



EL CENTRO REGIONAL MEDICAL CENTER
BOARD OF TRUSTEES – REGULAR MEETING

MONDAY, February 24, 2025
5:30 PM

MOB CONFERENCE ROOM 1&2
1271 ROSS AVENUE, EL CENTRO, CA
&

TELECONFERENCE LOCATION *NOTE: Pursuant to Government Code Section 54953(b) Trustee Patty Maysent- CEO, UCSD Health will be attending the Regular Meeting via teleconference from:*

JACOBS MEDICAL CENTER, Suite 1-620
9300 CAMPUS POINT DR.
SAN DIEGO, CA 92037

PRESIDENT: Tomas Oliva

MEMBERS: Sylvia Marroquin; Sonia Carter; Claudia Camarena; Marty Ellett; Patty Maysent-CEO, UCSD Health; Christian Tomaszewski-M.D.-CMO, UCSD; Pablo Velez-CEO ECRMC

CLERK: Belen Gonzalez

ATTORNEY: Douglas Habig, ECRMC Attorney
Elizabeth Martyn, City Attorney

This is a public meeting. If you are attending in person, and there is an item on the agenda on which you wish to be heard, please come forward to the microphone. Address yourself to the president. You may be asked to complete a speaker slip; while persons wishing to address the Board are not required to identify themselves (Gov't. Code § 54953.3), this information assists the Board by ensuring that all persons wishing to address the Board are recognized and it assists the Board Executive Secretary in preparing the Board meeting minutes. The president reserves the right to place a time limit on each person asking to be heard. If you wish to address the board concerning any other matter within the board's jurisdiction, you may do so during the public comment portion of the agenda.

BOARD MEMBERS, STAFF AND THE PUBLIC MAY ATTEND VIA ZOOM.

To participate and make a public comment in person, via Zoom or telephone, please raise your hand, speak up and introduce yourself.

Join Zoom Meeting: <https://ecrmc.zoom.us/j/88008692546?pwd=5DJn1ndEFaZNIiKZzh1aKt6AvUmaFr.1>

Optional dial-in number: (669) 444-9171

Meeting ID: 880 0869 2546 **Passcode:** 124234

Public comments via zoom are subject to the same time limits as those in person.

OPEN SESSION AGENDA

ROLL CALL:

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENTS: Any member of the public wishing to address the Board concerning matters within its jurisdiction may do so at this time. Three minutes is allowed per speaker with a cumulative total of 15 minutes per group, which time may be extended by the President. Additional information regarding the format for public comments may be provided at the meeting.

BOARD MEMBER COMMENTS:

CONSENT AGENDA: *(Item 1)*

All items appearing here will be acted upon for approval by one motion, without discussion. Should any Board member or other person request that any item be considered separately, that item will be taken up at a time as determined by the President.

1. Review and Approval of Board of Trustees Minutes of Regular Meeting of January 27, 2025.

FINANCE and OPERATIONAL UPDATE

2. Review and Approval of the Financial Statements for Month and Year-to-Date as of January 2025.
3. Review and Approval of the Final 2018 Bond Draw
4. Review and Approval of the Annual Financial Audit

CHIEF EXECUTIVE OFFICER UPDATE

5. Verbal Report from the CEO to the Board of Trustees—**Informational**
6. Manager Update—Patty Maysent—**Informational**

RECESS TO CLOSED SESSION:

A. HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES. The Hospital Board will recess to closed session pursuant to Government Code Section 37624.3 for a hearing and/or deliberations concerning reports of the ___ hospital medical audit committee, or X quality assurance committees, or X staff privileges.

B. TRADE SECRETS. The Hospital Board will recess to closed session pursuant to Govt. Code Section 37606(b) for the purpose of discussion and/or deliberation of reports involving hospital trade secret(s) as defined in subdivision (d) of Section 3426.1 of the Civil Code and which is necessary, and would, if prematurely disclosed create a substantial probability of depriving the hospital of a substantial economic benefit:

<u>Discussion of:</u>	<u>Number of Items:</u>
<u>X</u> hospital service;	<u>1</u>
<u>X</u> program;	<u>1</u>
<u>X</u> hospital facility	<u>1</u>

C. LABOR NEGOTIATIONS. The Hospital Board will recess to closed session pursuant to Government Code 54957.6 **Agency Negotiator:** Chief Executive Officer. **Employee organization:** Teamsters Union Local 542

D. CONFERENCE WITH LEGAL COUNSEL—The Hospital Board will recess to closed session pursuant to Government Code Section 54956.9(d)(1)

RECONVENE TO OPEN SESSION – BOARD PRESIDENT**ANNOUNCEMENT OF CLOSED SESSION ACTIONS, IF ANY – GENERAL COUNSEL**

7. Approval of Report of Medical Executive Committee's Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff *(Approved in Closed Session)*

ADJOURNMENT: Adjourn. (Time:) Subject to additions, deletions, or changes.



El Centro Regional Medical Center
BOARD OF TRUSTEES – REGULAR MINUTES
OPEN SESSION MINUTES
MOB CONFERENCE ROOMS 1 & 2
1271 Ross Avenue, El Centro, CA 92243

Zoom Meeting link: <https://ecrmc.zoom.us/j/89593514819?pwd=SKMA3bXZPh9pbvCBxx5fhedOzag8hp.1>

Monday, January 27, 2025

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ROLL CALL	<p>PRESENT: Oliva; Marroquin; Carter; Camarena; Ellet; Maysent (<i>present@ 6:40pm</i>); Tomaszewski; Tammy Morita (<i>acting as proxy for Maysent; 5:30pm-6:40pm</i>); Chief Executive Officer Pablo Velez; and Executive Board Secretary Belen Gonzalez</p> <p>ALSO PRESENT: ECRMC Attorney Douglas Habig; City of El Centro Attorney Elizabeth Martyn; Interim City Manager Daniel Paramo; City Clerk Norma Wyles; UCSD Chief Health Counsel Veronica Marsich; UCSD Tammy Morita; UCSD Nick Macchione; UCSD Hayes Herd</p> <p>Hospital Administrative Staff: David Momberg-CFO; Luis Castro-CHRO; Kimberly Probus-CNO; Matthew Nilsen-Marketing Director</p>	
CALL TO ORDER		The Board of Trustees convened in open session at 5:30 p.m. Board President Oliva called the meeting to order.
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.	None

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
NOTICE OF MEETING	Notice of meeting was posted and mailed consistent with legal requirements.	None
PUBLIC COMMENTS	<i>Alejandra Najera</i> Introduced herself to the Board of Trustees and asked questions regarding ECRMC operations in regards to patient-centered pediatric care and return of investment.	None
BOARD MEMBER COMMENTS	<i>Trustee Camarena</i> Expressed her concern in the decision made regarding PMHD and the financial sustainability of ECRMC. <i>Trustee Oliva</i> Asked ECRMC staff to follow up with public request made by Alejandra Najera. <i>Pablo Velez</i> Introduced Andrew Lafree, M.D. as the new Chief of Staff for ECRMC.	None
CONSENT AGENDA <i>(Item 1)</i> Item 1. Review and Approval of Board of Trustees Minutes of Regular Meeting of December 19, 2024.	All items appearing here were acted upon for approval by one motion (or as to information reports, acknowledged receipt by the Board and directed to be appropriately filed) without discussion.	MOTION: by Marroquin, second by Carter and carried to approve the Consent Agenda All present in favor; none opposed.
FINANCE and OPERATIONAL UPDATE Item 2. Review and Approval of the Financial Statements for Month and Year-to-Date as of November 2024.	David Momberg presented the Financial Statements for Month and Year-to-Date as of November 2024 report and answered questions. Presentation included: <ul style="list-style-type: none"> • Comparative volumes vs. Prior Month/Year • Balance Sheet vs. Prior Month comparison • Operating Statement vs. Prior Month comparison • Monthly Cash Flow (Fiscal Year to Date) 	MOTION: by Marroquin, second by Ellett and carried to approve the Financial Statements for Month and Year-to-Date as of November 2024. All present in favor; none opposed.

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
Item 3. Review and Approval of the Financial Statement for Month and Year-to-Date as of December 2024.	<p>David Momberg presented the Financial Statements for Month and Year-to-Date as of December 2024 report and answered questions.</p> <p>Presentation included:</p> <ul style="list-style-type: none"> • Comparative volumes vs. Prior Month/Year • Balance Sheet vs. Prior Month comparison • Operating Statement vs. Prior Month comparison • Monthly Cash Flow (Fiscal Year to Date) 	<p>MOTION: by Carter, second by Marroquin and carried to approve the Financial Statements for Month and Year-to-Date as of December 2024.</p> <p>All present in favor; none opposed.</p>
Item 4. 2024 Annual Nursing Report—Informational (<i>Kimberly Probus, CNO</i>)	<p>Kimberly Probus presented the Annual Nursing Report and answered questions.</p> <p>The presentation included summary of clinical annual events/achievements/department operations:</p> <ul style="list-style-type: none"> • ECRMC Nursing Organization Chart • CNO Work Plan, Throughput, AONL Assessment, CNA day celebration • Nurses Week Mayoral Proclamation • Department 12-month operations: Perioperative Services, Emergency Department, Rehabilitation Services, Cardiopulmonary Services, Patient Experience, Laboratory, Oncology, Hematology & Infusion Center, and Population Health-Diabetes. • Workplace Violence • Looking Ahead: Quality, Service, and People 	Informational
CHIEF EXECUTIVE OFFICER UPDATE Item 5. Verbal Report from the CEO to the Board of Trustees—Informational	Item to be discussed in Closed Session	Informational

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
Item 6. Manager Update—Patty Maysent—Informational	Item to be discussed in Closed Session	Informational.
RECESS TO CLOSED SESSION		<p>MOTION: by Marroquin, second by Carter and carried to recess to Closed Session at 6:46 p.m. for HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES and TRADE SECRETS.</p> <p>All present in favor to recess to Closed Session. None opposed.</p>
RECONVENE TO OPEN SESSION		The Board of Trustees reconvened to Open Session at 8:29 p.m.
ANNOUNCEMENT OF CLOSED SESSION ACTIONS, IF ANY—GENERAL COUNSEL		<p>[A. HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES—GOVERNMENT CODE SECTION 37624.3]</p> <p>MOTION: by Ellett, second by Marroquin and carried to approve the Report of Medical Executive Committee’s Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff.</p> <p>All present in favor; none opposed.</p>

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ADJOURNMENT		There being no further business, meeting was adjourned at approximately 8:30 p.m.

