



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
Tuesday, December 2, 2025
5:30 PM

Modular C Classroom
600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2160. **Notification 48 hours prior to the meeting** will enable the Healthcare District to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

S. McDougall, Chair

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Healthcare District Board of Directors on any matter under the subject jurisdiction of the Board. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Healthcare District Board of Directors, we want you to know that the Board acknowledges the comments or concerns that you direct to this Board. While the Board may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the Hospital CEO, or other Hospital Executive personnel, to do further research and report back to the Board prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board’s part; a response will be forthcoming.

NOTE: ALL MEMBERS OF THE SAN GORGONIO MEMORIAL HOSPITAL BOARD OF DIRECTORS ARE INVITED PARTICIPANTS AND MAY ADDRESS THE SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BOARD OF DIRECTORS AT ANY TIME DURING THIS MEETING.

TAB

OLD BUSINESS

III. * **Proposed Action - Approve Minutes**
• November 4, 2025, Regular Meeting

S. McDougall

A

NEW BUSINESS

San Gorgonio Memorial Healthcare District
 Board of Directors Regular Meeting
 December 2, 2025

- | | | | |
|-------|--|---------------------------------|---------|
| IV. | Chief of Staff Report
*Proposed Action - Approve Recommendations of the Medical Executive Committee
▪ ROLL CALL | S. Khalil, MD
Chief of Staff | B |
| V. | District Board Chair Monthly Report | S. McDougall | verbal |
| VI. | CEO Monthly Report | S. Barron | verbal |
| VII. | FOR REVIEW – Healthcare District Bylaws | S. McDougall | C |
| VIII. | *Proposed Action - Approve October 2025 Financial Report
▪ ROLL CALL | R. Hilario | D |
| IX. | *Proposed Action - Approve 09-30-25 Quarterly Investment Report
▪ ROLL CALL | R. Hilario | E |
| X. | * Proposed Action – Approve the Renewal of 3M/Solventum Z Patient Chart Coding Software Contract
▪ ROLL CALL | D. Heckathorne | F |
| XI. | * Proposed Action – Approve the FYE 25 Financial Audit Contingent upon the final opinion
▪ ROLL CALL | D. Heckathorne/
Wipfli, LLP | handout |
| XII. | Transition to New Management Services Arrangement with Tenet Settlement and Transition Agreement between San Gorgonio Memorial Healthcare District and San Gorgonio Memorial Hospital, a California nonprofit corporation
* Proposed Action – Authorize Officers to Finalize and Execute Agreement and take such actions as necessary to provide for transition by January 1, 2026.
▪ ROLL CALL | S. Barron | handout |
| XIII. | *Proposed Action – Approve Tenet Designee, Michele Finney, as Interim CEO, Effective January 1, 2026.
▪ ROLL CALL | S. McDougall | verbal |
| XIV. | *Proposed Action – Approve Resolution Regarding Signing and Expenditure Authority of Designated Officers, Effective January 1, 2026
▪ ROLL CALL | S. McDougall | handout |
| XV. | *Proposed Action – Approve Line of Credit Agreement with Tenet
▪ ROLL CALL | S. McDougall | handout |

San Gorgonio Memorial Healthcare District
Board of Directors Regular Meeting
December 2, 2025

XVI. ***Proposed Action - Approve Policies and Procedures**
▪ **ROLL CALL**

Staff G

***** ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION**

S. McDougall

- Proposed Action – Approve Medical Staff Credentialing
(*Health & Safety Code §32155; and Evidence Code §1157*)

XVII. **ADJOURN TO THE CLOSED SESSION OF THE HEALTHCARE DISTRICT BOARD**

*** The Board will convene to the Open Session portion of the meeting approximately 2 minutes after the conclusion of Closed Session.**

RECONVENE TO OPEN SESSION

***** REPORT ON ACTIONS TAKEN DURING CLOSED SESSION**

S. McDougall

XVIII. General Information

XIX. Future Agenda Items

XX. Adjournment

S. McDougall

***Action Required**

In accordance with The Brown Act, *Section 54957.5*, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Board. Such records shall be available at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

I certify that on November 29, 2025, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Healthcare District, and on the San Gorgonio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (*Government Code Section 54954.2*).

