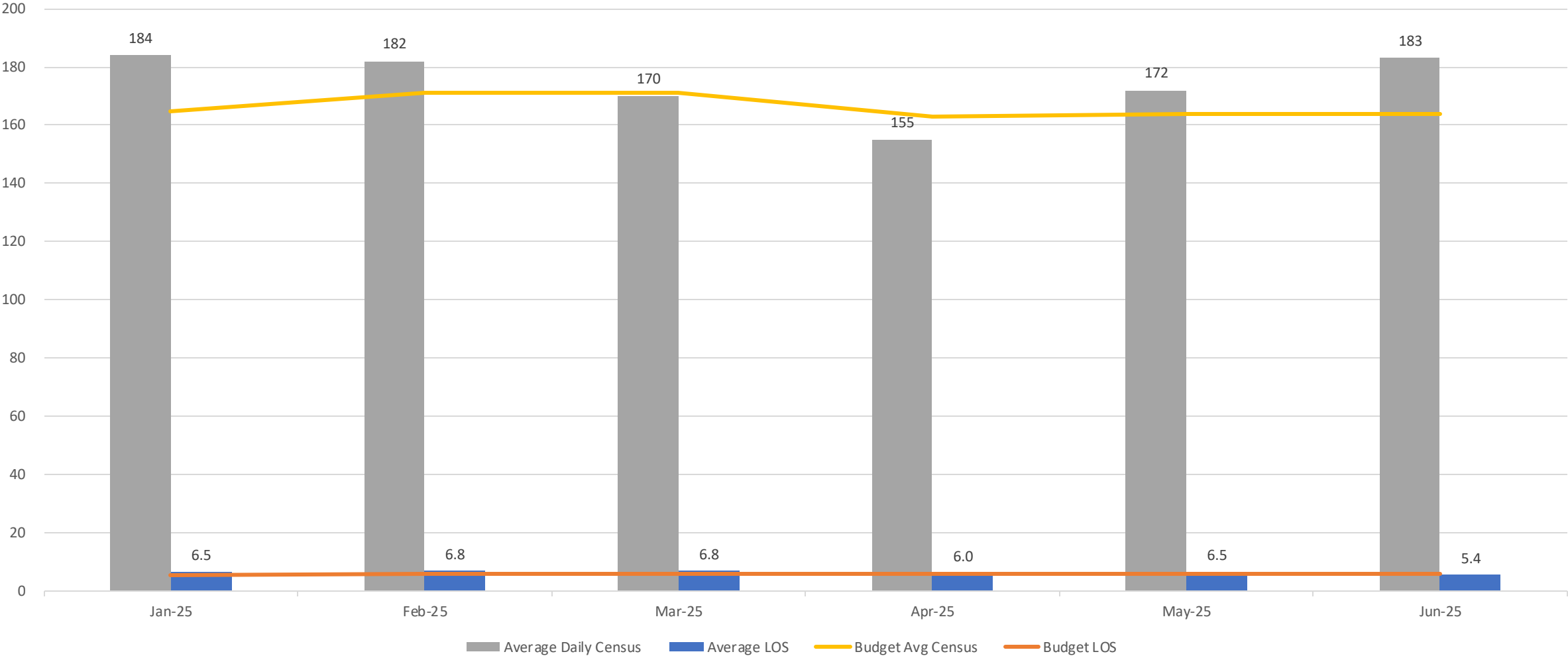


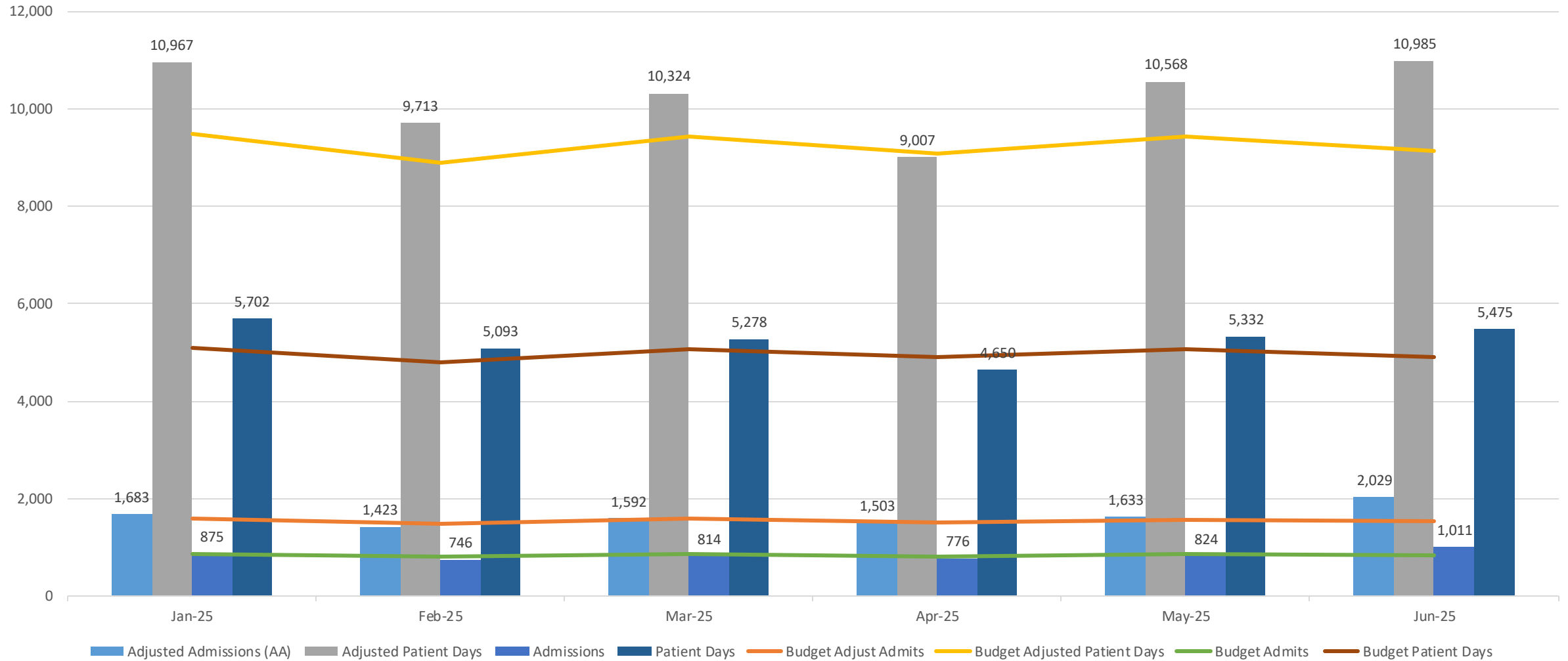


Board of Governors' Report
Kern Medical – June 2025

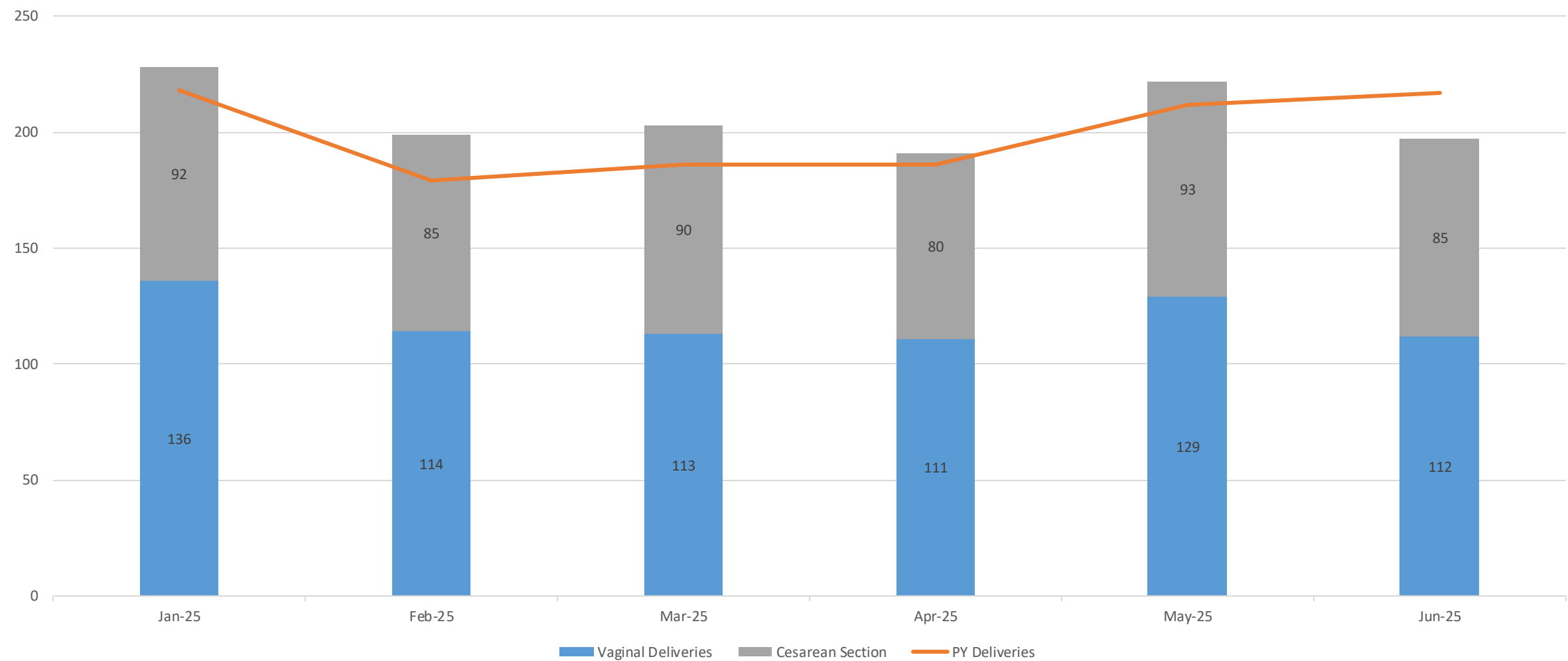
