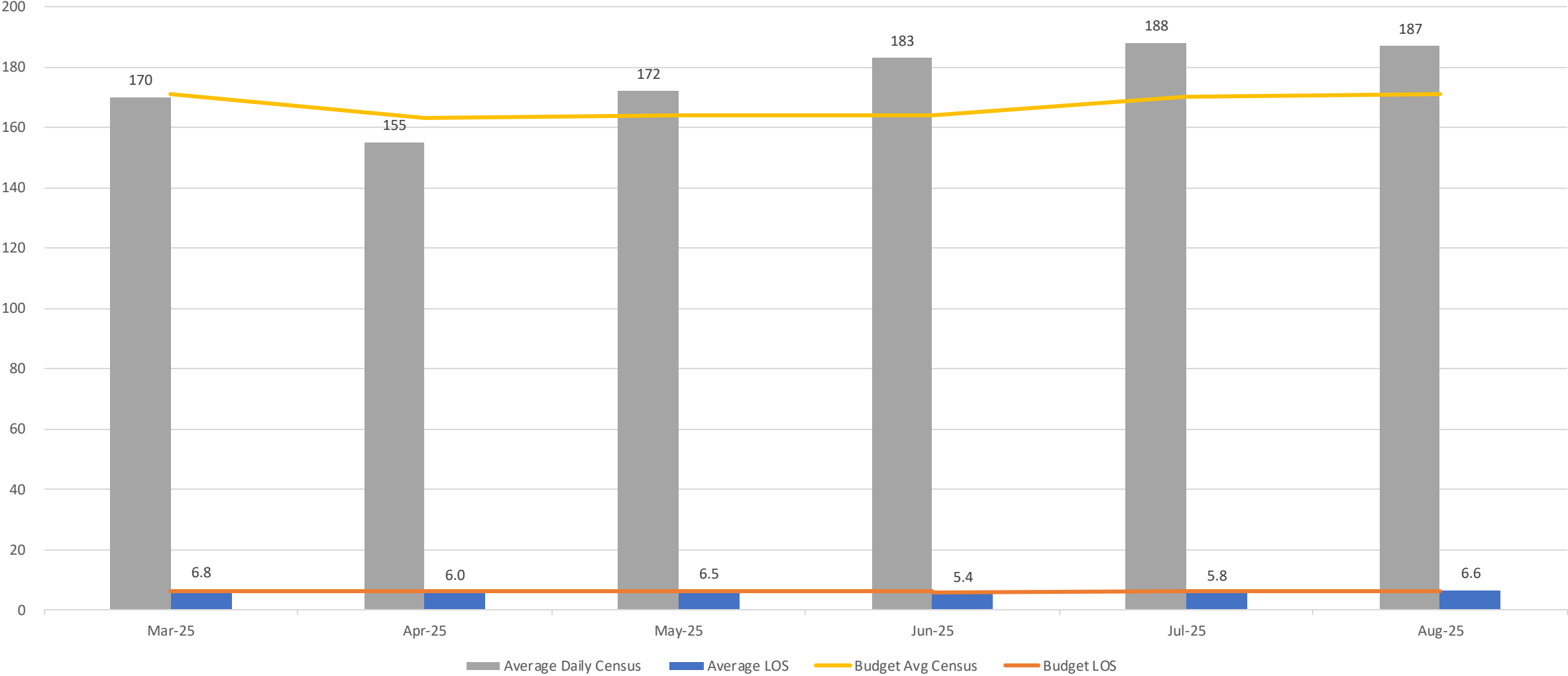


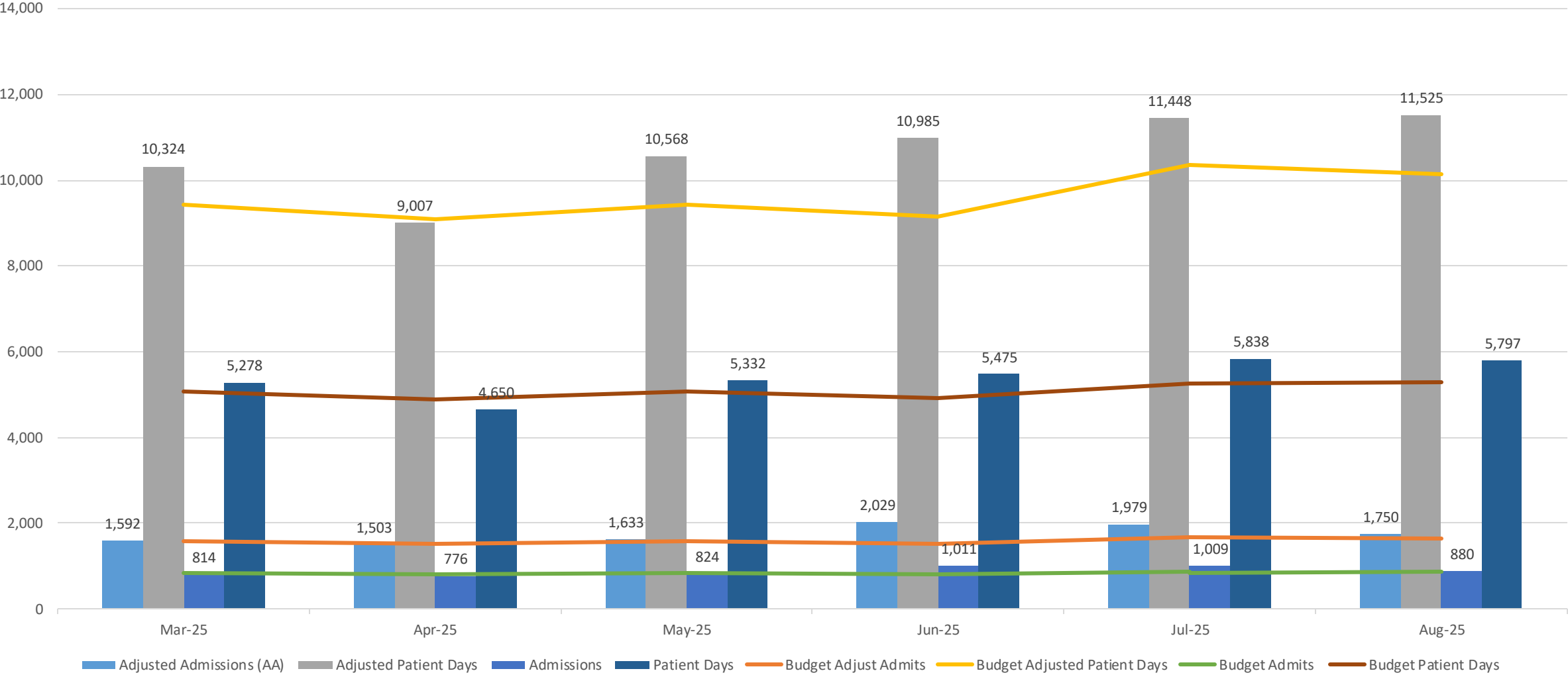


Board of Governors' Report
Kern Medical – August 2025

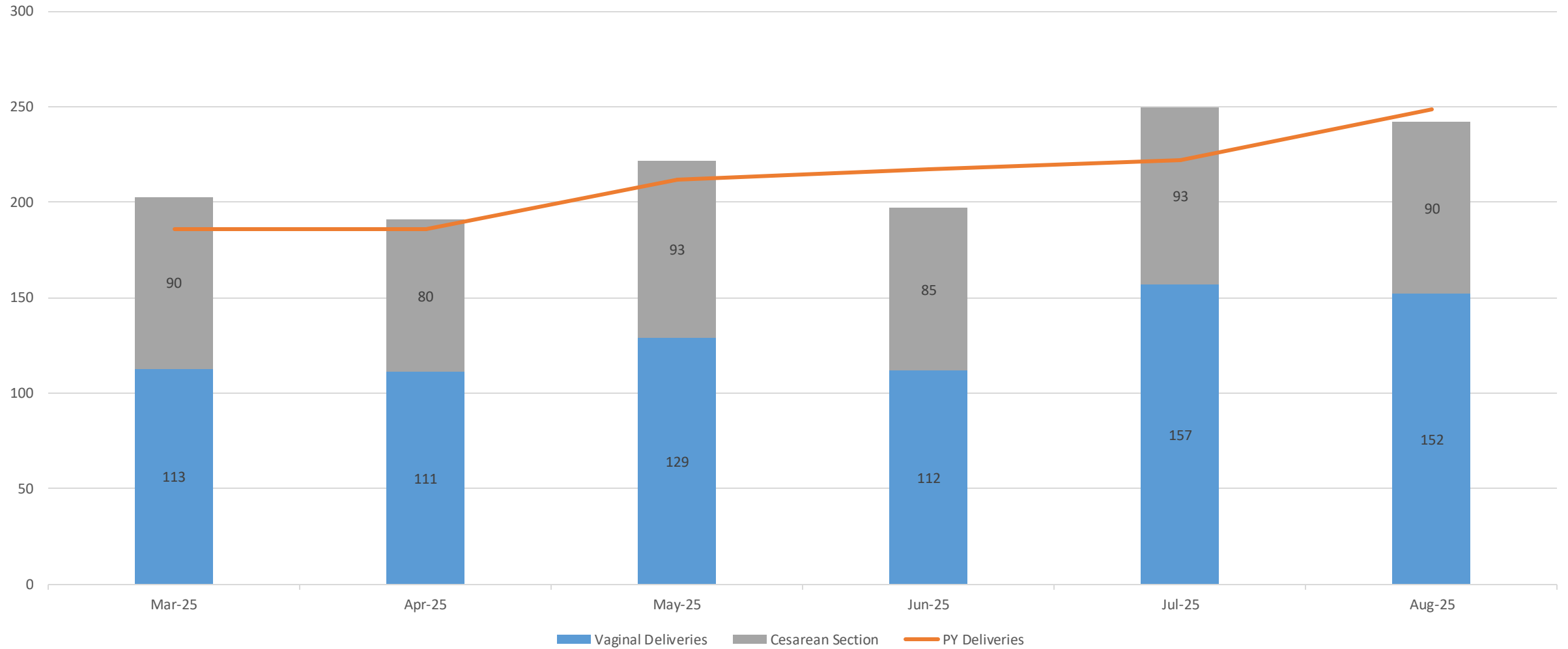
