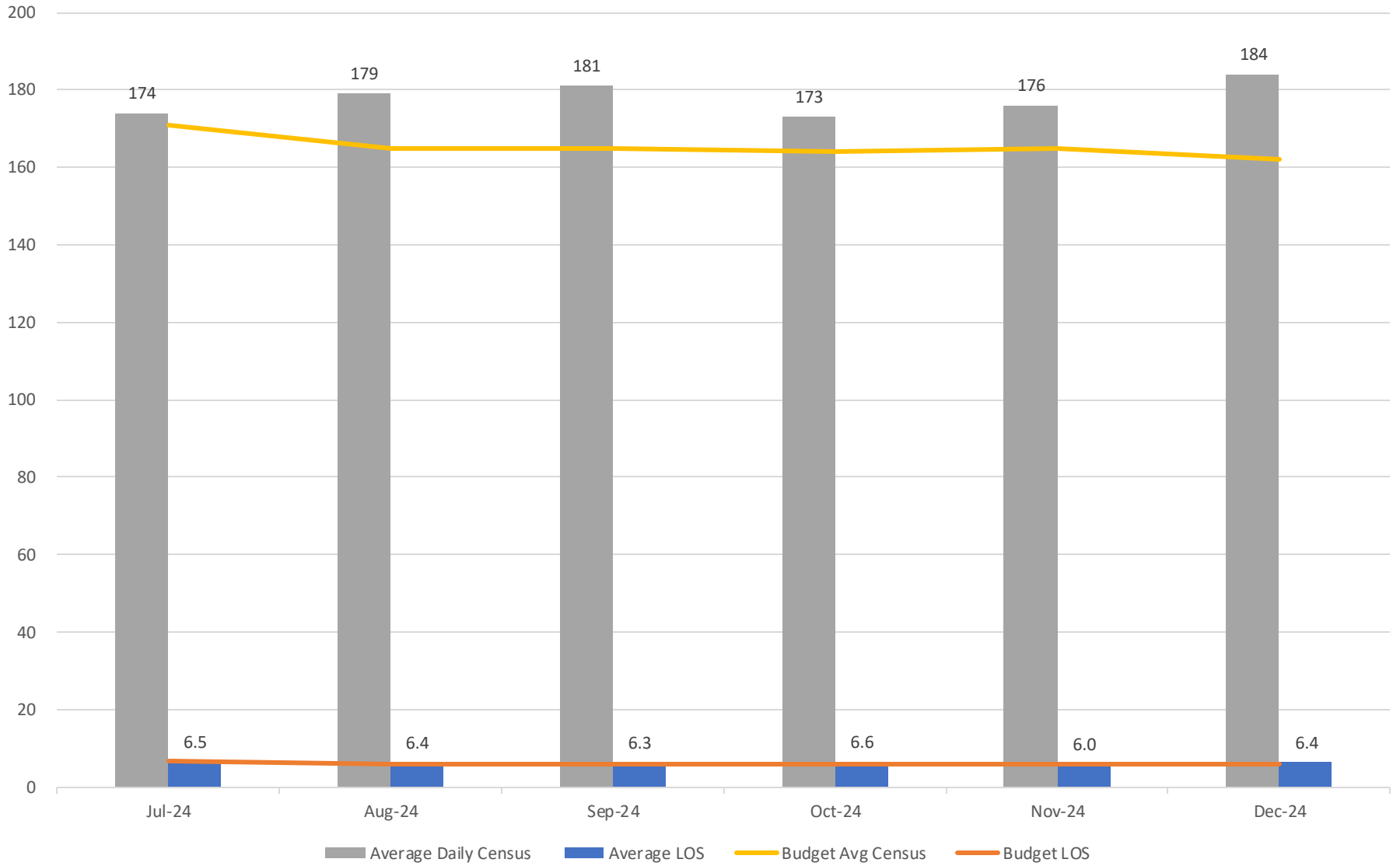


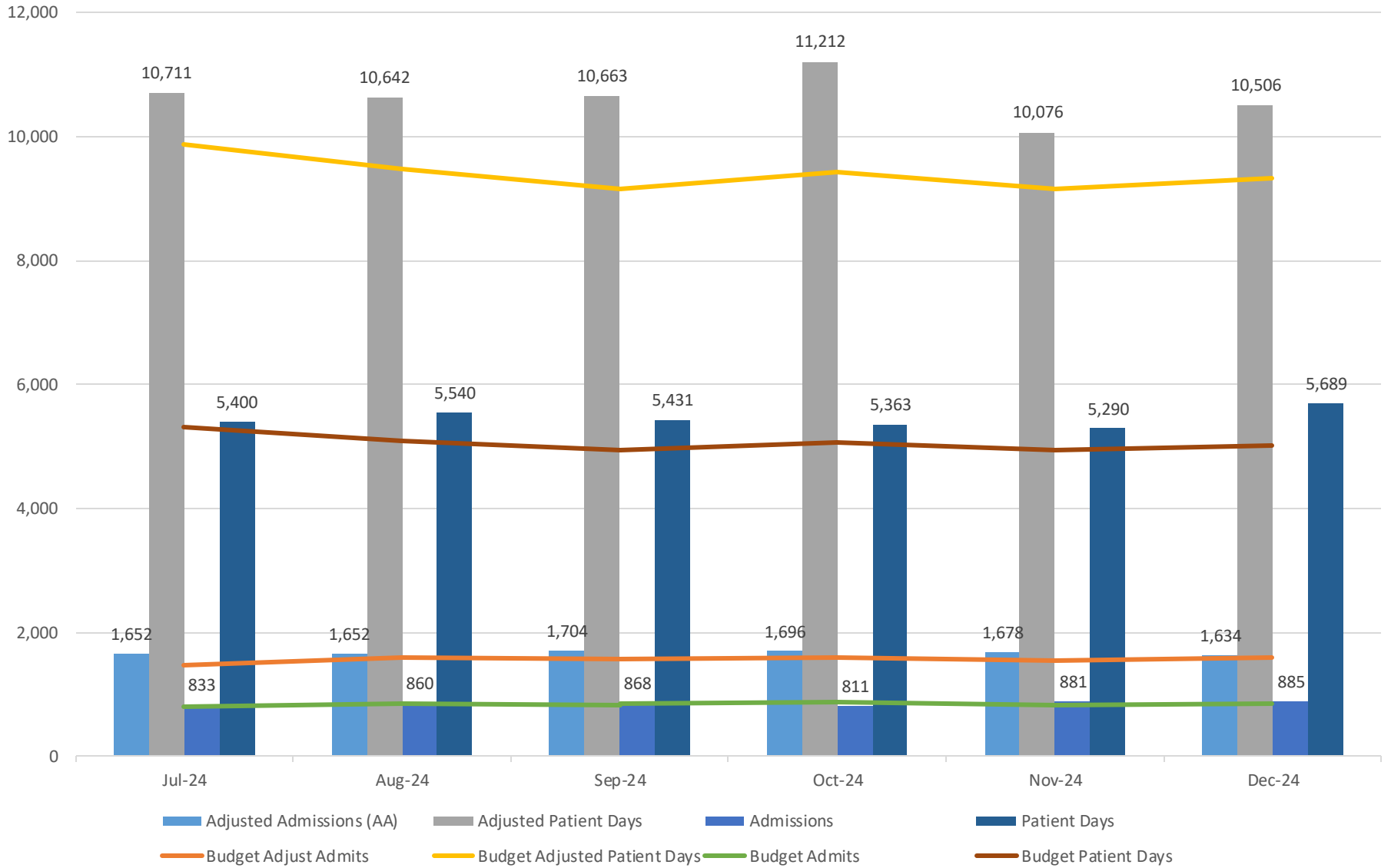


**BOARD OF GOVERNORS' REPORT
KERN MEDICAL – DECEMBER 2024**

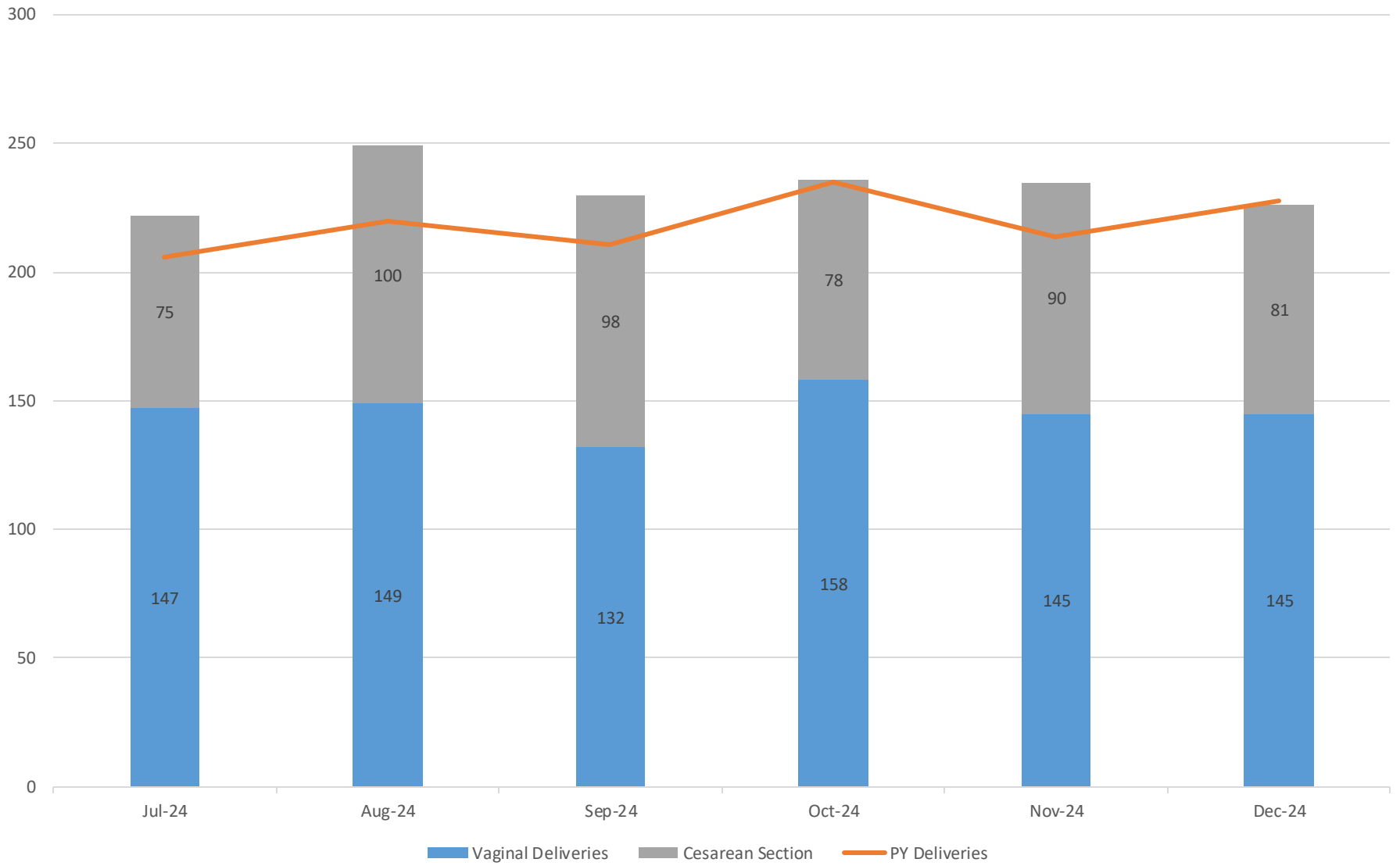
Census & ALOS



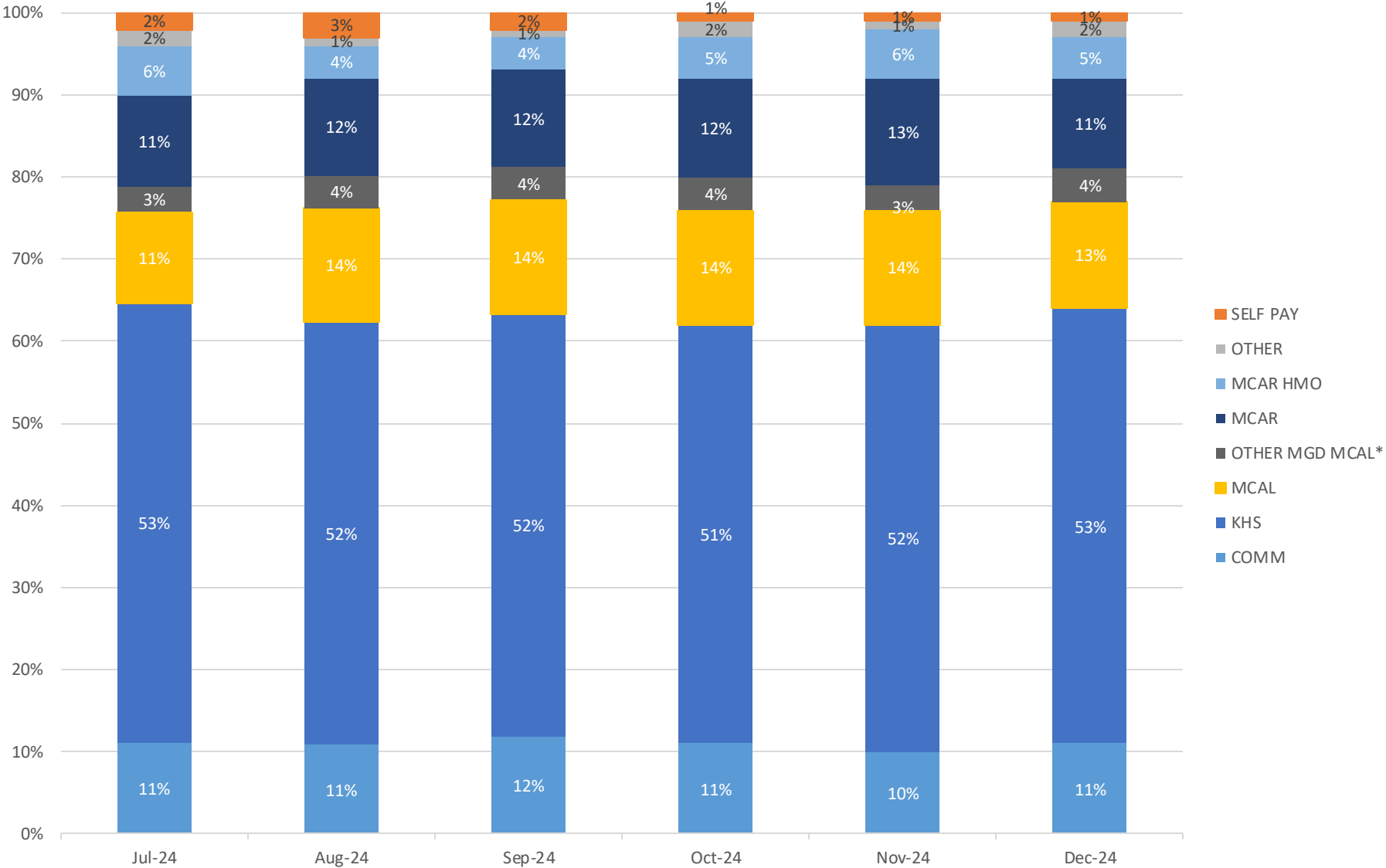