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, BOARD PRESIDENT

TO: HOSPITAL BOARD MEMBERS
FROM: David Momberg, Chief Financial Officer
DATE: February 24, 2025
MEETING: Board of Trustees



SUBJECT: JANUARY 2025 MONTH AND YEAR-TO-DATE FINANCIAL STATEMENTS

BUDGET IMPACT:

A. Does the action impact/affect financial resources? ☒ Does not Apply
B. If yes, what is the impact amount: ☐ Yes ☐ No

BACKGROUND: The month of January resulted in net operating loss of \$878K, a negative margin of 7.2% and positive EBIDA of \$1M. FYTD EBIDA is positive at \$10K and positive margin YTD of 0%.

DISCUSSION: For a more detailed description of financial performance, please see the attached Financial Report.

RECOMMENDATION: Approve

ATTACHMENT(S):

- Financial Packet for January 2025

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Velazquez 2/20/25



January 2024 Financial Report

February 24, 2025

To: Finance Committee

From: David Momberg, Chief Financial Officer

The following package contains:

- Comparative volumes vs. Prior Month/Year
- Balance Sheet vs. Prior Month comparison
- Operating Statement vs. Prior Month comparison
- Monthly Cash Flow (Fiscal Year to Date)

Balance Sheet:

- a) Cash balance increased (\$1.7M) due to Noridian held payments paid during January offset by 3 pay periods processed.
- b) Net Patient Accounts Receivable increased \$695k due to higher average daily census.
- c) Other Receivables increased (\$178k) due to 340B pharmacy receivables.
- d) Due from Third-Party Payors decreased (\$4.9M) related to Rate Range payment received from CH&W.
- e) Deferred Outflows of Resources – Pension decreased (\$709k) due to no payments made during the month related to credit on pension account.
- f) Accounts payable and Accrued Expenses increased (\$1.3M) due to lower payments to vendors than invoiced amount.
- g) Accrued Compensation and Benefits decreased (\$2.1M) due to payroll payment made last week of January coupled with December's Holiday PTO usage.
- h) Days in A/R increased to 47.24 from 46.22. The goal is 50 days.

- i) Accounts payable days decreased, 78.53 vs. 79.83 days from previous month.
- j) Current Ratio is 1.02 (1.06 last month).

Income Statement – Current Month Actual vs. Prior Month:

- a) Our Inpatient Revenue is 6.5% higher due higher patient days (1,660 vs. 1,471 prior month).
- b) Outpatient Revenue is 21.5% higher due to mainly due to higher Outpatient (8,038 vs. 7,902 prior month) and RHC visits (6,446 vs. 4,787 prior month).
- c) Contractuals for the month are 81.7% of gross revenues (81.2% YTD).
- d) Charity and Bad debt are 1.2% of gross revenues.
- e) Salaries & Wages decreased 8.8% mainly related to Holiday overtime expenses in December.
- f) Employee benefits decreased 27.8% due to lower Workers Comp balance adjustment.
- g) Professional Fees – Medical are higher 22.5% related to Sheridan Radiology Management credit applied in December.
- h) Repairs and Maintenance 16.6% higher mainly due to unexpected “eClinical Works” expenses since it was expected to be replaced.
- i) Other fees are 18.9% lower mainly due to unbudgeted GE conversion of Fetal Strips expenses (\$55k) purchased in November.
- j) Other expenses are lower 25.8% related to lower Neogenomics expenses than actual expected.
- k) Utilities are 18.7% higher due to December’s invoice received in January.
- l) January 2024 shows a Net loss of \$878k (\$1M positive EBIDA).

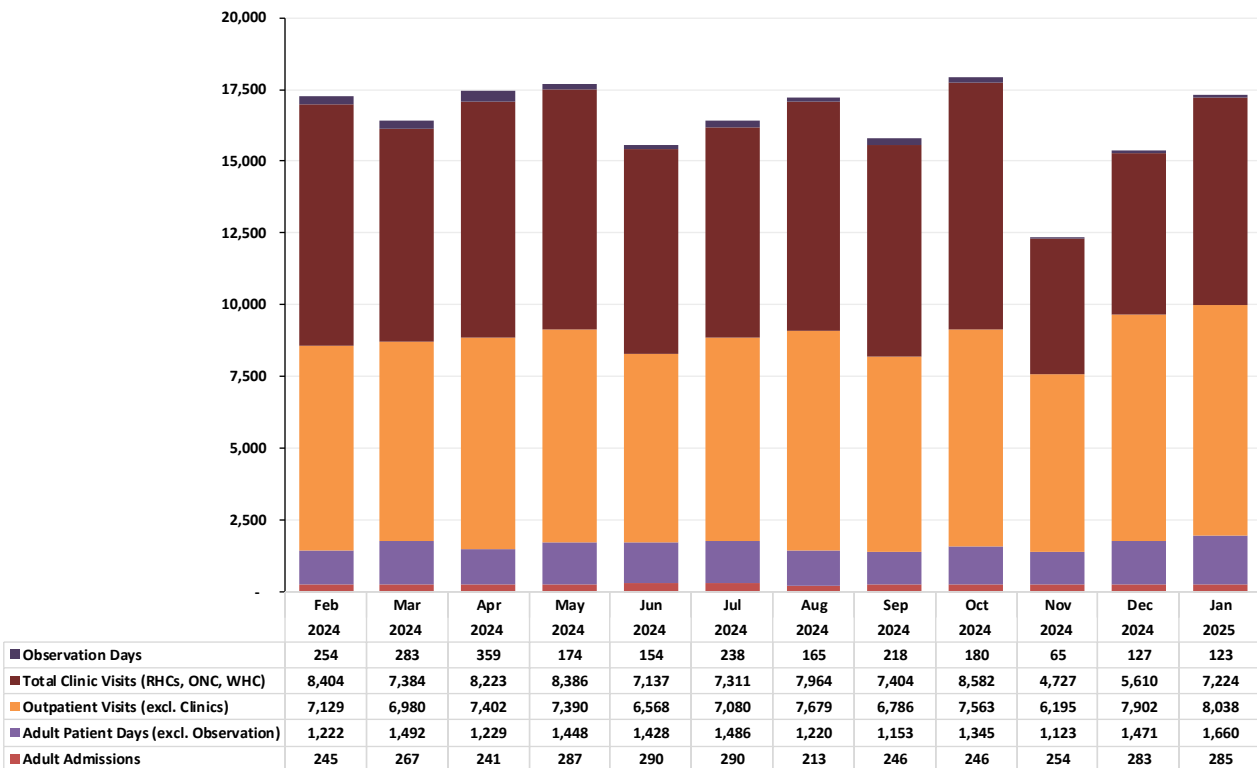
Definitions:

- **EBIDA** - Earnings Before Interest, Depreciation, and Amortization.
- **Contribution Margin** – Total Revenue minus Expenses (excluding functional areas of IT, Finance, HR, and management assessments/restructuring costs).
- **EBIDA Margin** – $\text{EBIDA} / \text{Total Revenue}$.
- **Operating Expenses Per Day** – Total Expenses less Depreciation divided by Days.
- **Operating Revenue Per Day** – $\text{Operating Income} / \text{Days}$.
- **Days Cash on Hand** – $\text{Cash} / \text{Operating Expenses per Day}$.
- **Days Revenue in A/R** – $\text{Accounts Receivable} / \text{Operating Revenue per Day}$.
- **Current Ratio** – $\text{Current Assets} / \text{Current Liabilities}$.
- **Equity Financing Ratio** – $\text{Total Capital} / \text{Total Debt}$.

EI Centro Regional Medical Center **Comparative Volumes as of January 31, 2025**

	Oct 2024	Nov 2024	Dec 2024	Jan 2025	YTD Actual	YTD Budget	YTD Variance
Adult Admissions (excl. Observation)	246	254	283	285	1,817	2,254	(437)
Patient Days (excl. Observation)	1,345	1,123	1,471	1,660	9,458	11,042	(1,584)
Average Length of Stay (excl. Observation)	5.5	4.4	5.2	5.8	5.2	4.9	0.3
Average Daily Census (excl. Observation)	43.4	37.4	47.5	53.5	44.0	44.0	-
Average Daily Census (ADC) Observation	5.8	2.2	4.1	4.0	5.2	7.0	(1.8)
Total ADC (including Observation)	49.2	39.6	51.5	57.5	49.2	51.0	(1.8)
Observation Days (excluding Obstetrics)	180	65	127	123	1,116	1,499	(383)
Outpatient Visits (excluding Clinics)	7,563	6,195	7,902	8,038	51,243	56,737	(5,494)
Emergency Room Visits	3,003	2,593	3,151	2,813	20,198	21,940	(1,742)
EI Centro Rural Health Clinic Visits	4,178	2,452	2,719	3,331	23,825	29,680	(5,855)
Calexico Rural Health Clinic Visits	3,417	1,846	2,068	3,115	19,287	22,836	(3,549)
Rural Health Clinic Visits - Total	7,595	4,298	4,787	6,446	43,112	52,516	(9,404)
Wound Healing Center Visits	191	94	62	128	1,060	1,267	(207)
Oncology Center Visits	796	335	761	650	4,650	4,676	(26)
Oncology Center Infusion Procedures	1,616	1,178	1,217	1,360	9,629	9,589	40
Surgeries without C-Sections	454	345	363	380	2,907	3,633	(726)
DaVinci Cases	63	-	-	48	283	290	(7)

