298	\$3,212	\$3,212	\$3,178
Pharm Cost per AA	\$883	\$1,192	\$1,199	\$1,118	\$1,140	\$1,194	\$1,094	\$1,211	\$1,093	\$971	\$971	\$1,032
Net Revenue Per AA	\$12,325	\$14,532	\$15,633	\$16,506	\$15,778	\$17,508	\$19,312	\$18,085	\$15,482	\$15,148	\$15,148	\$14,950
Budget Supp/AA	\$3,143	\$3,583	\$3,909	\$3,567	\$3,604	\$3,686	\$3,532	\$3,943	\$3,669	\$3,822	\$3,822	\$3,497
Budget Pharm/AA	\$965	\$1,160	\$1,098	\$1,142	\$1,162	\$1,228	\$1,162	\$1,230	\$1,065	\$1,092	\$1,092	\$990
Budget Net Rev/AA	\$15,862	\$16,892	\$17,181	\$16,643	\$16,073	\$17,329	\$17,863	\$17,783	\$16,593	\$16,581	\$16,581	\$16,493

EBIDA Rolling Year

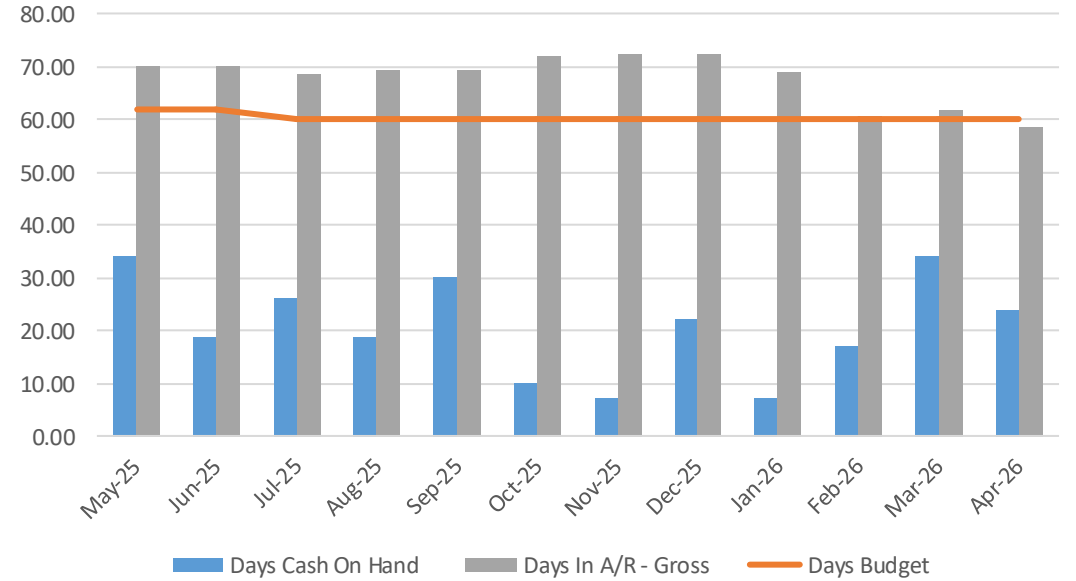


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Cash Rolling Year



AR Days Rolling Year



KERN MEDICAL
3-Month Trend Analysis: Revenues & Expenses
 April 30, 2026

	FEBRUARY	MARCH	APRIL	BUDGET APRIL	VARIANCE POS (NEG)	PY APRIL
Gross Patient Revenue	\$ 121,705,651	\$ 138,835,088	\$ 132,901,718	\$ 118,696,447	12.0%	\$ 124,761,344
Contractual Deductions	(95,345,216)	(108,651,815)	(105,150,275)	(92,292,428)	14%	(81,926,668)
Net Revenue	26,360,436	30,183,273	27,751,443	26,404,019	5%	42,834,676
Indigent Funding	16,954,388	17,270,930	21,839,978	18,361,796	19%	23,886,572
Correctional Medicine	3,097,713	3,097,714	3,097,712	3,095,522	0.1%	3,097,714
County Contribution	285,211	285,211	285,211	285,211	(0%)	(188,028)
Incentive Funding	212,224	208,356	66,537	70,043	(5%)	93,468
Net Patient Revenue	46,909,971	51,045,484	53,040,882	48,216,592	10%	69,724,402
Other Operating Revenue	1,716,341	2,433,190	736,870	2,657,654	(72%)	4,634,869
Other Non-Operating Revenue	6,802	18,058	18,963	11,630	63%	14,601
Total Revenues	48,633,113	53,496,732	53,796,715	50,885,875	5.7%	74,373,872
Expenses						
Salaries	21,479,147	23,734,647	22,186,875	23,585,286	(6%)	21,910,512
Employee Benefits	8,802,854	9,601,619	10,160,711	9,863,366	3%	(2,417,270)
Registry	1,320,370	1,361,962	1,336,449	1,798,327	(26%)	1,573,046
Medical Fees	2,510,508	3,024,479	3,201,290	2,394,849	34%	2,923,789
Other Professional Fees	2,087,480	1,077,527	1,505,747	1,327,617	13%	1,438,055
Supplies	5,614,647	6,400,198	5,898,579	5,598,160	5%	5,233,146
Purchased Services	2,529,985	3,001,778	2,953,065	2,639,969	12%	2,945,422
Other Expenses	2,005,768	1,419,555	1,796,421	1,829,119	(2%)	8,532,567
Operating Expenses	46,350,760	49,621,765	49,039,137	49,036,694	0%	42,139,268
