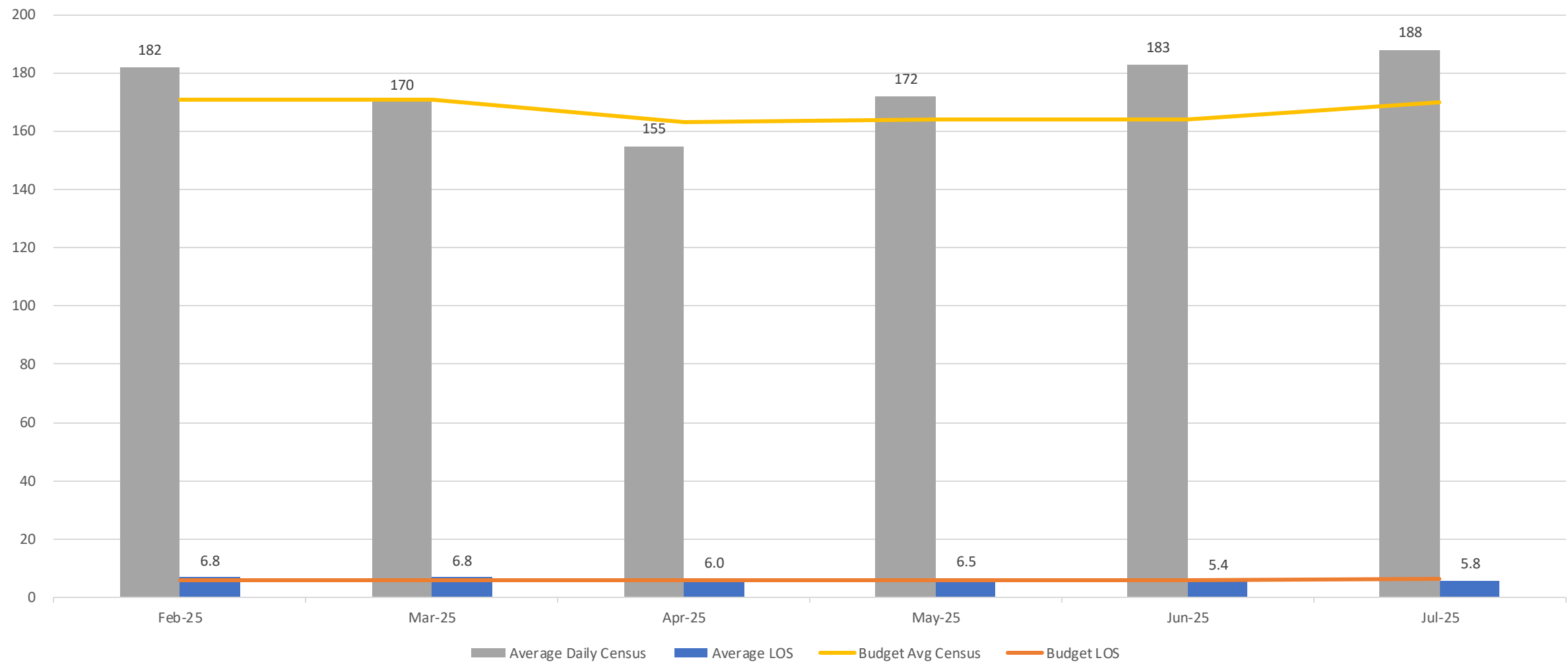


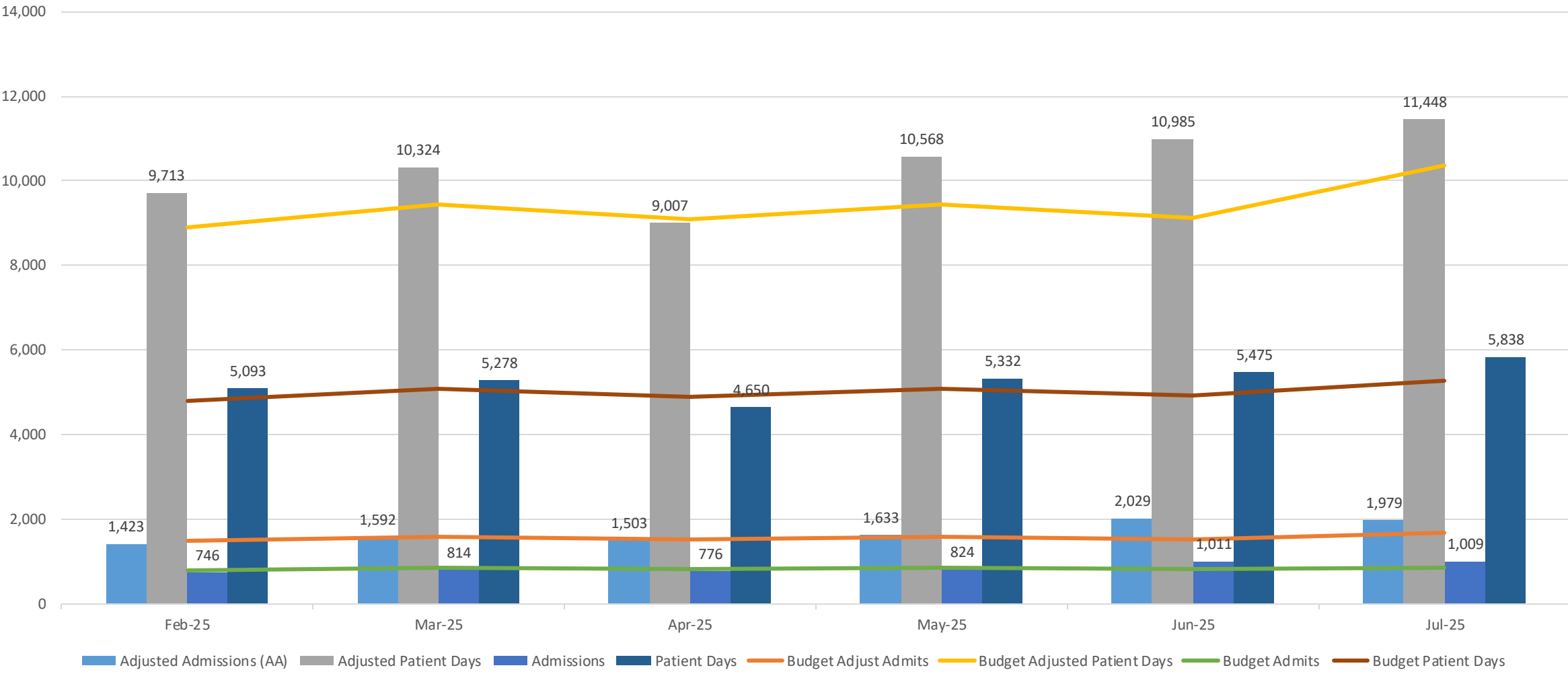


Board of Governors' Report
Kern Medical – July 2025

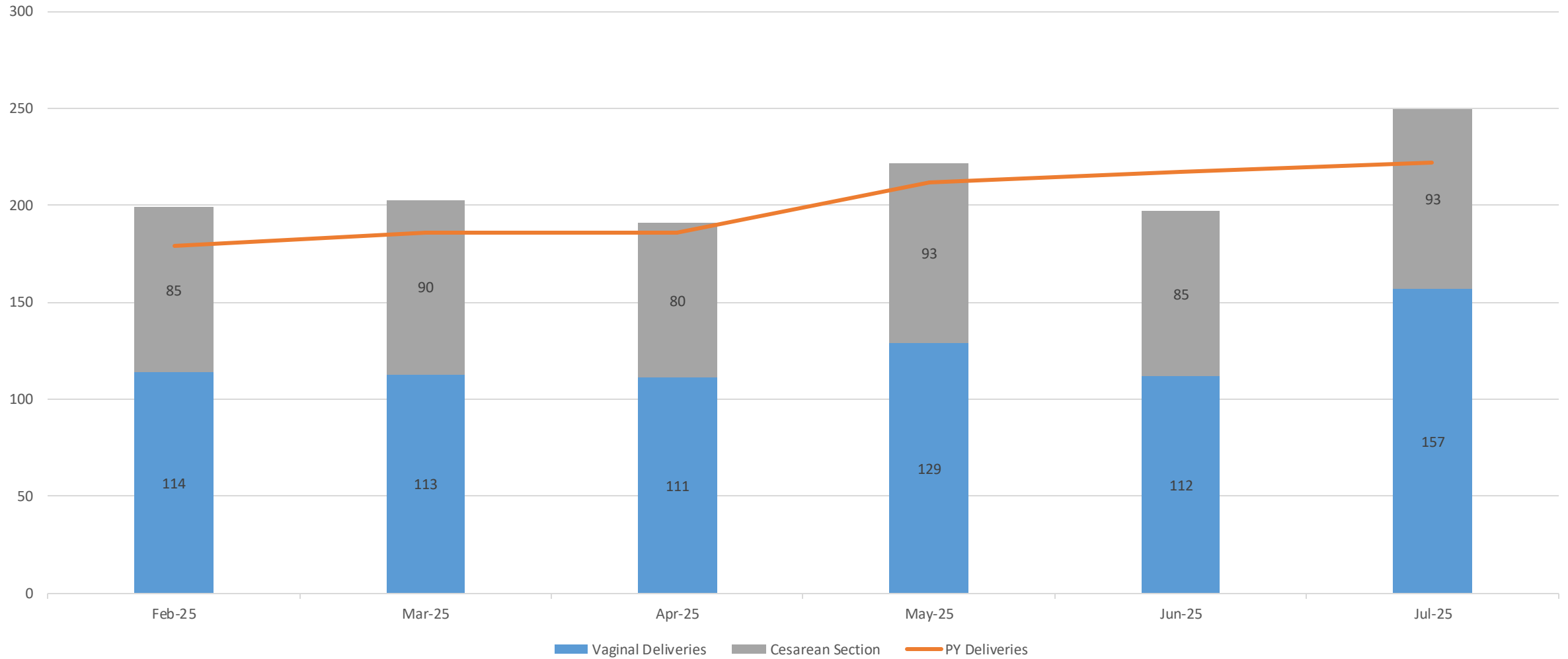
