

**Memorial Hospital of Converse County - Consolidated
Unaudited Balance Sheet - (Statement of Net Position)
February 28, 2026**

| | February 2026 | February 2025 |
|--|-----------------------------|-----------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash On Hand And In Banks | 5,852,345 | 2,876,948 |
| Certificates Of Deposit - Unrestricted | 4,315,419 | 4,469,688 |
| Total Cash Assets | 10,167,763 | 7,346,636 |
| Assets Whose Use is Restricted | | |
| Certificates of Deposit Securing Loan | 6,423,060 | 7,903,889 |
| Total Restricted Assets | \$6,423,060 | \$7,903,889 |
| Total Cash | \$16,590,824 | \$15,250,525 |
| A/R Payment Arrangement Accounts | 729,003 | 749,053 |
| Uncollectible Accts & Contractual Adj. | <u>(508,514)</u> | <u>(522,786)</u> |
| Net A/R Payment Arrangements | 220,489 | 226,266 |
| Accounts Receivable (Gross) | 77,736,727 | 72,700,025 |
| Uncollectible Accts. & Contractual. Adj. | <u>(44,428,566)</u> | <u>(40,830,649)</u> |
| Net Current Patient Accounts | 33,308,161 | 31,869,376 |
| Net Payment Accounts | 33,528,650 | 32,095,642 |
| Inventories Of Supplies | 3,415,553 | 2,912,399 |
| Other Current Assets | 9,531,682 | 9,846,894 |
| Other Investments | 1,757,150 | 1,757,150 |
| Total Current Assets | \$14,704,384 | \$14,516,443 |
| LAND, BUILDING AND EQUIPMENT, net | 35,091,737 | 31,265,234 |
| OTHER ASSETS | | |
| Goodwill | 43,790,877 | 45,437,226 |
| Investment - Big Country Rehab | 220,721 | 162,734 |
| Investment - Medical Practice | 14,793,639 | 14,935,689 |
| Total Other Assets | \$58,805,237 | \$60,535,649 |
| Total Assets | <u>\$158,720,833</u> | <u>\$153,663,494</u> |
| LIABILITIES AND FUND EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | 8,276,900 | 9,809,424 |
| Accrued Salaries | 3,036,633 | 3,184,443 |
| Accrued Self Funded Health Insurance | 64,816 | 199,658 |
| Accrued Taxes And Deductions | 979,333 | 1,040,404 |
| Current Capital Lease Liability | 124,893 | 124,508 |
| Current Portion of Notes Payable | 3,316,581 | 4,541,794 |
| Current Portion of CD Secured Note | <u>755,718</u> | <u>727,425</u> |
| Total Current Liabilities | 16,554,874 | 19,627,655 |
| OTHER LIABILITIES | | |
| Contingent Liabilities | 192,000 | 150,000 |
| Medicare Cost Report Settlement-(Previous Years) | 1,857,682 | 63,580 |
| Medicare Cost Report Settlement-(Current Year) | 2,024,770 | 191,678 |
| Long Term Portion of Asset Secured Loans | 5,667,342 | 7,176,464 |
| Long Term Portion of Notes Payable | 25,622,145 | 27,034,086 |
| Long Term Capital Lease Liability | <u>189,111</u> | <u>189,110</u> |
| Total Other Liabilities | 35,553,050 | 34,804,918 |
| Total Liabilities | 52,107,924 | 54,432,573 |
| FUND EQUITY | | |
| Fund Balance | 102,691,217 | 94,256,865 |
| Net Income | 3,921,692 | 4,974,055 |
| Total Fund Balance | 106,612,909 | 99,230,920 |
| Total Liabilities And Fund Equity | <u>\$158,720,833</u> | <u>\$153,663,494</u> |

