



July 17, 2025

TO: Legal Counsel

News Media

Salinas Californian

El Sol

Monterey County Herald

Monterey County Weekly

KION-TV

KSBW-TV/ABC Central Coast

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The next regular meeting of the **FINANCE COMMITTEE - COMMITTEE OF THE WHOLE** of **SALINAS VALLEY HEALTH**¹ will be held **MONDAY, JULY 21, 2025, AT 12:00 P.M., HEART CENTER TELECONFERENCE ROOM, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA.**

(For Public Access Information Visit <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/board-committee-meetings-virtual-link/>.)

A handwritten signature in black ink, appearing to read "Allen Radner", is positioned above the printed name.

Allen Radner, MD

President/Chief Executive Officer

Committee Voting Members: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice-Chair, **Allen Radner, MD**, President/CEO; **Scott Cleveland**, Interim Chief Financial Officer; and **Tarun Bajaj, M.D.**, Medical Staff Member.

Advisory Non-Voting Members: Sanjeev Tandon, Community Members, Administrative Executive Team.

**FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH¹**

**MONDAY, JULY 21, 2025, 4:00 P.M.
HEART CENTER TELECONFERENCE ROOM**

**Salinas Valley Health Medical Center
450 E. Romie Lane, Salinas, California**

(Visit SalinasValleyHealth.com/virtualboardmeeting for Public Access Information)

AGENDA

1. Call to Order / Roll Call

2. Public Comment

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.

3. Approve Minutes of the Finance Committee Meeting of June 23, 2025 (REY)

- Motion/Second
- Public Comment
- Action by Committee/Roll Call Vote

4. Consider Recommendation for Board Approval of the Short Term Lease Agreement for Epic Inpatient Training Space at 928 East Blanco Road, Suite 121, Salinas Between Salinas Valley Health and Rancho Llano Development, LLC (RAY/McCOY)

- Staff Report
- Committee Questions to Staff
- Public Comment
- Committee Discussion/Deliberation
- Motion/Second
- Action by Committee/Roll Call Vote

5. Financial and Statistical Review (CLEVELAND)

6. Workday Project and Future Implications (CLEVELAND)

7. Capital Spending YTD June 30, 2025 Update (CLEVELAND/PETERSON/SULLIVAN)

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

8. Adjournment

The next Finance Committee Meeting is scheduled for **Monday, August 25, 2025** at 4:00 p.m.

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Salinas Valley Health (SVH) Committee packet is available at the Committee Meeting, electronically at <https://www.salinasvalleyhealth.com/about-/healthcare-district-information-reports/board-of-directors/meeting-agendas-packets/2025/>, and in the SVH Human Resources Department located at 611 Abbott Street, Suite 201, Salinas, California, 93901. All items appearing on the agenda are subject to action by the SVH Board.

Requests for a disability related modification or accommodation, including auxiliary aids or Spanish translation services, in order to attend or participate in-person at a meeting, need to be made to the Board Clerk during regular business hours at 831-759-3050 at least forty-eight (48) hours prior to the posted time for the meeting in order to enable the District to make reasonable accommodations.

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

PUBLIC COMMENT

DRAFT SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES JUNE 23, 2025

Committee Member Attendance:

Voting Members Present: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice-Chair, **Allen Radner, M.D.**, President/CEO, **Scott Cleveland**, Interim CFO, and **Tarun Bajaj, M.D.**, Medical Staff Member.

Voting Members Absent: None.

Advisory Non-Voting Members Present:

In person: Augustine Lopez, CFO, Timothy Albert, M.D., CCO, Alysha Hyland, CAO, Clement Miller, COO, Gary Ray, CLO, and Carla Spencer, CNO.

Other Board Members Present, Constituting Committee of the Whole:

Via teleconference: Catherine Carson.

Tarun Bajaj, M.D. arrived at 4:06 p.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Victor Rey, Jr., called the meeting to order at 4:01 p.m. in the Downing Resource Center, CEO Conference Room.

2. PUBLIC COMMENT:

None.

3. MINUTES OF THE FINANCE COMMITTEE MAY 19, 2025

Approve the minutes of the May 19, 2025 Finance Committee meeting. The information was included in the Committee packet.

PUBLIC COMMENT: None.

COMMITTEE MEMBER DISCUSSION: None.

MOTION:

Upon motion by Committee Member Cleveland, and second by Committee Member Dr. Radner, the minutes of the May 19, 2025 Finance Committee are approved as presented.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Dr. Radner, Cleveland;

Nays: None;

Abstentions: None;

Absent: Dr. Bajaj.

Motion Carried

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF PURCHASE OF THE STRYKER MAKO 4 ROBOTIC-ARM ASSISTED SURGERY SYSTEM

Alysha Hyland, CAO, and Aisha Huebner, RN, Perioperative Services Director, reported that our facility is nearing the end of a successful rental agreement for the Stryker Mako 3 Robotic Arm System, which has been pivotal in supporting orthopedic surgeries. This timing presents a critical opportunity to transition to the Mako 4, the next-generation system that offers superior capabilities and long-term benefits. Stryker has confirmed that no further software or technological advancements will be made available for the Mako 3. All innovation moving forward, including key clinical applications and system enhancements, will be developed exclusively for the Mako 4. This makes the Mako 3 increasingly obsolete for our evolving clinical needs.

The Mako 4 represents a substantial upgrade with features that align with our goals of improving patient outcomes and surgical precision. Stryker is offering a financial incentive in a limited-time offer to apply the accumulated equity from our Mako 3 rental toward the purchase. This effectively reduces the total acquisition cost and significantly increases the return on investment.

A full report was included in the packet.

PUBLIC COMMENT: None.

COMMITTEE MEMBER DISCUSSION: None.

MOTION:

Upon motion by Committee Member Dr. Radner, and second by Vice-Chair Hernandez Laguna, the Finance Committee recommends the Board of Directors approve the purchase of the Stryker Mako 4 at a total cost of \$789,090.50. This capital acquisition includes the base equipment price of \$549,090.50, which comes with a one-year warranty. Additionally, the agreement encompasses two years of service coverage following initial warranty, valued at \$240,000, for the duration of the service term.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice-Chair Hernandez Laguna, Dr. Radner, Dr. Bajaj, Cleveland;

Nays: None;

Abstentions: None;

Absent: None.

Motion Carried

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF AWARDED A CONTRACT FOR DESIGN AND ENGINEERING SERVICES IN CONJUNCTION WITH THE EMERGENCY DEPARTMENT REPLACEMENT PROJECT

Clement Miller, COO, reported that Salinas Valley Health is pursuing a revised Master Plan that accomplishes replacement of the emergency department, increases parking infrastructure, optimizes the campus site circulation, and reconfigures the perioperative department in the areas decanted by the existing emergency department. Significant renovations to medical center's energy and civil infrastructure on and off site are anticipated to support the building expansion. The next stage in project implementation is preparation of design documents required for validating underlying master plan assumptions, securing local and state agency reviews, and bridging

documents necessary to facilitate the solicitation of proposals from qualified design-builders during the implementation phase.

A full report was included in the packet.

PUBLIC COMMENT: None.

COMMITTEE MEMBER DISCUSSION: None.

MOTION:

Upon motion by Committee Member Cleveland, and second by Committee Member Dr. Radner, the Finance Committee recommends the Board of Directors approves the award of the master architect design services to HDR Architecture for the design and engineering of the Emergency Department Replacement project, in the amount of \$1,631,742, as presented. Executive Leadership may review and execute additional services not more than 10% of the original contract value or not in excess of \$450,000. Total of amount: \$2,081,742.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice-Chair Hernandez Laguna, Dr. Radner, Dr. Bajaj, and Cleveland;

Nays: None;

Abstentions: None;

Absent: None.

Motion Carried

6. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF COMPETITIVE SOLICITATION AND CONTRACT AWARD FOR EPIC ACUTE PROJECT GO-LIVE ASSISTANCE ENGAGEMENT WITH OPTIMUM HEALTH IT

Alysha Hyland, CAO, and Josh Rivera, Director Enterprise Informatics, reported that the Board approved the Epic Acute Project in May 2024. Included in the approval was the Total Cost of Ownership (TCO), which covered all budgeted items associated to the implementation of Epic. The budget for Epic Project go-live assistance was set at \$2,079,360. The competitive solicitation covers Credential Training augmented support, At-The-Elbow (ATE) augmented support, and augmented Help Desk support.

A full report was included in the packet.

PUBLIC COMMENT: None.

COMMITTEE MEMBER DISCUSSION: None.

MOTION:

Upon motion by Vice-Chair Hernandez Laguna, and second by Committee Member Dr. Radner, the Finance Committee recommends Board of Directors approval of Competitive Solicitation and Contract Award for Epic Acute Project Go-Live Assistance Engagement with Optimum Health IT in an amount not to exceed \$3,200,000.00

ROLL CALL VOTE:

Ayes: Chair Rey, Vice-Chair Hernandez Laguna, Dr. Radner, Dr. Bajaj, and Cleveland;

Nays: None;

Abstentions: None;

Absent: None.

Motion Carried

7. CLOSED SESSION

Chair Rey announced that the item to be discussed in Closed Session as listed on the posted Agenda is *Report Involving Trade Secrets, Strategic Planning/Proposed New Programs and Services*.

The meeting recessed into Closed Session under the Closed Session Protocol at 4:22 p.m.

8. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 4:53 p.m. Chair Rey announced that in Closed Session, the Board received *Report Involving Trade Secrets, Strategic Planning/Proposed New Programs and Services*. No action was taken.

9. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, CFO, on the Financial Performance Review for the month of May 2025. Highlights included Income from Operations \$13.9M, Net Income \$13.7M, and Days Cash on Hand of 376.

A full report including the May Summary Financials, Financial Statements, Budget Comparison, and Statistics was included in the packet for review.

10. BALANCED SCORECARD

Augustine Lopez, CFO, reported on the Balanced Scorecard Summary for FY2025 year-to-date May, with metrics and progress with input from Carla Spencer, CNO, Clayton Burnett, Perioperative Business Manager, Clement Miller, COO, Timothy Albert, M.D., CCO, Lilia Meraz Gottfried, Director Clinical Development, and Tiffany DiTullio, Vice President Partner and Community Relations.

- Service Pillar: Three out of the four metrics were met. The teams have been doing well. There has been an increase over the last few months and is on target.
- People Pillar: Engagement Survey results are expected to be available on or before July 31, 2025.
- Quality and Safety:
 - ER: Median length-of-stay (LOS), missed target by 1.1%, and above target for admission-to-floor.
 - OR: The rise in case complexity has impacted length of cases. Leadership has launched target case studies and is confident the target will be met for turnover time. This will be ongoing in the next fiscal year with focus on continued improvement.
 - CCL: Continued focus on the measures and expecting to exceed target.
 - HAC: Process improvement measures for Falls, HAIs, CLABSI, CAUTI, CDI, and SSI processes are in place. The quality team is drilling down CLABSI and CAUTI to address those areas.
 - Hand Hygiene: Target is being met, the team is looking at additional measures to meet Leapfrog metrics.
- Finance: Meeting target.

- Growth: Achieved our targets and are doing well.
- Community: As of May 9th, the maximum target of 6 events (1 in each zone) has been met. Other programs were identified in South and North Counties which we achieved.

A full report was included in the packet.

COMMITTEE MEMBER DISCUSSION: None

Dr. Radner thanked Mr. Lopez for his dedication over the years, this will be his last Finance Committee meeting. Mr. Lopez will be retiring on July 11, 2025. Chair Rey also acknowledged Mr. Lopez for his tenure and service. Mr. Lopez expressed his appreciation and thanked the organization.