Census & ALOS



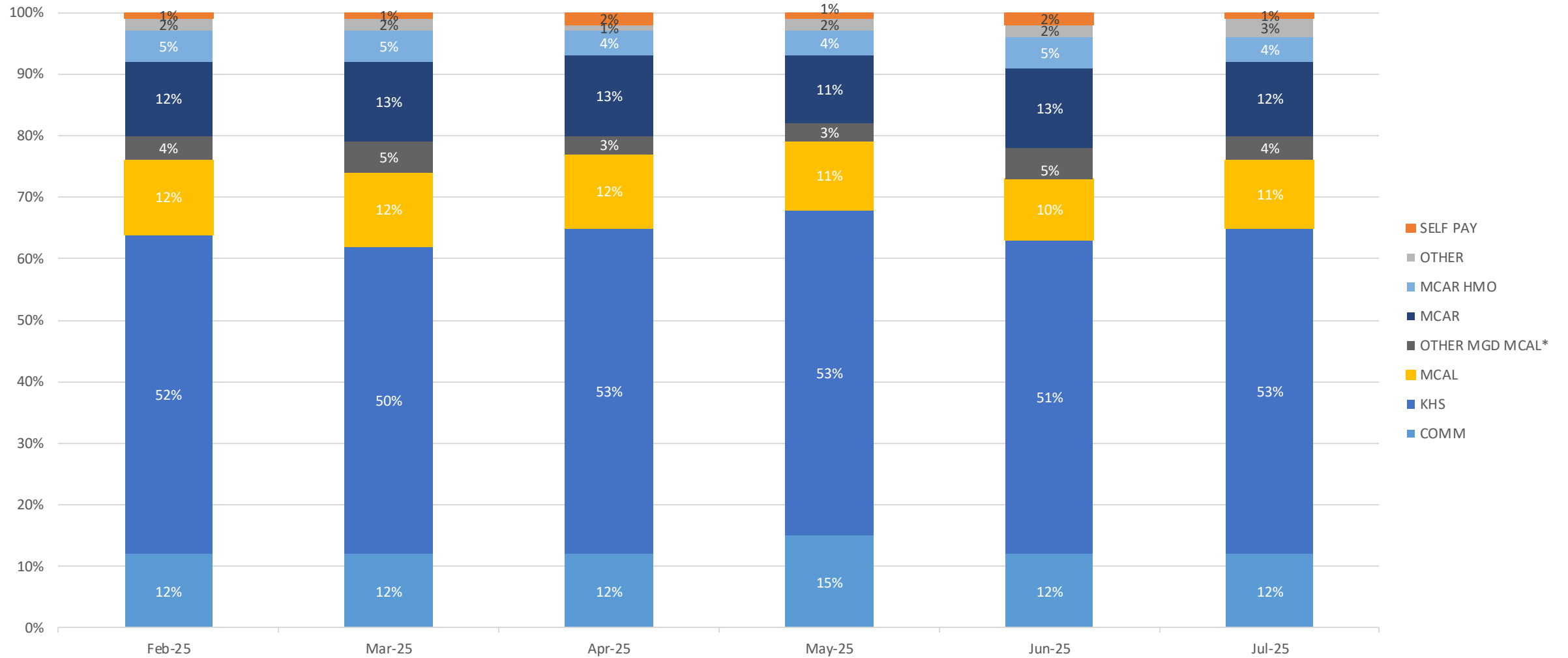
Hospital Volumes



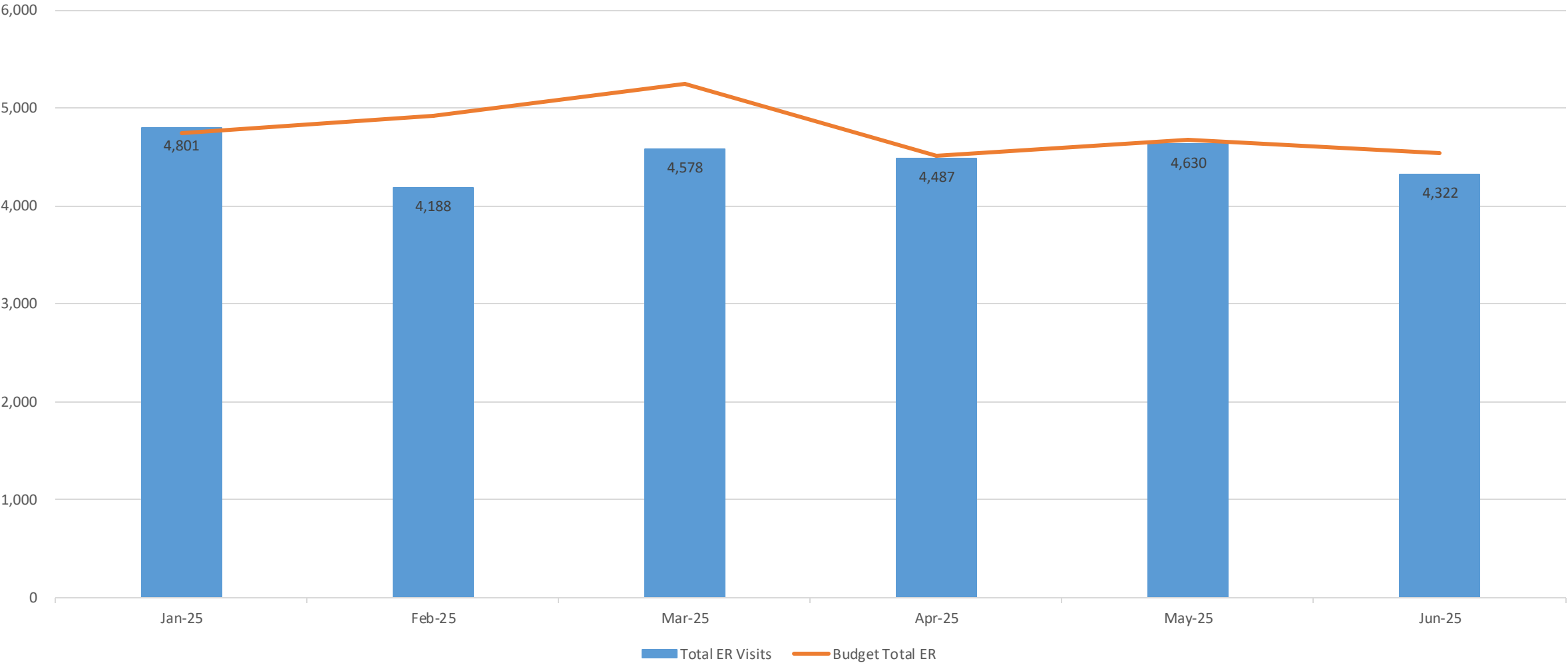
Deliveries



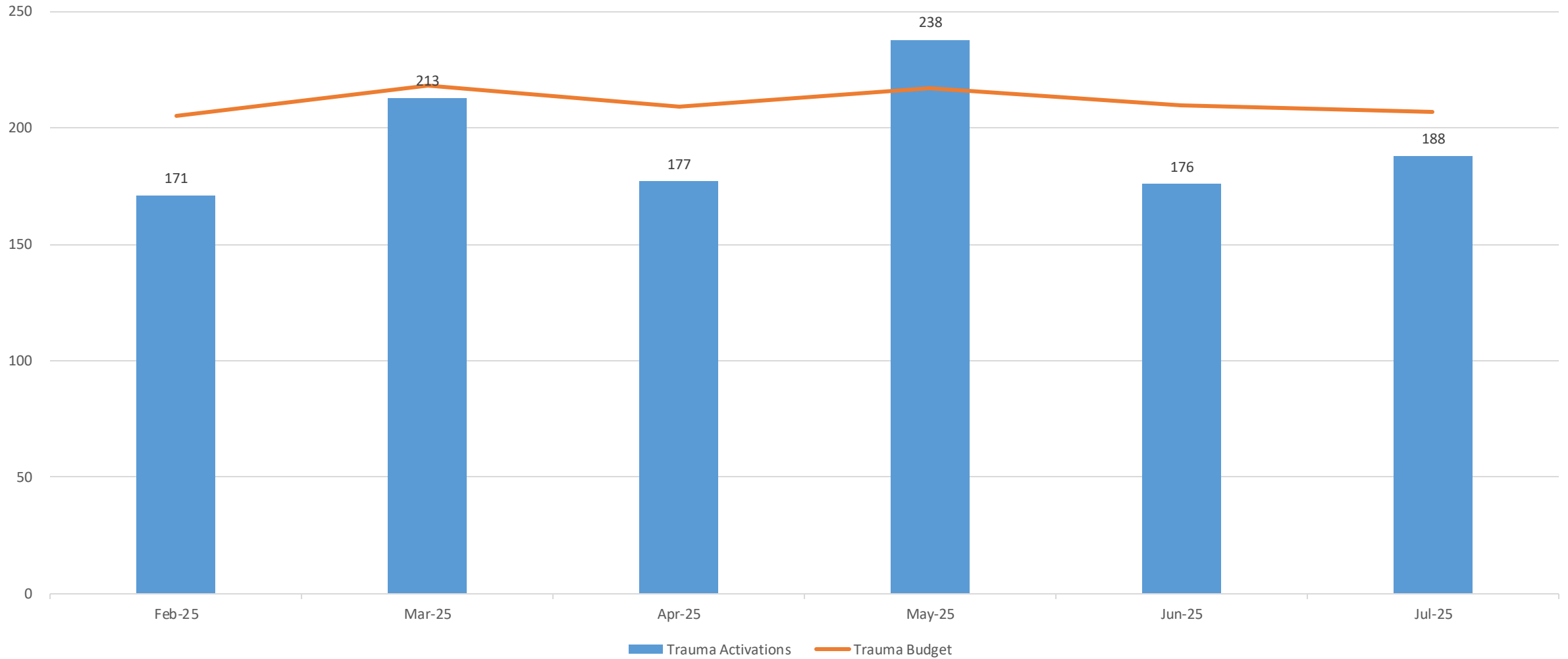
