



January 15, 2026

TO: Legal Counsel

News Media

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The next regular meeting of the **FINANCE COMMITTEE - COMMITTEE OF THE WHOLE of SALINAS VALLEY HEALTH<sup>1</sup>** will be held **MONDAY, JANUARY 19, 2026, AT 4:00 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, **Iftikhar Hussain**, Chief Financial Officer; and **Steven Regwan, DO**, Medical Staff Member.

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

**FINANCE COMMITTEE  
COMMITTEE OF THE WHOLE  
SALINAS VALLEY HEALTH<sup>1</sup>**

**MONDAY, JANUARY 19, 2026, 4:00 P.M.  
HEART CENTER TELECONFERENCE ROOM**

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

**(Visit [SalinasValleyHealth.com/virtualboardmeeting](https://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 December 15, 2025 (REY)

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

4. Financial and Statistical Review (HUSSAIN)

5. Adjournment

The next Finance Committee Meeting is scheduled for **Monday, February 23, 2026** at 4:00 p.m.

<sup>1</sup>Salinas 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.

<sup>1</sup>Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

The Salinas Valley Health (SVH) Committee packet is available at the Committee Meeting, electronically at <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/meeting-agendas-packets/2026/>, 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 831-759-3208 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 HEALTH<sup>1</sup>**  
**FINANCE COMMITTEE**  
**COMMITTEE OF THE WHOLE**  
**MEETING MINUTES DECEMBER 15, 2025**

Committee Member Attendance:

Voting Members Present: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice-Chair, **Allen Radner, M.D.**, President/CEO, **Iftikhar Hussain**, CFO, and **Steven Regwan, D.O.**, Medical Staff Secretary/Treasurer;

Voting Members Absent: None

Advisory Non-Voting Members Present:

In person: Clement Miller, COO, Gary Ray, CLO, Carla Spencer, CNO, Alysha Hyland, CAO, Michelle Childs, CHRO, Timothy Albert, MD, CCO

Other Board Members Present, Constituting Committee of the Whole:

Via Teleconference: Catherine Carson

*Joel Hernandez Laguna arrived at 4:08p.m.*

**1. CALL TO ORDER/ROLL CALL**

A quorum was present and Chair Victor Rey, Jr., called the meeting to order at 4:02 p.m. in the Downing Resource Center, Conference Rooms A, B, & C.

**2. PUBLIC COMMENT:** None.

**3. APPROVAL OF MINUTES FROM THE FINANCE COMMITTEE MEETING OF NOVEMBER 17, 2025**

Approve the minutes of the November 17, 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 Dr. Radner, and second by Committee Member Dr. Regwan, the minutes of the November 17, 2025 Finance Committee are approved as presented.

**ROLL CALL VOTE:**

Ayes: Chair Rey, Dr. Radner, Hussain, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: Vice-Chair Hernandez Laguna

**Motion Carried**

<sup>1</sup>Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

#### **4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF OVERALL PROJECT FUNDING AND AWARD CONSTRUCTION CONTRACT TO AMERICAN CHILLER SERVICE, INC FOR THE SALINAS VALLEY HEALTH DRC CHILLER & COOLING TOWER REPLACEMENT PROJECT**

Clement Miller, COO, and Brad McCoy, VP of Facilities, Construction and Real Estate provided an overview of the project. The existing cooling tower and chiller, installed in 1993, was originally scheduled to be repaired in place, mitigating the need for board approval. However, after multiple additional service calls, the team decided it was more effective to replace—and upsize—the equipment to meet both current and future demands. As a result, the item was withdrawn from the September agenda, and the project was resubmitted through the competitive bidding process, ultimately generating three timely competitive bids from qualified contractors.

Facilities Management is pursuing activities to replace the existing 70-ton chiller and cooling tower assembly in the Downing Resource Center (DRC) at 450 E. Romie Lane with a new 80-ton chiller and cooling tower assembly. Approval for comprehensive project funding in the total estimated amount of **\$1,169,000** and award of construction contract to American Chiller Service in the amount of **\$838,258** is being requested.

A full report and attachments were 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. Regwan, the Finance Committee recommends the Board of Directors (i) to approve the total estimated project cost for the SVH DRC Chiller & Cooling Tower Replacement Project in the amount of \$1,169,000.00 and (ii) award construction contract to American Chiller Service for the SVH DRC Chiller & Cooling Tower Replacement Project in the amount \$838,258.00.

#### **ROLL CALL VOTE:**

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Dr. Radner, Hussain and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

**Motion Carried**

## 5. FINANCIAL AND STATISTICAL REVIEW

An update was received from Iftikhar Hussain, CFO, on the Financial Performance Review for the month of October 2025. Highlights included Income from Operations, the Key Financial Indicators, Financial Performance for the month and Revenues and Expenses.

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

**COMMITTEE MEMBER DISCUSSION:** Contract Labor and accounts receivables were discussed. Mr. Hussain explained the legacy and the EPIC accounts receivable is higher than benchmarks and plans are in place to address these issues. Mr. Hussain also stated that labor and contract labor costs were higher than budget due to preparation for EPIC go live in November. The MRI Service volume target goal was reviewed since actual volume was higher than prior year but lower than target. The target was based on high hospital MRI volume during fiscal Q4 2025. Director Hernandez and Dr Radner emphasized the importance of managing utilization based on evidenced best practices.

## 6. REVIEW BALANCED SCORECARDS

Iftikhar Hussain, CFO, reported on the Balanced Scorecard Summary for FY2026 year-to-date as of November 30, 2025 (operating Margin through October).

The Executive Team members reported on their responsible pillar(s).

A full report was included in the packet.

**COMMITTEE MEMBER DISCUSSION:** The Retail Pharmacy has now expanded their hours to 24/7 for staff and patients in-house. The Meds-to-beds program is now in place. The goal is to discharge patients with their prescribed medications. The Pharmacy Team is now working on next steps towards a Specialty Pharmacy.