Rolling-12 volume trend



ECRMC BALANCE SHEET COMPARED TO PRIOR MONTH

	January 31, 2025	December 31, 2024	Variance (\$)	Variance (%)
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 5,638,365	\$ 3,952,950	\$ 1,685,415	43%
Net Patient Accounts Receivable	21,523,832	20,827,956	695,876	3%
Other Receivables	899,234	853,945	45,289	5%
Due from Third-Party Payors	12,141,582	17,119,837	(4,978,255)	-29%
Inventories	2,971,586	2,960,343	11,244	0%
Prepaid Expenses & Other	2,757,881	2,691,972	65,909	2%
Total Current Assets	45,932,480	48,407,003	(2,474,523)	-5%
Assets Limited as to Use				
Restricted Building Capital Fund	200,154	184,501	15,653	8%
Funds Held by Trustee for Debt Service	10,611,279	9,822,034	789,246	8%
Restricted Programs	11,497	11,497	-	0%
Total Assets Limited as to Use	10,822,930	10,018,032	804,899	8%
Property, Plant, and Equipment: Net	155,701,264	155,417,622	283,643	0%
Other Assets	724,715	724,715	-	0%
Total Assets	213,181,390	214,567,371	(1,385,981)	-1%
Deferred Outflows of Resources				
Deferred Outflows of Resources - Pension	2,680,570	3,390,121	(709,550)	-21%
Total Deferred Outflows of Resources	2,680,570	3,390,121	(709,550)	-21%
Total Assets and Deferred Outflows of Resources	\$ 215,861,960	\$ 217,957,492	\$ (2,095,532)	-1%
Liabilities				
Current Liabilities:				
Current Portion of Bonds	1,380,000	1,375,000	5,000	0%
Current Portion of Capital Lease Obligations	775,609	817,706	(42,097)	-5%
Accounts Payable and Accrued Expenses	21,834,379	20,575,611	1,258,769	6%
Accrued Compensation and Benefits	9,043,501	11,168,326	(2,124,825)	-19%
Due to Third-Party Payors	11,828,766	11,828,766	-	0%
Total Current Liabilities	44,862,256	45,765,408	(903,152)	-2%
Long-Term Bond Payable, Less Current Portion	110,839,866	110,936,134	(96,267)	0%
Capital Lease Obligations, Less Current Portion	6,778,158	6,999,552	(221,393)	-3%
Notes Payable, Less Current Portion	21,777,778	21,777,778	-	0%
Net Pension Liability	54,174,600	54,174,600	-	0%
Total Liabilities	238,432,658	239,653,471	(1,220,813)	-1%
Deferred Inflows of Resources				
Deferred Inflows of Resources - Pension	113,800	113,800	-	0%
Total Deferred Inflows of Resources	113,800	113,800	-	0%
Net Position				
Restricted Fund Balance	25,951	22,429	3,522	16%
Fund Balance	(22,710,449)	(21,832,209)	(878,240)	4%
Total Net Position	(22,684,498)	(21,809,779)	(874,718)	4%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 215,861,960	\$ 217,957,492	\$ (2,095,532)	-1%
Days Cash on Hand	15.37	10.27		
Days Revenue in A/R	47.24	46.22		
Days in A/P	78.53	79.83		
Current Ratio	1.02	1.06		
Debt Service Coverage Ratio	1.70	2.02		

STATEMENTS OF OPERATIONS COMPARISON TO BUDGET

	MTD October 31, 2024	MTD November 30, 2024	MTD December 31, 2024	MTD January 31, 2025	YTD January 31, 2024	YTD January 31, 2025	YTD BUDGET January 31, 2025
Adult Admissions	246	254	283	285	1,748	1,817	2,254
Adult Patient Days (excl. Observation)	1,345	1,123	1,471	1,660	9,121	9,458	11,042
Outpatient Visits (excl. Clinics)	7,563	6,195	7,902	8,038	50,804	51,243	56,737
Total Clinic Visits (RHCs, ONC, WHC)	8,582	4,727	5,610	7,224	53,413	48,822	58,459
Observation Days	180	65	127	123	1,592	1,116	1,499
OPERATING REVENUE							
I/P Revenue	\$ 16,607,932	\$ 12,153,151	\$ 16,725,181	\$ 17,807,630	\$ 105,063,515	\$ 106,206,271	\$ 114,979,309
O/P Revenue - Laboratory	6,801,311	3,615,514	4,729,146	6,909,378	45,509,703	42,616,772	47,472,353
O/P Revenue - CT Scanner	7,235,759	3,906,362	5,730,255	5,703,252	44,577,487	42,528,754	44,989,150
O/P Revenue - Emergency Room	6,201,032	5,694,246	7,207,916	7,059,768	42,275,546	44,665,757	43,476,984
O/P Revenue - Oncology	8,082,763	498,582	607,630	703,315	40,277,812	30,450,679	41,163,579
O/P Revenue - Others	20,412,362	13,995,765	18,381,079	22,326,874	129,784,725	130,190,511	133,114,458
Gross Patient Revenues	65,341,159	39,863,620	53,381,207	60,510,217	407,488,788	396,658,744	425,195,833
Other Operating Revenue	451,418	319,558	347,538	304,601	8,240,945	2,755,703	4,379,447
Total Operating Revenue	65,792,577	40,183,178	53,728,745	60,814,818	415,729,733	399,414,447	429,575,279
Contractuals							
IP Contractuals	10,557,199	12,807,057	11,020,390	12,005,503	82,382,449	82,806,074	86,018,203
OP Contractuals	41,262,629	19,752,676	33,749,518	37,420,503	251,713,910	239,282,428	253,329,587
Charity	102,759	76,160	125,127	174,636	2,220,345	975,191	1,753,481
Provision for Bad Debts	696,791	523,998	456,712	550,407	2,871,264	3,950,057	2,286,665
Other Third Party Programs	(1,518,750)	(1,481,528)	(1,518,750)	(1,518,750)	(11,731,296)	(10,594,028)	(12,023,641)
M/Cal Disproportionate Share	(55,000)	(55,000)	(55,000)	(55,000)	(2,603,280)	(385,000)	(786,899)
Total Deductions	51,045,628	31,623,363	43,777,996	48,577,299	324,853,392	316,034,722	330,577,396
Total Net Revenues	14,746,949	8,559,815	9,950,750	12,237,519	90,876,342	83,379,725	98,997,883
EXPENSES							
Salaries & Wages	4,810,871	5,141,027	5,468,968	4,987,760	34,724,891	36,240,582	36,490,017
Registry	20,400	19,988	18,215	30,000	551,185	138,394	208,770
Employee Benefits	949,459	469,868	1,077,003	777,675	8,366,965	6,621,469	9,595,084
Employee Benefits - Pension GASB 68	719,600	719,600	719,600	709,550	2,683,751	4,016,995	2,237,200
Professional Fees - Medical	1,251,214	1,387,421	1,050,011	1,286,734	9,189,039	8,601,580	8,773,864
Professional Fees - Non-Med	184,605	271,978	213,086	206,326	1,954,421	1,493,171	1,440,579
Supplies - Medical	2,854,376	1,855,669	2,296,741	2,228,339	15,971,936	17,171,287	17,186,660
Supplies - Non-Medical	163,431	112,606	150,886	149,592	991,051	1,008,189	1,146,391
Food	85,241	73,360	83,526	85,567	545,635	568,170	684,898
Repairs and Maintenance	830,266	548,004	581,533	677,896	4,143,112	4,903,706	4,649,470
Other Fees	569,138	644,103	523,593	424,813	4,149,191	4,014,731	4,429,727
Lease and Rental	21,161	38,612	41,828	37,680	133,867	193,784	317,532
Utilities	167,122	167,054	184,293	205,423	1,483,375	1,447,724	1,594,965
Depreciation and Amortization	611,529	588,618	607,844	607,743	4,799,542	4,268,791	4,751,850
Insurance	167,559	168,046	167,656	199,081	1,574,583	1,367,886	1,453,392
Other Expenses	127,048	97,126	72,080	75,646	879,127	771,878	928,278
Total Operating Expenses	13,533,018	12,303,080	13,256,864	12,689,828	92,141,669	92,828,338	95,888,678
Operating Income	1,213,931	(3,743,265)	(3,306,115)	(452,309)	(1,265,327)	(9,448,613)	3,109,205
Operating Margin %	8.2%	-43.7%	-33.2%	-3.7%	-1.4%	-11.3%	3.1%
Non-Operating Revenue and Expenses							
Investment Income	60,168	48,551	(206,266)	169,933	542,161	447,805	393,067
Grants and Contributions Revenue	0	63,120	0	0	199,282	63,120	353,491
Non Operating Revenue/(Expense)	0	0	0	0	1,390,681	661,875	774,859
Interest Expense	(595,099)	(594,922)	(594,422)	(595,865)	(4,219,124)	(4,155,359)	(4,153,945)
Total Non-Operating Rev. and Expenses	(534,931)	(483,251)	(800,688)	(425,931)	(2,087,000)	(2,982,558)	(2,632,528)
(Deficit)/Excess Rev. Over Exp.	\$ 679,000	\$ (4,226,515)	\$ (4,106,802)	\$ (878,240)	\$ (3,352,327)	\$ (12,431,171)	\$ 476,678
(Deficit)/Excess Rev. Over Exp. %	4.6%	-49.4%	-41.3%	-7.2%	-3.7%	-14.9%	0.5%
EBIDA	2,605,228	(2,323,376)	(2,184,936)	1,034,918	8,350,089	9,975	11,619,673
EBIDA %	17.7%	-27.1%	-22.0%	8.5%	9.2%	0.0%	11.7%