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 2,282,353	\$ 3,874,967	\$ 4,757,578	\$ 1,849,181	157.3%	\$ 32,234,604
EBIDA Margin	5%	7%	9%	4%	143%	43%
Interest	295,068	317,786	275,264	335,744	(18%)	323,760
Depreciation	532,429	726,652	928,031	657,304	41%	765,526
Amortization	640,357	717,552	685,920	652,001	5%	585,896
Total Expenses	47,818,614	51,383,754	50,928,353	50,681,742	0%	43,814,450
Operating Gain (Loss)	\$ 814,499	\$ 2,112,978	\$ 2,868,363	\$ 204,133	1,305%	\$ 30,559,421
Operating Margin	1.67%	3.95%	5.33%	0.40%	1,229.1%	41.1%

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KERN MEDICAL
Year-to-Date Analysis: Revenues & Expenses
 April 30, 2026

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 1,276,345,904	\$ 1,220,340,721	5%	\$ 1,170,901,499	9%
Contractual Deductions	(983,840,934)	(941,772,145)	4%	(900,312,139)	9%
Net Revenue	292,504,970	278,568,576	5%	270,589,360	8%
Indigent Funding	184,227,091	186,066,202	(1%)	188,362,495	(2%)
Correctional Medicine	30,977,133	30,955,223	0%	30,977,137	(0%)
County Contribution	2,852,109	2,852,109	(0%)	2,852,107	0%
Incentive Funding	1,462,046	709,768	106%	858,146	70%
Net Patient Revenue	512,023,350	499,151,878	3%	493,639,245	4%
Other Operating Revenue	15,856,945	26,930,889	(41%)	29,125,732	(45.56%)
Other Non-Operating Revenue	196,258	119,356	64%	130,524	50%
Total Revenues	528,076,553	526,202,123	0%	522,895,500	1%
Expenses					
Salaries	234,527,235	242,734,291	(3%)	225,133,791	4%
Employee Benefits	96,840,042	101,511,481	(5%)	81,143,671	19%
Registry	14,886,452	18,061,137	(18%)	18,521,572	(20%)
Medical Fees	29,524,636	24,577,756	20%	24,871,830	19%
Other Professional Fees	15,386,870	13,597,334	13%	14,149,015	8.7%
Supplies	60,207,890	60,543,756	(1%)	56,308,633	7%
Purchased Services	29,774,744	28,079,663	6%	28,426,693	5%
Other Expenses	19,356,154	18,535,074	4%	24,695,211	(22%)
Operating Expenses	500,504,024	507,640,491	(1%)	473,250,417	6%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 27,572,529	\$ 18,561,632	49%	\$ 49,645,084	(44.5%)
EBIDA Margin	5%	4%	48%	9%	(45%)
Interest	2,833,840	3,372,534	(16%)	3,504,883	(19%)
Depreciation	7,025,984	6,573,035	7%	6,845,393	3%
Amortization	6,443,900	6,520,015	(1%)	6,067,752	6%
Total Expenses	516,807,748	524,106,076	(1%)	489,668,444	6%
Operating Gain (Loss)	\$ 11,268,805	\$ 2,096,047	438%	\$ 33,227,056	(66%)
Operating Margin	2.1%	0.4%	435.7%	6.4%	(66%)