PAYER MIX



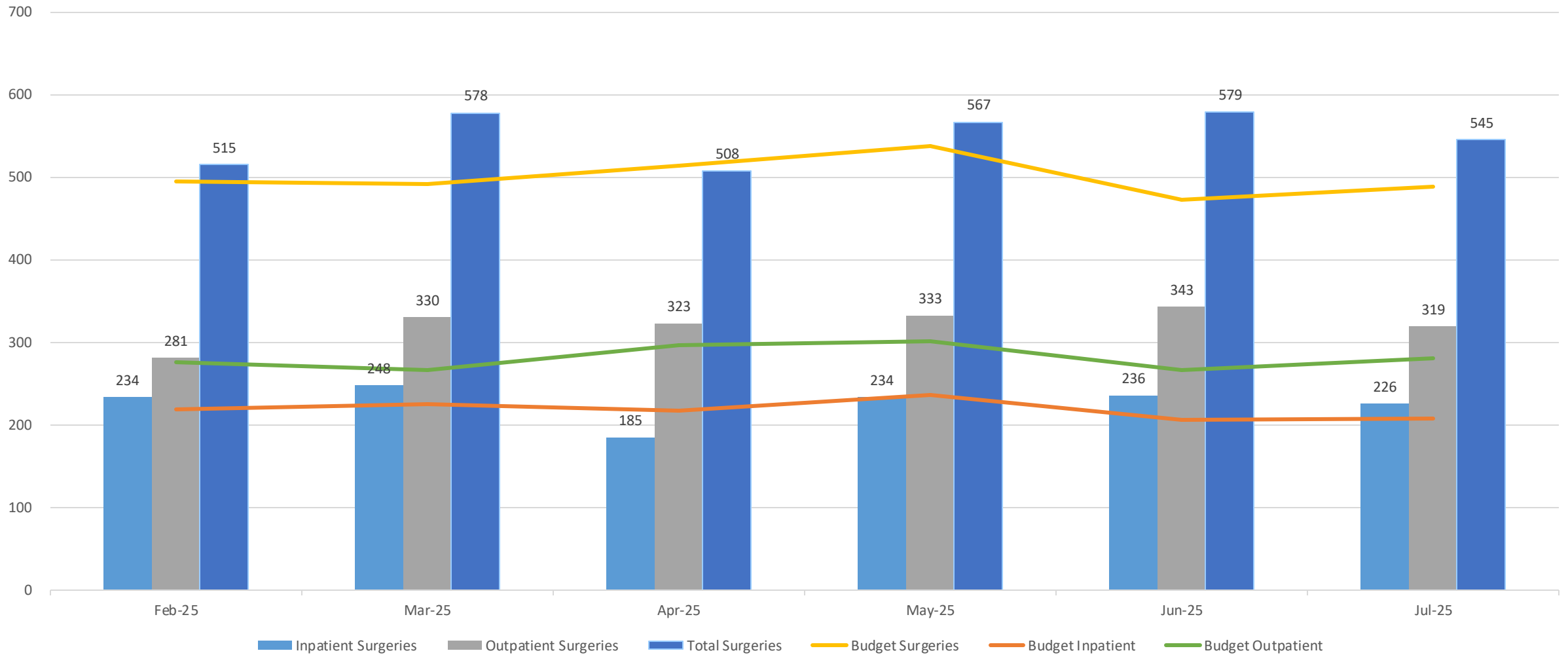
Emergency Room Volume



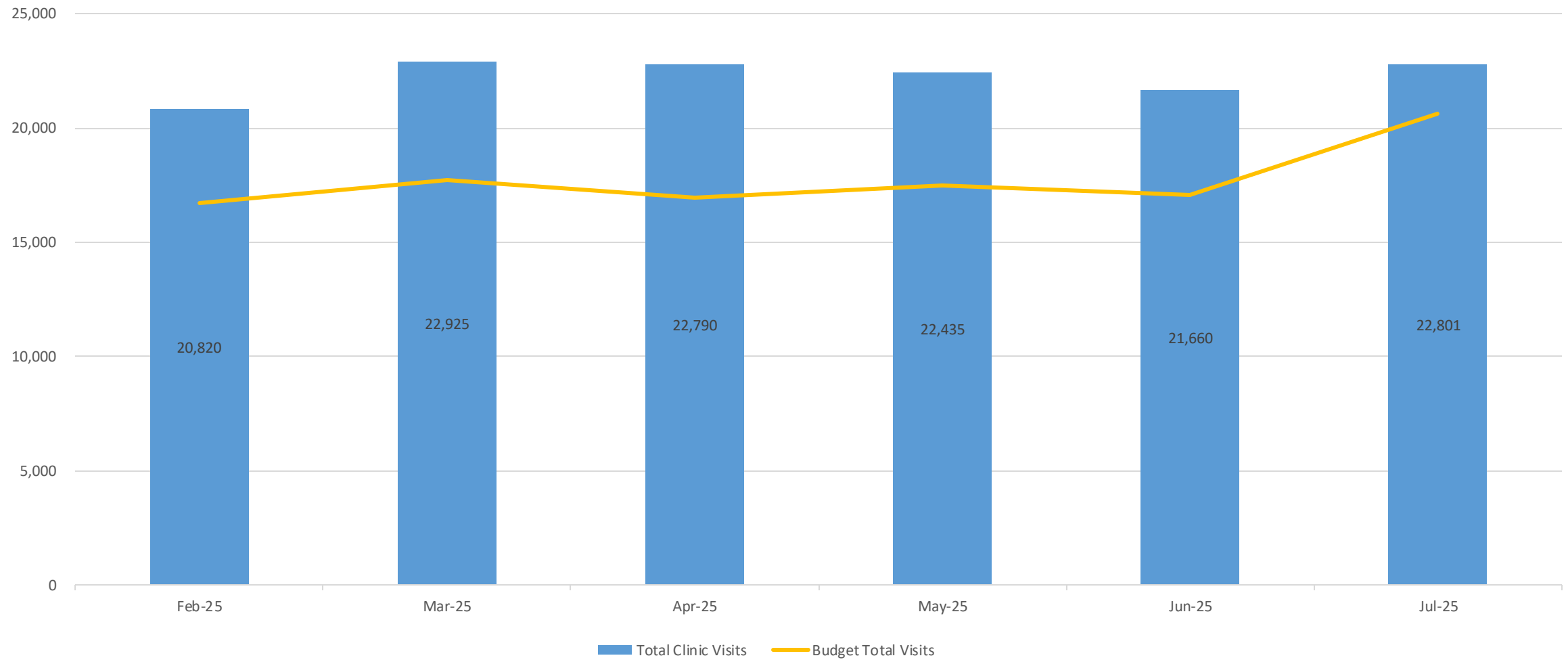
Trauma Activations



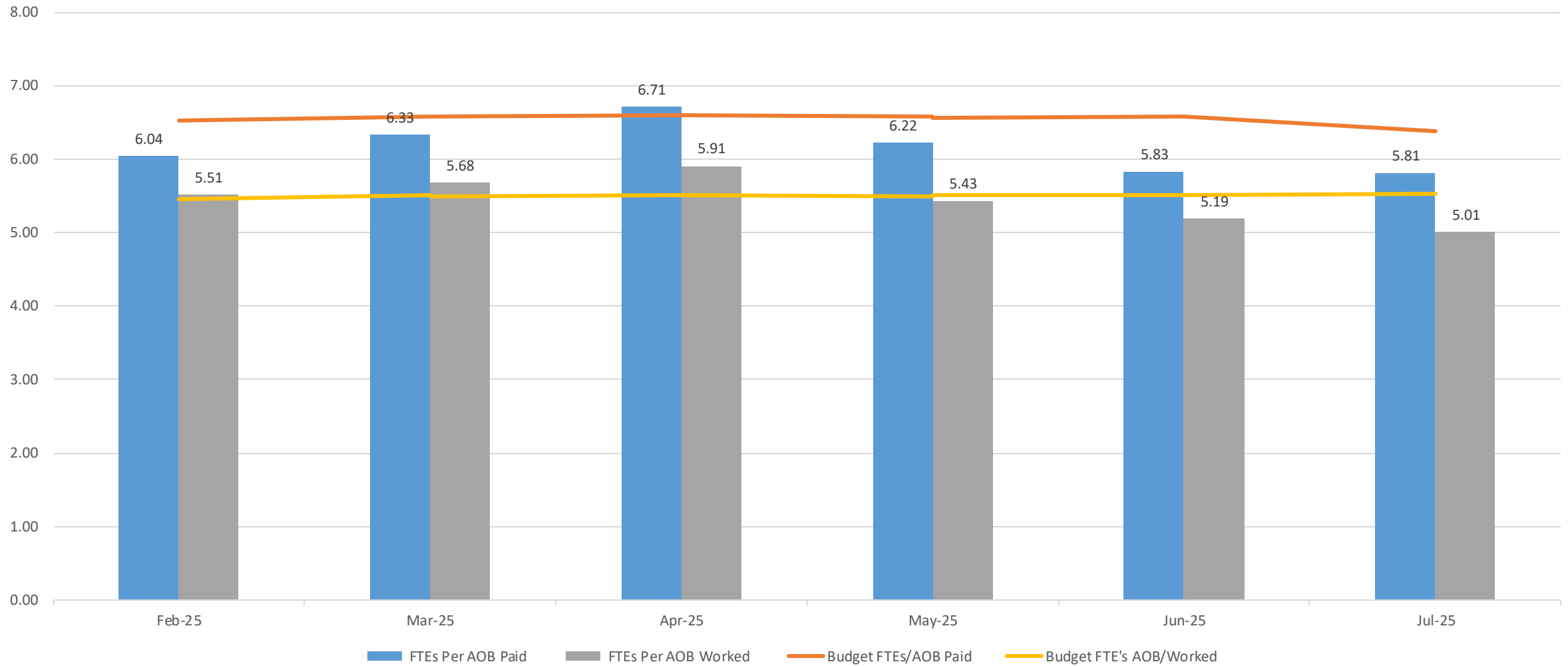