## 7. ADJOURNMENT

There being no other business, the meeting was adjourned at 4:42p.m. The next Finance Committee Meeting is scheduled for **Monday, January 19, 2026.**

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Victor Rey, Jr., Chair  
Finance Committee



# Financial Performance Review

## November 2025

### Finance Committee

Iftikhar Hussain

Chief Financial Officer

## Consolidated Financial Results

### November 2025

| Month   |         |                      |         | \$ in Millions                | YTD      |          |                      |       |
|---------|---------|----------------------|---------|-------------------------------|----------|----------|----------------------|-------|
|         |         | Variance fav (unfav) |         |                               |          |          | Variance fav (unfav) |       |
| Actual  | Budget  | \$                   | %       |                               | Actual   | Budget   | \$                   | %     |
| \$ 68.9 | \$ 67.3 | \$ 1.6               | 2.4%    | Operating Revenue             | \$ 362.5 | \$ 346.1 | \$ 16.4              | 4.7%  |
| 68.0    | 65.9    | (2.1)                | -3.2%   | Operating Expense             | 349.4    | 338.1    | (11.3)               | -3.3% |
| 0.9     | 1.4     | (0.5)                | -35.7%  | Income from Operations        | 13.1     | 8.0      | 5.1                  | 63.8% |
| 1.4%    | 2.0%    | -0.6%                | -30.00% | Operating Margin %            | 3.6%     | 2.3%     | 1.3%                 | 56.5% |
|         |         |                      |         | Op. margin % full year target |          | 3.0%     |                      |       |
| 2.9     | 2.5     | 0.4                  | 16.0%   | Non Operating Income          | 12.9     | 12.4     | 0.5                  | 4.0%  |
| 3.8     | 3.9     | (0.1)                | -2.6%   | Net Income                    | 26.0     | 20.4     | 5.6                  | 27.5% |
| 5.5%    | 5.7%    | -0.2%                | -3.5%   | Net Income Margin %           | 7.2%     | 5.9%     | 1.3%                 | 22.0% |

Results for the year include \$7.8 million in supplemental payments

# Key Financial Indicators

| Indicator Metric                   |  | YTD<br>11/30/2025 | Budget | S&P A+<br>Rated | YTD Prior<br>Year |
|------------------------------------|--|-------------------|--------|-----------------|-------------------|
| Operating Margin*                  |  | 3.6%              | 0.4%   | 4.0%            | 3.3%              |
| Total Margin*                      |  | 7.2%              | 4.0%   | 6.6%            | 8.7%              |
| EBITDA Margin**                    |  | 7.8%              | 5.4%   | 13.6%           | 7.7%              |
| Days of Cash*                      |  | 362               | 317    | 249             | 366               |
| Days of Accounts Payable*          |  | 45                | 45     | -               | 46                |
| Days of Net Accounts Receivable*** |  | 70                | 60     | 49              | 62                |
| Supply Expense as % NPR            |  | 14.8%             | 14.6%  | -               | 14.6%             |
| Labor Expense as % NPR             |  | 53.5%             | 54.1%  | 53.7%           | 52.7%             |
| Operating Expense per APD*         |  | 7,560             | 7,205  | -               | 6,702             |

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

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## Volume Summary – November 2025

| Actual            | Prior Year | Nov Bud | Bud Var | Key Statistics                              | YTD    | YTD-PY | YTD Nov Bud | YTD Bud Var |
|-------------------|------------|---------|---------|---|--------|--------|-------------|-------------|
| Inpatient         |            |         |         |   |        |        |             |             |
| 117               | 116        | 114     | ↑       | 3% ADC                                      | 106    | 112    | 114         | ↓ -7%       |
| 1,032             | 994        | 901     | ↑       | 15% Admissions                              | 4,732  | 4,813  | 4,597       | ↑ 3%        |
| 124               | 121        | 126     | ↓       | -2% Deliveries                              | 553    | 572    | 644         | ↓ -14%      |
| 1.9               | 2.3        | 2.3     | ↑       | -17% Medicare Traditional ALOS CMI Adjusted | 2.0    | 2.3    | 2.3         | ↑ -13%      |
| 1.59              | 1.71       | 1.75    | ↓       | -9% Medicare Traditional Case Mix           | 1.71   | 1.76   | 1.75        | ↓ -2%       |
| Emergency Room    |            |         |         |   |        |        |             |             |
| 4,159             | 4,461      | 4,503   | ↓       | -8% ER OP Visits                            | 22,351 | 22,657 | 22,967      | ↓ -3%       |
| 790               | 767        | 695     | ↑       | 14% ER IP Admissions                        | 3,660  | 3,703  | 3,546       | ↑ 3%        |
| Procedures        |            |         |         |   |        |        |             |             |
| 159               | 142        | 141     | ↑       | 13% IP Surgeries                            | 793    | 757    | 721         | ↑ 10%       |
| 248               | 292        | 283     | ↓       | -12% OP Surgeries                           | 1,575  | 1,479  | 1,445       | ↑ 9%        |
| 282               | 303        | 323     | ↓       | -13% Cath Lab                               | 1,583  | 1,562  | 1,646       | ↓ -4%       |
| 1,331             | 1,072      | 1,121   | ↑       | 19% OP Infusion Cases                       | 6,491  | 5,742  | 5,716       | ↑ 14%       |
| 333               | 286        | 392     | ↓       | -15% MRI Procedures                         | 1,542  | 1,399  | 1,997       | ↓ -23%      |
| 1,918             | 1,949      | 2,098   | ↓       | -9% CT Scans                                | 10,564 | 10,062 | 10,700      | ↓ -1%       |
| Observation Cases |            |         |         |   |        |        |             |             |
| 162               | 135        | 148     | ↑       | 9% Obs Cases                                | 991    | 720    | 753         | ↑ 32%       |

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# Executive Summary: November Financial Performance

*Salinas Valley Health's Income from Operations was \$0.9 million for the month which was unfavorable to budget by \$0.5M due to lower outpatient volumes*

## Volume and Acuity:

- **Admissions and Census**
  - **Admissions** over budget by 15% (131 cases)
  - **ADC** was 2% above budget
  - **Average Length of Stay** was 11% favorable to budget at 3.4 days
  - **Medicare Case Mix Adjusted Average Length of Stay** was favorable by 24% at 1.9 days
- **IP Surgeries** were over budget by 13% (18 cases)
- **Deliveries** were under budget by 2% (2 cases)
- **Cath Lab** – cases were under budget by 13% (41 cases)
- **Outpatient Revenues** - unfavorable to budget by \$14M (9%), Key services driving this variance were:
  - **OP Infusion Program** - cases were over budget by 19% (210 cases)
  - **Observation cases** were over budget by 10% (14 cases)

