



**REGULAR MEETING OF THE FACILITIES AND FINANCE COMMITTEE
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
MONDAY, JULY 20, 2026 - 4:30 P.M.
SUPPORT SERVICES BUILDING, 2ND FLOOR – GREAT ROOM**

San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians and the community.

1. Call to Order
2. Update on Current Projects
 - Project Dashboard – June 2026
3. Review Financial Updates
 - Financial Statements – June 2026
 - Finance Dashboard – June 2026
 - Supplemental Payments – June 2026
 - Cashflow Statement YTD June 2026
4. Consider Recommendation for Board Approval of FYE 06/30/27 Operating and Capital Budgets.
 - Report
 - Committee Questions
 - Motion/Second
5. Consider Recommendation for Board Approval of Proposal with RDL Construction, Inc. for MTCAP in the amount of \$164,436.00.
 - Report
 - Committee Questions
 - Motion/Second
6. Public Comment

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board **Committee**, which are not on this agenda.

7. Adjournment

The next Facilities and Finance Committee meeting is scheduled for **Monday, August 24, 2026 at 4:30 p.m.**

The complete Facilities and Finance Committee packet, including subsequently distributed materials and presentations, is available at the Facilities and Finance Committee meeting and in the Administrative Offices of the District. All items appearing on the agenda are subject to action by the Facilities and Finance Committee. Staff and Committee recommendations are subject to change by the Facilities and Finance Committee.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

JULY 2026 Project Dashboard - Facilities

Project Name	Purpose	Start Date	Go Live	Duration	Status	Priority	Key Stakeholder	Role	Update
*Lab Phase 2	Analyzer Replacement	6/1/2024	8/1/2026	791	In Progress	High	Bernadette Enderez	Lab/Radiology Director	ABBOTT equipment installed, pending final HCAI/OSHPD sign off. Validation ongoing, units will go live when approved.
*Lab Remodel	Lab Phase 3/4; Remodel	3/1/2026	TBD		Ongoing		Bernadette Enderez	Lab/Radiology Director	Upcoming Milestones: 06/19/2026 Cost estimate 07/07/2026 100% DDs 09/04/2026 100% SDs
*OR Rebuild	Updating OR per OSHPD Requirements	11/20/2024	1/29/2027	800	In Progress	High	Mendi Suber-Ventura	Director of Surgical Services	CDPH waiver has been extended until JAN 2027. Pending feasibility results from critical Infrastructure study.
*Sterilizer Replacement	Installation of new AMSCO 400 48 SD equipment for Sterile Processing Department	9/16/2025	11/1/2026	411	In Progress	High	Mendi Suber-Ventura	Director of Surgical Services	Bid awarded, scheduling started with architect and general contractor. Estimated start in Aug
*Seismic	Upgrade to Meet HCAI Seismic Compliance & Safety Standards	11/1/2025	1/1/2033		Ongoing	High	Jorge Ramirez	Senior Support Services Director	Geotech work results pending. MT/CAP job walk scheduled 6/22.
Seismic (MTCAP for Original Hospital)	Upgrade to Meet HCAI Seismic Compliance & Safety Standards	3/25/2026	Fall '26		In Progress	High	Jorge Ramirez	Senior Director Support Services	Mandatory job walk completed, pending bids from contractors.
*Imaging Trailer Pad Make Ready	Treanor to help when MIP starts	10/1/2025	TBD		In Progress	Medium	Bernadette Enderez	Lab/Radiology Director	Architectural proposal approved. Pending HCAI design approval and contractor pricing

JULY 2026 Project Dashboard - Facilities

*Verkada	Security / SSO + Door Access	3/11/2025	TBD		In Progress	High	Jorge Ramirez	Senior Support Services Director	Internal database build and scheduling for final card reader installation
*ED HeliPad	System is an AFFF system and no longer allowed in CA. Is required to be phased out due to being a hazardous chemical.	5/27/2025	8/1/2026	431	In Progress	High	Jorge Ramirez	Senior Support Services Director	HCAI building permit issued. Contractors mobilizing.
*Northside SNF Kitchen Flooring	Replace kitchen and storage flooring at the Northside SNF	1/1/2026	TBD		In Progress	High	Jaylee Davison	Interim Director of Nursing – (SNF)	Application submitted to the county > HCAI/CDPH approval to follow this approval. Internal logistics planning
Physical Therapy Clinic Remodel	Expanding current location to help with ongoing demand	6/1/2025	TBD		On Hold	Medium	Jun Estrada	Director of Physical Therapy	Contract signed for feasibility study
Focus Sports Therapy	Renovate and expand Focus sports therapy clinic	7/1/2025	TBD		On Hold	Medium	Jorge Ramirez	Senior Support Services Director	Working with architects on schematic design.
Totals									

TASK STATUS %				estimated go-live planned go live	
STATUS	COUNT	%			
Not Started	0	0%			
In Progress	8	67%			
Overdue	0	0%			
On Hold	2	17%			
Ongoing	2	17%			
Completed	0	0%			
TOTAL	12	100%			
PROJECT PRIORITY %					
PRIORITY	COUNT	%			
High	8	73%			
Medium	3	27%			
Low	0	0%			
TOTAL	11	100%			



San Benito Health Care District

San Benito Health Care District

A Public Agency

911 Sunset Drive

Hollister, CA 95023-5695

(831) 637-5711

July 20, 2026

CFO Financial Summary for the District Board: Unaudited

For the month ending June 30, 2026, the District's Net Surplus **(Loss)** is \$849,298 compared to a budgeted Surplus **(Loss)** of \$728,434. The District exceeded the budget for the month by \$120,864.

YTD as of June 30, 2026, the District's Net Surplus **(Loss)** is \$13,286,444 compared to a budgeted Surplus **(Loss)** of \$11,175,735. The District is exceeding its budget YTD by \$2,110,709.

Acute discharges were 135 for the month, less than the budget by 67 discharges, 33%. The ADC was 11.87 compared to a budget of 18.88. The ALOS was 2.64. The acute I/P gross revenue was under budget by **\$3 million** or **32%** while O/P services gross revenue exceeded the budget by **\$3.36 million** or **12%**. ER I/P visits were 113 and ER O/P visits were under budget by 183 visits or 8%. The RHCs & Specialty Clinics treated 3,436 (includes 550 visits at the Diabetes Clinic) and 1,082 visits respectively.

Other Operating revenue exceeded budget by **\$270,988** due mainly to:

- 1) **\$547,886** in additional QIP funds for PY 7, CY 2024.
- 2) The HQAF direct grant for **\$350,000** was budgeted, but not received.

Operating Expenses exceeded budget by **\$108,166** due mainly to: overages in Employee Benefits of \$552,085, Registry of \$165,886, and Professional Fees of \$107,727 being offset by savings in S & W of \$475,503 and Supplies of \$221,931.

Non-operating Revenue exceeded the budget by **\$268,525** due to the actual property tax revenue exceeding the budget by \$147,787. In addition, donations were \$125,570 greater than budgeted.

The SNFs ADC was **92.10** for the month. The Net Surplus **(Loss)** is **(\$133,288)** compared to a budget of \$67,729. YTD, the Net Surplus **(Loss)** is **\$2,884,411** exceeding the budget by \$1,778,708.

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 06/30/26

	CURRENT MONTH				YEAR-TO-DATE			
	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE
GROSS PATIENT REVENUE:								
ACUTE ROUTINE REVENUE	2,926,662	4,536,891	(1,610,229)	(36)	3,455,298	39,965,597	42,275,549	(2,309,952)
SNF ROUTINE REVENUE	2,144,570	2,025,000	119,570	6	2,088,060	24,639,626	24,637,500	2,126
ANCILLARY INPATIENT REVENUE	3,773,548	5,308,529	(1,534,981)	(29)	3,732,260	45,803,918	52,322,188	(6,518,270)
HOSPITALIST\PEDS I\P REVENUE	135,592	0	135,592		180,758	1,869,183	0	1,869,183
TOTAL GROSS INPATIENT REVENUE	8,980,372	11,870,420	(2,890,048)	(24)	9,456,376	112,278,323	119,235,237	(6,956,914)
ANCILLARY OUTPATIENT REVENUE	30,765,216	27,486,670	3,278,546	12	29,460,285	377,901,210	367,687,588	10,213,622
HOSPITALIST\PEDS O\P REVENUE	82,772	0	82,772		113,964	1,229,148	0	1,229,148
TOTAL GROSS OUTPATIENT REVENUE	30,847,988	27,486,670	3,361,318	12	29,574,249	379,130,358	367,687,588	11,442,770
TOTAL GROSS PATIENT REVENUE	39,828,360	39,357,090	471,270	1	39,030,625	491,408,681	486,922,825	4,485,856
DEDUCTIONS FROM REVENUE:								
MEDICARE CONTRACTUAL ALLOWANCES	10,933,527	10,816,485	117,042	1	11,867,366	137,519,998	132,317,446	5,202,552
MEDI-CAL CONTRACTUAL ALLOWANCES	10,508,266	10,251,404	256,862	3	11,870,436	132,553,607	125,496,091	7,057,516
BAD DEBT EXPENSE	1,197,664	1,009,413	188,251	19	1,043,785	9,018,832	12,295,994	(3,277,162)
CHARITY CARE	5,940	31,026	(25,087)	(81)	25,024	708,782	379,873	328,909
OTHER CONTRACTUALS AND ADJUSTMENTS	4,532,311	4,795,274	(262,963)	(6)	5,005,457	58,297,622	58,702,889	(405,267)
HOSPITALIST\PEDS CONTRACTUAL ALLOW	(26,629)	0	(26,629)		103,901	108,821	0	108,821
TOTAL DEDUCTIONS FROM REVENUE	27,151,078	26,903,602	247,476	1	29,915,969	338,207,662	329,192,293	9,015,369
NET PATIENT REVENUE	12,677,281	12,453,488	223,793	2	9,114,656	153,201,019	157,730,532	(4,529,513)
OTHER OPERATING REVENUE	1,894,446	1,623,458	270,988	17	2,134,138	23,620,844	14,912,390	8,708,454
NET OPERATING REVENUE	14,571,727	14,076,946	494,781	4	11,248,794	176,821,863	172,642,922	4,178,941
OPERATING EXPENSES:								
SALARIES & WAGES	5,172,225	5,497,063	(324,838)	(6)	5,019,973	63,926,457	66,306,492	(2,380,035)
REGISTRY	724,262	525,385	198,877	38	588,171	8,489,747	6,304,613	2,185,134
EMPLOYEE BENEFITS	3,210,813	2,446,100	764,713	31	6,145,809	29,727,024	29,353,073	373,951
PROFESSIONAL FEES	1,752,885	1,647,658	105,227	6	1,656,024	21,771,476	19,748,333	2,023,143
SUPPLIES	1,070,397	1,298,119	(227,722)	(18)	709,962	15,499,027	15,449,875	49,152
PURCHASED SERVICES	1,318,504	1,362,927	(44,423)	(3)	1,370,253	16,408,298	16,383,633	24,665
RENTAL	204,546	169,962	34,584	20	137,262	2,164,552	2,037,888	126,664
DEPRECIATION & AMORT	353,354	315,202	38,152	12	321,134	4,135,234	3,782,430	352,804
INTEREST	3,459	19,243	(15,784)	(82)	4,879	312,318	234,701	77,617
OTHER	569,561	455,904	113,657	25	446,585	6,289,466	6,492,081	(202,615)
TOTAL EXPENSES	14,380,006	13,737,563	642,443	5	16,400,051	168,723,597	166,093,119	2,630,478
NET OPERATING INCOME (LOSS)	191,722	339,383	(147,662)	(44)	(5,151,256)	8,098,265	6,549,803	1,548,462

