



EL CENTRO REGIONAL MEDICAL CENTER
BOARD OF TRUSTEES – REGULAR MEETING

MONDAY, NOVEMBER 27, 2023
5:30 PM

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

PRESIDENT: Tomas Oliva

MEMBERS: Sylvia Marroquin; Martha Cardenas-Singh; Edgard Garcia; Sonia Carter; Patty Maysent-CEO, UCSD Health; Christian Tomaszewski-M.D.-CMO, UCSD; Pablo Velez-CEO ECRMC

CLERK: Belen Gonzalez

ATTORNEY: Elizabeth Martyn, City Attorney

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

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

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

Join Zoom Meeting: <https://ecrmc.zoom.us/j/81801854045?pwd=RE9g0CHrZzpermLX89oJcjOuWi8QTM.1>

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

Meeting ID: 818 0185 4045 **Passcode:** 742963

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

OPEN SESSION AGENDA

ROLL CALL:

PLEDGE OF ALLEGIANCE:

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

BOARD MEMBER COMMENTS:

CONSENT AGENDA: *(Item 1-3)*

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

1. Review and Approval of Board of Trustees Minutes of Regular Meeting of October 30, 2023.
2. Monthly Human Resources Statistical Update for October 2023—**Informational** *(Board Finance)*

3. Review and Approval of ECRMC Board of Trustees Meeting Schedule 2024.

OLD BUSINESS:

4. Review and Approval of Amendment No.1 to Letter of Intent (LOI) between El Centro Regional Medical Center (ECRMC), the City of El Centro, and the University of California San Diego Health (UCSD) for Interim Management and Operations of the Hospital to extend for an additional six month period commencing November 27, 2023.

FINANCE and OPERATIONAL UPDATE

5. ECRMC Retirement Income Plan—**Informational** (*Presentation by Steve J. Persons*) (*Board Finance*)
6. Presentation of Financial Statements for Month and Year-to-Date as of October 2023 (*Board Finance*)
7. Presentation of Current Weekly Cash Budget—**Informational** (*Board Finance*)
8. Update of FYE 2023 Audit Work —**Informational**

CHIEF EXECUTIVE OFFICER UPDATE

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

RECESS TO CLOSED SESSION:

- HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES.** The Hospital Board will recess to closed session pursuant to Government Code Section 37624.3 for a hearing and/or deliberations concerning reports of the ___ hospital medical audit committee, or X quality assurance committees, or X staff privileges.
- TRADE SECRETS.** The Hospital Board will recess to closed session pursuant to Govt. Code Section 37606(b) for the purpose of discussion and/or deliberation of reports involving hospital trade secret(s) as defined in subdivision (d) of Section 3426.1 of the Civil Code and which is necessary, and would, if prematurely disclosed create a substantial probability of depriving the hospital of a substantial economic benefit:

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

- CONFERENCE WITH LEGAL COUNSEL—**The Hospital Board will recess to closed session pursuant to Government Code Section 54956.9(d)(2) and 54956.9(d)(4).

RECONVENE TO OPEN SESSION – BOARD PRESIDENT

ANNOUNCEMENT OF CLOSED SESSION ACTIONS, IF ANY – GENERAL COUNSEL

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

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



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

Zoom Meeting link: <https://ecrmc.zoom.us/j/83074246809?pwd=EqnY6TYTvrRGdglkgBn9wTObeXY8Min.1>

Monday, October 30, 2023

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ROLL CALL	<p>PRESENT: Oliva; Marroquin; Cardenas-Singh; Garcia; Carter; Maysent; Tomaszewski; Chief Executive Officer Pablo Velez and Executive Board Secretary Belen Gonzalez</p> <p>ABSENT: -</p> <p>ALSO PRESENT: Sunny Richley, M.D., Chief of Staff;</p> <p>VIA Zoom: City of El Centro Manager Cedric Ceseña; Outside General Counsel Hope Levy-Biehl; Special Counsel Samuel R. Maizel, Dentons US LLP</p>	
CALL TO ORDER		The Board of Trustees convened in open session at 5:34 p.m. Board President Oliva called the meeting to order.
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.	None
NOTICE OF MEETING	Notice of meeting was posted and mailed consistent with legal requirements.	None
PUBLIC COMMENTS	<i>Antonio Ramos</i> - Explained to the Board of Trustees that he submitted a claim and two (2) letters to the Board of	None

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
	Trustees and to the City of El Centro. He asked that the Board of Trustees consider the two letters submitted and his claim for compensation.	
BOARD MEMBER COMMENTS		None
CONSENT AGENDA: <i>(Item 1-2)</i> Item 1. Review and Approval of Board of Trustees Minutes of SPECIAL Meeting of September 14, 2023. Item 2. Review and Approval of Board of Trustees Minutes of September 27, 2023.	All items appearing here were acted upon for approval by one motion (or as to information reports, acknowledged receipt by the Board and directed to be appropriately filed) without discussion.	MOTION: by Maysent, seconded by Cardenas-Singh and carried to approve the Consent Agenda. All present in favor; none opposed.
FINANCE and OPERATIONAL UPDATE Item 3. Presentation of Financial Statements for Month and Year-to-Date as of September 2023	David Momberg provided an overview and summary of the Financial Statements for Month and Year-to-Date as of September 2023.	MOTION: by Carter, seconded by Maysent and carried to approve the Financial Statements for Month and Year-to-Date as of September 2023. All present in favor; none opposed.
Item 4. Presentation of Current Weekly Cash Budget—Informational	David Momberg presented the current weekly cash budget handout and answered questions.	Informational
CHIEF EXECUTIVE OFFICER UPDATE	Item to be discussed in Closed Session Pablo Velez introduced Kimberly Probus as the new Chief Nursing Officer.	Informational

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
Item 5. Verbal Report from the CEO to the Board of Trustees— Informational		
Item 6. Manager Update—Patty Maysent—Informational	Item to be discussed in Closed Session	Informational
RECESS TO CLOSED SESSION		<p>MOTION: by Marroquin, seconded by Cardenas-Singh and carried to recess to Closed Session at 6:06 p.m. for HEARING/ DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES, TRADE SECRETS, and CONFERENCE WITH LEGAL COUNSEL.</p> <p>All present in favor to recess to Closed Session. None opposed.</p>
RECONVENE TO OPEN SESSION		The Board of Trustees reconvened to Open Session at 7:32 p.m.
ANNOUNCEMENT OF CLOSED SESSION ACTIONS		<p>[A. HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES— GOVERNMENT CODE SECTION 37624.3]</p> <p>MOTION: by Cardenas-Singh, seconded by Maysent and carried to approve the Report of Medical Executive Committee’s</p>

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
		Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff. All present in favor; none opposed
ADJOURNMENT		There being no further business, meeting was adjourned at approximately 7:32 p.m.

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT



TO: HOSPITAL BOARD MEMBERS
FROM: Luis Castro, Chief Human Resources Officer
DATE: November 27, 2023
COMMITTEE: Finance Committee

SUBJECT: Statistical data for the Human Resources Department for the month of October 2023

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

BACKGROUND/DISCUSSION:

Report includes statistical data such as total number of new hires, total number of separations, workers compensation data, and turnover percentages. Data is compared to the previous month; as well as the same month last year.

RECOMMENDATION: Informational only.

ATTACHMENT(S):

- 2023 11 – November Finance Committee Report

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Velazquez



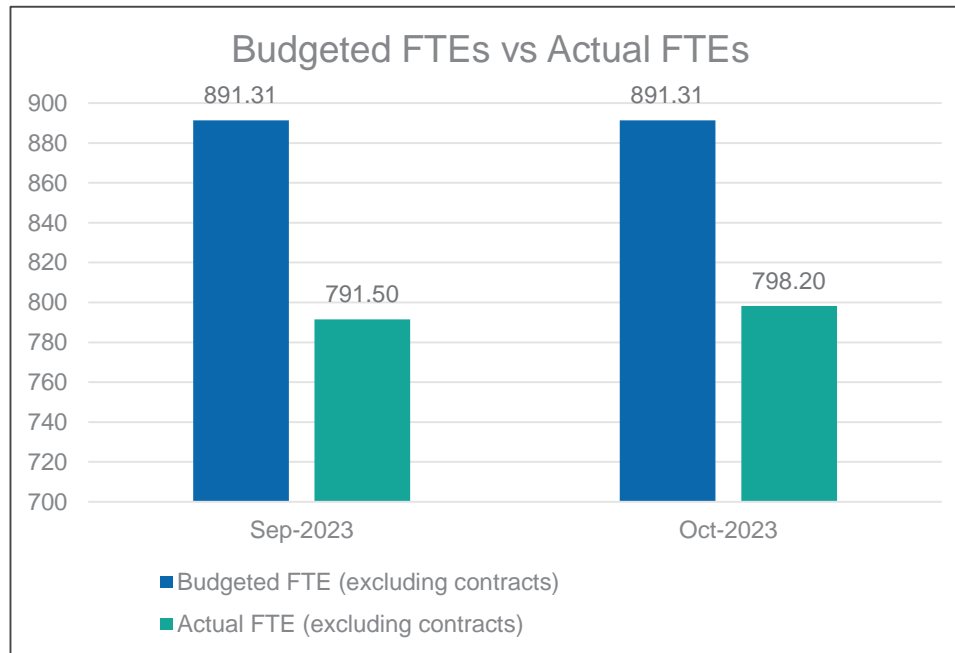
Human Resources Report

November 2023

Manpower

Manpower	September 2022	October 2022	September 2023	October 2023
Full Time Employee Head Count	865	864	764	769
Part Time Employee Head Count	50	55	47	49
Per Diem Employee Head Count	156	158	124	127
Budgeted FTE	1,031	1,031	891.31	891.31
Actual FTE	898.9	902.5	791.5	798.2

This data represents a comparison of current ECRMC full-time, part-time, and per-diem employees to the prior month and the prior year.



Statistics

Statistics	September 2022	October 2022	September 2023	October 2023
Total New Hires	19	32	7	24
New Hires (RN only)	1	3	3	4
New Hires (LVN only)	2	4	0	0
New Hires (Nurse Intern / Resident)	0	0	0	0
Total Separations	15	15	18	14
Separations (RN only)	4	3	1	2
Voluntary Separations (RN only)	3	3	1	2
Total Open Positions	45	48	31	23
Litigation	1	1	0	0
Total No. of Employees on Leave	49	48	47	44
*Employees on Maternity Leave	18	14	7	9

This data represents the number of new employees hired during the reporting period, employees separated during the period and the number of open jobs at the Medical Center. Additionally, we also capture the number of HR related law suits in process in this chart. Note: These numbers are drawn from different points in the month, so they are independent from the data depicted in other charts.

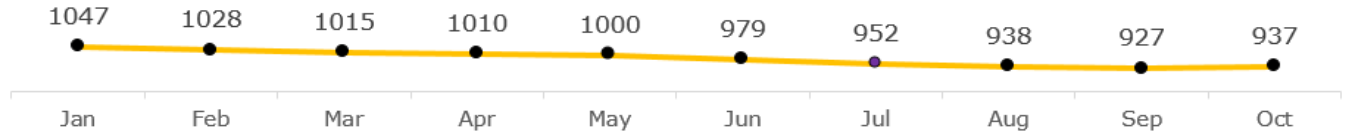
** This number is included in "Employees on Leave" calculation section*

EMPLOYEE RETENTION DASHBOARD

2023

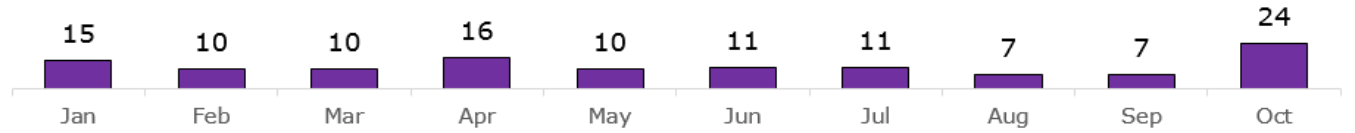
ACTIVE EMPLOYEES

937



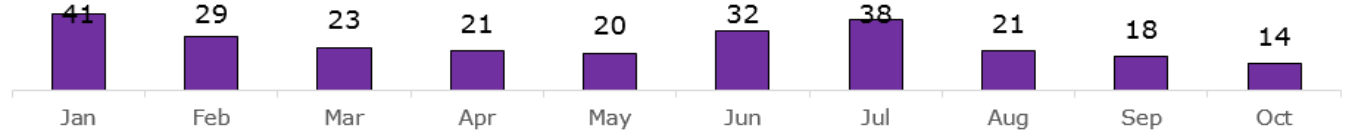
HIRES

121



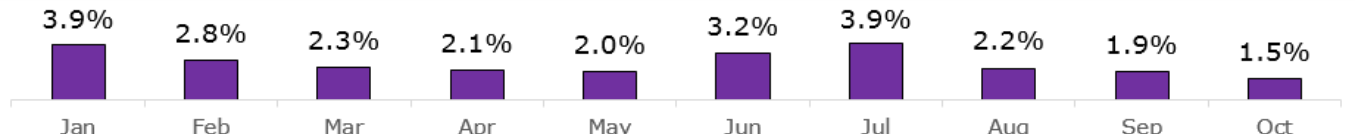
EXITS

257



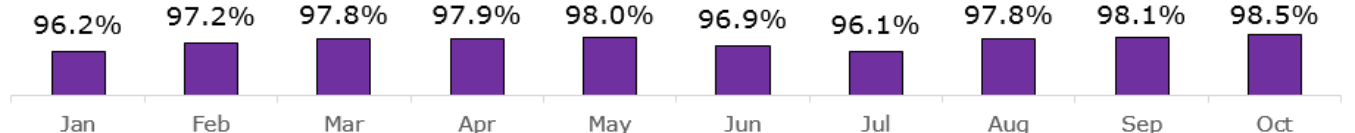
TURNOVER RATE

26.1%



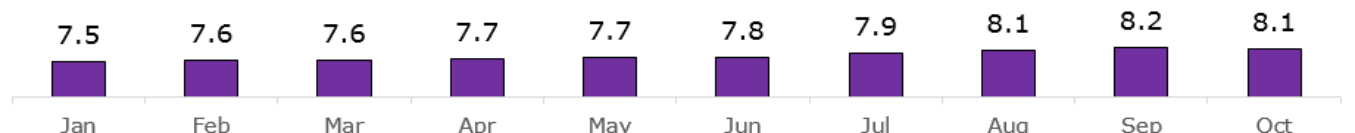
RETENTION RATE

78.5%



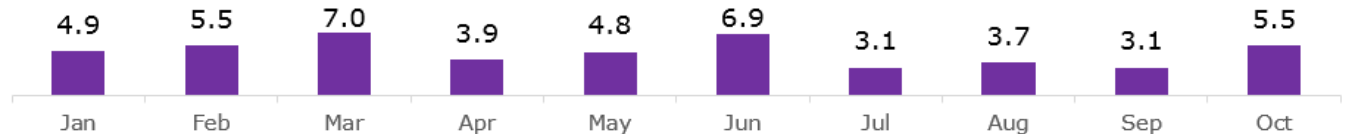
AVG. TENURE (YRS)

