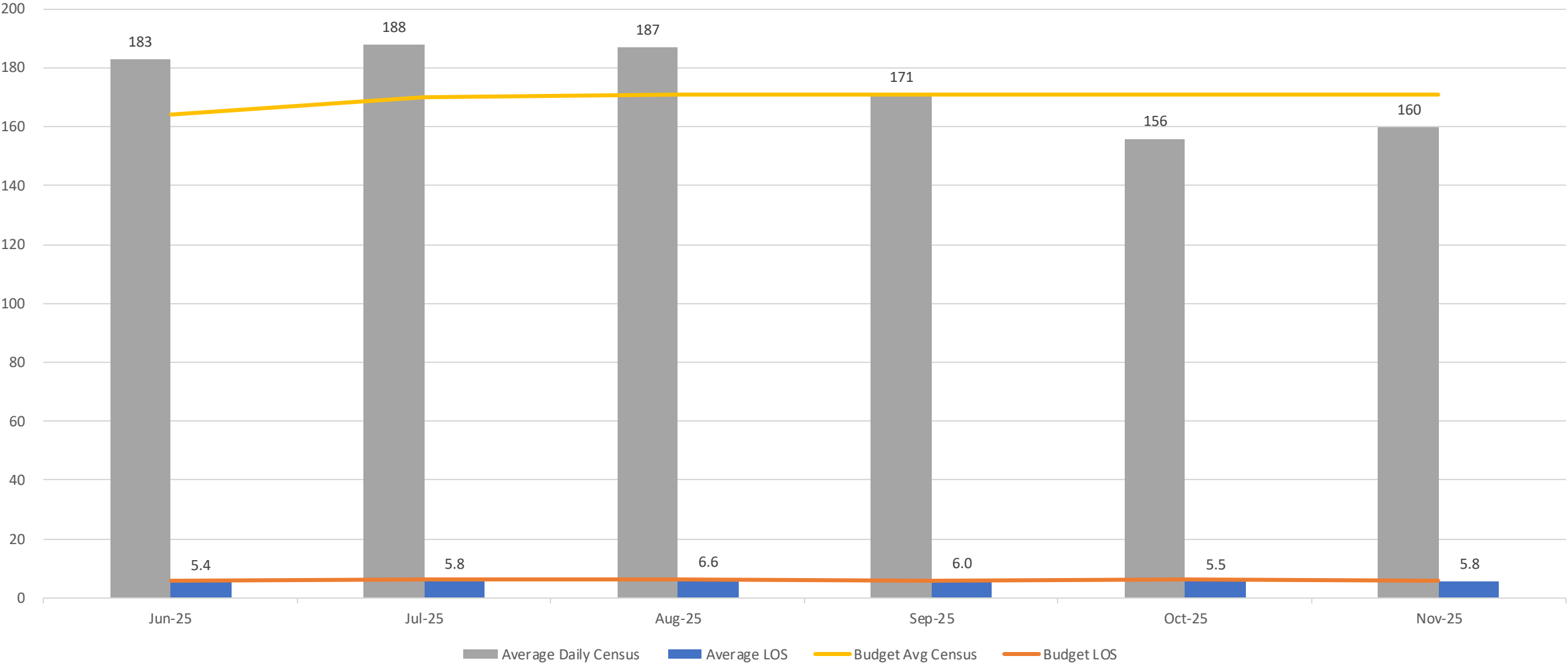




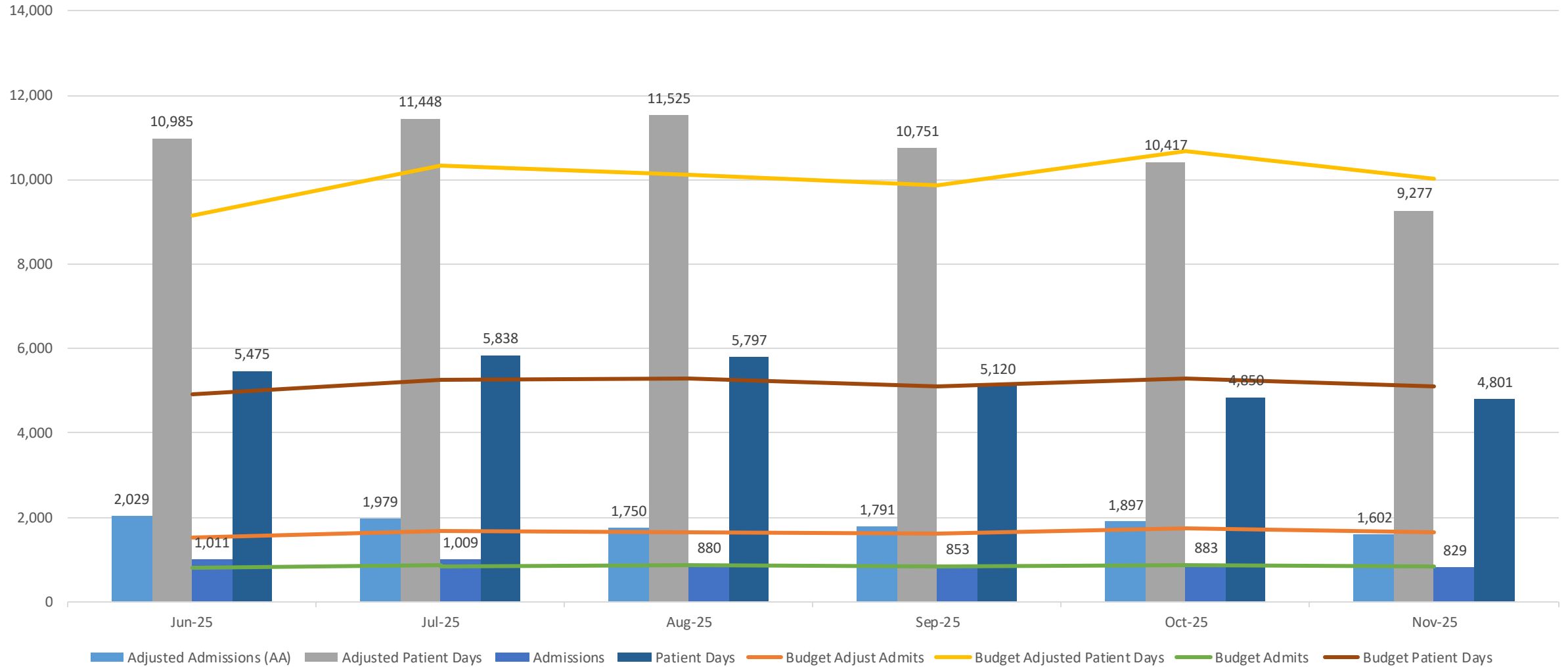
Board of Governors' Report

Kern Medical – November 2025

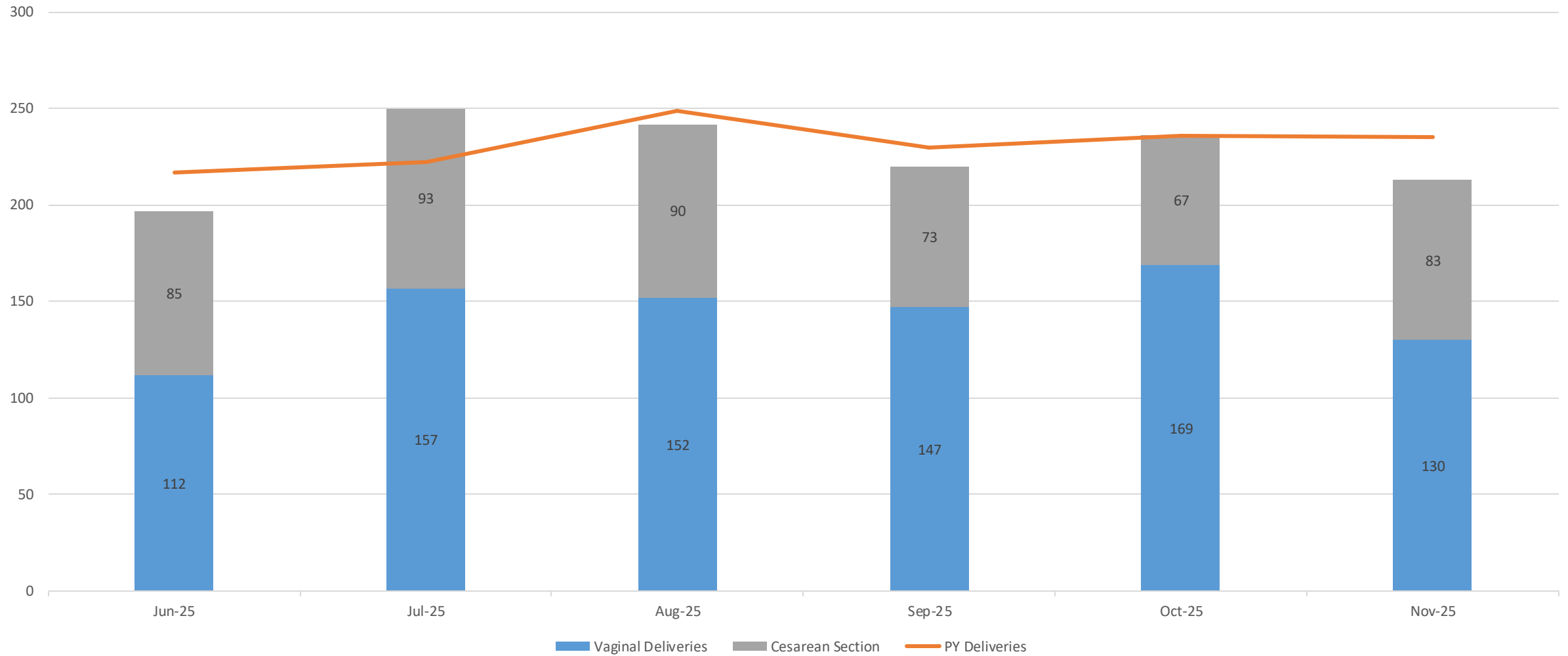