Census & ALOS



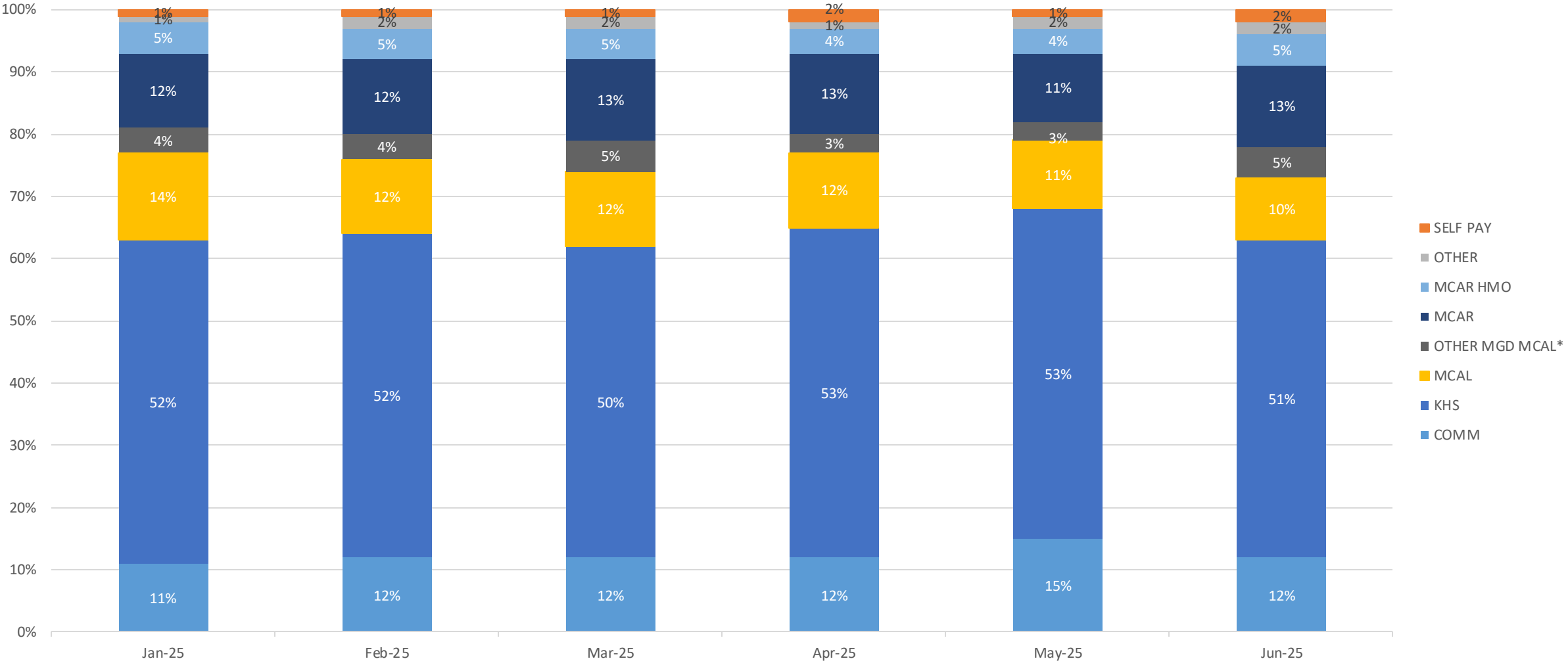
Hospital Volumes



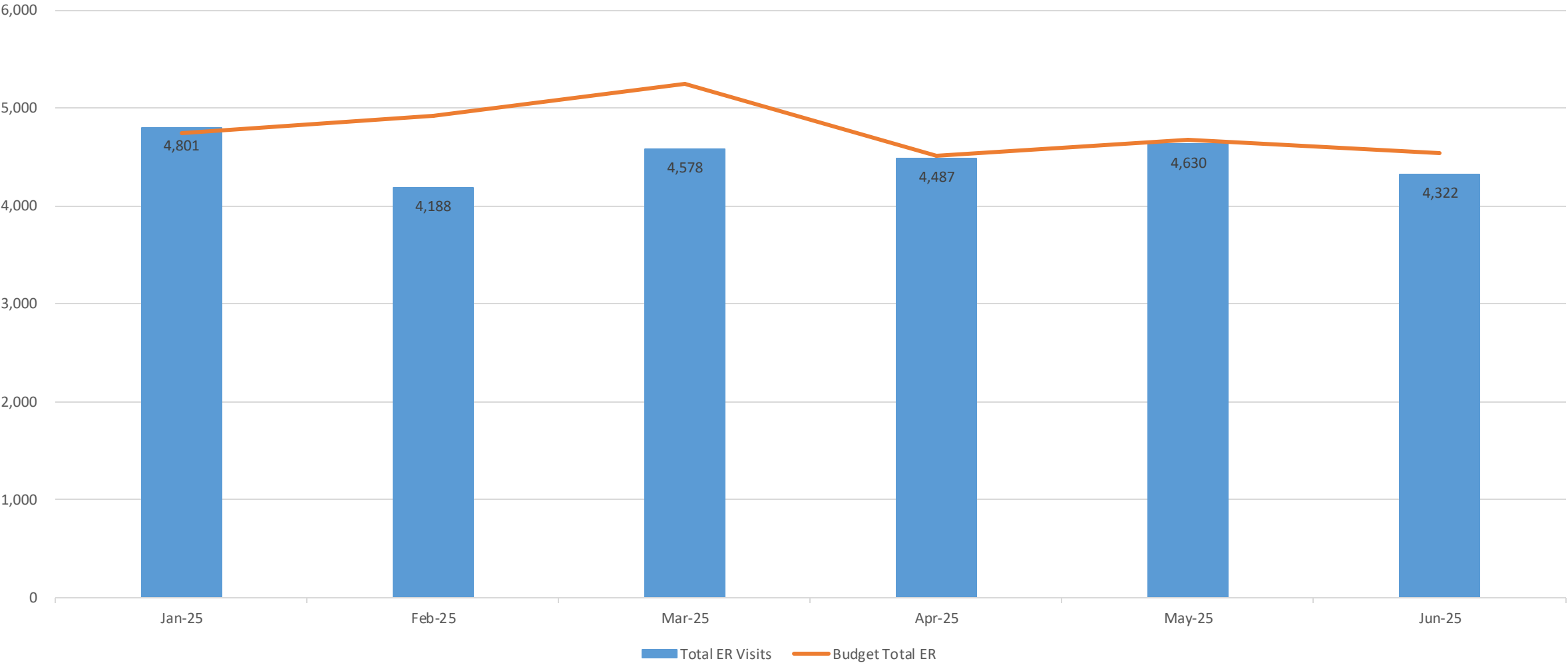
Deliveries



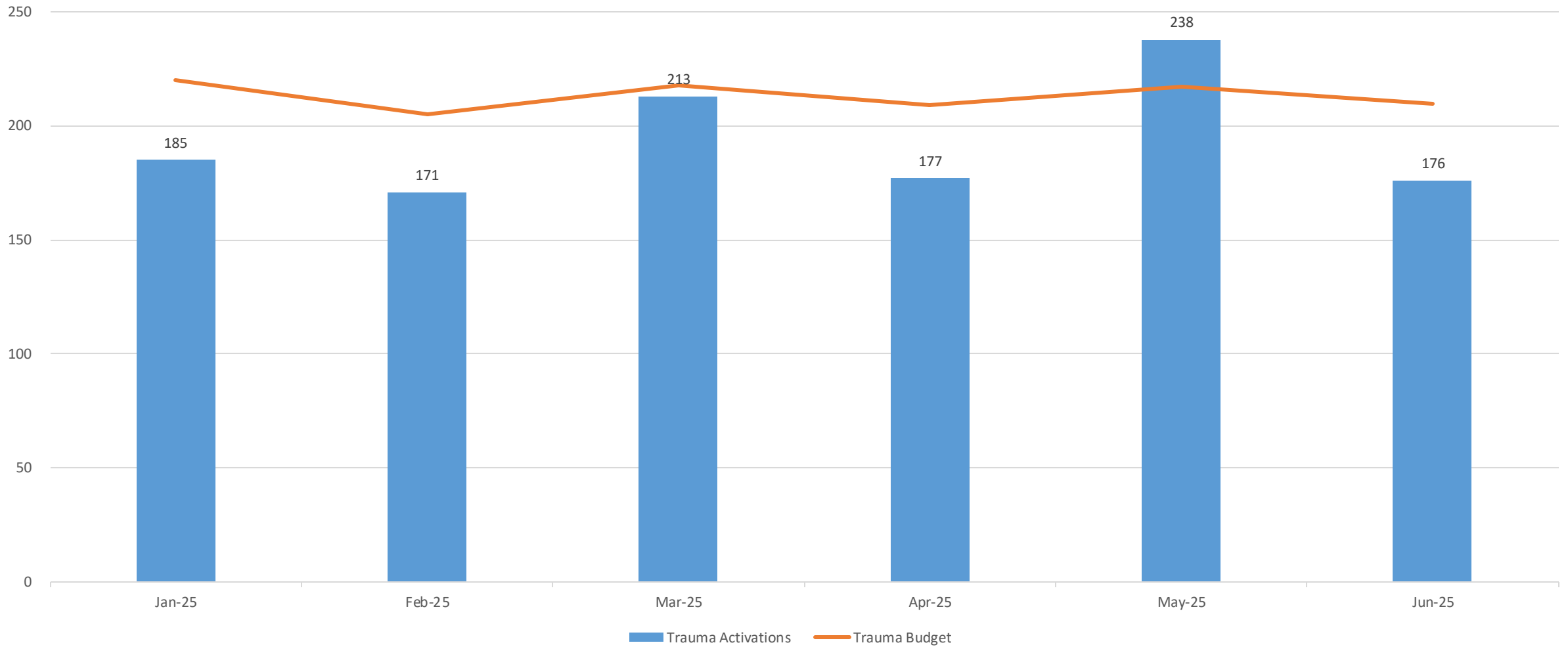