21,108,487

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 06/30/26

	CURRENT MONTH				PRIOR YR				YEAR-TO-DATE			
	ACTUAL	BUDGET	POS/NEG	PERCENT	PRIOR YR	ACTUAL	BUDGET	POS/NEG	PERCENT	PRIOR YR		
	06/30/26	06/30/26	VARIANCE	VARIANCE	06/30/25	06/30/26	06/30/26	VARIANCE	VARIANCE	06/30/25		
NON-OPERATING REVENUE\EXPENSE:												
DONATIONS	145,570	20,000	125,570	628	128,328	646,056	240,000	406,056	169	354,923		
PROPERTY TAX REVENUE	396,221	248,434	147,787	60	335,260	3,128,995	2,981,208	147,787	5	2,987,602		
GO BOND PROP TAXES	181,114	181,114	0	0	258,160	2,173,363	2,173,368	(5)	0	2,193,222		
GO BOND INT REVENUE\EXPENSE	(61,114)	(61,114)	0	0	(65,081)	(733,363)	(733,368)	5	0	(780,977)		
OTHER NON-OPER REVENUE	12,459	16,399	(3,941)	(24)	13,889	178,511	196,788	(18,277)	(9)	186,808		
OTHER NON-OPER EXPENSE	(17,317)	(17,407)	90	(1)	(14,157)	(218,701)	(251,564)	32,863	(13)	(313,-811)		
INVESTMENT INCOME	643	1,625	(982)	(60)	2,202	13,318	19,500	(6,182)	(32)	16,899		
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0		
TOTAL NON-OPERATING REVENUE/(EXPENSE)	657,576	389,051	268,525	69	658,601	5,188,178	4,625,932	562,246	12	4,644,666		
NET SURPLUS (LOSS)	849,298	728,434	120,864	17	(4,492,656)	13,286,444	11,175,735	2,110,709	19	25,753,153		
EBIDA	\$ 1,099,969	\$ 941,043	\$ 158,926	16.88%	\$ (4,350,444)	\$ 16,200,378	\$ 13,769,729	\$ 2,430,649	17.65%	\$ 28,462,819		
EBIDA MARGIN	7.55%	6.69%	0.86%	12.91%	(38.67)%	9.16%	7.98%	1.19%	14.87%	15.83%		
OPERATING MARGIN	1.32%	2.41%	(1.10)%	(45.42)%	(45.79)%	4.58%	3.79%	0.79%	20.72%	11.74%		
NET SURPLUS (LOSS) MARGIN	5.83%	5.17%	0.65%	12.63%	(39.94)%	7.51%	6.47%	1.04%	16.07%	14.32%		

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 06/30/26

	CURRENT MONTH				YEAR-TO-DATE					
	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25
GROSS PATIENT REVENUE:										
ROUTINE REVENUE	2,926,662	4,536,891	(1,610,229)	(36)	3,455,298	39,965,597	42,275,549	(2,309,952)	(6)	40,564,284
ANCILLARY INPATIENT REVENUE	3,382,808	4,927,895	(1,545,087)	(31)	3,272,674	40,297,272	47,763,536	(7,466,264)	(16)	45,890,931
HOSPITALIST I/P REVENUE	135,592	0	135,592		180,758	1,869,183	0	1,869,183		180,758
TOTAL GROSS INPATIENT REVENUE	6,445,061	9,464,786	(3,019,725)	(32)	6,908,731	82,132,052	90,039,085	(7,907,033)	(9)	86,635,973
ANCILLARY OUTPATIENT REVENUE	30,765,216	27,486,670	3,278,546	12	29,460,285	377,901,210	367,687,588	10,213,622	3	352,343,133
HOSPITALIST O/P REVENUE	82,772	0	82,772		113,964	1,229,148	0	1,229,148		113,964
TOTAL GROSS OUTPATIENT REVENUE	30,847,988	27,486,670	3,361,318	12	29,574,249	379,130,358	367,687,588	11,442,770	3	352,457,097
TOTAL GROSS ACUTE PATIENT REVENUE	37,293,049	36,951,456	341,593	1	36,482,980	461,262,409	457,726,673	3,535,736	1	439,093,070
DEDUCTIONS FROM REVENUE ACUTE:										
MEDICARE CONTRACTUAL ALLOWANCES	10,496,876	10,538,030	(41,154)	0	11,508,390	133,279,258	129,012,608	4,266,650	3	123,985,205
MEDI-CAL CONTRACTUAL ALLOWANCES	10,479,647	10,153,902	325,745	3	11,749,809	132,790,888	124,309,817	8,481,071	7	120,126,593
BAD DEBT EXPENSE	1,319,255	1,004,413	314,842	31	1,054,150	9,027,286	12,235,994	(3,208,708)	(26)	8,523,982
CHARITY CARE	5,940	31,026	(25,087)	(81)	25,024	701,085	379,873	321,212	85	356,209
OTHER CONTRACTUALS AND ADJUSTMENTS	4,535,961	4,761,175	(225,214)	(5)	4,849,055	57,963,531	58,289,039	(325,508)	(1)	55,667,074
HOSPITALIST PEDS CONTRACTUAL ALLOW	(26,629)	0	(26,629)		103,901	108,821	0	108,821		103,901
TOTAL ACUTE DEDUCTIONS FROM REVENUE	26,811,050	26,488,546	322,504	1	29,290,329	333,870,869	324,227,331	9,643,538	3	308,762,964
NET ACUTE PATIENT REVENUE	10,482,000	10,462,910	19,090	0	7,192,650	127,391,541	133,499,342	(6,107,802)	(5)	130,330,107
OTHER OPERATING REVENUE	1,788,058	1,623,458	164,600	10	2,134,138	22,344,199	14,912,390	7,431,809	50	25,602,437
NET ACUTE OPERATING REVENUE	12,270,057	12,086,368	183,689	2	9,326,788	149,735,739	148,411,732	1,324,007	1	155,932,544
OPERATING EXPENSES:										
SALARIES & WAGES	3,930,479	4,405,982	(475,503)	(11)	3,976,813	51,028,747	53,162,874	(2,134,127)	(4)	48,277,984
REGISTRY	642,046	476,160	165,886	35	506,782	7,644,228	5,713,920	1,930,308	34	5,845,481
EMPLOYEE BENEFITS	2,499,391	1,947,306	552,085	28	5,586,417	23,170,952	23,322,669	(151,717)	(1)	24,263,902
PROFESSIONAL FEES	1,752,885	1,645,158	107,727	7	1,653,814	21,747,166	19,718,333	2,028,833	10	20,271,853
SUPPLIES	980,485	1,202,416	(221,931)	(19)	612,553	14,155,796	14,286,552	(130,756)	(1)	11,888,425
PURCHASED SERVICES	1,189,726	1,262,215	(72,489)	(6)	1,236,666	14,997,080	15,156,437	(159,357)	(1)	14,925,478
RENTAL	197,841	162,046	35,795	22	109,538	1,971,561	1,940,676	30,885	2	1,768,160
DEPRECIATION & AMORT	312,549	276,161	36,388	13	281,617	3,649,912	3,313,938	335,974	10	3,338,177
INTEREST	3,459	19,243	(15,784)	(82)	4,879	312,318	234,701	77,617	33	544,144
OTHER	380,638	384,646	(4,008)	(1)	404,164	5,430,836	5,726,472	(295,636)	(5)	4,904,506
TOTAL EXPENSES	11,889,499	11,781,333	108,166	1	14,373,243	144,108,595	142,576,572	1,532,023	1	136,028,109
NET OPERATING INCOME (LOSS)	380,558	305,035	75,523	25	(5,046,454)	5,627,144	5,835,160	(208,016)	(4)	19,904,435

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 06/30/26

-----CURRENT MONTH-----				-----YEAR-TO-DATE-----					
ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25
NON-OPERATING REVENUE\EXPENSE:									
DONATIONS									
145,570	20,000	125,570	628	128,328	646,056	240,000	406,056	169	354,923
336,813	211,194	125,619	60	285,006	2,659,947	2,534,328	125,619	5	2,539,500
181,114	181,114	0	0	258,160	2,173,363	2,173,368	(5)	0	2,193,222
(61,114)	(61,114)	0	0	(65,081)	(733,363)	(733,368)	5	0	(780,977)
12,459	16,399	(3,941)	(24)	13,889	178,511	196,788	(18,277)	(9)	186,808
(13,457)	(13,548)	91	(1)	(9,109)	(162,881)	(195,744)	32,863	(17)	(244,113)
643	1,625	(982)	(60)	2,202	13,318	19,500	(6,182)	(32)	16,899
0	0	0	0	0	0	0	0	0	0
COLLABORATION CONTRIBUTIONS									
602,027	355,670	246,357	69	613,394	4,774,951	4,234,872	540,079	13	4,266,261
TOTAL NON-OPERATING REVENUE/(EXPENSE)									
982,585	660,705	321,880	49	(4,433,060)	10,402,095	10,070,032	332,063	3	24,170,696
NET SURPLUS (LOSS)									