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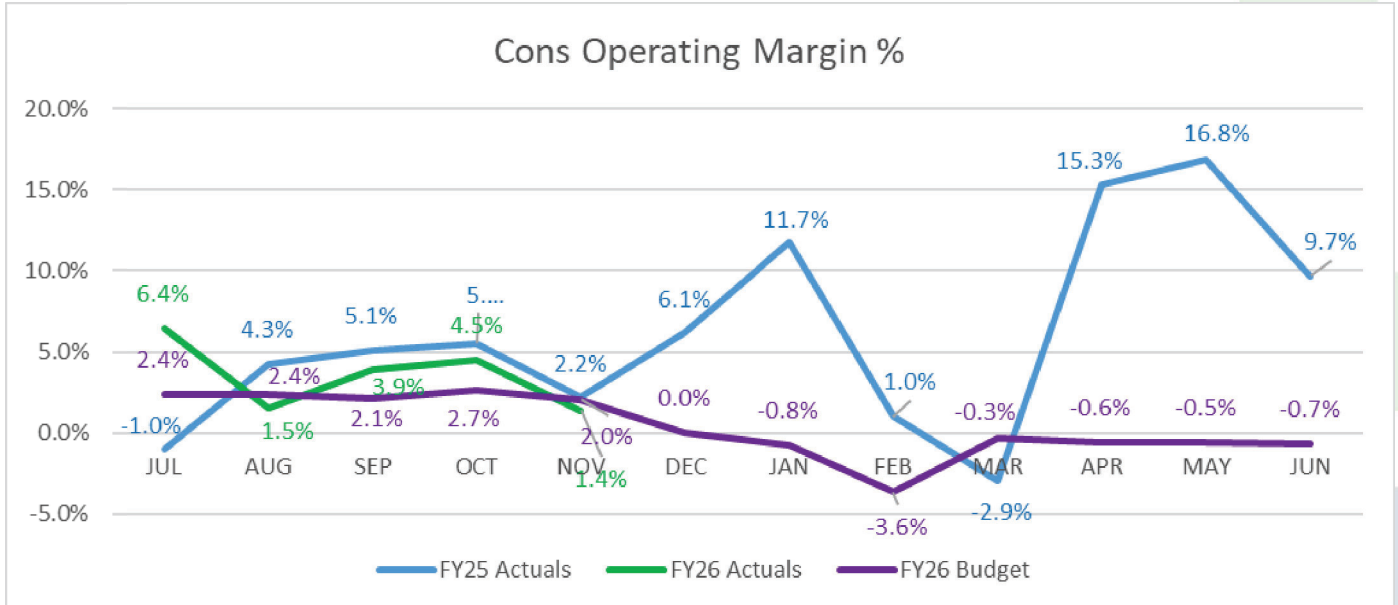
# Executive Summary: November Financial Performance – Continued

## Cost and Utilization:

- **Worked FTEs** on a per Adjusted ADC basis were **14%** unfavorable at **7.4** - compared to a target of **6.5**
- **Payor Mix** was unfavorable with higher Medicare and lower commercial mix
- **Non-Operating Income** was over budget \$0.4 Million driven by higher investment income
- **Days in AR at 70** is trending over target due to EPIC go live and high legacy balances due to slow paying insurance providers
- **Days Cash on Hand at 362** is down from October due to lower outpatient revenue

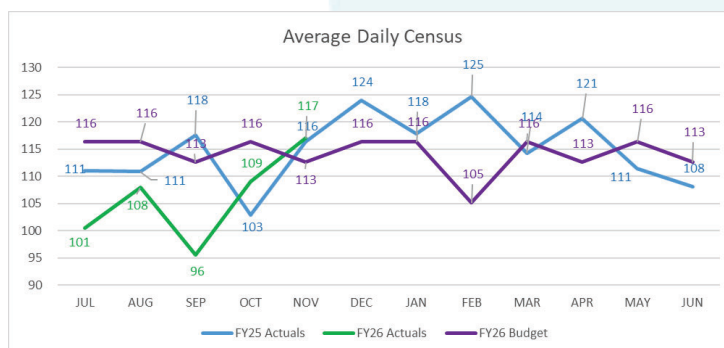
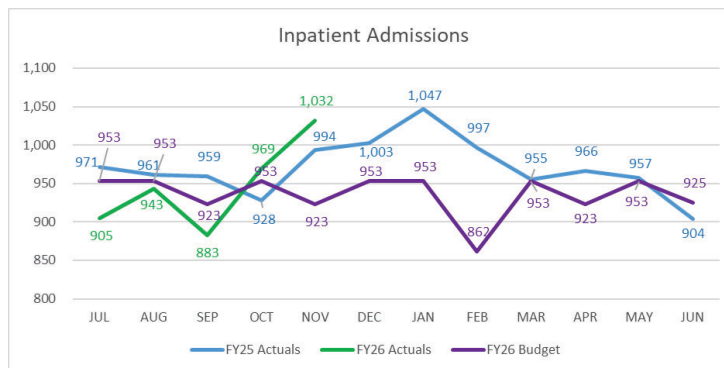
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# Consolidated Operating Margin



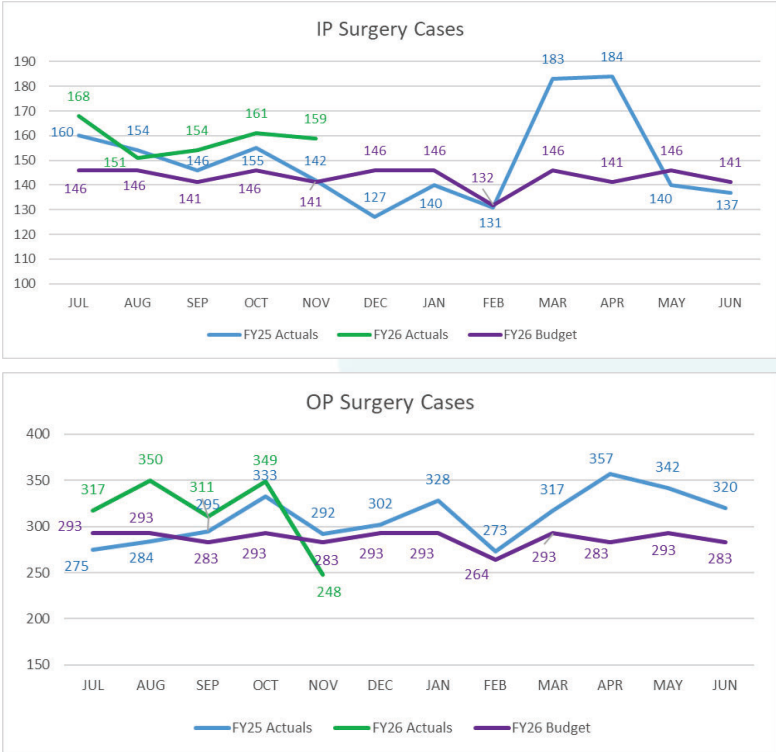
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## Volume Trends – Admissions & ADC