PAYER MIX



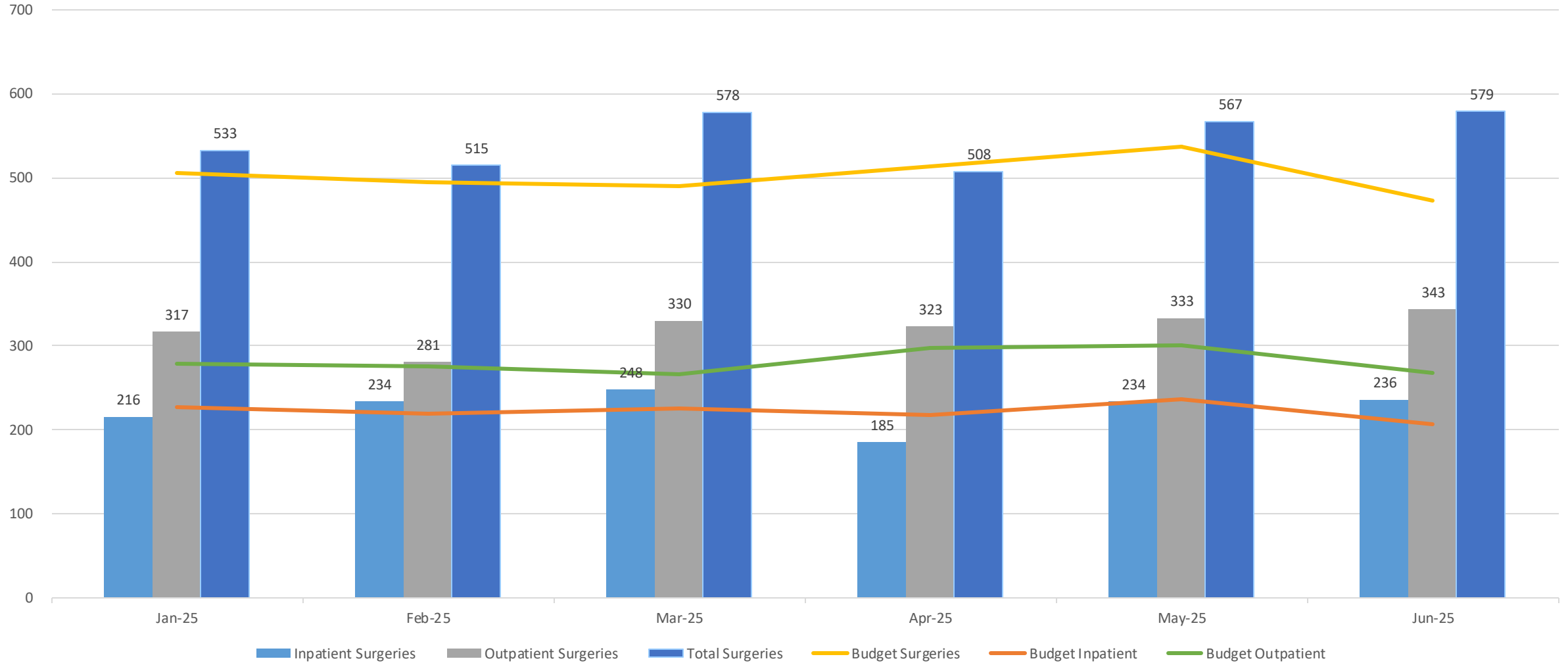
Emergency Room Volume



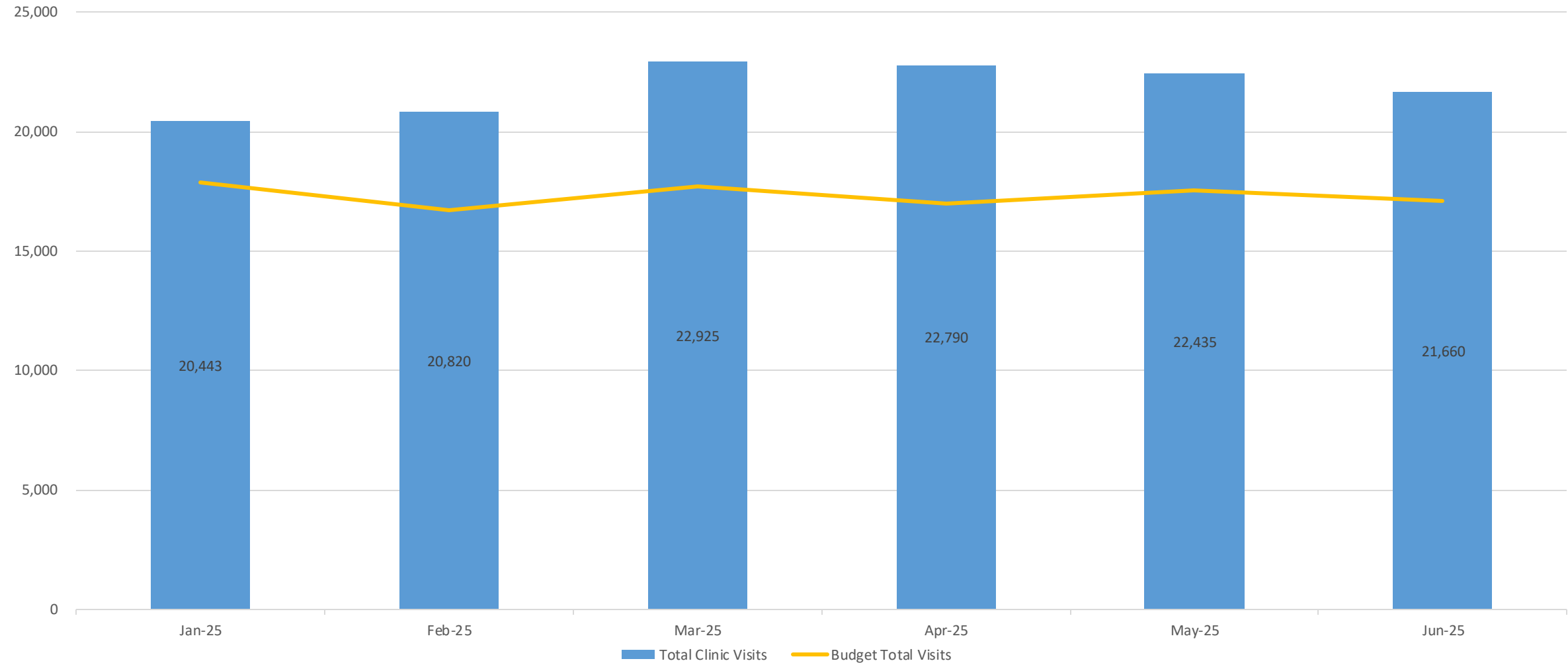
Trauma Activations



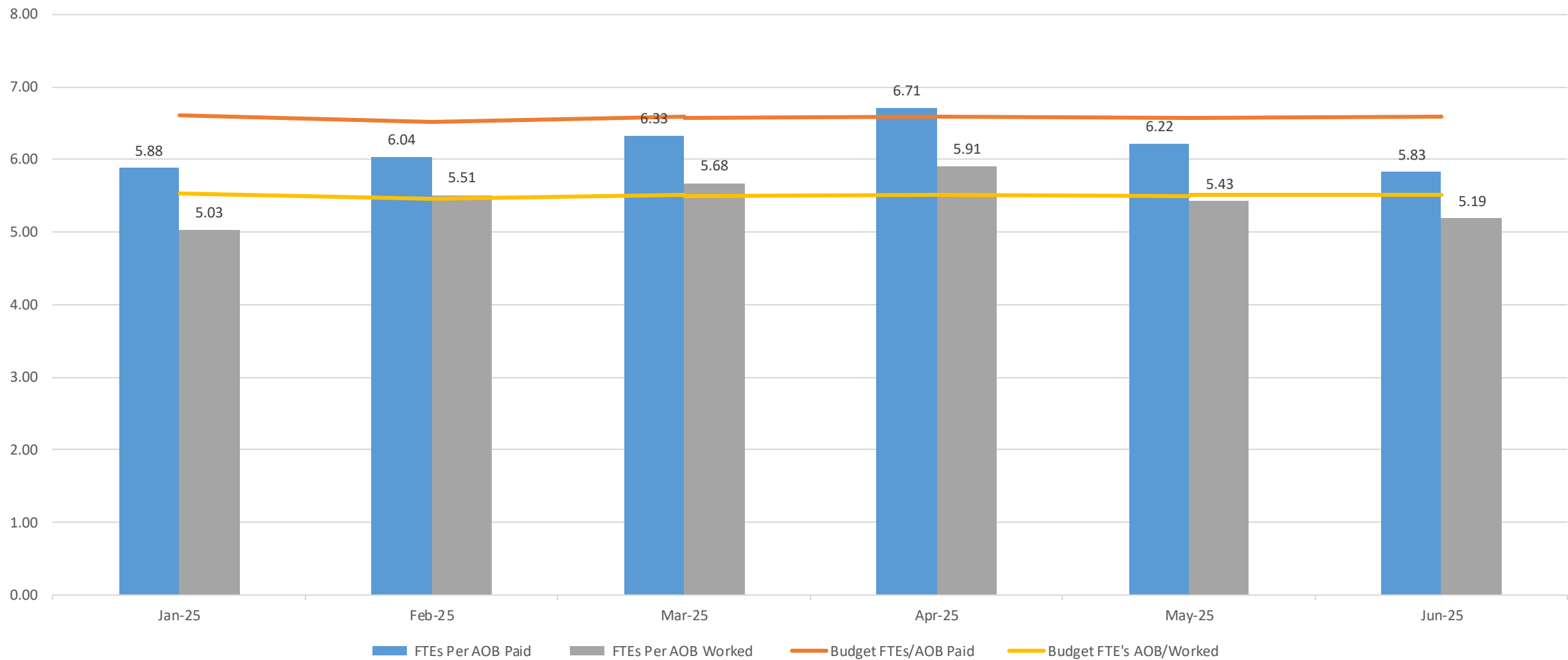