HAZEL HAWKINS SKILLED NURSING FACILITIES

HOLLISTER, CA

FOR PERIOD 06/30/26

	-----CURRENT MONTH-----				-----YEAR-TO-DATE-----					
	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25	ACTUAL 06/30/26	BUDGET 06/30/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/25
GROSS SNF PATIENT REVENUE:										
ROUTINE SNF REVENUE	2,144,570	2,025,000	119,570	6	2,088,060	24,639,626	24,637,500	2,126	0	24,182,850
ANCILLARY SNF REVENUE	390,741	380,634	10,107	3	459,586	5,506,646	4,558,652	947,994	21	4,759,826
TOTAL GROSS SNF PATIENT REVENUE	2,535,311	2,405,634	129,677	5	2,547,646	30,146,272	29,196,152	950,120	3	28,942,676
DEDUCTIONS FROM REVENUE SNF:										
MEDICARE CONTRACTUAL ALLOWANCES	436,651	278,455	158,196	57	358,976	4,240,740	3,304,838	935,902	28	3,464,896
MEDI-CAL CONTRACTUAL ALLOWANCES	28,620	97,502	(68,882)	(71)	120,627	(237,280)	1,186,274	(1,423,554)	(120)	919,663
BAD DEBT EXPENSE	(121,591)	5,000	(126,591)	(2,532)	(10,365)	(8,454)	60,000	(68,454)	(114)	68,232
CHARITY CARE	0	0	0	0	0	7,697	0	7,697		61,438
OTHER CONTRACTUALS AND ADJUSTMENTS	(3,651)	34,099	(37,750)	(111)	156,402	334,091	413,850	(79,759)	(19)	530,547
TOTAL SNF DEDUCTIONS FROM REVENUE	340,029	415,056	(75,027)	(18)	625,640	4,336,793	4,964,962	(628,169)	(13)	5,044,776
NET SNF PATIENT REVENUE	2,195,282	1,990,578	204,704	10	1,922,006	25,809,479	24,231,190	1,578,289	7	23,897,900
OTHER OPERATING REVENUE	106,388	0	106,388	0	0	1,276,645	0	1,276,645		0
NET SNF OPERATING REVENUE	2,301,670	1,990,578	311,092	16	1,922,006	27,086,124	24,231,190	2,854,934	12	23,897,900
OPERATING EXPENSES:										
SALARIES & WAGES	1,241,746	1,091,081	150,665	14	1,043,160	12,897,710	13,143,618	(245,908)	(2)	12,444,181
REGISTRY	82,216	49,225	32,991	67	81,389	845,519	590,693	254,826	43	665,465
EMPLOYEE BENEFITS	711,422	498,794	212,628	43	559,392	6,556,072	6,030,404	525,668	9	5,892,587
PROFESSIONAL FEES	0	2,500	(2,500)	(100)	2,210	24,310	30,000	(5,690)	(19)	26,520
SUPPLIES	89,912	95,703	(5,791)	(6)	97,409	1,343,168	1,163,323	179,845	16	1,190,599
PURCHASED SERVICES	128,778	100,712	28,066	28	133,587	1,411,218	1,227,196	184,022	15	1,190,126
RENTAL	6,704	7,916	(1,212)	(15)	27,724	192,991	97,212	95,779	99	131,999
DEPRECIATION	40,806	39,041	1,765	5	39,517	485,321	468,492	16,829	4	469,923
INTEREST	0	0	0	0	0	0	0	0	0	0
OTHER	188,922	71,258	117,664	165	42,421	858,630	765,609	93,021	12	682,448
TOTAL EXPENSES	2,490,506	1,956,230	534,276	27	2,026,808	24,614,940	23,516,547	1,098,393	5	22,693,848
NET OPERATING INCOME (LOSS)	(188,836)	34,348	(223,184)	(650)	(104,802)	2,471,184	714,643	1,756,541	246	1,204,053
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	0	0	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	59,408	37,240	22,168	60	50,255	469,048	446,880	22,168	5	448,103
OTHER NON-OPER EXPENSE	(3,859)	(3,859)	0	0	(5,048)	(55,821)	(55,820)	(1)	0	(69,698)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	55,549	33,381	22,168	66	45,207	413,227	391,060	22,167	6	378,405
NET SURPLUS (LOSS)	(133,286)	67,729	(201,017)	(297)	(59,596)	2,884,411	1,105,703	1,778,708	161	1,582,457

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 06/30/26

	CURR MONTH 06/30/26	PRIOR MONTH 05/31/26	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/25
CURRENT ASSETS					
CASH & CASH EQUIVALENT	43,064,101	45,484,882	(2,420,781)	(5)	46,670,217
PATIENT ACCOUNTS RECEIVABLE	68,361,181	71,626,073	(3,264,892)	(5)	66,556,290
BAD DEBT ALLOWANCE	(6,683,787)	(6,781,721)	97,934	(1)	(7,062,672)
CONTRACTUAL RESERVES	(40,385,339)	(43,053,617)	2,668,278	(6)	(40,404,377)
OTHER RECEIVABLES	7,256,531	4,639,097	2,617,434	56	4,952,401
INVENTORIES	5,092,665	5,051,411	41,254	1	4,981,471
PREPAID EXPENSES	2,100,267	2,232,380	(132,114)	(6)	2,599,584
DUE TO\FROM THIRD PARTIES	(211,928)	(198,400)	(13,528)	7	(181,860)
TOTAL CURRENT ASSETS	78,593,689	79,000,104	(406,415)	(1)	78,111,054
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	5,010,020	7,975,799	(2,965,778)	(37)	5,666,884
TOTAL LIMITED USE ASSETS	5,010,020	7,975,799	(2,965,778)	(37)	5,666,884
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,370,474	3,370,474	0	0	3,370,474
BLDGs & BLDG IMPROVEMENTS	100,124,163	100,124,163	0	0	100,098,374
EQUIPMENT	49,166,108	48,847,502	318,606	1	46,216,122
CONSTRUCTION IN PROGRESS	13,233,772	10,527,549	2,706,224	26	4,324,809
GROSS PROPERTY, PLANT, AND EQUIPMENT	165,894,518	162,869,688	3,024,830	2	154,009,779
ACCUMULATED DEPRECIATION	(102,707,318)	(102,339,052)	(368,266)	0	(98,393,920)
NET PROPERTY, PLANT, AND EQUIPMENT	63,187,200	60,530,636	2,656,564	4	55,615,859
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	258,315	264,057	(5,742)	(2)	327,215
PENSION DEFERRED OUTFLOWS NET	5,277,892	5,277,892	0	0	5,277,892
TOTAL OTHER ASSETS	5,536,207	5,541,949	(5,742)	0	5,605,107
TOTAL UNRESTRICTED ASSETS	152,327,116	153,048,488	(721,372)	(1)	144,998,904
RESTRICTED ASSETS	129,432	129,381	51	0	127,208
TOTAL ASSETS	152,456,549	153,177,869	(721,320)	(1)	145,126,112

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 06/30/26

	CURR MONTH 06/30/26	PRIOR MONTH 05/31/26	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/25
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	5,951,249	7,224,918	1,273,669	(18)	6,221,841
ACCRUED PAYROLL	3,779,439	4,130,260	350,822	(9)	3,467,229
ACCRUED PAYROLL TAXES	285,454	249,473	(35,981)	14	257,552
ACCRUED BENEFITS	4,471,049	4,381,111	(89,938)	2	5,074,320
OTHER ACCRUED EXPENSES	73,601	66,356	(7,246)	11	80,907
PATIENT REFUNDS PAYABLE	1,310	1,310	0	0	1,310
DUE TO\FROM THIRD PARTIES	5,819,287	3,905,287	(1,914,000)	49	5,056,186
OTHER CURRENT LIABILITIES	762,693	1,030,472	267,779	(26)	777,080
TOTAL CURRENT LIABILITIES	21,144,082	20,989,187	(154,895)	1	20,936,425
	=====	=====	=====	=====	=====
LONG-TERM DEBT					
LEASES PAYABLE	4,465,512	4,522,556	57,044	(1)	4,799,273
BONDS PAYABLE	25,152,640	26,621,160	1,468,520	(6)	28,534,881
TOTAL LONG TERM DEBT	29,618,152	31,143,717	1,525,564	(5)	33,334,154
	=====	=====	=====	=====	=====
OTHER LONG-TERM LIABILITIES					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	23,488,121	23,688,121	200,000	(1)	25,888,121
TOTAL OTHER LONG-TERM LIABILITIES	23,488,121	23,688,121	200,000	(1)	25,888,121
	=====	=====	=====	=====	=====
TOTAL LIABILITIES	74,250,355	75,821,024	1,570,669	(2)	80,158,700
NET ASSETS:					
UNRESTRICTED FUND BALANCE	64,915,019	64,915,019	0	0	64,817,839
RESTRICTED FUND BALANCE	101,911	101,860	(51)	0	149,573
NET REVENUE/(EXPENSES)	13,189,264	12,339,966	(849,298)	7	0
TOTAL NET ASSETS	78,206,193	77,356,844	(849,349)	1	64,967,412
	=====	=====	=====	=====	=====
TOTAL LIABILITIES AND NET ASSETS	152,456,549	153,177,869	721,320	(1)	145,126,112
	=====	=====	=====	=====	=====

Statement of Cash Flows
Hazel Hawkins Memorial Hospital
Hollister, CA
Twelve months ending June 30, 2026

	CASH FLOW		COMMENTS
	Current Month 6/30/2026	Current Year-To-Date 6/30/2026	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	\$849,298	\$13,286,444	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	368,266	4,313,397	
(Increase)/Decrease in Net Patient Accounts Receivable	498,680	(2,202,814)	
(Increase)/Decrease in Other Receivables	(2,617,434)	(2,304,592)	
(Increase)/Decrease in Inventories	(41,254)	(111,194)	
(Increase)/Decrease in Pre-Paid Expenses	132,114	499,318	
(Increase)/Decrease in Due From Third Parties	13,528	30,069	
Increase/(Decrease) in Accounts Payable	(1,273,669)	(270,131)	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(224,903)	(165,706)	
Increase/(Decrease) in Accrued Expenses	7,246	(7,304)	
Increase/(Decrease) in Patient Refunds Payable	0	0	
Increase/(Decrease) in Third Party Advances/Liabilities	1,914,000	763,099	
Increase/(Decrease) in Other Current Liabilities	(267,779)	(111,840)	Semi-Annual Int. - 2005 GO & 2021 Revenue Bonds
Net Cash Provided by Operating Activities:	(1,491,205)	432,302	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(3,024,830)	(11,884,741)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	2,965,778	656,862	Bond Principal & Int Payment - 2014 (2005) & 2021 Bonds
(Increase)/Decrease in Other Assets	5,742	68,904	Amortization
Net Cash Used by Investing Activities	(53,310)	(11,158,975)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Capital Lease Debt	(57,044)	(333,761)	
Increase/(Decrease) in Bond Mortgage Debt	(1,468,520)	(3,382,240)	
Increase/(Decrease) in Other Long Term Liabilities	(200,000)	(2,400,000)	2014 GO Principal & Refinancing of 2013 Bonds with 2021 Bonds
Net Cash Used for Financing Activities	(1,725,564)	(6,116,001)	Long Term Pension Liability
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	(49,886)	
Net Increase/(Decrease) in Cash	(2,420,781)	(3,606,116)	
Cash, Beginning of Period	45,484,882	46,670,217	
Cash, End of Period	\$43,064,101	\$43,064,101	\$0