Executed at Banning, California on November 29, 2025



Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BOARD OF DIRECTORS

November 4, 2025

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Tuesday, November 4, 2025, in Modular C meeting room, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Doris Foreman, Shannon McDougall (C), Ron Rader, Lanny Swerdlow

Members Absent: Pat Brown

Required Hospital: Steve Barron (CEO), John Peleuses (VP Ancillary and Support Services), Ariel Whitley (EA/Director of Compliance and Privacy), Angie Brady (CNE), Ronnie Hilario (Controller), Annah Karam (CHRO), Daniel Heckathorne (CFO), Thomas Jeffry (Legal Counsel)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
Call To Order	Chair Shannon McDougall called the meeting to order at 5:50 pm.													
Public Comment	No public comment.													
OLD BUSINESS														
Proposed Action - Approve Minutes October 7, 2025, regular meeting, and the October 28, 2025, special meeting.	Chair McDougall asked for any changes or corrections to the minutes of the October 7, 2025, regular meeting and the October 28, 2025, special meeting. There were none.	The minutes of the October 7, 2025, regular meeting, and the October 28, 2025, special meeting will stand correct as presented.												
NEW BUSINESS														
Chief of Staff Report Proposed Action – Approve Recommendations of the Medical Executive Committee	<p>Sherif Khalil, MD, Chief of Staff, briefly reviewed the Medical Executive Committee report as included on the board tablets.</p> <p><u>2025 Annual Policies and Procedures</u></p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Brown</td> <td style="width: 25%;">Absent</td> <td style="width: 25%;">Foreman</td> <td style="width: 25%;">Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		M.S.C., (Rader/Swerdlow), the SGMHD Board of Directors approved the recommendations of the Medical Executive Committee Report (memorandum).
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												
District Board Chair Monthly Report	No report.													
CEO Monthly Report	No report.													

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
<p>Proposed Action – Approve the September 2025 Financial Report</p>	<p>Ronnie Hilario, Controller, reviewed the September 2025 Finance Report as included on board tablets.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="407 436 1214 541"> <tr> <td>Brown</td> <td>Absent</td> <td>Foreman</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		<p>M.S.C., (Foreman/Rader), the SGMHD Board of Directors approved the September 2025 Financial Report as presented.</p>
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												
<p>Quarterly Common Area Maintenance (CAM) Fees Report</p>	<p>Ronnie Hilario briefly reviewed the Quarterly Common Area Maintenance Fees Report as included on the board tablets.</p>													
<p>Proposed Action – Consideration whether to enter a new management services agreement with San Gorgonio Memorial Hospital and Tenet Business Services Corporation</p>	<p>Tom Jeffrey, Legal Counsel, reviewed the agreement as well as Resolution No. 2025-05.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="407 873 1214 978"> <tr> <td>Brown</td> <td>Absent</td> <td>Foreman</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		<p>M.S.C., (Rader/Foreman), the SGMHD Board of Directors voted to enter a new management services agreement with San Gorgonio Memorial Hospital and Tenet Business Services Corporation.</p>
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												
<p>Proposed Action – Adopt Resolution No. 2025-05</p>	<p>Tom Jeffrey, Legal Counsel, reviewed Resolution No. 2025-05 which was to be included with agenda item number IX.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="407 1276 1214 1381"> <tr> <td>Brown</td> <td>Absent</td> <td>Foreman</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		<p>M.S.C., (Rader/Foreman), the SGMHD Board of Directors voted to adopt Resolution No. 2025-05.</p>
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												
<p>Proposed Action – Approve Policies and Procedures</p>	<p>There were thirty-five (35) policies and procedures included on the board tablets presented for approval by the Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="407 1577 1214 1682"> <tr> <td>Brown</td> <td>Absent</td> <td>Foreman</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		<p>M.S.C., (Foreman/Swerdlow), the SGMHD Board of Directors approved the policies and procedures as submitted.</p>
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
Proposed Action – Approve 2026 Meeting Dates	Chair McDougall reported that included on the board tablets is a list of suggested meeting dates for 2026. BOARD MEMBER ROLL CALL: <table border="1" data-bbox="407 436 1214 541"> <tr> <td>Brown</td> <td>Absent</td> <td>Foreman</td> <td>Yes</td> </tr> <tr> <td>McDougall</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Swerdlow</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Brown	Absent	Foreman	Yes	McDougall	Yes	Rader	Yes	Swerdlow	Yes	Motion carried.		M.S.C., (Foreman/Rader), the SGMHD Board of Directors approved the 2026 Meeting Dates as presented.
Brown	Absent	Foreman	Yes											
McDougall	Yes	Rader	Yes											
Swerdlow	Yes	Motion carried.												
Adjourn to Closed Session	Chair McDougall reported the items to be reviewed and discussed and/or acted upon during Closed Session will be: <ul style="list-style-type: none"> ➤ Proposed Action–Approve Medical Staff Credentialing. The meeting adjourned to Closed Session at 5:59 pm.													
Reconvene to Open Session	The meeting was reconvened to Open Session at 6:01 pm. At the request of Chair McDougall, Ariel Whitley reported on the actions taken/ information received during closed session as follows: <ul style="list-style-type: none"> ➤ Approved Medical Staff Credentialing 													
General Information	<ul style="list-style-type: none"> • None 													
Future Agenda Items	<ul style="list-style-type: none"> • None 													
Adjournment	The meeting was adjourned at 6:02 pm.													