Hospital Volumes



Deliveries

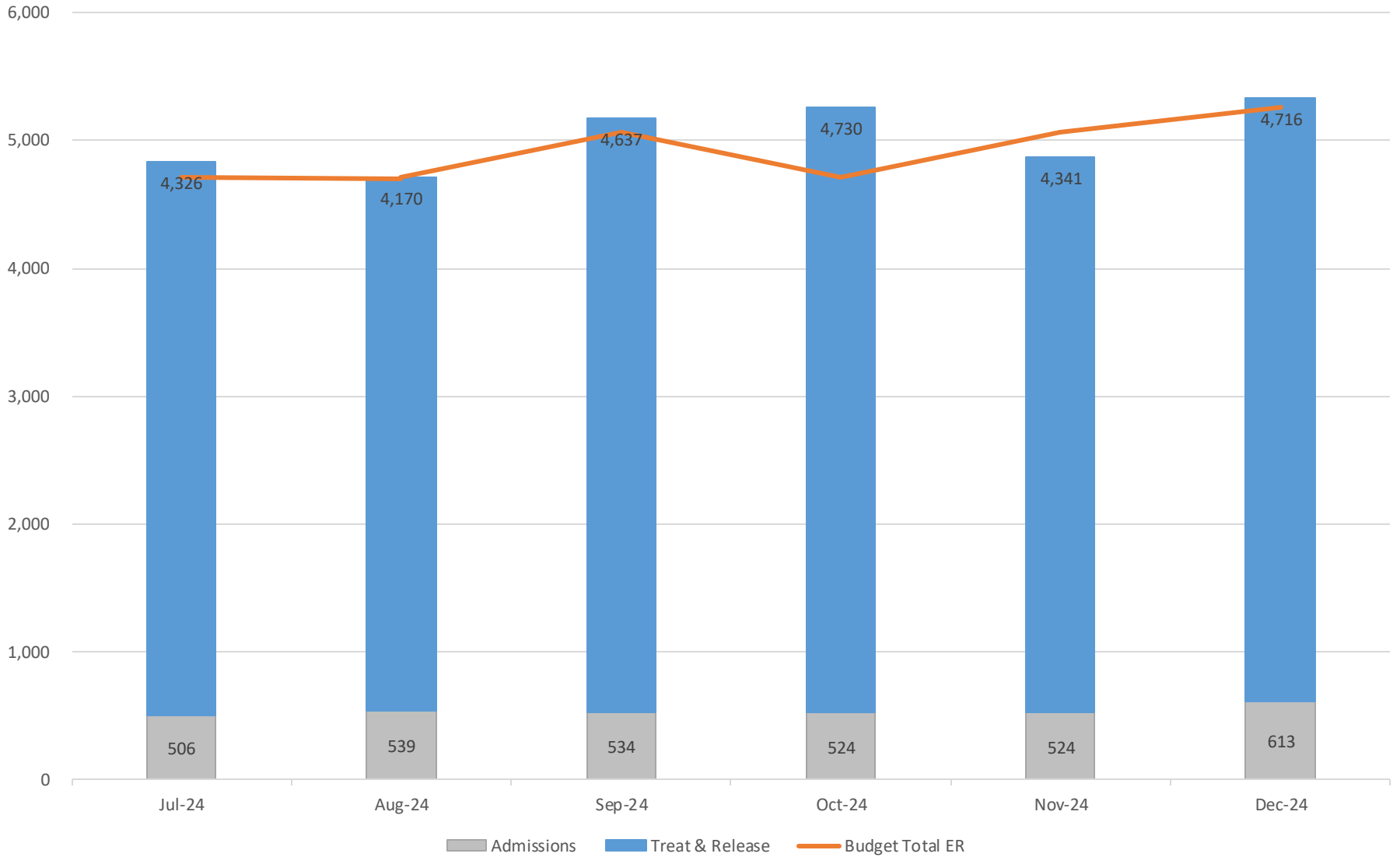


PAYER MIX

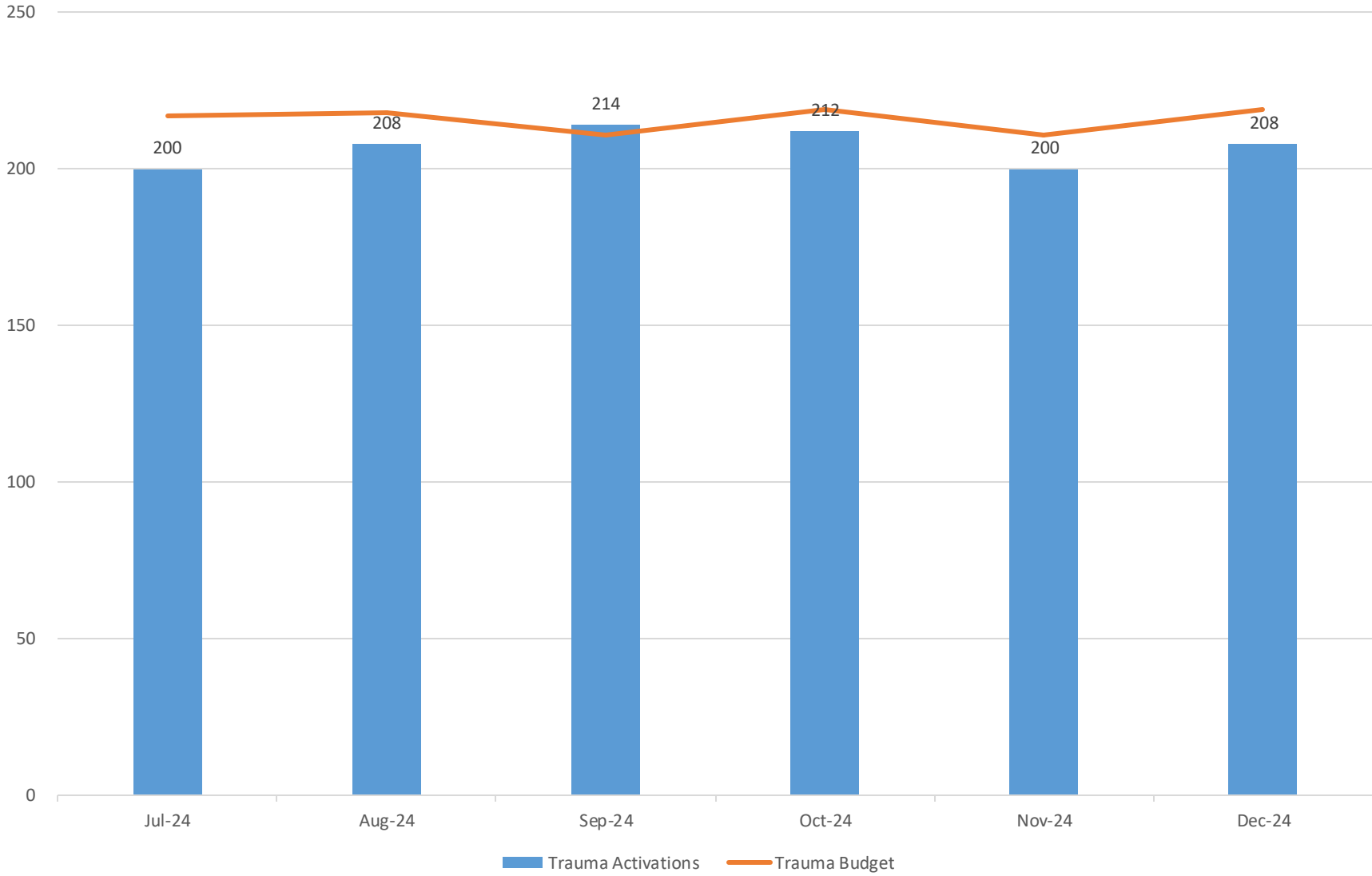


**Indicates commercial managed Medi-Cal plans transitioning to Other commercial managed Medi-Cal plans starting Jan 1, 2024*