Cost per day to run the District	\$451,523	\$49,241,349	Budgeted Cash on Hand
Operational Days Cash on Hand	95.38	(\$6,177,248)	Variance



San Benito Health Care District
Hazel Hawkins Memorial Hospital
JUNE 2026

Description	MTD Budget	MTD Actual	YTD Actual	YTD Budget	FYE Budget
Average Daily Census - Acute	18.88	11.87	13.19	15.00	15.00
Average Daily Census - SNF	89.98	92.10	89.20	90.00	90.00
Acute Length of Stay	2.80	2.64	2.79	2.80	2.80
<u>ER Visits:</u>					
Inpatient	136	113	1,326	1,638	1,638
Outpatient	2,234	2,051	26,709	27,053	27,053
Total	2,370	2,164	28,035	28,691	28,691
Days in Accounts Receivable	50.0	51.5	51.5	50.0	50.0
Productive Full-Time Equivalents	575.17	538.92	540.03	575.17	575.17
Net Patient Revenue	12,453,488	12,677,281	153,201,019	157,730,532	157,730,532
Payment-to-Charge Ratio	31.6%	31.8%	31.2%	32.4%	32.4%
Medicare Traditional Payor Mix	27.88%	30.79%	30.61%	28.71%	28.71%
Commercial Payor Mix	24.18%	22.92%	22.57%	23.36%	23.36%
Bad Debt % of Gross Revenue	2.50%	3.00%	1.84%	2.50%	2.50%
EBIDA	941,043	1,099,969	16,200,378	13,769,729	13,769,729
EBIDA %	6.69%	7.55%	9.16%	7.98%	7.98%
Operating Margin	2.41%	1.32%	4.58%	3.79%	3.79%
Salaries, Wages, Registry & Benefits %:					
by Net Operating Revenue	60.16%	62.50%	57.77%	59.06%	59.06%
by Total Operating Expense	61.65%	63.33%	60.54%	61.39%	61.39%
<u>Bond Covenants:</u>					
Debt Service Ratio - 1.25	6.03	7.05	8.65	7.36	7.36
Current Ratio - 1.50	2.00	3.72	3.72	2.00	2.00
Days Cash on hand - 30.00	110.06	95.38	95.38	110.06	110.06
Met or Exceeded Target					
Within 10% of Target					
Not Within 10%					

Hazel Hawkins Memorial Hospital
Supplemental Payment Programs
YTD as of June 30, 2026
FYE June 30, 2026

	Payor	Actual FY 2026	Actual FY 2025	Notes:
Intergovernmental Transfer Programs:				
- AB 113 Non-Designated Public Hospital (NDPH)				
- SFY 2023/2024 Final Payment SFY 2024/2025				
- SFY 2024/2025 Interim SFY 2025/2026				
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2025				
- Rate Range Jan. 1, 2023 through Dec. 31, 2023		179,727	39,795	Requires District to fund program and wait for matching return.
- Rate Range Jan. 1, 2024 through Dec. 31, 2024		179,727	305,302	IGT due April 2026. Rec'd payment June 30, 2026.
- QIP PY 6 Settlement CY 2023		1,925,623	2,407,056	IGT due April 2026. Rec'd payment June 30, 2026.
- QIP PY 7 Settlement "Interim" Payment for CY 2024		-	1,339,141	Rec'd payment on April 28, 2026.
- QIP PY 7 Settlement "Final" Payment for CY 2024		2,911,769	-	Received in February 2025.
- District Hospital Directed Payments (DHDP) CY 2024		-	4,311,260	Received on January 13, 2026. Higher than prior year in place of AB 915.
- QIP PY 5 Loan Repayment		2,249,573	-	Sent IGT of \$2,342,379 in March. Rec. in May.
		3,223,048	-	Funded IGT on Aug. 22nd, \$900,434.15. Rec'd in Oct. 2025.
		643,091	710,853	Rec'd payment on April 28, 2026.
		-	(3,090,086)	Funded IGT on Aug. 22nd, \$379,041.08. Expect payment in Oct/Nov '25.
				Paid on December 9, 2024.
IGT sub-total		11,312,559	6,023,320	
Non-Intergovernmental Transfer Programs:				
- AB 915 SY 2024-25		309,289	1,802,585	Direct Payments.
- SB 239 Hospital Quality Assurance Fund (HQAF)		-	1,069,577	Received on March 5th & 12th, 2026. CA MMIS fiscal intermediary.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII		-	1,081,621	Rec. Sep. 4, 2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII		-	3,244,863	Expected to Rec. 4th qtr payment by June 30, 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) IX		2,622,864	-	Rec'd 1st, 2nd, & 3rd Qtr payments YTD.
- Distinct Part, Nursing Facility (DP/NF)		-	-	Qtrly Pmts reduced by 45% and not expected this fiscal year.
- Medi-Cal Disproportionate Share (DSH)		1,505,100	1,260,151	Based on actual cost difference.
				H.R. 1 reduction of 60% delayed until FY 2028.
Non-IGT sub-total		4,437,253	8,458,797	
Program Grand Totals		15,749,812	14,482,117	
Total Received		13,126,948	17,572,203	
Total Pending		2,622,864	-	
Total Paid		-	(3,090,086)	
Net Supplemental Payments		15,749,812	14,482,117	

San Benito Health Care District

Actual/Budgeted Cash Flow

FYE June 30, 2026

Description	FY 2026												Total
	Actual July 2025	Actual August 2025	Actual September 2025	Actual October 2025	Actual November 2025	Actual December 2025	Actual January 2026	Actual February 2026	Actual March 2026	Actual April 2026	Actual May 2026	Actual June 2026	
Recurring Revenue	\$ 13,221,775	\$ 11,459,048	\$ 12,240,725	\$ 12,734,075	\$ 10,984,359	\$ 13,730,837	\$ 12,942,428	\$ 10,645,938	\$ 12,885,065	\$ 13,193,905	\$ 11,608,269	\$ 13,397,484	\$ 149,043,908
H.R. 1 Medicare & Medi-Cal Reductions	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Supplemental & Other Oper. Revenue	371,991	(961,061)	799,840	3,192,705	(1,467,377)	1,546,950	4,643,567	(2,905,751)	4,564,373	9,011,760	963,167	1,536,312	21,297,476
Total Cash Receipts	13,593,766	10,497,987	13,039,565	15,926,780	9,516,982	15,277,787	17,586,995	7,740,187	17,449,438	22,205,665	12,571,436	14,935,796	170,341,384
Operating Cash Disbursements	13,352,042	14,367,411	12,892,496	12,655,969	11,894,728	12,863,713	15,949,795	12,518,661	12,352,519	13,430,933	14,476,584	13,931,097	160,685,948
Defined Benefit Pension Funding	-	-	-	-	-	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,400,000
Operating Cash Flow	241,724	(3,869,424)	147,069	3,270,811	(2,377,746)	1,214,074	1,436,200	(4,978,474)	4,896,919	8,574,732	(2,105,148)	804,699	7,255,436
Other Non-Operating Revenue/Expenses:	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes - Revenue	-	-	(714,187)	(748,835)	(817,991)	(1,249,665)	(763,338)	(597,332)	(829,715)	(1,951,417)	(538,434)	(3,024,830)	3,128,995
Capital Expenditures	(342,905)	(306,092)	-	-	-	-	-	-	-	-	-	-	(11,884,741)
2021 Revenue Bonds Expense	(155,983)	(155,983)	(155,983)	(155,983)	(155,983)	(155,983)	(155,983)	(155,983)	(155,983)	(150,650)	(150,650)	(150,650)	(1,855,800)
Net Cash Flow	\$ (257,164)	\$ (4,331,499)	\$ (723,101)	\$ 2,365,993	\$ (3,351,720)	\$ 1,628,881	\$ 516,879	\$ (5,731,789)	\$ 3,911,221	\$ 6,472,665	\$ (1,485,693)	\$ (2,370,781)	\$ (3,356,110)
% of Revenue	-2%	-41%	-6%	15%	-35%	11%	3%	-74%	22%	29%	-12%	-16%	-2%
Beginning Cash Balance	\$ 46,670,211	\$ 46,413,047	\$ 42,081,547	\$ 41,358,446	\$ 43,724,439	\$ 40,372,718	\$ 42,001,600	\$ 42,518,478	\$ 36,736,689	\$ 40,597,910	\$ 47,020,575	\$ 45,484,882	\$ 46,670,211
Net Cash Flow	(257,164)	(4,331,499)	(723,101)	2,365,993	(3,351,720)	1,628,881	516,879	(5,731,789)	3,911,221	6,472,665	(1,485,693)	(2,370,781)	(3,356,110)
DHLP Funding - Loan (Separate Acct.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Usage of DHLP	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Repayment (from Operational funds)	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance	\$ 46,413,047	\$ 42,081,547	\$ 41,358,446	\$ 43,724,439	\$ 40,372,718	\$ 42,001,600	\$ 42,518,478	\$ 36,736,689	\$ 40,597,910	\$ 47,020,575	\$ 45,484,882	\$ 43,064,101	\$ 43,064,101
0													
FYE June 30, 2026 Budget	42,866,565	42,364,666	41,627,055	41,233,677	38,889,950	39,430,565	38,992,045	42,503,566	41,866,134	41,582,574	44,466,658	49,241,349	49,241,349
Variance	3,546,482	(283,119)	(268,609)	2,490,762	1,482,768	2,571,035	3,526,433	(5,766,877)	(1,268,224)	5,438,001	1,018,224	(6,177,248)	(6,177,248)

A - The revenue we collect for providing patient services.

B - The Medicare sequestration increase and DSH reductions were not implemented. The Medi-Cal reductions were budgeted in Bad Debt Expense and a reduction to Supplemental payments.

C - Includes \$3,000,000 budgeted reductions for Supplemental payments.

D - Cash outflow related to operational expenses for the District.

E - Funding for the frozen defined benefit pension plan per the actuary's 10-year funding schedule.

F - Property taxes received from the County.

G - Capital expenditures for non-DHLP projects and equipment.

H - Cal-Mortgage revenue bonds. The Measure L 2005 G.O. bond payments are not included since the funding is a passthrough for the District.

I - Payments for the \$2.7 million drawn from the DHLP. The District will apply for the remaining \$7.3 million in funding when the bid for the final phase of the lab remodel is accepted.