El Centro Regional Medical Center **Monthly Cash Flow**

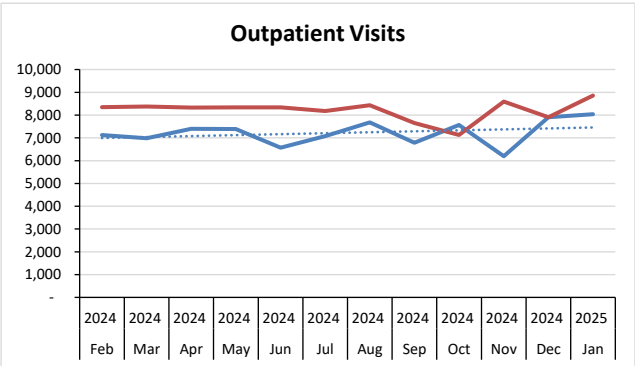
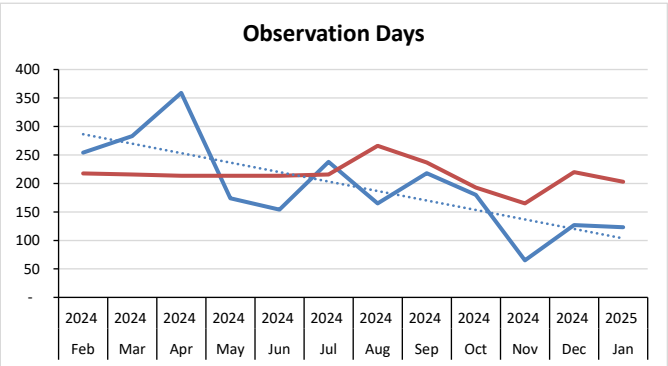
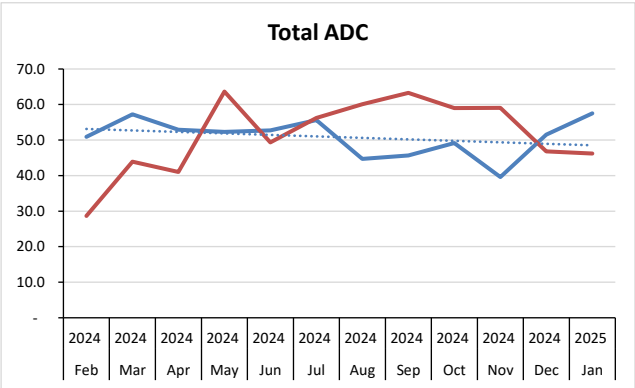
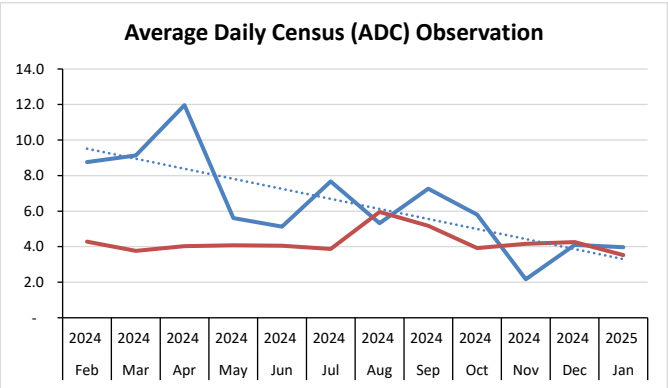
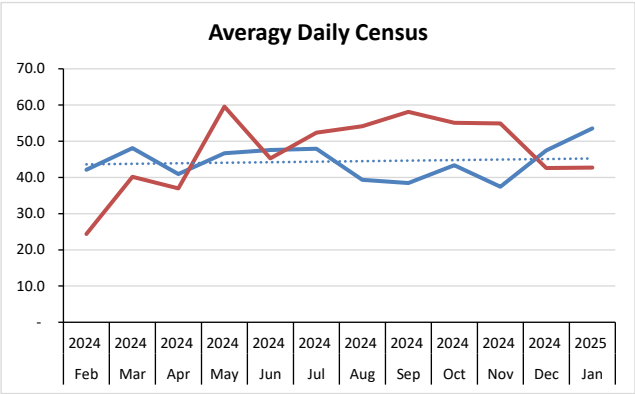
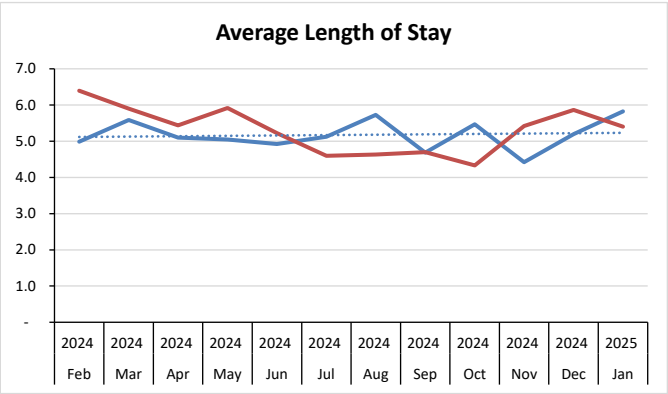
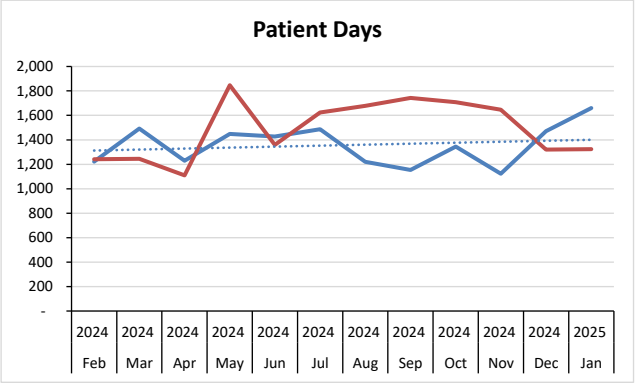
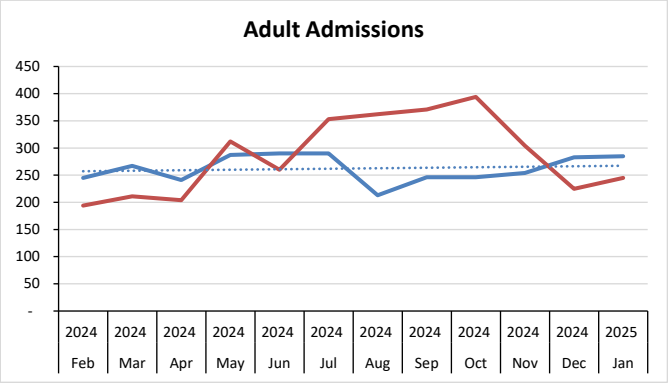
Unaudited

	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Year-to-Date 2025
<u>Cash Flow From Operating Activities</u>								
Net Income/(Loss)	\$ (1,177,660)	\$ (1,312,119)	\$ (1,408,834)	\$ 679,000	\$ (4,226,515)	\$ (4,106,802)	\$ (878,240)	\$ (12,431,171)
<i>Adjustments to reconcile net income to net cash:</i>								
Add: Depreciation	620,461	638,001	594,594	611,529	588,618	607,844	607,743	\$ 4,268,791
Capital Lease Interest	6,392	6,872	6,084	8,388	6,298	5,505	5,275	\$ 44,814
Bond Interest	583,254	583,254	583,254	583,254	583,254	583,254	583,254	\$ 4,082,781
Accounts Receivable	1,228,927	1,215,760	(1,099,944)	(2,571,768)	366,247	(297,067)	(695,876)	\$ (1,853,721)
Other Receivables	(74,849)	(263,422)	43,018	52,206	(138,407)	(178,151)	(45,289)	\$ (604,894)
Inventory	(55,005)	(20,529)	(7,897)	(56,647)	(60,274)	8,170	(11,244)	\$ (203,426)
Prepaid Expenses/Other Assets	(420,397)	(339,190)	(301,921)	(517,655)	162,944	63,703	(65,909)	\$ (1,418,427)
Accounts Payable and Accrued Expenses	890,314	(1,457,213)	447,591	2,117,480	737,771	40,866	584,247	\$ 3,361,057
Accrued Compensation and Benefits	(1,200,182)	47,927	241,976	487,760	465,506	988,588	(2,124,825)	\$ (1,093,249)
Third-Party Liabilities	(1,559,337)	(1,263,735)	(1,039,768)	1,987,677	(2,904,566)	1,788,932	4,978,255	\$ 1,987,458
Net Pension Obligation	376,111	386,267	386,267	719,600	719,600	719,600	709,550	\$ 4,016,995
Net Cash From Operating Activities	\$ (781,971)	\$ (1,778,127)	\$ (1,555,579)	\$ 4,100,824	\$ (3,699,523)	\$ 224,441	\$ 3,646,943	\$ 157,008
<u>Cash Flow From Investing Activities</u>								
Fixed Assets - Gross	\$ (1,605,629)	\$ (2,237,324)	\$ (1,109,526)	\$ (1,558,076)	\$ (330,662)	\$ (286,058)	\$ (891,386)	\$ (8,018,661)
Intangible Assets - Gross	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets	3,878,422	(666,747)	(661,044)	(11,007)	(1,336,456)	2,702,039	(801,377)	\$ 3,103,832
Net Cash From Investing Activities	\$ 2,272,793	\$ (2,904,070)	\$ (1,770,571)	\$ (1,569,082)	\$ (1,667,118)	\$ 2,415,981	\$ (1,692,763)	\$ (4,914,830)
<u>Cash Flow From Financing Activities</u>								
Bond Payable	\$ (4,688,544)	\$ -	\$ -	\$ -	\$ -	\$ (3,374,631)	\$ -	\$ (8,063,175)
Capital Leases	(215,830)	(265,822)	23,291	(277,377)	(249,402)	(276,416)	(268,765)	\$ (1,530,321)
Notes Payable	-	-	-	-	-	-	-	\$ -
Net Cash From Financing Activities	\$ (4,904,374)	\$ (265,822)	\$ 23,291	\$ (277,377)	\$ (249,402)	\$ (3,651,047)	\$ (268,765)	\$ (9,593,496)
Total Change In FY 2025 Cash	\$ (3,413,552)	\$ (4,948,020)	\$ (3,302,858)	\$ 2,254,364	\$ (5,616,043)	\$ (1,010,624)	\$ 1,685,415	\$ (14,351,317)
Cash & Cash Equivalents, Beginning Balance	19,989,682	16,576,130	11,628,110	8,325,252	10,579,617	4,963,574	3,952,950	19,989,682
Cash & Cash Equivalents, Ending Balance	\$ 16,576,130	\$ 11,628,110	\$ 8,325,252	\$ 10,579,617	\$ 4,963,574	\$ 3,952,950	\$ 5,638,365	5,638,365

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El Centro Regional Medical Center