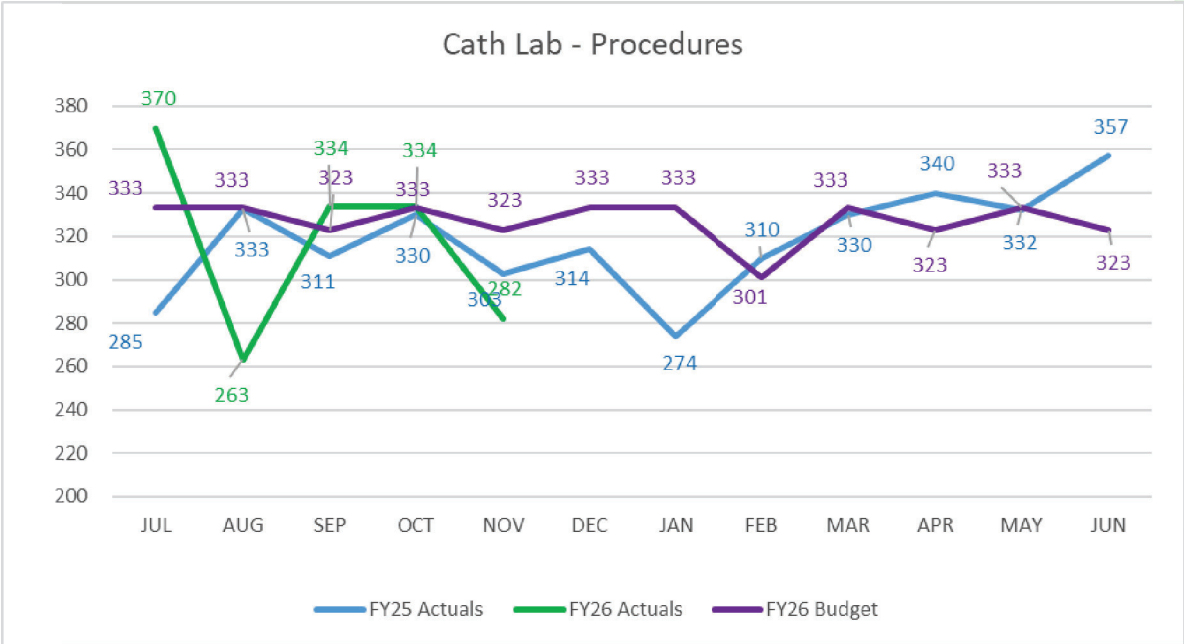
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# Volume Trends - Surgery Cases



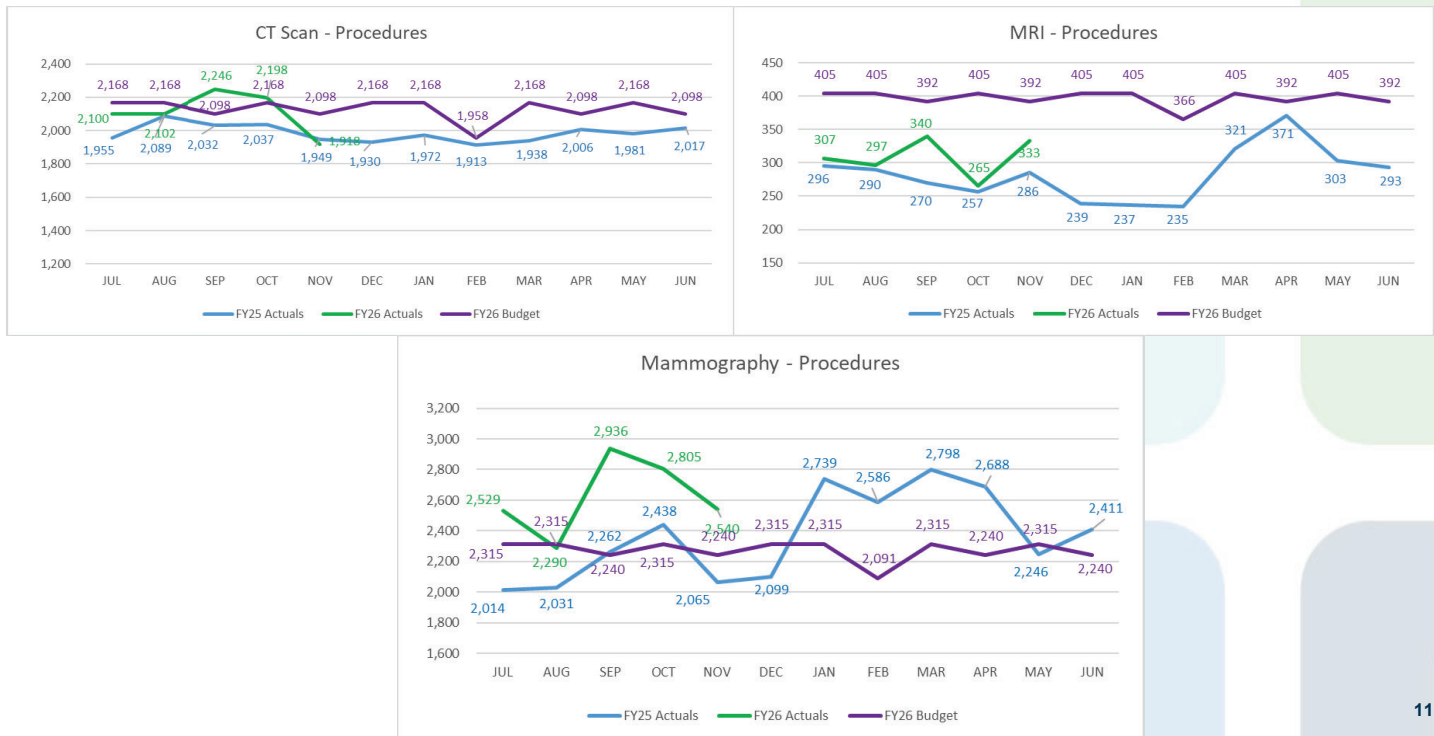
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# Volume Trends - Cath Lab