Surgical Volume



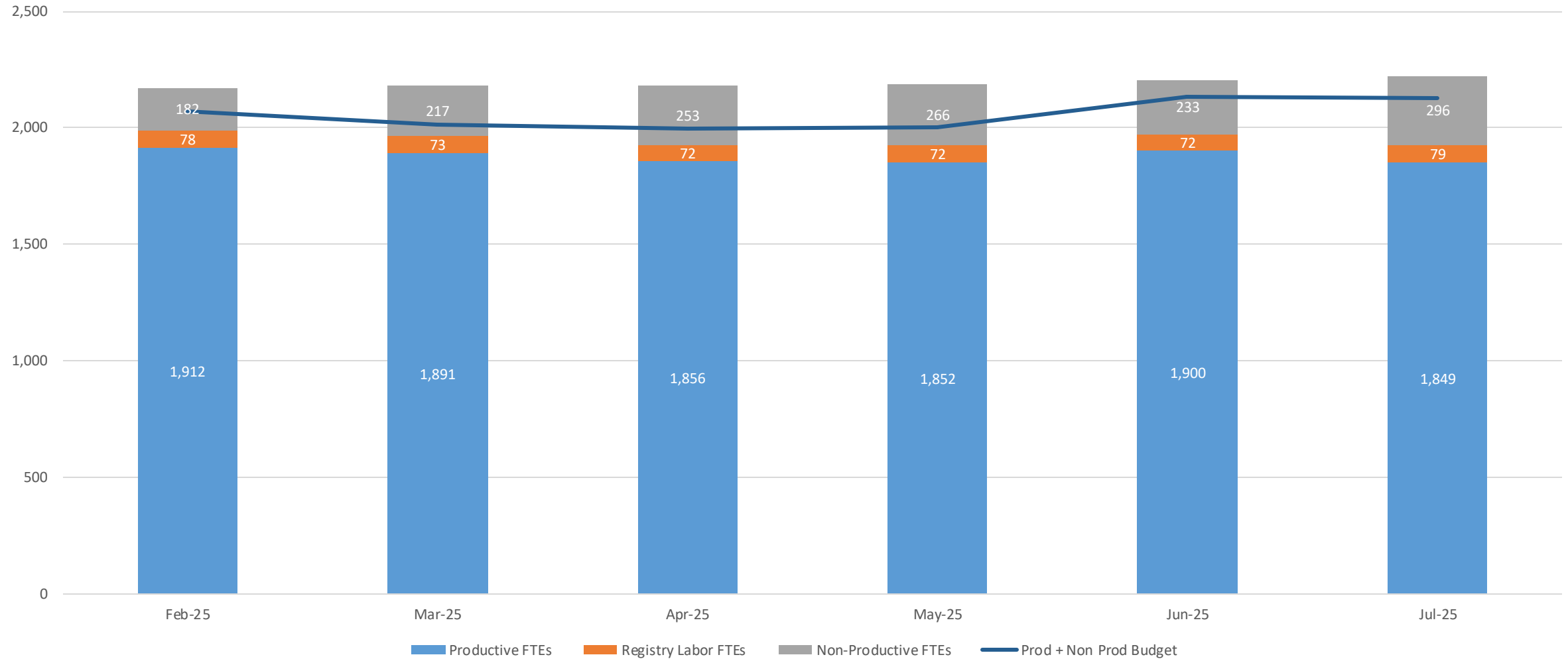
Clinic Visits

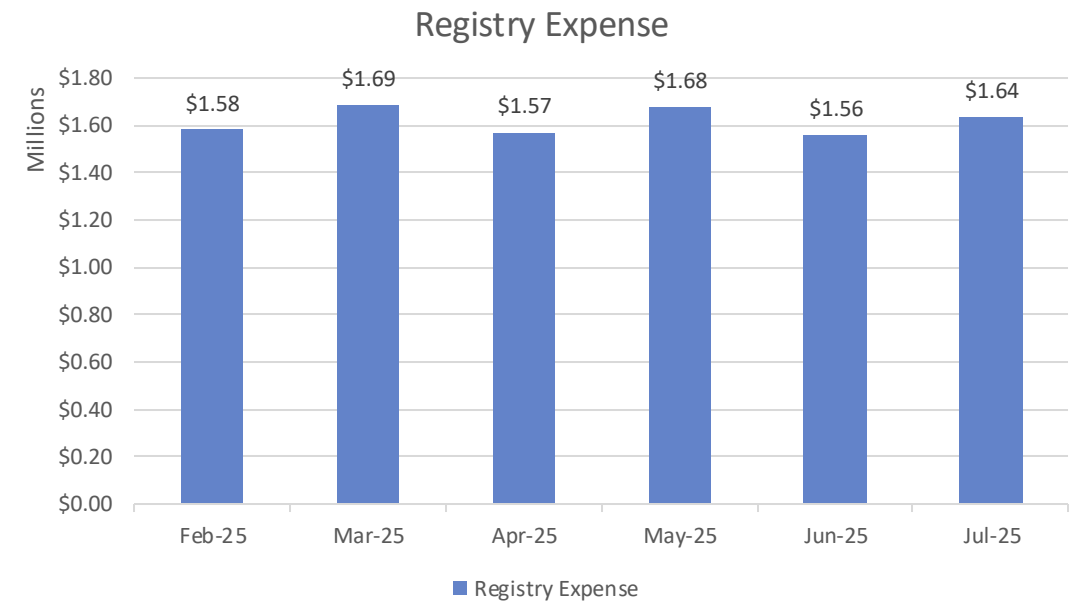
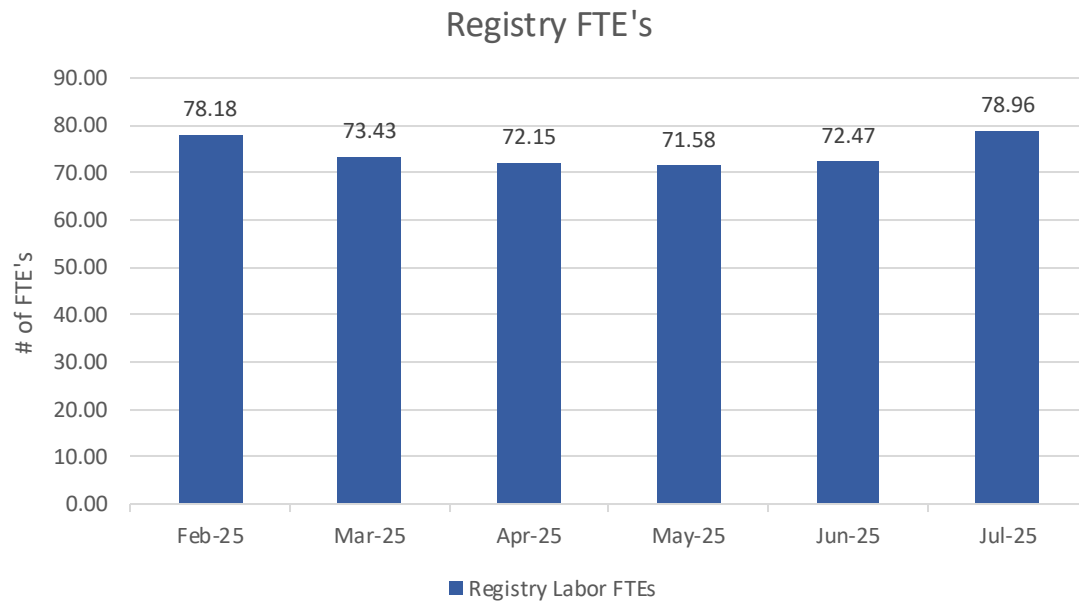