8.1



AVG. TENURE (YRS) OF EXITS

4.9

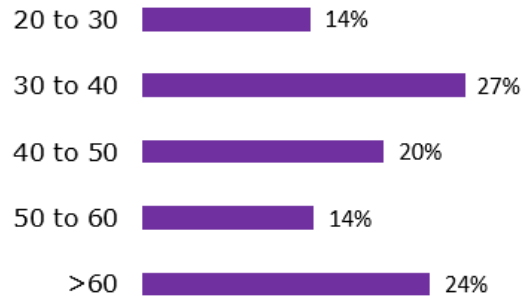


EL CENTRO REGIONAL MEDICAL CENTER SNAPSHOT DASHBOARD

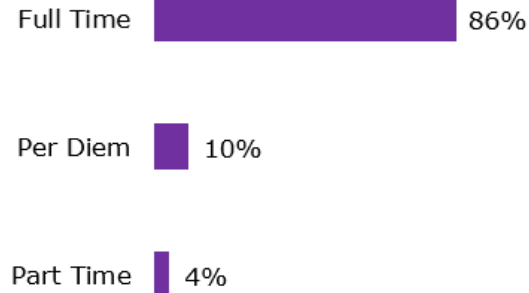
Employees

937

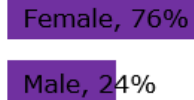
AGE



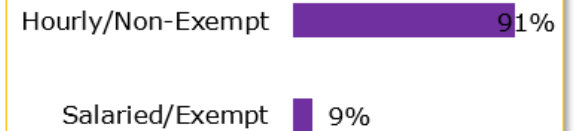
JOB TYPE



GENDER



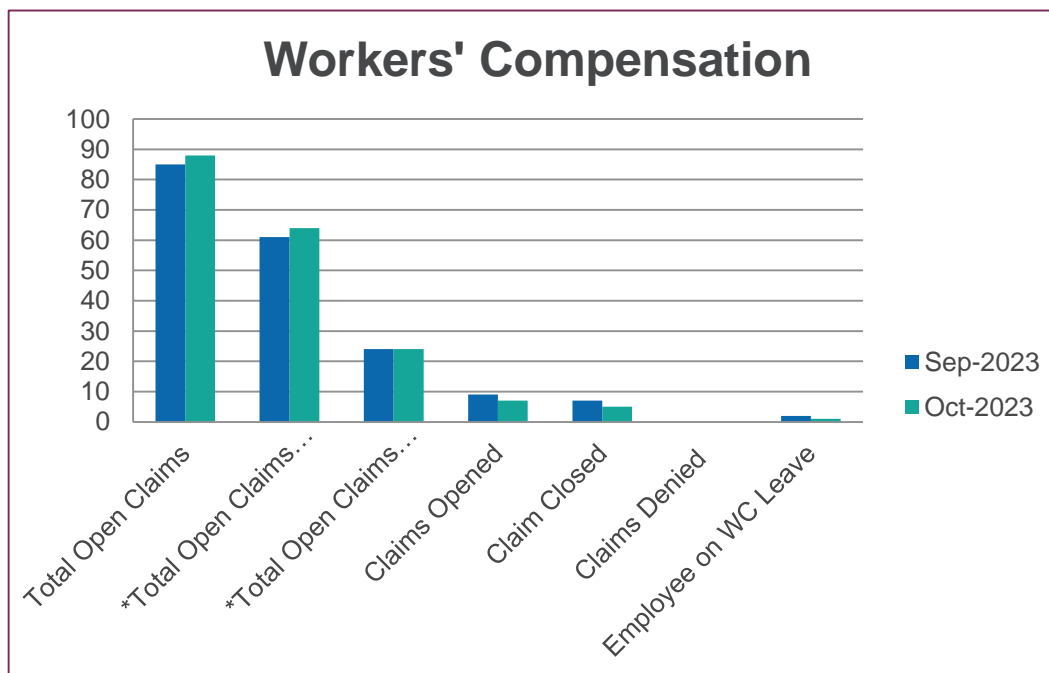
JOB CATEGORY



Workers' Compensation

Workers' Compensation	September 2023	October 2023
Total Open Claims	85	88
*Total Open Claims (Active Employees)	61	64
*Total Open Claims (Separated Employees)	24	24
Claims Opened	9	7
Claims Closed	7	5
Claims Denied	0	0
Employees on WC Leave	2	1

- This number is included in "Total Open Claims" row



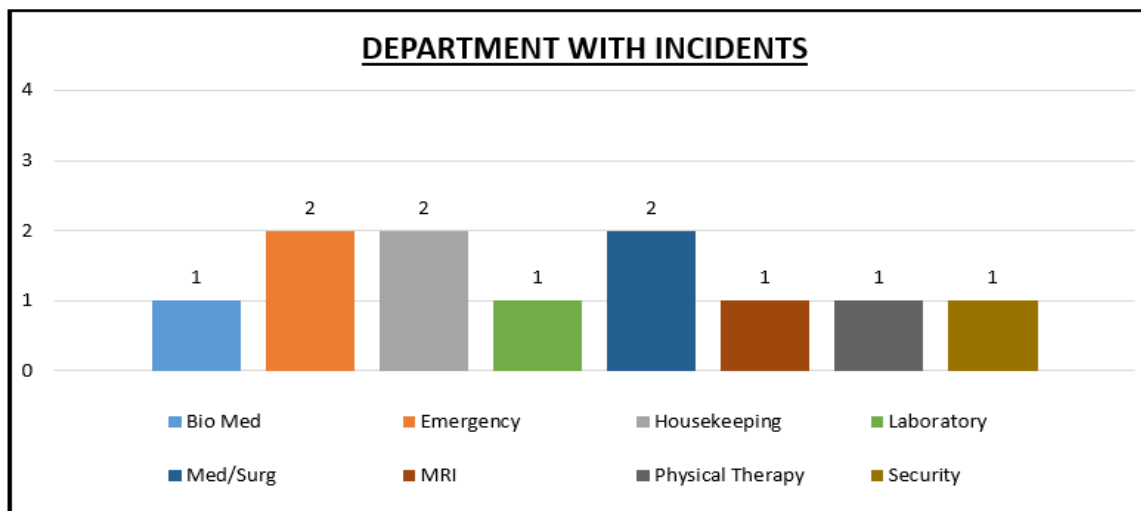
Workers' Compensation

	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
TOTAL INCIDENTS	7	14	11	15	14	11
TOTAL REPORTABLE	5	9	6	7	9	8
NOT REPORTED TO Athens	2	5	5	8	5	3
DEPT W/HIGHEST INJURIES	Med/Surgical	EVS	Maintenance	EVS	ER	ER / EVS

REPORTED INCIDENTS

1	Slip and fall, right knee/left eye	1	Cut to right thumb
2	Back strain	1	Bodily fluid to left eye
1	Right arm strain	1	Melasma to face
1	Left knee strain	1	Bodily fluid to face/eyes/nose
1	Annual TB Conversion	1	Hit to right forearm


DEPARTMENT WITH INCIDENTS



THANK YOU

EL CENTRO REGIONAL MEDICAL CENTER

Board of Trustees Meeting Schedule 2024

	HOSPITAL BOARD MEETING 4th Monday*	FINANCE COMMITTEE Wednesday, Week Before Board Meeting*	BOARD QUALITY & EXPERIENCE COMMITTEE Monday, Week Before Board Meeting*
JANUARY	January 22 MOB Conference Rooms 5:30 PM	January 17 MOB Conference Rooms 5:30 PM	January 16 MOB Conference Rooms 5:30 PM
FEBRUARY	February 26 MOB Conference Rooms 5:30 PM	February 21 MOB Conference Rooms 5:30 PM	February 20 MOB Conference Rooms 5:30 PM
MARCH	March 25 MOB Conference Rooms 5:30 PM	March 20 MOB Conference Rooms 5:30 PM	March 18 MOB Conference Rooms 5:30 PM
APRIL	April 22 MOB Conference Rooms 5:30 PM	April 17 MOB Conference Rooms 5:30 PM	April 15 MOB Conference Rooms 5:30 PM
MAY	May 28 MOB Conference Rooms 5:30 PM	May 22 MOB Conference Rooms 5:30 PM	May 20 MOB Conference Rooms 5:30 PM
JUNE	June 24 MOB Conference Rooms 5:30 PM	June 20 MOB Conference Rooms 5:30 PM	June 17 MOB Conference Rooms 5:30 PM
JULY	July 22 MOB Conference Rooms 5:30 PM	July 17 MOB Conference Rooms 5:30 PM	July 15 MOB Conference Rooms 5:30 PM
AUGUST	DARK	DARK	DARK
SEPTEMBER	September 23 MOB Conference Rooms 5:30 PM	September 18 MOB Conference Rooms 5:30 PM	September 16 MOB Conference Rooms 5:30 PM
OCTOBER	October 28 MOB Conference Rooms 5:30 PM	October 23 MOB Conference Rooms 5:30 PM	October 21 MOB Conference Rooms 5:30 PM
NOVEMBER	November 25 MOB Conference Rooms 5:30 PM	November 20 MOB Conference Rooms 5:30 PM	November 18 MOB Conference Rooms 5:30 PM
DECEMBER	December 19 MOB Conference Rooms 5:30 PM	DARK	DARK

The meeting schedule is according to the regularly scheduled monthly meeting dates and times established by the Board and Committees. **All meetings will be at the Medical Office Building located at 1271 Ross Avenue, El Centro, California. *DATES SUBJECT TO CHANGE**

**AMENDMENT NO. 1
TO THE LETTER OF INTENT WITH THE EL CENTRO REGIONAL MEDICAL CENTER
AND THE UNIVERSITY OF CALIFORNIA SAN DIEGO HEALTH FOR
INTERIM MANAGEMENT AND OPERATIONS**

This is Amendment No. 1 to that certain Letter of Intent with the El Centro Regional Medical Center and the University of California San Diego Health dated February 27, 2023, as extended to May 27, 2023, and again extended to November 27, 2023 (the "LOI").

The Parties agree as follows:

1. Section 4 of the LOI is amended to read as follow: The term of this LOI shall be extended for an additional six month period commencing November 27, 2023 and thereafter may be extended for an additional six month period with the written consent of the City Manager, the Hospital Chief Executive Officer and the CEO of UCSD Health.

2. All other terms and conditions of the LOI shall remain the same.

El Centro Regional Medical Center

City of El Centro

By: _____
Tomas Oliva, President

By: _____
Martha Cardenas Singh, Mayor

Dated: _____

Dated: _____

Regents of the University of California
On Behalf of UC San Diego Health

By: _____
Patricia S. Maysent
CEO, UCSD Health

Dated: _____

**CITY OF EL CENTRO RESOLUTION NO. 23- AMENDMENT NO. 1
EXTENDING THE LETTER OF INTENT WITH ECRMC AND UCSD
HEALTH FOR INTERIM MANAGEMENT;**

EXTENDING THE LETTER OF INTENT:

November 27, 2023- SIX (6) MONTHS

RESOLUTION NO. 23-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CENTRO AMENDMENT
NO. 1 EXTENDING THE LETTER OF INTENT WITH EL CENTRO REGIONAL
MEDICAL CENTER AND THE UNIVERSITY OF CALIFORNIA SAN DIEGO HEALTH
FOR INTERIM MANAGEMENT

WHEREAS, pursuant to the Letter of Intent (LOI), between the City, ECRMC and UCSD, UCSD has provided Interim Management and Operations since February 27, 2023; and

WHEREAS, the LOI is intended to meet the needs of the public for ongoing availability and quality of healthcare services and to support the Hospital workforce; and

WHEREAS, the LOI previously was extended for 6 months to November 27, 2023, and all parties now agree that it needs to be extended on the same terms and conditions for an additional 6-month period; and

WHEREAS, the City Council finds that its approval of the extension of the LOI is in the best interests of the City, its residents, those who require healthcare, and the staff and physicians at the Hospital.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CENTRO, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the City Council does hereby approve an additional 6-month extension of LOI which extension is incorporated in Exhibit "A", a copy of which is on file in the office of the City Clerk.
3. That the Mayor is authorized to sign Amendment No. 1 to the LOI and the City Manager or designee hereby is authorized to take all steps necessary to implement it.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of El Centro, California held on the 21st day of November, 2023.