Surgical Volume



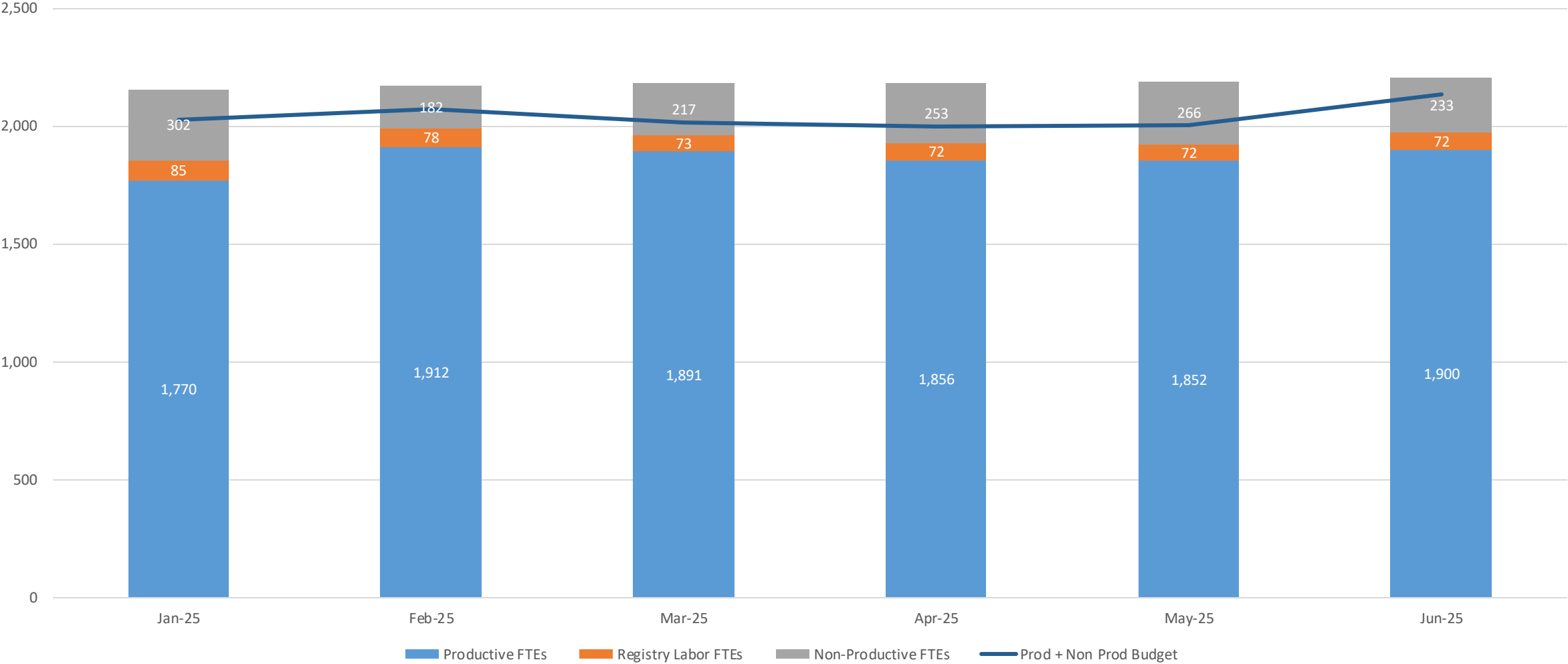
Clinic Visits

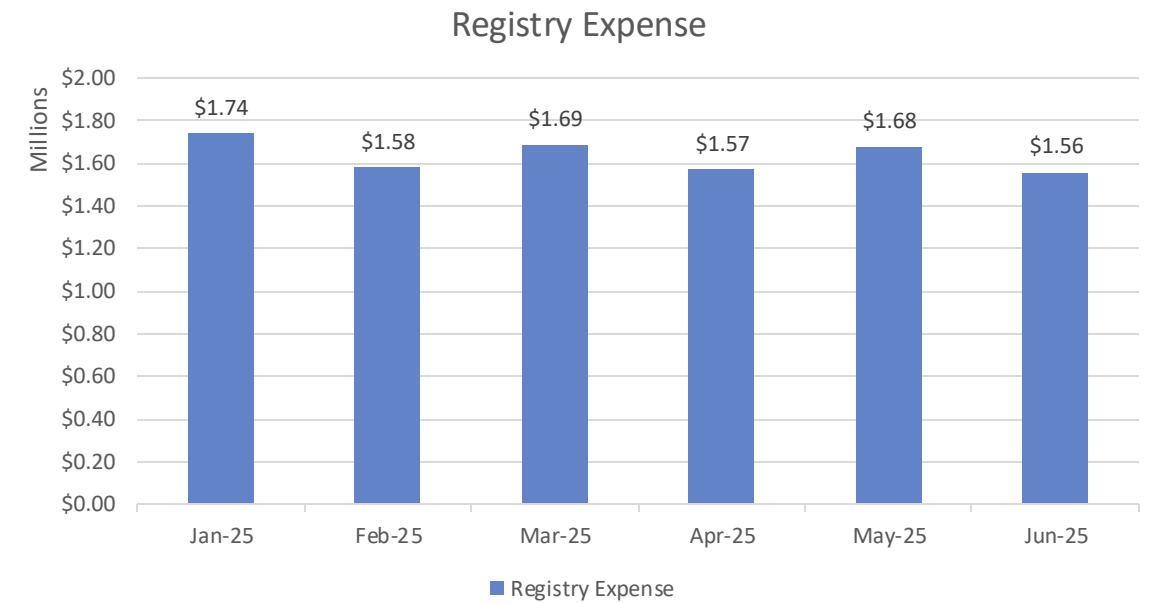
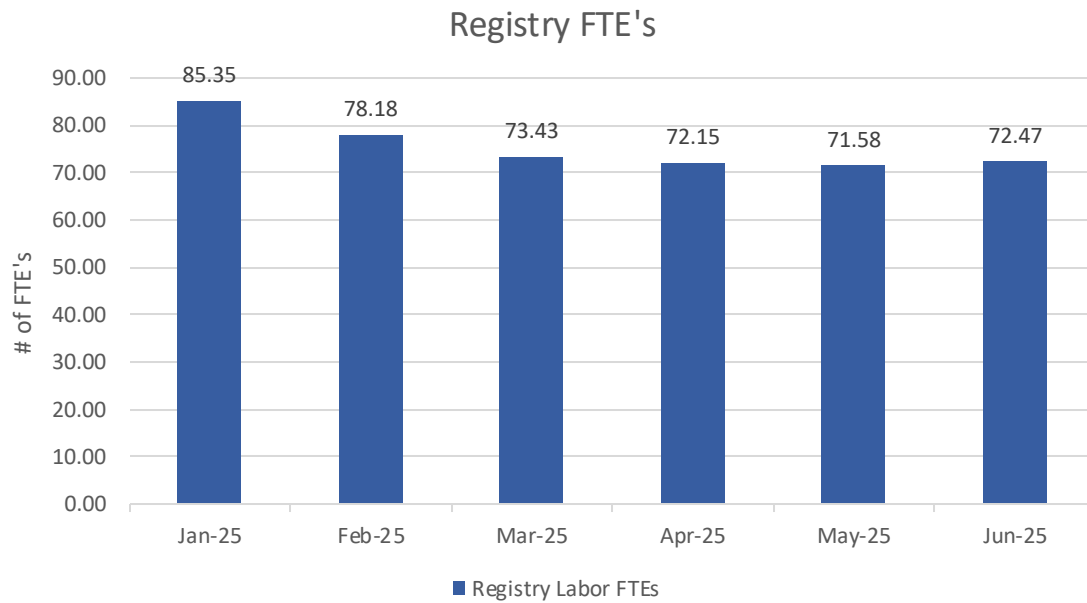