Census & ALOS



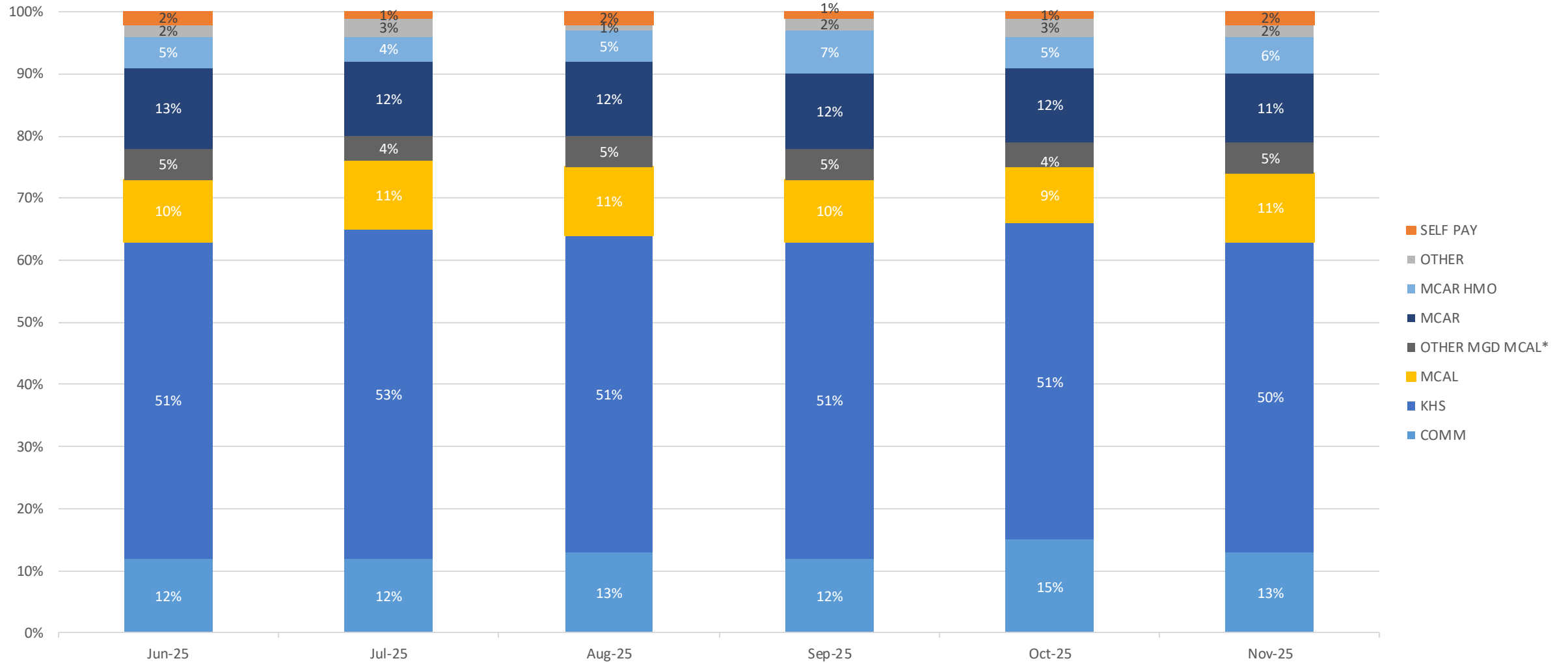
Hospital Volumes



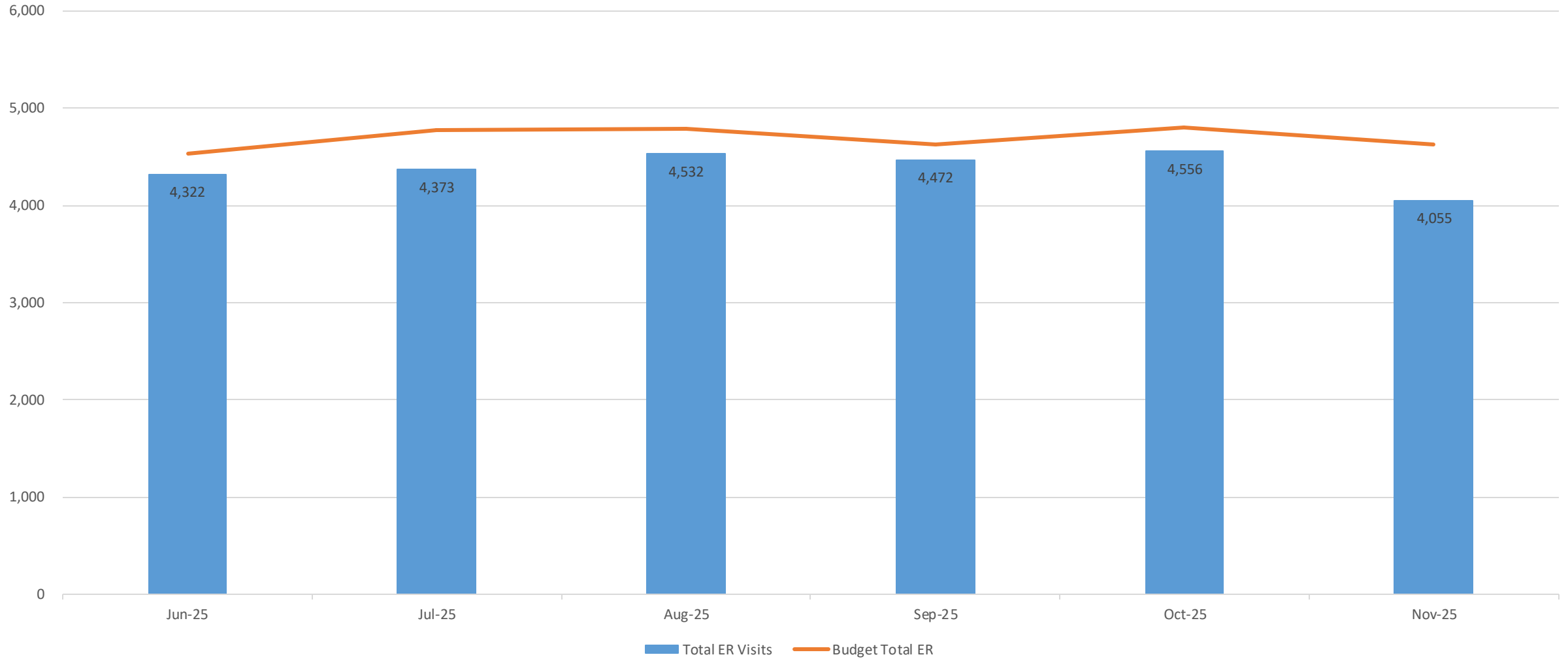
Deliveries



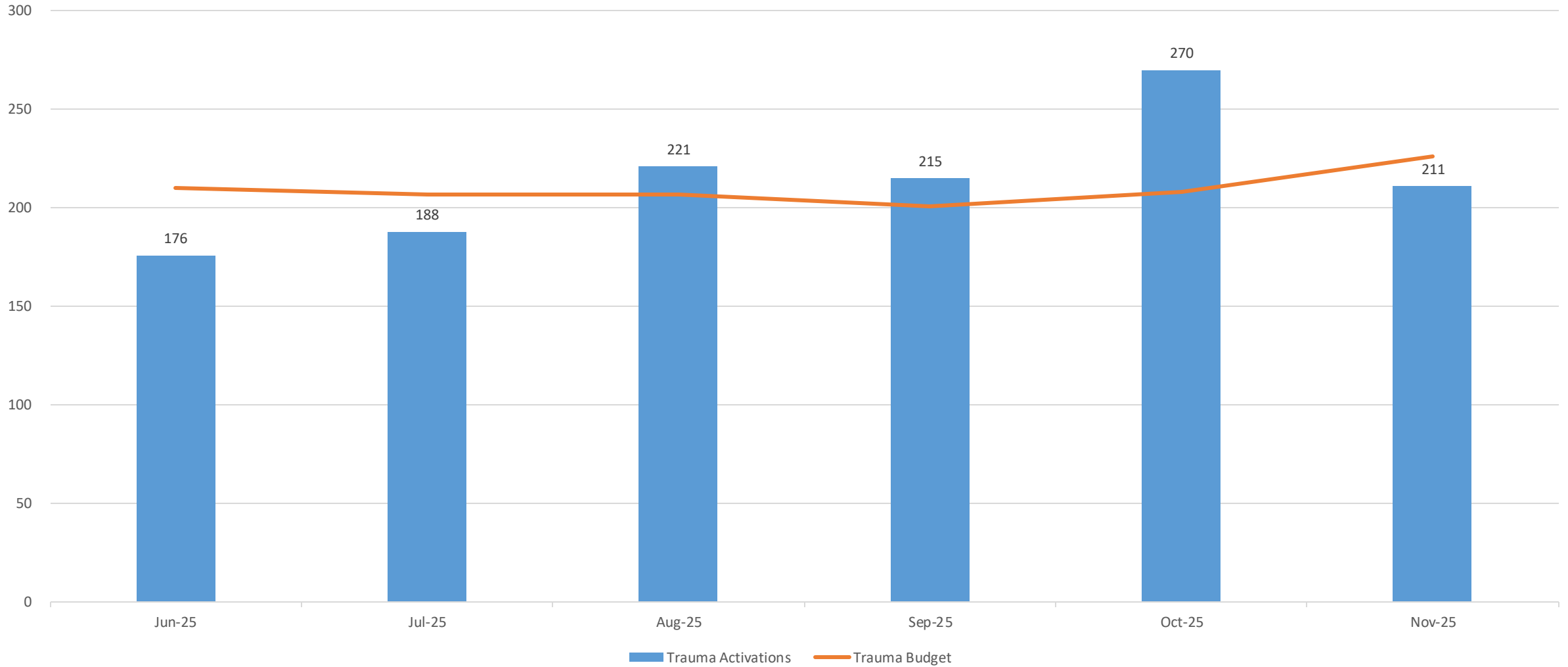