CITY OF EL CENTRO

By: _____
Martha Cardenas-Singh, Mayor

ATTEST:

By: _____
Norma Wyles, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

By: _____
Elizabeth L. Martyn, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) ss
CITY OF EL CENTRO)

I, Norma Wyles, City Clerk of the City of El Centro, California, do hereby certify that the foregoing Resolution No. 23- was duly and regularly adopted at a regular meeting of the City Council of the City of El Centro, California, held on the 21st day of November, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

By: _____
Norma Wyles, City Clerk

**CITY OF EL CENTRO RESOLUTION NO. 23- APPROVING THE
EXTENSION OF THE LETTER OF INTENT WITH ECRMC AND
UCSD HEALTH FOR INTERIM MANAGEMENT AND OPERATIONS
WHILE AN OPERATIONS AND ADMINISTRATION SUPPORT
AGREEMENT IS DEVELOPED;**

EXTENDING THE LETTER OF INTENT:

May 27, 2023- SIX (6) MONTHS

RESOLUTION NO. 23-____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CENTRO APPROVING THE EXTENSION OF THE LETTER OF INTENT WITH EL CENTRO REGIONAL MEDICAL CENTER AND THE UNIVERSITY OF CALIFORNIA SAN DIEGO HEALTH FOR INTERIM MANAGEMENT AND OPERATIONS WHILE AN OPERATIONS AND ADMINISTRATION SUPPORT AGREEMENT IS DEVELOPED

WHEREAS, there have been a number of financial issues at El Centro Regional Medical Center and a need for consistent leadership and operational control with the ultimate authority of the City and ECRMC;

WHEREAS, therefore the Parties to the Letter of Intent (LOI) have discussed how to put in place interim assistance for the Hospital, while negotiating a longer-term Operations and Administrative Support Agreement consistent with the provisions of Federal, state and local law, City ordinances and the ECRMC bylaws; and

WHEREAS, the LOI sets out that interim management and operations approach and has a 3-month term; and

WHEREAS, the City's role under the LOI is consistent with its powers and responsibilities as to ECRMC; and

WHEREAS, the LOI is intended to meet the immediate needs of the public for ongoing availability and quality of healthcare services and to support the Hospital workforce while the Parties negotiate the Operations and Administrative Support Agreement and work with the bondholder, Preston-Hollow; and

WHEREAS, that 3-month term has proven to be too short to accomplish the list of deliverables set out in the letter of intent and therefore all parties agree that it needs to be extended on the same terms and conditions for an additional 6 month period; and

WHEREAS, the City Council finds that its approval of the extension of the LOI is in the best interests of the City, its residents, those who require healthcare, and the staff and physicians at the Hospital.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CENTRO, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the City Council does hereby approve a 6-month extension of LOI attached and incorporated in Exhibit "A", a copy of which is on file in the office of the City Clerk.
3. That the Mayor is authorized to sign the LOI and the Interim City Manager or designee hereby is authorized to take all steps necessary to implement it.

PASSED AND ADOPTED at a special meeting of the City Council of the City of El Centro, California held on the _____ day of May, 2023.

CITY OF EL CENTRO

By: _____
Mayor

ATTEST:

By: _____
Norma Wyles, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

By: _____
Elizabeth L. Martyn, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) ss
CITY OF EL CENTRO)

I, Norma Wyles, City Clerk of the City of El Centro, California, do hereby certify that the foregoing Resolution No. 23-_____ was duly and regularly adopted at a regular meeting of the City Council of the City of El Centro, California, held on the _____ day of _____, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

By _____
Norma Wyles, City Clerk

**THE LETTER OF INTENT WITH ECRMC AND UCSD HEALTH FOR
INTERIM MANAGEMENT AND OPERATIONS WHILE AN
OPERATIONS AND ADMINISTRATION SUPPORT AGREEMENT IS
DEVELOPED;**

THE LETTER OF INTENT:

Executed: February 27, 2023



*Mayor and
Council Members*
Martha Cardenas-Singh
Sylvia Marroquin
Edgard Garcia
Tomás Oliva
Sonia Carter

February 24, 2023

Letter of Intent

This Letter of Intent (“LOI”) is entered into effective March 1, 2023, by and between the City of El Centro (“City”), El Centro Regional Medical Center (“ECRMC” or “Hospital”), and the Regents of the University of California on behalf of UC San Diego Health (“UCSD”) on the terms and conditions set out here (each individually a “Party” and collectively the “Parties”).

1. On or about January 1, 2016, the Parties entered into an Amended and Restated Master Management Agreement pursuant to which UCSD made available to ECRMC certain management services;
2. Under the Management Agreement, UCSD provided a CEO to ECRMC but did not provide other management personnel;
3. The Management Agreement was amended eight (8) times with a Ninth Amendment pending;
4. On or about January 23, 2023, the Parties entered into a letter of agreement pursuant to which UCSD agreed to provide certain leadership consulting services to ECRMC for a limited amount of time not to exceed six weeks;
5. Given the ongoing challenges at ECRMC, the Parties now have determined that it is necessary to enter into an agreement pursuant to which UCSD will assume actual management and operations of the Hospital, subject to the ultimate oversight of the ECRMC Board of Trustees (“ECRMC Board”), and subject to any required regulatory approvals with the terms and conditions of a definitive agreement (the “Operations and Administrative Support Agreement” or “OAS Agreement”) to be negotiated between the Parties within the time frames set out herein;
6. The Parties acknowledge and affirm that this Letter of Intent also is important to reassure the community, the Hospital workforce, physicians and other constituents that the Hospital is and will remain open, operating and providing quality care.

El Centro City Hall

1275 Main Street, El Centro, CA 92243 (760) 337-4540 Fax (760) 352-6177

7. **Nothing in this Letter of Intent is intended in any way to affect any pending healthcare district legislation or a proposed special tax levy; and**
8. **Nothing in this Letter of Intent impacts the ongoing physician services agreements between UCSD and ECRMC.**

NOW, THEREFORE, the Parties agree as follows:

1. **The Recitals set out above are true and correct.**
2. **ECRMC Board responsibilities: As provided by and in compliance with City ordinance, state law, the ECRMC bylaws (as those may be amended by the Board from time to time), and in compliance with the terms of this LOI, the Board of Trustees acting as a whole shall continue to have the ultimate oversight of the Hospital and any third-party providing services to the Hospital under contract. This includes but is not limited to overseeing the services provided by UCSD under this Letter of Intent and the OAS Agreement.**

In addition, the ECRMC Board is responsible for each of the following.

- a. **Cooperating with and supporting UCSD in its provision of personnel and services to ECRMC. Any substantial staffing changes and restructuring proposed by UCSD will be reviewed and coordinated with the ECRMC Board before implementation;**
- b. **Funding Hospital operations;**
- c. **Working with Preston Hollow Community Capital and/or others regarding possible short-term funding and any corresponding revision and/or development of bond and other financing documents, which funding ECRMC agrees is a condition precedent to UCSD's execution of any OAS Agreement;**
- d. **Supporting legislation regarding a healthcare district and special tax levy (as allowed by law);**
- e. **Complying with and enforcing the provisions of this LOI and cooperating with other Parties to it;**
- f. **In cooperation with UCSD, ensuring that the Hospital continues to meet all applicable licensure, certification, and other legal requirements; and**

- e. Determine the scope and scale of clinical services and the location of those services, in consultation with medical leadership and the ECRMC Board;
- f. Facilitate discussions regarding optimizing care delivery and economic efficiencies, avoiding duplicative services, exploring partnerships, and reversing outmigration in Imperial County with other healthcare providers and constituents, including Pioneers Memorial Healthcare District (“PMHD”) and Heffernan Memorial Healthcare District (“Heffernan”); provided, however, that any recommendations that ECRMC or the City participate in any joint powers agreement or authority shall be subject to the review and approval of the ECRMC Board and City Council (as well as the other entities);
- g. Select an executive leadership team including a CEO and CFO who shall have day-to-day decision-making power and authority as further set out in the OAS Agreement and which shall be consistent with the powers and authority provided for in the Hospital Bylaws, as those may be amended from time to time by the ECRMC Board;
- h. Establish and manage an appropriate EHR implementation for ECRMC.

Finances:

- i. Manage the financial health of the organization and report on cash flow, debts, income, and other financial matters and update the ECRMC Board on a monthly basis or as otherwise requested by the ECRMC Board or the City, including without limitation:
 - i. Determine payor participation and negotiate payor contracts;
 - ii. Budget, prioritize and manage ECRMC’s payment of outstanding debt obligations, specifically including vendor debt, except as otherwise specifically agreed with the ECRMC Board;
 - iii. Prepare annual budgets and participate in annual audits; and
 - iv. Seek appropriately available local, state or federal emergency or other funding (short or long term), provided that any proposed debt to be incurred shall be subject to review and approval by the ECRMC Board and City Council.
- j. UCSD shall not charge a management or other operational or administrative fee for services provided pursuant to this LOI or the OAS Agreement, but shall be fully reimbursed from Hospital Revenues for all direct costs associated with its performance of services pursuant to this LOI and the Operations and Administrative Support Agreement as agreed with the ECRMC Board;

Public Relations:

Oversee and direct public relations on behalf of the City and ECRMC regarding healthcare and related services provided by ECRMC, specifically including crisis communication during the stabilization period and internal and external messaging and media communications;

- k. Prioritize and provide the City with access to information and respond to related requests in support of the City's ongoing review of, and to facilitate transparency in understanding and communicating, the nature of financial expenditures and decision-making during prior management periods;
- l. Continue to provide physician services by separate agreements, subject to the terms of those existing agreements as those may be updated and amended, which shall be subject to ECRMC Board approval;
- m. Attend and report on operations at all regular and special ECRMC Board meetings and report to the City Council as requested by the Mayor or City Manager;
- n. Provide oversight of hospital/ medical-legal matters in coordination with outside counsel;
- o. Coordinate with the ECRMC Board in advance of changes in staffing or service delivery to insure transparency to the community; and
- p. Assist in the evaluation and support of legislation regarding a healthcare district and a special tax, to the extent determined by the City and the ECRMC Board to be appropriate.

3. **City Responsibilities:** The City retains authority over ECRMC as provided by state law and City ordinance. During the term of this LOI, the City shall:

- a. Hold the Hospital license;
- b. Determine the structure of and appoint the ECRMC Board;
- c. Provide administrative and legal support regarding the Municipal Hospital Act, the Brown Act, conflicts of interest, and related public agency matters;
- d. Support and assist UCSD and/or ECRMC in seeking appropriately available local, state, or federal emergency or other funding (short or long term);

- e. Cooperate with Preston Hollow Community Capital and/or others regarding possible short-term funding and any corresponding revision and/or development of bond and other financing documents, which funding the City agrees is a condition precedent to UCSD's execution of any Operating Agreement;
 - f. Support legislation regarding the formation of a healthcare district and a special tax levy (as deemed appropriate and as allowed by law); and
 - g. Complying with and enforcing the provisions of this LOI and cooperating with other Parties to it.
4. **Term:** The term of this LOI shall be for no more than 3 calendar months from the date of its execution by all Parties.
5. **Termination:** This Agreement shall be terminated by any Party with or without cause upon 30 days prior written notice to the other. If ECRMC ceases to exist, then this agreement shall terminate.
6. **Release of Claims:** The terms of this LOI do not constitute a release of any claims by any Party against another Party. Any release of claims by any Party will be addressed in the Operating Agreement after a review satisfactory to all Parties.
7. **Exclusion from Federal Health Care Programs.** Each Party represents and warrants that it (i) is not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal; (ii) has not been convicted of a criminal offense related to the provision of healthcare items or services; and (iii) has no knowledge of being under investigation or otherwise aware of any circumstances which may result in the party being excluded from participation in the Federal health care programs. Each Party represents and warrants to the other that its employees are not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal. This shall be an ongoing representation and warranty while this LOI is in effect and each Party shall promptly notify the other Parties of any change in the status of the representation and warranty set forth in this Section. Any breach of this Section shall give the non-breaching parties the right to terminate this LOI immediately.
8. **Miscellaneous:**
- a. Time is of the essence in the performance of this LOI.

- b. Any amendment of this LOI shall be in writing, signed by the Parties.
- c. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.
- d. Each Party agrees to comply with the applicable provisions of the Health Insurance Portability and Accountability Act of 1996 and the requirements of any regulations promulgated thereunder, as both may be amended from time-to-time ("HIPAA") and with all other applicable privacy laws governing the privacy and security of personal information and medical information.
- e. The Parties agree that this LOI may be signed electronically and that any electronic signatures shall have the same legal validity, enforceability, admissibility, and effect as handwritten signatures.
- f. This LOI may be signed in counterparts, with each deemed an original and all counterparts taken together constituting one and the same agreement.