Labor Metrics

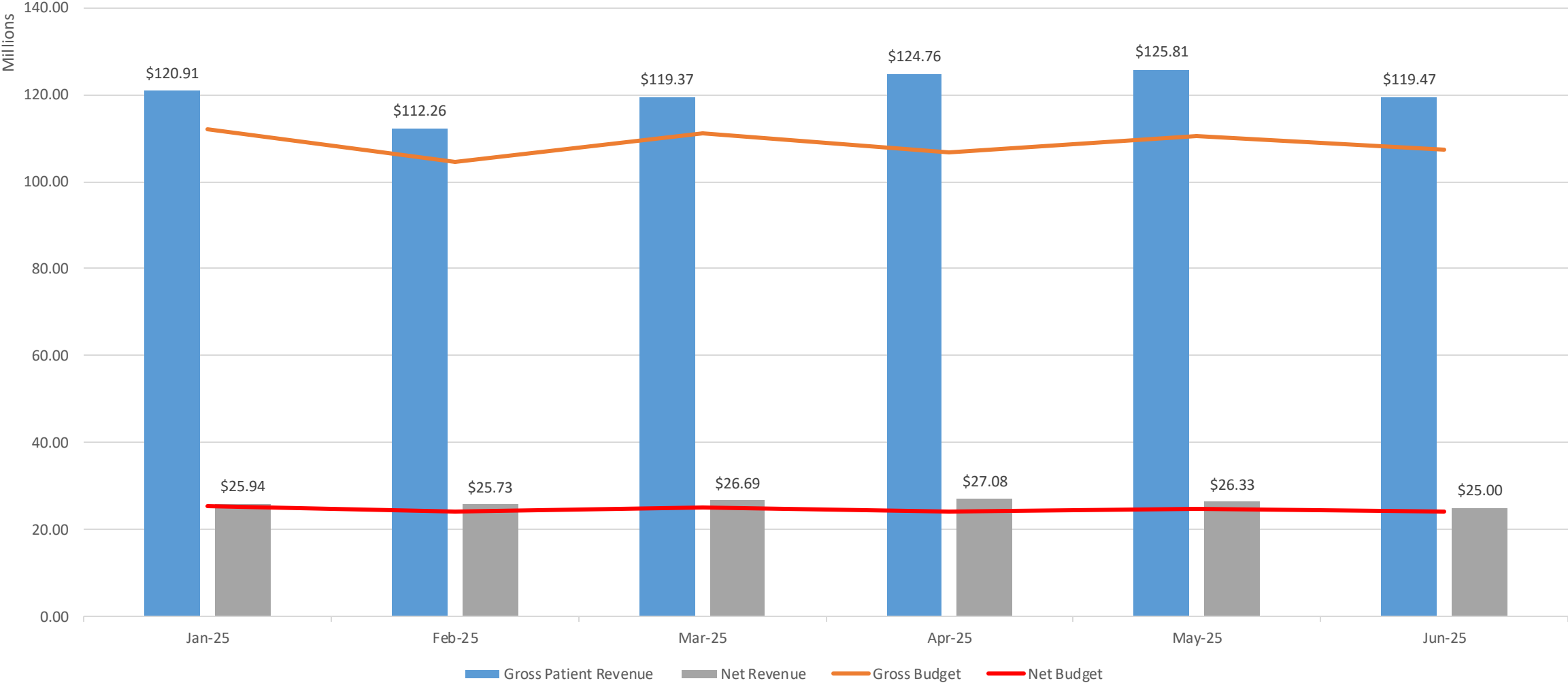


Productivity

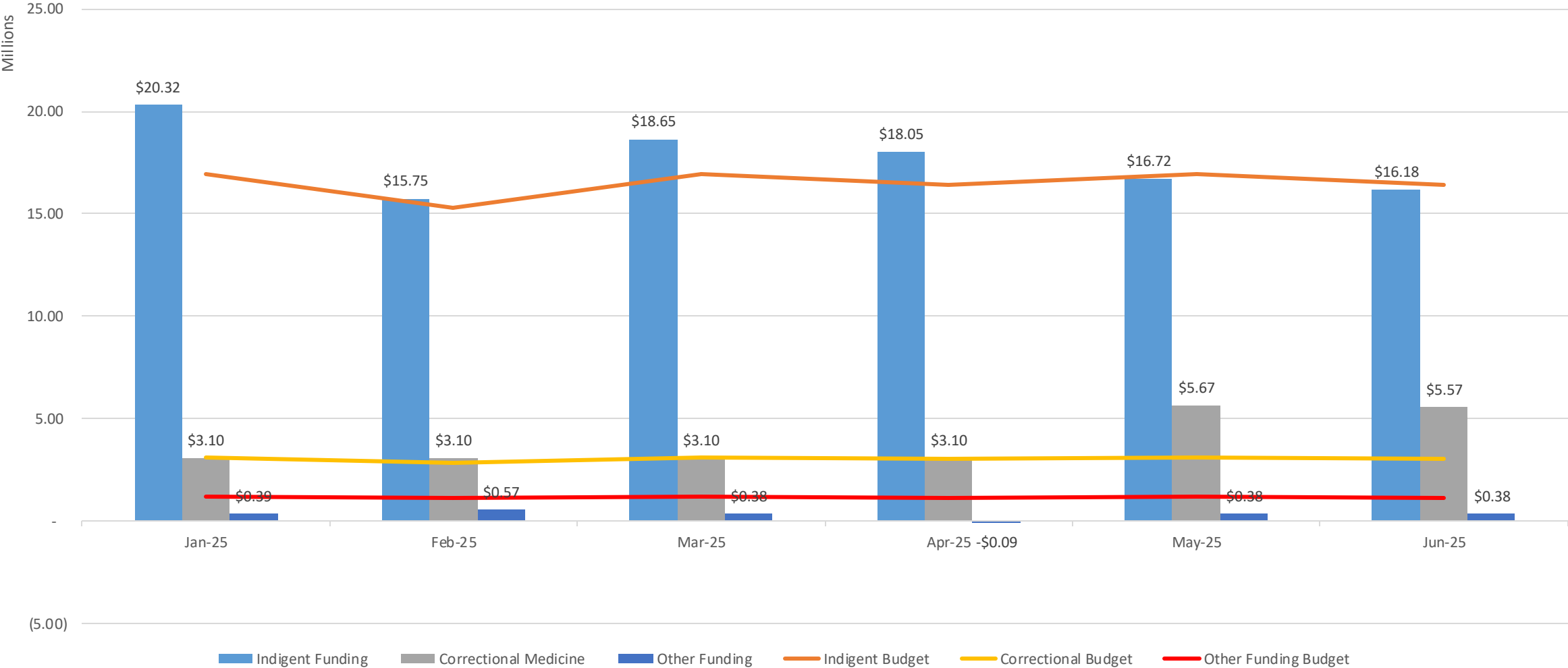




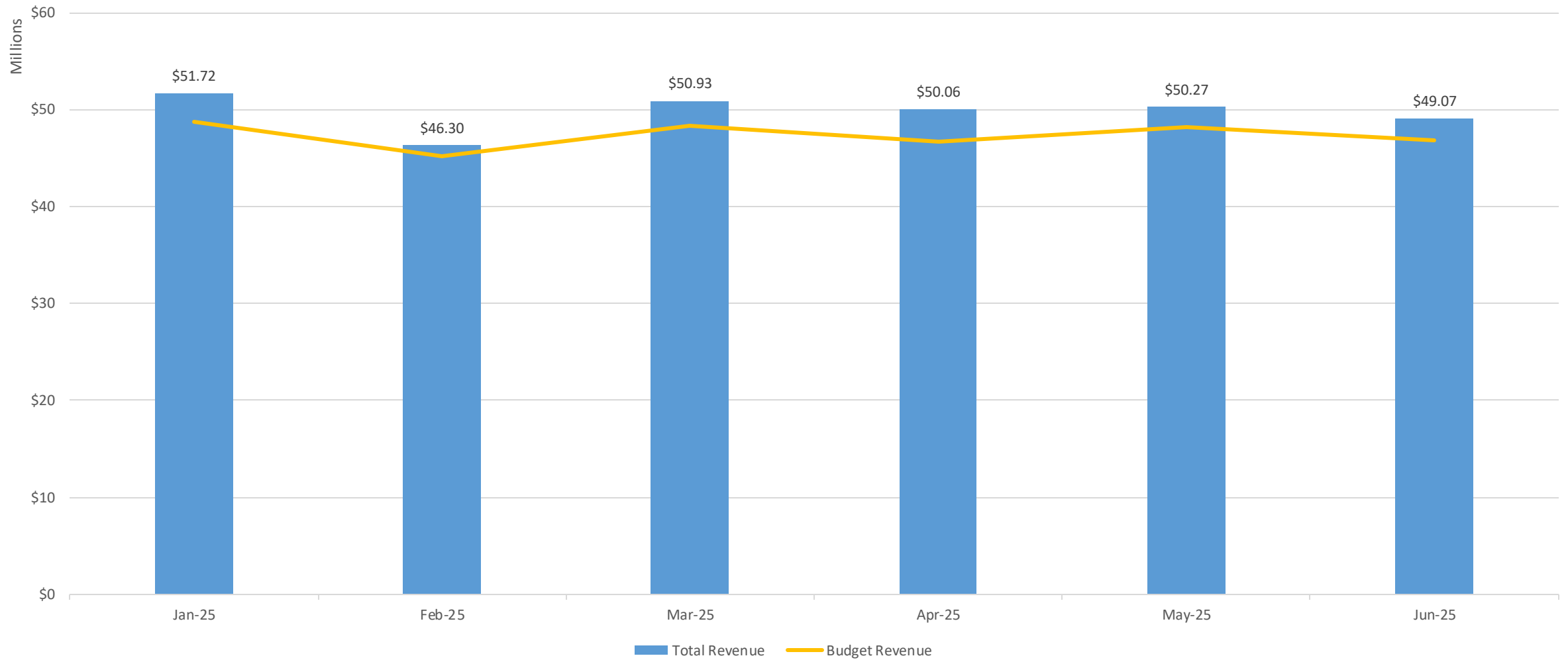
Patient Revenue



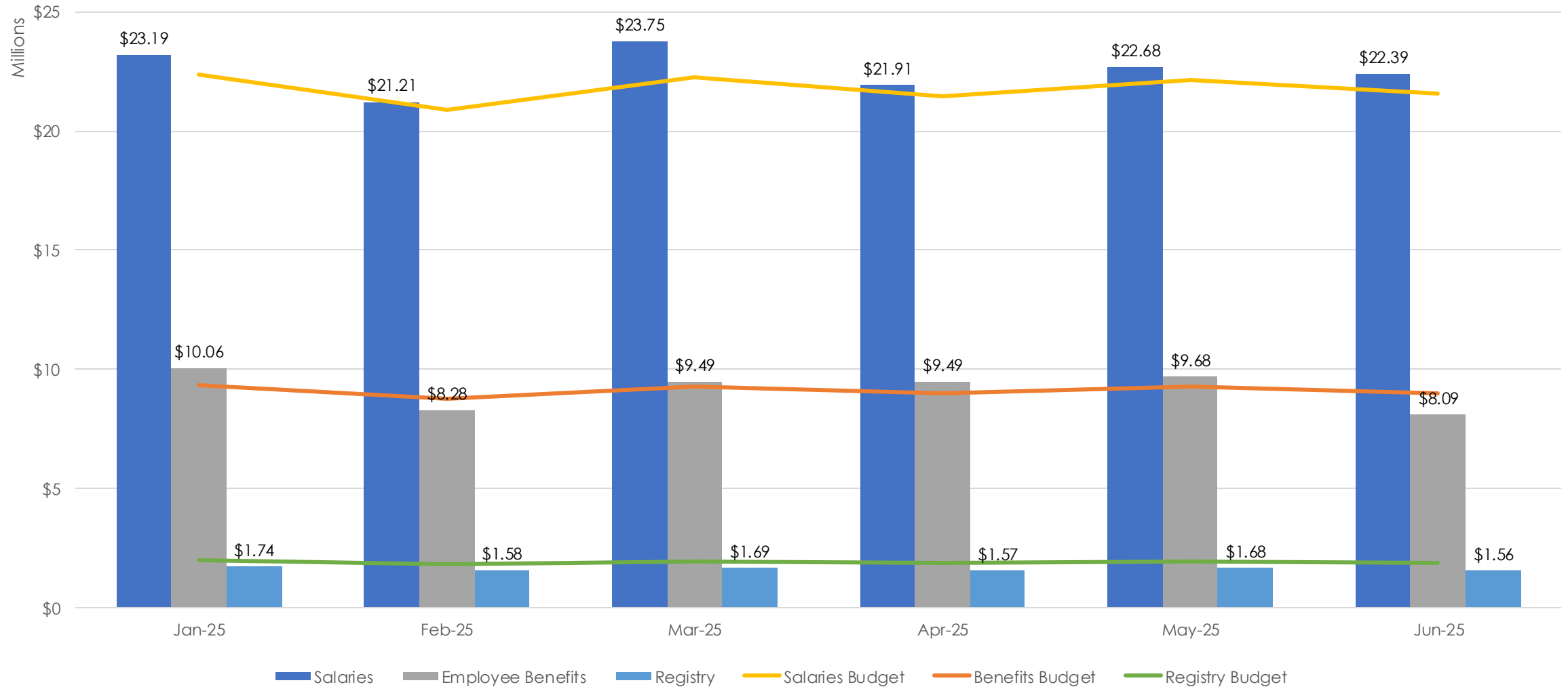
Indigent & Correctional Revenue



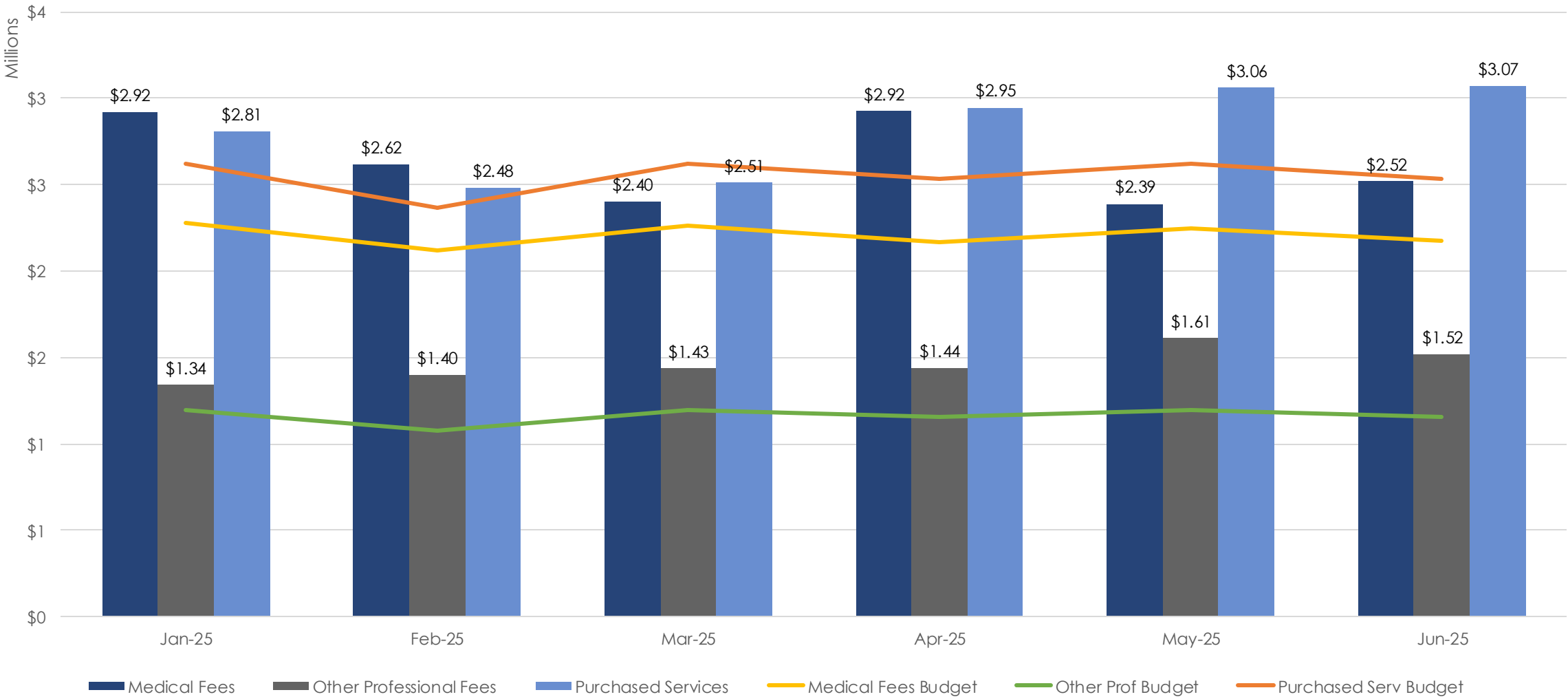
Total Revenue



Expenses



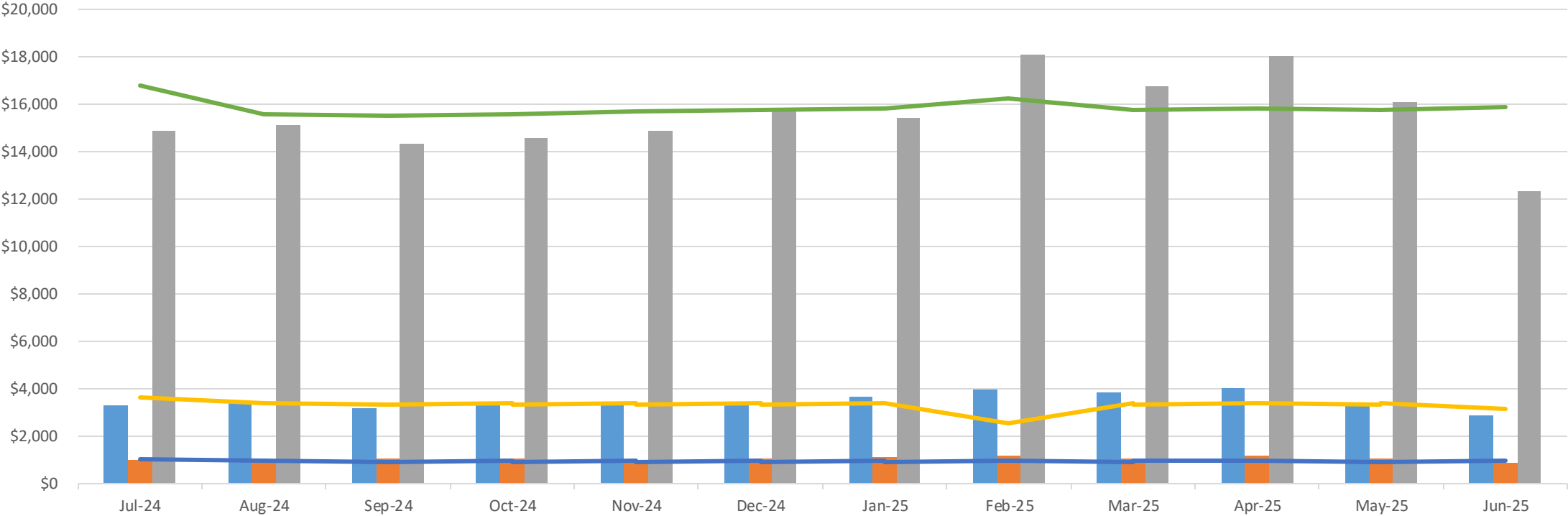
Expenses



Expenses

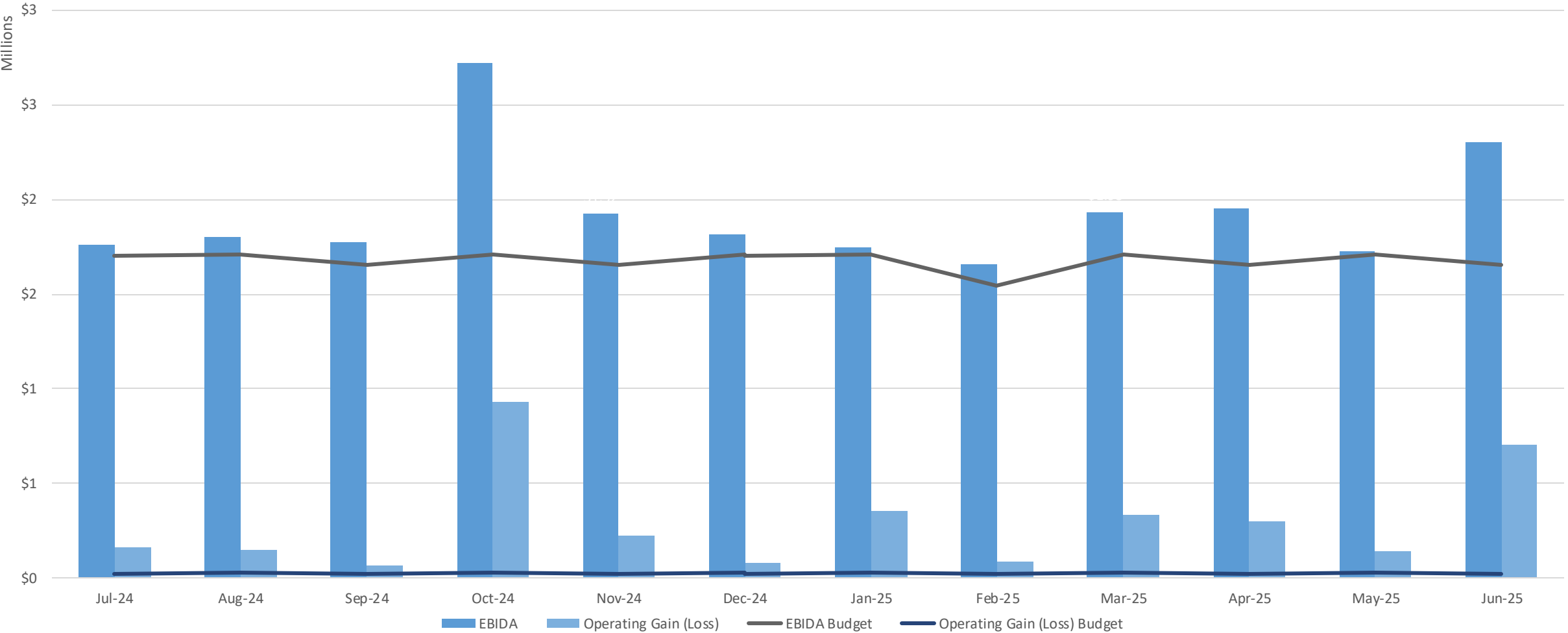