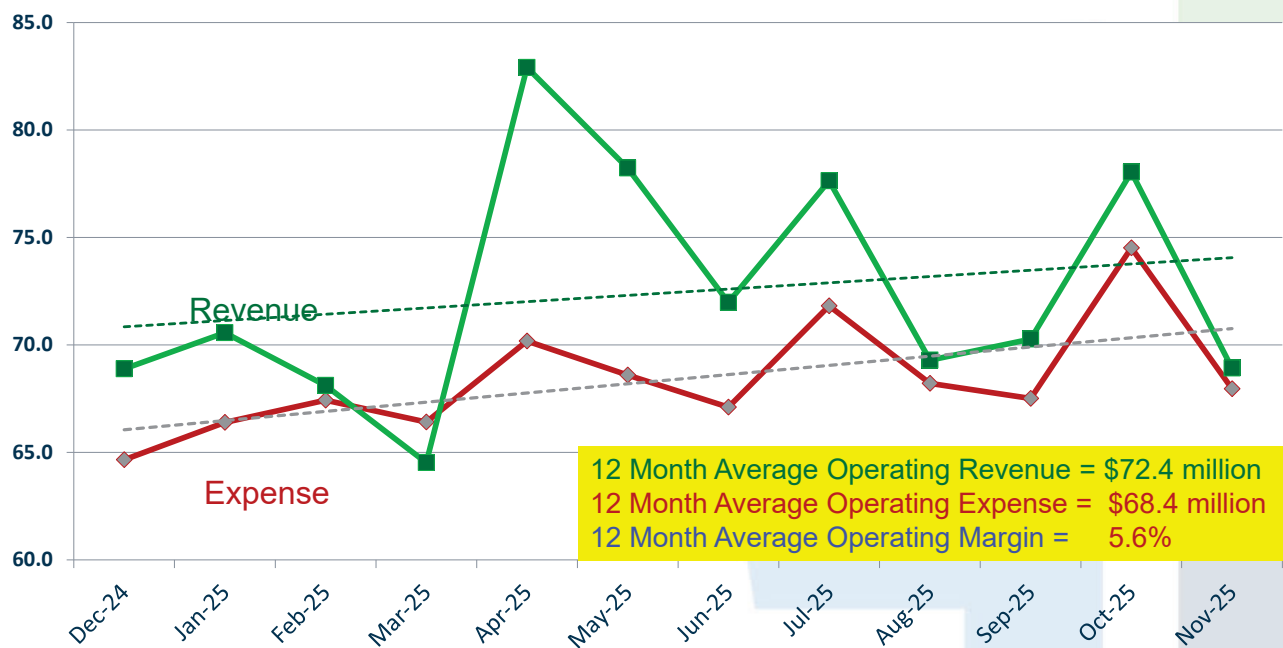
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# Volume Trends - Imaging



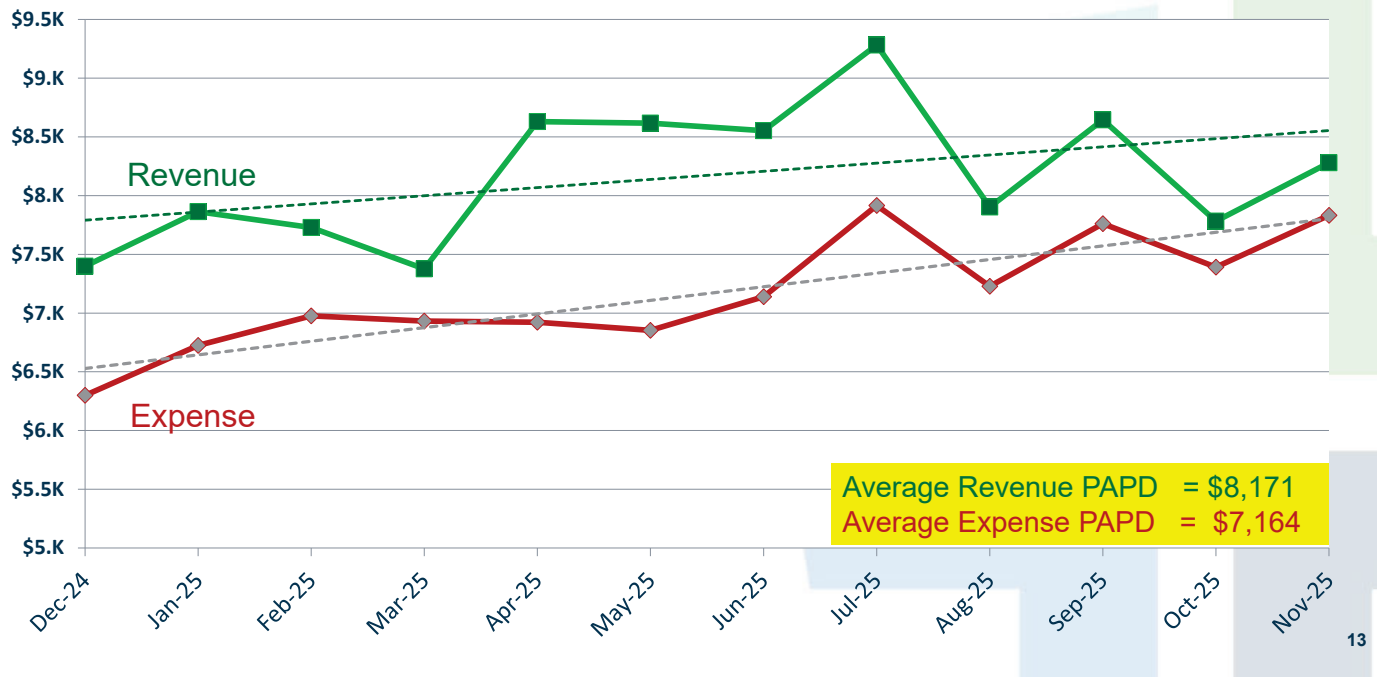
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## Consolidated Revenues & Expenses Rolling 12 Months: Dec 24 to November 25