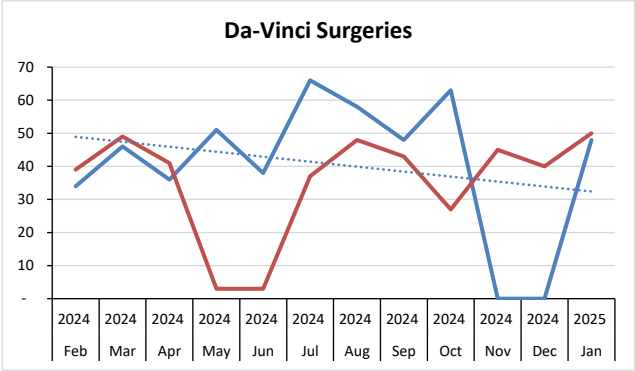
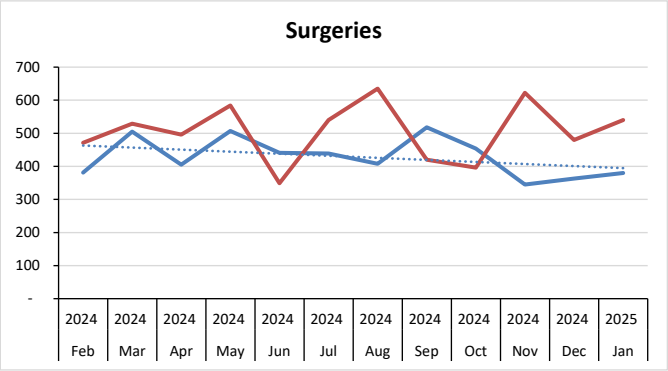
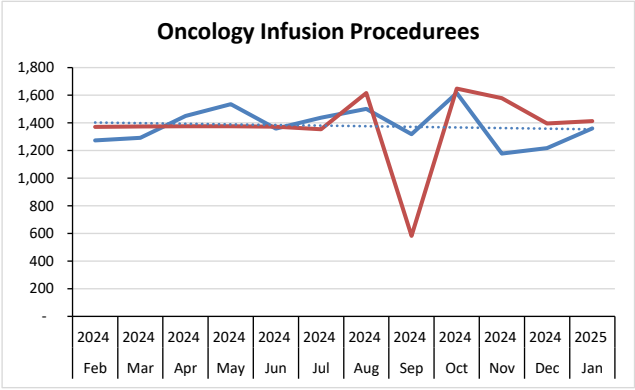
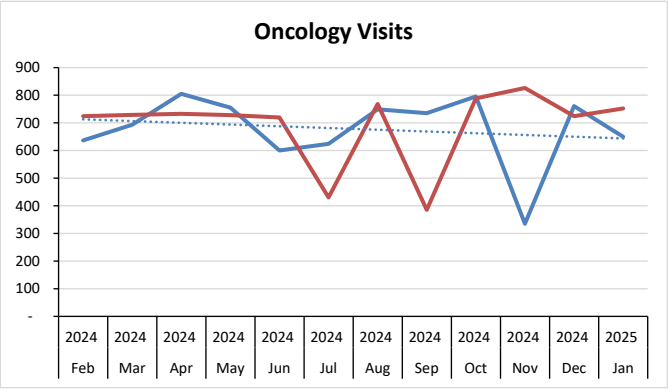
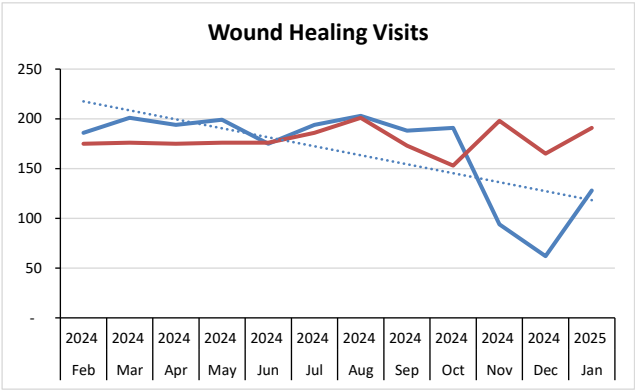
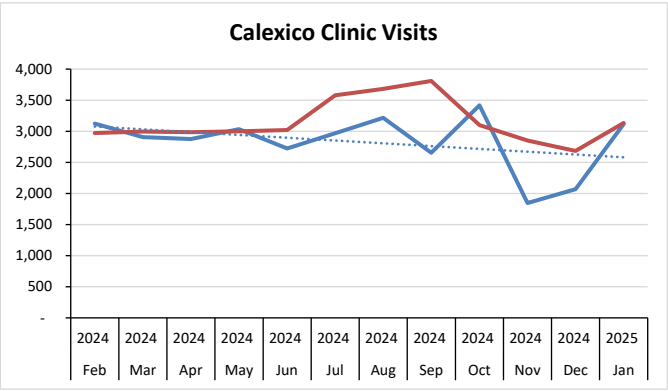
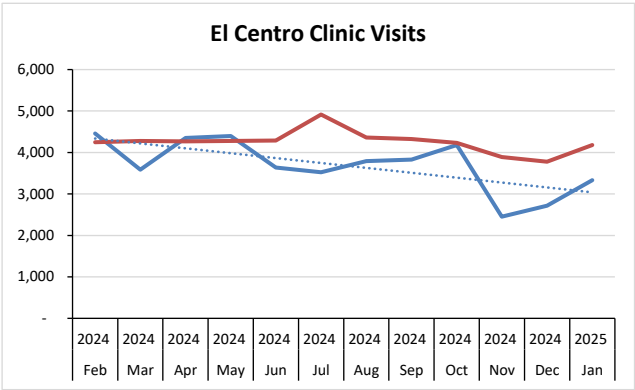
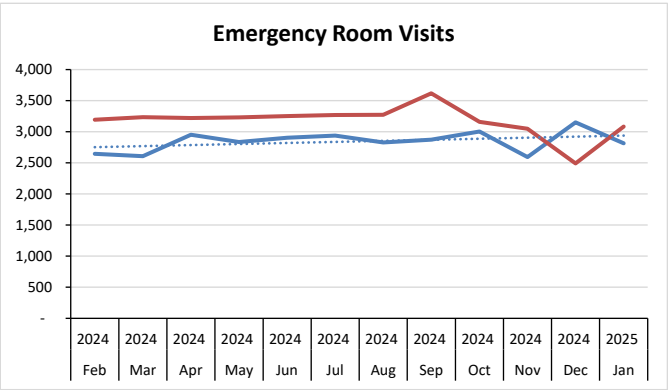
Rolling-12 Volume trend



■ BUDGET
■ ACTUALS

El Centro Regional Medical Center

Rolling-12 Volume trend



BUDGET
 ACTUALS

TO: HOSPITAL BOARD MEMBERS
FROM: David Momberg, Chief Financial Officer
DATE: February 24, 2025
MEETING: Board of Trustees



SUBJECT: FINAL 2018 BOND DRAW

BUDGET IMPACT: ☒ Does not Apply
A. Does the action impact/affect financial resources? ☐ Yes ☒ No
B. If yes, what is the impact amount: _____

BACKGROUND: Draw remaining funds from 2018 Bond. \$171,019.92

DISCUSSION: Recommend drawing down remaining funds

RECOMMENDATION: Approve

ATTACHMENT(S):

- Requisition #77
- Disbursement Report #77

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo V. [Signature] 2/20/25

\$125,000,000
El Centro Financing Authority
Hospital Revenue Refunding Bonds
(El Centro Regional Medical Center Project)
Series 2018

REQUISITION NO. 77

U.S. Bank, N.A.

Re: Series 2018 Project Account ("Project Account") held pursuant to the Trust Agreement (defined below) relating to the El Centro Financing Authority Hospital Revenue Refunding Bonds (El Centro Regional Medical Center Project), Series 2018

The undersigned hereby states and certifies:

1. That I am the duly qualified Pablo Velez of the EL CENTRO REGIONAL MEDICAL CENTER, a municipal hospital and agency of the City of El Centro duly organized and existing under and by virtue of the laws of the State of California (the "Medical Center"), and as such, am familiar with the facts herein certified and am authorized and qualified to execute and deliver this requisition.

2. I, on behalf of the Medical Center, hereby request U.S. Bank, N.A. (the "Trustee"), pursuant to that certain Trust Agreement, dated as of April 1, 2018, (the "Trust Agreement"), between the El Centro Financing Authority and the Trustee, to pay from the moneys in the Project Account established pursuant to the Trust Agreement, the amounts provided below to the payee identified below.

<u>Payee</u>	<u>Purpose for Payment</u>	<u>Amount</u>
El Centro Regional Medical Center	Reimbursement of project costs	\$ 171,019.92

3. That the obligations in the amounts stated above have been incurred by the Medical Center and are presently due and payable and that each item thereof is a proper charge against the Project Account and has not been previously paid therefrom.

4. That there has not been filed with or served upon the City of El Centro or the Medical Center notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in this requisition, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

6. That such payments shall be made by check or wire transfer in accordance with the payment instructions set forth below and the Trustee shall rely on such payment instructions as though given by the Medical Center with no duty to investigate or inquire as to the authenticity of the payment instructions or the authority under which they were given.

Payment Instructions:

**Wells Fargo Bank
297 West Main Street
Brawley, CA 92227**

**Routing Number – 121000248
Account Number – 4159-801596
Account Name – El Centro Regional Medical Center General Fund**

Capitalized terms used and not defined herein shall have the meaning ascribed to such terms in the Trust Agreement.

Date: January 03, 2025

EL CENTRO REGIONAL MEDICAL CENTER

By: _____
Authorized Medical Center Representative

		ORIGINAL COST	VENDOR NAME	INVOICE NO.	CHECK #	CHECK DATE
Payee	Purpose of Payment					
EL CENTRO REGIONAL MEDICAL CENTER	REIMBURSEMENT FOR	ANCILLARY SERVICES BUILDING	\$ 159,441.44	NIELSEN CONSTRUCTION	2018-209-63	533817 09/14/23
EL CENTRO REGIONAL MEDICAL CENTER	REIMBURSEMENT FOR	ANCILLARY SERVICES BUILDING	\$ 127,115.63	NIELSEN CONSTRUCTION	2018-209-64	534679 11/30/23

SUB-TOTAL: \$ 286,557.07

REIMBURSEMENT REQUEST TOTAL: \$ 171,019.92

Variance: \$ 115,537.15

Note: Variance is due to lack of funds available for reimbursement in US Bank account.

TO: HOSPITAL BOARD MEMBERS
FROM: David Momberg, Chief Financial Officer
DATE: February 24, 2025
MEETING: Board of Trustees



SUBJECT: ANNUAL FINANCIAL AUDIT

BUDGET IMPACT:

- A. Does the action impact/affect financial resources?
B. If yes, what is the impact amount: \$1.1M

X Does not Apply
 Yes XX No

BACKGROUND: Annual Financial Audit FYE 6/30/2024

DISCUSSION: Recommend accepting external auditors report for FYE 6/30/2024

RECOMMENDATION: Approve

ATTACHMENT(S):

- Annual Audit FYE 2024

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Velazquez 2/20/25



El Centro Regional Medical Center

Audit Presentation to the Board of Trustees

For the Year Ended June 30, 2024

WIPFLI

Table of Contents

- Overview of the 2024 Audit Results
- Financial Statement Review
- Financial Analysis
- Accounting Standards Update

The following information is solely for the use of the Board of Trustees and management. The financial information was derived from the audited financial statements for the years ended June 30, 2024, 2023, and 2022, and from other information obtained through the course of our audits.

A healthcare professional, a Black woman with dark curly hair, is assisting an elderly woman. The professional is wearing a light-colored top and a beige cable-knit cardigan, with a stethoscope around her neck. She is holding the arm of the elderly woman, who is wearing a grey robe over a white lace-trimmed blouse. They are in a warm, indoor setting with soft lighting. A blue banner with white text is overlaid on the image.

Overview of the 2024 Audit Results

Overview of the 2024 Audit Results

Scope of the Audit Report

- Issued an unmodified opinion on the financial statements as of and for the year ended June 30, 2024.
- We issued a separate letter communicating significant information related to the audit process. This is referred to as the “Required Communications Letter.”

Overview of the 2024 Audit Results

Our Responsibilities under Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards

- Express an opinion about whether the financial statements are presented in conformity with accounting principles generally accepted in the United States (GAAP)
- Plan and perform the audit to obtain reasonable, not absolute, assurance the financial statements are free of material misstatement
- Consider internal control for purposes of designing our audit procedures, not for the purpose of expressing an opinion on their effectiveness
- Communication of significant matters related to the audit

Overview of the 2024 Audit Results

Required Supplementary Information Accompanying Audited Financial Statements

- Required supplementary information (RSI) accompanying the audited financial statements consists of the management discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of pension contributions, and schedule of investment returns.
- We applied certain limited procedures to the RSI.
- We compared and reconciled the information to underlying accounting records used to prepare the financial statements and the financial statements themselves.

Overview of the 2024 Audit Results

Planned Scope and Timing of the Audit

- We performed the audit according to the planned scope and timing previously communicated in the engagement letter and related discussions with management.