PAYER MIX



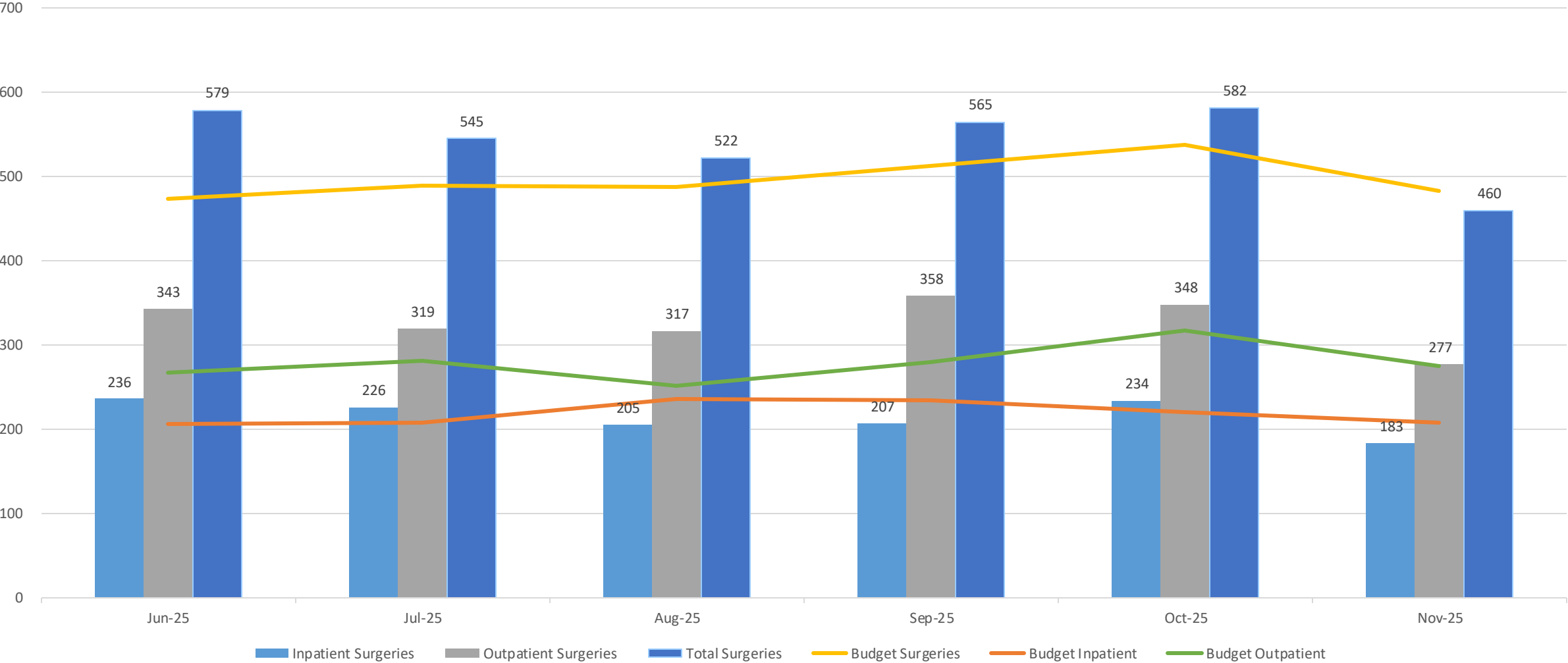
Emergency Room Volume



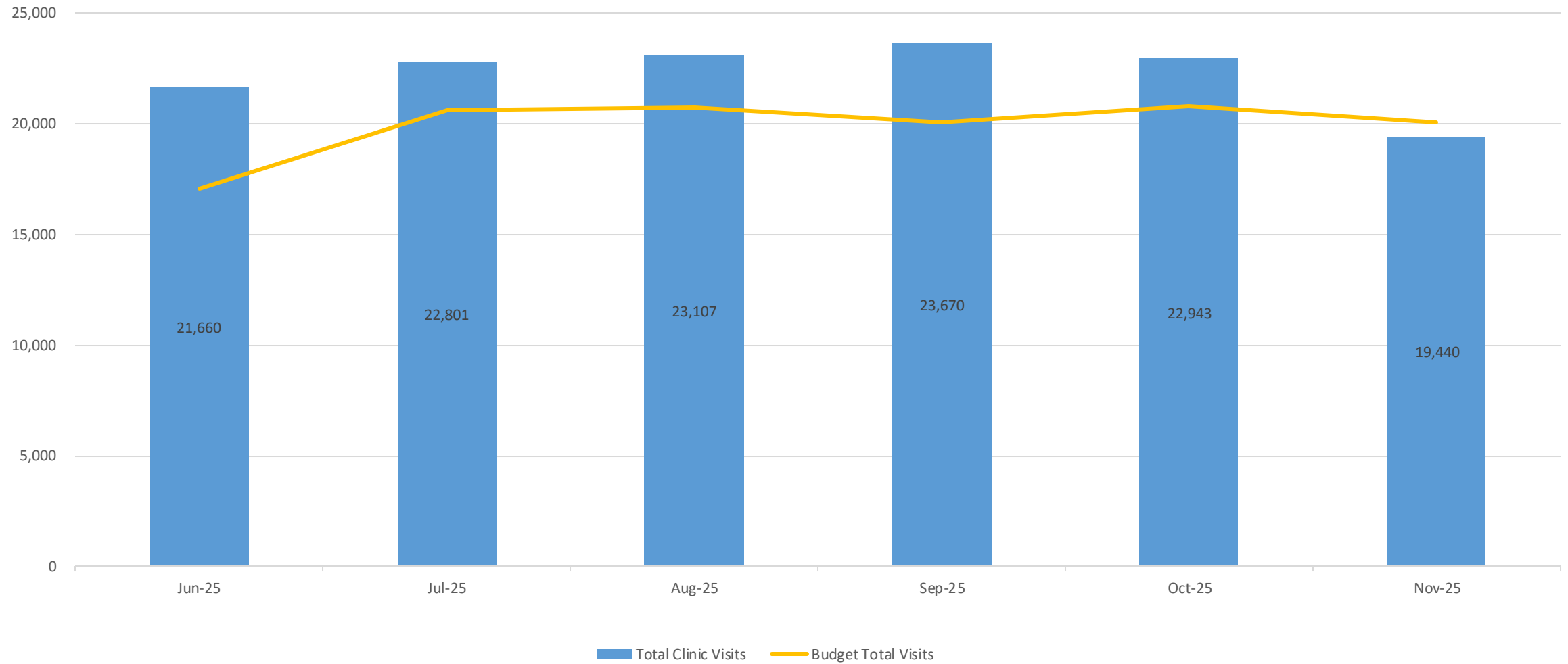
Trauma Activations



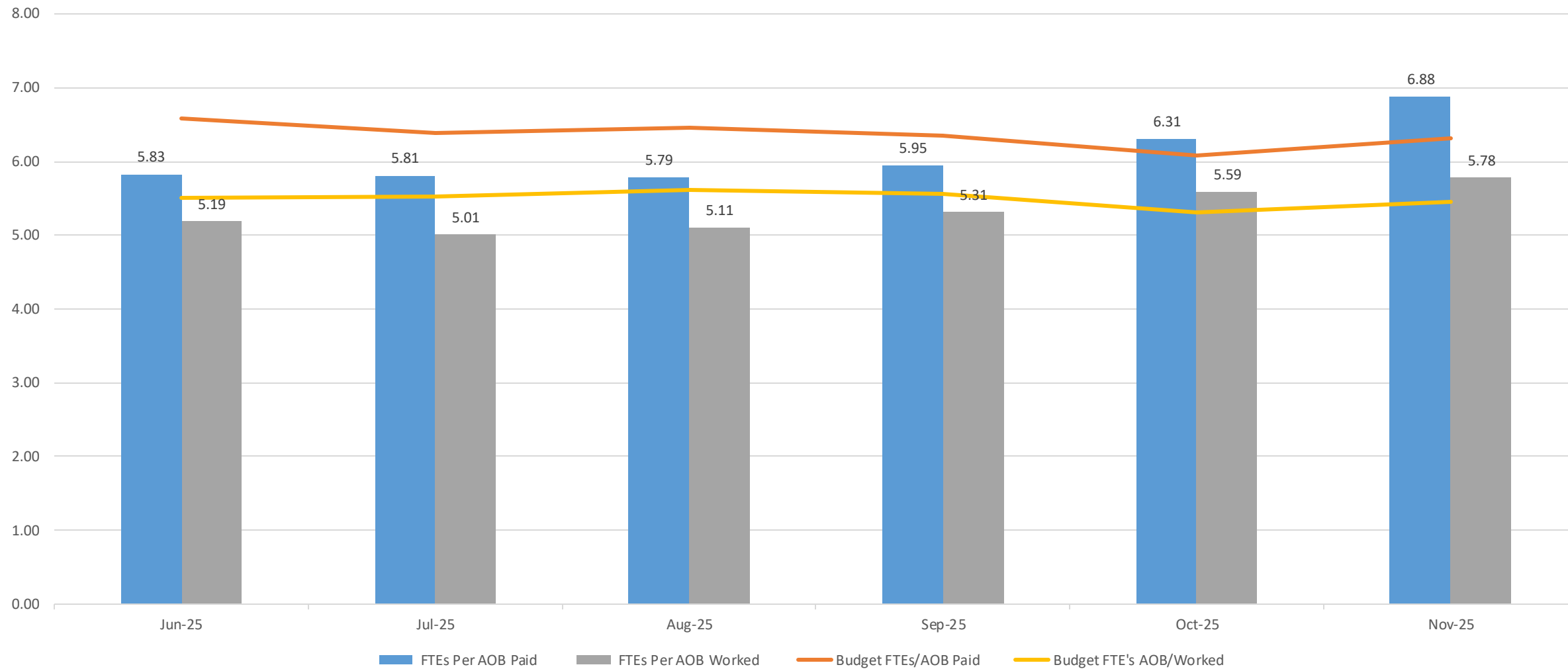