| Memorial Hospital of Converse County - Consolidated | | | | | | | | | | |
|---|--------------|-----------------|--------------------------------------|----------------------|----------------------|----------------------|----------------|----------------------|----------------------|-----------------------|
| Unaudited Income Statement Summary - (Statement of Revenues, Expenses, and Changes in Net Position) | | | | | | | | | | |
| Budget Variance Report | | | | | | | | | | |
| Current Month | | | Year to Date | | | | Prior Year YTD | | | |
| Feb 2026 | Budget | Variance Amount | <u>February</u> | | | YTD Thru Feb 2026 | YTD Budget | Variance Amount | YTD Thru Feb 2025 | Change From Prior YTD |
| | | | <u>Patient Revenue</u> | | | | | | | |
| \$3,148,674 | \$3,370,748 | (\$86,369) | Inpatient | \$28,684,732 | \$28,842,847 | (\$158,115) | | \$25,576,108 | \$3,108,624 | |
| 18,002,489 | 17,845,051 | 157,438 | Outpatient | 154,304,132 | 149,684,572 | 4,619,560 | | 136,423,303 | 17,880,829 | |
| 7,859,636 | 6,745,413 | 1,114,223 | Physician Clinics | 65,753,260 | 58,540,547 | 7,212,713 | | 55,354,853 | 10,398,408 | |
| \$29,010,798 | \$27,961,212 | \$1,049,586 | Total Patient Revenue | \$248,742,125 | \$237,067,967 | \$11,674,158 | | \$217,354,264 | \$31,387,861 | |
| | | | <u>Deductions From Revenue</u> | | | | | | | |
| 7,260,305 | 6,000,168 | 1,260,137 | Medicare | 73,398,593 | 50,779,211 | 22,619,383 | | 62,995,960 | (10,402,633) | |
| 2,198,310 | 1,955,343 | 242,967 | Medicaid | 12,946,128 | 16,547,986 | (3,601,858) | | 10,008,788 | (2,937,340) | |
| 444,781 | 346,935 | 97,847 | Worker's Compensation | 3,421,326 | 2,936,123 | 485,203 | | 2,679,603 | (741,724) | |
| 4,149,622 | 4,841,827 | (692,206) | Other Contractuals | 40,009,437 | 40,976,278 | (966,841) | | 32,938,703 | (7,070,733) | |
| 1,787,654 | 806,390 | 981,264 | Indigent Care | 9,313,446 | 6,891,492 | 2,421,954 | | 7,694,212 | (1,619,234) | |
| 1,465,743 | 2,236,680 | (770,937) | Other | 7,889,120 | 18,928,910 | (11,039,790) | | 7,288,735 | (600,385) | |
| \$17,306,414 | \$16,187,342 | \$1,119,072 | | \$146,978,051 | \$137,060,000 | \$9,918,051 | | \$123,606,001 | (\$23,372,049) | |
| 11,704,384 | 11,773,870 | (69,486) | Net Patient Revenue | 101,764,074 | 100,007,967 | 1,756,107 | | 93,748,262 | 8,015,812 | |
| 217,028 | 215,571 | 1,457 | <u>Other Operating Revenue</u> | 2,142,915 | 1,870,841 | 272,074 | | 2,209,813 | (66,898) | |
| \$11,921,412 | \$11,989,441 | (\$68,029) | Total Operating Revenue | \$103,906,989 | \$101,878,808 | \$2,028,181 | | \$95,958,075 | \$7,948,914 | |
| | | | <u>Operating Expenses</u> | | | | | | | |
| 4,292,293 | 4,362,305 | 70,012 | Salaries & Wages | 36,245,990 | 37,559,263 | 1,313,273 | | 35,057,105 | (1,188,885) | |
| 1,395,291 | 946,076 | (449,216) | Benefits | 8,902,942 | 8,134,595 | (768,347) | | 7,434,333 | (1,468,609) | |
| 242,534 | 180,419 | (62,116) | Contract Labor | 2,172,020 | 1,555,887 | (616,132) | | 2,324,393 | 152,373 | |
| 3,442,537 | 3,230,579 | (211,959) | Supplies | 28,071,848 | 27,381,511 | (690,337) | | 26,948,799 | (1,123,049) | |
| 428,634 | 379,233 | (49,402) | Lease & Rentals | 3,237,370 | 3,256,963 | 19,593 | | 3,287,650 | 50,280 | |