Other Information in Documents Containing Audited Financial Statements

- Our responsibility is to read other documents and consider whether such information is materially inconsistent with information, or the manner of presentation, appearing in the audited financial statements.
- We are not aware of, nor were we requested to devote attention to, any documents containing audited financial statements.

Overview of the 2024 Audit Results

Significant Accounting Policies

- Management is responsible for selection of accounting policies.
- Significant accounting policies are described in Note 1 to the financial statements.
- No transactions were noted for which there is a lack of authoritative guidance or consensus.

Overview of the 2024 Audit Results

Significant Accounting Estimates Affecting the Financial Statements

- Accounting estimates are an integral part of the financial statements prepared by management.
- The most sensitive estimates affecting the financials statements are:
 - ▶ Valuation of patient receivables, including the contractual allowances and an allowance for doubtful accounts
 - ▶ Third-party settlements
 - ▶ Reserves for self-funded insurance plans
 - ▶ Net pension liability
- We evaluate key factors and assumptions to determine if estimates are reasonable in relation to the financial statements as a whole.

Overview of the 2024 Audit Results

Corrected and Uncorrected Misstatements

- We are required to accumulate all known and likely misstatements, other than those that are trivial, and communicate them to management.
- We proposed two audit adjustments that had a significant impact on net position as a result of audit procedures:
 - ▶ Distressed Hospital Loan discount was recorded, increasing net position by approximately \$3,774,000.
 - ▶ Adjustment to grant revenue, decreasing net position by approximately \$498,000.

Overview of the 2024 Audit Results

Management Representations

- We requested certain representations from management that are included in the management representation letter signed and dated as of the date the financial statements were available to be issued.
- A copy of the representation letter is available from management.



Financial

Statement

Review

Financial Statement Review – Statements of Net Position

- Cash and investments increased by \$12.3 million due to proceeds from debt issuance of CHFFA Distressed Hospital Loan.
- Patient receivables increased \$6.3 million, due to the increase in net patient service revenue and collection challenges during the year.
- Due from third-party reimbursement programs increased due to two short-term CHFFA liabilities being paid off and a DHDP receivable recorded at year end.
- Deferred outflows of resources – Pension decreased in accordance with the pension liability actuarial valuation.

<i>June 30,</i>	(In Thousands)			Change	
	2022	2023	2024	\$	%
Current assets:					
Cash and cash equivalents	\$ 953	\$ 7,092	\$ 16,337	\$ 9,245	130%
Short-term investments	21,609	52	53	1	2%
Patient receivables - Net	19,994	13,383	19,670	6,287	47%
Grants receivable	1,809	921	-	(921)	-100%
Other receivables	129	134	229	95	71%
Due from third-party reimbursement programs	2,100	-	8,026	8,026	100%
Other current assets	5,688	5,099	4,173	(926)	-18%
Total current assets	52,282	26,681	48,488	21,807	82%
Noncurrent cash and investments	20,543	14,393	17,518	3,125	22%
Other assets	263	263	77	(186)	-71%
Capital assets - Net	142,359	145,080	152,666	7,586	5%
Deferred outflows of resources - Pension	8,002	11,302	9,809	(1,493)	-13%
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 223,449	\$ 197,719	\$ 228,558	\$ 30,839	16%

Financial Statement Review – Statements of Net Position (Continued)

- Due to third-party reimbursement program decreased due to third party receivables, noted on the previous slide.
- Accrued and other liabilities increased due to increased in accrued per day from 13 days to 15 days.
- Long-term debt increased due to proceeds from debt issuance (CHFFA Distressed Hospital Loan).
- The net pension liability increased and deferred inflows of resources decreased in accordance with the pension liability actuarial valuation.
- Net position increased as described further on the next slide.

<i>June 30,</i>	(In Thousands)			Change	
	2022	2023	2024	\$	%
Current liabilities:					
Current maturities of long-term liabilities	\$ 4,432	\$ 4,226	\$ 4,466	\$ 240	6%
Accounts payable	17,849	21,634	20,452	(1,182)	-5%
Due to third-party reimbursement programs	-	2,552	-	(2,552)	100%
Accrued and other liabilities	7,892	8,110	10,136	2,026	25%
Current portion of refundable advance	7,083	-	-	-	0%
Total current liabilities	37,256	36,522	35,054	(1,468)	-4%
Long-term debt	119,551	120,140	143,034	22,894	19%
Net pension liability	39,119	54,175	55,645	1,470	3%
Deferred inflows of resources - Pension	7,448	114	-	(114)	100%
Net position	20,075	(13,232)	(5,175)	8,057	61%
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 223,449	\$ 197,719	\$ 228,558	\$ 30,839	16%

Financial Statement Review – Statements of Revenue, Expenses and Changes in Net Position

- Net patient service revenue increased, but remained comparable with prior year at 5% change.
- Other revenue increased due to \$5.8 million settlement in 340B plan.
- Employee benefits decreased primarily due to expenses recognized for the pension plan, in accordance with the plan actuarial valuation.
- Professional fees and purchased services decreased primarily due to cost saving measures decreasing contracted employees and traveling staff.
- Other expenses decreased due to reduce repairs and maintenance need for 2024.
- Nonoperating revenues (expenses) increased by approximately \$7.3 million primarily due to:
 - \$7.3 million increase in grant revenue, primarily related to FEMA and the CHFFA loan discount.
- Net position increased approximately \$8.1 million in 2024.

Years Ended June 30,	(In Thousands)			Change	
	2022	2023	2024	\$	%
Revenues:					
Net patient service revenue	\$ 158,411	\$ 143,491	\$ 150,616	\$ 7,125	5%
Other revenue	5,701	4,003	9,960	5,957	149%
Total revenues	164,112	147,494	160,576	13,082	9%
Expenses:					
Salaries	62,924	63,097	59,838	(3,259)	-5%
Employee benefits	15,865	21,633	17,694	(3,939)	-18%
Professional fees and purchased services	45,647	35,162	25,652	(9,510)	-27%
Medical and nonmedical supplies	32,590	30,383	29,029	(1,354)	-4%
Other expenses	18,716	16,319	14,344	(1,975)	-12%
Depreciation and amortization	8,382	8,925	7,935	(990)	-11%
Total expenses	184,124	175,519	154,492	(21,027)	-12%
Income (loss) from operations	(20,012)	(28,025)	6,084	34,109	-122%
Nonoperating revenues (expenses) - Net	(4,732)	(5,282)	1,973	7,255	137%
Excess (deficiency) of revenues over expenses	(24,744)	(33,307)	8,057	41,364	124%
Net position at beginning	44,819	20,075	(13,232)	(33,307)	-166%
Net position at end	\$ 20,075	\$ (13,232)	\$ (5,175)	\$ 8,057	61%

Financial

Analysis



Financial Analysis

“Financial flexibility” - the ability of a business to withstand the financial consequences of significant changes in its situation.

Successful organizations realize “financial flexibility” by achieving superior performance with respect to:

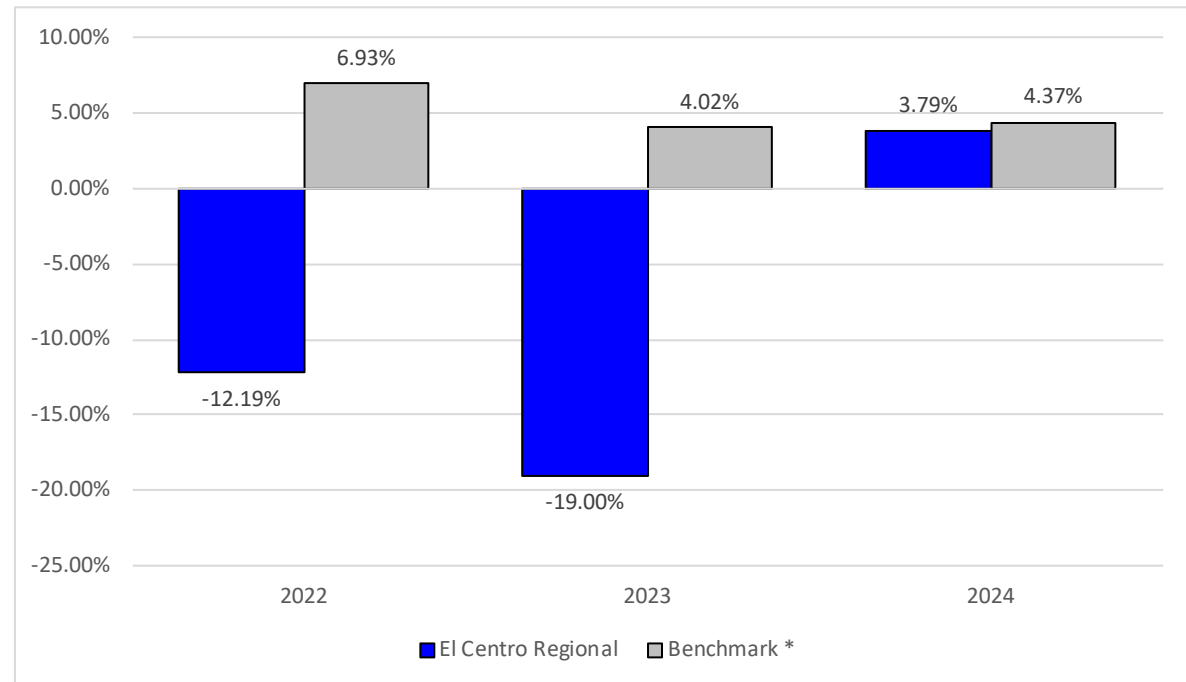
- Profitability
- Liquidity
- Debt capacity
- Securing the condition of the physical facilities

The financial ratios appearing in the following graphs are presented to assist in understanding the “financial health” of the Organization.

The industry benchmark is from the Optum Almanac of Hospital Financial and Operating Indicators. The benchmark average is for urban hospitals with net revenues less than \$175 million.