Census & ALOS



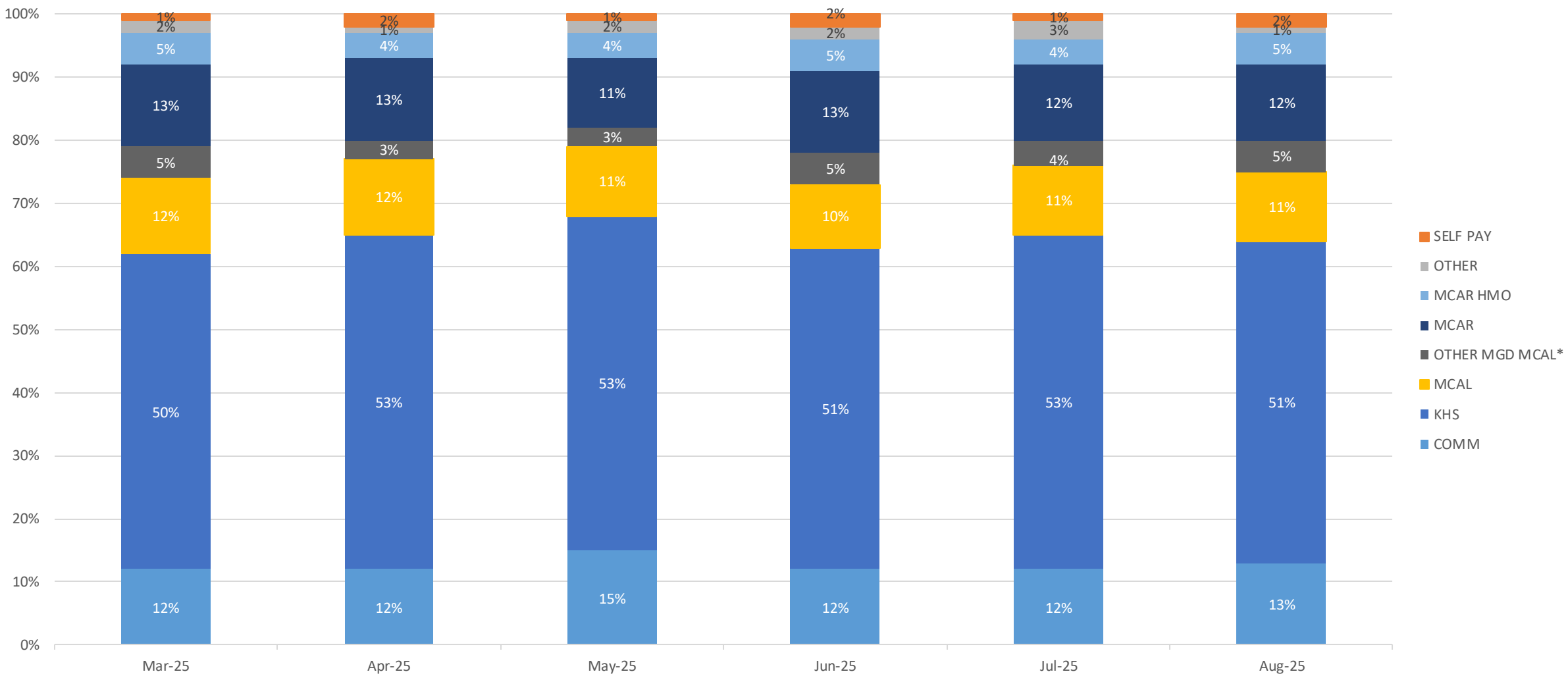
Hospital Volumes



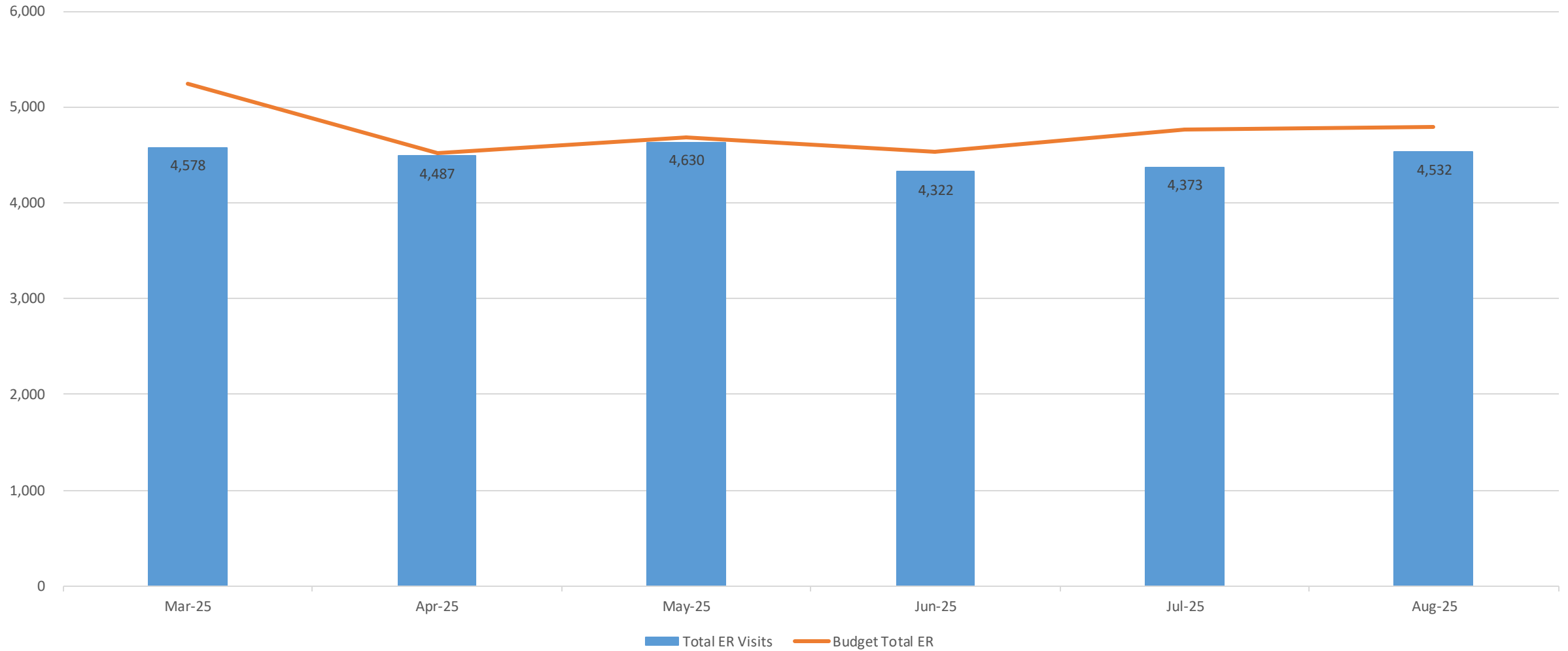
Deliveries



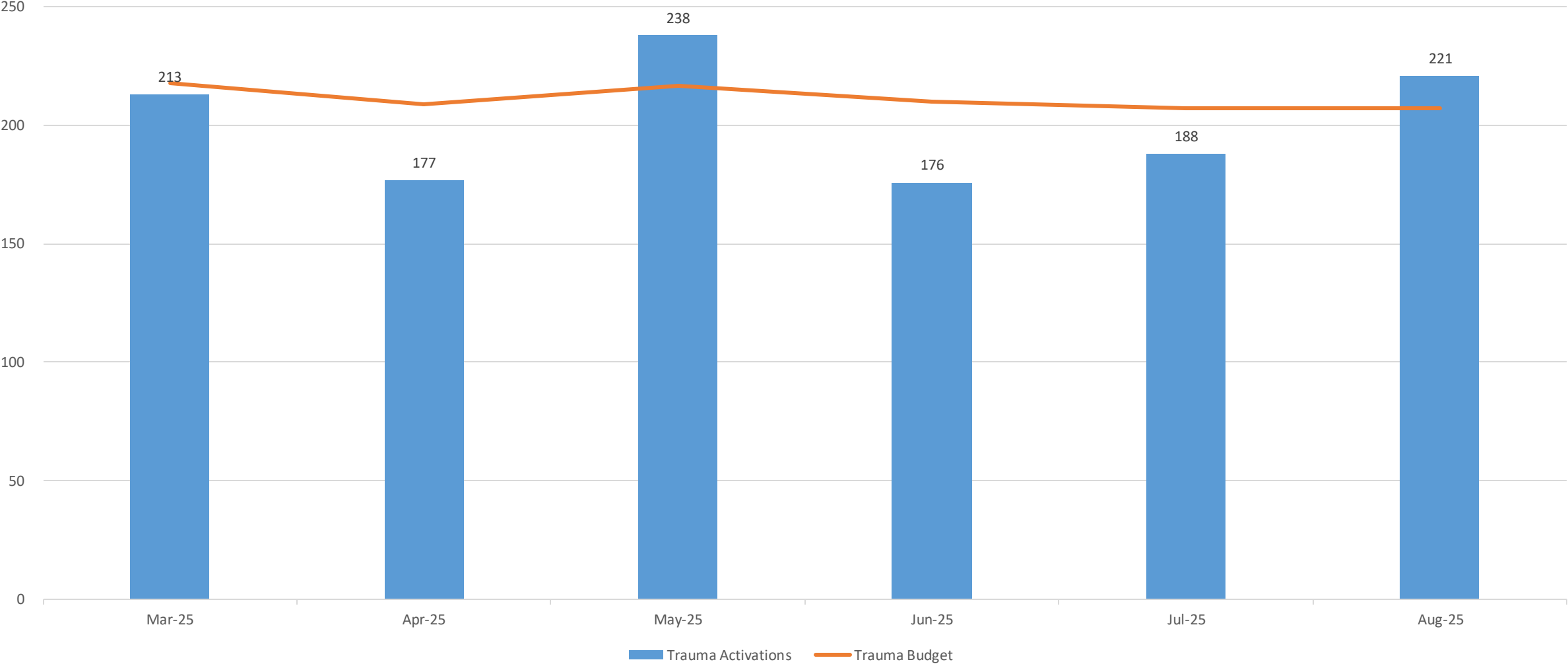