| 145,684 | 146,614 | 930 | Other Expenses | 1,673,966 | 1,229,560 | (444,406) | | 1,454,403 | (219,563) | |
| 0 | 26,412 | 26,412 | Management Fees | 0 | 3,635 | 3,635 | | 0 | 0 | |
| 93,513 | 7,671 | (85,842) | Legal | 952,803 | 66,573 | (886,230) | | 46,589 | (906,214) | |
| 62,324 | 60,183 | (2,141) | Travel & Education | 947,082 | 521,183 | (425,900) | | 488,723 | (458,359) | |
| 65,328 | 162,018 | 96,690 | Maintenance & Repair | 1,383,914 | 1,386,519 | 2,605 | | 1,416,869 | 32,956 | |
| 418,561 | 270,039 | (148,522) | Physician Fees | 3,588,703 | 2,338,459 | (1,250,244) | | 1,811,058 | (1,777,645) | |
| 1,014,860 | 905,938 | (108,923) | Purchased Services | 7,904,176 | 7,680,931 | (223,246) | | 7,706,767 | (197,409) | |
| 25,389 | 65,205 | 39,816 | Insurance | 369,949 | 565,888 | 195,939 | | 666,381 | 296,433 | |
| 114,104 | 112,279 | (1,826) | Utilities | 992,762 | 954,986 | (37,776) | | 913,745 | (79,017) | |
| \$11,741,056 | \$10,854,970 | (\$886,085) | Total Expenses | \$96,443,525 | \$92,635,953 | (\$3,807,572) | | \$89,556,816 | (\$6,886,709) | |
| \$180,357 | \$1,134,471 | 954,114 | Earnings Before Depreciation | 7,463,464 | 9,242,855 | 1,779,391 | | 6,401,260 | 1,062,204 | |
| 511,352 | 382,872 | (128,480) | Depreciation | 4,433,783 | 3,283,311 | (1,150,472) | | 3,626,004 | (807,778) | |
| 149,033 | 372,896 | 223,863 | Amortization | 1,192,266 | 2,990,566 | 1,798,300 | | 1,186,066 | (6,200) | |
| (480,028) | 378,703 | (858,732) | Operating Gain/(Loss) | 1,837,416 | 2,968,978 | (1,131,563) | | 1,589,190 | 248,226 | |
| | | | <u>Non-Operating Revenue</u> | | | | | | | |
| (142,608) | (279,681) | 137,073 | Interest Expense | (1,164,784) | (2,253,059) | 1,088,276 | | (1,265,380) | (100,597) | |
| 23,893 | 38,164 | (14,271) | Interest Income | 440,868 | 331,212 | 109,656 | | 491,963 | (51,095) | |
| 241,667 | 202,558 | 39,109 | County - Indigent Care Reimbursement | 1,933,333 | 1,780,525 | 152,808 | | 2,800,000 | (866,667) | |
| 33,333 | 33,333 | 0 | County - Ambulance Reimbursement | 266,667 | 266,667 | 0 | | 266,667 | 0 | |
| 33,461 | 9,773 | 23,688 | Other Non-Operating | 608,192 | 84,809 | 523,383 | | 1,091,616 | (483,424) | |
| 189,746 | 4,147 | 185,599 | Total Non-Operating Revenue | 2,084,276 | 210,154 | 1,874,123 | | 3,384,866 | (1,300,590) | |
| (\$290,282) | \$382,850 | (\$673,133) | Net Income/(Loss) | \$3,921,692 | \$3,179,132 | \$742,560 | | \$4,974,055 | (\$1,052,364) | |

Memorial Hospital of Converse County - Consolidated
Unaudited Statement of Cash Flows
January 31, 2026

| | | |
|--|-------------|-------------|
| Beginning Balance | | 16,502,816 |
| Cash from Operations | | |
| Operating Loss | (480,028) | |
| Increase in Accounts Receivable | 433,396 | |
| Decrease in Accounts Payable | 1,915,499 | |
| Decrease in Other Current Assets | (415,353) | 1,453,513 |
| Cash from Financing | | |
| Non-Operating Income | 189,746 | |
| Decrease in Notes Payable | (1,124,911) | |
| Increase in Other Liabilities | (629,851) | (1,565,016) |
| Cash from Investing | | |
| Increase in Property, Plant, and Equipment | 50,477 | |
| Increase in Other Assets | 149,033 | 199,510 |
| Ending Balance | | 16,590,824 |