Labor Metrics

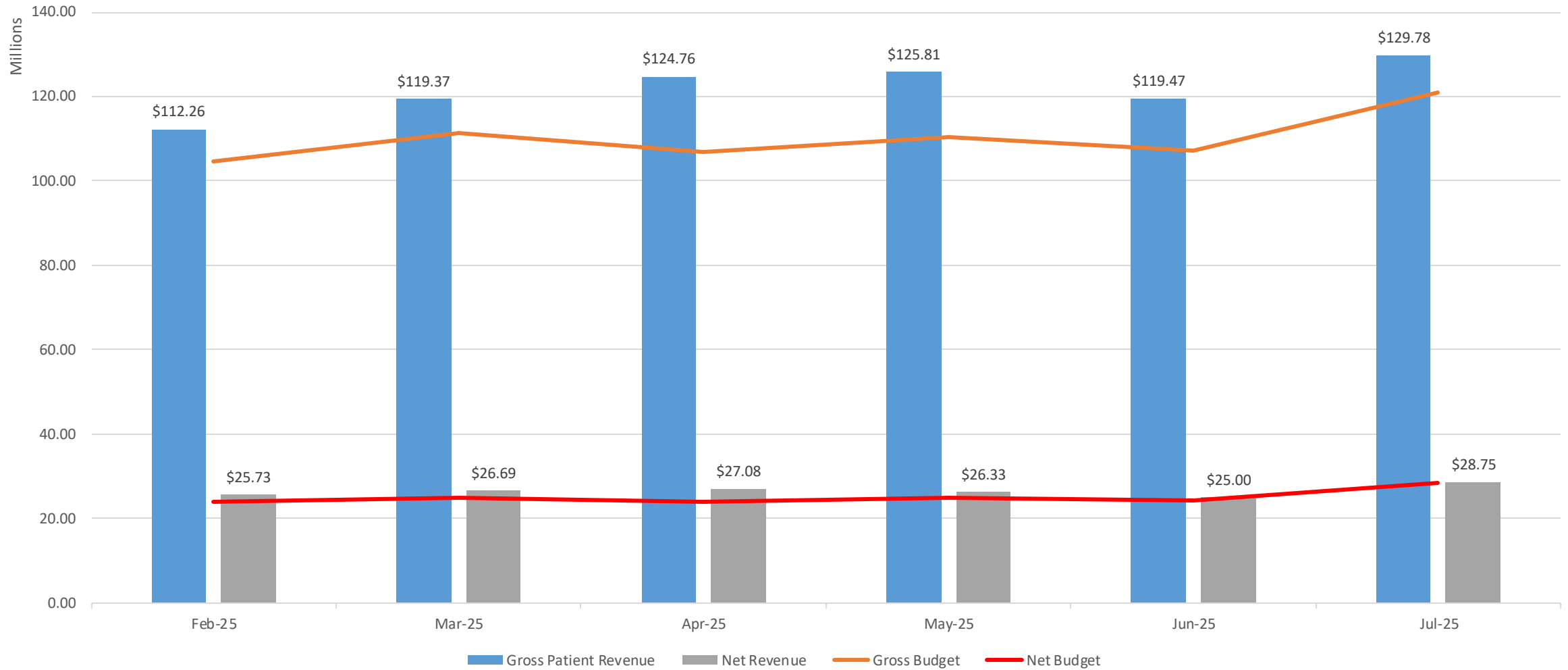


Productivity

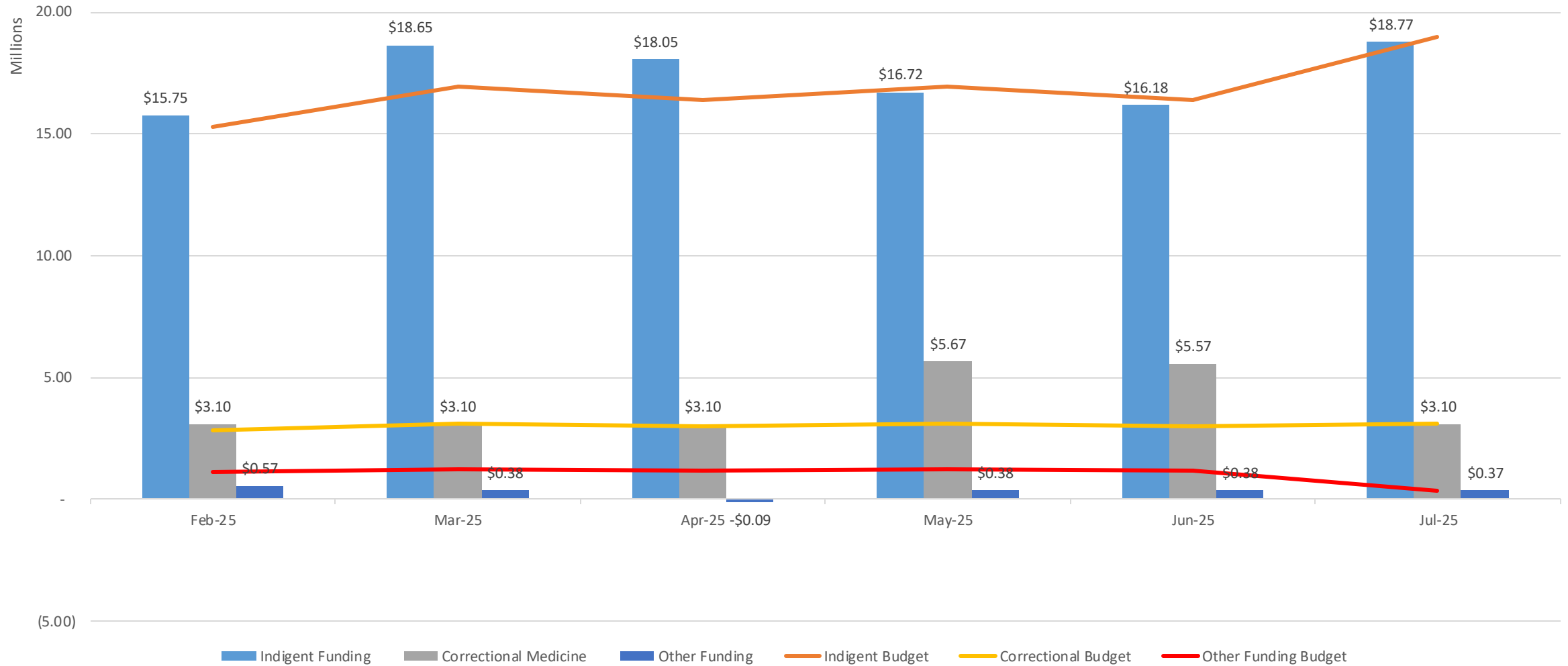




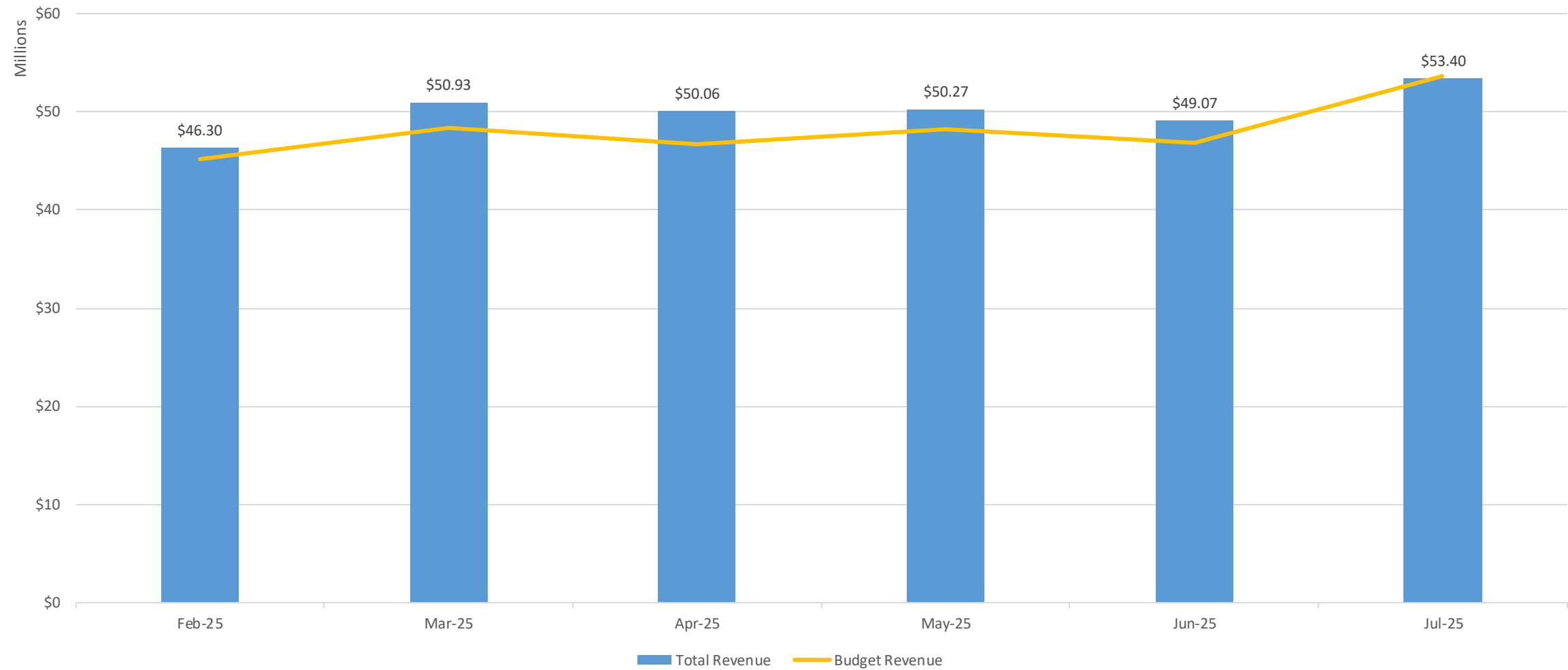
Patient Revenue