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**KERN MEDICAL
BALANCE SHEET**

	APRIL 2026	APRIL 2025
ASSETS:		
<i>Total Cash</i>	\$ 39,099,677	\$ 64,366,442
Patient Receivables Subtotal	258,040,127	297,279,855
Contractual Subtotal	(203,351,330)	(256,451,015)
<i>Net Patient Receivable</i>	54,688,797	40,828,840
Total Indigent Receivable	265,064,464	216,882,232
Total Other Receivable	17,662,465	7,996,717
Total Prepaid Expenses	8,002,639	8,097,500
Total Inventory	5,945,773	4,840,457
<i>Total Current Assets</i>	390,463,816	343,012,188
Deferred Outflows of Resources	113,460,412	124,532,718
Total Land, Equipment, Buildings and Intangibles	281,559,415	271,731,955
Total Construction in Progress	20,863,745	15,006,472
<i>Total Property, Plant & Equipment</i>	302,423,160	286,738,427
Total Accumulated Depr & Amortization	(193,571,735)	(180,897,916)
<i>Net Property, Plant, and Equipment</i>	108,851,425	105,840,511
<i>Total Long Term Assets</i>	113,460,412	124,532,718
<i>Total Assets</i>	\$ 612,775,652	\$ 573,385,417

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**KERN MEDICAL
BALANCE SHEET**

	APRIL 2026	APRIL 2025
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 18,991,840	\$ 13,635,375
Total Accrued Compensation	27,124,199	26,140,831
Total Due Government Agencies	3,735,947	1,354,014
Total Other Accrued Liabilities	40,033,073	31,859,611
<i>Total Current Liabilities</i>	89,885,059	72,989,831
Unfunded Pension Liability	331,776,526	344,447,058
Other Long-Term Liabilities	73,228,810	80,437,833
<i>Total Long-Term Liabilities</i>	405,005,336	424,884,891
<i>Total Liabilities</i>	494,890,396	497,874,723
<i>Total Net Position</i>	117,885,257	75,510,694
<i>Total Liabilities and Net Position</i>	\$ 612,775,652	\$ 573,385,417

**KERN MEDICAL
STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date April 2026	Fiscal Year-End June 2025	Fiscal Year-to-Date April 2025	Fiscal Year-End June 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 295,792,398	\$ 318,273,169	\$ 262,886,721	\$ 292,533,084
Cash received for other operations	217,028,665	262,872,978	242,580,169	233,602,712
Cash paid for salaries and benefits	(332,947,174)	(382,309,780)	(318,026,578)	(339,411,493)
Cash paid for services and supplies	(159,929,391)	(198,862,050)	(161,402,055)	(186,981,598)
Net cash (used in) provided by operating activities	<u>19,944,498</u>	<u>(25,683)</u>	<u>26,038,257</u>	<u>(257,296)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash (provided to) received from various County funds	-	381,436	-	-
Interest paid - pension obligation bond	-	(2,539,472)	-	420,331
Principal paid - pension obligation bond	-	(1,062,281)	-	(1,062,281)
Interest paid - line of credit	-	(783,152)	-	-
Line of credit payment	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>(4,003,469)</u>	<u>-</u>	<u>(641,950)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(13,080,911)	(13,228,131)	(8,905,050)	(18,896,864)
Payments on right-of-usage lease liability	4,087,525	(3,802,269)	(2,427,973)	3,896,089
Interest paid - right-of-usage lease liability	2,282	-	(7,001)	31,211
Payments on SBITA liability	(594,180)	(817,100)	(633,661)	(752,150)
Interest paid - SBITA	(465)	-	(488)	2,013
Net cash used by capital and related financing activities	<u>(9,585,749)</u>	<u>(17,847,500)</u>	<u>(11,974,173)</u>	<u>(15,719,700)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	185,478	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	10,358,748	(21,691,174)	14,064,084	(16,618,946)
CASH AND CASH EQUIVALENTS, beginning of year	<u>28,740,929</u>	<u>50,432,103</u>	<u>50,302,358</u>	<u>66,921,303</u>
CASH AND CASH EQUIVALENTS, year-to-date	<u>\$ 39,099,677</u>	<u>\$ 28,740,929</u>	<u>\$ 64,366,442</u>	<u>\$ 50,302,358</u>