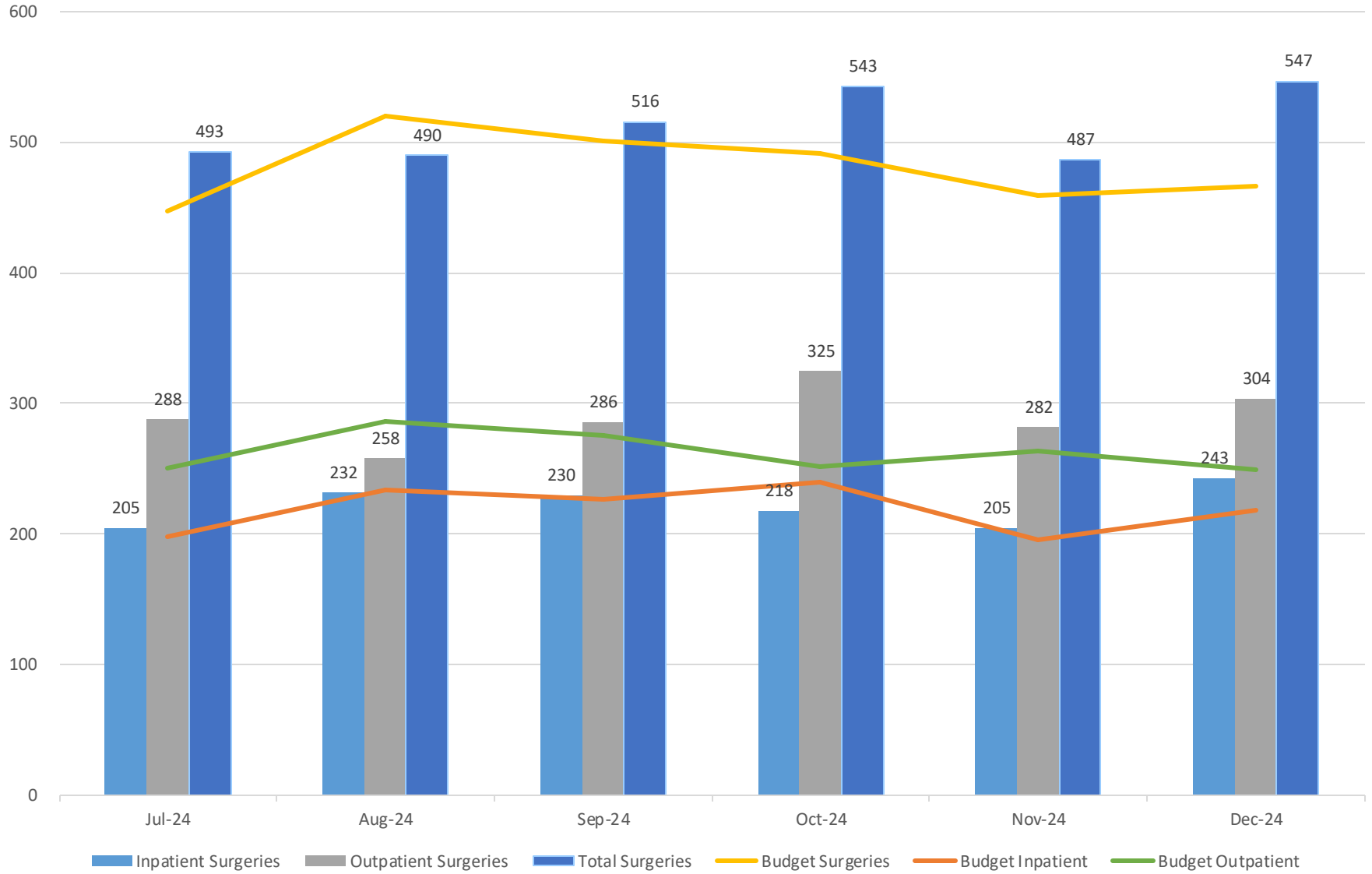
Emergency Room Volume



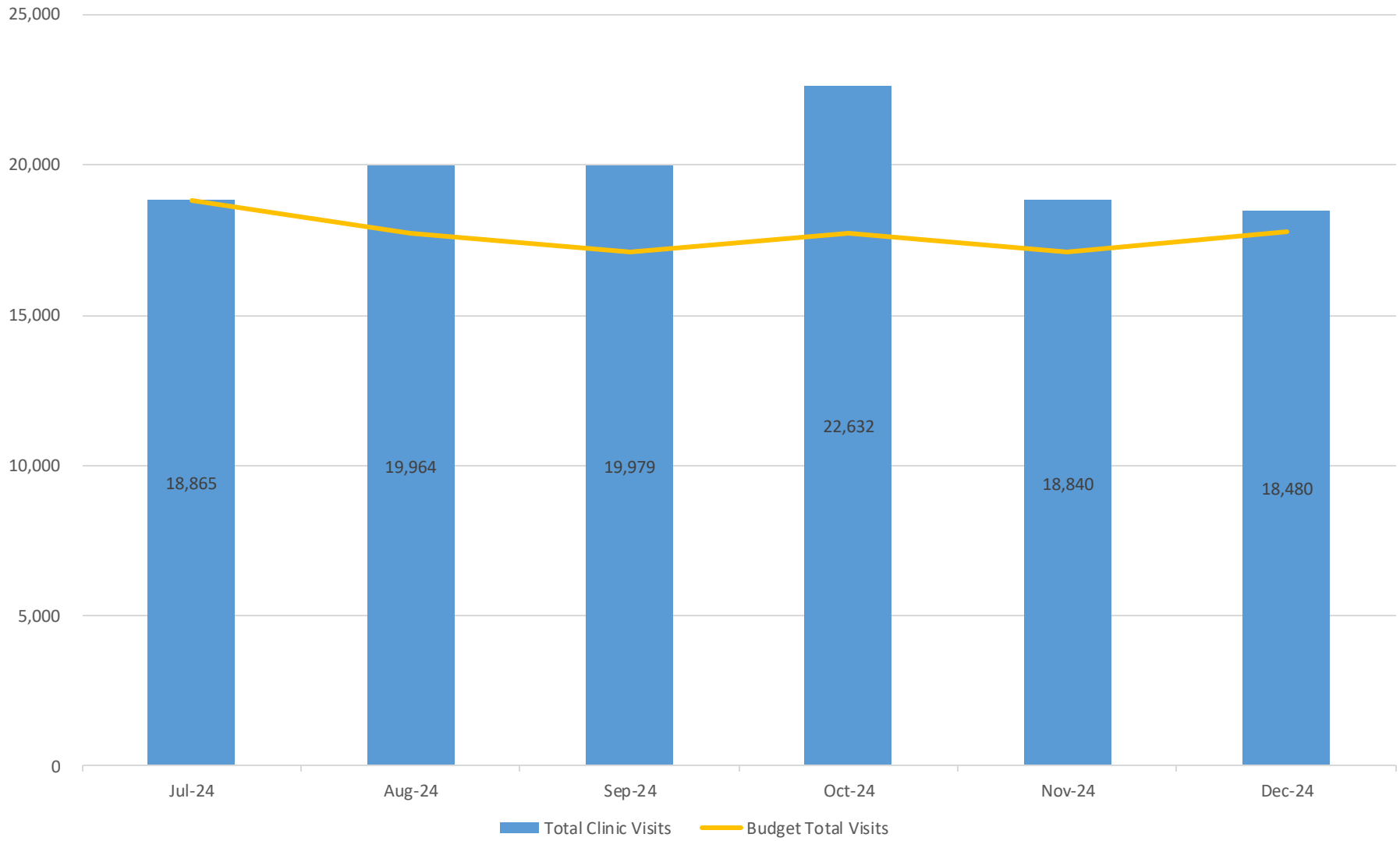
Trauma Activations



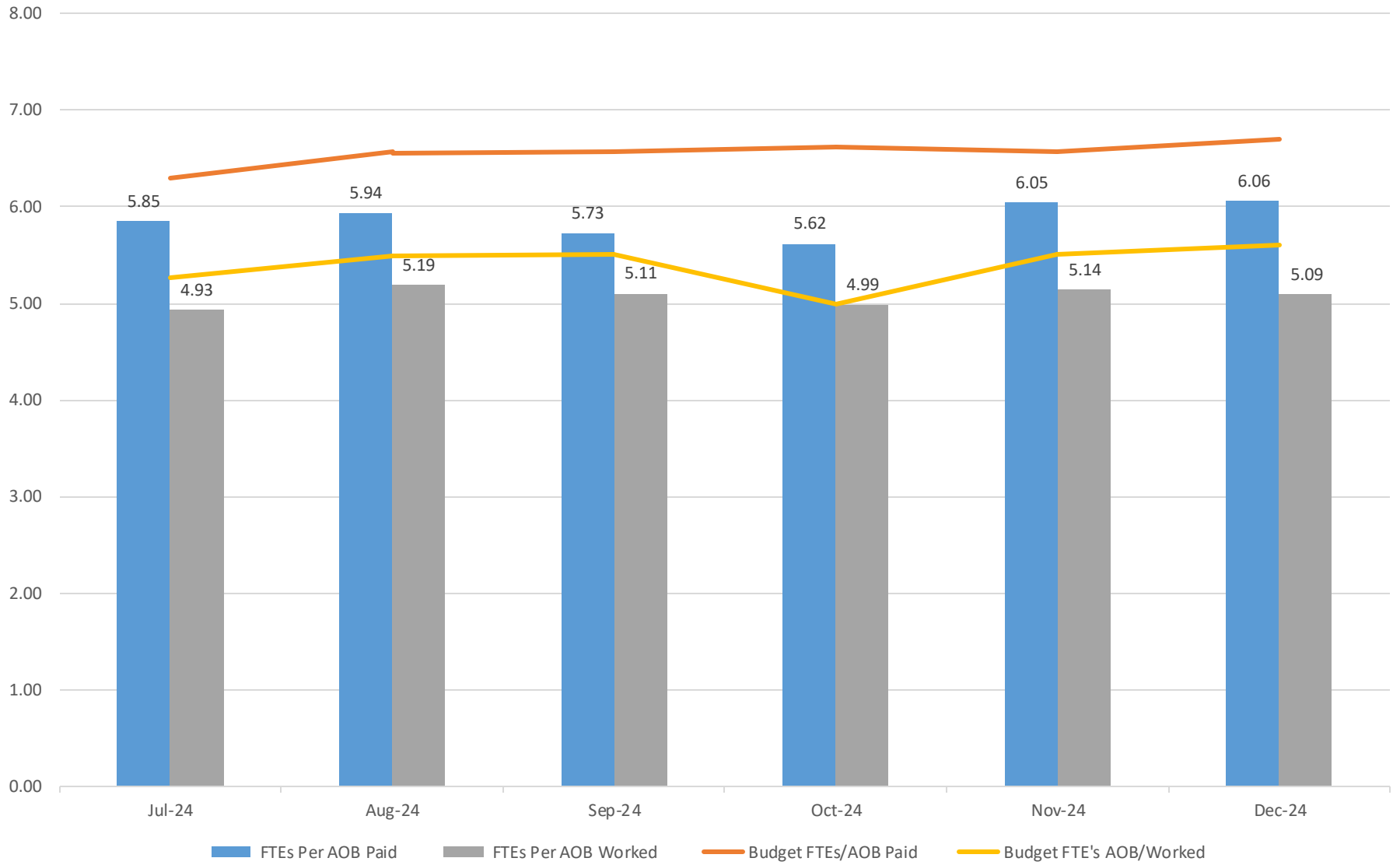
Surgical Volume



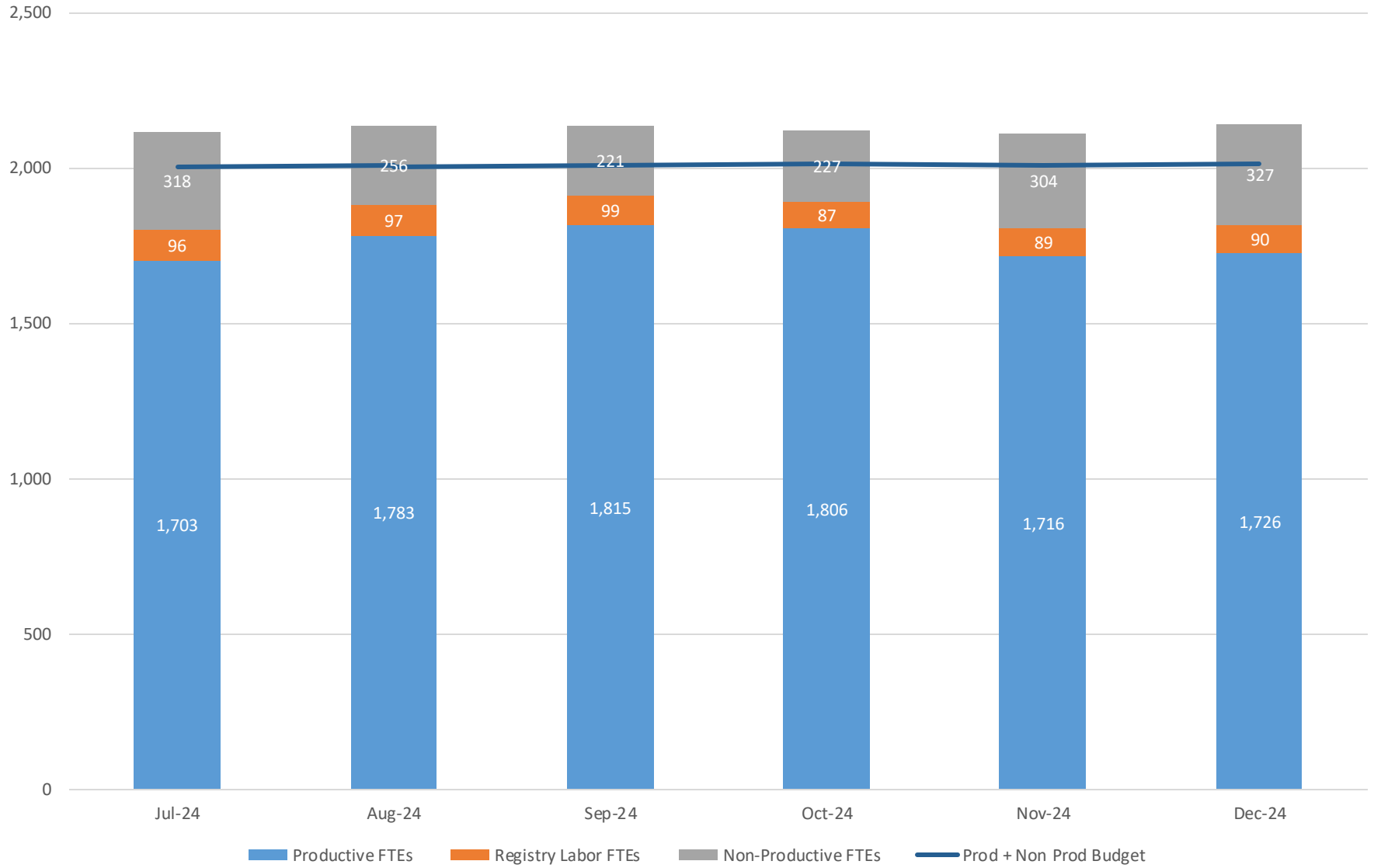
Clinic Visits



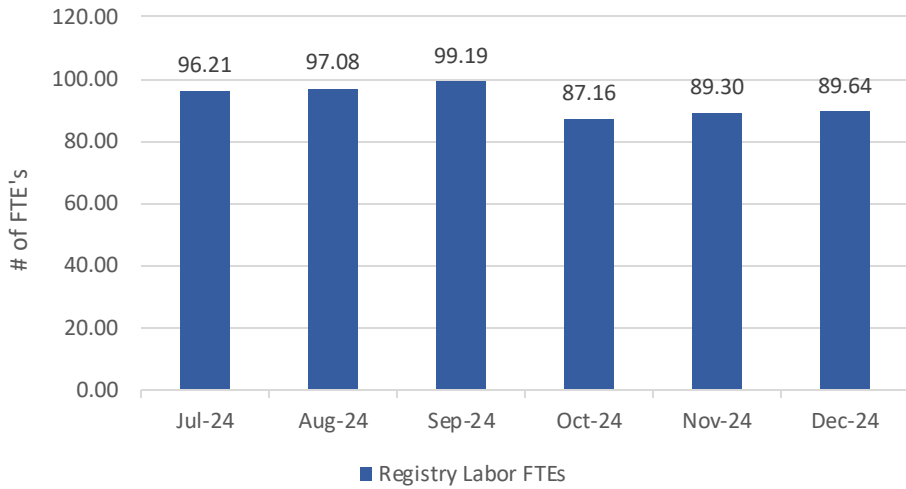
Labor Metrics



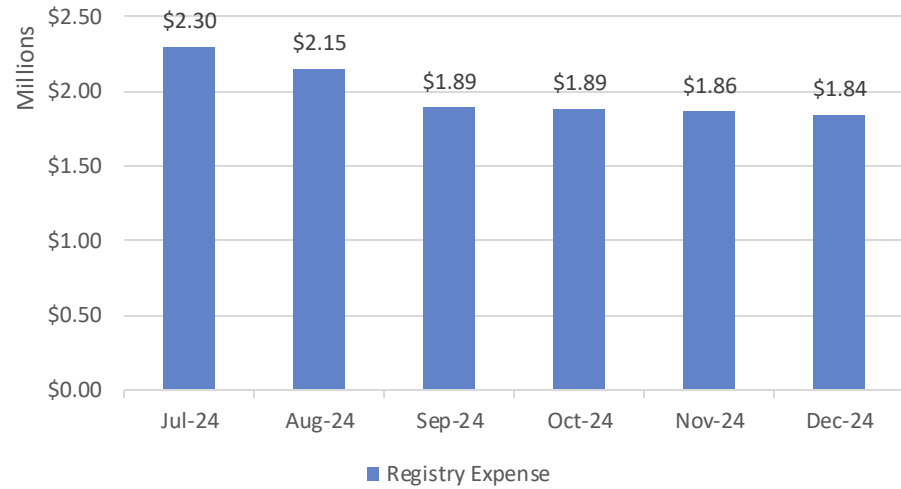