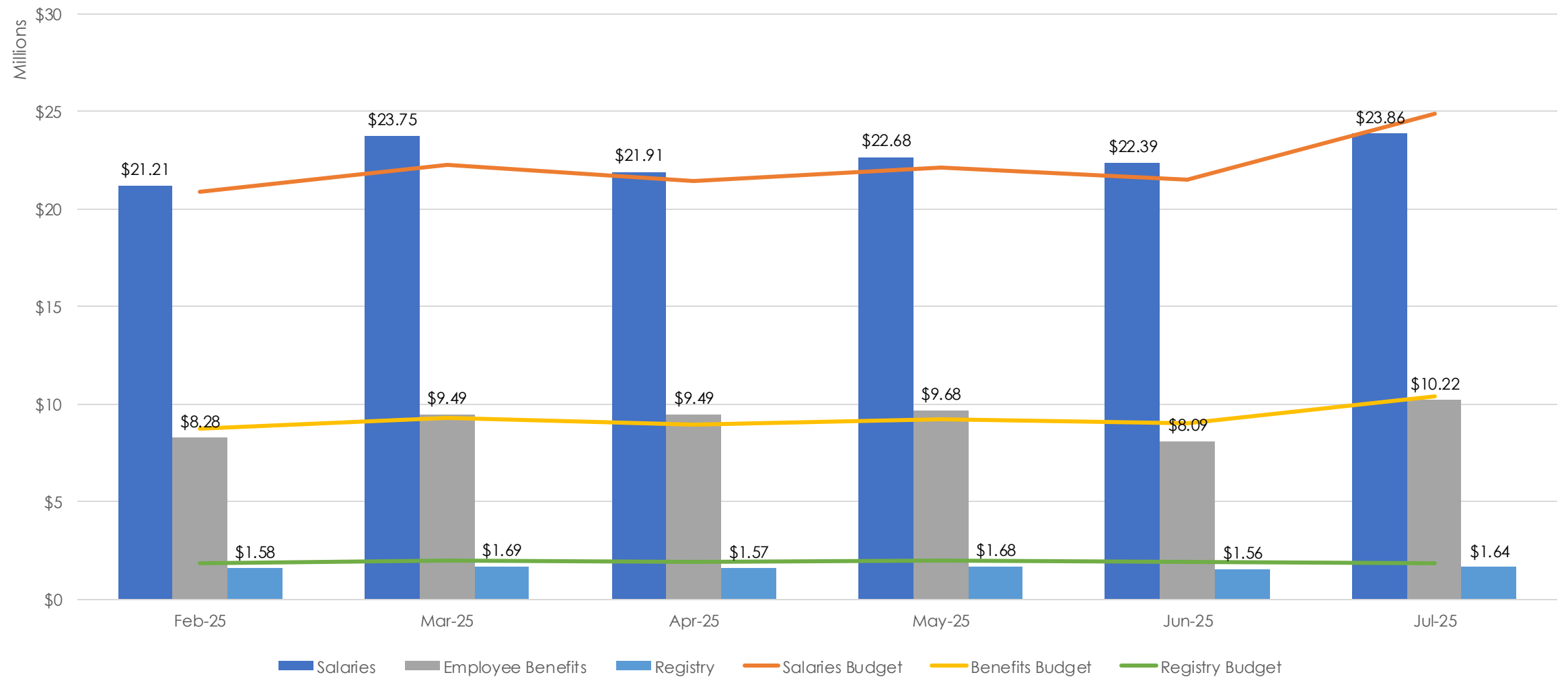
Indigent & Correctional Revenue



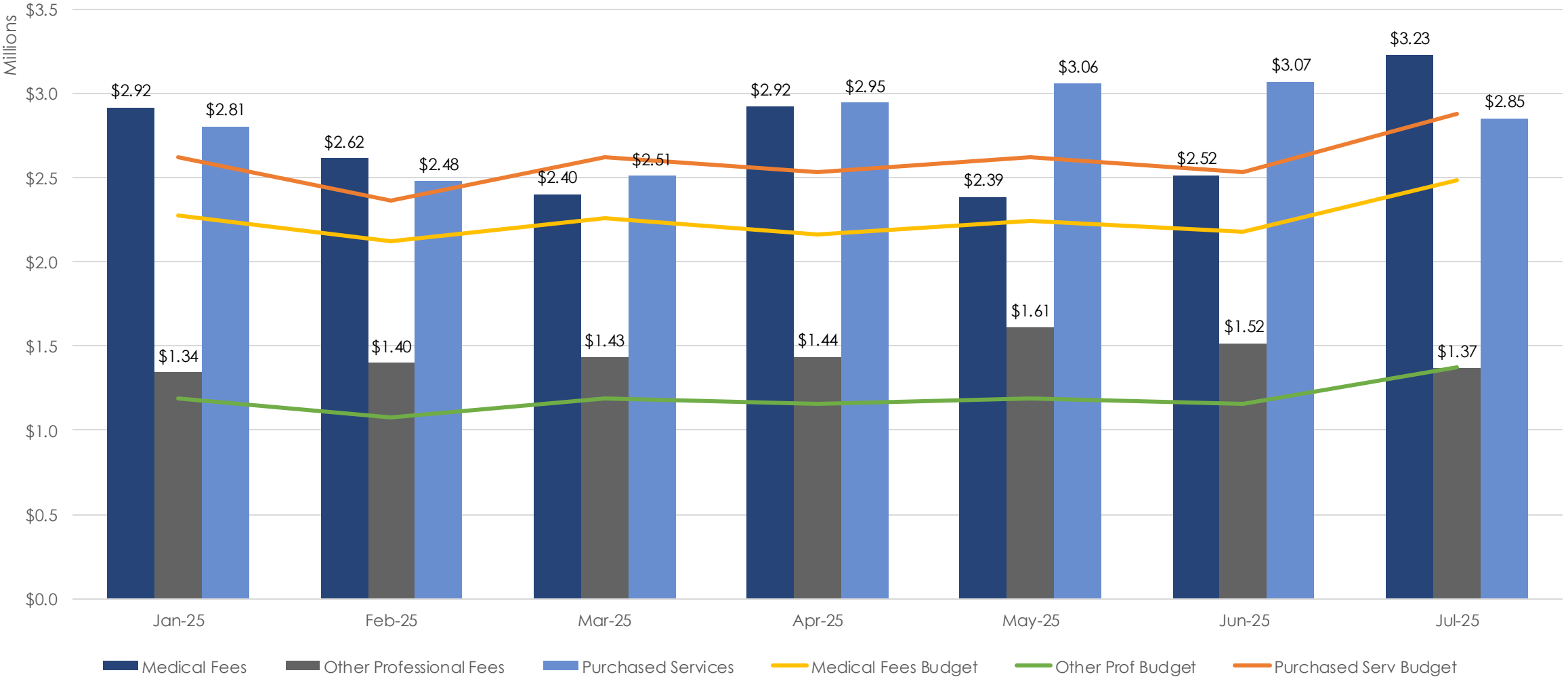
Total Revenue



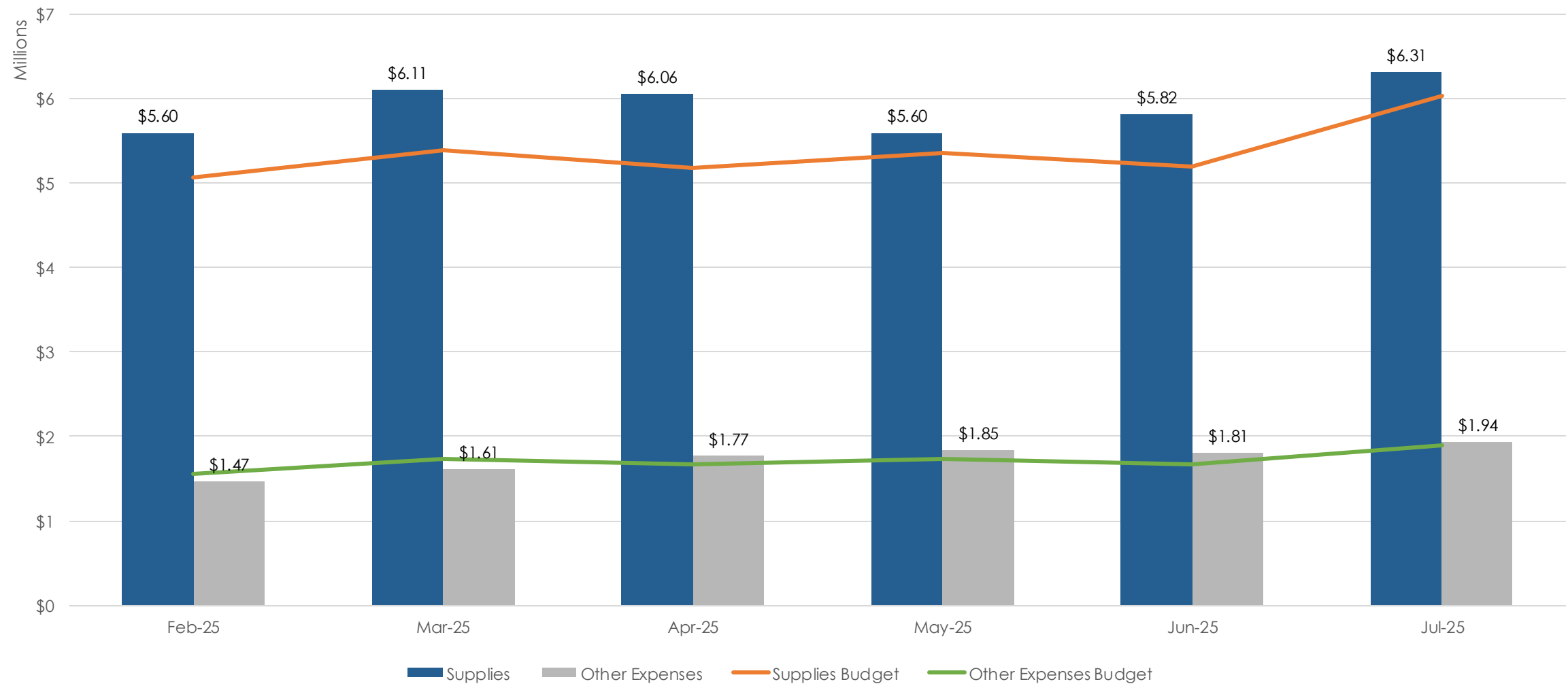
Expenses