11. ADJOURNMENT

There being no other business, the meeting was adjourned at 5:19 p.m. The next Finance Committee Meeting is scheduled for **Monday, July 21, 2025.**

Victor Rey, Jr., Chair

Finance Committee Board Paper

Agenda Item: **Consider Recommendation for Board Approval of the Short Term Lease Agreement for Epic Inpatient Training Space at 928 East Blanco Road, Suite 121, Salinas Between Salinas Valley Health and Rancho Llano Development, LLC**

Executive Sponsors: Gary Ray, Chief Legal Officer
Brad McCoy, Vice President of Facilities, Construction & Real Estate

Date: July 15, 2025

Executive Summary

As part of the multi-year implementation plan for the Epic Inpatient System, SVH requires additional space for training purposes. Very recently, 1,914 square feet of office space became available at 928 East Blanco Road, Suite 121 in Salinas. This additional space is located in the same building as the SVH IT and Enterprise Informatics Offices and can be leased under a modified gross month-to-month lease. At this time, the plan is to lease the space for four to six months. If needed, there may be an opportunity to add this space on a longer term basis. The landlord is very flexible in working with SVH to meet its space needs.

Timeline

July 21, 2025 – Request SVH Finance Committee Recommendation for Board Approval
July 24, 2025 – SVH Board of Directors Meeting/Consider Recommendation for Approval
August 1, 2025 – Commencement Date of Month-to-Month Lease Agreement

Meeting our Mission, Vision, Goals—Strategic Plan Alignment

This transaction is aligned with strategic initiatives supporting the implementation of the Epic Inpatient system.

Pillar/Goal Alignment: ☐ Service ☐ People ☐ Quality ☒ Finance ☒ Growth ☐ Community

Financial/Quality/Safety/Regulatory Implications

The modified gross Lease Agreement is month-to-month for Suite 121 at 928 East Blanco Road, Salinas:

1. Lease Commencement Date	August 1, 2025
2. Term of Lease	Month-to Month
3. Option	Possible option for longer term lease if there is a need.
4. Payment Terms	Modified Gross Lease (utilities covered except for PG&E)
5. Initial Rent (per sq. ft.)	\$2.15 per square foot
6. Rentable square feet	1,914 rentable square feet
7. Initial Rent	\$4,115.70
8. Tenant Improvements	Clean carpet, paint, replace some ceiling tiles

Recommendation

Administration requests that the Finance Committee make a recommendation to the Board of Directors to approve the Short Term Lease Agreement for Epic Inpatient Training Space at 928 East Blanco Road, Suite 121 Salinas Between Salinas Valley Health and Rancho Llano Development, LLC



COMMERCIAL LEASE AGREEMENT

(C.A.R. Form CL, Revised 12/24)

Date (For reference only): July 1, 2025

Rancho Llano Development LLC, a California Limited Liability Company (Owner, Authorized Broker or Agent, or Property Manager, ("Landlord")) and Salinas Valley Memorial Healthcare System, a California Local Health Care District dba Salinas Valley Health ("Tenant") agree as follows:

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as 928 E. Blanco, Ste 121, Salinas, CA 93901 +/-1,914 rsf ("Premises"), which comprise approximately 3.240 % of the total square footage of rentable space in the entire property. See exhibit A for a further description of the Premises.

2. **TERM:** The term begins on (date) August 1, 2025 ("Commencement Date"),

(Check A or B):

A. ☐ **Lease:** and shall terminate on (date) _____ at _____ AM ☐ PM. Any holding after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in **paragraph 2B**. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

B. ☒ **Month-to-month:** and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.

C. **RENEWAL OR EXTENSION TERMS:** None OR ☐ See attached addendum.

3. **BASE RENT:**

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

☒ (1) \$4,115.70 per month, for the term of the agreement.

☐ (2) \$ _____ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for _____ (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.

☐ (3) \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____.

☐ (4) In accordance with the attached rent schedule.

☐ (5) Other: _____.

B. Base Rent is payable in advance on the 1st (or ☐ _____) day of each calendar month, and is delinquent on the next day.

C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. **RENT:**

A. **Definition:** ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.

B. **Payment:** Rent shall be paid to (Name) Rancho Llano Development, LLC at (address) c/o M.A. Wynne 27810 Mesa Del Toro Road, Salinas, CA 93908, or at any other location specified by Landlord in writing to Tenant.

C. **Timing:** Base Rent shall be paid as specified in **paragraph 3**. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. **EARLY POSSESSION:** Tenant is entitled to possession of the Premises on 07/01/2025. If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant ☐ is ☒ is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. **SECURITY DEPOSIT:**

A. Tenant agrees to pay Landlord \$ _____ as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) ☐ If Base Rent increases during the term of this agreement, Tenant agrees to increase deposit by the same proportion as the increase in Base Rent.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.

C. No interest will be paid on security deposit, unless required by local ordinance.

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Landlord's Initials _____ / _____ Tenant's Initials _____ / _____

COMMERCIAL LEASE AGREEMENT (CL PAGE 1 OF 7)

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Rancho Llano



7. QUALIFIED COMMERCIAL TENANT

A. DEFINITION: A "Qualified Commercial Tenant" means a tenant of commercial real property that meets both of the following requirements:

- The tenant is a microenterprise, a restaurant with fewer than 10 employees, or a nonprofit organization with fewer than 20 employees ("microenterprise" as defined under Business and Professions code § 18000 means a sole proprietorship, partnership, limited liability company, or corporation that meets both of the following: (i) has 5 or fewer employees including the owner, and (ii) generally lacks sufficient access to loans, equity, or other financial capital); and
- (i) Subject to subclause (ii), the tenant has provided the landlord, within the previous 12 months, a written notice that the tenant is a qualified commercial tenant and a self-attestation regarding the number of employees, at such time the protections under this provision come into place.
(ii) Unless the tenancy is from week to week, month to month, or other period less than a month, the tenant provided the notice of self-attestation described in subclause (i) before or upon execution of the lease, and annually thereafter, at such time the protections under this provision come into place.

B. MODIFICATIONS TO AGREEMENT: If Tenant is a Qualified Commercial Tenant, the following provisions apply:

- (1) **NOTICE OF RIGHT TO RECEIVE FOREIGN LANGUAGE TRANSLATION OF LEASE/RENTAL AGREEMENTS:** California Civil Code requires a Landlord or property manager to provide a tenant with a foreign language translation copy of a lease or rental agreement if the agreement was negotiated primarily in Spanish, Chinese, Korean, Tagalog or Vietnamese. If applicable, every term of the lease/rental needs to be translated except for, among others, names, dollar amounts and dates written as numerals, and words with no generally accepted non-English translation. Even if Tenant negotiates through the Tenant's own interpreter, Landlord is not relieved on this obligation.
- (2) **TERMINATION:** If Tenant has occupied the Premises for one year or more and is on a month to month tenancy, Landlord shall give notice at least 60 days prior to the propose date of termination.
- (3) **NOTICE TO INCREASE RENT:** For any proposed rent increase greater than 10 percent of the rental amount charged to Tenant at any time during the 12 months before the effective date of the increase, the notice shall be delivered at least 90 days before the effective date of the increase, and subject to California Civil Code § 1013 if served by mail.
- (4) **NOTICE AND DOCUMENTATION RELATED TO PROPERTY OPERATING EXPENSES:**
 - (A) **NOTICE PRIOR TO EXECUTION OF THE LEASE:** Tenant may inspect any supporting documentation of building operating costs upon written request. Within 30 days of a written request, Landlord shall provide supporting documentation of the previously incurred or reasonably expected building operating costs.
 - (B) **TIMING OF EXPENSES:** Operating expenses must have been incurred within the previous 18 months, or reasonably expected to be incurred within the next 12 months of any payment.
 - (C) **SUPPORTING DOCUMENTATION:** Landlord shall provide supporting documentation prior to any charge to recover any building operating costs from tenant under **paragraph 15**.

8. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent: From <u>08/01/2025</u> To <u>08/31/2025</u>	\$ <u>4,115.70</u>	\$ _____	\$ <u>4,115.70</u>	<u>08/01/2025</u>
B. Security Deposit	\$ _____	\$ _____	\$ _____	_____
C. Other: _____	\$ _____	\$ _____	\$ _____	_____
Category _____				
D. Other: _____	\$ _____	\$ _____	\$ _____	_____
Category _____				
E. Total:	\$ <u>4,115.70</u>	\$ _____	\$ <u>4,115.70</u>	_____

9. **PARKING:** Tenant is entitled to Seven (7) unreserved and _____ reserved vehicle parking spaces. The right to parking ☒ is ☐ is not included in the Base Rent charged pursuant to **paragraph 3**. If not included in the Base Rent, the parking rental fee shall be an additional \$ _____ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

10. **ADDITIONAL STORAGE:** Storage is permitted as follows: _____. The right to additional storage space ☐ is ☒ is not included in the Base Rent charged pursuant to **paragraph 3**. If not included in Base Rent, storage space shall be an additional \$ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

11. **LATE CHARGE; INTEREST; NSF CHECKS:** Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$411.57 as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under **paragraph 4**, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

12. **CONDITION OF PREMISES:** Tenant has examined the Premises and acknowledges that Premises is clean and in operative condition, with the following exceptions: Tenant shall accept the Premises "as-is" subject to all electrical, plumbing and mechanical in good working order. Items listed as exceptions shall be dealt with in the following manner: _____.

13. **ZONING AND LAND USE:** Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

14. **TENANT OPERATING EXPENSES:** Tenant agrees to pay for all utilities and services directly billed to Tenant.

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Landlord's Initials _____ / _____ Tenant's Initials _____ / _____

COMMERCIAL LEASE AGREEMENT (CL PAGE 2 OF 7)

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Rancho Llano



15. PROPERTY OPERATING EXPENSES:

A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real property taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property.

B. ☒ (If checked) paragraph 15 does not apply.

16. USE: The Premises are for the sole use as _____.

No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

17. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use of the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

18. MAINTENANCE:

A. Tenant OR ☒ (If checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any.

B. Tenant OR ☒ (If checked, Landlord) shall keep glass, windows and doors in operable and safe condition.

C. Landlord OR ☐ (If checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and _____.

D. Unless Landlord is indicated above, if Tenant fails to maintain the Premises, or keep it in operable and safe condition, as specified in **18A-C**, Landlord may contract for or perform such services to maintain the Premises, or keep it in operable and safe condition, as specified in **18A-C**, and charge Tenant for Landlord's cost.

19. ALTERATIONS: Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.

20. GOVERNMENT IMPOSED ALTERATIONS: Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.

21. ENTRY: Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.

22. SIGNS: Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the **90** (or ☐) day period preceding the termination of the agreement.

23. SUBLETTING/ASSIGNMENT: Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant or Tenant's obligation under this agreement.

24. POSSESSION: If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in **paragraph 2**. If Landlord is unable to deliver possession within **60** (or ☐) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.

25. TENANT'S OBLIGATIONS UPON VACATING PREMISES: Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in **paragraph 12**; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) _____.

All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.

26. BREACH OF CONTRACT/EARLY TERMINATION: In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by **paragraph 25**, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that would have been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by reletting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.