Productivity



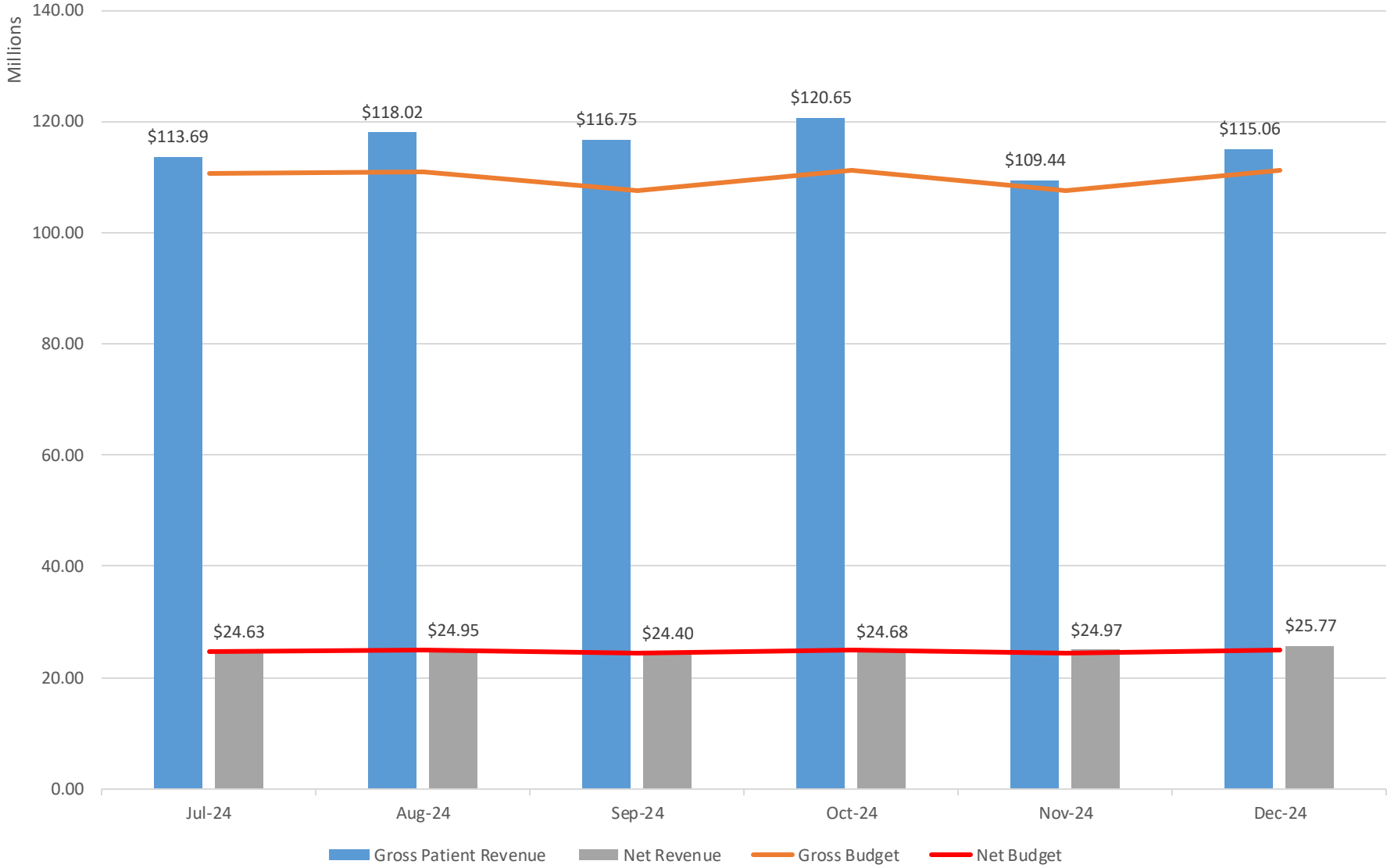
Registry FTE's



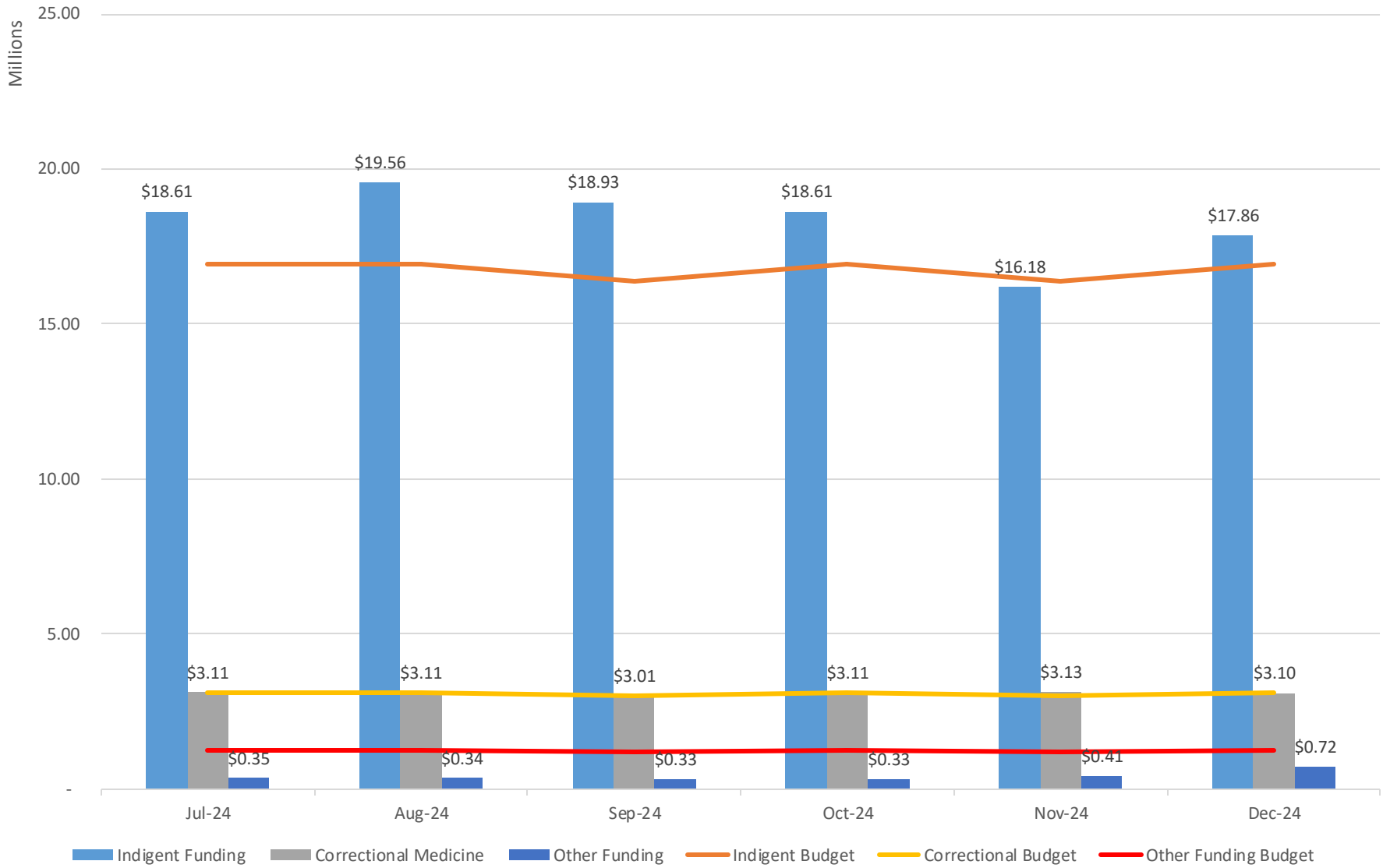
Registry Expense



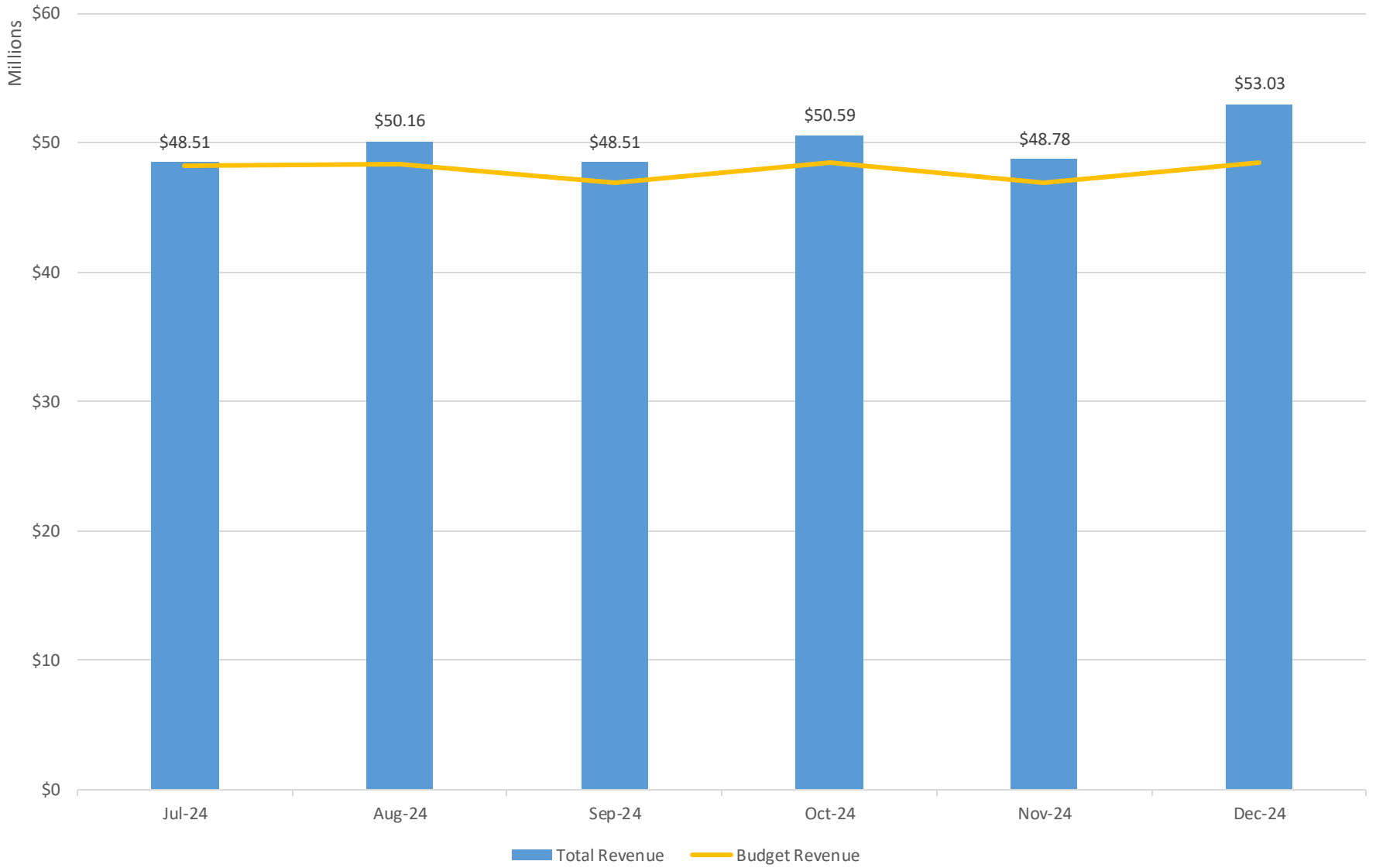
Patient Revenue



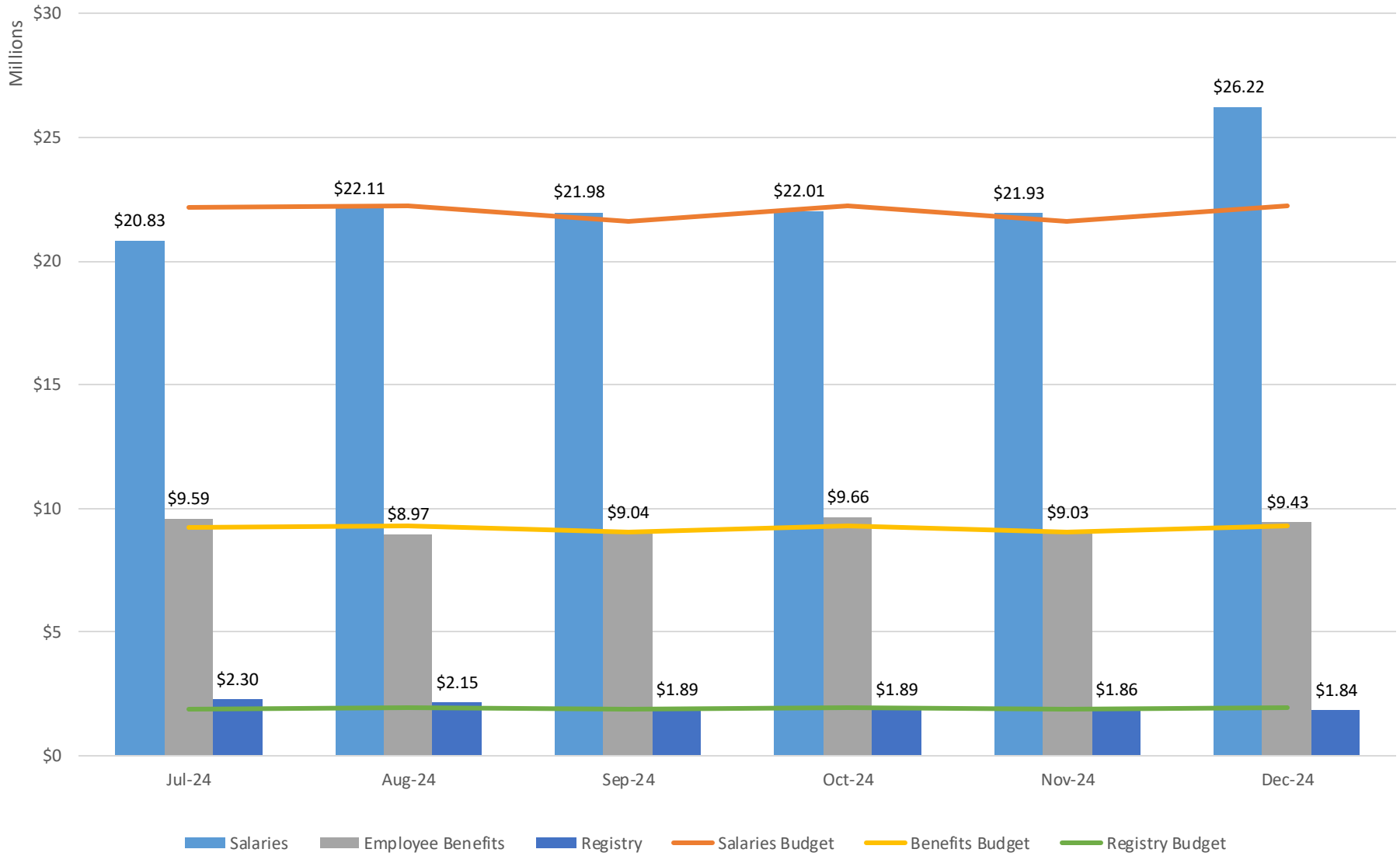
Indigent & Correctional Revenue



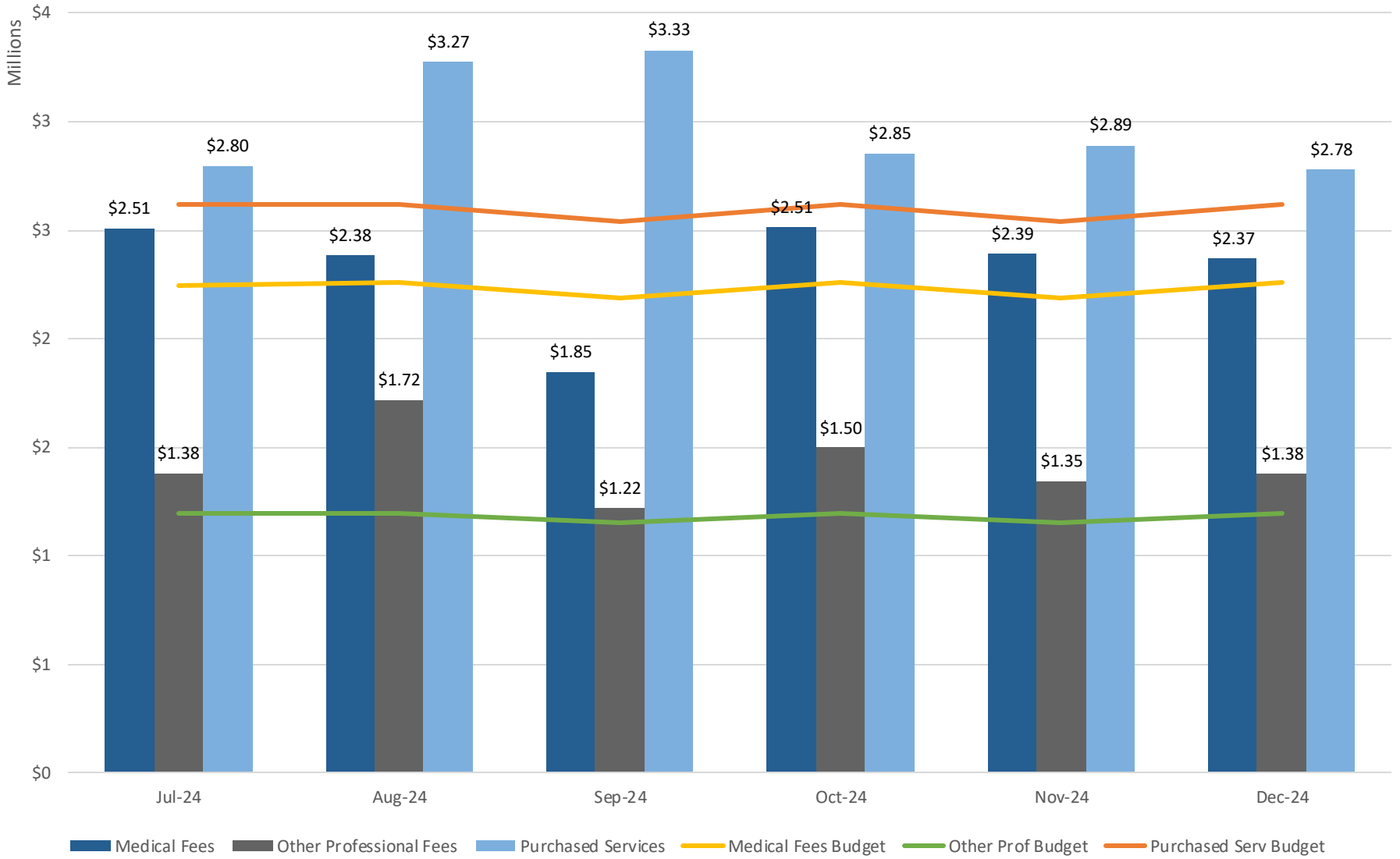