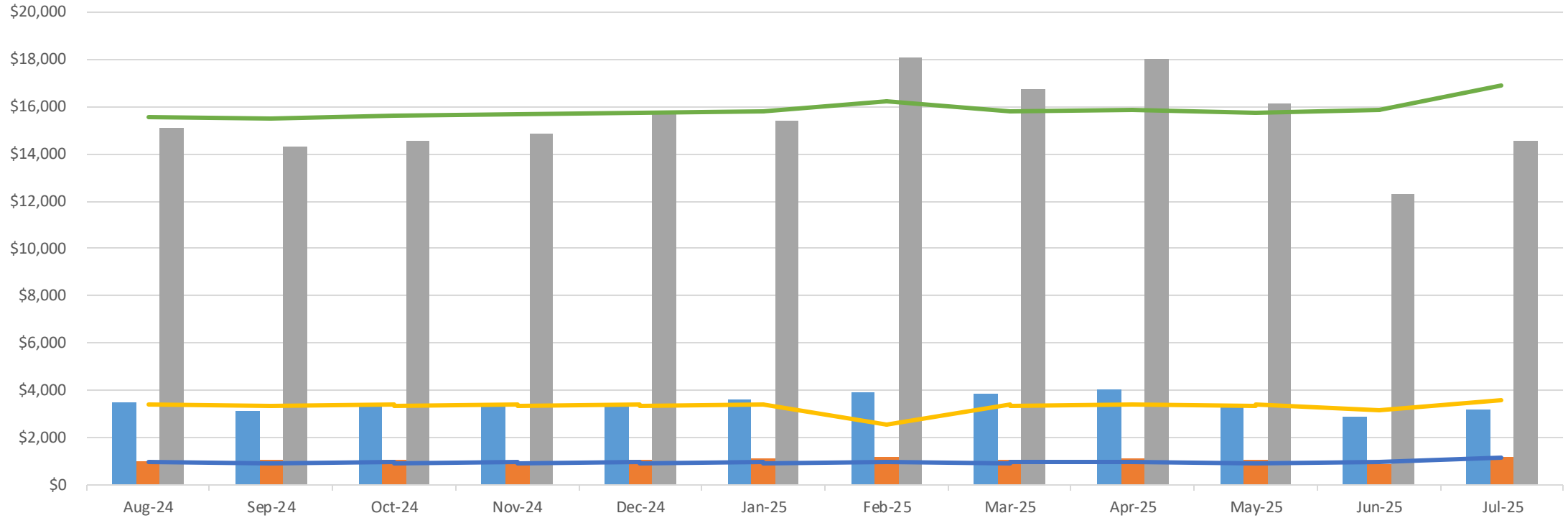
Expenses



Expenses

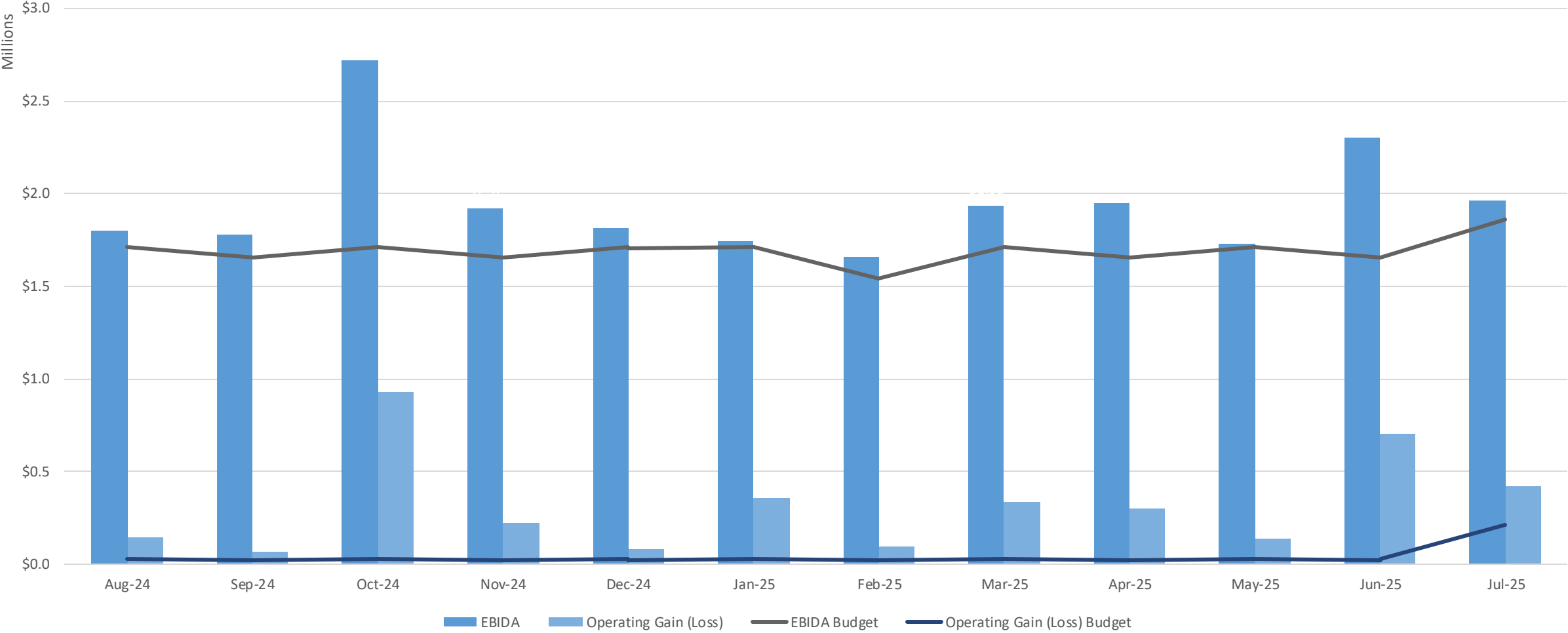


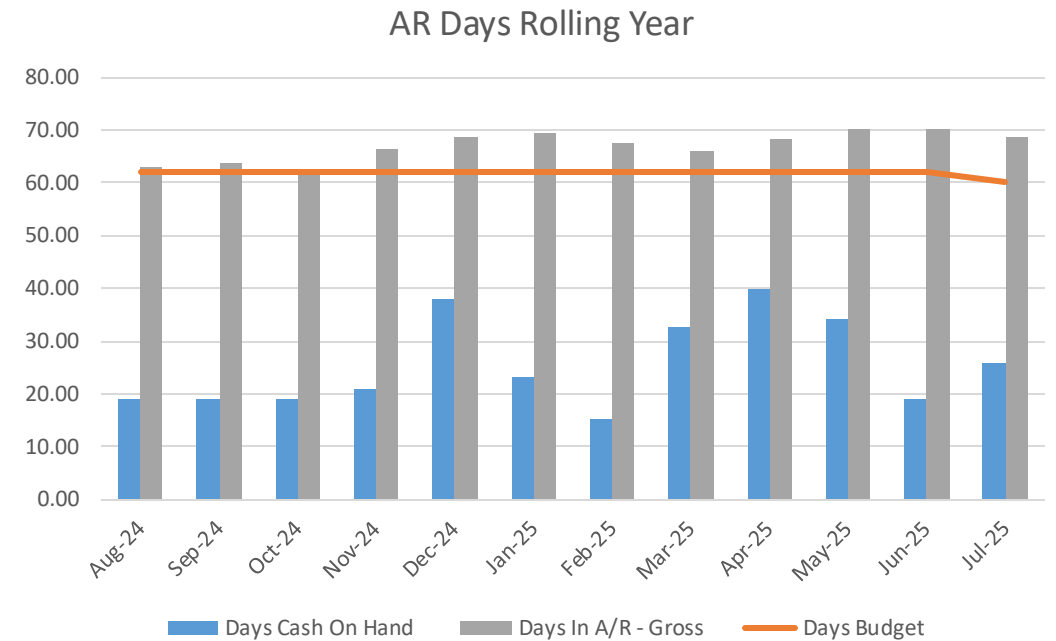
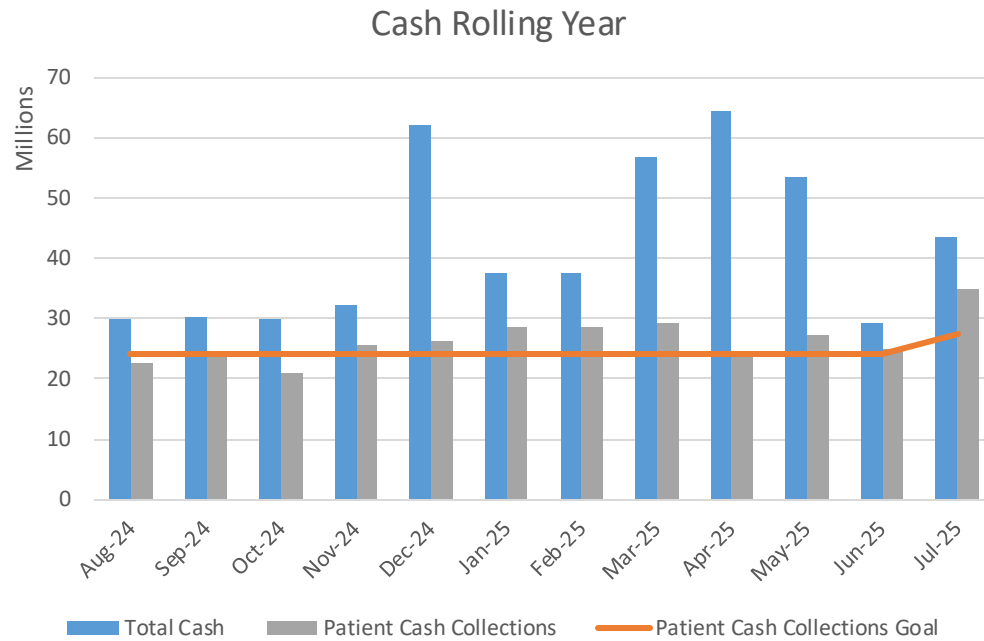
Operating Metrics