El Centro Regional Medical Center

City of El Centro

By: 
Tomás Oliva, President

By: 
Martha Cardenas-Singh, Mayor

Dated: 02/27/2023

Dated: 02/27/2023

Regents of the University of California
On Behalf of UC San Diego Health

By: 
Patricia S. Maysent, CEO UCSD Health

Dated: 02/27/2023

El Centro Regional Medical Center
Retirement Income Plan

Finance Committee Meeting
November 2023

Summary of Key Items

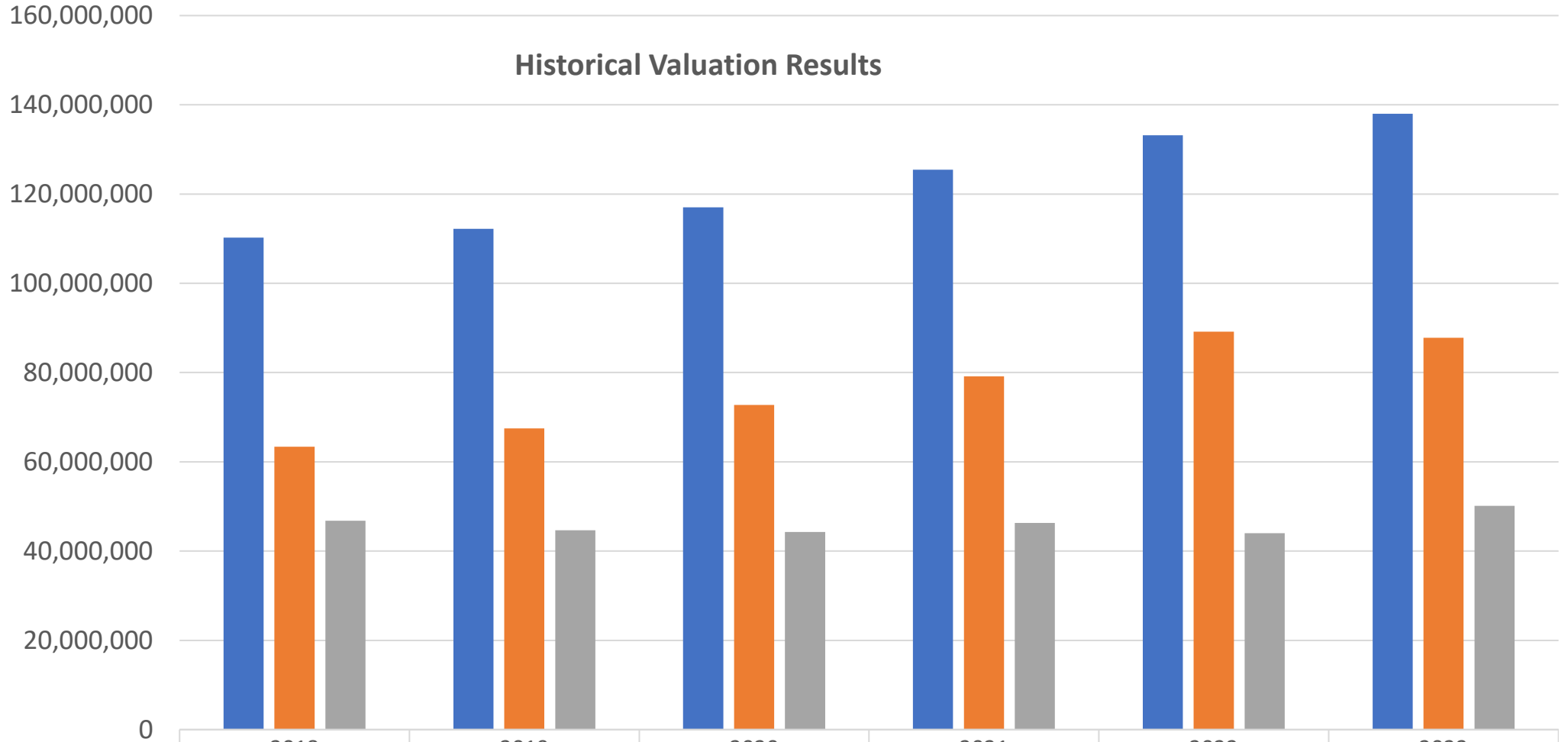
- Current annual recommended contribution level is \$3,944,400 for the next 3 years and then \$5,400,000 for 18 years
- The Market Value of Assets was sufficient to provide for 59.7% of the actuarial accrued liability as of 07/01/2023
- Based on the above, it is projected that the Plan’s assets would be sufficient to make all projected benefit payments.
- On a Market Value basis, the Plan experienced an Asset Loss of \$379,300. The estimated dollar-weighted rate of return was 6.76% compared to the assumed rate of 7.25%.
- For 2023, the Plan had a Net Actuarial Loss of \$7,286,400. This consisted of a Valuation Asset Loss of \$5,953,500 and an Actuarial Accrued Liability Loss of \$1,332,900. The Actuarial Accrued Liability is mainly attributable to compensation increases in excess of the assumed rate of 2.00% and unfavorable post-retirement mortality experience.
- The average compensation increase for active participants for 2022 was 3.31% and the average increase in high 3-year average compensation, for those participants whose average compensation increased, was 6.63%.
- For Financial Reporting purposes, the Total Pension Expense for 2024 is \$6,745,000 compared to \$8,215,700 for 2023.
- Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

Expected Long-Term Rate of Return	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$71,262,500	\$55,644,700	\$41,764,500

COMPARISON OF FUNDING VALUATION RESULTS

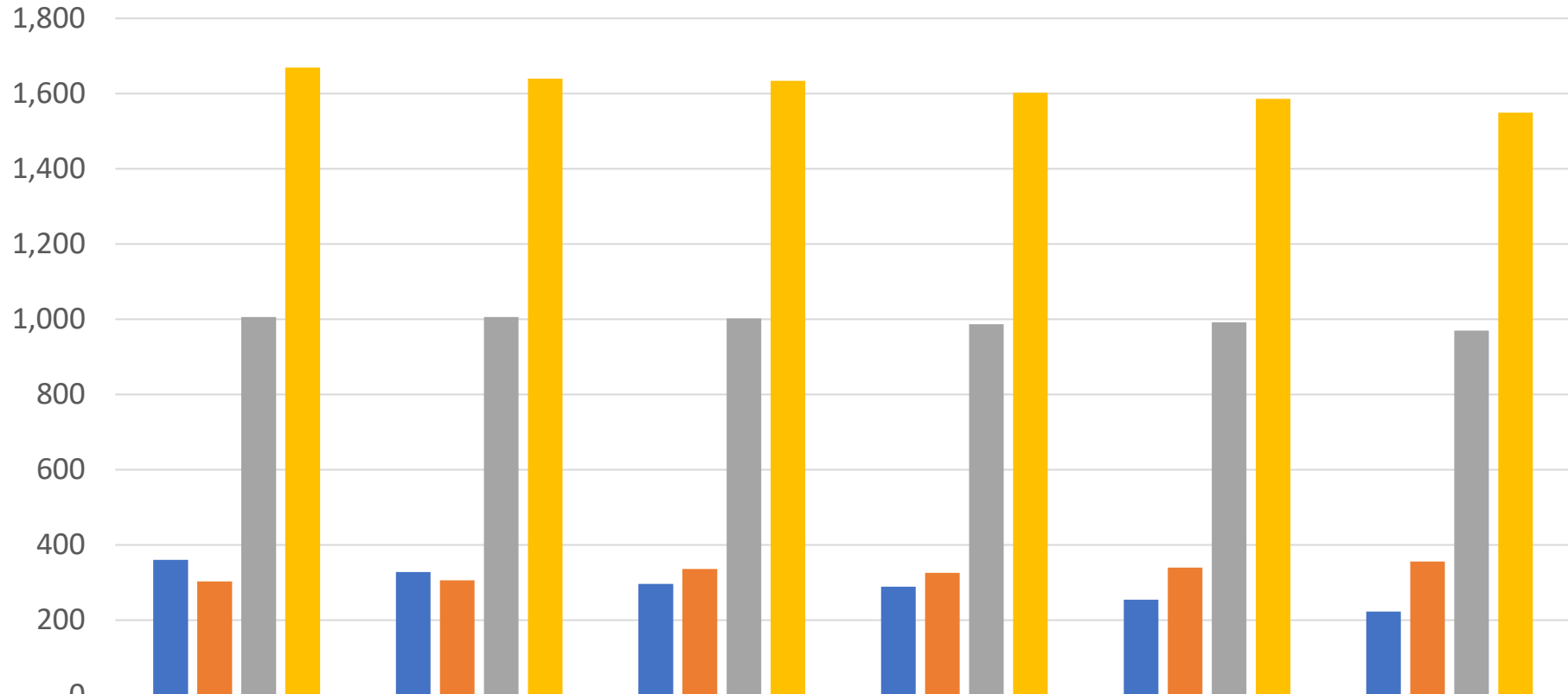
	<u>07/01/2023</u>	<u>07/01/2022</u>
Participants:	1,549	1,586
Actuarial Accrued Liability:	137,965,900	133,179,800
Valuation Assets	87,821,900	89,181,700
Valuation Assets as a Percentage of Actuarial Accrued Liability	63.7%	67.0%
Unfunded Actuarial Accrued Liability (UAAL)	50,144,000	43,998,100
Normal Cost:		
a. Total	619,900	724,600
b. Less: Expected Employee Contributions	<u>(1,174,900)</u>	<u>(1,252,900)</u>
c. Net	(555,000)	(528,300)
Recommended Employer Contribution		
a. 20-Year Amortization of UAAL	3,944,400	4,000,000
b. 25-Year Amortization of UAAL	3,547,800	
c. 30-Year Amortization of UAAL	3,307,800	

Historical Valuation Results



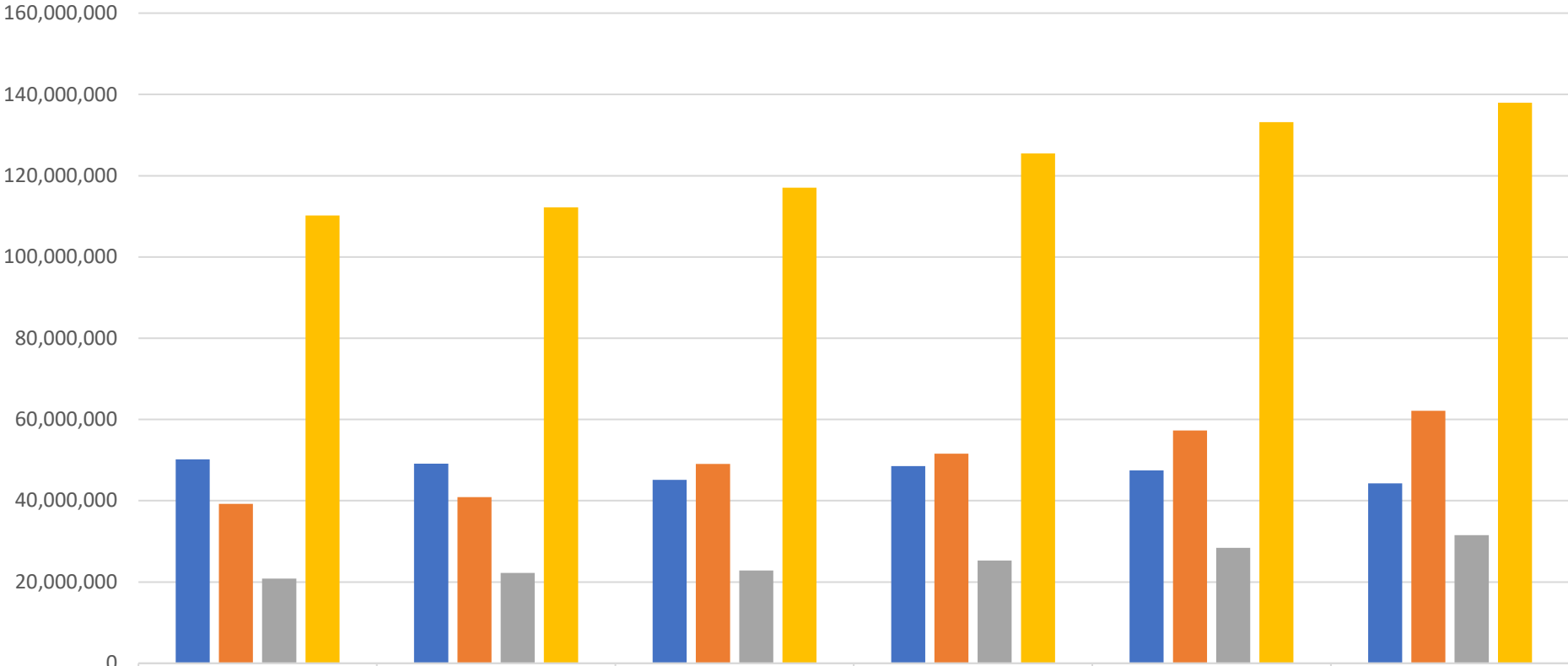
	2018	2019	2020	2021	2022	2023
Actuarial Liability	110,216,100	112,210,300	117,039,100	125,459,600	133,179,800	137,965,900
Valuation Assets	63,387,300	67,520,600	72,727,400	79,131,100	89,181,700	87,821,900
Unfunded Actuarial Liability	46,828,800	44,689,700	44,311,700	46,328,500	43,998,100	50,144,000

Summary of Participants by Status



	2018	2019	2020	2021	2022	2023
Active Participants	360	328	296	289	254	223
Retired Particiapnts	303	306	336	326	340	356
Terminated Participants	1,006	1,006	1,002	987	992	970
Total Participants	1,669	1,640	1,634	1,602	1,586	1,549