- 27. DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of the Premises. If total or partial destruction or damage occurs as a result of an act of Tenant or Tenant's guest, (i) only Landlord shall have the right, at Landlord's sole discretion, within 30 days after such total or partial destruction or damage to treat the lease as terminated by Tenant, and (ii) Landlord shall have the right to recover damages from Tenant.
- 28. HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
- 29. CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
- 30. INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry (i) liability insurance in an amount of not less than \$ _____ and (ii) property insurance in an amount sufficient to cover the replacement cost of the property if Tenant is responsible for maintenance under **paragraph 18B**. Tenant's insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ _____, plus property insurance in an amount sufficient to cover the replacement cost of the property unless Tenant is responsible for maintenance pursuant to **paragraph 18B**. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.
- 31. TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.
- 32. LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.
- 33. SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.
- 34. TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (i) before occupancy begins, upon disapproval of credit report(s); or (ii) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.
- 35. CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS:**
- A. Landlord states that the Premises ☐ have, or ☒ have not been inspected by a Certified Access Specialist (CASp).
- B. If the Premises have been inspected by a CASp,
- (1) Landlord states that the Premises ☐ have, or ☐ have not been determined to meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53. Landlord shall provide Tenant a copy of the report prepared by the CASp (and, if applicable a copy of the disability access inspection certificate) as specified below.
- (2) ☐ (i) Tenant has received a copy of the report at least 48 hours before executing this lease. Tenant has no right to rescind the lease based upon information contained in the report.
- OR ☐ (ii) Tenant has received a copy of the report prior to, but no more than, 48 hours before, executing this lease. Based upon information contained in the report, Tenant has 72 hours after execution of this lease to rescind it.
- OR ☐ (iii) Tenant has not received a copy of the report prepared by the CASp prior to execution of this lease. Landlord shall provide a copy of the report prepared by the CASp (and, if applicable a copy of the disability access inspection certificate) within 7 days after execution of this lease. Tenant shall have up to 3 days thereafter to rescind the lease based upon information in the report.
- C. If the Premises have not been inspected by a CASp or a certificate was not issued by the CASp who conducted the inspection, "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."



D. Notwithstanding anything to the contrary in **paragraph 17, 18, 19** or elsewhere in the lease, any repairs or modifications necessary to correct violations of construction related accessibility standards to the Premises are the responsibility of the ☒ Tenant, ☐ Landlord, ☐ Other _____.

36. MEDIATION: Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to **paragraph 36** below. **Paragraphs 37B and C** apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

37. ARBITRATION OF DISPUTES:

A. Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 37B and C below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

B. EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.

C. BROKERS: Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Landlord's Initials _____ / _____ Tenant's Initials _____ / _____

38. JOINT AND INDIVIDUAL OBLIGATIONS: If there is more than one Tenant, each on shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

39. NOTICE: Notices may be served by mail, email, or courier at the contact information provided in the signature section for Landlord or Tenant, or at any other location subsequently designated and is deemed effective upon personal receipt by either party or their agent.

40. WAIVER: The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.

41. INDEMNIFICATION: Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

42. OTHER TERMS AND CONDITIONS/SUPPLEMENTS: Landlord shall be allowed to show the space to prospective tenants with 24 hours written notice to Tenant. Landlord will use reasonable efforts to prevent disruption of Tenant's business during any showings.

The following ATTACHED supplements/exhibits are incorporated in this agreement: ☐ Option Agreement (C.A.R. Form OA) _____

43. ATTORNEY FEES: In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in **paragraph 36**.



44. ENTIRE CONTRACT: Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

45. BROKERAGE: Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this **paragraph 44**.

46. AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:

Listing Agent: _____ (Print Firm Name) is the agent of (check one):

☐ the Landlord exclusively; or ☐ both the Tenant and Landlord.

Selling Agent: N/A (Print Firm Name) (if not same as Listing Agent)

is the agent of (check one):

☐ the Tenant exclusively; or ☐ the Landlord exclusively; or ☐ both the Tenant and Landlord.

Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by other; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

47. LEGALLY AUTHORIZED SIGNER: Wherever the signature or initials of the Legally Authorized Signer identified in **paragraphs 48** or **49** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer **(i)** represents that the entity for which that person is acting already exists and is in good standing to do business in California and **(ii)** shall Deliver to the other Party, upon request, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

48. Tenant agrees to rent the Premises on the above terms and conditions.

A. ☒ ENTITY TENANT: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

(1) **Non-Individual (entity) Tenants:** One or more Tenants is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.

(2) **Full entity name:** The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): Salinas Valley Memorial Healthcare System, a California Local Care Health District dba Salinas Valley Health.

(3) **Contractual Identity of Tenant:** For purposes of this Agreement, when the name described below is used it shall be deemed to be the full entity name.

(A) If a trust: The trustee(s) of the trust or a simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust);

(B) If Property is sold under the jurisdiction of a probate court: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).

(4) **Legally Authorized Signer:**

(A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See **paragraph 47** for additional terms.

(B) The name(s) of the Legally Authorized Signer(s) is/are: Allen Radner, MD.

B. TENANT SIGNATURE(S):

(Signature) By, _____ Date: _____

Printed name of Tenant: Salinas Valley Memorial Healthcare System a California Local Care Health District dba Salinas Valley Health

☒ Printed Name of Legally Authorized Signer: Allen Radner, MD Title, if applicable, President/CEO

Address 450 E. Romie Lane City Salinas State Ca Zip 93901

Telephone _____ Text _____ E-mail _____

(Signature) By, _____ Date: _____

Printed name of Tenant: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Text _____ E-mail _____

☐ IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).



☐ **GUARANTEE:** In consideration of the execution of this Agreement by and between Landlord and Tenant and for valuable consideration, receipt of which is hereby acknowledged, the undersigned ("Guarantor") does hereby: (i) guarantee unconditionally Landlord and Landlord's agents, successors and assigns, the prompt payment of Rent or other sums that become due pursuant to this Agreement, including any and all court costs and attorney fees included in enforcing the Agreement; (ii) consent to any changes, modifications or alterations of any term in this Agreement agreed to by Landlord and Tenant; and (iii) waive any right to require Landlord and/or Landlord's agents to proceed against Tenant for any default occurring under this Agreement before seeking to enforce this Guarantee.

Guarantor (Print Name) _____
Guarantor _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ E-mail _____

49. Landlord agrees to rent the Premises on the above terms and conditions:

A. ☒ ENTITY LANDLORD: (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)

- (1) **Non-Individual (entity) Landlords:** One or more Landlords is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
- (2) **Full entity name:** The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): Rancho Llano Development, LLC, a California Limited Liability Company
- (3) **Contractual Identity of Landlord:** For purposes of this Agreement, when the name described below is used it shall be deemed to be the full entity name.
(A) If a trust: The trustee(s) of the trust or a simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust);
(B) If Property is sold under the jurisdiction of a probate court: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
- (4) **Legally Authorized Signer:**
(A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See **paragraph 47** for additional terms.
(B) The name(s) of the Legally Authorized Signer(s) is/are: Henry J. Franscioni, Jr.

B. LANDLORD SIGNATURE(S):

(Signature) By, _____ Date: _____
Printed name of Landlord: Rancho Llano Development, LLC, a California Limited Liability Company
☒ Printed Name of Legally Authorized Signer: Henry J. Franscioni, Jr. Title, if applicable, Managing Member
Address 27810 Mesa Del Toro Road City Salinas State Ca Zip 93908
Telephone _____ Text _____ E-mail _____

(Signature) By, _____ Date: _____
Printed name of Landlord: _____
☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Text _____ E-mail _____

☐ IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

Agency relationships are confirmed as above. Real estate brokers who are not also Landlords in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Tenant Brokerage Firm) N/A Lic. # _____
By (Agent) _____ Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Landlord Brokerage Firm) _____ Lic. # _____
By (Agent) _____ Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Landlord's Initials _____ / _____ Tenant's Initials _____ / _____

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COMMERCIAL LEASE AGREEMENT (CL PAGE 7 OF 7)

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Rancho Llano



Financial Performance Review

June 2025

Finance Committee

Scott Cleveland

Interim Chief Financial Officer

Consolidated Financial Summary For the Month of June 2025

\$ in Millions	For the Month of June 2025			
			Variance fav (unfav)	
	Actual	Budget	\$VAR	%VAR
Operating Revenue	\$ 74.3	\$ 62.6	\$ 11.7	18.7%
Operating Expense	\$ 67.1	\$ 63.7	\$ (3.4)	-5.3%
Income from Operations	\$ 7.2	\$ (1.1)	\$ 8.3	754.5%
Operating Margin %	9.7%	-1.8%	11.5%	638.89%
Non Operating Income	\$ 8.0	\$ 3.0	\$ 5.0	166.7%
Net Income	\$ 15.2	\$ 1.9	\$ 13.3	700.0%
Net Income Margin %	20.4%	3.0%	17.4%	580.0%

Normalizing Item included in operating income:

- IGT DHCS MediCal Rate Range Program for FY 2024-25 (net) \$2.3 Million

Normalizing Item included in non-operating income:

- FEMA Grant funds recognized (net) \$2.1 Million

Consolidated Financial Summary For the Month of June 2025 - Normalized

\$ in Millions	For the Month of June 2025				
	Actual	Budget	Variance fav (unfav)		
			\$VAR	%VAR	
Operating Revenue	\$ 72.0	\$ 62.6	\$ 9.4	15.0%	
Operating Expense	\$ 67.1	\$ 63.7	\$ (3.4)	-5.3%	
Income from Operations	\$ 4.9	\$ (1.1)	\$ 6.0	545.5%	
Operating Margin %	6.8%	-1.8%	8.6%	477.78%	
Non Operating Income	\$ 5.9	\$ 3.0	\$ 2.9	96.7%	
Net Income	\$ 10.8	\$ 1.9	\$ 8.9	468.4%	
Net Income Margin %	15.0%	3.0%	12.0%	400.0%	

Normalizing Item excluded from operating income:

- IGT DHCS MediCal Rate Range Program for FY 2024-25 (net) \$2.3 Million

Normalizing Item excluded from non-operating income:

- FEMA Grant funds recognized (net) \$2.1 Million

Executive Summary: Financial Performance

Salinas Valley Health's Income from Operations was \$7.2 million for the month which was favorable to budget by \$8.3M. After normalizing for the DHCS Rate Range IGT of \$2.3 million income from operations was \$4.9 million. The favorable financial performance for the month was driven by the following:

- ✓ **Strong Outpatient Revenues** - favorable to budget by \$32M (23%), this equates to a favorable variance of \$6 million in OP Net Revenue. Key services driving this variance were:
 - **OP Infusion Program** - cases were over budget by 16% (156 cases or \$3M in net revenues)
 - **OP Surgeries** – cases were over budget by 22% (66 cases, \$0.9M in net revenue)
 - **MRI Procedures** were over budget by 23% (55 cases)
- ✓ **Inpatient Surgeries** were over budget by 7% (8 cases)
- ✓ **Total Admissions** were over budget by 3% (29 cases)
- ✓ **Average Length of Stay** was 12% favorable to budget at 3.6 days
- ✓ **Medicare Case Mix Adjusted Average Length of Stay** was favorable by 16% at 2.1 days

Executive Summary: Financial Performance – Cont'd

▪ Key Unfavorable Performance Highlights:

- ✓ **Payor Mix** was varied with higher than expected Commercial revenue, up 5%. However, Medicare and MediCal were over budget by 15% and 10%, respectively.
- ✓ **Observation cases** were over budget by 59% (79 cases)
- ✓ **ER Outpatient Visits** were under budget 6% (252 cases)
- ✓ **All Payor Case Mix** of 1.58 was 2% under target
- ✓ **Deliveries** were under budget by 4% (4 cases)
- ✓ **Days in AR** at 68 is still trending over target due to slow paying insurance providers