Surgical Volume



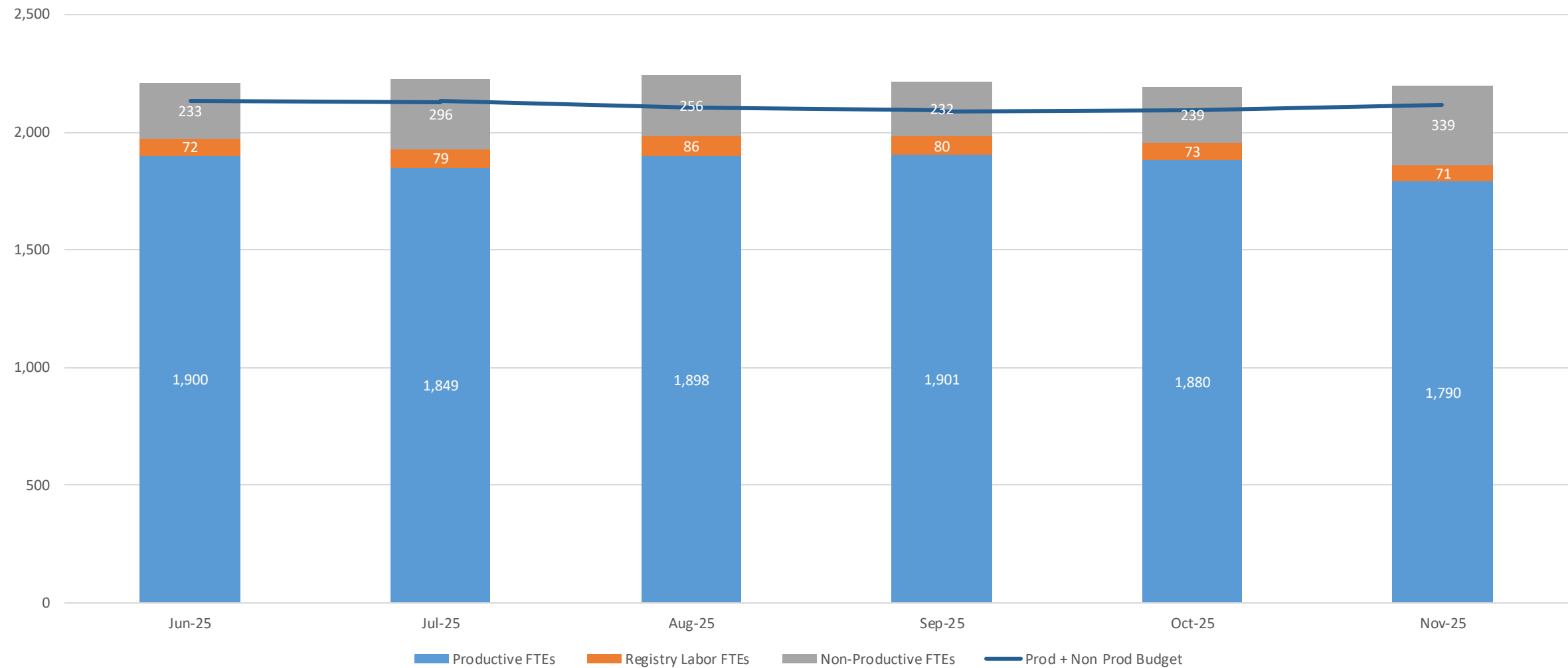
Clinic Visits

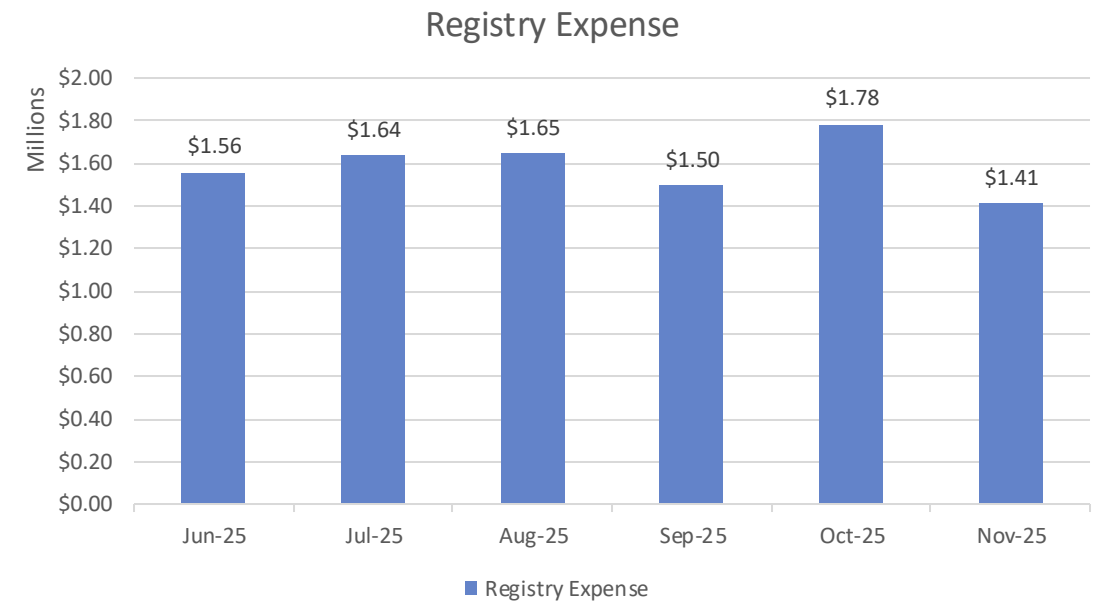
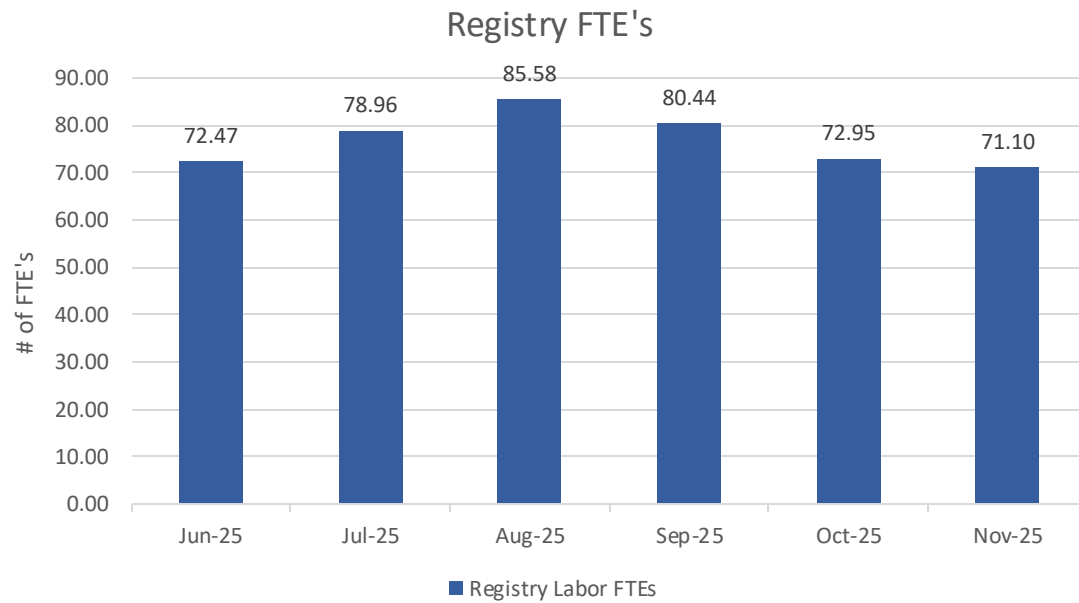