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

TAB B

SAN GORGONIO MEMORIAL HOSPITAL

Medical Staff Services Department

M E M O R A N D U M

DATE: November 19, 2025

TO: Chair
Governing Board

FROM: Sherif Khalil, M.D., Chairman
Medical Executive Committee

SUBJECT: MEDICAL EXECUTIVE COMMITTEE REPORT

At the Medical Executive Committee meeting held on this date, the following items were approved and recommended for final approval by the Governing Board:

Approval Item(s):

Pharmacy & Therapeutics Committee Report

Formulary Additions

Leuprolide: GnRH agonist used for uterine bleeding; for use in OB and ED (See attached).

Order Sets

Labor and Delivery

Labor and Delivery Admission Order Sets (See attached):

For patients having a C-Section Prophylactic Antibiotic:

Cefazolin 2g IVPB x 1 (patient weighs under 120kg)

Cefazolin 3g IVPB x 1 (patient weighs 120kg or more)

Azithromycin 500mg IVPB x 1 (only if in labor)

OB Hypertension Order Set:

New order set in draft form for EHR. Separate pathways, require telemetry monitoring.

Medication Error Report

There were twenty-four (24) incident reports on Verge as several were duplicates. Providers were notified of all medication related adverse events (See attached).

2025 Annual Approval of Policies & Procedures

The 2025 Policies and Procedures were reviewed and recommended for approval (see attached).

Revisions were made by the respective departments, and all changes have been highlighted for reference.

**SAN GORGONIO MEMORIAL HOSPITAL
2025 ANNUAL APPROVAL (11/19/2025)
POLICIES & PROCEDURES**

Title	Policy Area	Revised?
Autologous Blood Transfusion—Paul Gann Act	Clinical Laboratory	Revised
Blood and Blood Products Transfusions	Clinical Laboratory	Revised
BUN, Creatinine and eGFR Point of Care Testing (POCT) on the Piccolo Analyzer	Clinical Laboratory	Unchanged
Care of The Newborn	Obstetrics	Revised
Clinical Lab Services for STAT, Timed and Routine Blood Collection	Clinical Laboratory	Revised
Clinical Lab Test Turnaround Times (TAT)	Clinical Laboratory	Unchanged
Evaluating and Selecting Reference Laboratories	Clinical Laboratory	Unchanged
HIV Antibody Testing	Clinical Laboratory	Unchanged
Legionella / Water-Borne Pathogen Management Program	Facilities	Revised
Management of Potentially Contaminated Blood & Blood Products	Clinical Laboratory	Revised
No Prenatal Care and/or No Record of Care	Obstetrics	Revised
Point of Care Testing Using the BinaxNOW COVID-19 Ag Card	Clinical Laboratory	New
Postpartum Care	Obstetrics	Revised
Waived Testing or Point of Care Testing (POCT) Program	Clinical Laboratory	Revised

TAB C

**AMENDED AND RESTATED BYLAWS
OF THE
SAN GORGONIO MEMORIAL
HEALTHCARE DISTRICT**

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**AMENDED AND RESTATED BYLAWS
OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT**

ARTICLE I. PURPOSES

Section 1. Specific Purposes. The purposes of this healthcare district shall be:

- (a) To establish and maintain a hospital for the care of persons suffering from illnesses or disabilities which require that the patients receive hospital care.
- (b) To carry on any activities related to health services which, in the opinion of the Board of Directors, may be justified by the facilities, personnel, funds or other requirements that are or can be made available.
- (c) To promote and carry on scientific research related to the care of the sick and injured insofar as, in the opinion of the Board of Directors, such research and education can be carried on in, or in connection with, the hospital.
- (d) To participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the community.