5

Consolidated Financial Summary YTD June 2025

\$ in Millions	FY 2025 June YTD			
	Actual	Budget	Variance fav (unfav)	
			\$VAR	%VAR
Operating Revenue	\$ 849.9	\$ 749.1	\$ 100.8	13.5%
Operating Expense	\$ 794.2	\$ 761.9	\$ (32.3)	-4.2%
Income from Operations	\$ 55.7	\$ (12.8)	\$ 68.5	535.2%
Operating Margin %	6.6%	-1.7%	8.3%	488.2%
Non Operating Income	\$ 42.0	\$ 36.1	\$ 5.9	16.3%
Net Income	\$ 97.7	\$ 23.3	\$ 74.4	319.3%
Net Income Margin %	11.5%	3.1%	8.4%	271.0%

Operating Income includes the Normalizing Items of:

- \$4.6M - CCAH Voluntary Rate Range Funds (net) received YTD for CY 2023
- \$4.8M - District Hospital Direct Payment (net) for 2023
- \$4.3M - HQAF (net) for program year 2024
- \$1.4M - Medi-Cal Supplemental OP (net) for CY 2023-24
- \$2.3M - DHCS Medi-Cal Rate Range (net) for CY 2024-25
- **\$17.4M – Total YTD**

Non Operating Income includes Normalizing Items of:

- \$6.3M - FEMA Grant funds (net) received YTD
- \$12.9M - FEMA Grant funds received inception to date

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Consolidated Financial Summary YTD June 2025 - Normalized

\$ in Millions	FY 2025 June YTD			
	Actual	Budget	Variance fav (unfav)	
			\$VAR	%VAR
Operating Revenue	\$ 832.5	\$ 749.1	\$ 83.4	11.1%
Operating Expense	\$ 794.2	\$ 761.9	\$ (32.3)	-4.2%
Income from Operations	\$ 38.3	\$ (12.8)	\$ 51.1	399.2%
Operating Margin %	4.6%	-1.7%	6.3%	370.6%
Non Operating Income **	\$ 35.8	\$ 36.1	\$ (0.3)	-0.8%
Net Income	\$ 74.1	\$ 23.3	\$ 50.8	218.0%
Net Income Margin %	8.9%	3.1%	5.8%	187.1%

Operating Income excludes the Normalizing Items of:

- \$4.6M - CCAH Voluntary Rate Range Funds (net) received YTD for CY 2023
- \$4.8M - District Hospital Direct Payment (net) for 2023
- \$4.3M - HQAF program (net) for 2024
- \$1.4M - Medi-Cal Supplemental OP (net) for CY 2023-24
- \$2.3M - DHCS Medi-Cal Rate Range (net) for CY 2024-25
- **\$17.4M - Total YTD**

Non Operating Income excludes Normalizing Items of:

- \$6.3M - FEMA Grant funds (net) received YTD
- \$12.9M - FEMA Grant funds received inception to date

SVHMC Revenue Highlights June 2025

Gross Revenues
were 11.6%
favorable to
budget

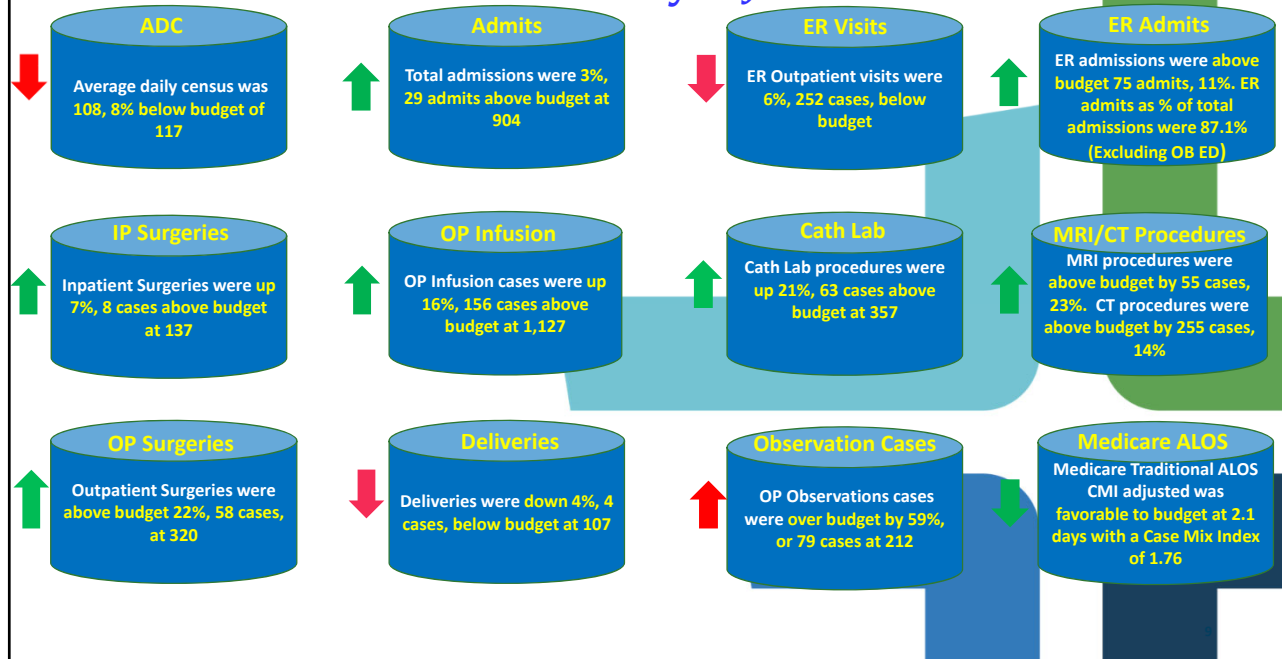
- IP Gross Revenues were 1.2% unfavorable to budget
- ED Gross Revenues were 0.9% unfavorable to budget
- OP Gross Revenues were 33.4% favorable to budget in the following areas:
 - OP Infusion
 - OP Surgery
 - MRI Procedures

- Commercial: 5% above budget
- Medicaid: 10% above budget
- Medicare: 15% above budget

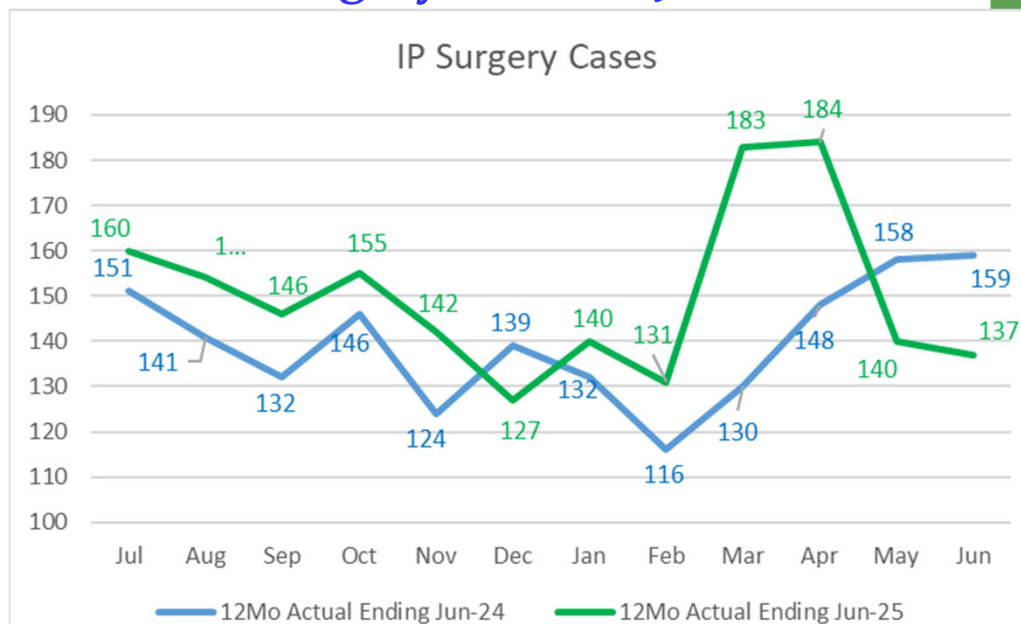
**Payor Mix –
Unfavorable**

Total Net Patient
Revenues were \$62.1M,
which was favorable to
budget by \$10.8M or
21.1%