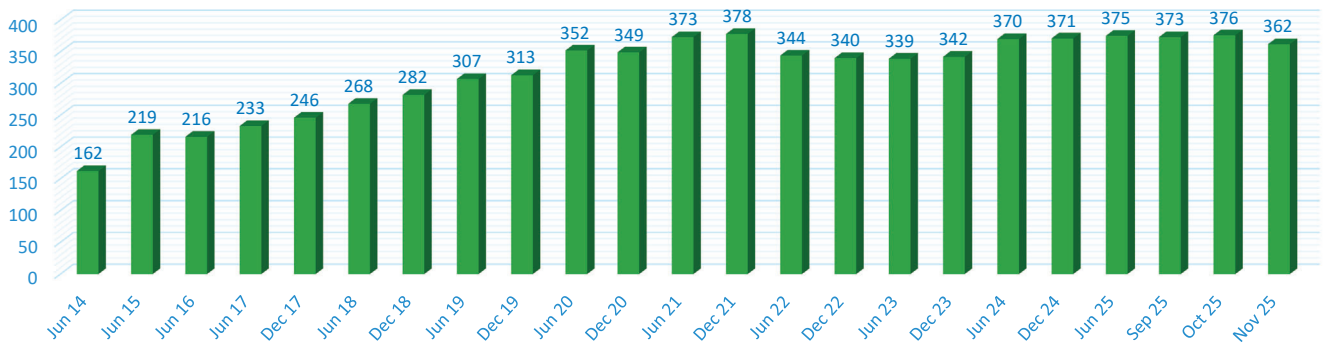


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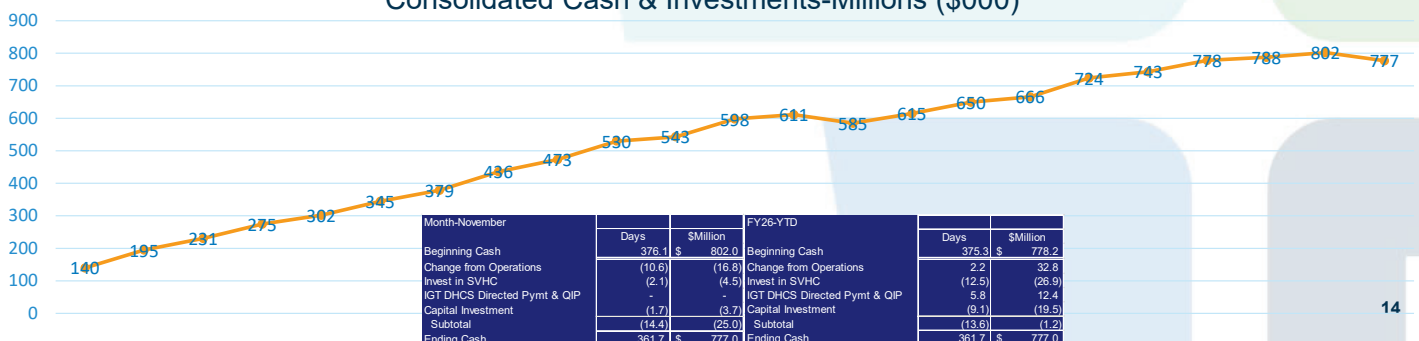
# Revenues & Expenses Per Adjusted Patient Day Rolling 12 Months: Dec 24 to November 25



Days Cash on Hand = 362 Days (\$777M) - November 2025



## Consolidated Cash & Investments-Millions (\$000)



# Questions/Comments



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

|   | Month of October           |                            | Three months ended October 31 |                             |
|---|----------------------------|----------------------------|-------------------------------|-----------------------------|
|   | Current Year               | Prior Year                 | Current Period YTD            | Prior Year YTD              |
| <b><i>Operating revenue:</i></b>          |                            |                            |                               |                             |
| Net patient revenue                       | \$ 57,112,810              | \$ 52,818,119              | \$ 296,652,407                | \$ 277,030,232              |
| Other operating revenue                   | 1,455,727                  | 1,678,059                  | 11,905,552                    | 7,513,426                   |
| Total operating revenue                   | <u>58,568,537</u>          | <u>54,496,178</u>          | <u>308,557,959</u>            | <u>284,543,658</u>          |
| Total operating expenses                  | 55,401,967                 | 47,542,197                 | 277,220,985                   | 248,522,304                 |
| Total non-operating income                | <u>605,797</u>             | <u>(2,518,900)</u>         | <u>(6,635,700)</u>            | <u>(7,734,078)</u>          |
| <b>Operating and non-operating income</b> | <b><u>\$ 3,772,367</u></b> | <b><u>\$ 4,435,081</u></b> | <b><u>\$ 24,701,274</u></b>   | <b><u>\$ 28,287,276</u></b> |

SALINAS VALLEY HEALTH MEDICAL CENTER  
BALANCE SHEETS  
November 30 ,2025

|  | <b>Current<br/>year</b> | <b>Prior<br/>year</b>   |
|--|-------------------------|-------------------------|
| Current assets                                     | \$ 455,037,216          | \$ 415,359,456          |
| Assets whose use is limited or restricted by board | 180,281,177             | 170,341,240             |
| Capital assets                                     | 245,426,155             | 252,876,192             |
| Other assets                                       | 391,299,541             | 303,686,204             |
| Deferred pension outflows                          | 55,438,539              | 85,734,219              |
|  | <u>\$ 1,327,482,628</u> | <u>\$ 1,227,997,310</u> |
| LIABILITIES AND EQUITY:                            |                         |                         |
| Current liabilities                                | \$ 104,207,886          | \$ 94,816,646           |
| Long term liabilities                              | 40,985,549              | 18,927,151              |
| Lease deferred inflows                             | 2,773,567               | 1,454,210               |
| Pension liability                                  | 79,394,685              | 90,863,576              |
| Net assets   | <u>1,100,120,941</u>    | <u>1,021,935,726</u>    |
|  | <u>\$ 1,327,482,628</u> | <u>\$ 1,227,997,310</u> |