Labor Metrics

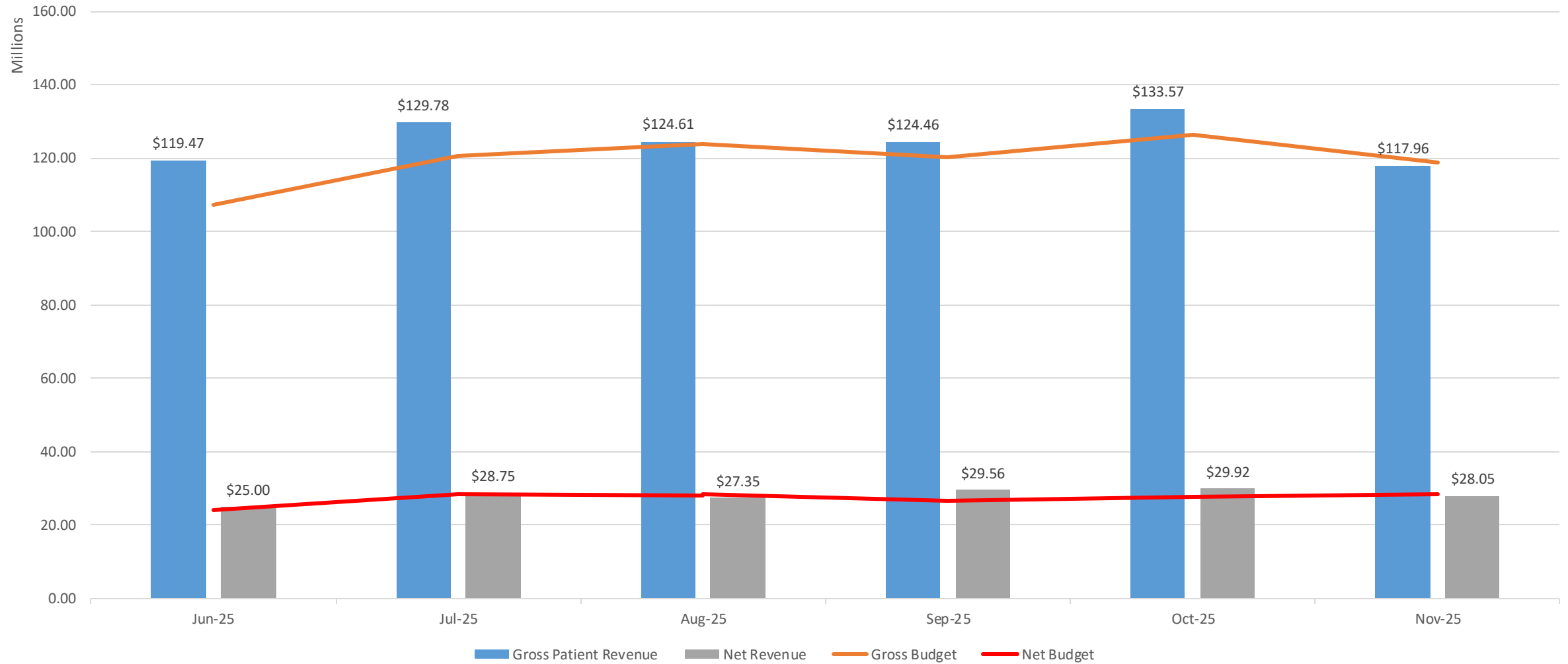


Productivity

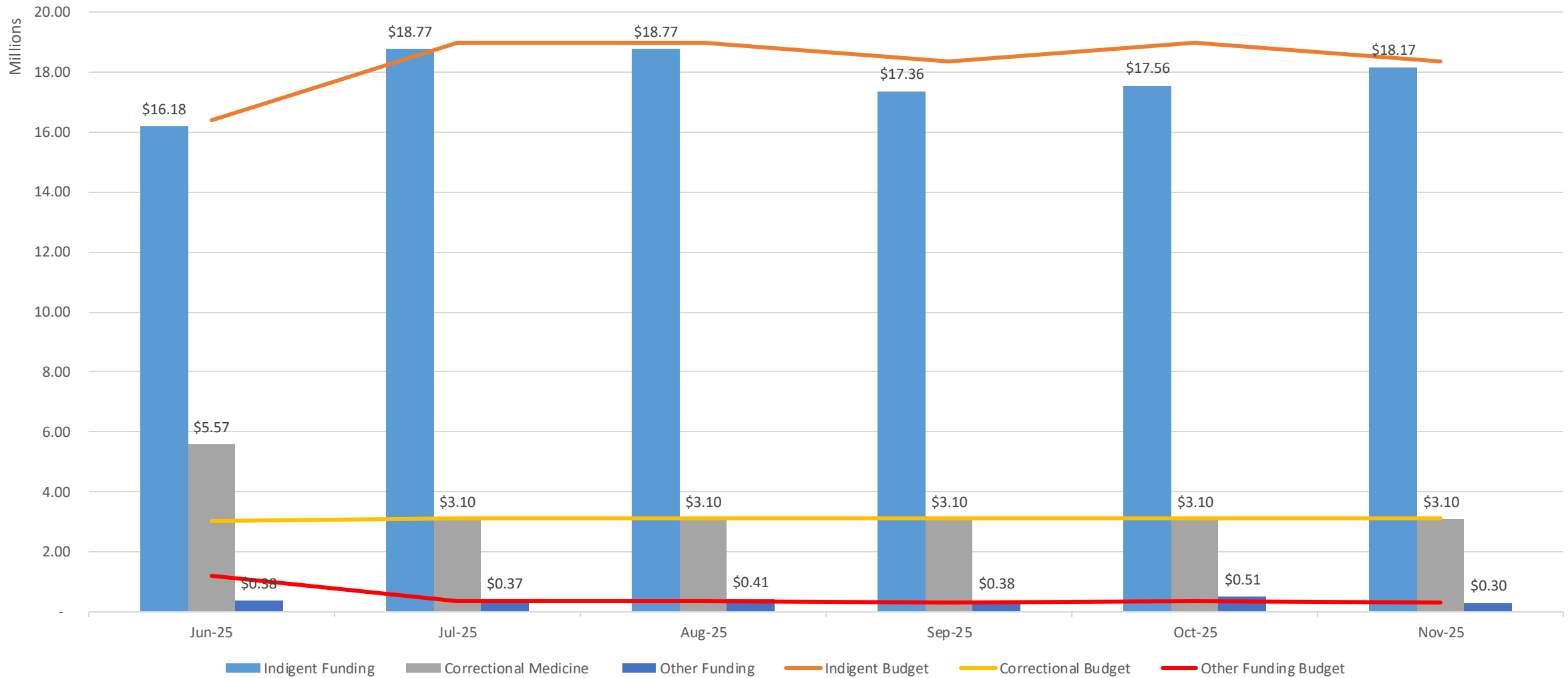




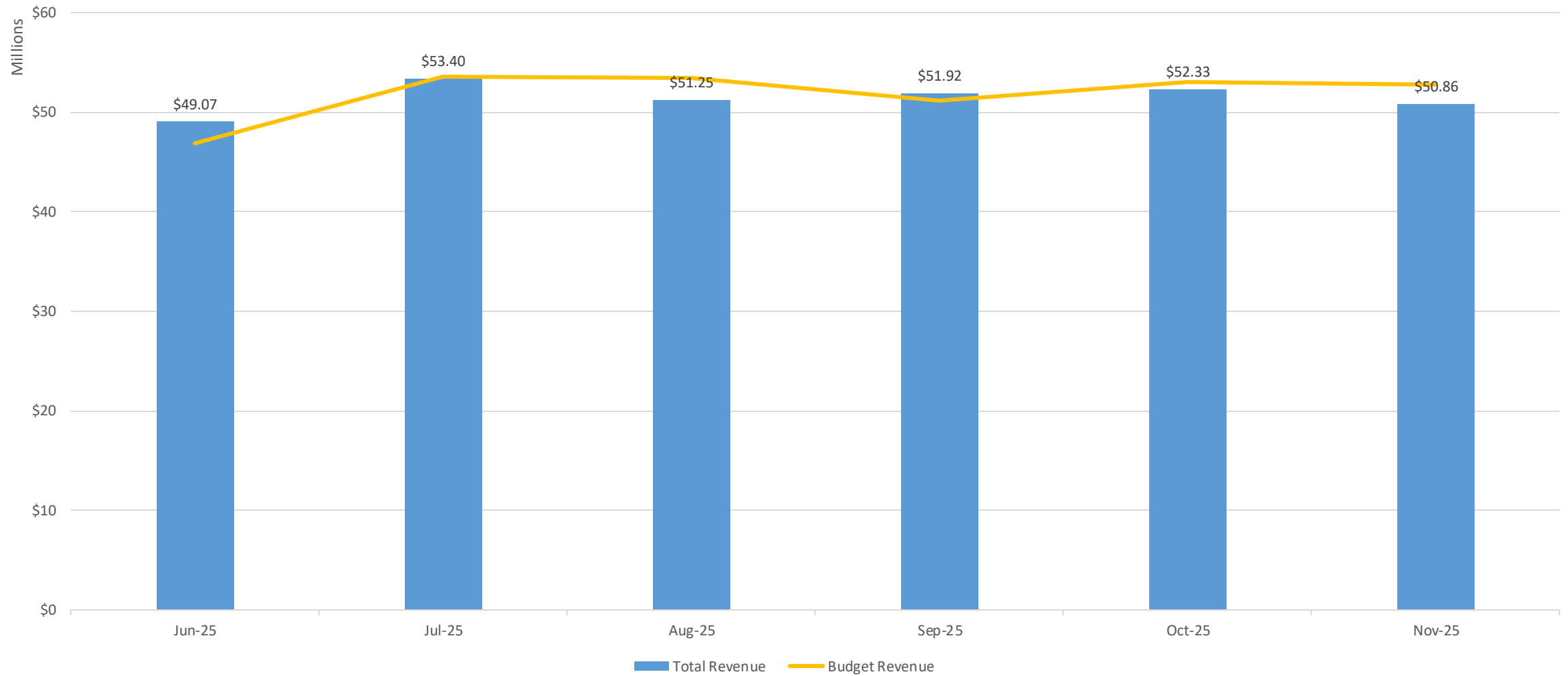
Patient Revenue



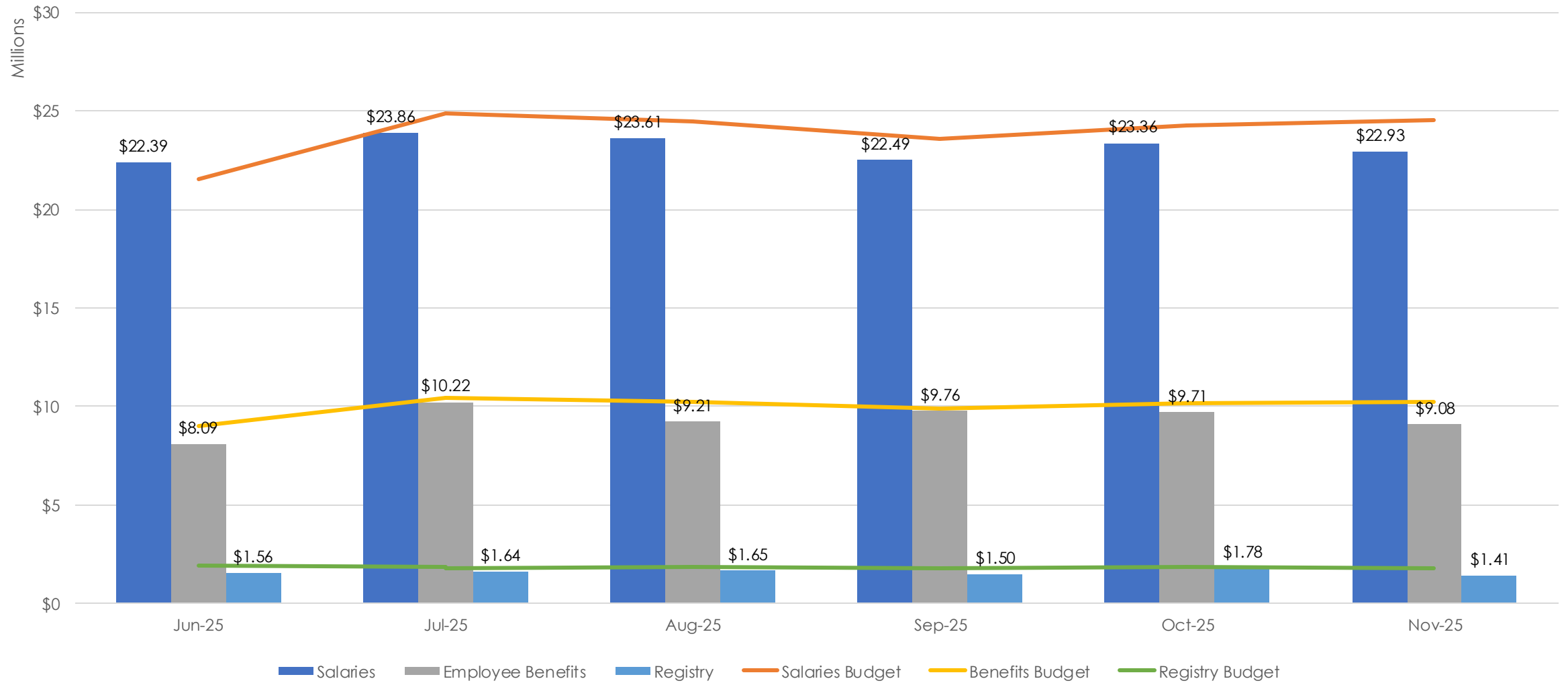
Indigent & Correctional Revenue



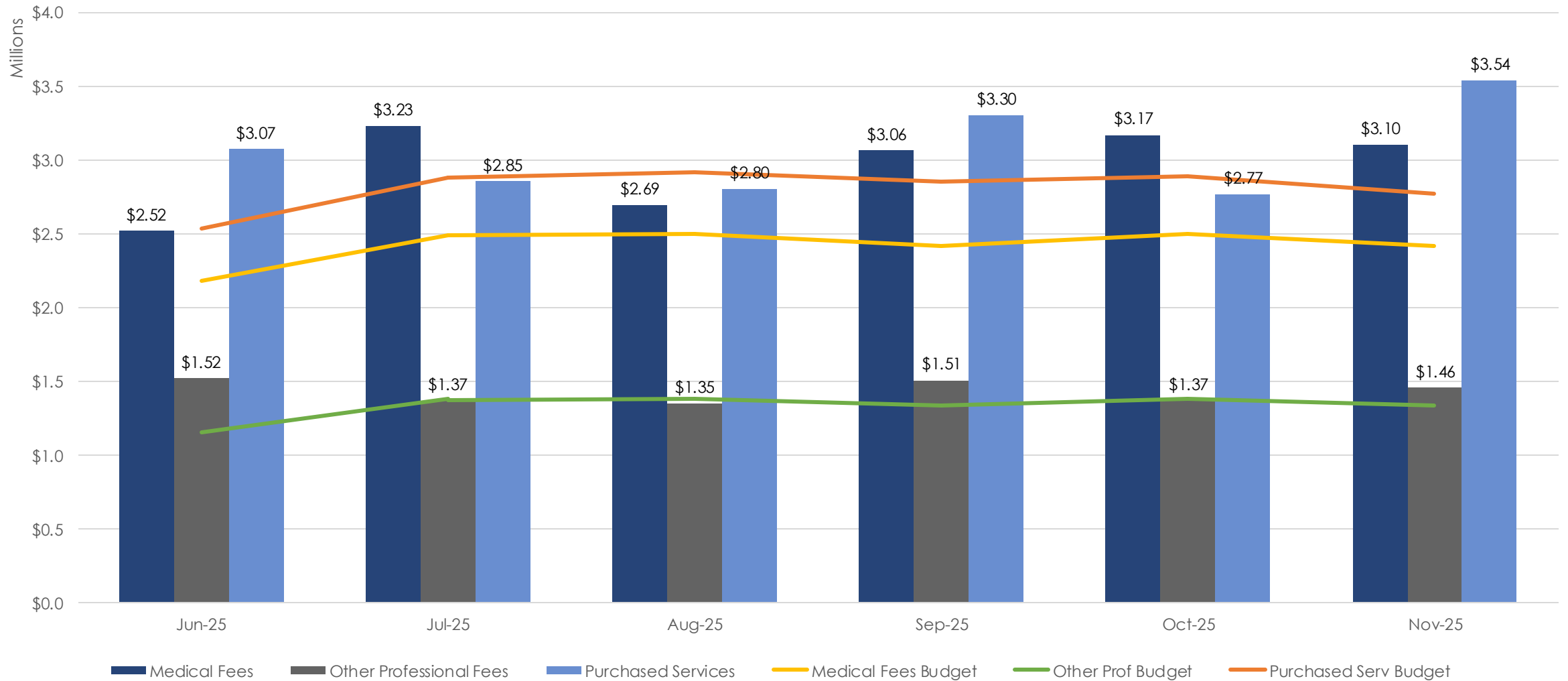
Total Revenue



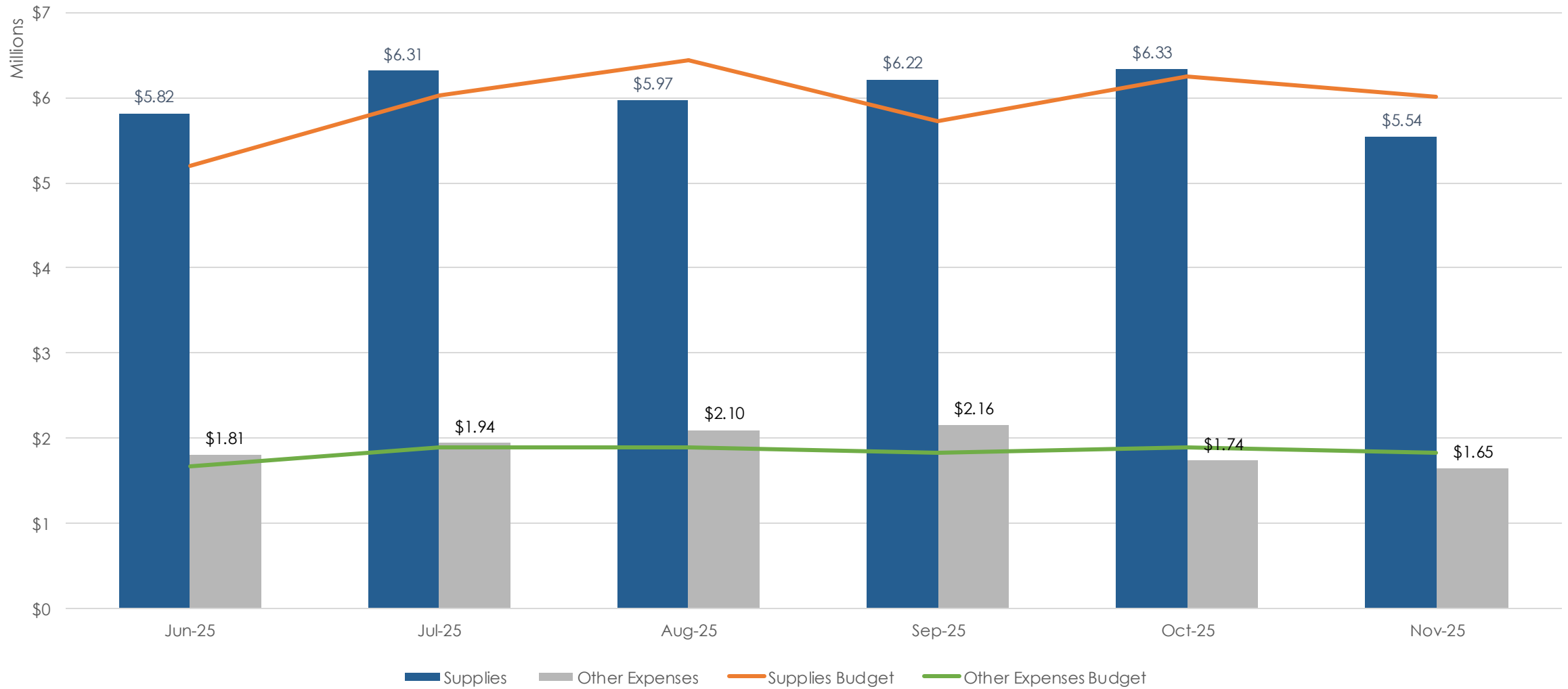
Expenses



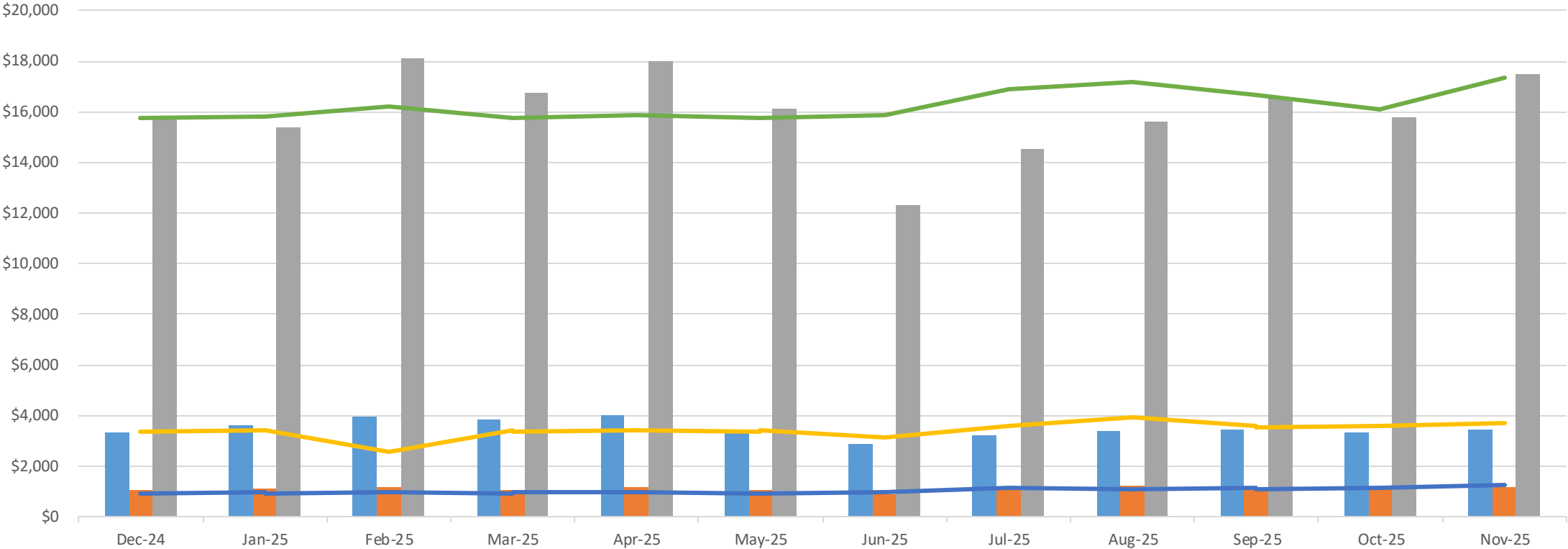
Expenses



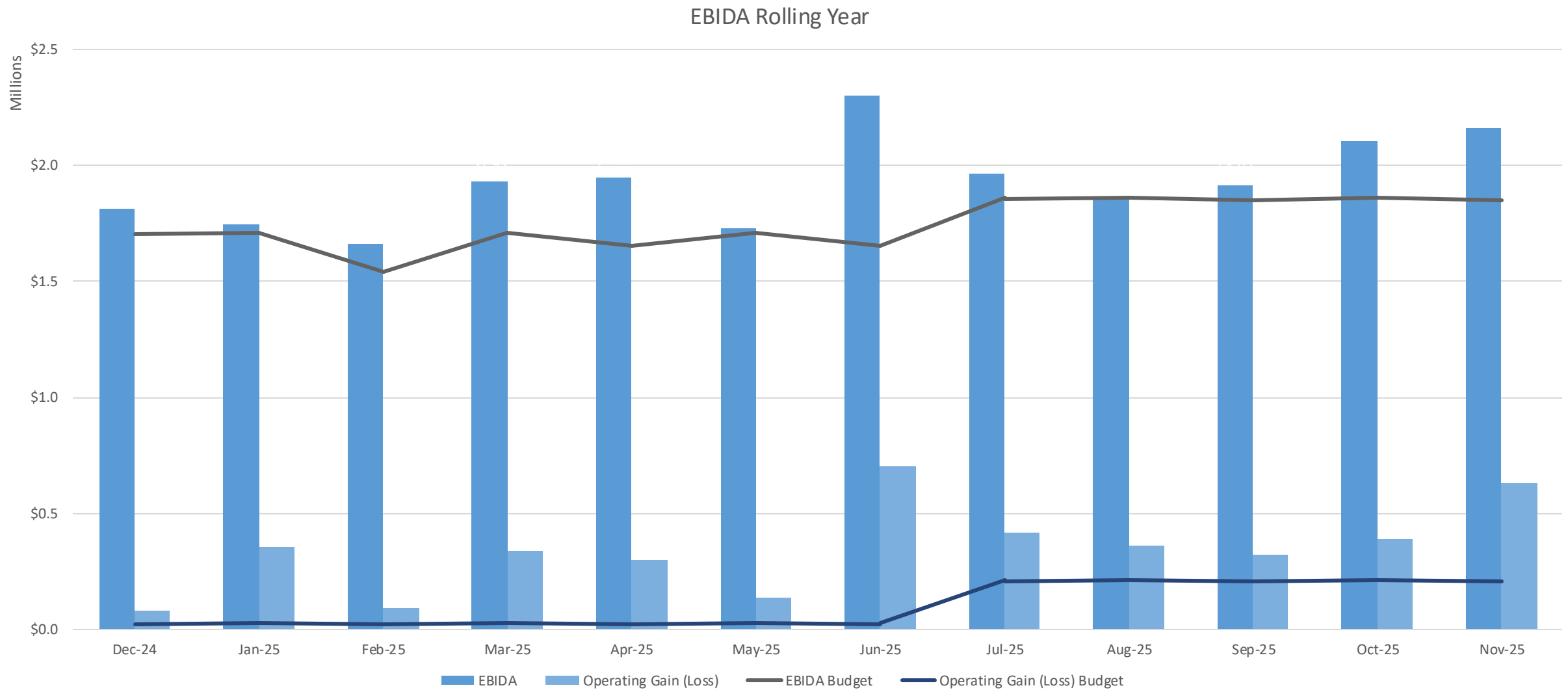