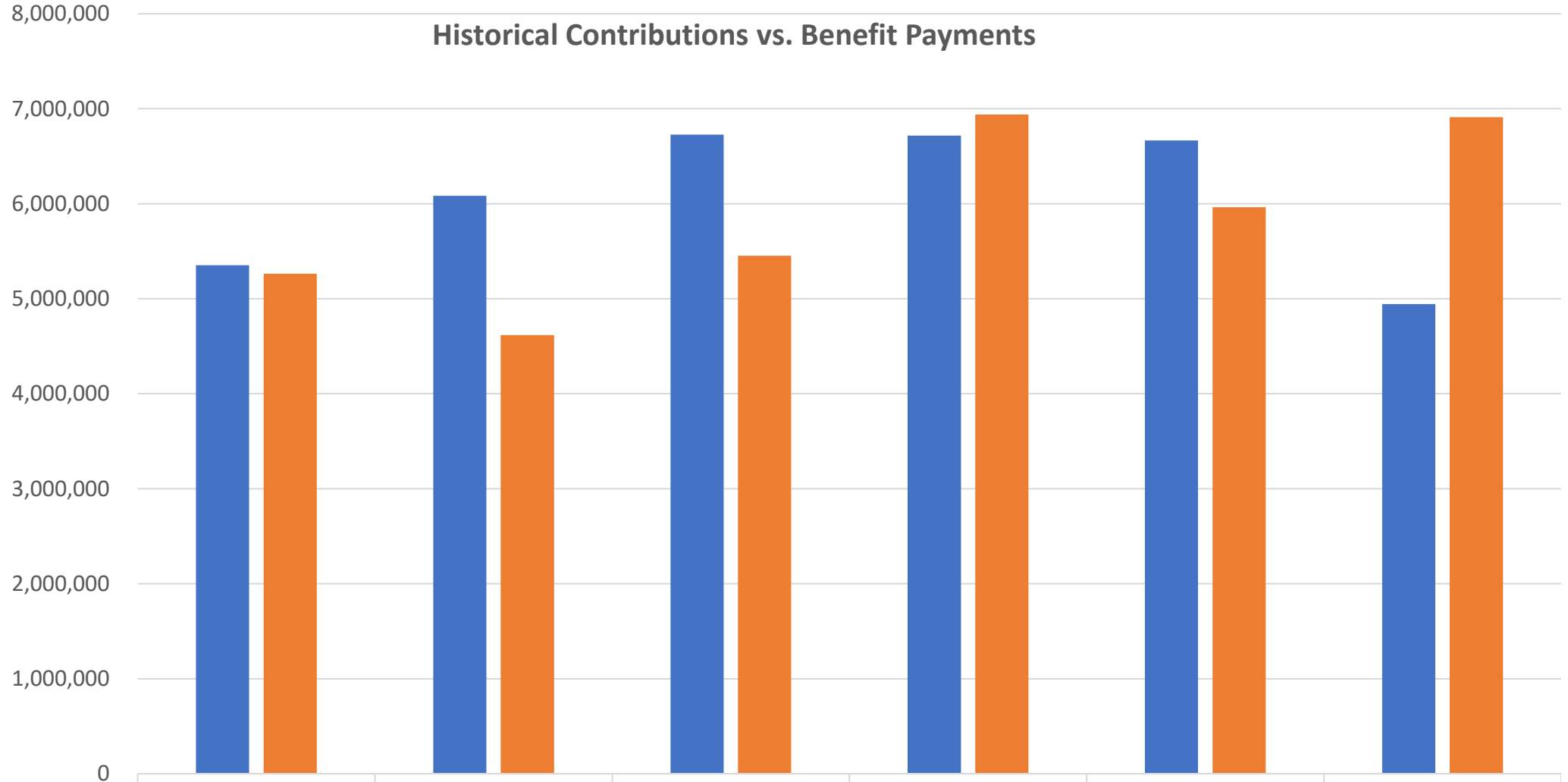
Summary of Actuarial Accrued Liability by Participant Status



	2018	2019	2020	2021	2022	2023
Active Participants	50,156,700	49,116,800	45,147,300	48,545,500	47,495,100	44,283,900
Retired Participants	39,219,500	40,883,700	49,074,800	51,612,300	57,273,000	62,169,600
Terminated Participants	20,839,900	22,209,800	22,817,000	25,301,800	28,411,700	31,512,400
Total	110,216,100	112,210,300	117,039,100	125,459,600	133,179,800	137,965,900

Active Participants Retired Participants Terminated Participants Total

Historical Contributions vs. Benefit Payments



■ Contributions

■ Benefit Payments

2018

2019

2020

2021

2022

2023

5,352,500

6,083,500

6,726,000

6,717,900

6,664,600

4,944,200

5,263,000

4,616,200

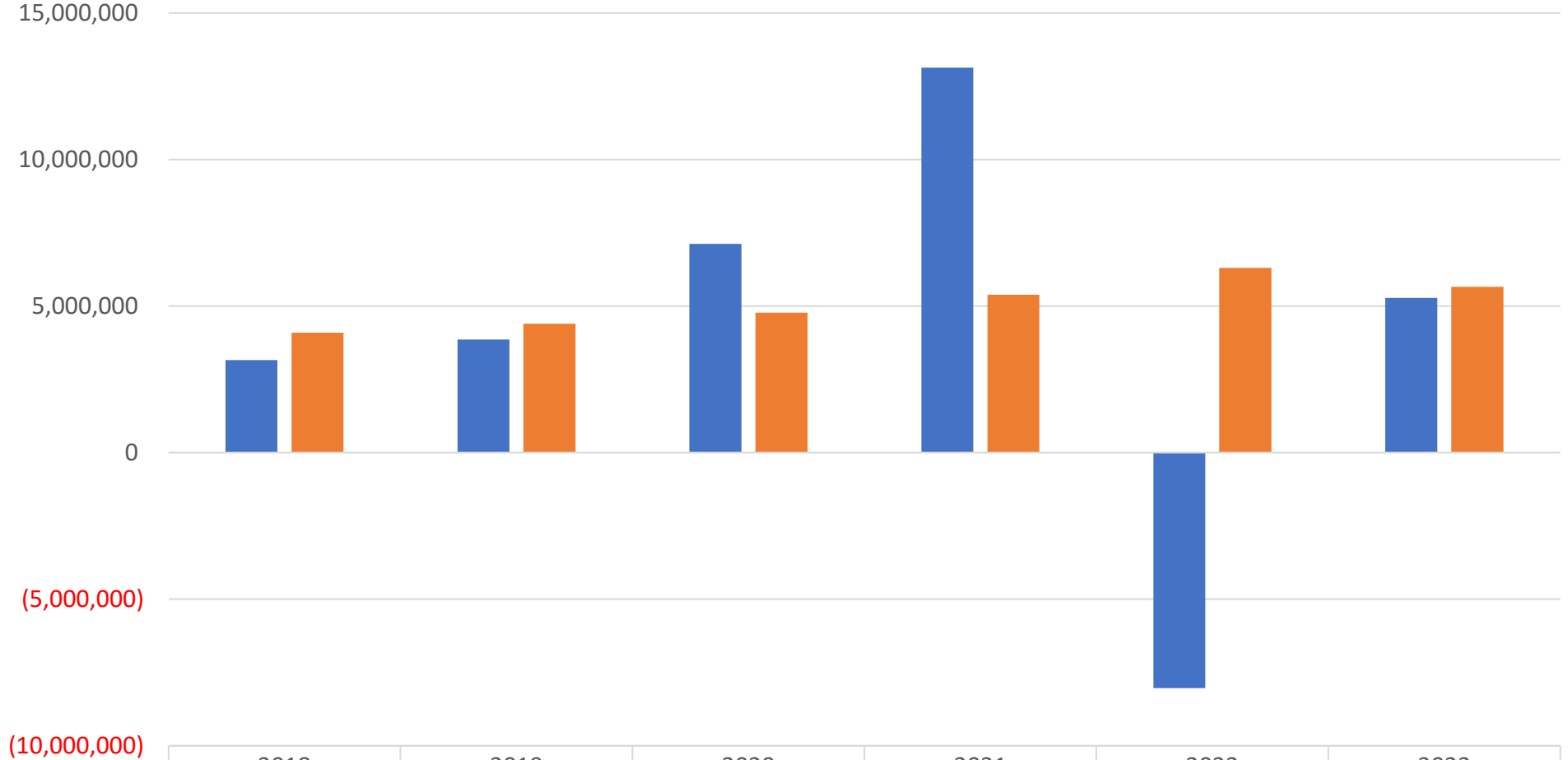
5,452,000

6,938,000

5,962,900

6,909,700

Historical Investment Results



	2018	2019	2020	2021	2022	2023
Actual Return (Average 6.33%)	3,158,500	3,859,900	7,123,900	13,134,700	(8,037,100)	5,281,500
Expected Return at 7.25%	4,091,600	4,394,900	4,771,400	5,386,400	6,307,100	5,660,800

■ Actual Return (Average 6.33%)
 ■ Expected Return at 7.25%

Review of GASB 68 Reports

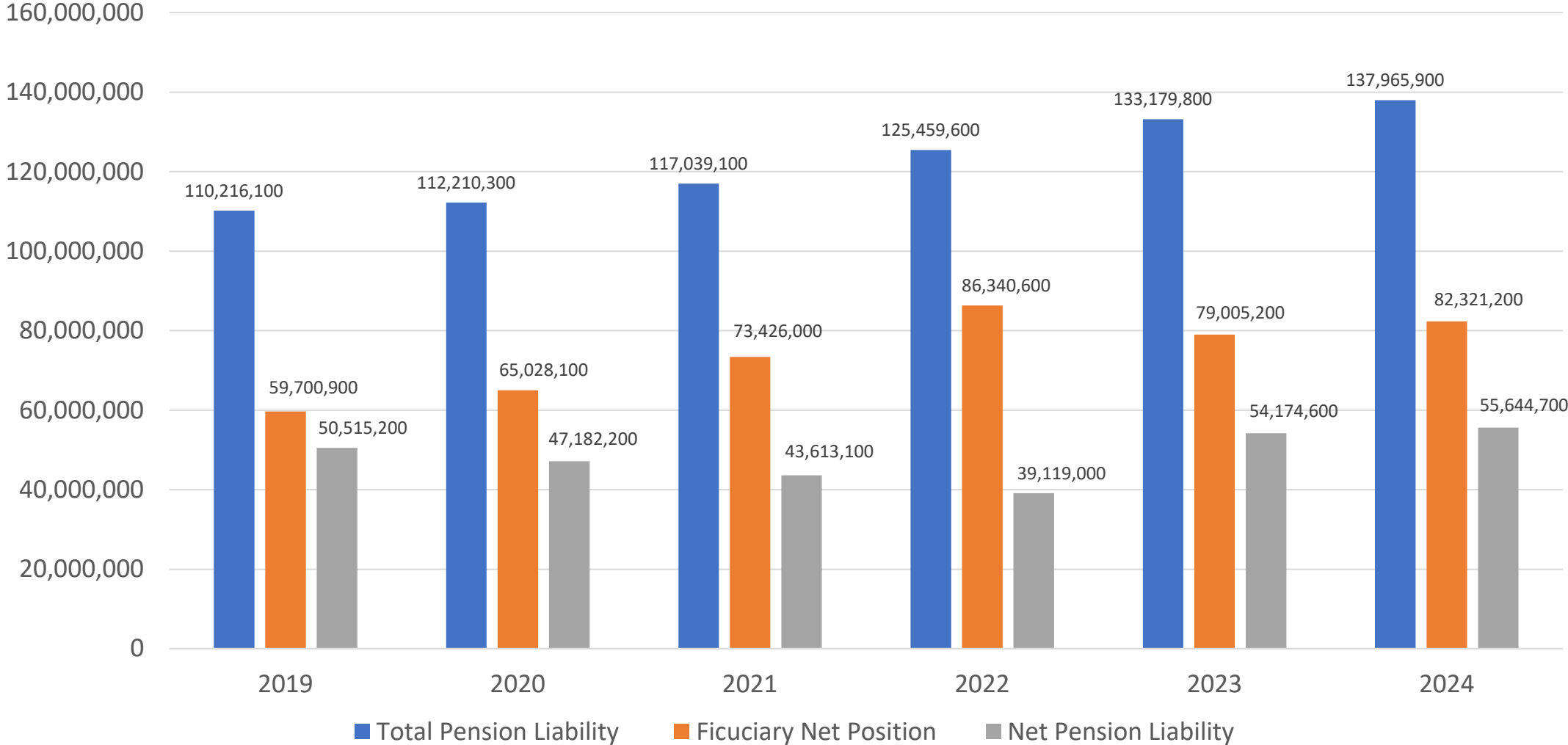
Future Contribution Level Analysis

- Current annual recommended contribution level is \$3,944,400 for the next 3 years and then \$5,400,000 for 18 years.
- For Financial Statements, GASB requires the projection of the Plan's assets, using the contributions established by a formal policy, the Plan's discount rate (7.25%) and projected benefit distributions, on a year-by-year basis for the next 99 years.
- Based on the above, it is projected that the Plan's assets would be sufficient to make all projected benefit payments.
- GASB requires that if the Plan becomes insufficient at any time in the future, at that time future payments must be discounted at the 20-year Municipal bond index rate (currently 4.13%).