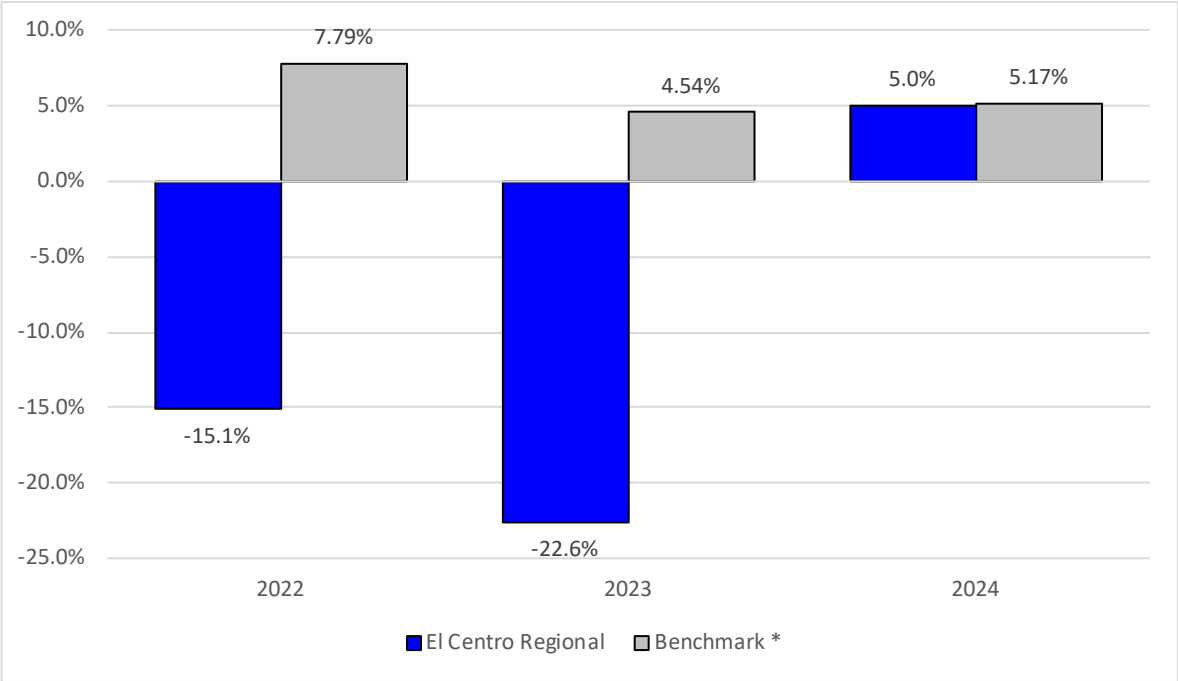
Financial Analysis – Operating Margin

- Operating margin is a measure of profitability. It indicates how much of each dollar of revenue is left over after operating expenses are considered.
- High values indicate an ability to add new investments in capital assets without adding excessive new debt.
- Operating margin does not include the effect of other nonoperating revenues and expenses.
- Operating margin reflects an operating gain of \$6.1 million in 2024.



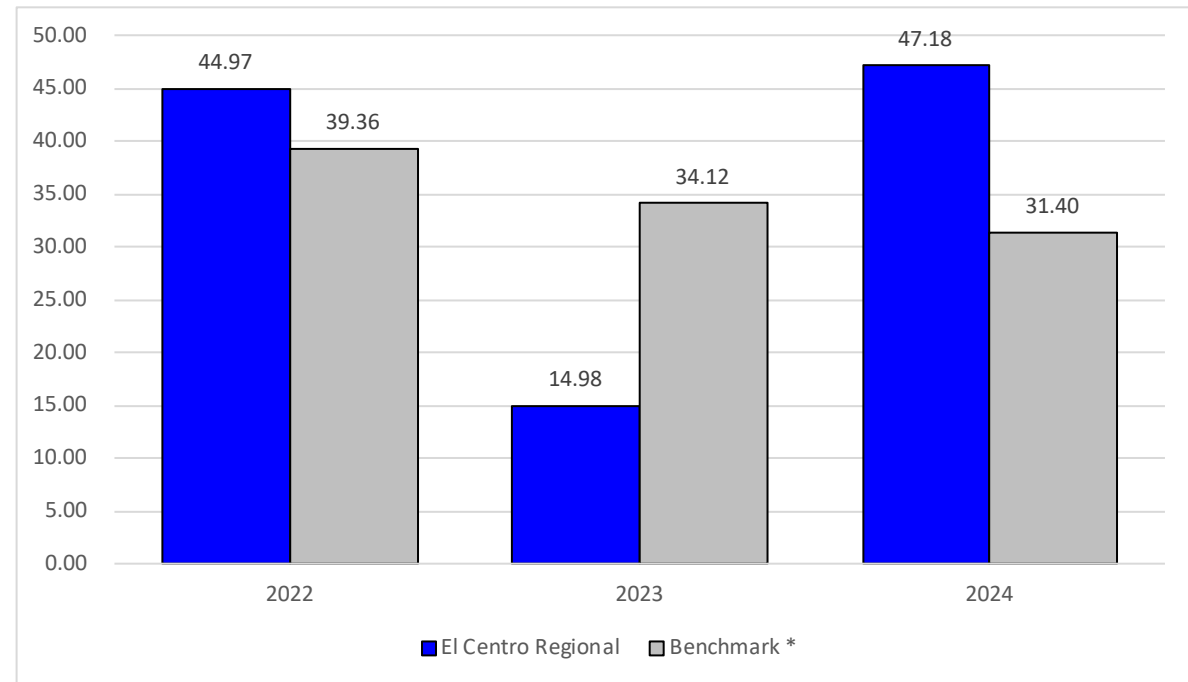
Financial Analysis – Total Margin

- Total margin includes the effect of non-operating revenues and expenses.
- The Medical Center’s total margin increased due to gains of \$8.1 million in 2024.



Financial Analysis – Days Cash on Hand

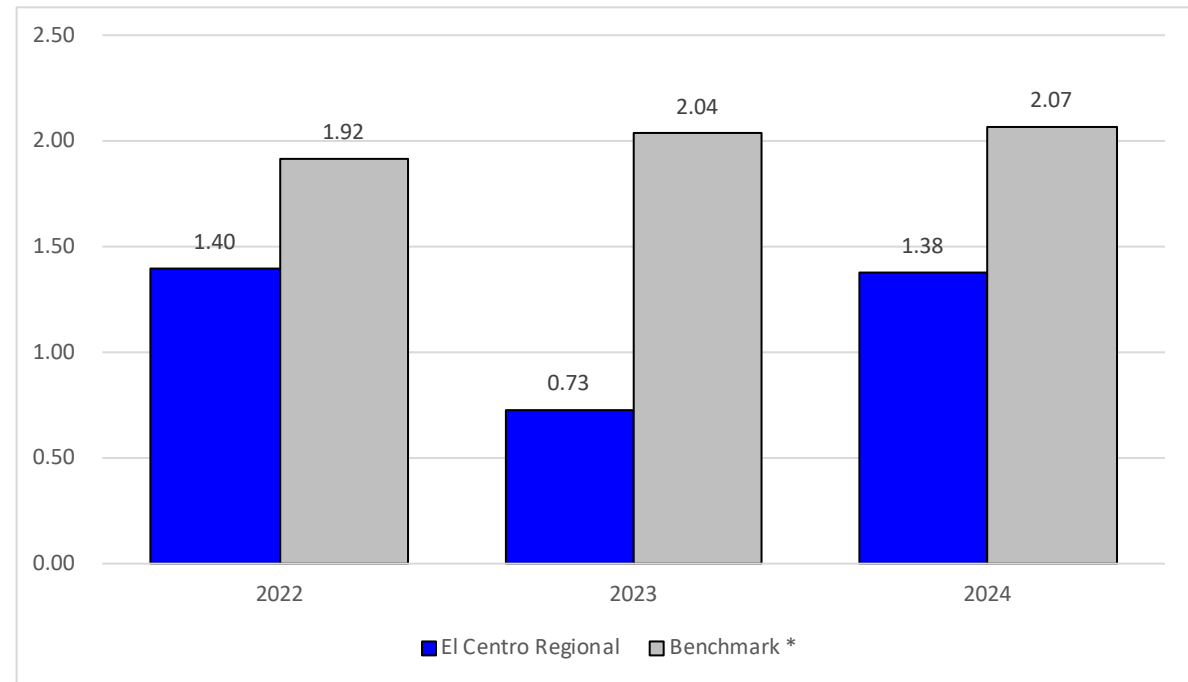
- Days cash on hand is important since it provides an indicator of an organization's ability to meet current and long-term operating needs.
- Ratio includes short-term cash and investments, but excludes assets restricted for debt service and capital project funds from debt issuance.
- Due to uncertainties in funding streams, many organizations have been trying to build operating reserves of about 90 days cash.
- Days cash on hand increased due to the increase in cash and cash equivalents as a result of the Medical Center's operating gain.



Note – The above ratio was calculated using the methodology used by the Almanac of Hospital Financial and Operating Indicators. The ratio as calculated using the 2018 bond covenant methodology is presented at the end of the Financial Analysis.

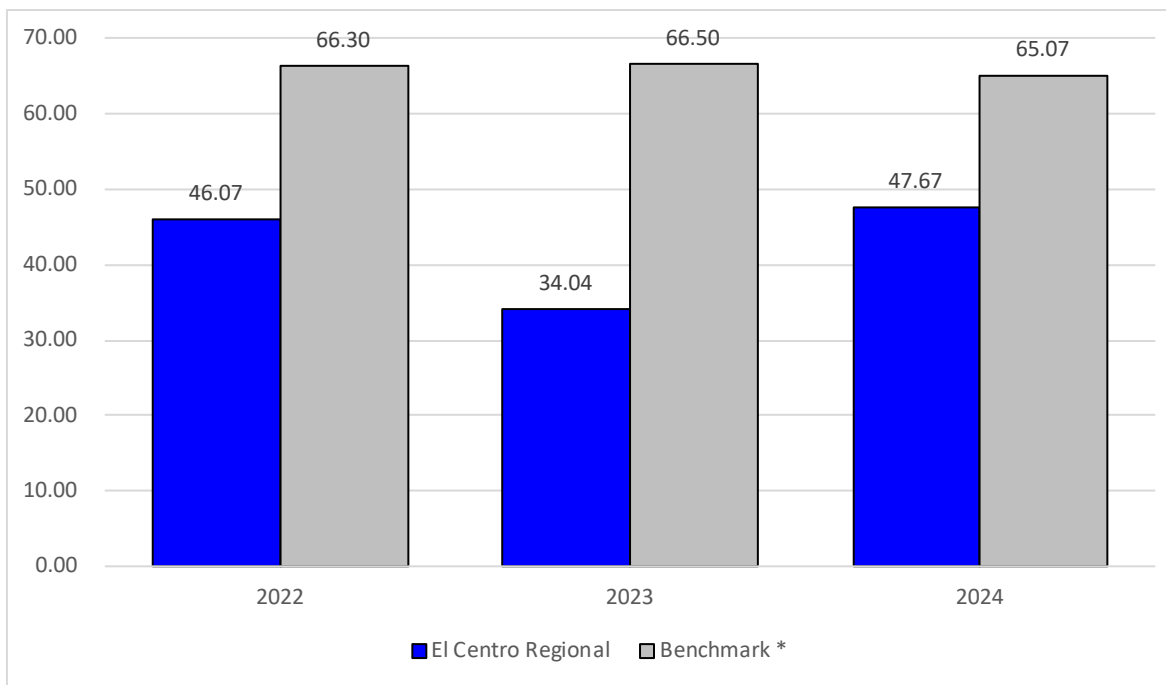
Financial Analysis – Current Ratio

- Current ratio is an indicator of the Medical Center's ability to fund its current liabilities.
- The current ratio is significantly higher than the prior year.
- Current assets increased approximately \$21.8 million in 2024 due to the increase in cash and cash equivalents and patient receivables.