PAYER MIX



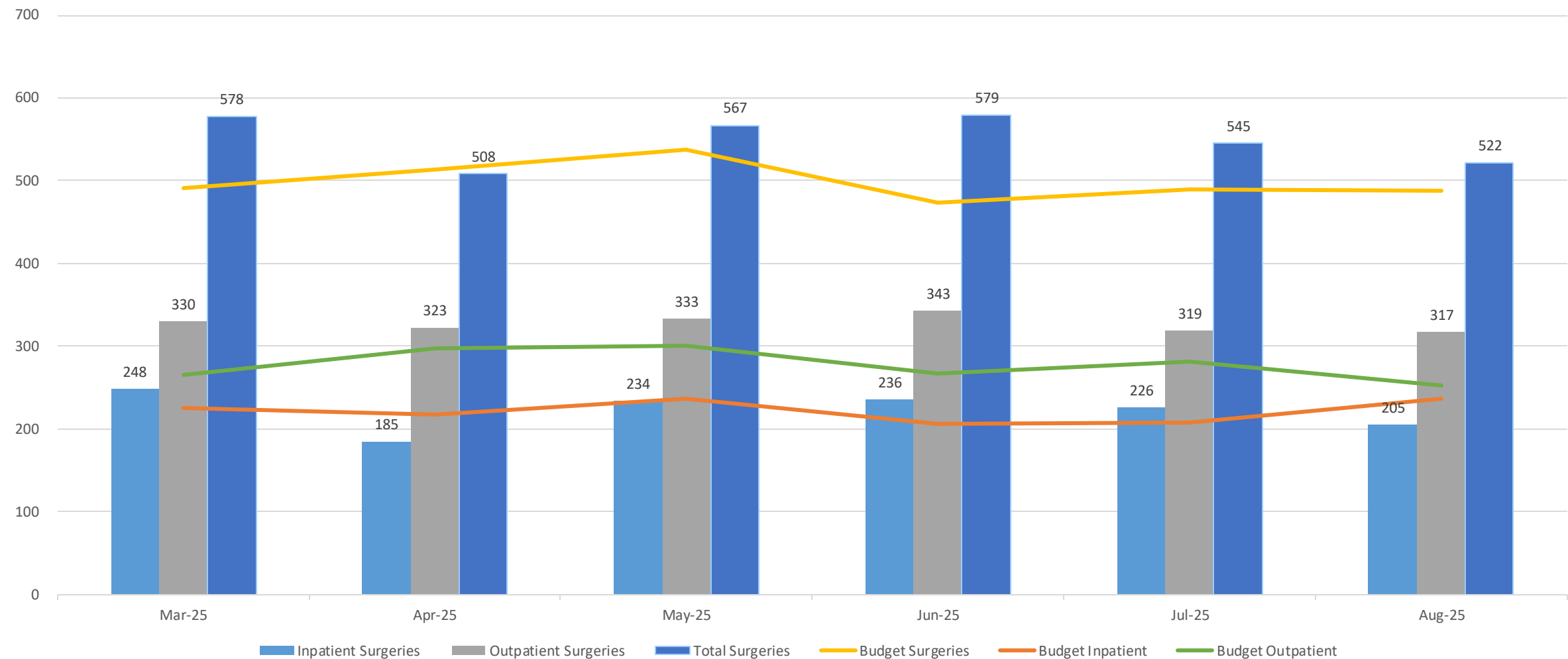
Emergency Room Volume



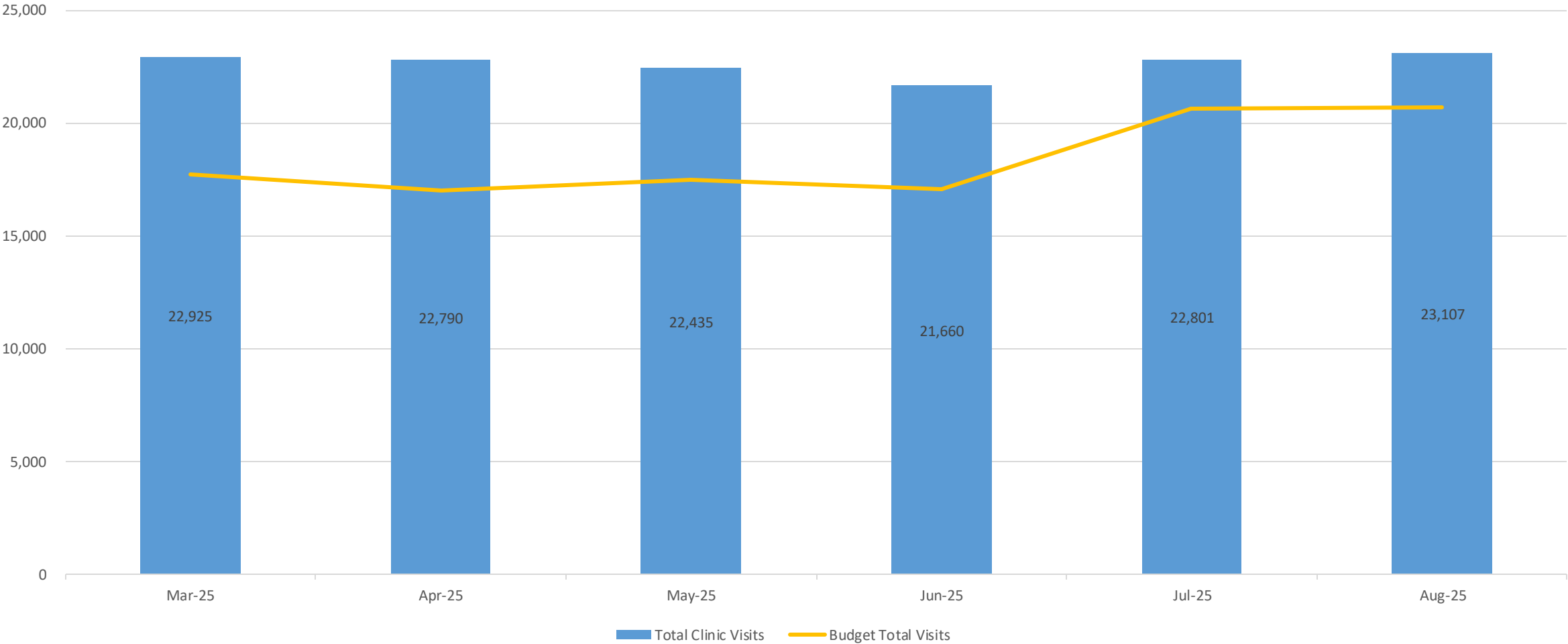
Trauma Activations



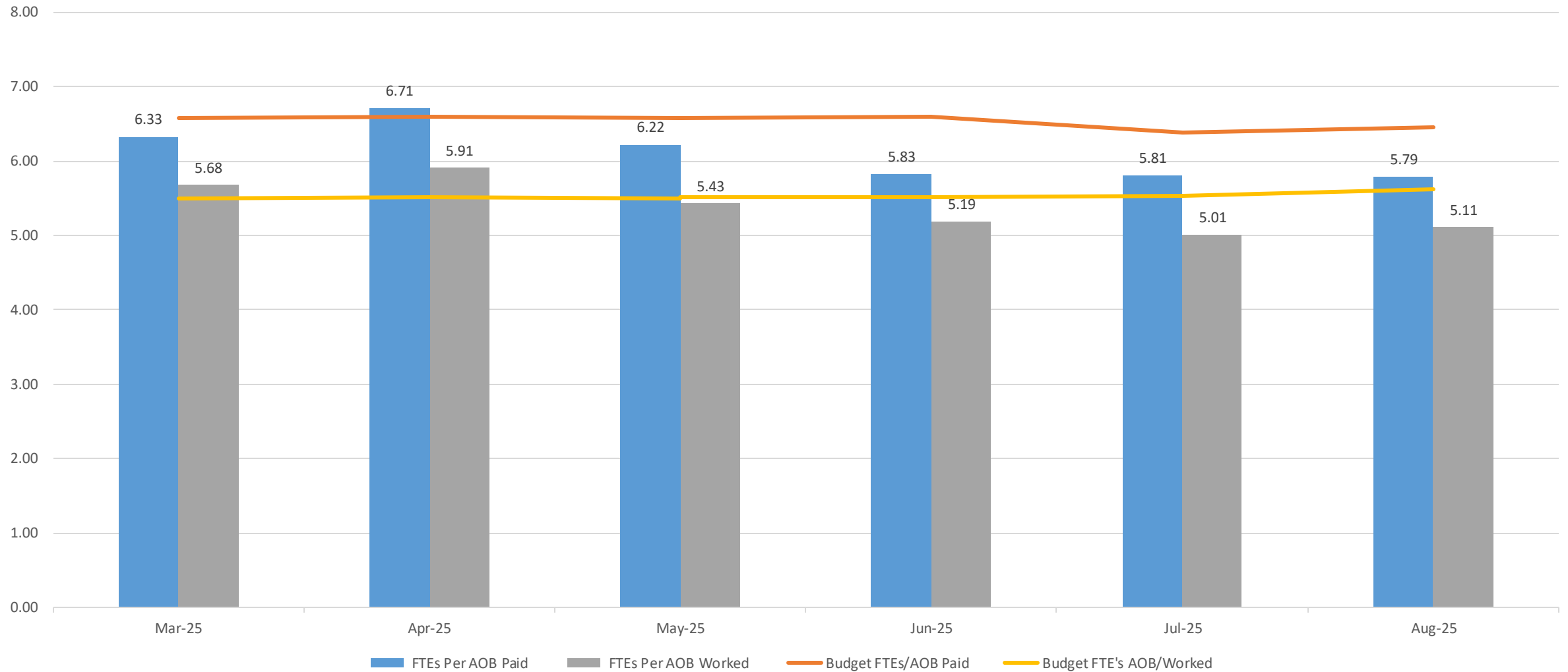