Section 2. Public Body. This district is organized as a public body. No part of its earnings will inure to the benefit of any member, director, officer or individual.

ARTICLE II. ORGANIZATION

Section 1. Name. The name of this healthcare district shall be "San Gorgonio Memorial Healthcare District".

Section 2. Principal Office. The function and governance of this District shall be conducted at the principal office of the San Gorgonio Memorial Hospital, which is located at the southeastern corner of Highland Springs Avenue and West Wilson Street in the City of Banning, in the County of Riverside, State of California or such other place or places in the District as the Board of Directors may from time to time designate.

Section 3. Board of Directors. The administrative powers of this District shall be vested in a Board of Directors of five members who have charge, control and management of the property, affairs and funds of the District and who have the power and authority to perform all acts and functions not inconsistent with these bylaws or with the Healthcare District Laws of the State of California.

Section 4. Seal. The District shall have a seal which shall be circular in form and have in the perimeter thereof the following inscription:

San Gorgonio Memorial Healthcare District

Organized October 9, 1947

California

Section 5. District Service Area. The District is entirely located in Riverside County and the State of California. Communities serviced are as follows: CALIMESA - CHERRY VALLEY - BANNING - BEAUMONT - CABAZON - WHITEWATER. The present boundary of San Gorgonio Memorial HealthCare District is as shown on attached map.

ARTICLE III. BOARD OF DIRECTORS

Section 1. Number and Qualification. There shall be five (5) directors of this District, each of whom shall be a registered voter residing in this District.

Section 2. Term. The term of each Director shall be four (4) years. These terms shall be staggered. In each year divisible by four, two (2) Directors shall be elected for four (4) year terms. In the other even years, three (3) Directors shall be elected for four (4) years.

Section 3. Electorate. Directors shall be elected by the qualified electors of the District. All registered voters residing in the District are qualified electors.

Section 4. Successors. Directors shall go out of office upon the election and qualification of their successors after each healthcare district general election in even numbered years, as provide by California Health and Safety Code Section 32100.

Section 5. Vacancies. A vacancy upon the Board can occur upon the happening of any of the events set forth in Government Code Section 1770. Any vacancy shall be filled in accordance with Section 1780 of the Government Code and in accordance with other applicable statutes. Any person appointed to fill such vacancy shall hold office for the unexpired term.

Section 6. Quorum. A quorum for the transaction of business at regular or special meetings shall consist of a majority of the members of the Board of Directors.

Section 7. Agenda. The agenda at any meeting of the Board of Directors shall be as required from time to time by the Local Healthcare District Law.

Section 8. Regular Meetings. The Board of Directors shall hold regular meetings at such times as may be prescribed from time to time by resolution of the Board of Directors, but not less than ten times annually. Such meetings shall be held on the campus of the San Gorgonio Memorial Hospital or at such other place within the boundaries of the District as may be designated from time to time by the Healthcare District Board of Directors.

Section 9. Organizational Meeting.

- (a) At the first meeting following a regular hospital election, the Board of Directors shall meet for the purpose of organization, including election of officers, committee assignments and the transaction of other necessary business.
- (b) At the regular meeting in January, the Board of Directors shall meet for the purpose of reviewing the Bylaws and updating them as necessary.

Section 10. Special Meetings. Special meetings of the Board may be called by the Chair, or shall be called at the written request of three members of the Board. Written notice of special meetings shall be mailed from a point within the District to each member of the Board at least forty-eight hours before the date of such special meeting. This notice shall state the business to be conducted and no business other than that stated in the notice shall be conducted at such special meeting.

Section 11. Management. . Subject to the limitations of the Local Healthcare District Law, or as the same may hereafter be amended, and subject to the duties of Directors as prescribed by these bylaws, it is the responsibility of the Board of Directors to ensure that any hospital operated by the District is properly managed in accordance with the Health and Safety Code and applicable regulations promulgated thereunder, and to establish policy, maintain quality patient care, and provide for institutional management and planning. The Board of Directors may provide for the management and operation of its hospital

by an independent management company (“Manager”) which shall assist the Board of Directors in its duties and responsibilities.