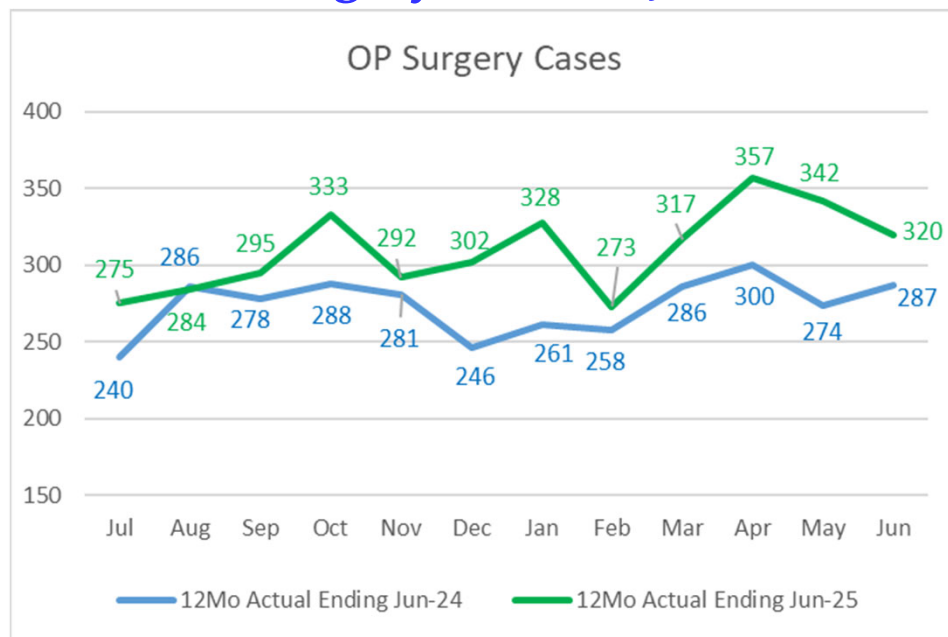
Financial Summary – June 2025



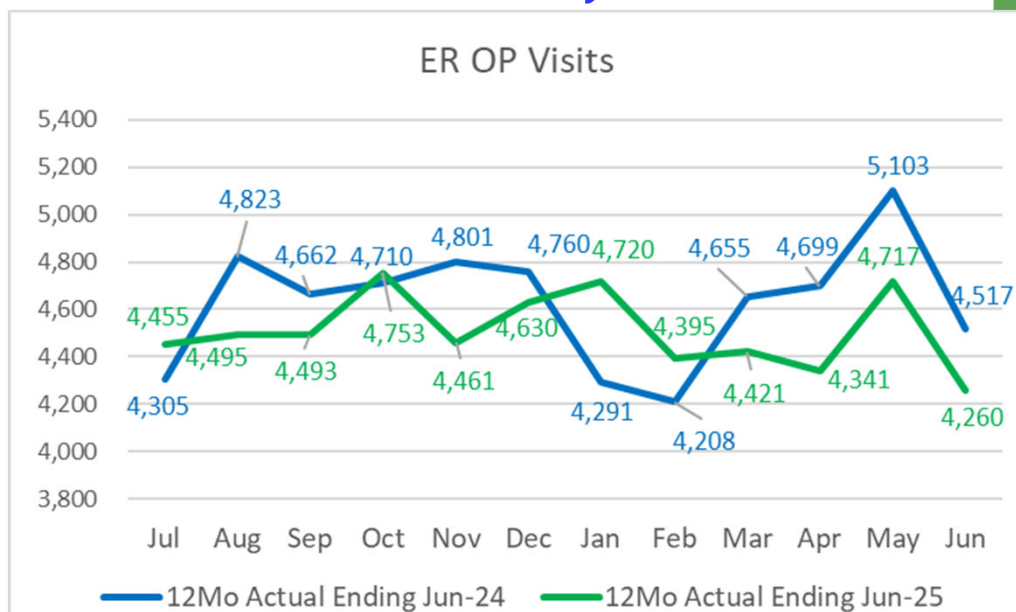
IP Surgery Cases - June 2025



OP Surgery Cases - June 2025



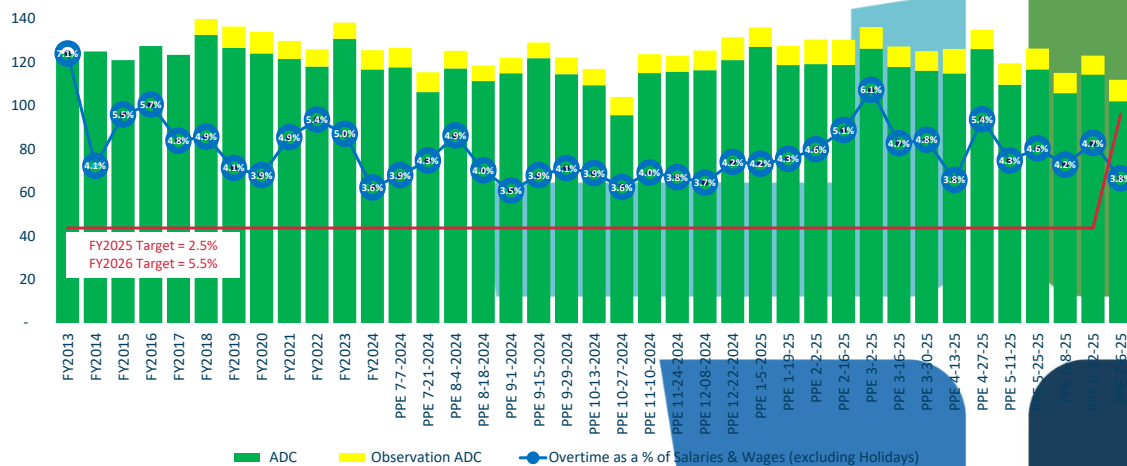
ER OP Visits- June 2025



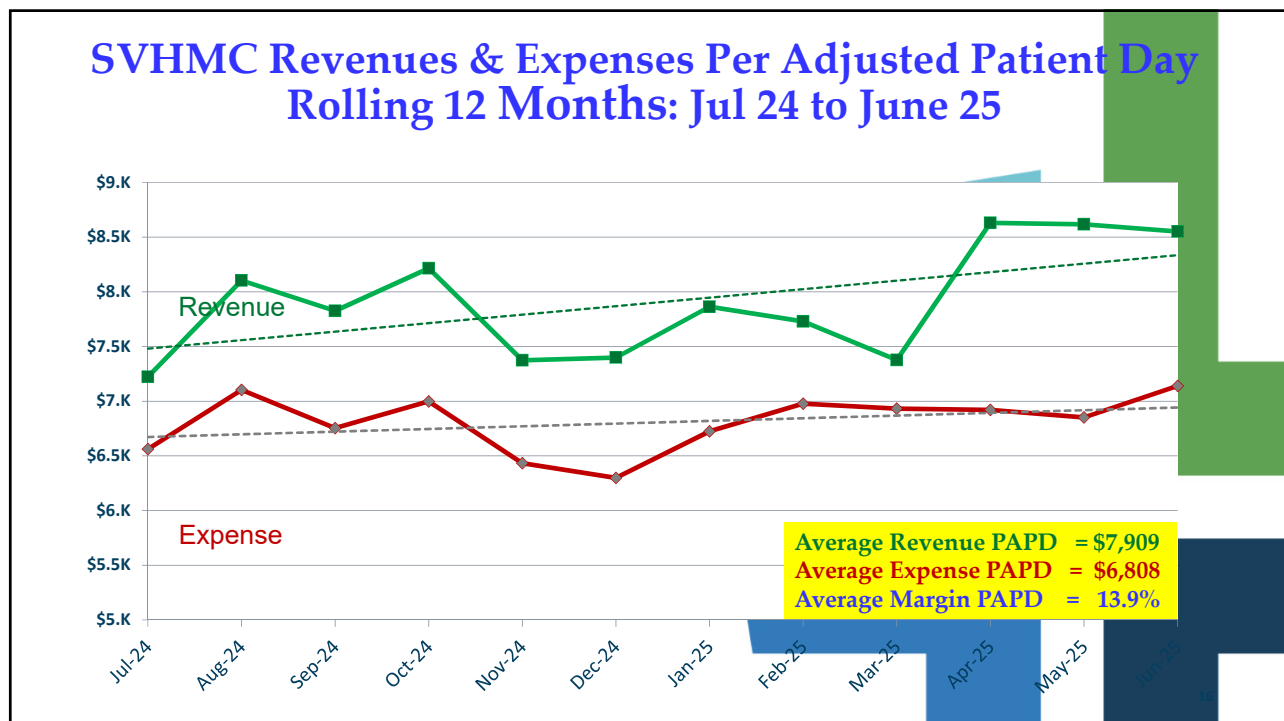
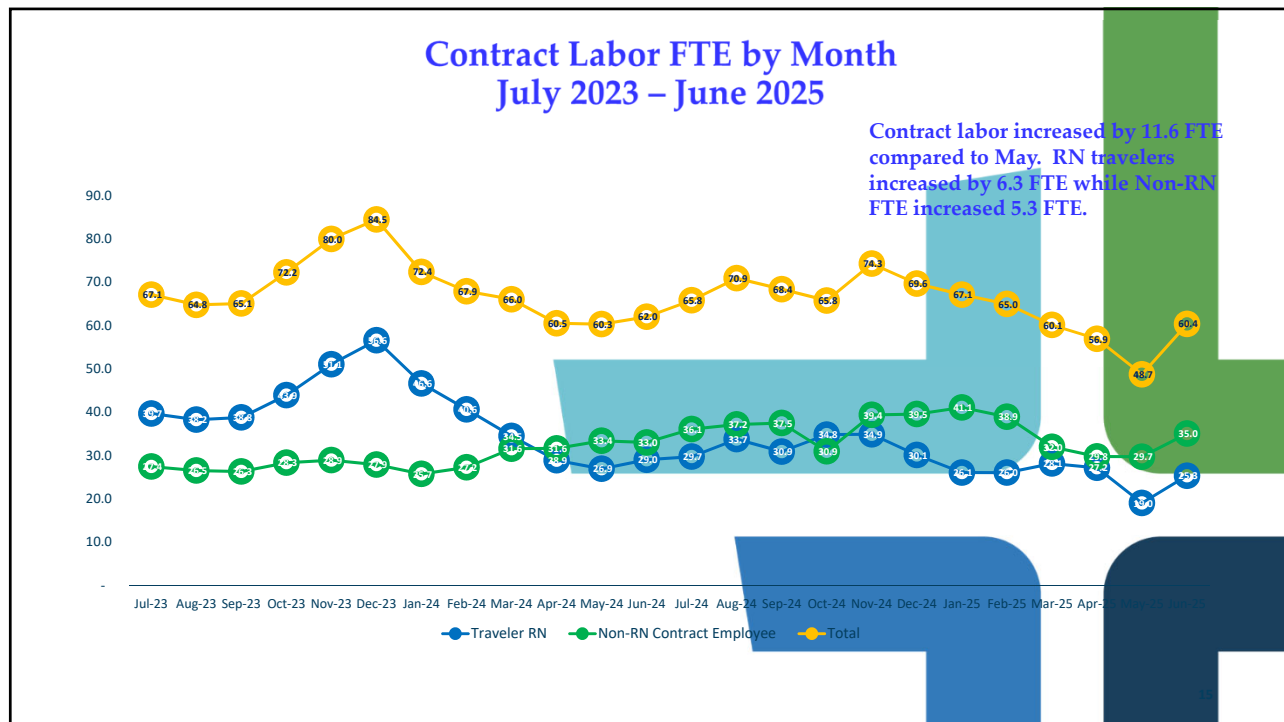
Labor Productivity – June 2025

- 1. Worked FTEs:** During the month of June, worked FTEs on a PAADC basis were 3% unfavorable at **6.8** with a target of **6.6**. *When reviewed on a unit-by-unit level, the variance was 56 FTEs negative (\$0.8M). Lab was favorable 15.3 Worked FTEs. Excluding Lab, the variance was 71 FTEs negative (\$1.0M).*
- 2. Worked FTEs decreased** from 1,638 in May to 1,634 in June. Average daily census decreased by 3 compared to prior month at 108 (8% below budget).
- 3. Paid FTEs:** On a PAADC basis, paid FTEs were 1% unfavorable to budget at **8.0 actual vs. 7.9 budget**. Paid FTEs increased from 1,877 in May to 1,913 in June.

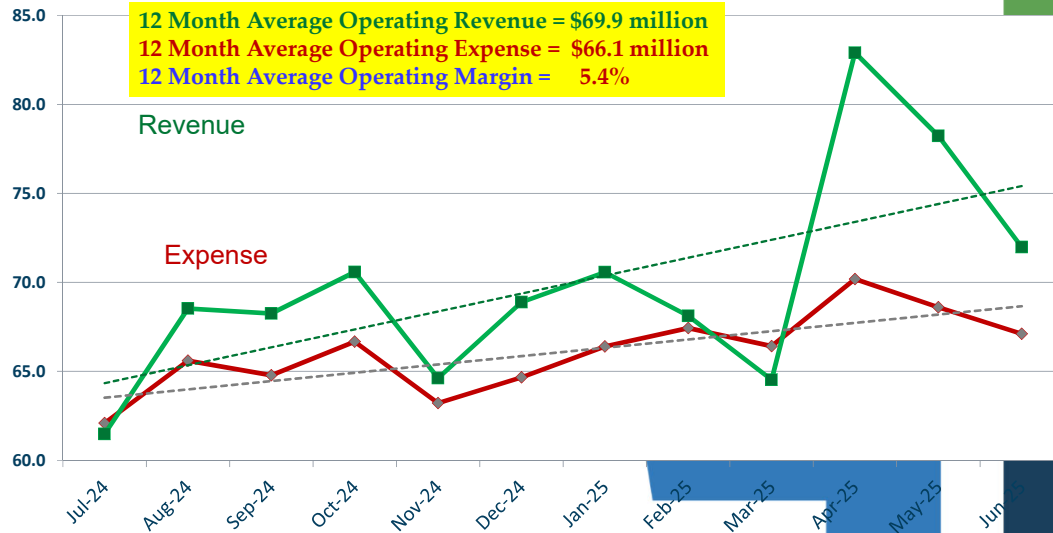
Overtime as a Percent of Total Salaries & Wages (excluding Holidays) Through the pay period ending July 6, 2025