FYE June 30, 2027

San Benito Health Care District Operational Budget

Statistics:

The acute facility's inpatient admissions and days were budgeted for an average daily census (ADC) of 15 patients for the FYE June 30, 2026. YTD as of April 30, 2026, the acute admissions were under budget by 160 from 1,600 to 1,440 admissions and patient days were under budget by 426 from 4,485 to 4,059 patient days. During this period, admissions for ICU increased by 20%, Med/Surg decreased 17% and OB decreased by 2.4%. OB deliveries decreased by 9, 2.9%. As of April 30, 2026, the acute facility YTD ADC is 13.35 compared to the budgeted YTD ADC of 14.75. This is a decrease of 10.5%.

The budgeted days are 944 in ICU, 3,650 in Med/Surg, 881 in OB resulting in an acute ADC for the year of **15.0**. The budgeted days in each nursing department corresponds with the staffing ratio.

In aggregate, outpatient services are budgeted to increase by **2%**. The outpatient services include clinic visits, outpatient surgeries/procedures, radiology exams and lab tests.

The Skilled Nursing Facilities are budgeted to have an average daily census of **92** which is an increase over the prior year budget of **90**. YTD as of April 30, 2026, the combined ADC is 88.72. However, the monthly ADC has been over **91** for April and May of 2026.

Revenue:

The budgeted acute gross revenue for FYE June 30, 2027 is increasing by the increase in inpatient and outpatient volumes. Patient charges for I/P and O/P services will not be increased during the fiscal year. The CFO and Director of Patient Accounting are working with the commercial plans to increase reimbursement without having to increase charges. In addition, they will work with consultants to review rebalancing the patient charges according to what is reasonable and customary in the market area.

As of April 30, 2026 for the acute facility, Medi-Cal and Medicare total approximately 78.2% of gross charges, 39.7% and 38.5% respectively. Commercial insurance comprises approximately 20.2% and self-pay 1.5%.

As of April 30, 2026 for the SNF facilities, Medi-Cal and Medicare total approximately 93.9% of gross charges, 62.5% and 31.4% respectively. Commercial insurance comprises approximately 5.1% and self-pay 1%.

The net revenue (payments) by the insurers are: 1) Medicare is reimbursed at a 101% of recognized cost before the 2% sequestration reduction is applied. An annual cost report is prepared and filed by a consultant on behalf of the District. The intermediary for CMS is Noridian which provides the interim rates for the fiscal year. 2) Medi-Cal is determined by the State government with no correlation to the charge for care. Since January 1, 2024, the Medi-Cal managed care plan is managed by the Central California Alliance for Health (CCAH). Supplemental programs such as AB113 Non-Designated Public Hospitals (NDPH), SB 239 Hospital Quality Assurance Fund (HQAF), AB 915 Outpatient Supplemental, Medi-Cal Disproportionate Share (DSH), Rate Range and District Hospital Direct Payment program are the main funding programs to make up for the underpayments made by the State and Managed Care plans. 3) The majority of commercial insurances reimburse the District based on their contracted rates with an annual allowance for price increases. 4) Approximately half of the commercial insurance business is from Anthem Blue Cross which reimburses the District for inpatient services with a per diem rate and outpatient services on a fee schedule.

Net Operating Revenue for the acute facility is budgeted to increase by 6% if it meets the budgeted inpatient and outpatient volume targets. The H.R.1 (OBBBA) reductions were included in the net operating revenue calculation. The District will continue to monitor State and Federal agencies for any significant changes to reimbursement during the fiscal year. The net operating revenue for the Skilled Nursing Facilities is expected to slightly increase by 1.4% due to the \$1.3 million in other revenue for FY 2026 was a one-time payment from the State. The Medi-Cal per diem rate is budgeted to remain the same.

Expenses:

The District's Productive FTEs are budgeted to increase by 25.15 from the FYE June 30, 2026 budget of 575.17.

The increase in productive FTEs is due to:

- The security department is being tasked with monitoring metal detectors at three points of entry into the hospital. The entry points are the Emergency Department (ED), main hospital lobby and Women's Center lobby. The ED requires 24-hour staffing. It takes 4.2 FTEs to staff one 24-hour shift. The hospital is budgeted to add 8.6 FTES to cover the in-house security requirements.
- The Health Information Management (HIM) department is budgeted for 4.34 FTEs. The department was staffed under a purchase service agreement during the prior year budget.
- The Information Technology (IT) department is budgeting an additional 2 FTEs since the hospital changed its E.H.R. to MediTech EXPANSE effective July 1, 2026.

- The SNFs are budgeted to add 5 additional employees due to the budgeted increase in the ADC from 90 residents to 92.
- The Orthopedic, Multi-Specialty and RHCs are not increasing FTEs while budgeted for a 2% increase in patient visits.
- The nursing and other ancillary departments are budgeted according to their patient care ratios and volume.

The increase in productive FTEs is in relation to the budgeted increase in patient volume and revenue. The District will only increase its FTEs if required to meet staffing needs.

Annual average raises of **3.75%** are included in the budget.

Overall, the acute expenses are budgeted to increase by 6% and SNF expenses by 8%. The increases are mainly due to pay raises in salaries and wages and additional productive FTES being hired for the aforementioned departments. In addition, the 401(a) pension plan is included in the employee benefit expense for all employees.

Combined Net Operating Expenses are budgeted to increase by \$10.4 million, 6.2%.

The District management will work to identify and implement cost savings strategies on an ongoing basis.

Outstanding Issues:

- The State of CA budget includes transferring approximately 2 million undocumented Medi-Cal enrollees from managed care to fee for service effective January 1, 2027.
- The Federal Government budget year begins on October 1, 2026. Therefore, there could potentially be more reductions to Medi-Cal funding passed down to the states.
- The District is actively working toward qualifying for additional funding from the CalRHT Transformative Payments Program.
- The District will apply for the remaining \$7.3 million loan balance from the Distressed Hospital Loan Program (DHLP) of \$10 million administered by CHFFA. The District will submit the required paperwork to meet the loan criteria at the appropriate time.
- The District is currently in labor negotiations with the C.N.A. The other three bargaining units are operating under current MOUs.

Conclusion:

The District's budget assumes the low acute average daily census for FYE June 30, 2026 was an anomaly and will return to prior year levels. The SNFs should be able to meet its budgeted ADC of 92 for the new fiscal year. The District's Net Surplus (Loss) is budgeted to be **\$11.3** million compared to an estimated pre-audited net surplus of **\$11.2** million. The EBIDA target for the FY 2027 budget is **\$14.22** million (7.7%). The estimated FY 2026 pre-audit EBIDA is **\$14.05** million (8.1%). Due to the costly capital expenditure needs of the District, there is a budgeted net loss in cash flow of **\$5.2** million. The Days Cash on Hand would be **79.28** at year-end.

The District is budgeted to meet its Cal-Mortgage Bond requirements for the FYE June 30, 2027. The District should continue as a Critical Access Hospital in order to remain financially viable until an alternative strategy for growth can be implemented.

Income Statement Trend

Non-operating Revenue/Expense
Donations

Hazel Hawkins Memorial Hospital
Combined FY 2027
Income Statement Trend

	FY2027 July	FY2027 August	FY2027 September	FY2027 October	FY2027 November	FY2027 December	FY2027 January	FY2027 February	FY2027 March	FY2027 April	FY2027 May	FY2027 June	Total
Property Tax Revenue	284,101	284,101	284,101	284,101	284,101	284,101	284,101	284,101	284,101	284,101	284,101	284,101	3,409,218
Go Bond Prop Taxes	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	2,171,380
Go Bond Int Revenue\Expense	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(681,811)
Other Non-Oper Revenue	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	189,429
Other Non-Oper Expense	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(17,317)	(185,600)
Investment Income	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	618,000
Total Non-Operating Revenue/(Expense)	499,868	499,868	499,868	499,868	499,868	499,868	499,868	499,868	505,418	505,418	505,418	505,418	6,020,617
Net Surplus (Loss)	891,098	841,931	934,418	1,093,819	846,689	844,064	850,042	856,428	1,092,806	1,169,213	949,914	933,819	11,304,242