Section 12. Sessions of Board Open to Public. All of the sessions of the Board of Directors, whether regular or special, shall be open to the public, except as authorized by Government Codes 54950 et seq., Health and Safety Code Sections 32106 and 32155, and such additional statutory authority as may exist from time to time relating to public meetings of local health care districts.

Section 13. Adjournment. A quorum of the Directors may adjourn any Directors meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum those present at any directors meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 14. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting shall be given to absent directors.

Section 15. Compensation and Expenses. The members of the District Board of Directors are entitled to receive amounts per meeting as provided by California Administrative Codes. Such amounts shall not be mandatory and Board Members choosing not to accept compensation may do so. Additionally, each Board member is also entitled to receive reimbursement for expenses incurred in conjunction with educational seminars.

Section 16. Duties. The Board of Directors has the responsibility to establish policy for San Gorgonio Memorial Hospital (the “Hospital”) and its business, including, but not limited, to all matters pertaining to the quality of care rendered within the Hospital. The Board of Directors shall exercise this authority in conformity with applicable laws, regulations, and accreditation requirements. In furtherance of the foregoing, the role of the Board of Directors shall be as follows:

- (a) Establish policy for the operation, maintenance and development of the Hospital and its business, including, but not limited to assuring the quality of care within the Hospital.
- (b) Provide for the appointment of a competent and experienced Chief Executive Officer who shall be its direct representative in the management of the Hospital.
- (c) On an annual basis, review the performance of the Chief Executive Officer, unless such Chief Executive Officer is an employee of a Manager for the Hospital, in which case it will review the performance of the Manager.
- (d) Approve an annual operating budget and capital expenditures.
- (e) Approve the strategic plan on an annual basis.
- (f) Review and approve periodic financial statements and other financial matters of the Hospital.
- (g) Assure that adequate revenues are retained by the Hospital and spent appropriately.
- (h) Review and act on financing arrangements recommended by the Chief Executive Officer for the Hospital.
- (i) Review these Bylaws, the Medical Staff Bylaws, and all committees as needed, and approve needed changes.
- (j) Review and, when appropriate, approve policies and procedures to promote care, treatment, and rehabilitation of patients.
- (k) Review and revise, as appropriate, all department and service policies and procedures when warranted and ensure that the Medical Staff participates, as appropriate.
- (l) Act as the final decision-making authority with respect to all matters pertaining to credentialing and privileges. Upon the recommendation and advice of the Medical Staff, the Board shall appoint members of

the Medical Staff and grant such privileges as may, in their judgment, be warranted by the experience and training of the applicant.

ARTICLE IV. OFFICERS

Section 1. Officers. The officers of the Board of Directors shall be a Chair, a Vice Chair, a Secretary, a Treasurer and such other officers as the Board of Directors may authorize. They shall hold office for a period of one year or until their successor shall have been duly elected and qualified. All officers, agents and employees shall be bonded in such amounts as may be determined from time to time by the District Board of Directors.

Section 2. Duties of Officers.

- (a) **Chair.** The Chair shall call and preside at all meetings and shall be ex-officio, a member of all committees.
- (b) **Vice Chair.** The Vice Chair shall act as Chair, in the absence of the Chair and when so acting shall have all the power and authority of the Chair.
- (c) **Treasurer.** The Treasurer's duties shall correspond with those delineated in Section 32127 of the Health and Safety Code of the State of California or as the same may hereafter be amended.
- (d) **Secretary.** The Secretary shall: (i) act as or cause to be provided a Secretary of the Board, (ii) act as or cause to be provided a custodian of all records and reports of the District and of the Board (iii) be responsible for or cause to be maintained the keeping and reporting of adequate records of all transactions and of the minutes of all meetings of the Board of Directors. The Secretary shall also be responsible for causing the copying and forwarding to the County Clerk of the disclosure forms required to be filed with the Secretary under the California Political Reform Act.

ARTICLE V. MISCELLANEOUS

Section 1. Contracts and How Executed. Except as otherwise provided by these bylaws, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the District, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors no officer, agent or employee shall have any power or authority to bind the District by any contract or engagement or to pledge its credit or render it liable for any purpose or to any amount.

Section 2. Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the District, shall be signed or endorsed by such person or persons and in the manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 3. Conflict of Interest and Employment Restriction.