Total Revenue



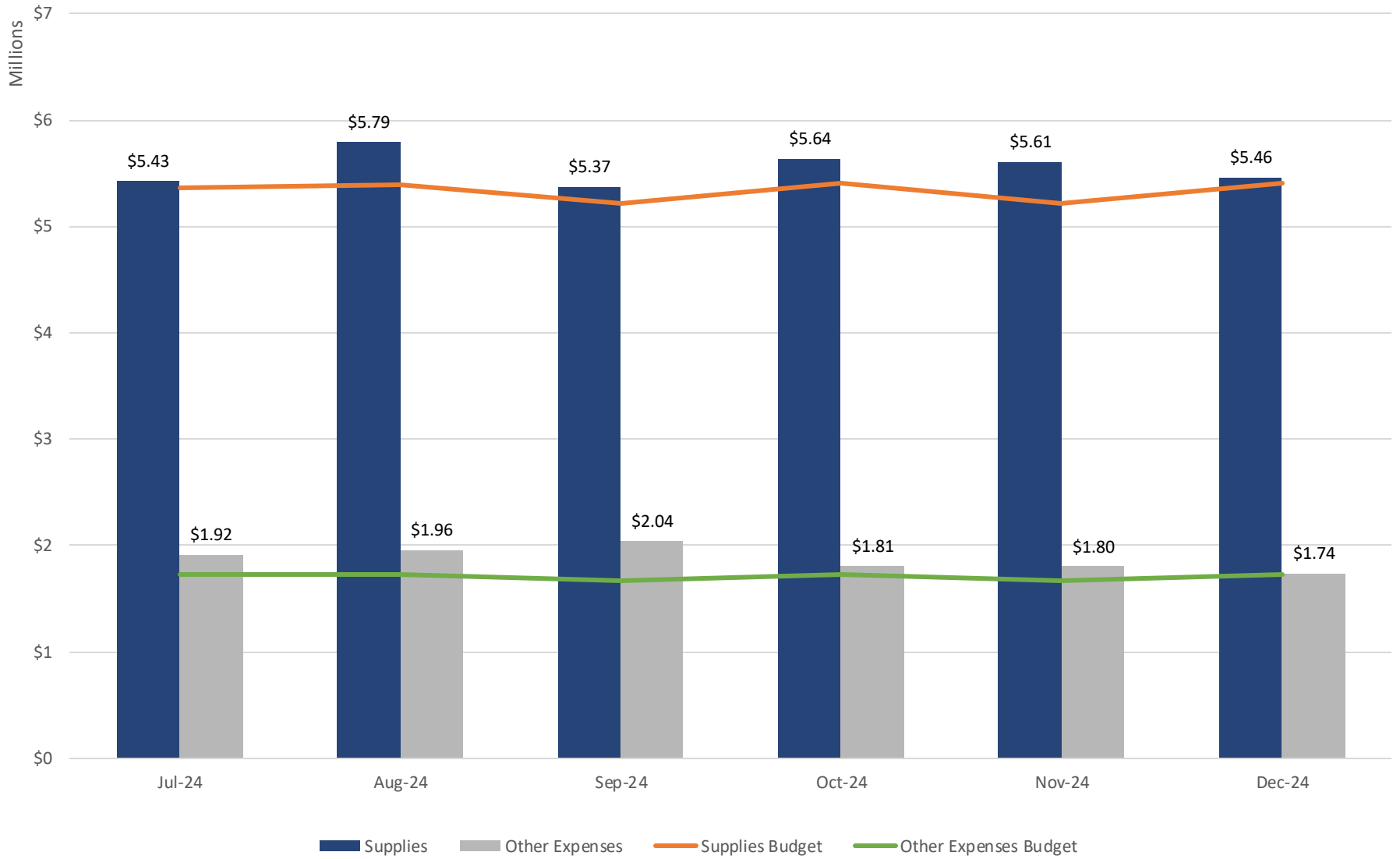
Expenses



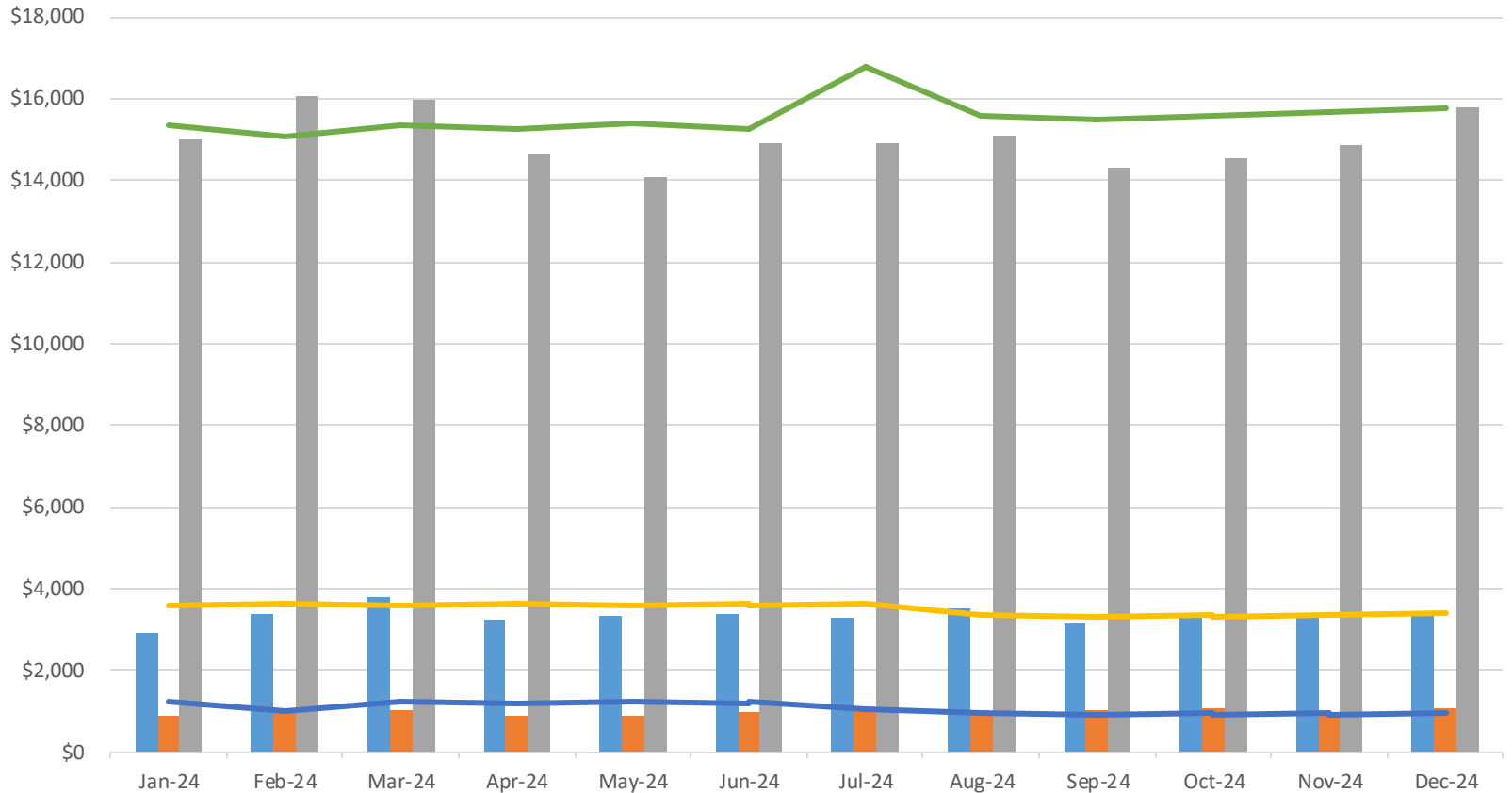
Expenses



Expenses

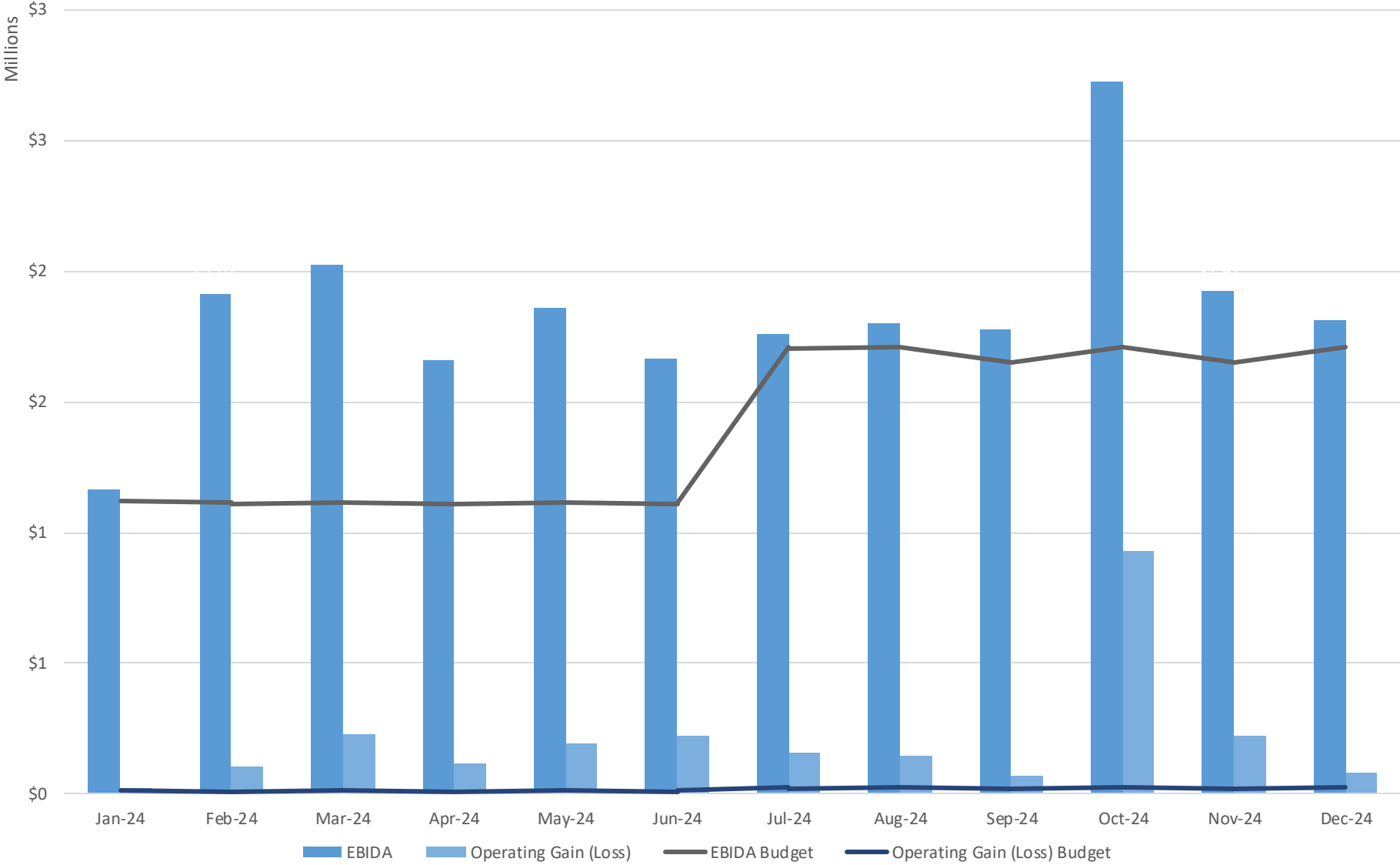


Operating Metrics

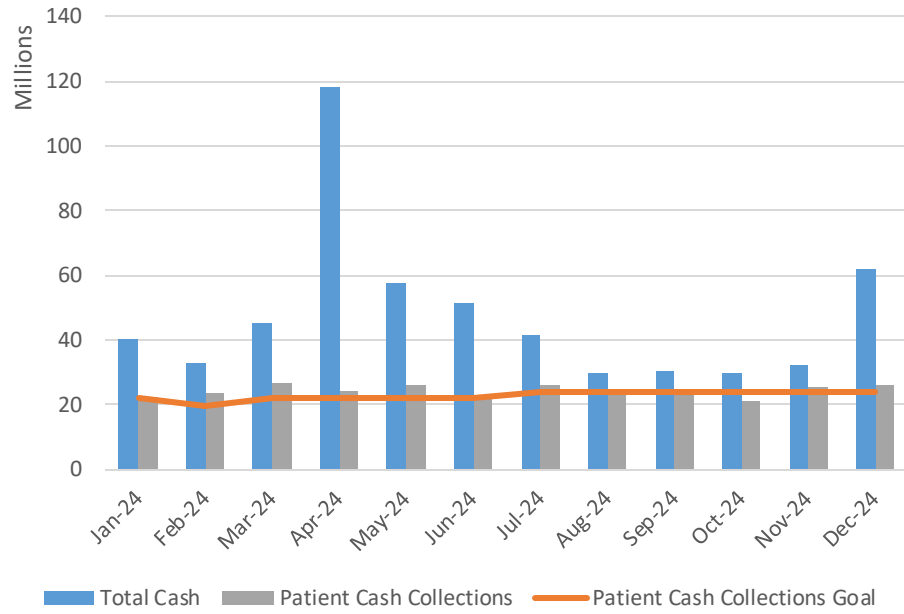


	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
■ Supply Expense per AA	\$2,910	\$3,383	\$3,803	\$3,223	\$3,327	\$3,394	\$3,284	\$3,506	\$3,152	\$3,323	\$3,342	\$3,339
■ Pharm Cost per AA	\$865	\$1,011	\$1,023	\$877	\$885	\$986	\$1,006	\$982	\$1,023	\$1,057	\$980	\$1,070
■ Net Revenue Per AA	\$15,012	\$16,073	\$15,992	\$14,649	\$14,086	\$14,898	\$14,906	\$15,102	\$14,315	\$14,556	\$14,878	\$15,768
— Budget Supp/AA	\$3,589	\$3,621	\$3,590	\$3,610	\$3,596	\$3,608	\$3,630	\$3,369	\$3,331	\$3,369	\$3,371	\$3,401
— Budget Pharm/AA	\$1,211	\$999	\$1,210	\$1,210	\$1,211	\$1,210	\$1,027	\$953	\$942	\$953	\$953	\$962
— Budget Net Rev/AA	\$15,341	\$15,077	\$15,368	\$15,272	\$15,407	\$15,252	\$16,780	\$15,593	\$15,495	\$15,601	\$15,681	\$15,748