Acute FY 2027

Income Statement Trend

	FY2027 July	FY2027 August	FY2027 September	FY2027 October	FY2027 November	FY2027 December	FY2027 January	FY2027 February	FY2027 March	FY2027 April	FY2027 May	FY2027 June	Total
Acute Routine Revenue	3,951,684	3,817,729	3,775,867	3,842,845	3,708,890	3,884,706	3,918,195	3,541,446	3,683,773	3,968,428	3,934,939	3,809,356	45,837,857
SNF Routine Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Ancillary Inpatient Revenue	3,904,080	3,771,738	3,730,382	3,796,553	3,664,211	3,837,909	3,870,995	3,498,783	3,639,397	3,920,623	3,887,537	3,763,466	45,285,675
Hospitalists\Peds Inpatient Revenue	185,884	179,583	177,615	180,765	174,464	182,734	184,309	166,586	173,282	186,673	185,097	179,190	2,156,181
Total Gross Inpatient Revenue	8,041,648	7,769,051	7,683,863	7,820,163	7,547,565	7,905,349	7,973,499	7,206,815	7,496,452	8,075,724	8,007,573	7,752,012	93,279,713
Ancillary Outpatient Revenue	33,041,506	32,155,138	33,098,691	35,637,706	30,310,921	30,614,002	32,869,951	31,082,919	36,072,313	34,356,762	31,554,696	31,154,401	391,949,007
Hospitalists\Peds Outpatient Revenue	108,155	105,254	108,342	116,653	99,218	100,209	107,594	101,744	118,076	112,461	103,288	101,979	1,282,970
Total Gross Outpatient Revenue	33,149,661	32,260,392	33,207,033	35,754,359	30,410,138	30,714,211	32,977,545	31,184,663	36,190,389	34,469,223	31,657,984	31,256,380	393,231,977
Total Gross Patient Revenue	41,191,308	40,029,443	40,890,896	43,574,522	37,957,703	38,619,560	40,951,044	38,391,478	43,686,841	42,544,947	39,665,556	39,008,392	486,511,690
Medicare Contractual Allowances	11,795,727	11,313,009	11,859,699	12,578,193	10,669,737	10,809,270	11,626,923	11,193,954	12,810,356	12,383,359	11,108,806	11,070,617	139,219,653
Medi-Cal Contractual Allowances	11,806,500	11,323,479	11,870,394	12,739,590	10,779,665	10,869,371	11,737,634	11,003,996	12,821,782	12,394,487	11,119,181	11,080,820	139,546,897
Bad Debt Expense	1,090,268	1,067,977	1,084,504	1,135,990	1,028,230	1,040,928	1,085,658	1,036,552	1,138,145	1,116,238	1,060,996	1,048,388	12,933,874
Charity Care	56,754	55,153	56,340	60,037	52,298	53,210	56,423	52,896	60,192	58,619	54,652	53,746	670,317
Other Contractuals & Adjustments	5,227,509	5,080,059	5,189,385	5,529,957	4,817,140	4,901,134	5,197,018	4,872,189	5,544,211	5,399,297	5,033,879	4,950,480	61,742,253
Hospitalist\Peds Contractual Allowance	13,009	12,642	12,914	13,762	11,988	12,197	12,933	12,125	13,797	13,437	12,527	12,320	153,651
Total Deductions From Revenue	29,989,766	28,852,318	30,073,235	32,057,528	27,359,057	27,686,109	29,716,588	28,171,711	32,388,482	31,365,436	28,390,040	28,216,370	354,266,646
Net Patient Revenue	11,201,542	11,177,124	10,817,661	11,516,993	10,598,646	10,933,450	11,234,455	10,219,767	11,296,359	11,179,510	11,275,516	10,792,021	132,245,045
Other Operating Revenue	1,983,114	1,970,430	2,148,649	1,970,430	1,980,999	2,152,469	1,983,114	1,964,085	2,125,054	1,968,315	1,983,114	2,123,694	24,353,468
Net Operating Revenue	13,184,656	13,147,555	12,966,310	13,487,424	12,579,645	13,085,919	13,217,570	12,183,852	13,423,412	13,147,826	13,258,630	12,915,715	156,598,513
Salaries	4,744,042	4,782,820	4,618,713	4,789,465	4,625,783	4,794,852	4,850,873	4,343,445	4,853,644	4,688,079	4,858,272	4,698,541	56,648,529
Salaries\Contract	507,448	507,448	491,079	507,448	491,079	507,448	507,448	458,340	507,448	491,079	507,448	491,079	5,974,789
Benefits	2,129,896	2,128,186	2,043,856	2,093,309	1,997,778	2,015,070	2,161,555	1,950,917	2,162,188	2,092,783	2,161,096	2,091,910	25,028,544
ProFees	1,851,561	1,851,561	1,847,049	1,851,561	1,854,050	1,851,561	1,851,561	1,838,026	1,851,561	1,847,049	1,851,561	1,847,049	22,194,154
Supplies	1,225,247	1,258,719	1,268,372	1,303,326	1,159,153	1,333,575	1,307,181	1,169,807	1,259,219	1,258,345	1,288,405	1,225,741	15,056,091
PurchSvcS	1,325,305	1,325,305	1,291,576	1,325,305	1,291,576	1,325,305	1,210,102	1,108,916	1,210,102	1,176,373	1,210,102	1,176,373	14,976,340
RentLease	176,190	176,190	173,562	176,190	173,562	176,190	168,307	168,307	176,190	173,562	176,190	173,562	2,095,884
Depreciation	317,734	317,734	317,734	317,734	317,734	317,734	317,734	317,734	317,734	317,734	317,734	317,734	3,812,808
Interest	28,016	27,957	27,898	27,840	27,780	27,721	27,661	27,602	27,541	27,481	27,421	27,360	332,278
Other	605,942	546,562	559,970	615,235	400,630	502,345	542,080	503,159	553,218	485,080	495,719	502,041	6,311,980
Total Expenses	12,911,381	12,922,482	12,639,810	13,007,412	12,339,124	12,851,800	12,952,386	11,886,254	12,917,845	12,557,566	12,893,948	12,551,391	152,431,399
Net Operating Income (Loss)	273,275	225,072	326,500	480,012	240,520	234,119	265,184	297,598	505,567	590,260	364,682	364,324	4,167,111

Non-operating Revenue/Expense
Donations

Hazel Hawkins Memorial Hospital
Acute FY 2027
Income Statement Trend

	FY2027 July	FY2027 August	FY2027 September	FY2027 October	FY2027 November	FY2027 December	FY2027 January	FY2027 February	FY2027 March	FY2027 April	FY2027 May	FY2027 June	Total
Property Tax Revenue	241,486	241,486	241,486	241,486	241,486	241,486	241,486	241,486	241,486	241,486	241,486	241,486	2,897,835
Go Bond Prop Taxes	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	180,948	2,171,380
Go Bond Int Revenue\Expense	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(56,818)	(681,811)
Other Non-Oper Revenue	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	15,786	189,429
Other Non-Oper Expense	(13,457)	(13,457)	(13,457)	(13,457)	(13,457)	(13,457)	(13,457)	(13,457)	(9,144)	(9,144)	(9,144)	(9,144)	(144,236)
Investment Income	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	618,000
Total Non-Operating Revenue/(Expense)	461,112	461,112	461,112	461,112	461,112	461,112	461,112	461,112	465,425	465,425	465,425	465,425	5,550,597
Net Surplus (Loss)	734,387	686,184	787,613	941,124	701,633	695,231	726,296	758,710	970,992	1,055,685	830,108	829,749	9,717,711

Income Statement Trend

Donations

Hazel Hawkins Memorial Hospital
 Skilled Nursing FY 2027
 Income Statement Trend

	FY2027 July	FY2027 August	FY2027 September	FY2027 October	FY2027 November	FY2027 December	FY2027 January	FY2027 February	FY2027 March	FY2027 April	FY2027 May	FY2027 June	Total
Property Tax Revenue	42,615	42,615	42,615	42,615	42,615	42,615	42,615	42,615	42,615	42,615	42,615	42,615	511,383
Go Bond Prop Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Go Bond Int Revenue\Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Oper Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Oper Expense	(3,859)	(3,859)	(3,859)	(3,859)	(3,859)	(3,859)	(3,859)	(3,859)	(2,622)	(2,622)	(2,622)	(2,622)	(41,364)
Investment Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Operating Revenue/(Expense)	38,756	38,756	38,756	38,756	38,756	38,756	38,756	38,756	39,993	39,993	39,993	39,993	470,019
Net Surplus (Loss)	156,711	155,747	146,806	152,695	145,056	148,833	123,746	97,717	121,814	113,528	119,807	104,070	1,586,531

San Benito Health Care District
Budgeted Cash Flow
FYE June 30, 2027

Description	FY 2027												Total
	Budget July 2026	Budget August 2026	Budget September 2026	Budget October 2026	Budget November 2026	Budget December 2026	Budget January 2027	Budget February 2027	Budget March 2027	Budget April 2027	Budget May 2027	Budget June 2027	
Recurring Revenue	\$ 13,515,331	\$ 13,157,476	\$ 13,386,081	\$ 14,249,361	\$ 12,492,857	\$ 12,723,232	\$ 13,438,723	\$ 12,570,383	\$ 14,281,342	\$ 13,902,885	\$ 13,042,642	\$ 12,813,664	\$ 159,583,779
H.R. 1 Medicare & Medi-Cal Reductions	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Supplemental & Other Oper. Revenue	220,996	(7,893,658)	876,712	495,996	21,073,503	876,712	4,351,263	170,996	1,276,712	160,996	871,523	1,871,712	24,353,467
Total Cash Receipts	13,736,327	5,263,818	14,272,794	14,745,357	33,566,361	13,599,944	17,789,987	12,741,379	15,558,055	14,063,882	13,914,166	14,685,377	183,937,246
Operating Cash Disbursements	14,763,485	14,775,550	14,863,532	14,863,532	14,127,623	14,711,780	14,828,982	13,563,677	14,797,599	14,370,246	14,775,239	14,373,654	174,377,935
Defined Benefit Pension Funding	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,400,000
Operating Cash Flow	(1,227,158)	(9,711,732)	(363,764)	(318,176)	19,236,538	(1,311,836)	2,760,995	(1,022,298)	560,456	(506,364)	(1,061,073)	111,723	7,169,311
Other Non-Operating Revenue/Expenses:													
Property Taxes - Revenue	-	-	-	-	-	1,875,070	-	-	-	-	1,534,148	-	3,409,218
Donations	-	-	-	-	-	-	500,000	-	-	-	-	-	500,000
Investment Income	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	618,000
Capital Expenditures	(250,000)	(250,000)	(250,000)	(1,250,000)	(1,500,000)	(1,500,000)	(1,650,000)	(750,000)	(750,000)	(250,000)	(250,000)	(250,000)	(8,900,000)
Lab Remodel	-	-	-	-	-	-	(500,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(5,500,000)
2021 Revenue Bonds Expense	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(155,933)	(155,933)	(155,933)	(1,872,400)
Net Cash Flow	\$ (1,581,724)	\$ (10,066,299)	\$ (708,331)	\$ (1,672,742)	\$ 17,633,971	\$ (1,041,332)	\$ 1,006,428	\$ (2,876,865)	\$ (1,294,111)	\$ (1,860,798)	\$ (881,359)	\$ (1,242,711)	\$ (4,585,871)
% of Revenue	-12%	-191%	-5%	-11%	53%	-8%	6%	-23%	-8%	-13%	-6%	-8%	-2%
Beginning Cash Balance (June 2026)	\$ 43,064,101	\$ 41,432,377	\$ 31,316,078	\$ 30,557,747	\$ 28,835,006	\$ 46,418,977	\$ 45,327,644	\$ 46,284,072	\$ 43,357,208	\$ 42,013,096	\$ 40,102,299	\$ 39,170,940	\$ 43,064,101
Net Cash Flow	(1,581,724)	(10,066,299)	(708,331)	(1,672,742)	17,633,971	(1,041,332)	1,006,428	(2,876,865)	(1,294,111)	(1,860,798)	(881,359)	(1,242,711)	(4,585,871)
DHLP Funding - Loan (Separate Acct.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Usage of DHLP	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Repayment from Operational fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Ending Cash Balance	\$ 41,432,377	\$ 31,316,078	\$ 30,557,747	\$ 28,835,006	\$ 46,418,977	\$ 45,327,644	\$ 46,284,072	\$ 43,357,208	\$ 42,013,096	\$ 40,102,299	\$ 39,170,940	\$ 37,878,230	\$ 37,878,230

Net Decrease
Cost per Day
Days Cash on Hand

\$ 5,185,871
477,748
79.28

- A - The revenue we collect for providing patient services.
B - The Medicare sequestration increase and DSH reductions were not implemented. The Medi-Cal reductions were budgeted in Bad Debt Expense and a reduction to Supplemental payments.
C - Includes estimated reductions for Supplemental payments.
D - Cash outflow related to operational expenses for the District.
E - Funding for the frozen defined benefit pension plan per the actuary's 10-year funding schedule.
F - Property taxes received from the County.
G - Capital expenditures for non-DHLP projects and equipment.
H - Cal-Mortgage revenue bonds. The Measure L 2005 G.O. bond payments are not included since the funding is a passthrough for the District.
I - Payments for the \$2.7 million drawn from the DHLP. The District will apply for the remaining \$7.3 million in funding when the bid for the final phase of the lab remodel is accepted.