(a) **Prohibited Conflict of Interest.** Members of the Board of Directors shall not have a prohibited conflict of interest and may not make, participate in making, or in any way use or attempt to use his or her official position to influence a District decision when he or she knows or has reason to know he or she has a disqualifying financial interest. A disqualifying conflict of interest arises when a Director, or his or her immediate family, can reasonably foresee a direct and material monetary gain or suffer any direct and material monetary loss as a result of his or her official activity or on any financial interest described by Title 2 of the California Code of Regulations §18700. A disqualifying conflict does not exist if, as a member of a business profession, occupation or group, a Director accrues no greater of a benefit or detriment than any other Director. As may be permitted by Government Code Sections 1091-1091.5, if a member of the Board of Directors has a disqualifying conflict of interest with certain matters before the Board, such Member shall recuse himself/herself from any discussion on the matter as well as any vote on the matter.

(b) **No Employment with District or Hospital.** An employee of the District or the Hospital shall not be sworn into office as an elected or appointed member of the Board unless the elected or appointed member resigns as an employee. If

the elected or appointed member does not resign, the employment shall be deemed automatically terminated upon his or her being sworn into office.

(c) No Significant Financial Interest in Transaction or Contract. An elected or appointed member of the Board of Directors shall not be sworn into office as long as the member has a significant financial interest in a pending transaction or existing contractual arrangement with the District or the Hospital. A significant financial interest exists where the Director, or his or her immediate family, has a direct and material monetary gain or would suffer direct and material monetary loss as a result of the transaction or contractual arrangement with the District, including any financial interest described by Title 2 of the California Code of Regulations §18700.

(d) One Year Restriction. A former member of the Board of Directors may not be hired by the District in the capacity of an employee, or have a significant financial interest in any transaction or contractual arrangement with the District for one (1) year after the former member has ceased to be a Director. This prohibition shall not apply to any Director who was at the inception of his or her term of office an employee, or had a significant financial interest with the District and terminated such employment status or such significant financial interest upon the commencement of his or her term.

(e) Compliance with District's Conflict of Interest Code. Members of the Board of Directors shall comply with the District's Conflict of Interest Code, as it may be amended or supplemented from time to time, applicable provisions of the Political Reform Act, Government Code Section 81000, et seq. Government Code Section 1090 et seq. and other policies adopted by the Board, including but not limited to confidentiality and conflict of interest policies. As required by the foregoing laws, Board members shall file an FPPC Form 700 with the District within 30 days of taking office, annually, and within 30 days of leaving office.

ARTICLE VI. COMMITTEES

The Committees of the Board shall be standing or special. The Chair of each Committee must be a member of the Board of Directors. All Committee appointments shall be made by the Chair of the Board of Directors.

All Standing Committees shall meet annually, unless the specific description of a Standing Committee specifies a different frequency of meeting, or except as a different frequency of meeting is set by the Board of Directors.

Ad hoc committees may be appointed by the Chair with the concurrence of the majority of the Board and in such numbers and for such special tasks as circumstances warrant. Such special Committees shall limit their activities to the accomplishment of the task for which created and appointed, and shall have no power to act except such as is specifically conferred by action of the Board. Upon completion of the tasks for which appointed, each such special committee shall stand discharged.

All appointments to committees shall terminate with the reorganization of the Board of Directors at the organizational meeting held following regular district elections or upon the special election or appointment of any new Board member(s).

ARTICLE VII. CHIEF EXECUTIVE OFFICER

The Board of Directors may employ or arrange as part of the services provided by a Manager an experienced Chief Executive Officer ("CEO") approved by the Board of Directors. The CEO shall be the direct executive representative in the management of the Hospital and shall supervise, direct, and control the activities, affairs, and officers of the Hospital. This CEO shall have the necessary authority and shall be held responsible for the administration of the Hospital in all its activities and departments, subject only to such policies as may be adopted, and such orders as may be issued by the Board of Directors or by any of its officers or committees to which it has delegated power for such action. The CEO shall act as the duly authorized administrative representative of the Board of Directors in all matters concerning the Hospital and shall have such other powers and duties as the Board of Directors of these Bylaws may prescribe.

ARTICLE VIII. MEDICAL STAFF

Section 1. Medical Staff Organization. The Board of Directors shall serve as the Governing Body of San Gorgonio Memorial Hospital, and shall cause to be created a self-governing medical staff, to be known as the Medical Staff of San Gorgonio Memorial Hospital. The Medical Staff shall be comprised of all duly licensed physicians and surgeons, podiatrists, dentists, and clinical psychologists who are privileged to attend patients at the Hospital. Membership in this Medical Staff shall be a prerequisite to the exercise of clinical privileges in the Hospital, except as otherwise specifically provided in the San Gorgonio Memorial Hospital Medical Staff Bylaws.