Surgical Volume



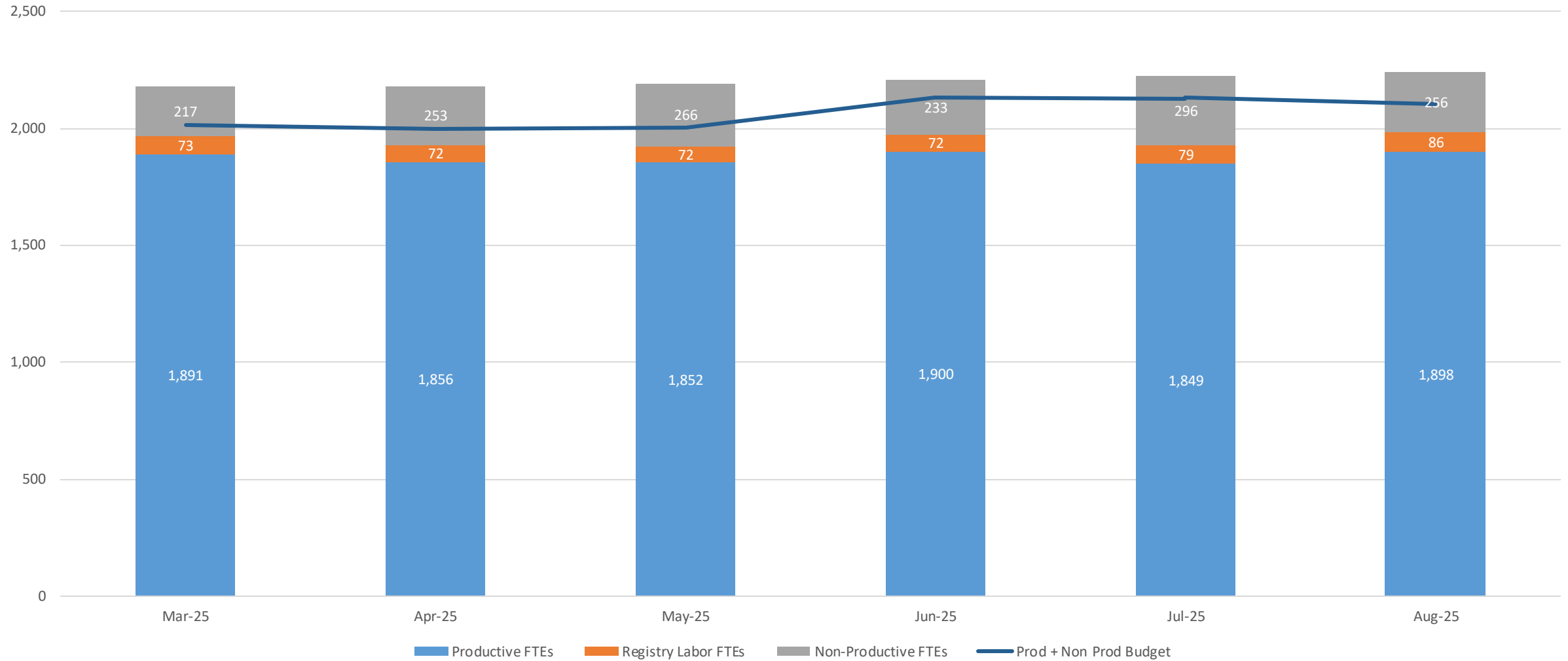
Clinic Visits

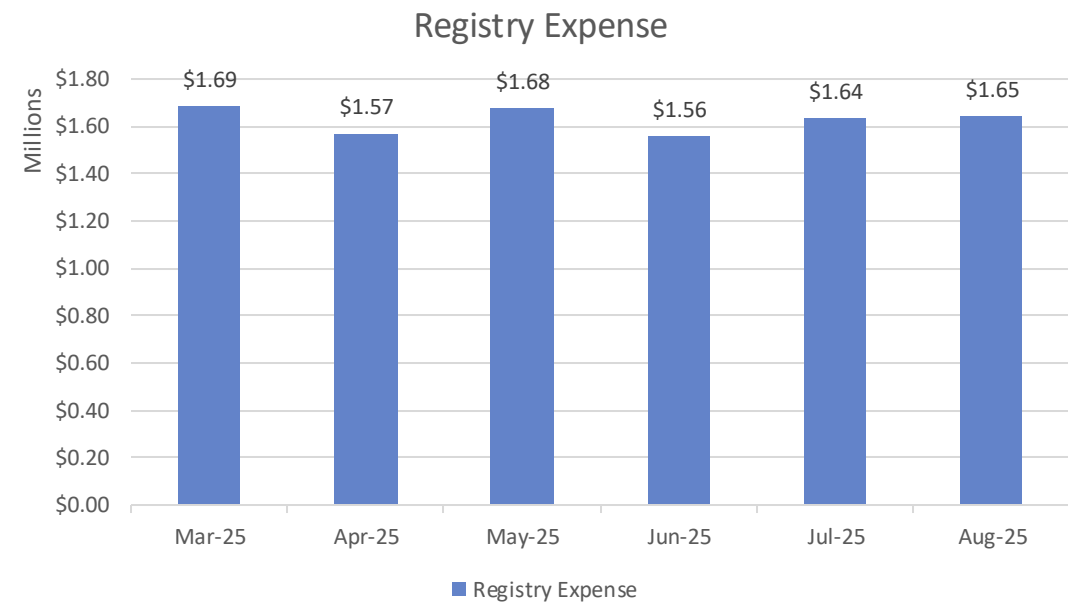
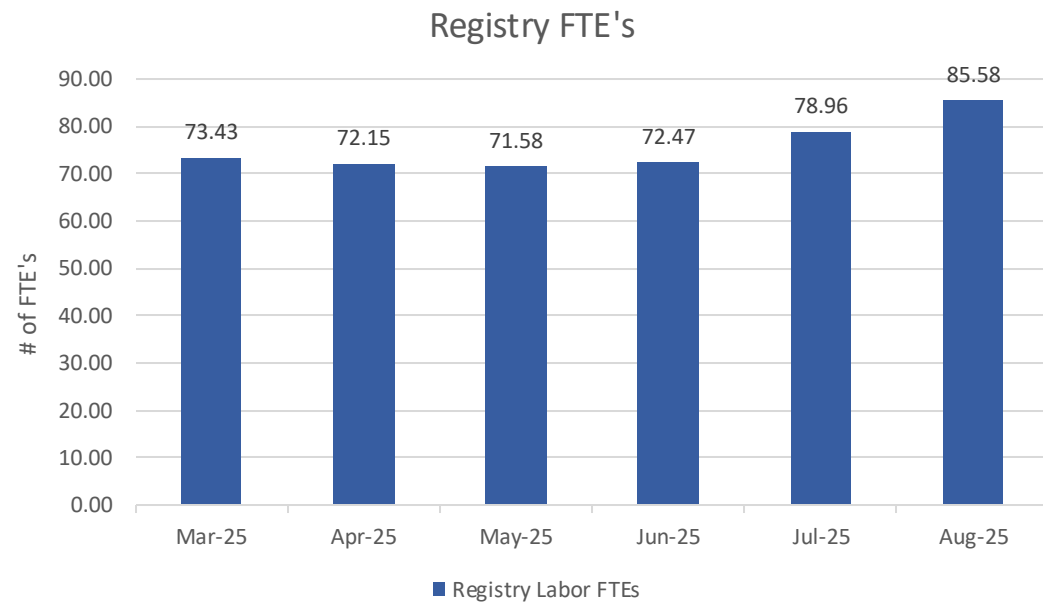