** Observation days are not available prior to FY2018 due to a server migration.



SVH Consolidated Revenues & Expenses Rolling 12 Months: Jul 24 to June 25



Salinas Valley Health Key Financial Indicators

Statistic	YTD 6/30/25	SVH Target	S&P A+ Rated Hospitals	YTD 6/30/24
Operating Margin*	6.6%	5.0%	4.0%	4.1%
Total Margin*	11.5%	6.0%	6.6%	9.5%
EBITDA Margin**	10.8%	7.4%	13.6%	8.7%
Days of Cash*	375	305	249	370
Days of Accounts Payable*	42	45	-	51
Days of Net Accounts Receivable**	68	45	49	56
Supply Expense as % NPR	14.9%	14.0%	-	14.0%
SWB Expense as % NPR	50.6%	53.0%	53.7%	53.8%
Operating Expense per APD*	6,760	6,739	-	6,743

All metrics above are consolidated for SVH except Operating Expense per APD

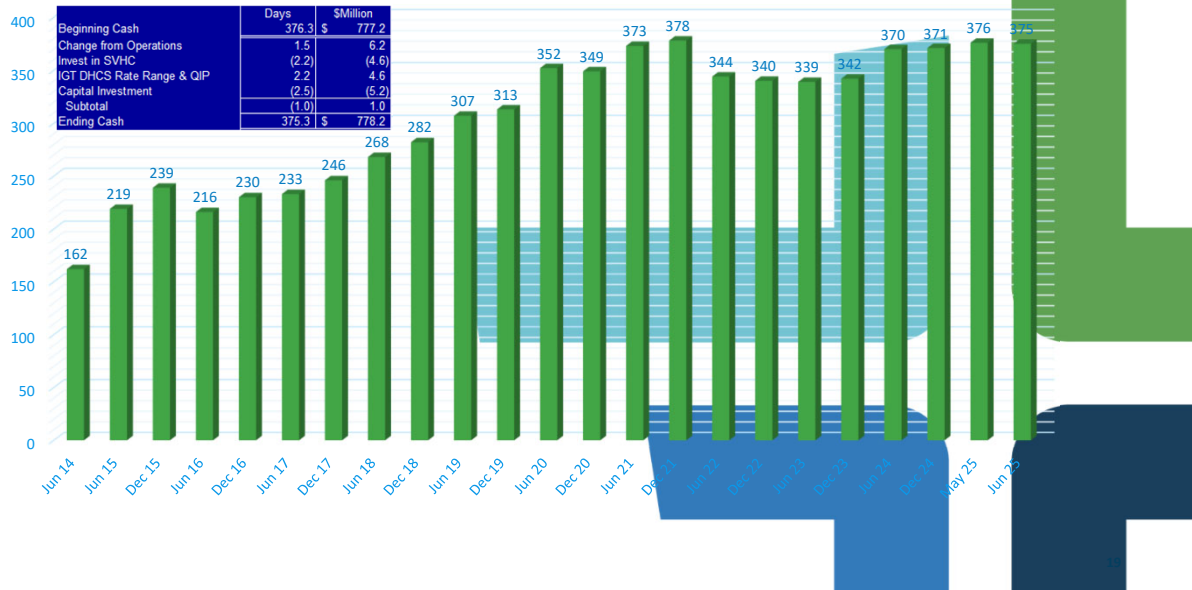
*These metrics have **not** been adjusted for normalizing items

**Metric based on Operating Income (consistent with industry standard)

***Metric based on 365 days average net revenue (consistent with industry standard)

Salinas Valley Health

Days Cash on Hand = 375 Days (\$778M) - June 2025



Routine Capital Expenditures Through June 2025

Fiscal Month	FY 2025 Approved Budget *	Total Purchased Expenditures	Remaining	Project	Amount
July	1,916,667	712,780	1,203,887	Nurse Call System	333,949
August	1,916,667	1,382,572	1,737,981	Angio Equipment Replacement	66,226
September	1,916,667	729,309	2,925,338	Cath Lab 3 Equipment Replacement	27,863
October	1,916,667	1,191,148	3,650,857	Lab Air Handler	25,928
November	1,916,667	794,889	4,772,635	Miscellaneous	27,795
December	1,916,667	1,381,451	5,307,851	Total Improvements	481,761
January	1,916,667	1,565,871	5,658,646	IT Laptops, Electronic Signature pads, Software licenses	146,847
February	1,916,667	963,787	6,611,526	Cath Lab Sonosite LX Ultrasound System	42,484
March	1,916,667	815,462	7,712,730	Education Training Tables (20) & Instructor Tables (2)	35,436
April	1,916,667	1,449,571	8,179,826	Security Stryker Power-Load Cot Fastener	35,159
May	1,916,667	622,232	9,474,261	Miscellaneous	42,111
June	1,916,667	783,798	10,607,130	Total Equipment	302,037
YTD TOTAL	23,000,000	12,392,870	10,607,130	Grand Total	783,798

Questions/Comments



SALINAS VALLEY HEALTH MEDICAL CENTER
SUMMARY INCOME STATEMENT
June 30, 2025

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 62,063,203	\$ 72,252,041	\$ 699,625,337	\$ 648,873,348
Other operating revenue	<u>1,702,095</u>	<u>1,095,602</u>	<u>27,051,446</u>	<u>20,123,088</u>
Total operating revenue	<u>63,765,298</u>	<u>73,347,643</u>	<u>726,676,783</u>	<u>668,996,436</u>
Total operating expenses	51,310,580	48,073,203	612,361,012	581,405,204
Total non-operating income	<u>2,051,262</u>	<u>3,841,274</u>	<u>(18,021,995)</u>	<u>(13,268,375)</u>
Operating and non-operating income	<u>\$ 14,505,980</u>	<u>\$ 29,115,714</u>	<u>\$ 96,293,776</u>	<u>\$ 74,322,857</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
June 30, 2025

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 450,836,019	\$ 401,143,649
Assets whose use is limited or restricted by board	176,240,532	166,413,835
Capital assets	268,321,713	250,296,507
Other assets	311,149,374	303,368,798
Deferred pension outflows	<u>85,734,219</u>	<u>85,734,219</u>
	<u>\$ 1,292,281,857</u>	<u>\$ 1,206,957,009</u>
LIABILITIES AND EQUITY:		
Current liabilities	94,827,909	99,632,993
Long term liabilities	18,364,449	20,640,668
Lease deferred inflows	(1,716,305)	2,171,322
Pension liability	90,863,576	90,863,576
Net assets	<u>1,089,942,228</u>	<u>993,648,450</u>
	<u>\$ 1,292,281,857</u>	<u>\$ 1,206,957,009</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
June 30, 2025

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,667	1,829	21,063	21,385
Medi-Cal	980	1,032	12,517	12,532
Commercial insurance	496	577	6,562	6,913
Other patient	103	88	1,455	1,237
Total patient days	<u>3,246</u>	<u>3,526</u>	<u>41,597</u>	<u>42,067</u>
Gross revenue:				
Medicare	\$ 137,030,426	\$ 121,703,177	\$ 1,575,690,497	\$ 1,395,446,137
Medi-Cal	81,130,711	77,201,924	994,634,404	875,243,374
Commercial insurance	57,434,309	54,328,979	697,395,885	641,129,022
Other patient	11,463,917	10,052,648	132,919,228	110,305,478
Gross revenue	<u>287,059,363</u>	<u>263,286,728</u>	<u>3,400,640,014</u>	<u>3,022,124,011</u>
Deductions from revenue:				
Administrative adjustment	188,660	244,590	3,378,536	3,607,697
Charity care	627,130	349,225	7,704,358	7,410,211
Contractual adjustments:				
Medicare outpatient	48,047,958	39,430,344	532,607,105	442,800,772
Medicare inpatient	47,752,282	50,081,312	600,952,657	567,347,145
Medi-Cal traditional outpatient	1,484,722	1,796,203	20,853,421	28,467,619
Medi-Cal traditional inpatient	(318,269)	(2,249,601)	47,800,021	45,866,021
Medi-Cal managed care outpatient	40,514,157	36,327,715	483,306,408	395,375,929
Medi-Cal managed care inpatient	28,806,931	20,221,280	323,975,730	297,492,152
Commercial insurance outpatient	27,575,984	19,422,189	327,374,584	270,180,430
Commercial insurance inpatient	22,657,538	18,685,248	266,401,886	245,845,850
Uncollectible accounts expense	5,928,123	5,000,605	67,357,917	53,909,164
Other payors	1,730,944	1,725,577	19,302,054	14,947,674
Deductions from revenue	<u>224,996,160</u>	<u>191,034,688</u>	<u>2,701,014,677</u>	<u>2,373,250,663</u>
Net patient revenue	<u>\$ 62,063,203</u>	<u>\$ 72,252,041</u>	<u>\$ 699,625,337</u>	<u>\$ 648,873,348</u>
Gross billed charges by patient type:				
Inpatient	\$ 129,577,794	\$ 129,076,916	\$ 1,586,964,880	\$ 1,505,395,392
Outpatient	126,414,919	101,975,544	1,430,384,816	1,154,368,991
Emergency room	31,066,650	32,234,268	383,290,317	362,359,628
Total	<u>\$ 287,059,363</u>	<u>\$ 263,286,728</u>	<u>\$ 3,400,640,013</u>	<u>\$ 3,022,124,011</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
June 30, 2025

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 62,063,203	\$ 72,252,041	\$ 699,625,337	\$ 648,873,348
Other operating revenue	<u>1,702,095</u>	<u>1,095,602</u>	<u>27,051,446</u>	<u>20,123,088</u>
Total operating revenue	<u>63,765,298</u>	<u>73,347,643</u>	<u>726,676,783</u>	<u>668,996,436</u>
Operating expenses:				
Salaries and wages	18,775,863	16,966,515	216,616,602	201,270,627
Compensated absences	3,132,549	3,056,905	37,734,937	36,321,373
Employee benefits	5,423,685	5,637,351	93,951,047	98,607,037
Supplies, food, and linen	10,165,934	8,923,867	110,149,834	91,697,342
Purchased department functions	4,851,047	4,122,625	47,956,842	44,677,529
Medical fees	2,877,281	2,686,306	31,324,616	30,307,206
Other fees	1,571,037	1,794,818	21,727,326	26,902,570
Depreciation	2,621,236	2,771,479	31,114,605	29,727,931
All other expense	<u>1,891,948</u>	<u>2,113,337</u>	<u>21,785,203</u>	<u>21,893,589</u>
Total operating expenses	<u>51,310,580</u>	<u>48,073,203</u>	<u>612,361,012</u>	<u>581,405,204</u>
Income from operations	<u>12,454,718</u>	<u>25,274,440</u>	<u>114,315,771</u>	<u>87,591,232</u>
Non-operating income:				
Donations	3,412,102	1,058,525	9,026,633	3,752,618
Property taxes	1,140,377	2,013,568	6,384,235	5,680,235
Investment income	2,497,324	6,625,951	22,571,505	31,424,366
Taxes and licenses	0	0	0	0
Income from subsidiaries	<u>(4,998,541)</u>	<u>(5,856,770)</u>	<u>(56,004,368)</u>	<u>(54,125,594)</u>
Total non-operating income	<u>2,051,262</u>	<u>3,841,274</u>	<u>(18,021,995)</u>	<u>(13,268,375)</u>
Operating and non-operating income	<u>14,505,980</u>	<u>29,115,714</u>	<u>96,293,776</u>	<u>74,322,857</u>
Net assets to begin	<u>1,075,436,249</u>	<u>964,532,736</u>	<u>993,648,451</u>	<u>919,325,593</u>
Net assets to end	<u>\$ 1,089,942,228</u>	<u>\$ 993,648,450</u>	<u>\$ 1,089,942,228</u>	<u>\$ 993,648,450</u>
Net income excluding non-recurring items	\$ 14,505,980	\$ 29,115,714	\$ 96,293,776	\$ 74,322,857
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating and non-operating income	<u>\$ 14,505,980</u>	<u>\$ 29,115,714</u>	<u>\$ 96,293,776</u>	<u>\$ 74,322,857</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF INVESTMENT INCOME
June 30, 2025