San Benito Health Care District

Budgeted Cash Flow - with DHLP Funding

FYE June 30, 2027

Description	FY 2027												Total
	Budget July 2026	Budget August 2026	Budget September 2026	Budget October 2026	Budget November 2026	Budget December 2026	Budget January 2027	Budget February 2027	Budget March 2027	Budget April 2027	Budget May 2027	Budget June 2027	
Recurring Revenue	\$ 13,515,331	\$ 13,157,476	\$ 13,396,081	\$ 14,249,361	\$ 12,492,657	\$ 12,723,232	\$ 13,438,723	\$ 12,570,383	\$ 14,281,342	\$ 13,902,885	\$ 13,042,642	\$ 12,813,664	\$ 159,583,779
H.R. 1 Medicare & Medi-Cal Reductions	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Supplemental & Other Oper. Revenue	220,996	(7,893,658)	876,712	495,996	21,073,503	876,712	4,351,263	170,996	1,276,712	160,996	871,923	1,871,712	24,353,467
Total Cash Receipts	13,736,327	5,263,818	14,272,794	14,745,357	33,566,161	13,599,944	17,789,987	12,741,379	15,558,055	14,063,882	13,914,166	14,685,377	183,937,246
Operating Cash Disbursements	14,763,485	14,775,550	14,426,558	14,863,532	14,127,623	14,711,780	14,828,992	13,563,677	14,797,599	14,370,246	14,775,239	14,373,654	174,377,935
Defined Benefit Pension Funding	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,400,000
Operating Cash Flow	(1,227,158)	(9,711,732)	(363,764)	(318,176)	19,238,538	(1,311,836)	2,760,995	(1,022,298)	560,456	(506,364)	(1,061,073)	111,723	7,159,311
Other Non-Operating Revenue/Expenses:													
Property Taxes - Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	1,875,070	-	-	-	-	1,534,148	-	3,409,218
Investment Income	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	500,000
Capital Expenditures	(250,000)	(250,000)	(250,000)	(1,250,000)	(1,500,000)	(1,500,000)	(1,650,000)	(750,000)	(750,000)	(250,000)	(250,000)	(250,000)	(8,900,000)
Lab Remodel see Usage of DHLP	-	-	-	-	-	-	-	-	-	-	-	-	-
2021 Revenue Bonds Expense	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(156,067)	(155,933)	(155,933)	(155,933)	(1,872,400)
Net Cash Flow	\$(1,581,724)	\$(10,066,299)	\$(708,331)	\$(1,672,742)	\$(17,633,971)	\$(1,041,332)	\$(1,506,428)	\$(1,876,865)	\$(294,111)	\$(850,798)	\$(118,641)	\$(242,711)	\$ 914,129
% of Revenue	-12%	-191%	-5%	-11%	53%	-8%	8%	-15%	-2%	-6%	1%	-2%	0%
Beginning Cash Balance (June 2026)	\$ 43,064,101	\$ 41,432,377	\$ 31,316,078	\$ 30,567,747	\$ 28,835,006	\$ 46,418,977	\$ 52,453,835	\$ 53,236,453	\$ 50,136,779	\$ 48,617,858	\$ 46,533,251	\$ 45,428,083	\$ 43,064,101
Net Cash Flow	(1,581,724)	(10,066,299)	(708,331)	(1,672,742)	17,633,971	(1,041,332)	1,506,428	(1,876,865)	(294,111)	(850,798)	118,641	(242,711)	914,129
DHLP Funding - Loan (Separate Acct.)	-	-	-	-	-	7,300,000	-	-	-	-	-	-	7,300,000
Usage of DHLP	-	-	-	-	-	-	(500,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(5,500,000)
Less: Repayment from Operational fund	50,000	50,000	50,000	50,000	50,000	223,810	223,810	223,810	223,810	223,810	223,810	223,810	1,816,867
Ending Cash Balance	\$ 41,432,377	\$ 31,316,078	\$ 30,567,747	\$ 28,835,006	\$ 46,418,977	\$ 52,453,835	\$ 53,236,453	\$ 50,136,779	\$ 48,617,858	\$ 46,533,251	\$ 45,428,083	\$ 43,961,563	\$ 43,961,563

Net Increase
Cost per Day
Days Cash on Hand

\$ 897,462
477,748
92.02

A - The revenue we collect for providing patient services.

B - The Medicare sequestration increases and DSH reductions were not implemented. The Medi-Cal reductions were budgeted in Bad Debt Expense and a reduction to Supplemental payments.

C - Includes estimated reductions for Supplemental payments.

D - Cash outflow related to operational expenses for the District.

E - Funding for the frozen defined benefit pension plan per the actuary's 10-year funding schedule.

F - Property taxes received from the County.

G - Capital expenditures for non-DHLP projects and equipment.

H - Cal-Mortgage revenue bonds. The Measure L 2005 G.O. bond payments are not included since the funding is a passthrough for the District.

I - Payments for the \$2.7 million drawn from the DHLP. The District will apply for the remaining \$7.3 million in funding when the bid for the final phase of the lab remodel is accepted.

SAN BENITO HEALTH CARE DISTRICT
CAPITAL EQUIPMENT FOR FISCAL YEAR ENDING JUNE 30, 2027

DEPARTMENT	FACILITY/DESCRIPTION	QTY	UNIT	AMOUNT	9/26	3/27	8/27	TOTAL 2027	TOTAL 2028	TOTAL 2029	TOTAL 2030	TOTAL 2031
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HOSPITAL/ACUTE

Intensive Care Unit	Monitors and Transport Monitors	4	27,047	108,188	27,047	27,047	27,047	108,188				
Med Surgical Unit	Vital Sign Monitors	18	3,412	61,416			61,416					
OB	Rapid Blood Infusion Pump	1	45,000	45,000	45,000			45,000				
OB	OR Lights in OB C-Section Operating Room	1	86,589	86,589	86,589			86,589				
OB	Hill Rom Specialty Birthing Beds	12	13,880	166,680					27,780	27,780	27,780	27,780
OB	Phillips Fetal Monitors	4	20,000	80,000				80,000				
OB	Phillip Avalon Telemetry Monitor Adaptors	2	12,000	24,000				24,000				
OB	TOTAL	20		402,269	131,589	67,780	24,000	67,780	27,780	27,780	27,780	27,780
Emergency Room	Stryker Gurneys	12	5,000	60,000	15,000	15,000	15,000	60,000				
Emergency Room	Gynnie Stretchers	4	6,300	25,200	6,300	6,300	6,300	25,200				
Emergency Room	Bedside Monitors	18	15,500	279,000	69,750	69,750	69,750	279,000				
Emergency Room	TOTAL	34		364,200	91,050	91,050	91,050	364,200				
Lab	Microscopes	1	20,000	20,000				20,000		200,000		100,000
Lab	Matrix-Assisted Laser Desorption/Ionization Time-of-Flight Analyzer	1	200,000	200,000								
Lab	Infectious Disease Analyzer	1	200,000	200,000								
Lab	Lab Middleware	1	100,000	100,000								
Lab	Hematology Analyzer	2	250,000	500,000				500,000				
Lab	Refrigerators and Freezers	2	20,000	40,000								
Lab	Bact Alert Analyzer	1	280,000	280,000				280,000				
Lab	Platelet Rotator	1	30,000	30,000				30,000				
Lab	Allergy Testing Analyzer	1	250,000	250,000					30,000			
Lab	Construction ROM Phase 3-4	1	7,770,000	7,770,000				7,770,000		250,000		
Lab	Urinalysis Analyzer	1	150,000	150,000							15,000	150,000
Lab	Centrifuge	2	15,000	30,000								
Lab	Blood Bank Analyzer	1	150,000	150,000				150,000				
Lab	CO ₂ Incubator	1	15,000	15,000						15,000		
Lab	Coagulation Analyzer	2	50,000	100,000								
Lab	Phlebotomy Handheld Devices and Printers for Electronic Identification	1	80,000	80,000				80,000				
Lab	TOTAL	20		9,915,000	860,000	40,000	7,800,000	150,000	480,000	235,000	250,000	100,000
Operating Room	OR/PACU Rebuild	1	7,000,000	7,000,000								
Operating Room	Towers/Light Sources for HHH OR	1	160,000	160,000				160,000		7,000,000		
Operating Room	Ligasure/Bovie	1	25,000	25,000				25,000				
Operating Room	HHH PACU Monitors	2	41,000	82,000				82,000				
Operating Room	Endoscopy Scopes Colonoscopes	3	66,250	198,750				198,750				
Operating Room	Endoscopy Scopes EGD	2	48,136	96,272				96,272				
Operating Room	GI Video System w/Monitors	2	59,000	118,000				118,000		240,000		
Operating Room	Stryker Power System 8 or 9 With Battery Packs	1	240,000	240,000								
Operating Room	Mizuho OSI Jackson Spine Table	1	150,000	150,000				150,000				
Operating Room	TE Flex Ultrasound System	1	54,600	54,600				54,600				
Operating Room	Surgical Beds	3	117,300	351,900				351,900				
Operating Room	TOTAL	18		8,476,522	150,000	764,886	321,636	1,236,522	7,000,000	240,000		
Recovery Room	PACU Monitors w/Capnography	10	30,000	300,000								300,000
Recovery Room	Gurneys	10	9,000	90,000					90,000			
Recovery Room	TOTAL	20		390,000					90,000			300,000

CAPITAL EQUIPMENT FOR FISCAL YEAR ENDING JUNE 30, 2027

DEPARTMENT		FACILITY/DESCRIPTION										QTY		AMOUNT		QUARTER ENDING				TOTAL		TOTAL		TOTAL																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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Radiology	Ultrasound Machine											1	200,000	200,000	200,000	200,000																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			</