Labor Metrics

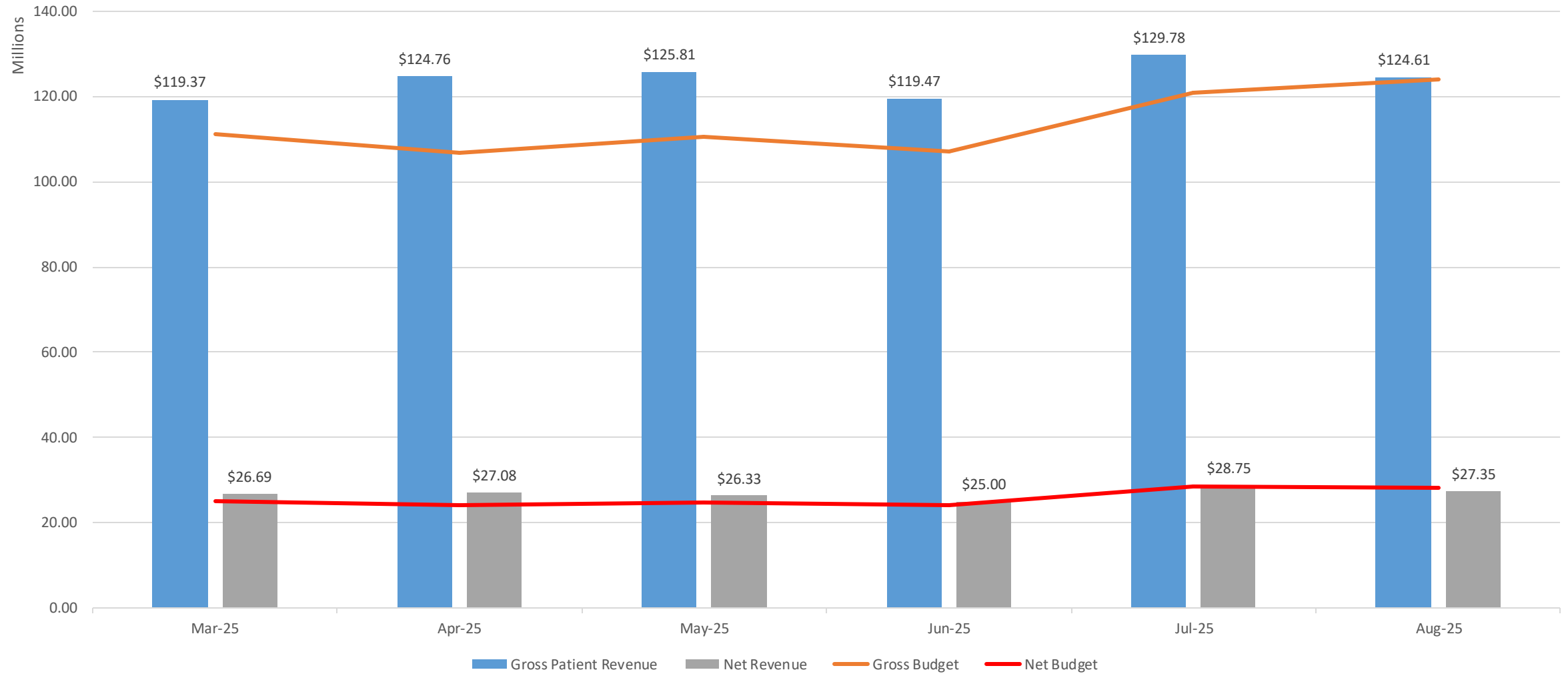


Productivity

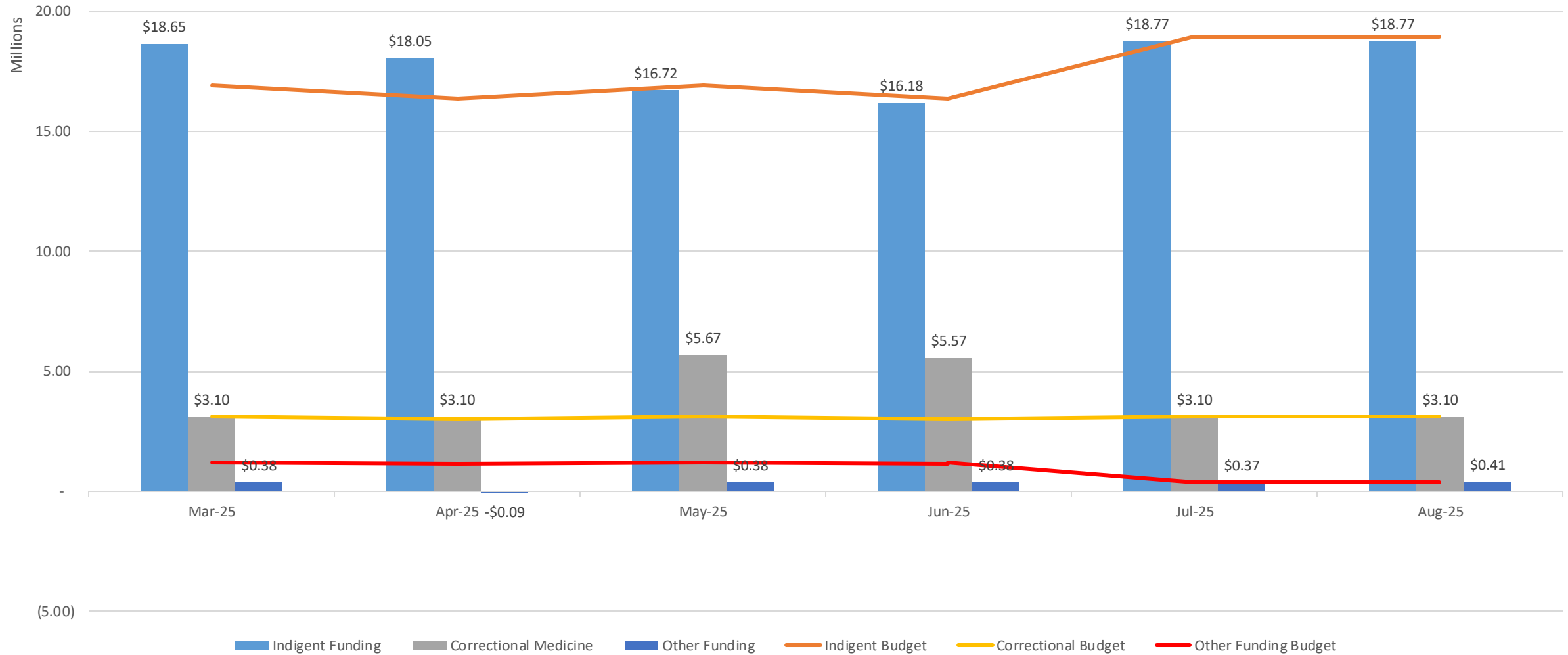


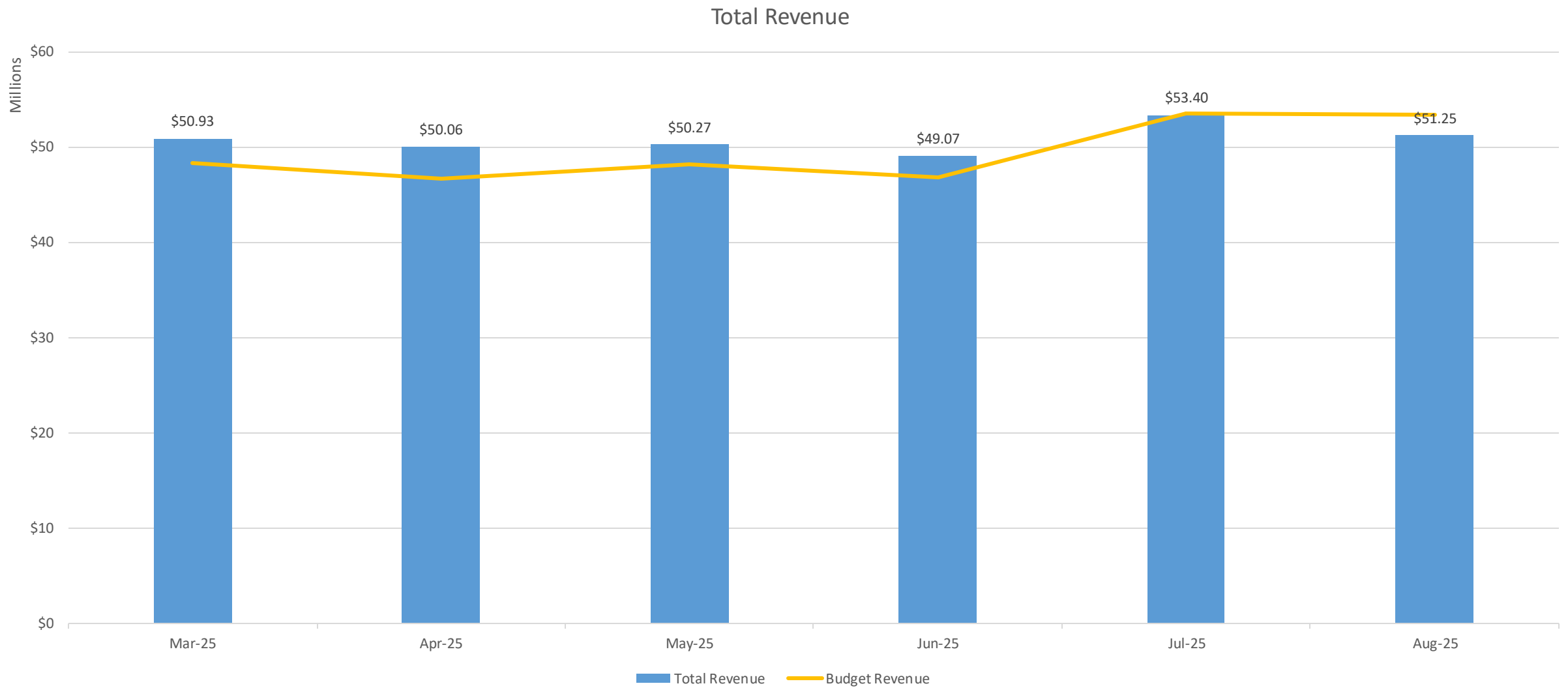


Patient Revenue

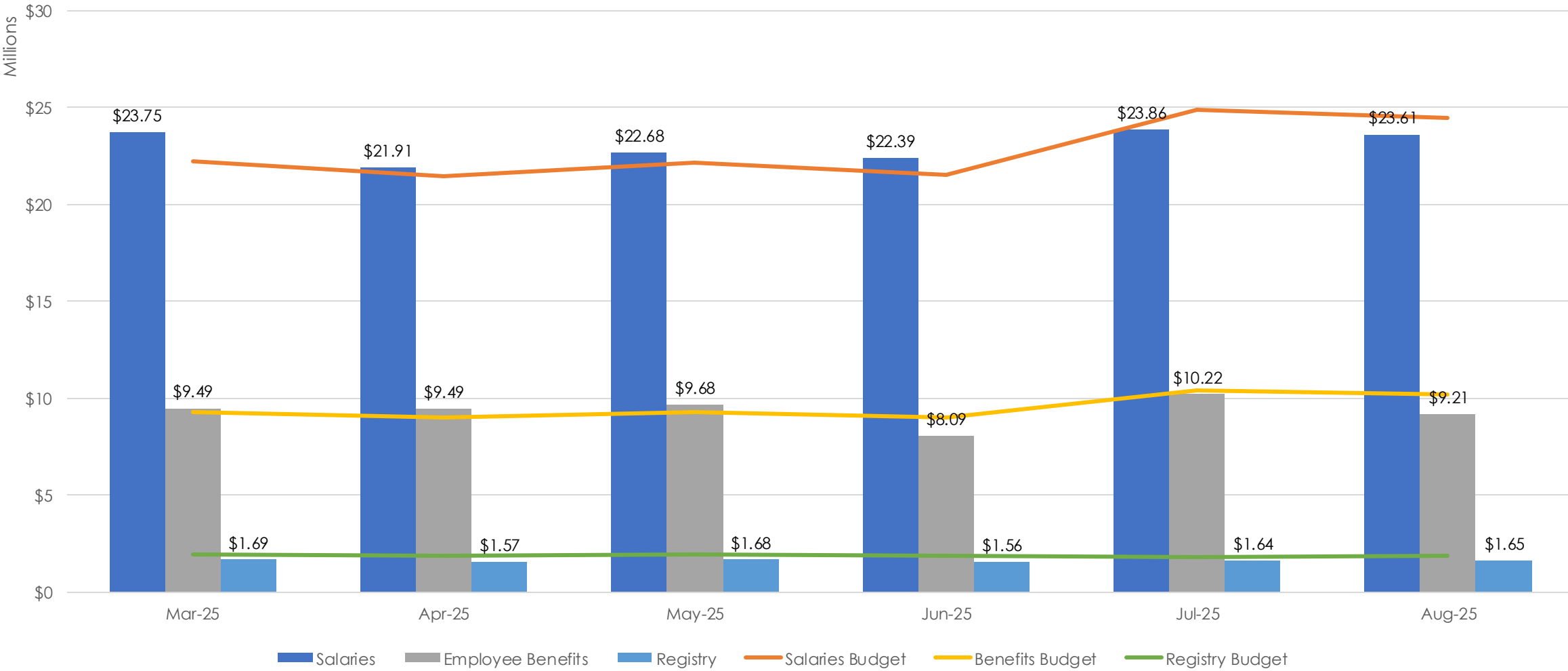


Indigent & Correctional Revenue

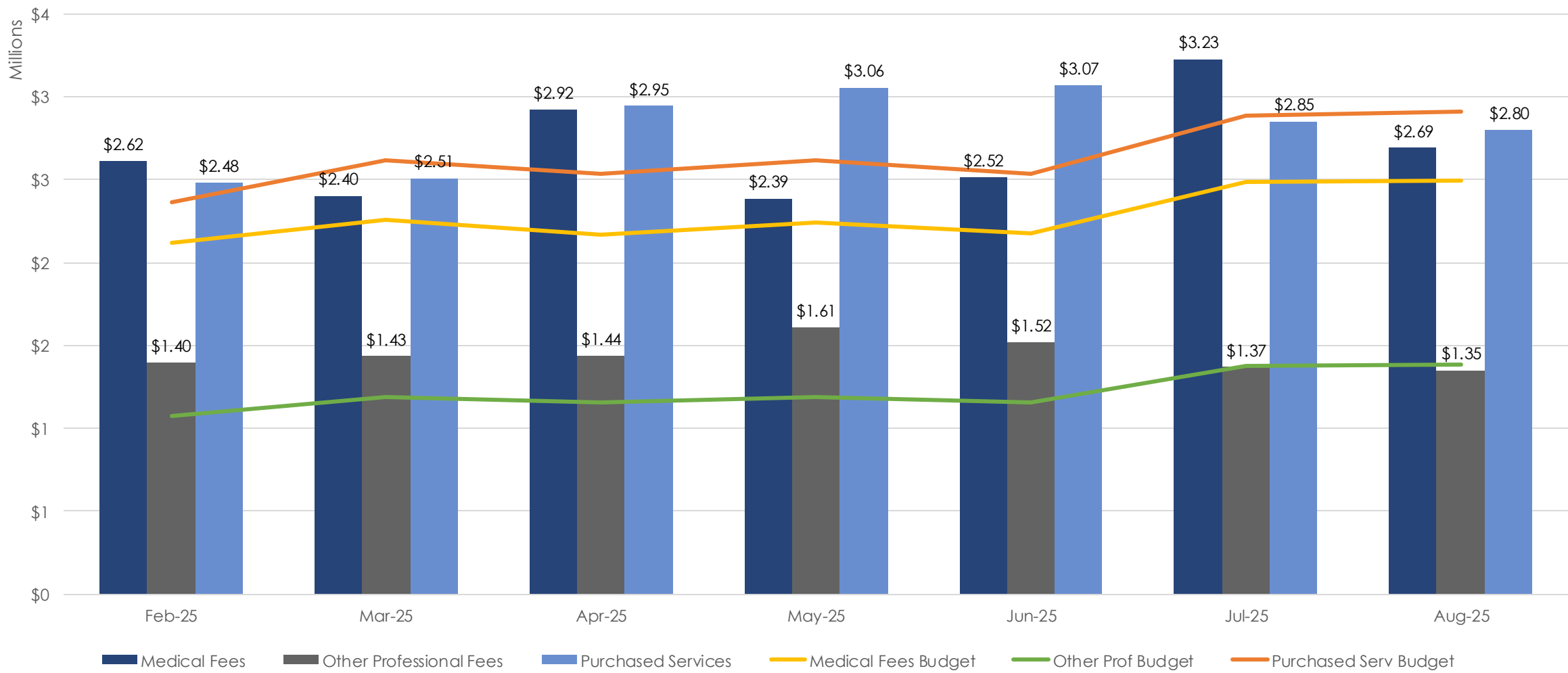




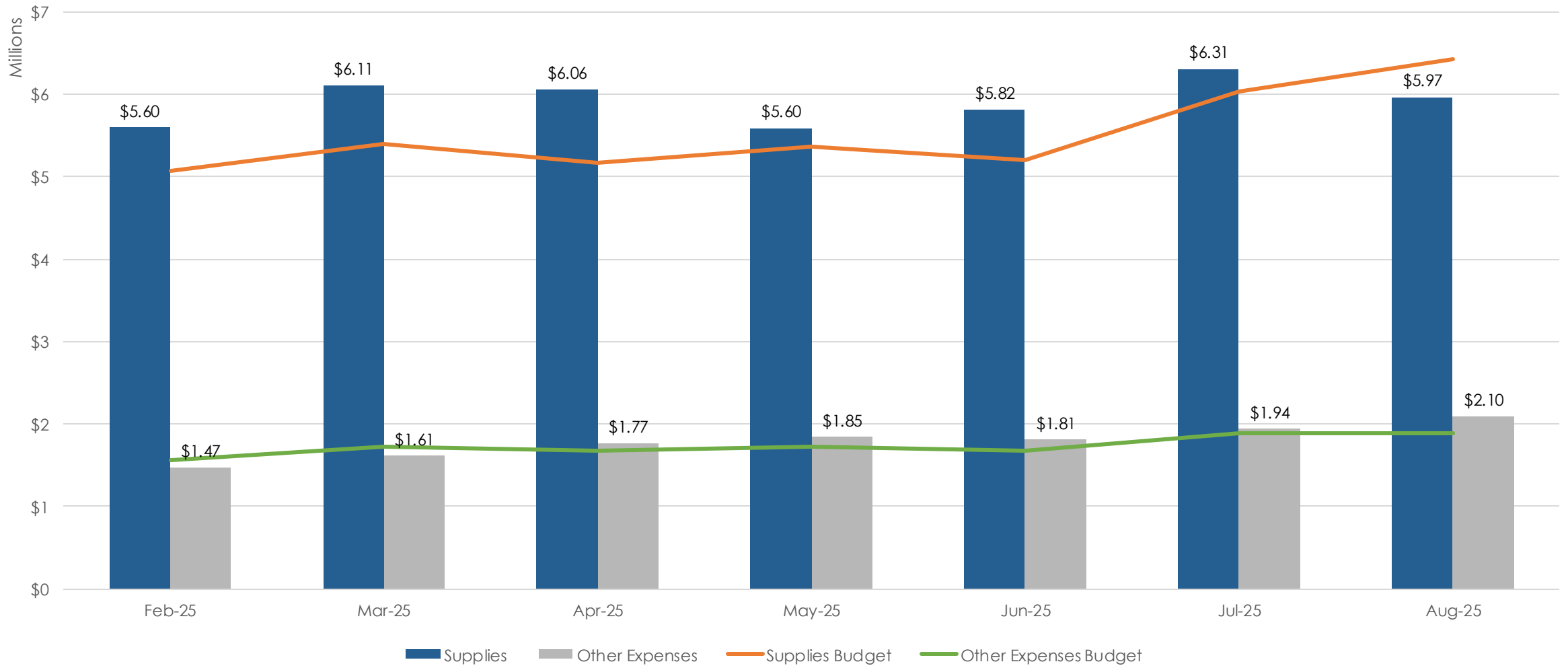
Expenses



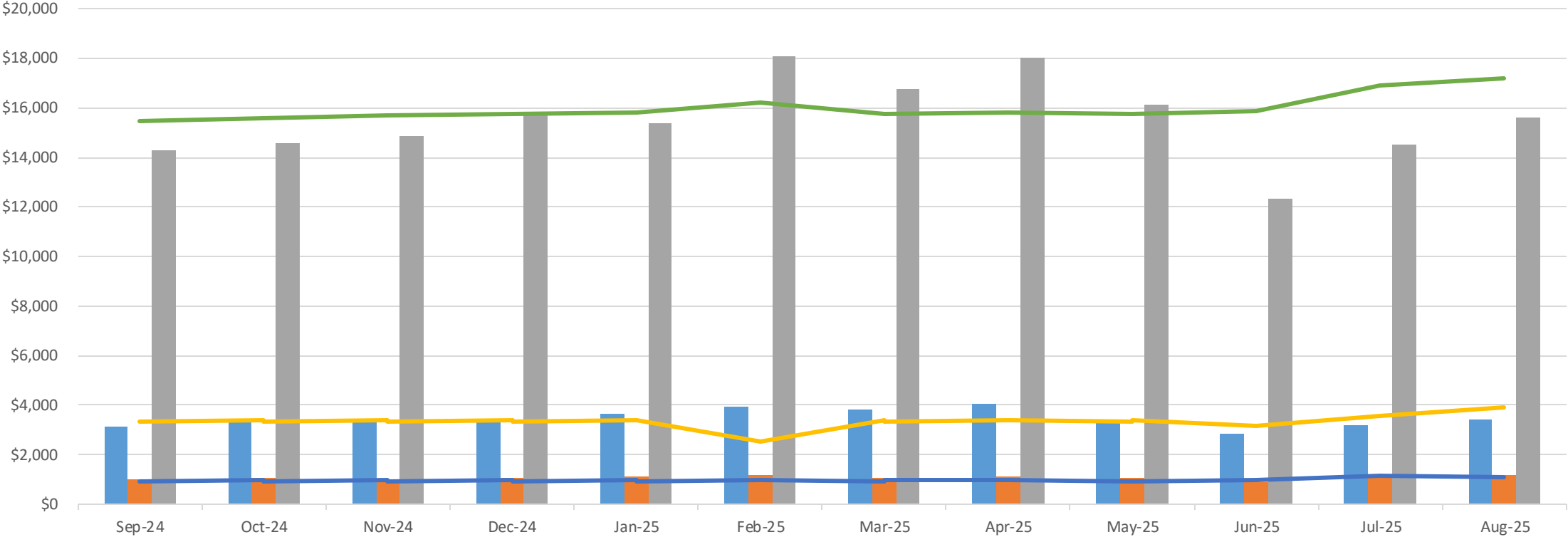
Expenses



Expenses