Schedule of Changes In the Hospital's Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2022	\$133,179,800	\$79,005,200	\$54,174,600
Changes for the year:			
Service Cost	\$724,600		\$724,600
Interest	9,502,600		\$9,502,600
Contributions - Employer		3,726,700	(\$3,726,700)
Contributions - Employee		1,217,500	(\$1,217,500)
Actuarial Liability Loss (Gain)	1,468,600		\$1,468,600
Change in Assumptions	0		\$0
Benefit Payments Including Return of Participant Contributions	(6,909,700)	(6,909,700)	\$0
Net Investment Income		5,336,200	(\$5,336,200)
Administrative Expense		(54,700)	\$54,700
Net Changes	4,786,100	3,316,000	1,470,100
Balances at June 30, 2023	\$137,965,900	\$82,321,200	\$55,644,700
Changes of Assumptions.:			
None.			

Historical GASB 68 Financial Reporting Results





October 2023 Financial Report

November 27, 2023

To: Finance Committee

From: David Momberg, Chief Financial Officer

The following package contains:

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

Balance Sheet:

- a) Cash balance decreased (\$313k) due to higher payments than cash receipts.
- b) Net patient receivables increased (\$840k) mainly due to higher RHC visits (7,285 vs. 6,603 last month) coupled with higher Oncology, Wound healing and Surgery volumes.
- c) Other receivables decreased (\$90k) due to Optum 340b pharmacy payments received.
- d) Due from third-party payers increased (\$1.2M), no payments received.
- e) Prepaid expenses increased (\$102k) due to Cardinal Health prepaid orders.
- f) Restricted building capital fund decreased (\$470k) due to bond project reimbursement.
- g) Days in A/R decreased to 46.16 from 44.66 days. The goal is 50 days.
- h) Accounts payable days increased, 89.25 vs. 73.72 days from previous month.
- i) Current Ratio decreased to 0.84 vs. 0.85 previous month.

Income Statement – Current Month Actual vs. Prior Month:

- a) Our Inpatient Revenue is 2.7% higher than prior month due to higher admissions (229 vs. 218 prior).
- b) Outpatient Revenue is 7.5% higher than last month due to higher oncology visits and infusions (2,086 vs. 1,917 prior) and higher surgeries (540 vs. 474 prior).
- c) Contractuals for the month are 18% of gross revenues.
- d) Charity and Bad debt increased \$70k directly related to higher gross revenues.
- e) Salary expense is higher 3% directly related to month's days (31 in Oct. vs. 30 in Sep).
- f) Registry expense is stable at \$87k (\$84k last month).
- g) Medical Prof Fee expense is 7% higher mainly due to higher RHC visits.
- h) Non-Medical Prof Fee expense is 10% higher mainly related to higher attorney expenses (DWT and Sheppard Mullin).
- i) Supplies medical are 77% higher due to favorable inventory cost adjustments performed in September, effect no longer shown in October.
- j) Repairs and maintenance is higher related to Information Systems Soft Computer Consultants maintenance agreement expense adjustment credited in September.
- k) Utilities expense is 22% lower mainly due to lower electricity costs.
- l) Insurance expense is 78% higher mainly due to Marsh Insurance brokers installments.
- m) October 2023 shows a Net loss of \$1.9M (*\$260k negative EBIDA*), the first month to show profits in over 12 months.

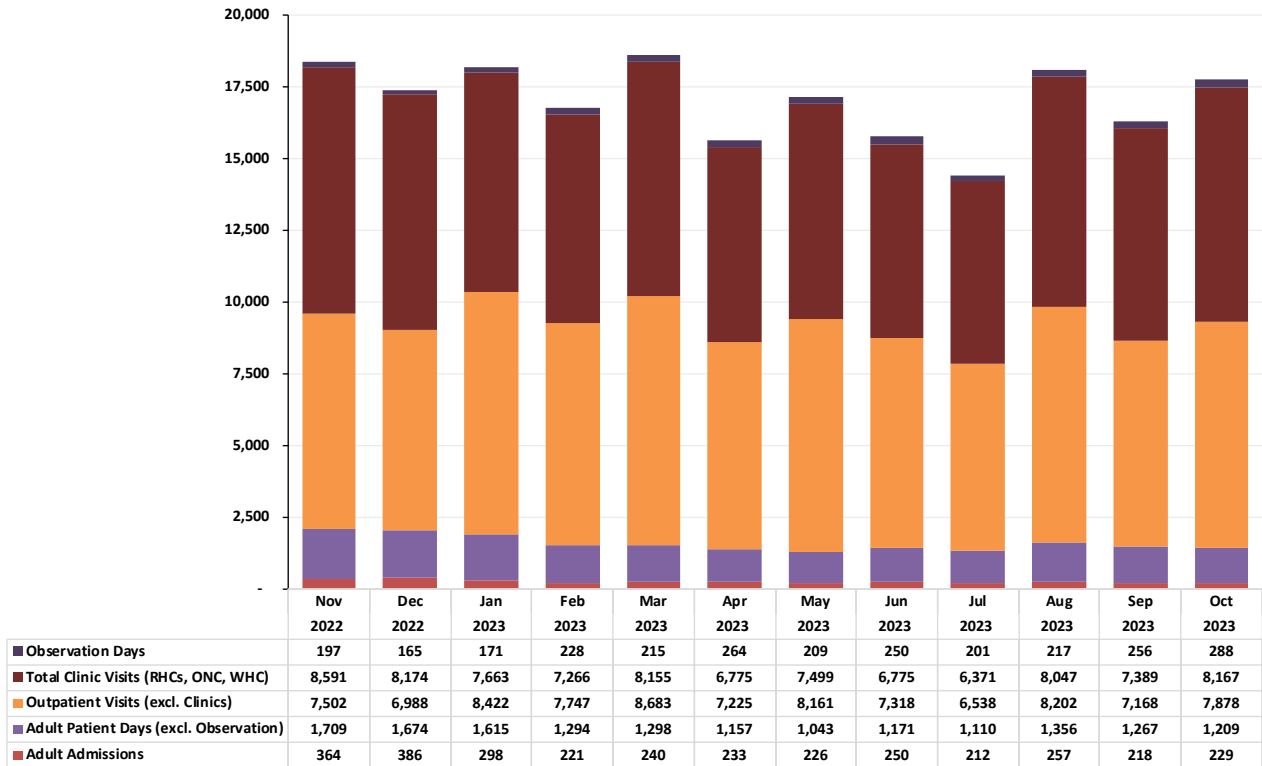
Definitions:

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

EI Centro Regional Medical Center Comparative Volumes as of October 31, 2023

	Jul 2023	Aug 2023	Sep 2023	Oct 2023	YTD Actual	YTD Budget	YTD Variance
Adult Admissions (excl. Observation)	212	257	218	229	916	1,232	(316)
Patient Days (excl. Observation)	1,110	1,356	1,267	1,209	4,942	6,408	(1,466)
Average Length of Stay (excl. Observation)	5.2	5.3	5.8	5.3	5.4	5.2	0.2
Average Daily Census (excl. Observation)	35.8	43.7	42.2	39.0	40.2	40.2	-
Average Daily Census (ADC) Observation	6.5	7.0	8.5	9.3	7.8	6.9	0.9
Total ADC (including Observation)	42.3	50.7	50.8	48.3	48.0	47.1	0.9
Observation Days (excluding Obstetrics)	201	217	256	288	962	850	112
Outpatient Visits (excluding Clinics)	6,538	8,202	7,168	7,878	29,786	33,120	(3,334)
Emergency Room Visits	2,670	2,873	2,673	2,558	10,774	13,332	(2,558)
EI Centro Rural Health Clinic Visits	2,839	3,974	3,657	4,061	14,531	17,342	(2,811)
Calexico Rural Health Clinic Visits	2,775	3,035	2,946	3,224	11,980	12,507	(527)
Rural Health Clinic Visits - Total	5,614	7,009	6,603	7,285	26,511	29,849	(3,338)
Wound Healing Center Visits	163	175	178	222	738	711	27
Oncology Center Visits	594	863	608	660	2,725	2,655	70
Oncology Center Infusion Procedures	1,065	1,461	1,309	1,426	5,261	5,357	(96)
Surgeries without C-Sections	409	601	474	540	2,024	2,255	(231)
DaVinci Cases	59	62	47	56	224	142	82

Rolling-12 Volume Trend



ECRMC BALANCE SHEET COMPARED TO PRIOR MONTH

	October 31, 2023	September 30, 2023	Variance (\$)	Variance (%)
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 973,474	\$ 1,286,329	\$ (312,855)	-24%
Net Patient Accounts Receivable	14,145,859	13,305,325	840,534	6%
Other Receivables	138,511	228,769	(90,258)	-39%
Due from Third-Party Payors	16,587,733	15,413,278	1,174,454	8%
Inventories	2,796,567	2,779,218	17,349	1%
Prepaid Expenses & Other	2,883,053	2,781,497	101,557	4%
Total Current Assets	37,525,197	35,794,416	1,730,782	5%
Assets Limited as to Use				
Restricted Building Capital Fund	10,997	479,840	(468,843)	-98%
Funds Held by Trustee for Debt Service	11,684,623	11,022,450	662,173	6%
Restricted Programs	11,497	11,497	-	0%
Total Assets Limited as to Use	11,707,117	11,513,787	193,330	2%
Property, Plant, and Equipment: Net	139,793,166	140,179,724	(386,558)	0%
Other Assets	262,595	262,595	-	0%
Total Assets	189,288,075	187,750,522	1,537,554	1%
Deferred Outflows of Resources				
Deferred Outflows of Resources - Pension	2,605,667	2,982,097	(376,430)	-13%
Total Deferred Outflows of Resources	2,605,667	2,982,097	(376,430)	-13%
Total Assets and Deferred Outflows of Resources	\$ 191,893,742	\$ 190,732,618	\$ 1,161,124	1%
Liabilities				
Current Liabilities:				
Current Portion of Bonds	1,305,000	1,300,000	5,000	0%
Current Portion of Capital Lease Obligations	1,348,764	1,360,042	(11,278)	-1%
Accounts Payable and Accrued Expenses	24,516,079	22,009,142	2,506,937	11%
Accrued Compensation and Benefits	7,739,955	7,121,529	618,426	9%
Due to Third-Party Payors	10,097,231	10,097,231	-	0%
Total Current Liabilities	45,007,029	41,887,944	3,119,086	7%
Long-Term Bond Payable, Less Current Portion	112,243,878	112,335,145	(91,267)	0%
Capital Lease Obligations, Less Current Portion	4,053,036	4,002,878	50,158	1%
Net Pension Liability	39,119,000	39,119,000	-	0%
Total Liabilities	200,422,943	197,344,966	3,077,976	2%
Deferred Inflows of Resources				
Deferred Inflows of Resources - Pension	7,448,200	7,448,200	-	0%
Total Deferred Inflows of Resources	7,448,200	7,448,200	-	0%
Net Position				
Restricted Fund Balance	17,238	17,238	-	0%
Fund Balance	(15,994,639)	(14,077,786)	(1,916,852)	14%
Total Net Position	(15,977,400)	(14,060,548)	(1,916,852)	14%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 191,893,742	\$ 190,732,618	\$ 1,161,124	1%
Days Cash on Hand	2.25	3.20		
Days Revenue in A/R	42.82	44.66		
Days in A/P	81.36	73.72		
Current Ratio	0.83	0.85		
Debt Service Coverage Ratio	(1.22)	(1.39)		