SAN BENITO HEALTH CARE DISTRICT
CAPITAL EQUIPMENT FOR FISCAL YEAR ENDING JUNE 30, 2027

DEPARTMENT	FACILITY/DESCRIPTION	QTY	AMOUNT		QUARTER ENDING				TOTAL	2027	TOTAL	2028	TOTAL	2029	TOTAL	2030	TOTAL	2031
			UNIT	EXTENDED	9/26	12/26	3/27	6/27										
SNF																		
Plant Operations	Northside Dietary Swamp Cooler Replacement	2	40,000	80,000	40,000	40,000					80,000							
Plant Operations	Cooling Towers & Chillers	1	3,000,000	3,000,000		1,500,000	1,500,000				3,000,000							
Plant Operations	Air Handler System in conjunction with the OR Remodel *	1	1,500,000	1,500,000								1,500,000					1,500,000	
Plant Operations	Northside Remove and Replace Generator	1	2,000,000	2,000,000		100,000	200,000	300,000			600,000						1,400,000	
Plant Operations	TOTAL	5		6,580,000	40,000	1,640,000	1,700,000	300,000			3,680,000						2,900,000	
Northside/Southside Nursing	Accora Empressa Floor Beds-Low Height Beds	10	2,500	25,000	12,500	12,500					25,000							
Northside/Southside Nursing	Portable Vita Scan LT Bladder Scanner	1	15,000	15,000		15,000					15,000							
Northside/Southside Nursing	Arjo Maxi Move 5 Hoyer Patient Chair Lift	3	8,000	24,000	8,000	8,000	8,000				24,000							
Northside/Southside Nursing	Arjo Sara Flex Powered Sit-to-Stand Patient Chair Lift	3	6,000	18,000	6,000	6,000	6,000				18,000							
Northside/Southside Nursing	GE Carescape VC150 Portable Vital Sign Stations	5	5,600	28,000	11,200	5,600	11,200				28,000							
Northside/Southside Nursing	TOTAL	22		110,000	37,700	47,100	25,200				110,000							
SNF TOTAL																		
		27		6,690,000	77,700	1,687,100	1,725,200	300,000			3,790,000						2,900,000	
DISTRICT TOTAL																		
		1,411		44,960,956	5,090,720	2,629,279	11,655,359	1,346,513			20,721,871			14,254,745			3,786,780	3,362,780

July 14, 2026

Hazell Hawkins Memorial Hospital
91 Sunset Dr
Hollister, CA, 95023

Attn: **Tim Von Urff**

RE: Hazell Hawkins- MTCAP

Dear **Hazell Hawkins Associates**,

RDL Construction Inc. is pleased to submit our Budget Proposal for the work planned at **911 Sunset Dr. in Hollister, CA**. We have based our pricing per the **Hazell Hawkins Memorial Hospital Testing for MTCAP**. drawings prepared by **Chuang-Ming-Liu with Treanor** structural engineering, and MEP engineering dated **12/22/25** and subsequent efforts to clarify scope of work outside the drawings, including one **Job walk on 7/1/26** and an **RFI #1 on 6/26/26**.

Based on our understanding of the project's scope and material lead-times available, we expect completion of the work should be achievable in approximately **3 weeks**. Schedule is based on no significant weather or material delays or phasing of the work.

We hope this information assists you with the selection of RDL Construction for this **Hazell Hawkins Hospital MTCAP**, and we look forward to the opportunity to assist you with additional projects in the future.

I. Inclusions and Pricing:

- **Contractors General Requirements Including:**
 - Supervision & Daily clean-up
 - Safety and first aid supplies
 - Small tools & equipment
 - Superintendent Truck, Cell Phone & Computer
 - Temporary enclosures to isolate work areas
 - Cover and protect registers and fire alarm devices
 - Temp. toilets
 - Final clean up
 - *No jobsite trailer included. Assumed that GC will be provided space within the existing building to use as a construction office.*
- **Demolition:**
 - Demo walls and ceilings per plans at mandatory sample locations noted in red.
- **Rough Carpentry:**
 - Remove and replace 16- 4x8x1/2" CDX plywood
 - Remove and replace 2 roof rafters for access
- **Roofing:**
 - Demo existing roof membrane down to wood deck, layout of demo to be completed by the GC.
 - Patch back roofing with Tremco products to keep existing warranty in place.
- **Metal Stud Framing & Drywall:**
 - All work is figured on straight time in a standard construction sequence M-F
 - Pricing is based on Treanor drawings dated 10/31/25
 - Patch/refinish drywall on wall & ceilings after exploration
 - Match existing finish

- Equipment for our work
- Stock & scrap
- **T-Bar Ceiling:**
 - Patch and repair glued on tile at test locations
 - Normal business hours only
 - ACT-1 Armstrong Fine Fissured 1'x1' glue up tile – attached directly to existing substrate
 - Patch and repair approx. 183 SF of the existing ACT-1 ceiling system listed above –NEW TILE USED WILL NOT MATCH EXISITING – EXISITNG TILE DISCONTINUED
- **Painting:**
 - Paint areas affected by construction
 - Touch up to be corner to corner
- **Fire Alarm:**
 - Not included. FA scope carried by Owner.

Total Lump Sum Cost: \$ 164,436.00

II. Changes in Work:

Any additional or changed work from the specific inclusions described above can be added to the Lump Sum contract via approved Prime Change Orders. RDL labor costs, general requirement costs, overhead & profit, and insurance costs will be included in each Prime Change Order per the following:

- Overhead and Profit included at 10% of RDL and subcontractor costs.
- General Requirements included at 5% of RDL and subcontractor costs. If specific General Requirements are to be necessary beyond the standard 5%, specific costs will be identified separately on a case-by-case basis.
- General Liability Insurance included at 1.5% of total change order costs.
- RDL Labor Rates:

	<u>Hourly Rate</u>
Project Executive	\$ 160.00
Project Manager	\$ 150.00
Estimator	\$ 150.00
Assistant PM	\$ 115.00
Project Engineer	\$ 95.00
General Superintendent	\$ 140.00
Superintendent	\$ 135.00
Safety Officer	\$ 115.00
Carpenter Foreman	\$ 105.00
Laborer Foreman	\$ 95.00
Laborer	\$ 85.00
Project Admin	\$ 85.00
Project Accountant	\$ 105.00

III. Alternates adds and deducts: *See Bid Form for proposed and included Alternates.*

1. *Add for secondary sample location. ADD \$ 204,152.00*

IV. RDL Project Team:

Project Executive	Rick Leisinger
Project Manager	TBD
Estimator	Ryan Murphy
Assistant PM	TBD
Project Engineer	Devin Leisinger
General Superintendent	TBD
Superintendent	TBD
Safety Officer	TBD
Carpenter Foreman	TBD
Laborer Foreman	TBD
Laborer	TBD
Project Admin	TBD
Project Accountant	Patty Kocher

V Project Schedule

Approximately **2-3 weeks** of Construction.

VI Qualifications:

- This bid is based upon drawings by **Chuang-Ming- Liu, Treanor Design** dated **12/22/25** supplied for pricing. We are not responsible for any omissions, inadequacies, or discrepancies in these plans which may affect the cost of construction or our contract.
- Many materials continue to see cost escalations on a weekly or monthly basis. We have striven to include any known escalations in the base bid, but not everything will be known at this time. RDL reserves the right to re-price materials at time of contract award if such time extends beyond two weeks of this bid proposal.
- Environmental Management Programs are not included.
- MBE, DVE, WBE DVBE or any disadvantage Goals are not included.
- Liquidated Damages are not included.
- Permits and permit fees are not included. Any fees paid by RDL will be treated as a reimbursable expense via Prime Change Order.
- Fire Alarm Systems are not included, unless specifically included above.
- Survey fees are not included.
- Soils testing and reports are excluded.
- Any shoring is hereby excluded.
- Engineering for shoring is excluded.
- Polished concrete is excluded.
- Sufficient construction parking on-site must be provided to RDL & Subcontractors at no additional cost.
- No jobsite trailer included. It is assumed that RDL will be provided with space within the existing building to use as a construction office.
- Project Electrical and Water usage is to be provided at no cost from the existing building utilities.
- Project supervision and project management costs are based on a **3 weeks** construction schedule. Any extension of this schedule at no fault of RDL may lead to additional costs.
- Special Inspection costs are not included.
- Hazardous material handling, testing, or abatement is excluded, including but not limited to Asbestos and lead.
- Bid based on a mutually acceptable contract and schedule.

- Excludes any window coverings.
- Excludes all branding signage.
- Pricing is good for **30 days** from the date of this proposal, unless specified otherwise above.
- Any work outside of what is specifically included above is excluded.

RDL Construction Inc. wishes to thank you for the opportunity to participate on this project. If you have any questions or need additional information on this proposal, please do not hesitate to call or email.

Sincerely,



Ryan Murphy
RDL Construction Inc.
rmurphy@rdlconstruction.com
(408) 316-9709

#	CSI	Description	Progress Budget	Notes
1	01500	Pre-Construction Administration & Management	\$ 4,140	
2	01500	General Requirements	\$ 21,078	
3	01600	Construction Staking / Survey (Allowance)	\$ -	
4	01800	Final Clean-Up	\$ -	
5	02100	Demolition	\$ 10,252	
6	02150	Landscaping & Irrigation	\$ -	
7	02700	Grading, Paving & Site Utilities	\$ -	
8	02700	Underground Utilities	\$ -	
9	02800	Site Concrete	\$ -	
10	02900	Striping & Signs	\$ -	
11	03300	Structural Concrete	\$ -	
12	04200	Masonry	\$ -	
13	05100	Structural Steel & Misc Metals	\$ -	
14	06200	Rough Carpentry	\$ 13,133	
15	06400	Millwork & Stone Counters (Allowance)	\$ -	
16	07200	Insulation	\$ -	
17	07400	Roofing	\$ 17,768	
18	07600	Architectural Sheet Metal	\$ -	
19	08100	Doors, Frames & Hardware	\$ -	
20	08300	Roll-Up Doors	\$ -	
21	08800	Glass & Glazing	\$ -	
22	09100	Metal Stud Framing & Drywall	\$ 34,850	
23	09200	Plaster Finish	\$ -	
24	09300	Ceramic Tile	\$ -	
25	09500	Acoustical Ceilings	\$ 13,967	
26	09600	Floor Covering	\$ -	
27	09900	Painting	\$ 7,589	
28	10400	ACM Panels	\$ -	
29	10520	Specialties & Accessories	\$ -	
30	11030	FE's & Cabinets	\$ -	
31	15300	Fire Sprinklers	\$ -	NIC
32	15200	Plumbing	\$ -	NIC
33	15400	HVAC	\$ -	NIC
34	16000	Electrical	\$ -	NIC
35	16400	Fire Alarm	\$ -	NIC
36			\$ -	
37			\$ -	
38			\$ -	
39			\$ -	
40			\$ -	
Accepted Allowances				
Subtotal Construction Cost			\$ 122,777	
1	Project Management / Field Supervision		\$ 27,540	
2	Special Inspection		By Owner NIC	
3	Soil Testing/Analytics		By Owner NIC	
4	Permit & City Fees (allowance)		\$ -	
5	Suggested Construction Contingency		0.00% \$ -	
6	General Liability Insurance		1.50% \$ 1,842	
7	Overhead / Profit		10.00% \$ 12,278	
Total Project Cost			\$ 164,436	

ALTERNATES

1	Add for Secondary Locations	\$ 204,152
2		
3		