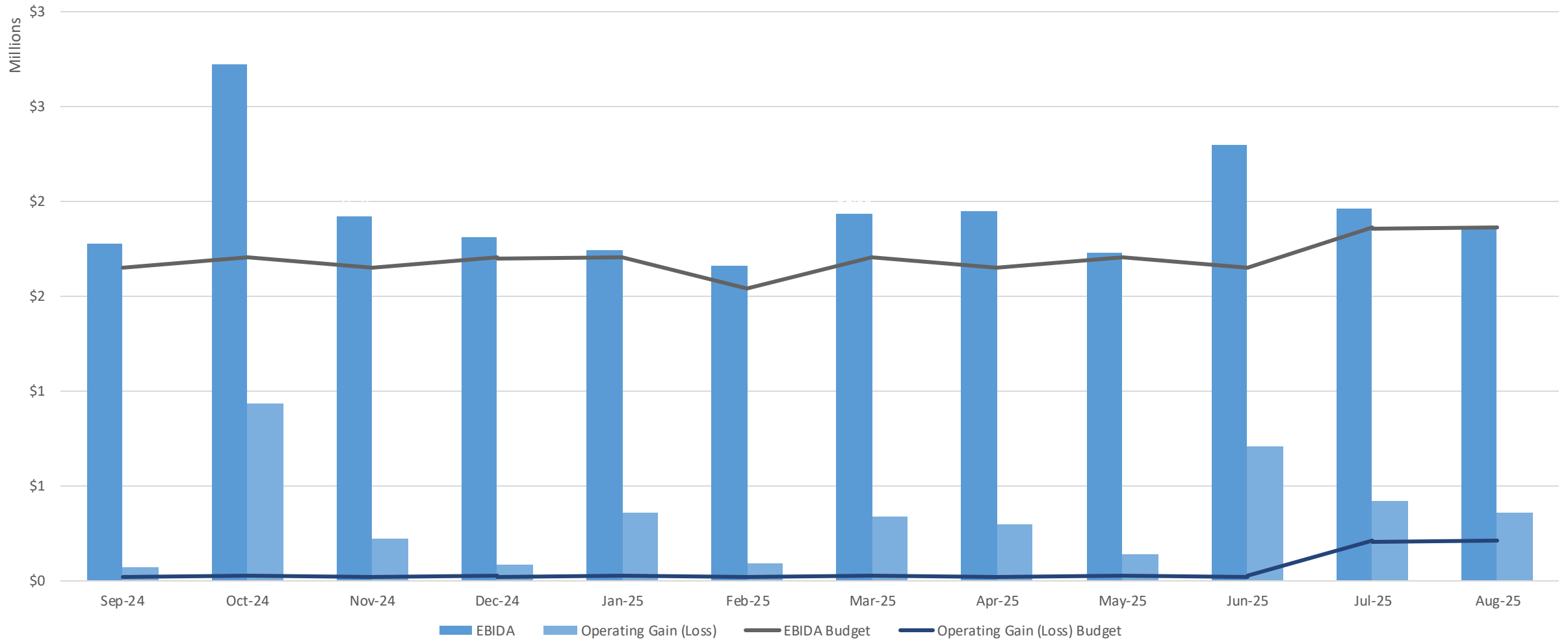


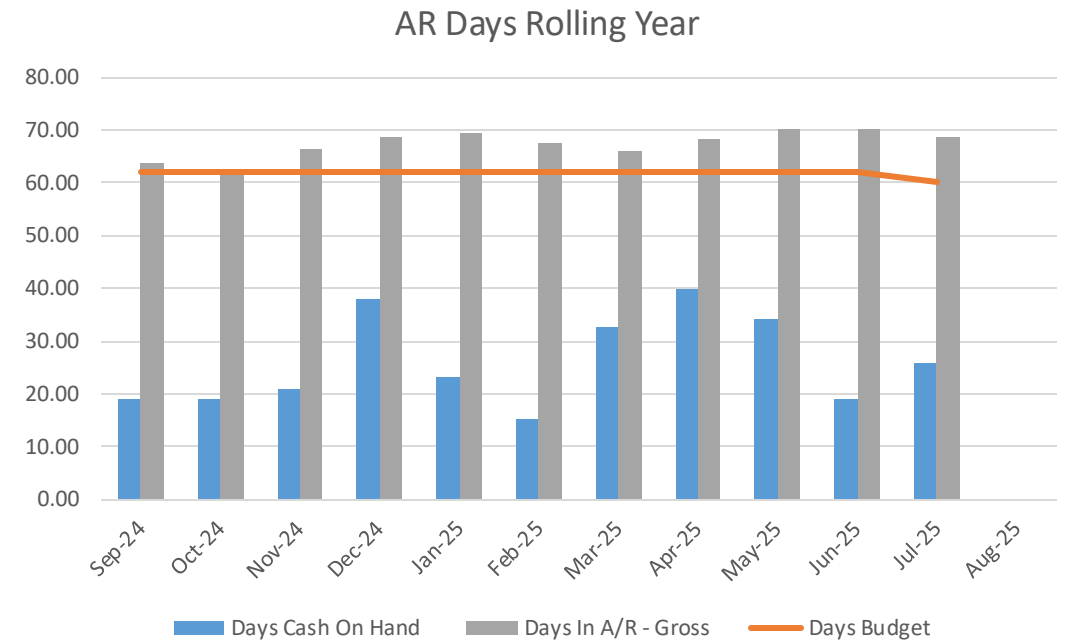
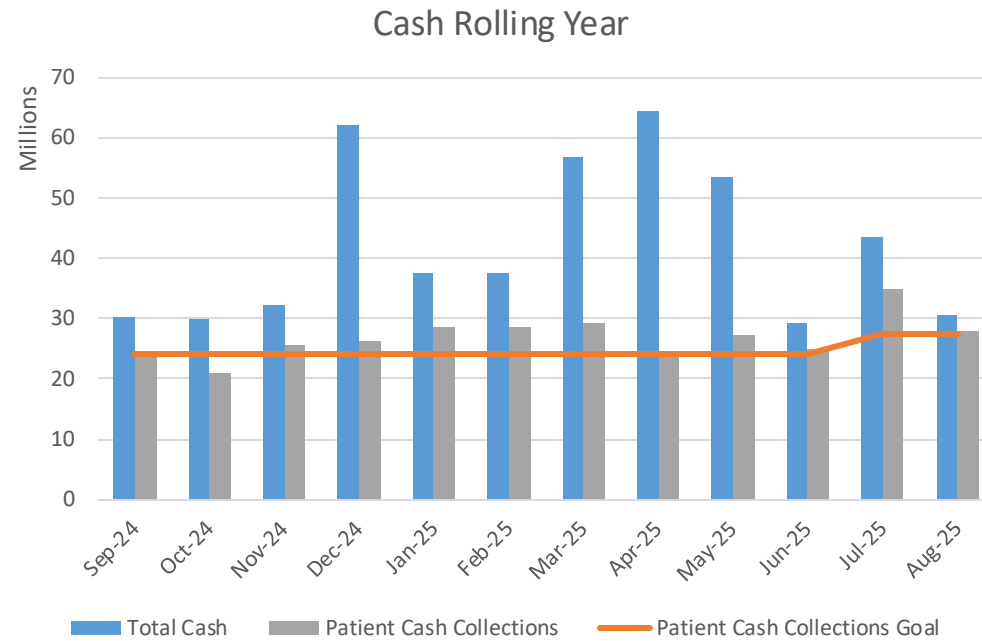
Operating Metrics



	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Supply Expense per AA	\$3,152	\$3,323	\$3,342	\$3,339	\$3,629	\$3,933	\$3,835	\$4,028	\$3,426	\$2,868	\$3,191	\$3,412
Pharm Cost per AA	\$1,023	\$1,057	\$980	\$1,070	\$1,125	\$1,161	\$1,070	\$1,142	\$1,051	\$883	\$1,192	\$1,199
Net Revenue Per AA	\$14,315	\$14,556	\$14,878	\$15,768	\$15,411	\$18,087	\$16,764	\$18,019	\$16,125	\$12,325	\$14,532	\$15,633
Budget Supp/AA	\$3,331	\$3,369	\$3,371	\$3,401	\$3,407	\$2,546	\$3,410	\$3,413	\$3,408	\$3,143	\$3,583	\$3,909
Budget Pharm/AA	\$942	\$953	\$953	\$962	\$964	\$966	\$965	\$965	\$930	\$965	\$1,160	\$1,098
Budget Net Rev/AA	\$15,495	\$15,601	\$15,681	\$15,748	\$15,811	\$16,229	\$15,781	\$15,841	\$15,753	\$15,862	\$16,892	\$17,181