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

| Current Year                              | Prior Year         |                                  | Current YTD          | Prior YTD            |
|---|--------------------|----------------------------------|----------------------|----------------------|
| <b>Patients days:</b>                     |                    |                                  |                      |                      |
| By payer:                                 |                    |                                  |                      |                      |
| 1,634                                     | 1,782              | Medicare                         | 7,532                | 8,438                |
| 1,103                                     | 1,031              | Medi-Cal                         | 4,986                | 5,179                |
| 660                                       | 554                | Commercial insurance             | 3,054                | 2,984                |
| 110                                       | 102                | Other patient                    | 638                  | 510                  |
| 3,507                                     | 3,469              | Total patient days               | 16,210               | 17,111               |
| <b>Gross revenue:</b>                     |                    |                                  |                      |                      |
| 126,603,284                               | 121,440,105        | Medicare                         | 650,069,820          | 617,869,362          |
| 82,940,834                                | 76,286,581         | Medi-Cal                         | 426,180,278          | 397,588,298          |
| 53,549,005                                | 52,562,987         | Commercial Insurance             | 313,597,520          | 285,429,666          |
| 9,635,448                                 | 8,967,174          | Other patient                    | 58,923,504           | 52,149,999           |
| <b>272,728,570</b>                        | <b>259,256,847</b> | <b>Gross revenue</b>             | <b>1,448,771,122</b> | <b>1,353,037,325</b> |
| <b>Deductions from revenue:</b>           |                    |                                  |                      |                      |
| 649,533                                   | 67,992             | Administrative adjustments       | 1,711,789            | 776,149              |
| 368,017                                   | 386,218            | Charity care                     | 4,420,064            | 2,085,481            |
| Contractual adjustments:                  |                    |                                  |                      |                      |
| 39,717,301                                | 39,733,278         | Medicare outpatient              | 241,645,989          | 209,202,030          |
| 50,634,769                                | 48,090,211         | Medicare inpatient               | 234,250,752          | 231,254,699          |
| 1,298,074                                 | 1,373,363          | Medi-Cal traditional outpatient  | 6,391,042            | 7,469,593            |
| 4,116,314                                 | 4,744,010          | Medi-Cal traditional inpatient   | 17,409,706           | 29,999,245           |
| 36,108,721                                | 35,228,638         | Medi-Cal managed care outpatient | 213,664,596          | 192,388,544          |
| 29,894,765                                | 26,355,030         | Medi-Cal managed care inpatient  | 139,458,377          | 127,177,174          |
| 20,065,697                                | 26,066,185         | Commercial insurance outpatient  | 135,565,935          | 132,880,643          |
| 19,302,732                                | 18,553,851         | Commercial insurance inpatient   | 98,579,448           | 107,999,926          |
| 5,339,955                                 | 5,066,198          | Uncollectible accounts expense   | 30,570,229           | 26,843,040           |
| 8,112,374                                 | 773,754            | Other payors                     | 28,443,288           | 7,930,568            |
| <b>215,608,252</b>                        | <b>206,438,728</b> | <b>Deductions from revenue</b>   | <b>1,152,111,214</b> | <b>1,076,007,093</b> |
| <b>57,120,318</b>                         | <b>52,818,119</b>  | <b>Net patient revenue</b>       | <b>296,659,908</b>   | <b>277,030,232</b>   |
| <b>Gross billed charges patient type:</b> |                    |                                  |                      |                      |
| 137,246,462                               | 122,512,955        | Inpatient                        | 647,238,195          | 629,697,477          |
| 102,148,525                               | 108,100,039        | Outpatient                       | 626,044,388          | 565,291,994          |
| 33,333,584                                | 28,643,854         | Emergency room                   | 175,488,539          | 158,047,853          |
| <b>272,728,570</b>                        | <b>259,256,847</b> | <b>Total</b>                     | <b>1,448,771,122</b> | <b>1,353,037,325</b> |

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

| Month of November  |             |            | Three months ended November 30 |    |               |
|--------------------|-------------|------------|--------------------------------|----|---------------|
| Current Year       |             | Prior Year | Current Year                   |    | Prior Year    |
| Operating revenue: |             |            |                                |    |               |
| \$                 | 272,728,570 | \$         | 259,256,847                    | \$ | 1,448,771,122 |
|                    | 215,615,760 |            | 206,438,728                    | \$ | 1,353,037,325 |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
|                    |             |            |                                |    |               |
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**SALINAS VALLEY HEALTH MEDICAL CENTER**  
**BALANCE SHEETS**  
**November 30, 2025**

|  | Current Year     | Prior Year       |
|--|------------------|------------------|
| <b>ASSETS</b>  |                  |                  |
| Current assets:  |                  |                  |
| Cash and Cash Equivalents                                    | \$ 287,599,960   | \$ 272,442,319   |
| Patient accounts receivable, net of estimated uncollectibles | 144,522,665      | 115,458,745      |
| Supplies inventory at cost                                   | 5,631,215        | 9,632,064        |
| Current portion of lease receivable                          | 561,953          | 1,178,296        |
| Other current assets   | 16,721,424       | 16,648,031       |
| Total current assets   | 455,037,216      | 415,359,456      |
| Assets whose use is limited or restricted by board           |                  |                  |
|  | 180,281,177      | 170,341,240      |
| Capital assets:  |                  |                  |
| Land and construction in process                             | 45,272,769       | 51,097,321       |
| Other capital assets, net of depreciation                    | 200,153,386      | 201,778,872      |
| Total capital assets   | 245,426,155      | 252,876,192      |
| Other assets:  |                  |                  |
| Right of use assets, net of amortization                     | 10,447,996       | 6,567,880        |
| Long term lease receivable                                   | 2,266,288        | 309,119          |
| Subscription assets, net of amortization                     | 53,701,722       | 8,062,855        |
| Investment in securities                                     | 277,832,333      | 263,849,216      |
| Investment in SVMC   | 3,898,550        | 2,212,885        |
| Investment in Aspire/CHI/Coastal                             | 1,734,595        | 1,838,557        |
| Investment in other affiliates                               | 20,878,280       | 21,618,859       |
| Net Pension Asset  | 20,007,604       | (1,305,340)      |
| Goodwill   | 532,173          | 532,173          |
| Total other assets   | 391,299,541      | 303,686,204      |
| Deferred Pension Outflows                                    | 55,438,539       | 85,734,219       |
| Total assets   | \$ 1,327,482,628 | \$ 1,227,997,310 |
| <b>LIABILITIES AND NET ASSETS</b>                            |                  |                  |
| Current liabilities:   |                  |                  |
| Accounts payable and accrued expenses                        | 65,816,717       | 62,908,512       |
| Due to third party payors                                    | 4,729,625        | 3,689,368        |
| Current portion of self-insurance liability                  | 21,430,185       | 22,556,402       |
| Current subscription liability                               | 3,481,036        | 3,152,672        |
| Current portion of lease liability                           | 3,671,455        | 2,509,692        |
| Current portion of compensated absences                      | 5,078,868        | -                |
| Total current liabilities                                    | 104,207,886      | 94,816,646       |
| Long term portion of workers comp liability                  | 11,655,972       | 12,078,720       |
| Long term portion of lease liability                         | 7,256,986        | 4,119,234        |
| Long term subscription liability                             | 10,020,437       | 2,729,198        |
| Long term portion of compensated absences                    | 12,052,154       | -                |
| Total Liabilities  | 145,193,435      | 113,743,797      |
| Lease deferred inflows                                       | 2,773,567        | 1,454,210        |
| Pension Liability  | 79,394,685       | 90,863,576       |
| Net Assets:  |                  |                  |
| Invested in capital assets, net of related debt              | 245,426,155      | 252,876,192      |
| Unrestricted   | 854,694,786      | 769,059,534      |
| Total Net Assets   | 1,100,120,941    | 1,021,935,726    |
| Total liabilities and net assets                             | \$ 1,327,482,628 | \$ 1,227,997,310 |