STATEMENTS OF OPERATIONS COMPARISON TO BUDGET

	MTD July 31, 2023	MTD August 31, 2023	MTD September 30, 2023	MTD October 31, 2023	YTD October 31, 2023	YTD FLEX October 31, 2023	YTD vs. Flex Budget Variance
Adult Admissions	212	257	218	229	916	916	
Adult Patient Days (excl. Observation)	1,110	1,356	1,267	1,209	4,942	4,942	
Outpatient Visits (excl. Clinics)	6,538	8,202	7,168	7,878	29,786	29,786	
Total Clinic Visits (RHCs, ONC, WHC)	6,371	8,047	7,389	8,167	29,974	29,974	
Observation Days	201	217	256	288	962	962	
OPERATING REVENUE							
I/P Revenue	\$ 11,511,723	\$ 15,924,237	\$ 13,975,989	\$ 14,356,601	\$ 55,768,550	\$ 55,691,610	\$ 76,941
O/P Revenue - Laboratory	6,257,336	6,807,670	6,489,172	6,662,846	26,217,024	27,337,468	(1,120,445)
O/P Revenue - CT Scanner	6,531,564	6,484,885	6,670,978	6,284,614	25,972,041	24,762,652	1,209,389
O/P Revenue - Emergency Room	5,970,114	6,012,887	5,730,037	6,015,509	23,728,547	22,323,618	1,404,929
O/P Revenue - Oncology	4,620,692	6,504,363	5,447,711	5,742,087	22,314,854	22,749,992	(435,138)
O/P Revenue - Others	17,654,837	20,475,549	17,796,902	20,606,460	76,533,748	72,403,040	4,130,708
Gross Patient Revenues	52,546,265	62,209,592	56,110,789	59,668,118	230,534,764	225,268,380	5,266,384
Other Operating Revenue	311,732	429,856	358,280	316,468	1,416,335	1,878,941	(462,606)
Total Operating Revenue	52,857,997	62,639,448	56,469,068	59,984,585	231,951,099	227,147,321	4,803,778
Contractuals							
IP Contractuals	10,287,190	12,190,328	11,667,150	11,939,998	46,084,665	42,605,821	(3,478,845)
OP Contractuals	32,932,154	38,339,874	34,739,706	37,008,939	143,020,673	122,633,134	(20,387,539)
Charity	211,838	332,175	312,890	320,558	1,177,462	4,601,395	3,423,933
Provision for Bad Debts	527,854	386,413	363,822	425,000	1,703,090	844,025	(859,065)
Other Third Party Programs	(1,784,563)	(1,632,422)	(1,591,268)	(1,591,268)	(6,599,520)	(6,365,070)	234,449
M/Cal Disproportionate Share	(226,793)	(1,242,523)	(226,793)	(226,793)	(1,922,901)	(907,171)	1,015,730
Total Deductions	41,947,681	48,373,846	45,265,508	47,876,434	183,463,470	163,412,133	(20,051,337)
Total Net Revenues	10,910,316	14,265,602	11,203,560	12,108,151	48,487,629	63,735,187	(15,247,558)
EXPENSES							
Salaries & Wages	4,990,602	5,080,613	4,787,273	4,955,883	19,814,370	18,309,290	(1,505,080)
Registry	103,296	121,909	83,764	87,098	396,067	355,179	(40,888)
Employee Benefits	965,682	1,463,945	1,235,362	1,277,736	4,942,726	4,861,846	(80,880)
Employee Benefits - Pension GASB 68	386,267	386,267	386,267	376,430	1,535,231	1,278,400	(256,831)
Professional Fees - Medical	1,137,526	1,367,538	1,401,289	1,492,069	5,398,422	6,319,516	921,095
Professional Fees - Non-Med	295,535	259,518	217,592	239,220	1,011,865	950,442	(61,423)
Supplies - Medical	2,101,052	2,506,768	2,374,400	2,389,927	9,372,147	8,489,002	(883,145)
Supplies - Non-Medical	141,528	140,632	90,468	160,376	533,004	842,010	309,006
Food	70,048	87,092	81,304	74,460	312,904	309,955	(2,949)
Repairs and Maintenance	599,390	658,240	531,844	608,083	2,397,558	2,854,745	457,187
Other Fees	338,131	643,628	665,824	637,405	2,284,988	2,706,575	421,587
Lease and Rental	36,365	42,400	1,545	8,707	89,017	186,628	97,611
Utilities	197,312	245,402	233,277	183,103	859,093	788,778	(70,315)
Depreciation and Amortization	687,349	685,421	659,358	679,455	2,711,583	2,846,173	134,590
Insurance	284,067	335,987	97,331	173,067	890,452	808,169	(82,284)
Other Expenses	109,547	111,619	115,526	123,164	459,857	593,204	133,348
Total Operating Expenses	12,443,698	14,136,980	12,962,425	13,466,181	53,009,284	52,499,913	(509,371)
Operating Income	(1,533,382)	128,622	(1,758,865)	(1,358,030)	(4,521,655)	11,235,274	(15,756,929)
Operating Margin %	-14.1%	0.9%	-15.7%	-11.2%	-9.3%	17.6%	
Non-Operating Revenue and Expenses							
Investment Income	156,542	12,325	9,814	16,138	194,819	78,423	116,395
Grants and Contributions Revenue	146,228	17,699	2,930	18,565	185,422	225,599	(40,177)
Non Operating Revenue/(Expense)	125,708	525,899	8,283	8,283	668,174	664,676	3,498
Interest Expense	(601,433)	(601,527)	(604,069)	(601,808)	(2,408,836)	(2,414,764)	5,928
Total Non-Operating Rev. and Expenses	(172,954)	(45,604)	(583,041)	(558,822)	(1,360,422)	(1,446,066)	85,644
(Deficit)/Excess Rev. Over Exp.	\$ (1,706,336)	\$ 83,018	\$ (2,341,907)	\$ (1,916,852)	\$ (5,882,077)	\$ 9,789,209	\$ (15,671,285)
(Deficit)/Excess Rev. Over Exp. %	-15.6%	0.6%	-20.9%	-15.8%	-12.1%	15.4%	
EBIDA	(31,287)	1,756,233	(692,213)	(259,160)	773,574	16,328,545	(15,554,972)
EBIDA %	-0.3%	12.3%	-6.2%	-2.1%	1.6%	25.6%	

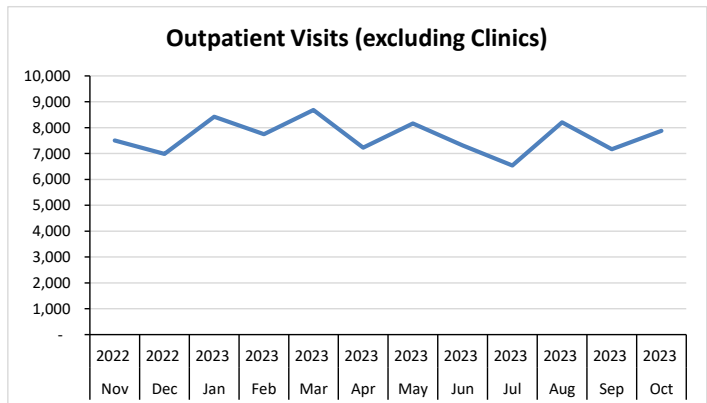
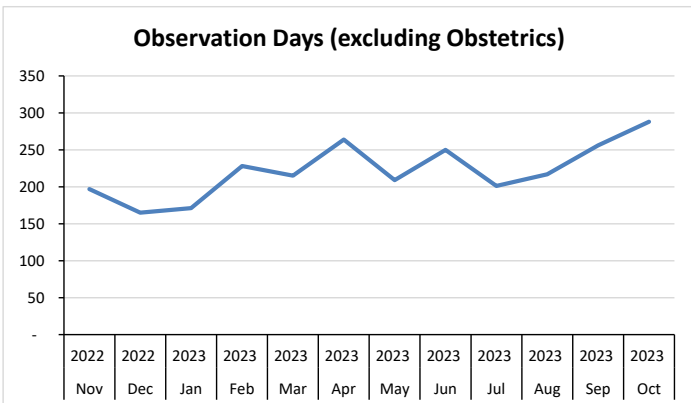
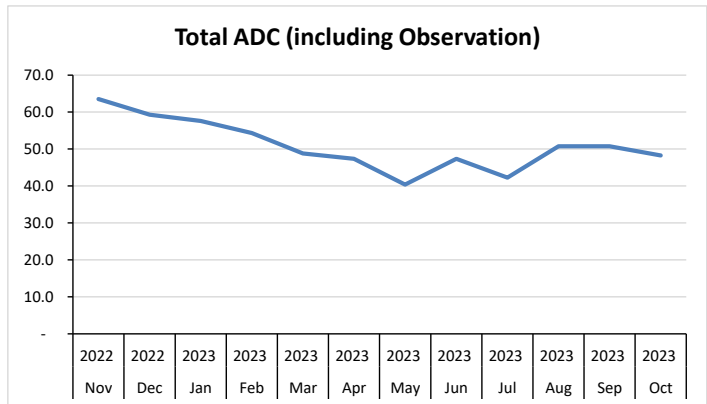
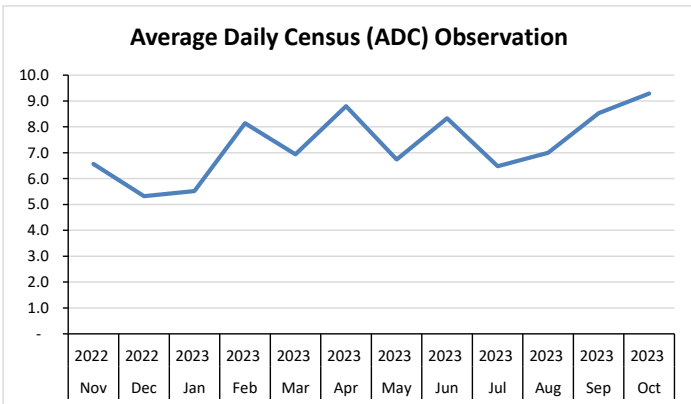
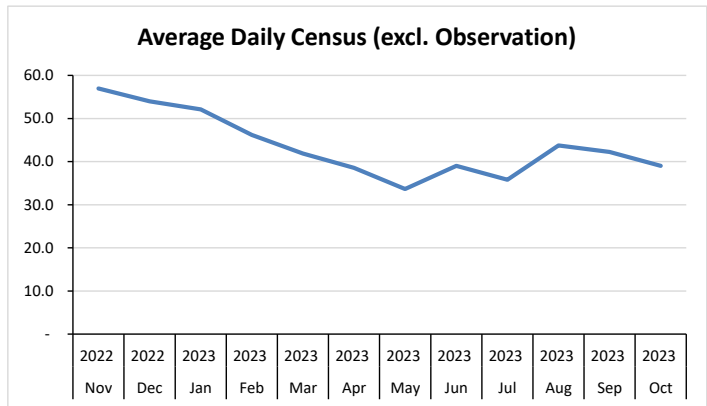
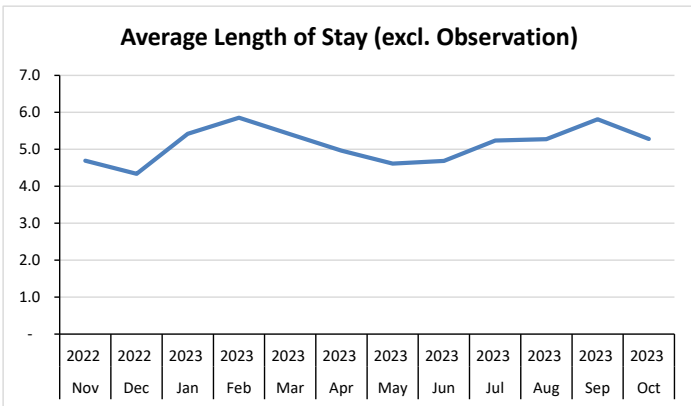
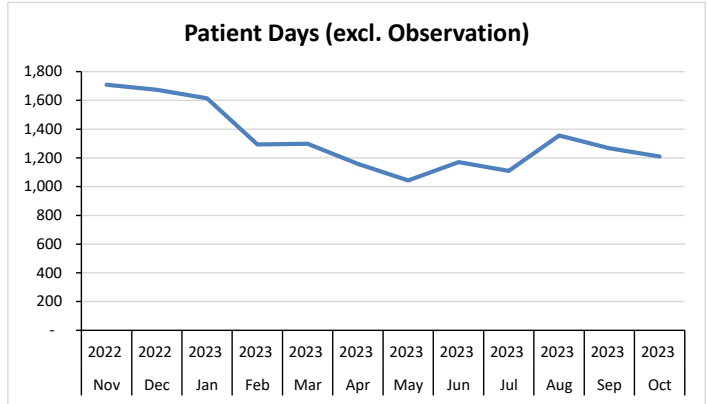
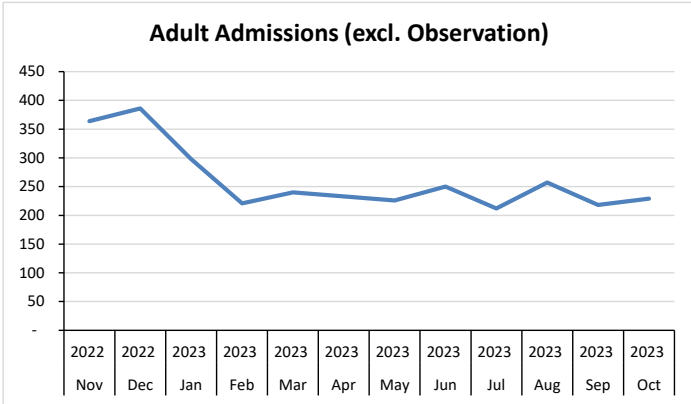
El Centro Regional Medical Center