	Month of June,		Twelve months ended June 30,	
	current year	prior year	current year	prior year
Detail of income from subsidiaries:				
Salinas Valley Health Clinics				
Pulmonary Medicine Center	\$ (187,542)	\$ (203,510)	\$ (2,407,711)	\$ (2,401,179)
Neurological Clinic	(82,981)	(68,236)	(896,728)	(776,880)
Palliative Care Clinic	(97,777)	(132,842)	(1,167,170)	(1,112,902)
Surgery Clinic	(201,917)	(127,468)	(2,049,011)	(2,098,510)
Infectious Disease Clinic	(49,084)	(32,505)	(565,415)	(450,755)
Endocrinology Clinic	(210,342)	(173,339)	(2,682,757)	(2,646,171)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(609,430)	(400,909)	(7,186,280)	(6,623,279)
OB/GYN Clinic	(429,125)	(189,944)	(4,912,840)	(4,680,756)
PrimeCare Medical Group	(940,206)	(299,187)	(9,966,407)	(9,444,589)
Oncology Clinic	(402,508)	(409,691)	(4,946,946)	(4,246,439)
Cardiac Surgery	(367,872)	(469,067)	(4,161,475)	(3,994,589)
Sleep Center	(73,157)	(91,935)	(999,506)	(746,977)
Rheumatology	(69,148)	(56,170)	(869,731)	(861,353)
Precision Ortho MDs	(465,507)	(417,627)	(5,594,349)	(5,560,948)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(70,815)	(73,149)	(893,543)	(606,135)
Vaccine Clinic	0	(16)	0	0
Dermatology	(20,449)	(62,344)	(425,468)	(489,294)
Hospitalists	0	0	0	0
Behavioral Health	(32,944)	(56,067)	(444,548)	(605,904)
Pediatric Diabetes	(32,343)	(19,251)	(448,785)	(514,063)
Neurosurgery	(121,321)	(190,183)	(1,495,894)	(818,506)
Multi-Specialty-RR	9,475	52,135	171,948	91,961
Radiology	(197,528)	(489,878)	(3,735,772)	(3,211,138)
Salinas Family Practice	(33,131)	(49,104)	(1,234,953)	(1,432,249)
Urology	(189,632)	(149,153)	(2,016,234)	(1,974,315)
Total SVHC	(4,875,284)	(4,109,440)	(58,929,575)	(55,204,970)
Doctors on Duty	(340,957)	(166,745)	247,632	480,575
LPCH NICU JV	0	(1,811,458)	0	(1,811,458)
Central Coast Health Connect	29,720	(102,308)	29,720	(102,308)
Monterey Peninsula Surgery Center	85,934	205,940	1,752,283	1,710,349
Coastal	3,370	67,945	(41,688)	195,730
Apex	0	0	0	0
21st Century Oncology	32,311	(37,148)	288,188	30,926
Monterey Bay Endoscopy Center	66,365	96,445	649,071	575,563
Total	<u>\$ (4,998,541)</u>	<u>\$ (5,856,770)</u>	<u>\$ (56,004,368)</u>	<u>\$ (54,125,594)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
June 30, 2025

	<u>Current year</u>	<u>Prior year</u>
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 298,732,436	\$ 270,616,444
Patient accounts receivable, net of estimated uncollectibles of \$65,015,741	130,877,702	111,333,643
Supplies inventory at cost	8,089,558	7,607,679
Current portion of lease receivable	169,584	1,732,185
Other current assets	<u>12,966,739</u>	<u>9,853,698</u>
Total current assets	<u>450,836,019</u>	<u>401,143,649</u>
Assets whose use is limited or restricted by board	<u>176,240,532</u>	<u>166,413,835</u>
Capital assets:		
Land and construction in process	60,799,063	43,340,180
Other capital assets, net of depreciation	<u>207,522,650</u>	<u>206,956,327</u>
Total capital assets	<u>268,321,713</u>	<u>250,296,507</u>
Other assets:		
Right of use assets, net of amortization	7,574,841	7,284,598
Long term lease receivable	(1,865,445)	467,297
Subscription assets, net of amortization	7,733,276	10,207,128
Investment in Securities	272,022,409	257,603,817
Investment in SVHC	764,540	14,375,278
Investment in Coastal	1,710,683	1,877,370
Investment in other affiliates	21,374,531	11,021,137
Net pension asset	<u>1,834,539</u>	<u>532,173</u>
Total other assets	<u>311,149,374</u>	<u>303,368,798</u>
Deferred pension outflows	<u>85,734,219</u>	<u>85,734,219</u>
	<u>\$ 1,292,281,857</u>	<u>\$ 1,206,957,009</u>
L I A B I L I T I E S A N D N E T A S S E T S		
Current liabilities:		
Accounts payable and accrued expenses	\$ 64,806,399	\$ 66,971,203
Due to third party payers	4,491,164	3,699,690
Current portion of self-insurance liability	20,078,895	22,085,361
Current subscription liability	2,555,609	4,227,920
Current portion of lease liability	<u>2,895,842</u>	<u>2,648,818</u>
Total current liabilities	94,827,909	99,632,993
Long term portion of workers comp liability	11,003,713	12,078,720
Long term portion of lease liability	4,702,091	5,101,119
Long term subscription liability	<u>2,658,645</u>	<u>3,460,829</u>
Total liabilities	<u>113,192,358</u>	<u>120,273,661</u>
Lease deferred inflows	(1,716,305)	2,171,322
Pension liability	<u>90,863,576</u>	<u>90,863,576</u>
Net assets:		
Invested in capital assets, net of related debt	268,321,713	250,296,507
Unrestricted	<u>821,620,515</u>	<u>743,351,943</u>
Total net assets	<u>1,089,942,228</u>	<u>993,648,450</u>
	<u>\$ 1,292,281,857</u>	<u>\$ 1,206,957,009</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
June 30, 2025

	Month of June,			Twelve months ended June 30,			
	Actual	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:							
Gross billed charges	\$ 287,059,363	\$ 29,792,671	11.58%	\$ 3,400,640,014	\$ 3,082,128,594	318,511,420	10.33%
Deductions from revenue	224,996,160	18,959,948	9.20%	2,701,014,677	2,469,184,467	231,830,210	9.39%
Net patient revenue	62,063,203	10,832,723	21.15%	699,625,337	612,944,127	86,681,210	14.14%
Other operating revenue	1,702,095	249,426	17.17%	27,051,446	17,432,028	9,619,418	55.18%
Total operating revenue	63,765,298	11,082,149	21.04%	726,676,783	630,376,155	96,300,628	15.28%
Operating expenses:							
Salaries and wages	18,775,863	1,371,054	7.88%	216,616,602	209,084,229	7,532,373	3.60%
Compensated absences	3,132,549	(206,182)	-6.18%	37,734,937	37,683,444	51,493	0.14%
Employee benefits	5,423,685	(2,724,829)	-33.44%	93,951,047	97,118,446	(3,167,399)	-3.26%
Supplies, food, and linen	10,165,934	3,095,615	43.78%	110,149,834	85,981,374	24,168,460	28.11%
Purchased department functions	4,851,047	1,025,765	26.82%	47,956,842	45,903,393	2,053,449	4.47%
Medical fees	2,877,281	391,644	15.76%	31,324,616	29,827,647	1,496,969	5.02%
Other fees	1,571,037	(151,330)	-8.79%	21,727,326	20,838,710	888,616	4.26%
Depreciation	2,621,236	56,481	2.20%	31,114,605	29,489,338	1,625,267	5.51%
All other expense	1,891,948	(55,169)	-2.83%	21,785,203	23,646,239	(1,861,036)	-7.87%
Total operating expenses	51,310,580	2,803,048	5.78%	612,361,012	579,572,821	32,788,191	5.66%
Income from operations	12,454,718	8,279,101	198.27%	114,315,771	50,803,334	63,512,437	125.02%
Non-operating income:							
Donations	3,412,102	3,203,769	1537.81%	9,026,633	2,500,000	6,526,633	261.07%
Property taxes	1,140,377	663,663	139.22%	6,384,235	5,720,572	663,663	11.60%
Investment income	2,497,324	606,150	32.05%	22,571,505	22,694,078	(122,573)	-0.54%
Income from subsidiaries	(4,998,541)	124,681	-2.43%	(56,004,368)	(61,478,665)	5,474,297	-8.90%
Total non-operating income	2,051,262	4,598,263	-180.54%	(18,021,995)	(30,564,015)	12,542,020	-41.04%
Operating and non-operating income	\$ 14,505,980	\$ 12,877,364	790.69%	\$ 96,293,776	\$ 20,239,319	76,054,457	375.78%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
NEWBORN STATISTICS					
Medi-Cal Admissions	54	30	444	415	(29)
Other Admissions	70	77	906	984	78
Total Admissions	124	107	1,350	1,399	49
Medi-Cal Patient Days	54	49	643	752	109
Other Patient Days	147	112	1,541	1,488	(53)
Total Patient Days of Care	201	161	2,184	2,240	56
Average Daily Census	6.7	5.4	6.0	6.1	0.2
Medi-Cal Average Days	1.5	1.7	1.7	2.0	0.3
Other Average Days	0.8	1.6	1.7	1.6	(0.1)
Total Average Days Stay	1.7	1.6	1.7	1.7	0.0
ADULTS & PEDIATRICS					
Medicare Admissions	384	366	4,474	4,646	172
Medi-Cal Admissions	312	272	3,211	3,413	202
Other Admissions	409	303	3,668	3,729	61
Total Admissions	1,105	941	11,353	11,788	435
Medicare Patient Days	1,569	1,289	18,036	17,499	(537)
Medi-Cal Patient Days	1,080	1,069	12,951	13,191	240
Other Patient Days	926	676	11,213	8,893	(2,320)
Total Patient Days of Care	3,575	3,034	42,200	39,583	(2,617)
Average Daily Census	119.2	101.1	115.6	108.4	(7.2)
Medicare Average Length of Stay	4.2	3.4	4.0	3.8	(0.3)
Medi-Cal AverageLength of Stay	3.5	3.3	3.5	3.4	(0.1)
Other Average Length of Stay	2.3	1.9	2.5	1.9	(0.6)
Total Average Length of Stay	3.3	2.9	3.3	3.0	(0.3)
Deaths	15	30	310	317	7
Total Patient Days	3,776	3,195	44,384	41,823	(2,561)
Medi-Cal Administrative Days	0	0	398	0	(398)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	0	0	398	0	(398)
Percent Non-Acute	0.00%	0.00%	0.90%	0.00%	-0.90%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	271	239	3,020	3,008	(12)
Heart Center	325	314	3,902	3,838	(64)
Monitored Beds	650	530	7,390	6,892	(498)
Single Room Maternity/Obstetrics	300	282	3,543	4,001	458
Med/Surg - Cardiovascular	864	762	10,077	10,389	312
Med/Surg - Oncology	180	269	3,234	3,201	(33)
Med/Surg - Rehab	499	451	5,541	5,604	63
Pediatrics	128	99	1,561	1,416	(145)
Nursery	201	161	2,184	2,240	56
Neonatal Intensive Care	44	88	1,205	1,234	29
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	69.49%	61.28%	63.47%	63.22%	
Heart Center	72.22%	69.78%	71.07%	69.91%	
Monitored Beds	80.25%	65.43%	74.78%	69.74%	
Single Room Maternity/Obstetrics	27.03%	25.41%	26.16%	29.55%	
Med/Surg - Cardiovascular	64.00%	56.44%	61.18%	63.08%	
Med/Surg - Oncology	46.15%	68.97%	67.97%	67.28%	
Med/Surg - Rehab	63.97%	57.82%	58.23%	58.89%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	23.70%	18.33%	23.69%	21.49%	
Nursery	40.61%	32.53%	18.08%	18.55%	
Neonatal Intensive Care	13.33%	26.67%	29.93%	30.65%	