**SALINAS VALLEY HEALTH MEDICAL CENTER**  
**STATEMENTS OF REVENUE AND EXPENSES - ('000)**  
**November 30, 2025**

| Actuals           | Budget             | \$ Variance        | % Variance    |   | Actuals YTD        | Budget YTD          | \$ Variance YTD     | % Variance   |
|-------------------|--------------------|--------------------|---------------|---|--------------------|---------------------|---------------------|--------------|
|                   |                    |                    |               | <b>Operating revenue:</b>                 |                    |                     |                     |              |
| 272,728,570       | 281,698,118        | (8,969,548)        | 3.2%          | Gross billed charges                      | 1,448,771,122      | 1,436,298,696       | 12,472,427          | -0.9%        |
| 215,615,760       | 225,917,643        | (10,301,883)       | -4.6%         | Deductions from revenue                   | 1,152,118,716      | 1,152,010,386       | 108,330             | 0.0%         |
| <b>57,112,810</b> | <b>55,780,475</b>  | <b>1,332,335</b>   | <b>-2.4%</b>  | <b>Net patient revenue</b>                | <b>296,652,407</b> | <b>284,288,310</b>  | <b>12,364,097</b>   | <b>-4.3%</b> |
| 1,455,727         | 1,721,629          | (265,902)          | 15.4%         | Other operating revenue                   | 11,905,552         | 8,608,144           | 3,297,408           | -38.3%       |
| <b>58,568,537</b> | <b>57,502,104</b>  | <b>(1,066,433)</b> | <b>1.9%</b>   | <b>Total operating revenue</b>            | <b>308,557,959</b> | <b>292,896,454</b>  | <b>(15,661,505)</b> | <b>5.3%</b>  |
|                   |                    |                    |               | <b>Operating expenses:</b>                |                    |                     |                     |              |
| 21,002,815        | 18,549,747         | 2,453,068          | 13.2%         | Salaries and wages                        | 97,869,171         | 93,254,585          | 4,614,586           | -4.9%        |
| 3,824,097         | 3,340,030          | 484,067            | 14.5%         | Compensated absences                      | 17,403,611         | 17,898,236          | (494,625)           | 2.8%         |
| 6,616,053         | 7,544,441          | (928,388)          | -12.3%        | Employee benefits                         | 40,310,613         | 39,450,864          | 859,749             | -2.2%        |
| 8,626,827         | 8,746,192          | (119,365)          | -1.4%         | Supplies, food, and linen                 | 46,440,316         | 44,598,767          | 1,841,550           | -4.1%        |
| 4,151,658         | 4,494,768          | (343,110)          | -7.6%         | Purchased department functions            | 22,167,898         | 22,507,022          | (339,124)           | -1.5%        |
| 3,084,125         | 2,611,447          | 472,678            | 18.1%         | Medical Fees                              | 13,926,021         | 13,068,490          | 857,531             | -6.6%        |
| 3,365,285         | 1,463,970          | 1,901,315          | 129.9%        | Other Fees                                | 14,689,433         | 7,437,910           | 7,251,523           | -97.5%       |
| 3,273,683         | 2,562,021          | 711,663            | 27.8%         | Depreciation                              | 14,056,656         | 12,818,038          | 1,238,618           | -9.7%        |
| 1,457,423         | 1,963,593          | (506,170)          | -25.8%        | All other expense                         | 10,357,265         | 10,092,817          | 264,448             | 2.6%         |
| <b>55,401,967</b> | <b>51,276,209</b>  | <b>4,125,758</b>   | <b>8.0%</b>   | <b>Total Operating expenses</b>           | <b>277,220,985</b> | <b>261,126,728</b>  | <b>16,094,257</b>   | <b>-6.2%</b> |
| <b>3,166,570</b>  | <b>6,225,895</b>   | <b>3,059,325</b>   | <b>-49.1%</b> | <b>Income from operations</b>             | <b>31,336,974</b>  | <b>31,769,725</b>   | <b>432,751</b>      | <b>1.4%</b>  |
|                   |                    |                    |               | <b>Non-operating Income:</b>              |                    |                     |                     |              |
| 0                 | 216,667            | (216,667)          | 100.0%        | Donations                                 | 597,660            | 1,083,333           | (485,674)           | 44.8%        |
| 500,550           | 500,550            | -                  | 0.0%          | Property taxes                            | 2,502,750          | 2,502,750           | -                   | 0.0%         |
| 2,115,613         | 1,242,414          | 873,198            | -70.3%        | Investment Income                         | 7,402,988          | 6,212,174           | 1,190,814           | -19.2%       |
| (2,010,366)       | (4,645,293)        | 2,634,927          | 56.7%         | Income from subsidiaries                  | (17,139,098)       | (22,705,659)        | 5,566,561           | 24.5%        |
| <b>605,797</b>    | <b>(2,685,662)</b> | <b>3,291,459</b>   | <b>122.6%</b> | <b>Total non-operating income</b>         | <b>(6,635,700)</b> | <b>(12,907,402)</b> | <b>6,271,702</b>    | <b>48.6%</b> |
| <b>3,772,367</b>  | <b>3,540,233</b>   | <b>(232,134)</b>   | <b>6.6%</b>   | <b>Operating and non-operating income</b> | <b>24,701,274</b>  | <b>18,862,324</b>   | <b>(5,838,951)</b>  | <b>31.0%</b> |

# *ADJOURNMENT*