Monthly Cash Flow

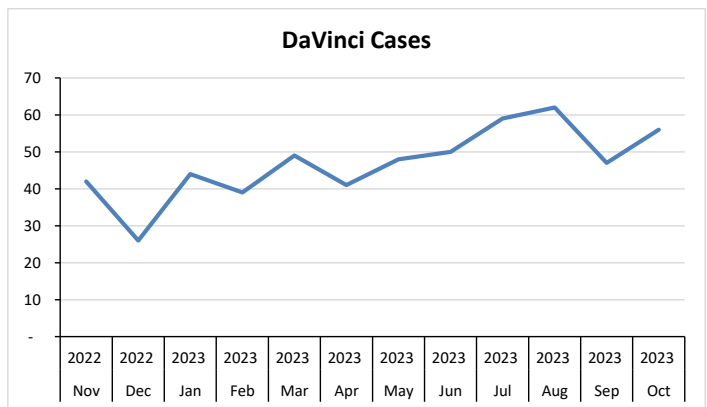
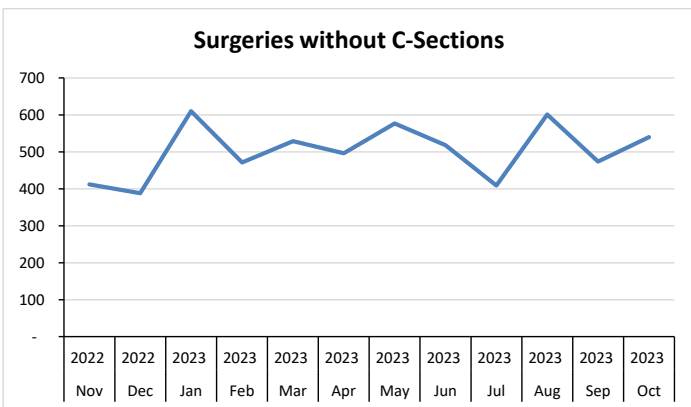
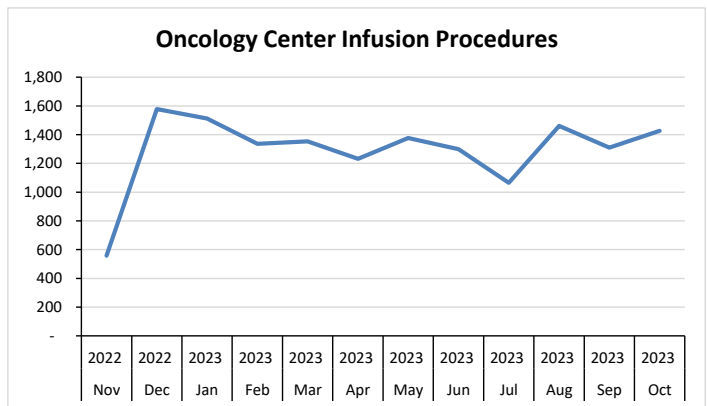
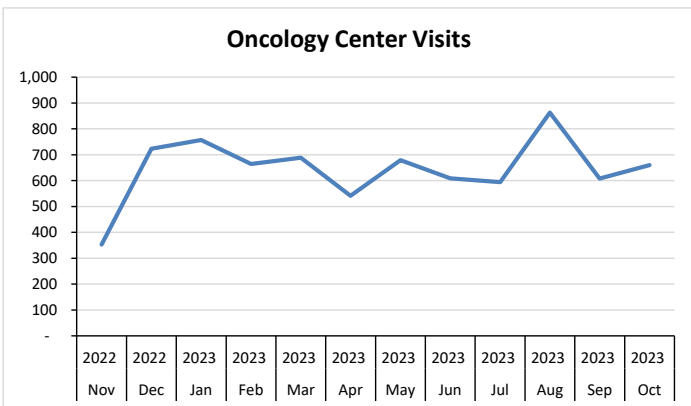
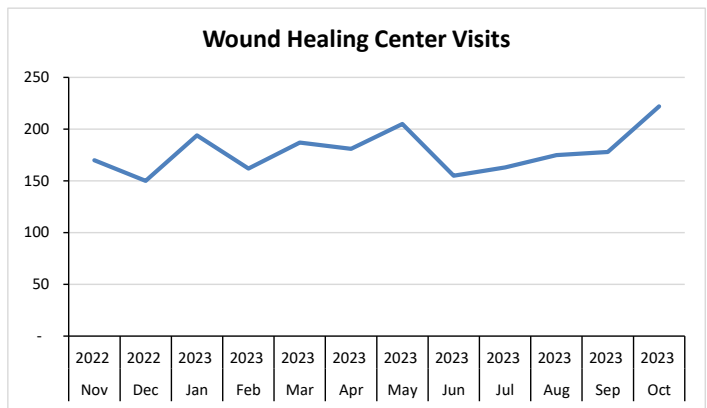
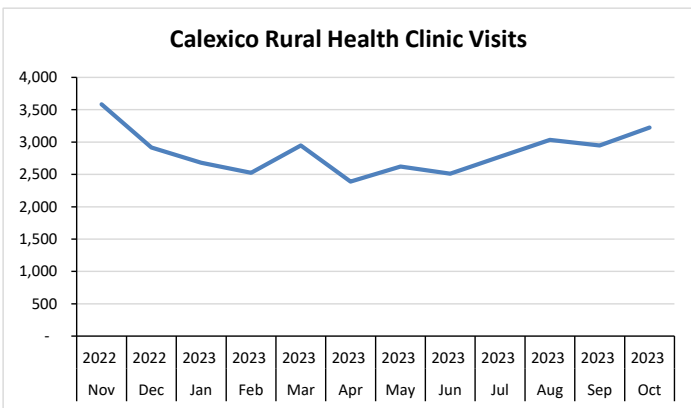
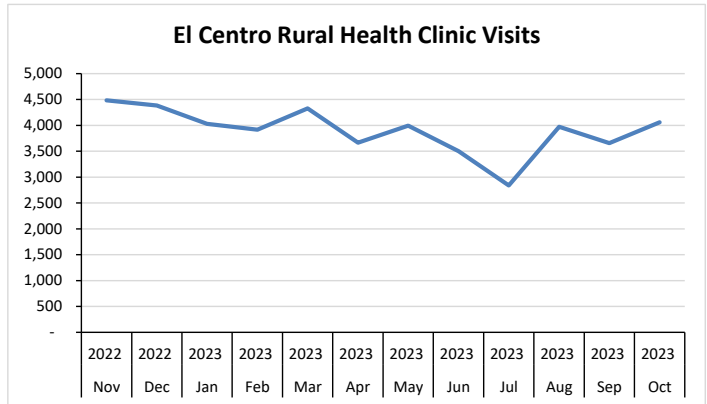
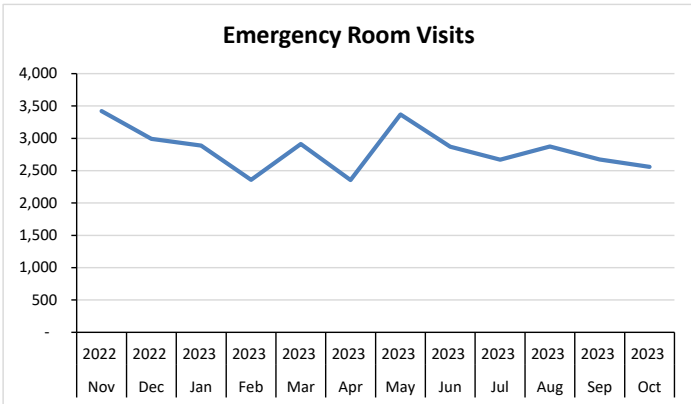
Unaudited

	July 2023	August 2023	September 2023	October 2023	Year-to-Date 2024
<u>Cash Flow From Operating Activities</u>					
Net Income/(Loss)	\$ (1,693,276)	\$ 83,018	\$ (2,341,907)	\$ (1,916,852)	\$ (5,869,016)
<i>Adjustments to reconcile net income to net cash:</i>					
Add: Depreciation	687,349	685,421	659,358	679,455	\$ 2,711,583
Capital Lease Interest	10,925	10,082	9,561	8,804	\$ 39,373
Bond Interest	588,073	588,073	588,073	588,073	\$ 2,352,293
Accounts Receivable	525,767	(874,155)	425,746	(840,534)	\$ (763,177)
Other Receivables	53,835	(135,607)	3,196	90,258	\$ 11,682
Inventory	(90,320)	62,497	3,184	(17,349)	\$ (41,988)
Prepaid Expenses/Other Assets	(135,337)	341,100	241,311	(101,557)	\$ 345,517
Accounts Payable and Accrued Expenses	378,705	96,138	2,040,657	1,838,873	\$ 4,354,373
Accrued Compensation and Benefits	339,108	(1,581,815)	281,567	612,150	\$ (348,990)
Third-Party Liabilities	(1,818,060)	(1,842,679)	(1,781,141)	(1,174,454)	\$ (6,616,335)
Net Pension Obligation	386,267	386,267	386,267	376,430	\$ 1,535,231
<i>Net Cash From Operating Activities</i>	<i>\$ (766,964)</i>	<i>\$ (2,181,659)</i>	<i>\$ 515,872</i>	<i>\$ 143,296</i>	<i>\$ (2,289,455)</i>
<u>Cash Flow From Investing Activities</u>					
Fixed Assets - Gross	\$ (21,365)	\$ (100,025)	\$ (625,596)	\$ (292,897)	\$ (1,039,883)
Intangible Assets - Gross	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets	4,509,875	(300,196)	(1,330,489)	(193,330)	\$ 2,685,859
<i>Net Cash From Investing Activities</i>	<i>\$ 4,488,509</i>	<i>\$ (400,221)</i>	<i>\$ (1,956,085)</i>	<i>\$ (486,227)</i>	<i>\$ 1,645,976</i>
<u>Cash Flow From Financing Activities</u>					
Bond Payable	\$ (4,661,219)	\$ -	\$ -	\$ -	\$ (4,661,219)
Capital Leases	(320,043)	(303,673)	(272,050)	30,075	\$ (865,690)
Notes Payable	-	-	-	-	\$ -
<i>Net Cash From Financing Activities</i>	<i>\$ (4,981,262)</i>	<i>\$ (303,673)</i>	<i>\$ (272,050)</i>	<i>\$ 30,075</i>	<i>\$ (5,526,909)</i>
<i>Total Change In FY 2024 Cash</i>	<i>\$ (1,259,717)</i>	<i>\$ (2,885,553)</i>	<i>\$ (1,712,263)</i>	<i>\$ (312,855)</i>	<i>\$ (6,170,388)</i>
<i>Cash & Cash Equivalents, Beginning Balance</i>	<i>7,143,861</i>	<i>5,884,145</i>	<i>2,998,592</i>	<i>1,286,329</i>	<i>7,143,861</i>
<i>Cash & Cash Equivalents, Ending Balance</i>	<i>\$ 5,884,145</i>	<i>\$ 2,998,592</i>	<i>\$ 1,286,329</i>	<i>\$ 973,474</i>	<i>973,474</i>

El Centro Regional Medical Center Rolling-12 Volume trend



El Centro Regional Medical Center Rolling-12 Volume trend





TO: HOSPITAL BOARD MEMBERS
FROM: David Momberg, Chief Financial Officer
DATE: November 27, 2023
MEETING: Board of Trustees

SUBJECT: 2024 Fiscal Year Cash Flow Projection (Informational)

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

BACKGROUND:

Due to economic considerations the Hospital has been dealing with (Medi-Cal’s Supplemental payment delays, Inflation, COVID-19 State regulations, new EHR implementation, Building constructions, Operational mishaps, etc.), the Medical Center Administration has the necessity to anticipate more than ever before the cash inflows and outflows for coming months to appropriately plan ahead the operation and the decision making of the Management and the Board.

The Cash Flow forecast attached to this motion sheet has the main intention of tracking our monthly cash position to implement immediate actions that will help us reduce our cash deficits foreseen in the near future.

DISCUSSION: N/A

RECOMMENDATION: N/A

ATTACHMENT(S):

- Cash Flow Forecast –CY2024

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Velazquez

El Centro Regional Medical Center

Cash Flow Forecast dated: November 11, 2023

Actual/Projection	Actual	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Month	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024
Beginning Wells Fargo cash balance	3,011	3,822	24,428	29,242	25,679	17,888	9,155	23,481	21,212
Cash receipts									
Patient receipts	8,282	10,524	11,701	9,360	9,360	11,701	9,360	9,360	11,701
Cerner Implementation - AR Slowdown	-	-	-	-	-	-	-	-	-
Pharmacy receipts	50	60	72	57	57	72	57	57	72
Collector deposits	103	99	140	112	112	140	112	112	140
Rent collection	-	2	5	4	4	5	4	4	5
Cafeteria receipts	4	2	6	5	5	6	5	5	6
Other receipts	168	33	51	41	41	51	41	41	51
Total operating receipts	8,606	10,722	11,975	9,580	9,580	11,975	9,580	9,580	11,975
Total operating disbursements	(9,648)	(11,000)	(9,643)	(11,525)	(11,525)	(15,347)	(11,525)	(11,525)	(13,464)
Cash flow from operations	(1,042)	(278)	2,332	(1,945)	(1,945)	(3,373)	(1,945)	(1,945)	(1,489)
Supplemental receipts	(532)	-	4,047	-	(1,760)	(4,106)	17,484	890	(104)
Capital expenditures	(903)	(2,788)	(781)	(564)	(3,033)	(200)	(160)	(160)	(200)
Bond payments	(662)	(1,323)	(662)	(662)	(662)	(662)	(662)	(662)	-
Other loan payments	3,471	25,030	(23)	(393)	(393)	(393)	(393)	(393)	(785)
Transfers (to)/from bond funds	479	-	-	-	-	-	-	-	-
Transfers (to)/from UBS	-	-	-	-	-	-	-	-	-
Restructuring Cost	-	(40)	(100)	-	-	-	-	-	-
Net non-operating cash flows	1,854	20,883	2,482	(1,618)	(5,847)	(5,360)	16,270	(324)	(1,089)
Net cash flow excl. sweep transfers	812	20,605	4,814	(3,563)	(7,792)	(8,732)	14,326	(2,269)	(2,578)
Beginning unrestricted cash	3,013	3,824	24,430	29,244	25,681	17,889	9,157	23,482	21,214
Total net cash flow	812	20,605	4,814	(3,563)	(7,792)	(8,732)	14,326	(2,269)	(2,578)
Ending unrestricted cash	3,824	24,430	29,244	25,681	17,889	9,157	23,482	21,214	18,636

Key Assumptions:



TO: HOSPITAL BOARD MEMBERS
FROM: David Momberg Chief Financial Officer
DATE: November 27th, 2023
MEETING: Board of Trustees

SUBJECT: FYE 2023 Audit updates

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

BACKGROUND:

Updates on current audit work and completion timeline.

DISCUSSION: N/A

RECOMMENDATION: Informational Only

ATTACHMENT(S): None

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Velazquez