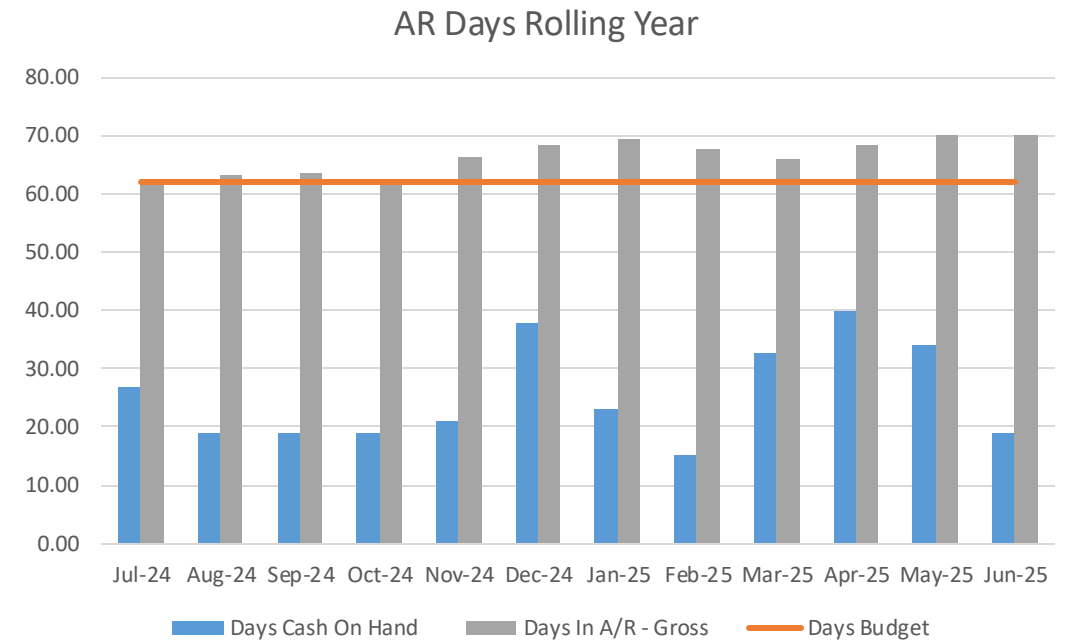
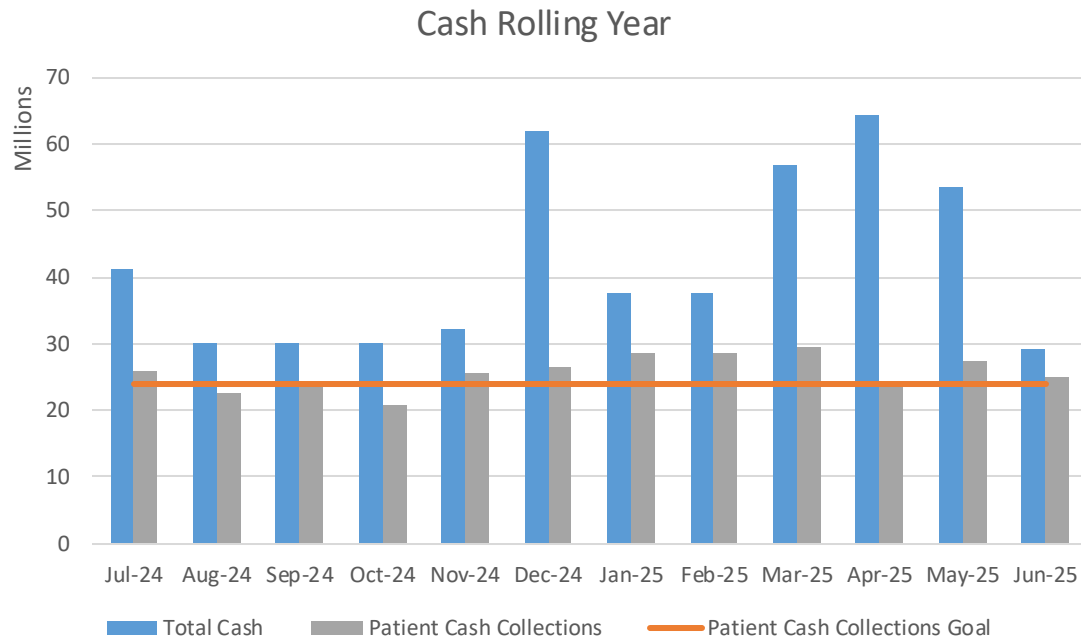
Operating Metrics



	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Supply Expense per AA	\$3,284	\$3,506	\$3,152	\$3,323	\$3,342	\$3,339	\$3,629	\$3,933	\$3,835	\$4,028	\$3,426	\$2,868
Pharm Cost per AA	\$1,006	\$982	\$1,023	\$1,057	\$980	\$1,070	\$1,125	\$1,161	\$1,070	\$1,142	\$1,051	\$883
Net Revenue Per AA	\$14,906	\$15,102	\$14,315	\$14,556	\$14,878	\$15,768	\$15,411	\$18,087	\$16,764	\$18,019	\$16,125	\$12,325
Budget Supp/AA	\$3,630	\$3,369	\$3,331	\$3,369	\$3,371	\$3,401	\$3,407	\$2,546	\$3,410	\$3,413	\$3,408	\$3,143
Budget Pharm/AA	\$1,027	\$953	\$942	\$953	\$953	\$962	\$964	\$966	\$965	\$965	\$930	\$965
Budget Net Rev/AA	\$16,780	\$15,593	\$15,495	\$15,601	\$15,681	\$15,748	\$15,811	\$16,229	\$15,781	\$15,841	\$15,753	\$15,862