Expenses



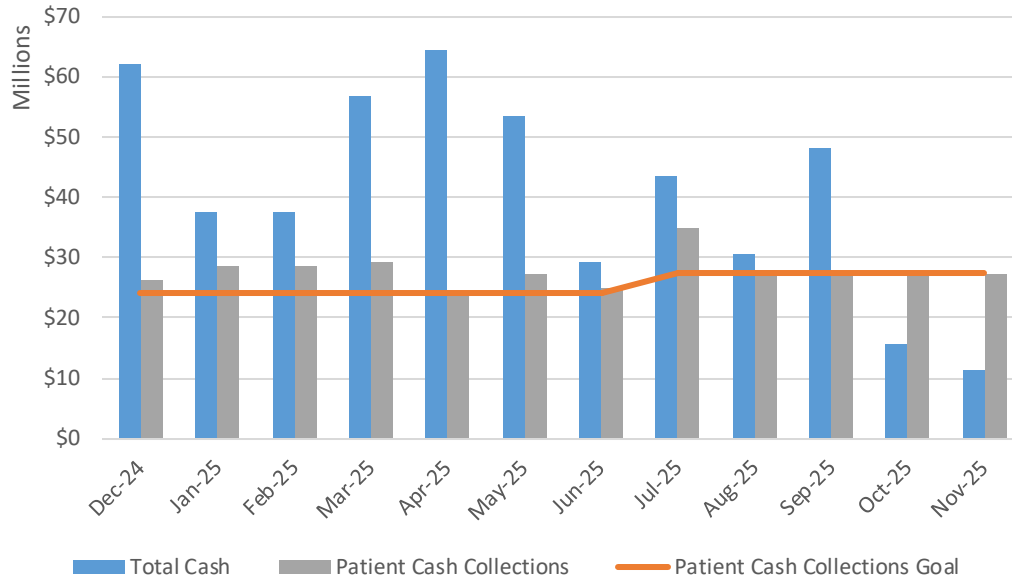
Operating Metrics



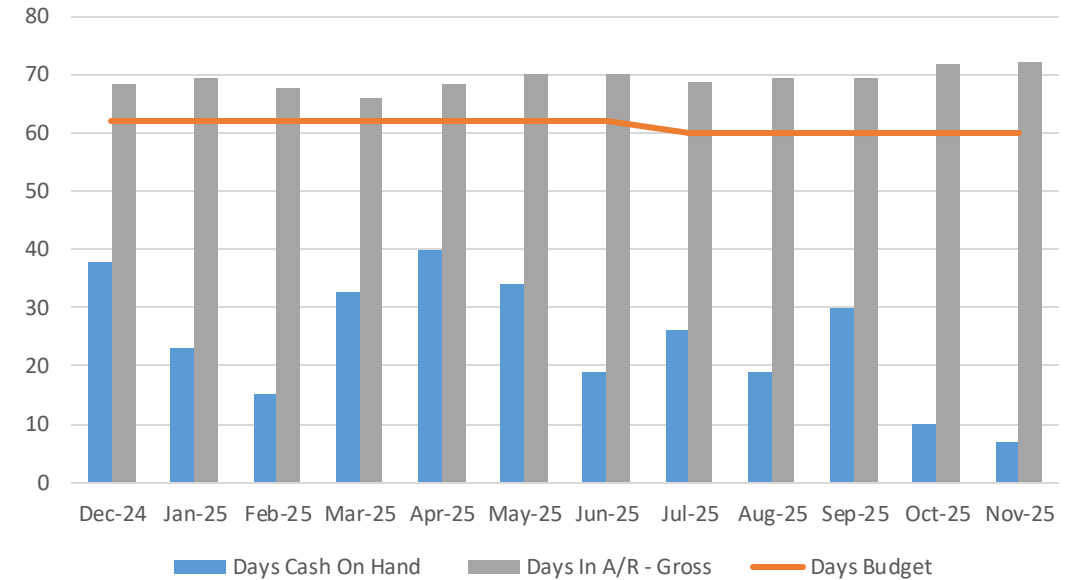
	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Supply Expense per AA	\$3,339	\$3,629	\$3,933	\$3,835	\$4,028	\$3,426	\$2,868	\$3,191	\$3,412	\$3,471	\$3,338	\$3,458
Pharm Cost per AA	\$1,070	\$1,125	\$1,161	\$1,070	\$1,142	\$1,051	\$883	\$1,192	\$1,199	\$1,118	\$1,140	\$1,194
Net Revenue Per AA	\$15,768	\$15,411	\$18,087	\$16,764	\$18,019	\$16,125	\$12,325	\$14,532	\$15,633	\$16,506	\$15,778	\$17,508
Budget Supp/AA	\$3,401	\$3,407	\$2,546	\$3,410	\$3,413	\$3,408	\$3,143	\$3,583	\$3,909	\$3,567	\$3,604	\$3,686
Budget Pharm/AA	\$962	\$964	\$966	\$965	\$965	\$930	\$965	\$1,160	\$1,098	\$1,142	\$1,162	\$1,228
Budget Net Rev/AA	\$15,748	\$15,811	\$16,229	\$15,781	\$15,841	\$15,753	\$15,862	\$16,892	\$17,181	\$16,643	\$16,073	\$17,329