	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Supply Expense per AA	\$3,506	\$3,152	\$3,323	\$3,342	\$3,339	\$3,629	\$3,933	\$3,835	\$4,028	\$3,426	\$2,868	\$3,191
Pharm Cost per AA	\$982	\$1,023	\$1,057	\$980	\$1,070	\$1,125	\$1,161	\$1,070	\$1,142	\$1,051	\$883	\$1,192
Net Revenue Per AA	\$15,102	\$14,315	\$14,556	\$14,878	\$15,768	\$15,411	\$18,087	\$16,764	\$18,019	\$16,125	\$12,325	\$14,532
Budget Supp/AA	\$3,369	\$3,331	\$3,369	\$3,371	\$3,401	\$3,407	\$2,546	\$3,410	\$3,413	\$3,408	\$3,143	\$3,583
Budget Pharm/AA	\$953	\$942	\$953	\$953	\$962	\$964	\$966	\$965	\$965	\$930	\$965	\$1,160
Budget Net Rev/AA	\$15,593	\$15,495	\$15,601	\$15,681	\$15,748	\$15,811	\$16,229	\$15,781	\$15,841	\$15,753	\$15,862	\$16,892

EBIDA Rolling Year





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

				BUDGET	VARIANCE	PY
	MAY	JUNE	JULY	JULY	POS (NEG)	JULY
Gross Patient Revenue	\$ 125,810,620	\$ 119,470,785	\$ 129,783,341	\$ 120,844,814	7%	\$ 113,685,608
Contractual Deductions	(99,476,959)	(94,469,963)	(101,030,492)	(92,415,939)	9%	(89,056,269)
Net Revenue	26,333,662	25,000,823	28,752,849	28,428,875	1%	24,629,340
Indigent Funding	16,719,988	16,180,634	18,770,930	18,973,856	(1%)	18,613,956
Correctional Medicine	5,673,626	5,573,626	3,097,714	3,095,522	0%	3,114,656
County Contribution	285,211	285,211	285,211	285,211	(0%)	294,244
Incentive Funding	95,309	92,694	86,312	72,378	19%	53,125
Net Patient Revenue	49,107,796	47,132,987	50,993,016	50,855,842	0%	46,705,321
Other Operating Revenue	1,146,651	1,891,929	2,376,940	2,746,242	(13%)	1,789,740
Other Non-Operating Revenue	11,619	47,073	31,001	12,072	157%	12,276
Total Revenue	50,266,066	49,071,988	53,400,956	53,614,157	(0%)	48,507,337
Expenses						
Salaries	22,675,175	22,388,240	23,864,758	24,864,505	(4%)	20,830,249
Employee Benefits	9,680,582	8,087,782	10,223,321	10,398,336	(2%)	9,590,201
Registry	1,681,019	1,559,674	1,637,614	1,822,727	(10%)	2,298,433
Medical Fees	2,388,135	2,517,403	3,228,446	2,485,935	30%	2,508,531
Other Professional Fees	1,611,738	1,519,109	1,371,739	1,377,107	(0%)	1,379,805
Supplies	5,595,129	5,817,725	6,313,948	6,030,811	5%	5,400,477
Purchased Services	3,059,054	3,071,408	2,854,041	2,883,802	(1%)	2,553,937
Other Expenses	1,845,470	1,808,622	1,940,703	1,890,090	3%	1,911,251
Operating Expenses	48,536,302	46,769,963	51,434,570	51,753,313	(1%)	46,472,883
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,729,765	\$ 2,302,025	\$ 1,966,387	\$ 1,860,844	6%	\$ 2,034,454
EBIDA Margin	3%	5%	4%	3%	6%	4%
Interest	273,694	257,267	251,266	339,518	(26%)	282,332
Depreciation	731,372	710,865	702,992	657,304	7%	681,729
Amortization	585,896	629,260	595,855	652,001	(9%)	636,786
Total Expenses	50,127,263	48,367,354	52,984,683	53,402,136	(1%)	48,073,730
Operating Gain (Loss)	\$ 138,803	\$ 704,634	\$ 416,273	\$ 212,021	96%	\$ 433,607
Operating Margin	0.28%	1.44%	0.78%	0.40%	97.1%	0.9%

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

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 129,783,341	\$ 120,844,814	7%	\$ 113,685,608	14%
Contractual Deductions	(101,030,492)	(92,415,939)	9%	(89,056,269)	13%
Net Revenue	28,752,849	28,428,875	1%	24,629,340	17%
Indigent Funding	18,770,930	18,973,856	(1%)	18,613,956	1%
Correctional Medicine	3,097,714	3,095,522	0%	3,114,656	(1%)
County Contribution	285,211	285,211	(0%)	294,244	(3.07%)
Incentive Funding	86,312	72,378	19%	53,125	0.0%
Net Patient Revenue	50,993,016	50,855,842	0%	46,705,321	9%
Other Operating Revenue	2,376,940	2,746,242	(13%)	1,789,740	33%
Other Non-Operating Revenue	31,001	12,072	157%	12,276	153%
Total Revenue	53,400,956	53,614,157	0%	48,507,337	10%
Expenses					
Salaries	23,864,758	24,864,505	(4.0%)	20,830,249	15%
Employee Benefits	10,223,321	10,398,336	(1.7%)	9,590,201	7%
Registry	1,637,614	1,822,727	(10%)	2,298,433	(29%)
Medical Fees	3,228,446	2,485,935	30%	2,508,531	29%
Other Professional Fees	1,371,739	1,377,107	(0%)	1,379,805	(0.6%)
Supplies	6,313,948	6,030,811	5%	5,400,477	17%
Purchased Services	2,854,041	2,883,802	(1%)	2,553,937	12%
Other Expenses	1,940,703	1,890,090	3%	1,911,251	2%
Operating Expenses	51,434,570	51,753,313	-1%	46,472,883	11%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,966,387	\$ 1,860,844	6%	\$ 2,034,454	(3%)
EBIDA Margin	4%	3%	6%	4%	(12%)
Interest	251,266	339,518	(26%)	282,332	(11%)
Depreciation	702,992	657,304	7%	681,729	3%
Amortization	595,855	652,001	(9%)	636,786	(6%)
Total Expenses	52,984,683	53,402,136	(1%)	48,073,730	10%
Operating Gain (Loss)	\$ 416,273	\$ 212,021	96%	\$ 433,607	(4%)
Operating Margin	0.8%	0.4%	97.1%	0.9%	(13%)

KERN MEDICAL BALANCE SHEET

	JULY 2025	JULY 2024
ASSETS:		
<i>Total Cash</i>	\$ 43,432,890	\$ 41,247,931
Patient Receivables Subtotal	301,887,497	229,063,647
Contractual Subtotal	(270,812,112)	(182,278,852)
<i>Net Patient Receivable</i>	31,075,385	46,784,795
Total Indigent Receivable	247,032,652	225,415,173
Total Other Receivable	19,379,783	22,512,833
Total Prepaid Expenses	8,539,793	8,108,075
Total Inventory	4,805,786	4,652,435
<i>Total Current Assets</i>	354,266,289	348,721,242
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	273,336,818	269,891,048
Total Construction in Progress	17,103,643	8,810,397
<i>Total Property, Plant & Equipment</i>	290,440,461	278,701,445
Total Accumulated Depr & Amortization	(185,330,626)	(171,003,892)
<i>Net Property, Plant, and Equipment</i>	105,109,836	107,697,553
<i>Total Long Term Assets</i>	124,532,718	112,536,013
<i>Total Assets</i>	\$ 583,908,842	\$ 568,954,808

KERN MEDICAL BALANCE SHEET

	JULY 2025	JULY 2024
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 11,904,694	\$ 9,365,464
Total Accrued Compensation	33,886,962	28,941,792
Total Due Government Agencies	323,430	4,103,241
Total Other Accrued Liabilities	36,694,422	31,244,344
<i>Total Current Liabilities</i>	82,809,508	73,654,840
Unfunded Pension Liability	344,447,058	345,399,109
Other Long-Term Liabilities	79,881,872	81,790,024
<i>Total Long-Term Liabilities</i>	424,328,930	427,189,133
<i>Total Liabilities</i>	507,138,438	500,843,973
<i>Total Net Position</i>	76,770,405	68,110,835
<i>Total Liabilities and Net Position</i>	\$ 583,908,842	\$ 568,954,808

KERN MEDICAL
STATEMENT OF CASH FLOWS

	Fiscal Year-to-Date July 2025	Fiscal Year-End June 2025	Fiscal Year-to-Date July 2024	Fiscal Year-End June 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 38,174,564	\$ 314,552,945	\$ 25,718,435	\$ 293,523,533
Cash received for other operations	11,535,640	260,727,035	7,841,578	233,602,712
Cash paid for salaries and benefits	(28,263,254)	(377,869,782)	(23,678,801)	(339,411,493)
Cash paid for services and supplies	(5,756,530)	(202,668,841)	(18,771,829)	(186,981,598)
Net cash (used in) provided by operating activities	15,690,420	(5,258,643)	(8,890,617)	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	-	-	-	-
Net cash provided by (used in) noncapital financing activities	-	(801,506)	-	(641,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(1,098,213)	(11,508,871)	(842,580)	(18,896,864)
Payments on right-of-usage lease liability	(206,189)	(2,850,043)	(248,260)	3,896,089
Interest paid - right-of-usage lease liability	(696)	(7,976)	(769)	31,211
Payments on SBITA liability	(64,663)	(762,463)	(62,598)	(752,150)
Interest paid - SBITA	(46)	(580)	(52)	2,013
Net cash used by capital and related financing activities	(1,369,807)	(15,129,933)	(1,154,259)	(15,719,700)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	14,320,614	(21,190,081)	(10,044,875)	(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	\$ 43,432,890	\$ 29,112,277	\$ 41,247,931	\$ 51,292,807