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
<u>DELIVERY ROOM</u>					
Total deliveries	99	109	1,266	1,391	125
C-Section deliveries	29	31	382	444	62
Percent of C-section deliveries	29.29%	28.44%	30.17%	31.92%	1.75%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	17,993	17,976	196,776	227,251	30,475
Out-Patient Operating Minutes	32,130	36,424	361,429	430,580	69,151
Total	50,123	54,400	558,205	657,831	99,626
Open Heart Surgeries	10	10	136	140	4
In-Patient Cases	126	115	1,380	1,477	97
Out-Patient Cases	320	342	3,581	4,040	459
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	36	38	443	449	6
High Risk	856	941	9,470	10,558	1,088
More Than One Resource	2,758	2,565	33,671	33,283	(388)
One Resource	1,842	1,685	22,909	21,390	(1,519)
No Resources	81	60	1,052	826	(226)
Total	5,573	5,289	67,545	66,506	(1,039)

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
CENTRAL SUPPLY					
In-patient requisitions	12,716	10,926	154,567	147,044	-7,523
Out-patient requisitions	10,300	10,667	126,556	131,103	4,547
Emergency room requisitions	645	357	8,252	6,280	-1,972
Interdepartmental requisitions	6,892	6,460	79,697	82,251	2,554
Total requisitions	30,553	28,410	369,072	366,678	-2,394
LABORATORY					
In-patient procedures	36,157	35,773	433,828	430,760	-3,068
Out-patient procedures	41,060	47,646	377,306	547,508	170,202
Emergency room procedures	11,665	11,582	153,246	148,768	-4,478
Total patient procedures	88,882	95,001	964,380	1,127,036	162,656
BLOOD BANK					
Units processed	292	296	3,370	3,398	28
ELECTROCARDIOLOGY					
In-patient procedures	1,117	1,189	13,338	13,678	340
Out-patient procedures	388	615	4,742	5,641	899
Emergency room procedures	1,277	1,291	15,122	15,589	467
Total procedures	2,782	3,095	33,202	34,908	1,706
CATH LAB					
In-patient procedures	115	129	1,508	1,621	113
Out-patient procedures	155	165	1,520	1,544	24
Emergency room procedures	0	0	1	2	1
Total procedures	270	294	3,029	3,167	138
ECHO-CARDIOLOGY					
In-patient studies	403	370	4,618	4,757	139
Out-patient studies	260	305	3,370	4,016	646
Emergency room studies	4	2	17	21	4
Total studies	667	677	8,005	8,794	789
NEURODIAGNOSTIC					
In-patient procedures	141	127	1,538	1,642	104
Out-patient procedures	13	26	203	306	103
Emergency room procedures	0	1	0	2	2
Total procedures	154	154	1,741	1,950	209

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
SLEEP CENTER					
In-patient procedures	0	0	0	1	1
Out-patient procedures	259	324	3,031	3,496	465
Emergency room procedures	0	0	0	0	0
Total procedures	259	324	3,031	3,497	466
RADIOLOGY					
In-patient procedures	1,267	1,240	15,651	15,510	-141
Out-patient procedures	456	506	4,953	5,441	488
Emergency room procedures	1,505	1,476	18,172	18,638	466
Total patient procedures	3,228	3,222	38,776	39,589	813
MAGNETIC RESONANCE IMAGING					
In-patient procedures	183	200	1,817	2,191	374
Out-patient procedures	98	124	1,299	1,456	157
Emergency room procedures	8	4	74	72	-2
Total procedures	289	328	3,190	3,719	529
MAMMOGRAPHY CENTER					
In-patient procedures	3,065	4,073	48,819	46,419	-2,400
Out-patient procedures	3,045	4,056	48,356	46,252	-2,104
Emergency room procedures	0	3	10	15	5
Total procedures	6,110	8,132	97,185	92,686	-4,499
NUCLEAR MEDICINE					
In-patient procedures	15	18	228	184	-44
Out-patient procedures	137	152	1,421	1,633	212
Emergency room procedures	0	0	3	3	0
Total procedures	152	170	1,652	1,820	168
PHARMACY					
In-patient prescriptions	80,980	76,368	999,487	959,666	-39,821
Out-patient prescriptions	15,898	18,492	191,292	207,588	16,296
Emergency room prescriptions	9,743	9,447	114,678	118,469	3,791
Total prescriptions	106,621	104,307	1,305,457	1,285,723	-19,734
RESPIRATORY THERAPY					
In-patient treatments	15,192	14,329	191,679	176,273	-15,406
Out-patient treatments	348	961	12,400	11,241	-1,159
Emergency room treatments	637	396	6,246	6,182	-64
Total patient treatments	16,177	15,686	210,325	193,696	-16,629
PHYSICAL THERAPY					
In-patient treatments	2,224	2,265	29,748	27,338	-2,410
Out-patient treatments	247	586	3,074	3,955	881
Emergency room treatments	0	0	0	0	0
Total treatments	2,471	2,851	32,822	31,293	-1,529

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of June and twelve months to date

	Month of June		Twelve months to date		Variance
	2024	2025	2023-24	2024-25	
OCCUPATIONAL THERAPY					
In-patient procedures	1,289	1,423	17,072	17,567	495
Out-patient procedures	245	362	2,761	3,097	336
Emergency room procedures	0	0	0	0	0
Total procedures	1,534	1,785	19,833	20,664	831
SPEECH THERAPY					
In-patient treatments	539	518	6,054	6,386	332
Out-patient treatments	36	47	447	483	36
Emergency room treatments	0	0	0	0	0
Total treatments	575	565	6,501	6,869	368
CARDIAC REHABILITATION					
In-patient treatments	0	0	12	9	-3
Out-patient treatments	535	641	6,641	7,503	862
Emergency room treatments	0	0	3	4	1
Total treatments	535	641	6,656	7,516	860
CRITICAL DECISION UNIT					
Observation hours	349	263	3,792	3,082	-710
ENDOSCOPY					
In-patient procedures	75	105	934	1,001	67
Out-patient procedures	72	70	708	697	-11
Emergency room procedures	0	0	0	4	4
Total procedures	147	175	1,642	1,702	60
C.T. SCAN					
In-patient procedures	778	772	8,692	9,182	490
Out-patient procedures	377	526	4,304	6,005	1,701
Emergency room procedures	655	722	8,749	8,649	-100
Total procedures	1,810	2,020	21,745	23,836	2,091
DIETARY					
Routine patient diets	11,891	16,896	191,757	194,030	2,273
Meals to personnel	31,578	29,738	358,577	422,654	64,077
Total diets and meals	43,469	46,634	550,334	616,684	66,350
LAUNDRY AND LINEN					
Total pounds laundered	94,389	104,106	1,164,513	1,201,720	37,207

WORKDAY PROJECT AND FUTURE IMPLICATIONS

(Verbal Report)

(Scott Cleveland)

Capital Spending Update: Active Projects Approved by the Board

Status as of: June 2025 Year to Date

Prepared by: Meredith Peterson & Dave Sullivan

Board Approved Capital Project Spend – Through June 2025

	(1) Project Name	(2) Month Board Approved	(3) Board Approved Amount	(4) FY2025 Spend	(5) Total Project Spend Since Inception	(6) Under / (Over) Spend Since Inception
1	SVH Rebranding (Capital Portion - Signage)		\$1,878,690	\$634,913	\$1,050,320	\$828,370
2	Master Plan	August 2019 September 2019	\$12,821,264	\$25,630	\$6,392,979	\$6,428,285
3	Bulk Oxygen Tank Replacement	August 2022 October 2022	\$2,800,000	\$1,381,059	\$2,341,586	\$458,414
4	Medical Center Campus Painting	September 2023	\$3,500,000	\$478,554	\$548,758	\$2,951,242
5	Epic IP Electronic Health Record (5 Year Capital Portion)	May 2024	\$57,359,817	\$17,689,308	\$17,491,204	\$39,868,613
6	Workday Financial and Supply Chain Software (Capital Portion)	July 2024	\$3,074,618	\$3,134,997	\$3,159,079	(\$84,461)
7	X-Ray Rooms 1 & 2	August 2024	\$3,000,001	\$105,209	\$115,255	\$2,884,746
8	Nuclear Medicine Camera (D-Spect)	August 2024	\$656,913	\$593,567	\$584,347	\$72,566
9	Endoscopy Office Renovation (212 San Jose Street)	September 2024	\$754,916	\$762,062	\$773,648	(\$18,732)
10	MRI (Inpatient Building)	October 2024	\$8,000,000	\$266,540	\$269,665	\$7,730,335
11	Stryker Power Upgrade (OR Equipment, Capital Portion)	October 2024	\$550,562	\$0	\$0	\$550,562
12	Emergency Department Mobile Unit Facility (Capital Portion)	October 2024	\$1,183,683	\$616,568	\$619,849	\$563,834
13	Chiller and Lab Air Handling Unit Replacement	November 2024	\$7,609,838	\$172,429	\$172,429	\$7,437,409
14	Nurse Call Phase 3	December 2024	\$2,772,043	\$433,564	\$427,700	\$2,344,343
15	Seismic Retrofit	January 2025	\$62,500,000	\$1,132,638	\$2,745,506	\$59,754,494
16	MRI (626 Brunken Avenue - Capital Portion)	January 2025 February 2025	\$2,917,810	\$6,549	\$6,549	\$2,911,261

Board Approved Capital Project Spend – Through June 2025 (continued)

	(1) Project Name	(2) Month Board Approved	(3) Board Approved Amount	(4) FY2025 Spend	(5) Total Project Spend Since Inception	(6) Under / (Over) Spend Since Inception
17	MRI (444 E. Romie - Capital Portion)	February 2025	\$3,645,299	\$4,349	\$4,349	\$3,640,950
18	Labor & Delivery Lights	March 2025	\$625,000	\$126,164	\$121,783	\$503,217
19	Training Facility (Ryan Ranch)	March 2025	\$940,000	\$16,328	\$16,328	\$923,672
20	Training Facility (DRC Basement Annex)	March 2025	\$1,950,000	\$250,655	\$163,729	\$1,786,271
21	Canon X-Ray Units (Quantity = 2)	April 2025	\$506,046	\$0	\$0	\$506,046
22	Cath Lab 3 Replacement	October 2023 May 2024 May 2025	\$5,811,253	\$483,202	\$564,292	\$5,246,961
23	Angio Suite Replacement	October 2023 May 2024 May 2025	\$5,595,184	\$297,427	\$370,212	\$5,224,971
24	Stryker Mako 4 Robotic Arm Assisted Surgery System (Capital Portion)	June 2025	\$549,091	\$0	\$0	\$549,091
Total			\$191,002,028	\$28,611,711	\$37,939,567	\$153,062,460

Other Projects

25	IT Switches, Servers, Network, Computers, AV Upgrades	NA		\$1,974,338		
26	All Other SVMH / SVMC Capital Spending	NA		\$11,623,478		
Grand Total				\$42,209,527		



Questions or Comments?

ADJOURNMENT