Cash Rolling Year



AR Days Rolling Year



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

				BUDGET	VARIANCE	PY
	SEPTEMBER	OCTOBER	NOVEMBER	NOVEMBER	POS (NEG)	NOVEMBER
Gross Patient Revenue	\$ 124,462,106	\$ 133,573,836	\$ 117,957,124	\$ 119,007,948	(0.9%)	\$ 109,440,063
Contractual Deductions	(94,898,573)	(103,649,026)	(89,911,537)	(90,713,830)	(1%)	(84,472,508)
Net Revenue	29,563,534	29,924,811	28,045,587	28,294,118	(1%)	24,967,555
Indigent Funding	17,355,942	17,556,719	18,165,416	18,361,796	(1%)	16,180,634
Correctional Medicine	3,097,713	3,097,714	3,097,714	3,095,522	0.1%	3,130,417
County Contribution	285,211	285,211	285,211	285,211	(0%)	285,211
Incentive Funding	93,941	227,651	18,320	70,043	(74%)	122,868
Net Patient Revenue	50,396,341	51,092,105	49,612,248	50,106,690	(1%)	44,686,684
Other Operating Revenue	1,496,682	1,214,107	1,236,097	2,657,654	(53%)	4,076,974
Other Non-Operating Revenue	24,766	25,042	16,501	11,730	41%	11,636
Total Revenues	51,917,788	52,331,253	50,864,846	52,776,073	(4%)	48,775,294
Expenses						
Salaries	22,494,669	23,357,235	22,926,500	24,526,974	(7%)	21,925,800
Employee Benefits	9,759,894	9,705,486	9,077,232	10,257,181	(12%)	9,028,772
Registry	1,495,347	1,784,612	1,412,551	1,767,809	(20%)	1,862,751
Medical Fees	3,063,042	3,168,861	3,101,977	2,415,389	28%	2,390,988
Other Professional Fees	1,508,403	1,369,689	1,456,563	1,337,169	9%	1,345,411
Supplies	6,216,285	6,331,649	5,538,741	6,017,826	(8%)	5,607,705
Purchased Services	3,302,993	2,767,273	3,539,365	2,773,535	28%	2,891,077
Other Expenses	2,160,560	1,739,158	1,650,679	1,829,119	(10%)	1,800,582
Operating Expenses	50,001,194	50,223,963	48,703,608	50,925,002	(4%)	46,853,086
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,916,595	\$ 2,107,290	\$ 2,161,238	\$ 1,851,072	16.8%	\$ 1,922,208
EBIDA Margin	4%	4%	4%	4%	21%	4%
Interest	302,667	259,455	288,247	335,744	(14%)	387,618
Depreciation	695,832	790,148	595,099	657,304	(9%)	720,181
Amortization	595,855	670,510	646,295	652,001	(1%)	591,194
Total Expenses	51,595,548	51,944,076	50,233,249	52,570,051	(4%)	48,552,079
Operating Gain (Loss)	\$ 322,240	\$ 387,177	\$ 631,597	\$ 206,023	207%	\$ 223,215
Operating Margin	0.62%	0.74%	1.24%	0.39%	218.1%	0.5%

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

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 630,385,331	\$ 610,767,376	3%	\$ 578,544,003	9%
Contractual Deductions	(486,747,420)	(471,173,881)	3%	(454,921,431)	7%
Net Revenue	143,637,911	139,593,496	3%	123,622,572	16%
Indigent Funding	90,619,936	93,645,161	(3%)	91,899,776	(1%)
Correctional Medicine	15,488,567	15,477,611	0%	15,488,568	(0%)
County Contribution	1,426,055	1,426,055	(0%)	1,426,055	0%
Incentive Funding	549,120	357,219	54%	325,199	69%
Net Patient Revenue	251,721,589	250,499,541	0%	232,762,169	8%
Other Operating Revenue	7,925,200	13,554,033	(42%)	13,712,162	(42.20%)
Other Non-Operating Revenue	118,253	59,804	98%	62,345	90%
Total Revenues	259,765,042	264,113,378	(2%)	246,536,676	5%
Expenses					
Salaries	116,257,915	121,686,798	(4%)	108,858,434	7%
Employee Benefits	47,974,091	50,889,419	(6%)	46,293,301	4%
Registry	7,977,699	9,015,855	(12%)	10,092,927	(21%)
Medical Fees	15,255,081	12,314,751	24%	11,641,482	31%
Other Professional Fees	7,058,648	6,817,828	4%	7,158,514	(1.4%)
Supplies	30,370,302	30,459,090	(0%)	27,807,802	9%
Purchased Services	15,264,812	14,314,322	7%	14,903,089	2%
Other Expenses	9,590,222	9,328,508	3%	9,524,339	1%
Operating Expenses	249,748,770	254,826,570	(2%)	236,279,889	6%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 10,016,272	\$ 9,286,808	8%	\$ 10,256,787	(2.3%)
EBIDA Margin	4%	4%	10%	4%	(7%)
Interest	1,346,478	1,690,041	(20%)	1,789,909	(25%)
Depreciation	3,449,407	3,286,518	5%	3,530,685	(2%)
Amortization	3,104,372	3,260,007	(5%)	3,135,507	(1%)
Total Expenses	257,649,027	263,063,137	(2%)	244,735,990	5%
Operating Gain (Loss)	\$ 2,116,015	\$ 1,050,241	101%	\$ 1,800,686	18%
Operating Margin	0.8%	0.4%	104.9%	0.7%	12%

KERN MEDICAL BALANCE SHEET

	NOVEMBER 2025	NOVEMBER 2024
ASSETS:		
<i>Total Cash</i>	\$ 11,394,798	\$ 32,199,187
Patient Receivables Subtotal	321,150,214	268,598,329
Contractual Subtotal	(279,597,239)	(229,625,250)
<i>Net Patient Receivable</i>	41,552,975	38,973,080
Total Indigent Receivable	277,434,769	267,931,347
Total Other Receivable	19,517,779	21,159,403
Total Prepaid Expenses	6,263,159	6,401,279
Total Inventory	5,022,095	4,740,634
<i>Total Current Assets</i>	361,185,574	371,404,930
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	276,712,007	269,977,489
Total Construction in Progress	17,363,307	11,208,759
<i>Total Property, Plant & Equipment</i>	294,075,315	281,186,249
Total Accumulated Depr & Amortization	(188,051,037)	(174,663,050)
<i>Net Property, Plant, and Equipment</i>	106,024,278	106,523,199
<i>Total Long Term Assets</i>	124,532,718	112,536,013
<i>Total Assets</i>	\$ 591,742,570	\$ 590,464,142

KERN MEDICAL BALANCE SHEET

	NOVEMBER 2025	NOVEMBER 2024
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 10,356,025	\$ 6,917,331
Total Accrued Compensation	33,667,759	27,113,902
Total Due Government Agencies	(455,292)	4,383,591
Total Other Accrued Liabilities	44,679,629	56,632,994
<i>Total Current Liabilities</i>	88,248,123	95,047,818
Unfunded Pension Liability	344,447,058	345,399,109
Other Long-Term Liabilities	80,577,243	80,539,301
<i>Total Long-Term Liabilities</i>	425,024,301	425,938,410
<i>Total Liabilities</i>	513,272,424	520,986,228
<i>Total Net Position</i>	78,470,146	69,477,914
<i>Total Liabilities and Net Position</i>	\$ 591,742,570	\$ 590,464,142

**KERN MEDICAL
STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date November 2025	Fiscal Year-End June 2025	Fiscal Year-to-Date November 2024	Fiscal Year-End June 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 142,582,036	\$ 314,552,945	\$ 132,523,383	\$ 293,523,533
Cash received for other operations	73,757,267	260,727,035	67,621,164	233,602,712
Cash paid for salaries and benefits	(158,626,384)	(377,869,782)	(150,237,976)	(339,411,493)
Cash paid for services and supplies	(71,124,462)	(202,668,841)	(84,107,221)	(186,981,598)
Net cash (used in) provided by operating activities	(13,411,544)	(5,258,643)	(34,200,650)	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	-	-	20,000,000	-
Net cash provided by (used in) noncapital financing activities	-	(801,506)	20,000,000	(641,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(4,733,066)	(11,508,871)	(3,327,384)	(18,896,864)
Payments on right-of-usage lease liability	749,588	(2,850,043)	(1,246,892)	3,896,089
Interest paid - right-of-usage lease liability	2,844	(7,976)	(3,744)	31,211
Payments on SBITA liability	(325,069)	(762,463)	(314,688)	(752,150)
Interest paid - SBITA	(231)	(580)	(262)	2,013
Net cash used by capital and related financing activities	(4,305,935)	(15,129,933)	(4,892,970)	(15,719,700)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(17,717,479)	(21,190,081)	(19,093,620)	(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	\$ 11,394,798	\$ 29,112,277	\$ 32,199,187	\$ 51,292,807