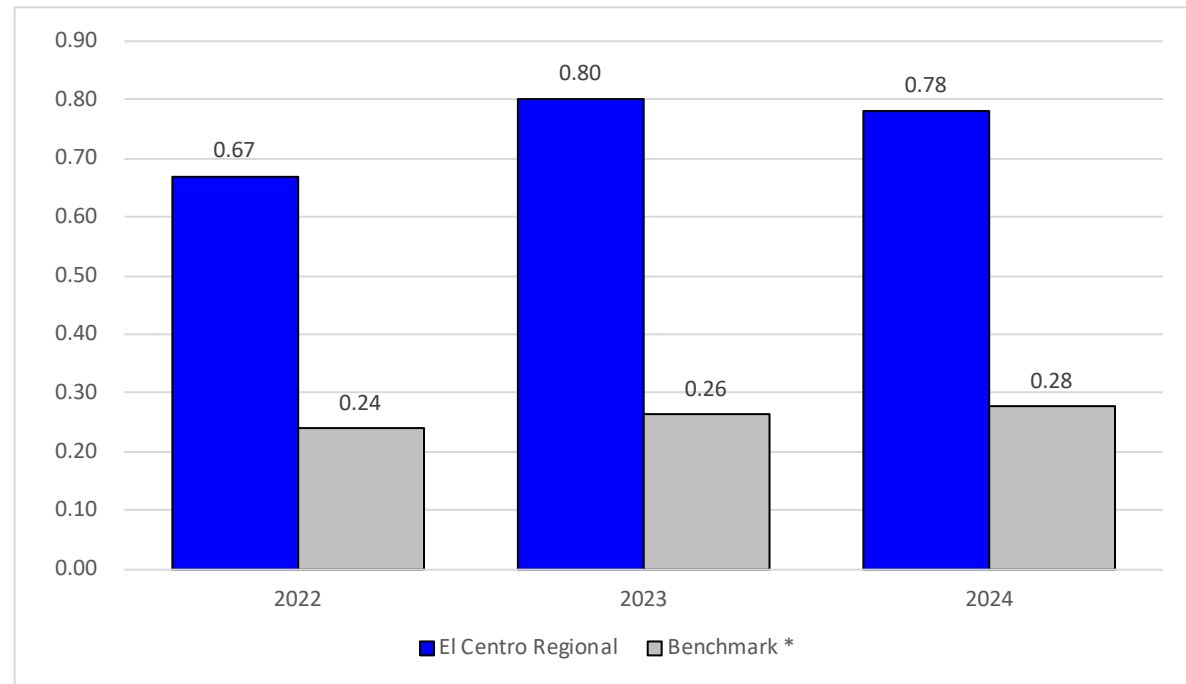
Financial Analysis – Days Revenue in AR - Net

- Days net revenue in receivables measures the length of time it takes to turn patient receivables into cash collections.
- Decreasing values are desired.
- The Medical Center's ratio is higher than to the prior year and below the benchmark.



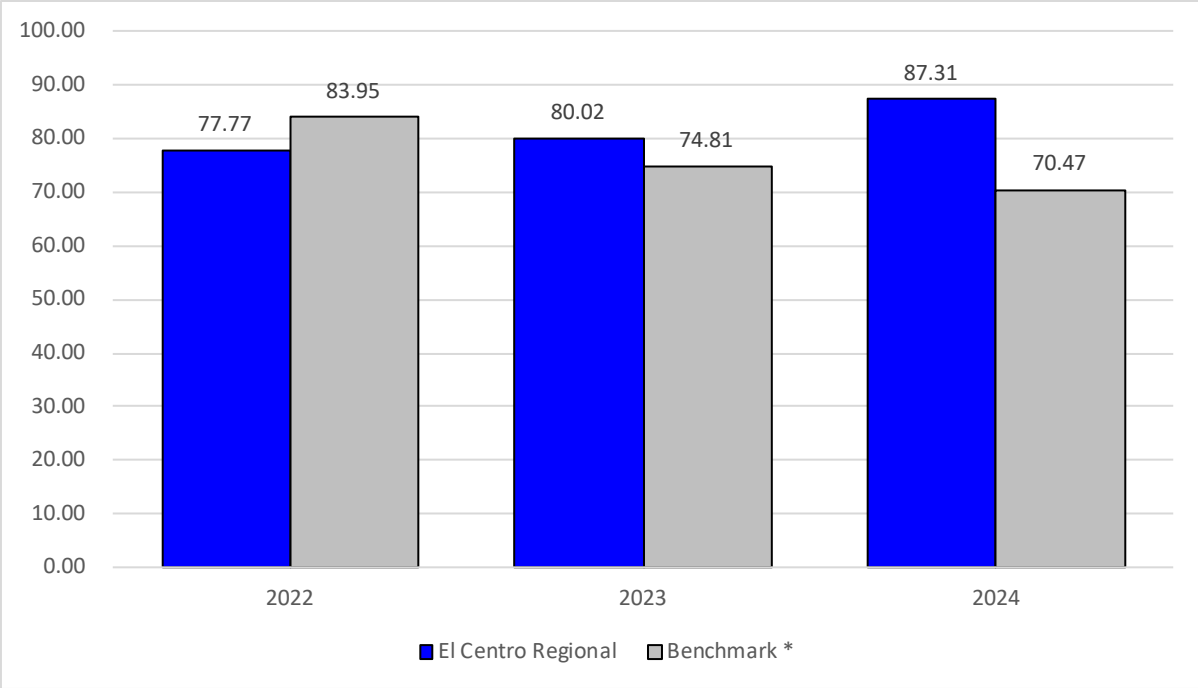
Financial Analysis – Long-Term Debt to Capitalization – Net of GASB 68 Effect

- Long-term debt to capitalization is defined as total long-term debt to the sum of net assets plus the total long-term debt.
- Decreasing values are desired. A higher value indicates limited ability to carry additional debt.
- The Medical Center's ratio is comparable to the prior year.



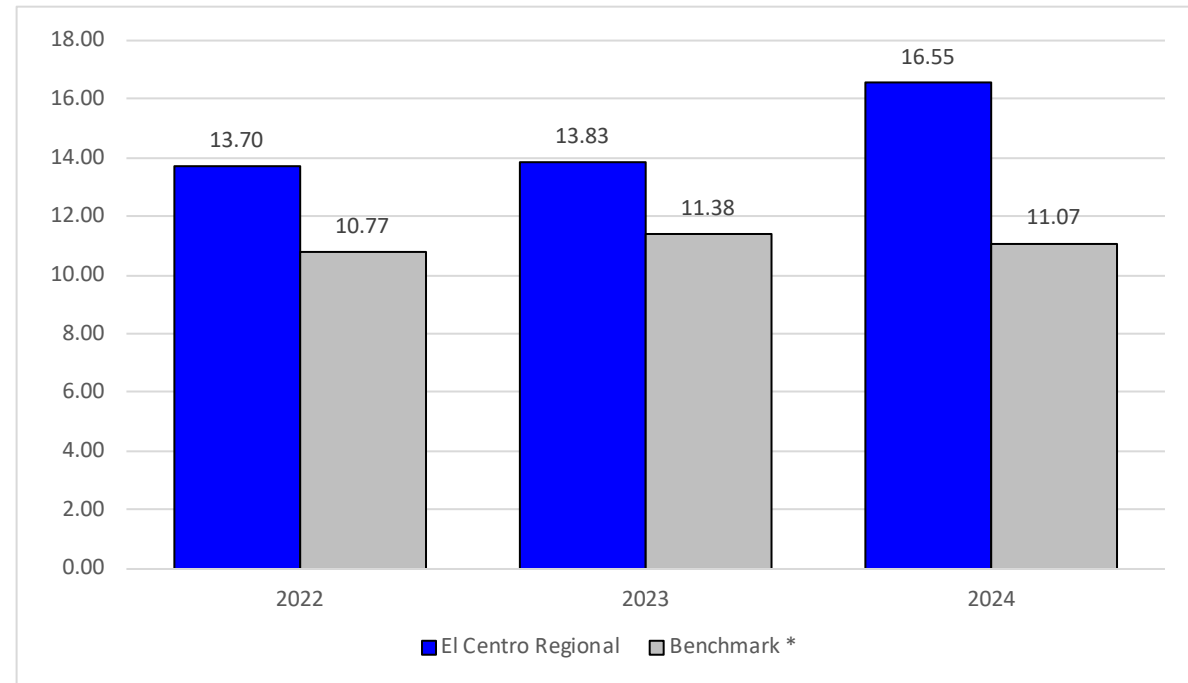
Financial Analysis – Average Payment Period

- Ratio measures the average number of days elapsed before current liabilities are paid.
- Decreasing “average payment period” ratio values are looked upon more favorably.
- The Medical Center’s ratio increased in 2024.



Financial Analysis – Average Age of Plant

- Lower average “age of plant values (i.e., “years”) indicate a newer fixed asset base and less need for near-term replacement.
- Industry and patients correlate average age of plant with quality of care.
- The Medical Center’s average age of plant is above the benchmark.



Financial Analysis – 2018 Bond Debt Covenant Ratios

- This table represents debt service coverage and days cash on hand calculated using management's interpretation of the 2018 Bond covenant methodology.

<i>Debt service coverage</i>	2024
Net income available for debt service	\$ 26,935,303
Aggregate debt service	11,682,088
Debt service coverage	2.31
Minimum requirement	1.15
Over (under)	1.16
<i>Days cash on hand</i>	2024
Total financial assets	\$ 19,989,681
Daily operating expenses	393,714
Days cash on hand	51
Minimum requirement	45
Over (under)	6

An aerial photograph of a river meandering through a dense, green forest. A road is visible in the upper right corner, and the river flows from the top left towards the bottom right, forming a large loop.

Accounting

Standards

Update

Accounting Standards Update

Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* – Effective for periods beginning after 12/15/2023 (FYE 2025 for the Medical Center)

- Objective of this statement is to better meet the informational needs of the financial statement users by updating the recognition and measurement guidance for compensated absences.
- Recognition of a liability for compensated absences that are earned and are probable to be settled in cash or other means, such as conversion to other types of benefits.
- Certain carve outs for special types of leave, such as bereavement.
- Adoption is full retrospective, restatement of all prior periods with a cumulative effect adjustment in the earliest period presented.

Thank You

Contact Information:

Wes Thew, CPA

Partner, Health Care Practice

wthew@wipfli.com

509-489-4524

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