EBIDA Rolling Year





KERN MEDICAL
3-Month Trend Analysis: Revenues & Expenses
August 31, 2025

				BUDGET	VARIANCE	PY
	JUNE	JULY	AUGUST	AUGUST	POS (NEG)	AUGUST
Gross Patient Revenue	\$ 119,470,785	\$ 129,783,341	\$ 124,608,923	\$ 124,099,809	0.4%	\$ 118,020,779
Contractual Deductions	(94,469,963)	(101,030,492)	(97,257,793)	(95,818,379)	2%	(93,073,447)
Net Revenue	25,000,823	28,752,849	27,351,130	28,281,429	(3%)	24,947,332
Indigent Funding	16,180,634	18,770,930	18,770,930	18,973,856	(1%)	19,560,940
Correctional Medicine	5,573,626	3,097,714	3,097,713	3,095,522	0.1%	3,114,656
County Contribution	285,211	285,211	285,211	285,211	(0%)	276,178
Incentive Funding	92,694	86,312	122,896	72,378	70%	60,706
Net Patient Revenue	47,132,987	50,993,016	49,627,880	50,708,396	(2%)	47,959,813
Other Operating Revenue	1,891,929	2,376,940	1,601,375	2,746,242	(42%)	2,187,714
Other Non-Operating Revenue	47,073	31,001	20,943	12,121	73%	11,804
Total Revenue	49,071,988	53,400,956	51,250,198	53,466,759	(4%)	50,159,331
Expenses						
Salaries	22,388,240	23,864,758	23,614,753	24,437,589	(3%)	22,110,133
Employee Benefits	8,087,782	10,223,321	9,208,158	10,219,800	(10%)	8,971,277
Registry	1,559,674	1,637,614	1,647,574	1,831,245	(10%)	2,152,923
Medical Fees	2,517,403	3,228,446	2,692,755	2,495,896	8%	2,381,665
Other Professional Fees	1,519,109	1,371,739	1,352,254	1,381,739	(2%)	1,717,388
Supplies	5,817,725	6,313,948	5,969,679	6,434,000	(7%)	5,792,345
Purchased Services	3,071,408	2,854,041	2,801,139	2,914,840	(4%)	3,274,927
Other Expenses	1,808,622	1,940,703	2,099,122	1,890,090	11%	1,959,211
Operating Expenses	46,769,963	51,434,570	49,385,436	51,605,197	(4%)	48,359,869
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 2,302,025	\$ 1,966,387	\$ 1,864,762	\$ 1,861,562	0.2%	\$ 1,799,462
EBIDA Margin	5%	4%	4%	3%	5%	4%
Interest	257,267	251,266	244,843	339,518	(28%)	337,180
Depreciation	710,865	702,992	665,336	657,304	1%	679,421
Amortization	629,260	595,855	595,855	652,001	(9%)	636,786
Total Expenses	48,367,354	52,984,683	50,891,470	53,254,020	(4%)	50,013,256
Operating Gain (Loss)	\$ 704,634	\$ 416,273	\$ 358,727	\$ 212,739	69%	\$ 146,075
Operating Margin	1.44%	0.78%	0.70%	0.40%	75.9%	0.3%

KERN MEDICAL
Year to Date Analysis: Revenues & Expenses
August 31, 2025

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 254,392,264	\$ 244,944,623	4%	\$ 231,706,388	10%
Contractual Deductions	(198,288,285)	(188,234,318)	5%	(182,129,716)	9%
Net Revenue	56,103,979	56,710,305	(1%)	49,576,672	13%
Indigent Funding	37,541,860	37,947,712	(1%)	38,174,897	(2%)
Correctional Medicine	6,195,427	6,191,045	0%	6,229,312	(1%)
County Contribution	570,422	570,422	(0%)	570,422	0%
Incentive Funding	209,208	144,755	45%	113,831	84%
Net Patient Revenue	100,620,896	101,564,239	(1%)	94,665,134	6%
Other Operating Revenue	3,978,314	5,492,484	(28%)	3,977,455	0.02%
Other Non-Operating Revenue	51,944	24,193	115%	24,080	116%
Total Revenue	104,651,154	107,080,916	(2%)	98,666,668	6%
Expenses					
Salaries	47,479,511	49,302,094	(3.7%)	42,940,382	11%
Employee Benefits	19,431,480	20,618,136	(5.8%)	18,561,478	5%
Registry	3,285,188	3,653,972	(10%)	4,451,356	(26%)
Medical Fees	5,921,201	4,981,831	19%	4,890,196	21%
Other Professional Fees	2,723,992	2,758,845	(1%)	3,097,192	(12.0%)
Supplies	12,283,627	12,464,811	(1%)	11,192,822	10%
Purchased Services	5,655,180	5,798,642	(2%)	5,828,864	(3%)
Other Expenses	4,039,825	3,780,180	7%	3,870,462	4%
Operating Expenses	100,820,005	103,358,510	(2%)	94,832,752	6%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 3,831,149	\$ 3,722,405	3%	\$ 3,833,916	(0.1%)
EBIDA Margin	4%	3%	5%	4%	(6%)
Interest	496,109	679,036	(27%)	619,512	(20%)
Depreciation	1,368,329	1,314,607	4%	1,361,150	1%
Amortization	1,191,711	1,304,003	(9%)	1,273,572	(6%)
Total Expenses	103,876,153	106,656,156	(3%)	98,086,986	6%
Operating Gain (Loss)	\$ 775,001	\$ 424,759	82%	\$ 579,682	34%
Operating Margin	0.7%	0.4%	86.7%	0.6%	26%

KERN MEDICAL BALANCE SHEET

	AUGUST 2025	AUGUST 2024
ASSETS:		
<i>Total Cash</i>	\$ 30,632,117	\$ 30,053,997
Patient Receivables Subtotal	305,603,138	245,710,104
Contractual Subtotal	(274,440,847)	(197,365,687)
<i>Net Patient Receivable</i>	31,162,291	48,344,417
Total Indigent Receivable	261,381,922	249,823,468
Total Other Receivable	20,526,765	25,822,821
Total Prepaid Expenses	7,548,747	7,489,767
Total Inventory	4,770,828	4,697,004
<i>Total Current Assets</i>	356,022,671	366,231,474
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	272,870,678	269,936,540
Total Construction in Progress	17,473,388	9,644,961
<i>Total Property, Plant & Equipment</i>	290,344,066	279,581,501
Total Accumulated Depr & Amortization	(186,115,348)	(172,320,539)
<i>Net Property, Plant, and Equipment</i>	104,228,719	107,260,962
<i>Total Long Term Assets</i>	124,532,718	112,536,013
<i>Total Assets</i>	\$ 584,784,107	\$ 586,028,448

KERN MEDICAL BALANCE SHEET

	AUGUST 2025	AUGUST 2024
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 6,600,193	\$ 4,640,332
Total Accrued Compensation	32,149,460	29,563,956
Total Due Government Agencies	796,255	4,318,752
Total Other Accrued Liabilities	44,052,199	52,371,526
 <i>Total Current Liabilities</i>	 83,598,107	 90,894,566
 Unfunded Pension Liability	 344,447,058	 345,399,109
Other Long-Term Liabilities	79,609,811	81,477,863
<i>Total Long-Term Liabilities</i>	424,056,869	426,876,972
 <i>Total Liabilities</i>	 507,654,975	 517,771,537
 <i>Total Net Position</i>	 77,129,132	 68,256,911
 <i>Total Liabilities and Net Position</i>	 \$ 584,784,107	 \$ 586,028,448

**KERN MEDICAL
STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date August 2025	Fiscal Year-End June 2025	Fiscal Year-to-Date August 2024	Fiscal Year-End June 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 65,438,788	\$ 314,552,945	\$ 49,106,146	\$ 293,523,533
Cash received for other operations	21,438,919	260,727,035	6,125,164	233,602,712
Cash paid for salaries and benefits	(62,823,668)	(377,869,782)	(54,138,046)	(339,411,493)
Cash paid for services and supplies	(30,987,979)	(202,668,841)	(39,984,773)	(186,981,598)
Net cash (used in) provided by operating activities	(6,933,940)	(5,258,643)	(38,891,510)	733,154
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash (provided to) received from various County funds	-	-	-	-
Interest paid - pension obligation bond	-	256,677	-	420,331
Principal paid - pension obligation bond	-	(1,058,183)	-	(1,062,281)
Interest paid - line of credit	-	-	-	-
Line of credit payment	10,000,000	-	20,000,000	-
Net cash provided by (used in) noncapital financing activities	10,000,000	(801,506)	20,000,000	(641,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(1,001,818)	(11,508,871)	(1,722,636)	(18,896,864)
Payments on right-of-usage lease liability	(413,413)	(2,850,043)	(497,654)	3,896,089
Interest paid - right-of-usage lease liability	(1,396)	(7,976)	(1,541)	31,211
Payments on SBITA liability	(129,500)	(762,463)	(125,365)	(752,150)
Interest paid - SBITA	(92)	(580)	(104)	2,013
Net cash used by capital and related financing activities	(1,546,219)	(15,129,933)	(2,347,300)	(15,719,700)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	1,519,841	(21,190,081)	(21,238,810)	(15,628,497)
CASH AND CASH EQUIVALENTS, beginning of year	29,112,277	50,302,358	51,292,807	66,921,303
CASH AND CASH EQUIVALENTS, year-to-date	<u>\$ 30,632,117</u>	<u>\$ 29,112,277</u>	<u>\$ 30,053,997</u>	<u>\$ 51,292,807</u>