EBIDA Rolling Year





KERN MEDICAL
3-Month Trend Analysis: Revenues & Expenses
June 30, 2025

				BUDGET	VARIANCE	PY
	APRIL	MAY	JUNE	JUNE	POS (NEG)	JUNE
Gross Patient Revenue	\$ 124,761,344	\$ 125,810,620	\$ 119,470,785	\$ 107,262,884	11%	\$ 106,117,460
Contractual Deductions	(97,676,497)	(99,476,959)	(94,469,963)	(83,098,508)	14%	(83,040,656)
Net Revenue	27,084,847	26,333,662	25,000,823	24,164,376	3%	23,076,803
Indigent Funding	18,046,053	16,719,988	16,180,634	16,389,194	(1%)	13,708,409
Correctional Medicine	3,097,714	5,673,626	5,573,626	3,014,183	85%	2,847,714
County Contribution	(188,028)	285,211	285,211	281,304	1%	285,211
Incentive Funding	93,468	95,309	92,694	904,110	(90%)	186,406
Net Patient Revenue	48,134,054	49,107,796	47,132,987	44,753,166	5%	40,104,543
Other Operating Revenue	1,909,068	1,146,651	1,891,929	2,064,680	(8%)	2,646,808
Other Non-Operating Revenue	14,601	11,619	47,073	18,384	156%	14,726
Total Revenue	50,057,723	50,266,066	49,071,988	46,836,230	5%	42,766,077
Expenses						
Salaries	21,910,512	22,675,175	22,388,240	21,543,898	4%	21,142,054
Employee Benefits	9,489,364	9,680,582	8,087,782	9,006,738	(10%)	(1,178,525)
Registry	1,573,046	1,681,019	1,559,674	1,890,542	(18%)	2,356,954
Medical Fees	2,923,789	2,388,135	2,517,403	2,177,475	16%	2,452,926
Other Professional Fees	1,438,055	1,611,738	1,519,109	1,154,228	32%	1,153,808
Supplies	6,055,208	5,595,129	5,817,725	5,199,062	12%	5,396,559
Purchased Services	2,945,422	3,059,054	3,071,408	2,536,504	21%	2,910,182
Other Expenses	1,771,433	1,845,470	1,808,622	1,674,561	8%	2,246,556
Operating Expenses	48,106,829	48,536,302	46,769,963	45,183,008	4%	36,480,512
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,950,894	\$ 1,729,765	\$ 2,302,025	\$ 1,653,222	39%	\$ 6,285,565
EBIDA Margin	4%	3%	5%	4%	33%	15%
Interest	302,371	273,694	257,267	251,271	2%	434,922
Depreciation	765,526	731,372	710,865	714,280	(0%)	342,049
Amortization	585,896	585,896	629,260	662,045	(5%)	692,732
Total Expenses	49,760,622	50,127,263	48,367,354	46,810,603	3%	37,950,214
Operating Gain (Loss)	\$ 297,101	\$ 138,803	\$ 704,634	\$ 25,627	2,650%	\$ 4,815,863
Operating Margin	0.59%	0.28%	1.44%	0.05%	2,524.3%	11.3%

KERN MEDICAL
Year to Date Analysis: Revenues & Expenses
June 30, 2025

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 1,416,182,905	\$ 1,311,952,062	8%	\$ 1,274,776,045	11%
Contractual Deductions	(1,110,008,889)	(1,016,353,319)	9%	(987,291,666)	12%
Net Revenue	306,174,015	295,598,743	4%	287,484,379	7%
Indigent Funding	215,422,598	199,401,855	8%	196,711,998	10%
Correctional Medicine	42,224,388	36,672,564	15%	34,172,564	24%
County Contribution	3,422,529	3,422,531	(0%)	3,422,997	(0.01%)
Incentive Funding	1,046,148	11,000,000	(90%)	186,406	0.0%
Net Patient Revenue	568,289,679	546,095,693	4%	521,978,344	9%
Other Operating Revenue	29,438,512	25,120,269	17%	23,897,988	23%
Other Non-Operating Revenue	189,216	223,674	(15%)	202,112	(6%)
Total Revenue	597,917,406	571,439,636	5%	546,078,444	9%
Expenses					
Salaries	270,197,206	262,770,951	2.8%	242,015,203	12%
Employee Benefits	110,818,669	109,849,255	0.9%	90,743,698	22%
Registry	21,762,265	23,145,451	(6%)	30,701,142	(29%)
Medical Fees	29,777,367	26,644,257	12%	27,495,136	8%
Other Professional Fees	17,279,862	14,043,102	23%	16,647,997	3.8%
Supplies	68,543,549	63,635,889	8%	61,128,216	12%
Purchased Services	34,557,155	30,860,796	12%	31,477,811	10%
Other Expenses	21,588,168	20,373,824	6%	21,601,425	(0%)
Operating Expenses	574,524,242	551,323,526	4%	521,810,628	10%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 23,393,164	\$ 20,116,110	16%	\$ 24,267,816	(4%)
EBIDA Margin	4%	4%	11%	4%	(12%)
Interest	4,014,453	3,057,124	31%	3,169,180	27%
Depreciation	8,287,629	8,690,407	(5%)	8,040,981	3%
Amortization	7,282,908	8,054,882	(10%)	7,175,604	1%
Total Expenses	594,109,233	571,125,939	4%	540,196,393	10%
Operating Gain (Loss)	\$ 3,808,173	\$ 313,697	1,114%	\$ 5,882,051	(35%)
Operating Margin	0.6%	0.1%	1,060.2%	1.1%	(41%)

KERN MEDICAL BALANCE SHEET

	JUNE 2025	JUNE 2024
ASSETS:		
<i>Total Cash</i>	\$ 29,112,277	\$ 51,292,807
Patient Receivables Subtotal	307,125,505	226,705,462
Contractual Subtotal	(266,628,405)	(178,831,571)
<i>Net Patient Receivable</i>	40,497,100	47,873,891
Total Indigent Receivable	236,821,006	213,986,673
Total Other Receivable	18,915,570	18,710,043
Total Prepaid Expenses	7,630,236	7,169,124
Total Inventory	4,732,535	4,640,927
<i>Total Current Assets</i>	337,708,724	343,673,465
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	272,511,539	269,668,722
Total Construction in Progress	16,830,709	8,190,143
<i>Total Property, Plant & Equipment</i>	289,342,249	277,858,865
Total Accumulated Depr & Amortization	(183,555,309)	(169,685,192)
<i>Net Property, Plant, and Equipment</i>	105,786,940	108,173,673
<i>Total Long Term Assets</i>	124,532,718	112,536,013
<i>Total Assets</i>	\$ 568,028,382	\$ 564,383,150

KERN MEDICAL BALANCE SHEET

	JUNE 2025	JUNE 2024
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 12,024,241	\$ 17,165,327
Total Accrued Compensation	28,062,137	22,200,143
Total Due Government Agencies	1,778,086	3,958,120
Total Other Accrued Liabilities	25,210,005	25,609,317
Total Current Liabilities	67,074,469	68,932,907
Unfunded Pension Liability	344,447,058	345,399,109
Other Long-Term Liabilities	80,152,724	82,100,881
Total Long-Term Liabilities	424,599,782	427,499,990
Total Liabilities	491,674,251	496,432,897
Total Net Position	76,354,131	67,950,253
Total Liabilities and Net Position	\$ 568,028,382	\$ 564,383,150

KERN MEDICAL
STATEMENT OF CASH FLOWS

	Fiscal Year-to-Date June 2025	Audited Fiscal Year-End June 2024	Unaudited Fiscal Year-to-Date June 2024	Fiscal Year-End June 2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 314,552,945	\$ 292,533,084	\$ 269,801,896	\$ 264,388,064
Cash received for other operations	260,727,035	233,602,712	215,144,043	236,708,950
Cash paid for salaries and benefits	(377,869,782)	(339,411,493)	(303,842,205)	(202,912,375)
Cash paid for services and supplies	(202,668,841)	(186,981,598)	(174,328,896)	(292,069,170)
Net cash (used in) provided by operating activities	(5,258,643)	(257,296)	6,774,838	6,115,469
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash (provided to) received from various County funds	-	-	-	2,070,094
Interest paid - pension obligation bond	256,677	420,331	-	(365,334)
Principal paid - pension obligation bond	(1,058,183)	(1,062,281)	-	(2,938,587)
Interest paid - line of credit	-	-	-	(262,368)
Line of credit payment	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(801,506)	(641,950)	-	(1,496,195)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(11,508,871)	(18,896,864)	(19,363,869)	(12,141,601)
Payments on right-of-usage lease liability	(2,850,043)	3,896,089	4,110,582	(3,034,901)
Interest paid - right-of-usage lease liability	(7,976)	31,211	31,977	-
Payments on SBITA liability	(762,463)	(752,150)	(626,792)	(782,410)
Interest paid - SBITA	(580)	2,013	2,115	-
Net cash used by capital and related financing activities	(15,129,933)	(15,719,700)	(15,845,988)	(15,958,912)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	181,109
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(21,190,081)	(16,618,946)	(9,071,150)	(11,158,529)
CASH AND CASH EQUIVALENTS, beginning of year	50,302,358	66,921,303	66,921,303	78,079,832
CASH AND CASH EQUIVALENTS, year-to-date	<u>\$ 29,112,277</u>	<u>\$ 50,302,358</u>	<u>\$ 57,850,154</u>	<u>\$ 66,921,303</u>