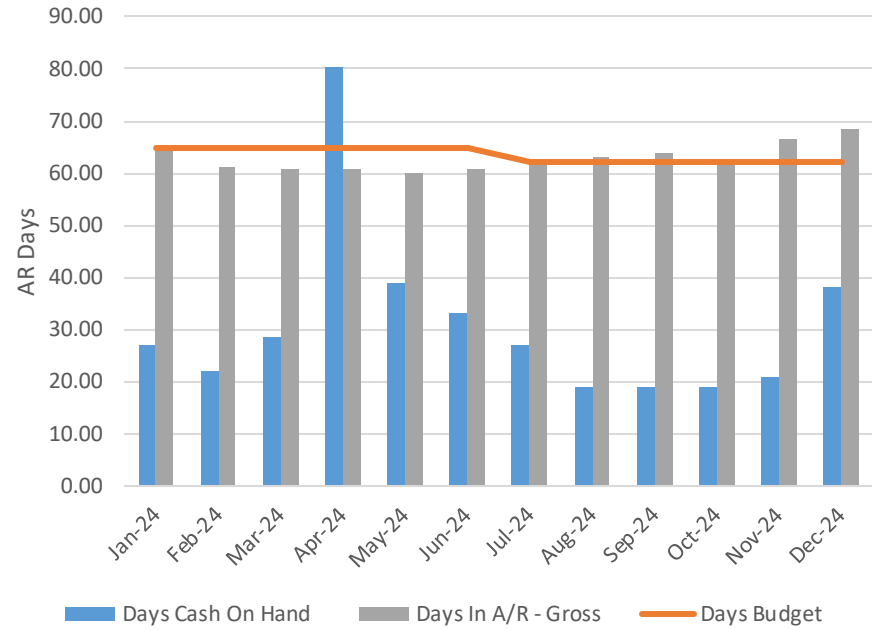
EBIDA Rolling Year



Cash Rolling Year



AR Days Rolling Year



KERN MEDICAL
3-Month Trend Analysis: Revenue & Expenses
December 31, 2024

	OCTOBER	NOVEMBER	DECEMBER	BUDGET DECEMBER	VARIANCE POS (NEG)	PY DECEMBER
Gross Patient Revenue	\$ 120,646,817	\$ 109,440,063	\$ 115,064,775	\$ 111,299,185	3%	\$ 100,659,341
Contractual Deductions	(95,965,726)	(84,472,508)	(89,294,475)	(86,284,486)	3%	(77,318,127)
Net Revenue	24,681,091	24,967,555	25,770,300	25,014,699	3%	23,341,213
Indigent Funding	18,614,303	16,180,634	17,855,210	16,935,500	5%	13,263,046
Correctional Medicine	3,114,656	3,130,417	3,097,714	3,114,656	(1%)	2,847,714
County Contribution	285,211	285,211	574,550	290,681	98%	285,211
Incentive Funding	44,069	122,868	142,625	934,247	(85%)	0
Net Patient Revenue	46,739,331	44,686,684	47,440,398	46,289,782	2%	39,737,184
Other Operating Revenue	3,833,497	4,076,974	5,574,663	2,133,502	161%	1,417,361
Other Non-Operating Revenue	14,863	11,636	13,608	18,997	(28%)	12,619
Total Revenue	50,587,692	48,775,294	53,028,669	48,442,281	9%	41,167,164
Expenses						
Salaries	22,009,425	21,925,800	26,217,896	22,257,806	18%	20,416,060
Employee Benefits	9,658,770	9,028,772	9,434,091	9,303,302	1%	(1,844,316)
Registry	1,888,540	1,862,751	1,842,771	1,965,167	(6%)	2,617,740
Medical Fees	2,511,651	2,390,988	2,368,950	2,261,230	5%	2,137,776
Other Professional Fees	1,496,909	1,345,411	1,376,560	1,192,702	15%	967,283
Supplies	5,635,003	5,607,705	5,457,749	5,402,056	1%	5,042,517
Purchased Services	2,853,854	2,891,077	2,778,587	2,621,054	6%	3,485,221
Other Expenses	1,810,564	1,800,582	1,738,131	1,730,380	0%	1,870,458
Operating Expenses	47,864,715	46,853,086	51,214,735	46,733,696	10%	34,692,740
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 2,722,977	\$ 1,922,208	\$ 1,813,934	\$ 1,708,586	6%	\$ 6,474,424
EBIDA Margin	5%	4%	3%	4%	(3%)	16%
Interest	389,426	387,618	389,440	259,646	50%	258,352
Depreciation	766,807	720,181	753,057	738,089	2%	885,041
Amortization	636,078	591,194	588,661	684,113	(14%)	623,196
Total Expenses	49,657,026	48,552,079	52,945,892	48,415,545	9%	36,459,329
Operating Gain (Loss)	\$ 930,666	\$ 223,215	\$ 82,777	\$ 26,737	210%	\$ 4,707,835
Operating Margin	1.84%	0.46%	0.16%	0.06%	182.8%	11.4%

KERN MEDICAL
Year to Date Analysis: Revenue & Expenses
December 31, 2024

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 693,608,778	\$ 659,487,650	5%	\$ 624,622,994	11%
Contractual Deductions	(544,215,906)	(511,166,769)	6%	(478,984,405)	14%
Net Revenue	149,392,871	148,320,881	1%	145,638,590	
Indigent Funding	109,754,985	100,520,387	9%	89,300,057	23%
Correctional Medicine	18,586,282	18,486,991	1%	17,086,282	9%
County Contribution	2,000,604	1,725,331	16%	1,711,265	16.91%
Incentive Funding	467,824	5,545,206	(92%)	0	0.0%
Net Patient Revenue	280,202,567	274,598,795	2%	253,736,194	10%
Other Operating Revenue	19,286,825	12,663,369	52%	10,451,217	85%
Other Non-Operating Revenue	75,952	112,756	(33%)	135,041	(44%)
Total Revenue	299,565,345	287,374,920	4%	264,322,452	13%
Expenses					
Salaries	135,076,331	132,084,696	2.3%	118,178,748	14%
Employee Benefits	55,727,392	55,215,698	0.9%	39,096,533	43%
Registry	11,935,698	11,637,438	3%	14,697,698	(19%)
Medical Fees	14,010,432	13,394,996	5%	12,839,208	9%
Other Professional Fees	8,535,074	7,079,262	21%	9,731,081	(12%)
Supplies	33,265,551	31,994,549	4%	29,805,471	12%
Purchased Services	17,681,676	15,557,223	14%	15,937,719	11%
Other Expenses	11,262,469	10,270,640	10%	10,053,630	12%
Operating Expenses	287,494,624	277,234,504	4%	250,340,088	15%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 12,070,721	\$ 10,140,416	19%	\$ 13,982,364	(14%)
EBIDA Margin	4%	4%	14%	5%	(24%)
Interest	2,179,348	1,541,126	41%	1,399,996	56%
Depreciation	4,283,742	4,380,917	(2%)	4,248,655	1%
Amortization	3,724,168	4,060,543	(8%)	3,335,898	12%
Total Expenses	297,681,882	287,217,090	4%	259,324,638	15%
Operating Gain (Loss)	\$ 1,883,463	\$ 157,830	1,093%	\$ 4,997,814	(62%)
Operating Margin	0.6%	0.1%	1,044.8%	1.9%	(67%)

**KERN MEDICAL
BALANCE SHEET**

	DECEMBER 2024	DECEMBER 2023
ASSETS:		
<i>Total Cash</i>	\$ 62,051,103	\$ 35,833,364
Patient Receivables Subtotal	271,660,959	240,778,367
Contractual Subtotal	(228,952,984)	(185,002,966)
<i>Net Patient Receivable</i>	42,707,974	55,775,401
Total Indigent Receivable	252,281,767	233,918,312
Total Other Receivable	15,805,554	9,600,362
Total Prepaid Expenses	5,866,669	5,491,811
Total Inventory	4,780,251	5,588,488
<i>Total Current Assets</i>	383,493,318	346,207,737
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	270,747,103	262,112,313
Total Construction in Progress	12,198,900	11,198,456
<i>Total Property, Plant & Equipment</i>	282,946,003	273,310,769
Total Accumulated Depr & Amortization	(175,996,271)	(162,043,025)
<i>Net Property, Plant, and Equipment</i>	106,949,732	111,267,744
<i>Total Long Term Assets</i>	124,532,718	112,536,013
<i>Total Assets</i>	\$ 614,975,768	\$ 570,011,494

**KERN MEDICAL
BALANCE SHEET**

	DECEMBER 2024	DECEMBER 2023
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 14,183,525	\$ 7,185,618
Total Accrued Compensation	30,071,806	32,696,556
Total Due Government Agencies	5,096,504	3,108,657
Total Other Accrued Liabilities	65,120,188	32,380,583
<i>Total Current Liabilities</i>	114,472,023	75,371,414
Unfunded Pension Liability	344,447,058	345,399,109
Other Long-Term Liabilities	81,627,265	82,174,953
<i>Total Long-Term Liabilities</i>	426,074,323	427,574,062
<i>Total Liabilities</i>	540,546,346	502,945,476
<i>Total Net Position</i>	74,429,421	67,066,017
<i>Total Liabilities and Net Position</i>	\$ 614,975,768	\$ 570,011,494

**KERN MEDICAL
STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date December 2024	Fiscal Year-End June 2024	Fiscal Year-to-Date December 2023	Fiscal Year-End June 2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	\$ 155,560,927	\$ 292,533,084	\$ 143,776,234	\$ 264,388,064
Cash received for other operations	111,842,800	233,602,712	82,781,703	236,708,950
Cash paid for salaries and benefits	(186,715,229)	(339,411,493)	(154,815,842)	(202,912,375)
Cash paid for services and supplies	(81,950,258)	(186,981,598)	(93,453,359)	(292,069,170)
Net cash (used in) provided by operating activities	(1,261,760)	(257,296)	(21,711,263)	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	-	420,331	-	(365,334)
Principal paid - pension obligation bond	-	(1,062,281)	-	(2,938,587)
Interest paid - line of credit	-	-	-	(262,368)
Line of credit payment	20,000,000	-	-	-
Net cash provided by (used in) noncapital financing activities	20,000,000	(641,950)	-	(1,496,195)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(5,112,625)	(18,896,864)	(14,348,768)	(12,141,601)
Payments on right-of-usage lease liability	(1,494,065)	3,896,089	4,972,092	(3,034,901)
Interest paid - right-of-usage lease liability	(4,359)	31,211	-	-
Payments on SBITA liability	(378,138)	(752,150)	-	(782,410)
Interest paid - SBITA	(307)	2,013	-	-
Net cash used by capital and related financing activities	(6,989,494)	(15,719,700)	(9,376,676)	(15,958,912)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	181,109
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	11,748,746	(16,618,946)	(31,087,939)	(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	\$ 62,051,103	\$ 50,302,358	\$ 35,833,364	\$ 66,921,303