Section 2. Allied Health Professionals. Allied Health Professionals shall not be eligible for Medical Staff membership but may be granted appropriate practice privileges if they meet the eligibility criteria adopted by the Medical Staff and approved by the Board of Directors, as may be set forth in the San Gorgonio Memorial Hospital Medical Staff Bylaws or other Medical Staff or Hospital documents.

Section 3. Nondiscrimination. No applicant to the Medical Staff shall be denied Medical Staff membership on the basis of sex, race, creed, color or national origin, or on the basis of any other criterion lacking professional justification. The Hospital shall not discriminate with respect to staff privileges or the provision of professional services against a licensed clinical psychologist within the scope of his/her licensure, or against a licensed physician and surgeon or podiatrist on the basis of whether the physician and surgeon or podiatrist holds an M.D., D.O. or D.P.M. degree.

Section 4. Medical Staff Bylaws. The Medical Staff shall propose and adopt bylaws, rules, and regulations, which shall be known as the San Gorgonio Memorial Hospital Medical Staff Bylaws ("Medical Staff Bylaws"), and which shall be effective when approved by the Board of Directors. Approval shall not be unreasonably withheld. The Medical Staff Bylaws shall include provisions required by law and regulation, including as required by California Health & Safety Code section 32128, and shall state the purposes, functions and policies by which the Medical Staff exercises its responsibilities. The Medical Staff shall be organized in accordance with the Medical Staff Bylaws, and shall govern its own affairs, elect its own officers, and conduct meetings in accordance with the Medical Staff Bylaws.

The Medical Staff shall have the initial responsibility to formulate, adopt and recommend Medical Staff Bylaws to the Board of Directors, and amendments thereto as necessary from time to time. The Board of Directors may request that the Medical Staff adopt specific amendments to the Medical Staff Bylaws, but may not unilaterally amend the Medical Staff Bylaws.

Section 5. Delegation of Authority. The Board of Directors hereby delegates to the Medical Staff the responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership status, clinical privileges, and corrective action, and shall require that the Medical Staff adopt and forward to it specific written recommendations with appropriate supporting documentation that will allow the Board of Directors to take informed action on Medical Staff matters.

If the Medical Staff fails to investigate or take disciplinary action contrary to the weight of evidence, the Board of Directors may, in a manner provided by the Medical Staff Bylaws, direct the Medical Staff to initiate investigation or disciplinary action, but only after consultation with the Medical Staff. The Board of Directors' request for Medical Staff action shall be in writing and shall set forth the basis for the request. If the Medical Staff fails to take action in response to the Board of Directors' directive, the Board of Directors may take corrective action, provided it has first given written notice to the Medical Staff and provided the Board of Directors' action is in accord with the Medical Staff Bylaws.

When no person authorized under the Medical Staff Bylaws is available to summarily suspend or restrict clinical privileges, the Board of Directors, or its designee, may immediately suspend a practitioner's clinical privileges if a failure to summarily suspend those privileges is likely to result in imminent danger to the health of any individual, provided the Board of Directors has, before the suspension, made reasonable attempts to contact the persons authorized by the Medical Staff Bylaws to suspend or restrict privileges. A suspension by the Board of Directors which has not been ratified by the Medical Staff within two working days, excluding weekends and holidays, after the suspension shall terminate automatically.

Section 6. Medical Staff Appointment and Reappointment. The Medical Staff Bylaws shall establish controls to ensure the achievement and maintenance of high standards of professional ethical practices including a provision that all members of the Medical Staff be required to demonstrate their ability to perform surgical and/or other procedures competently

and to the satisfaction of an appropriate committee or committees of the Medical Staff, at the time of original application for appointment to the staff and at least every two years thereafter.

The Medical Staff Bylaws shall specify eligibility for Medical Staff membership and the procedure by which establishment of professional privileges is determined. Medical Staff members shall be appointed initially and reappointed for no more than two years per appointment term. At a minimum, applications for membership shall include complete information regarding the applicant's education, licensure, practice, previous hospital experience, and any unfavorable history regarding licensure or privileges. This information shall be verified by the appropriate individual on behalf of the Medical Staff. The applicant shall agree in writing to follow the Medical Staff Bylaws, and these Bylaws as applicable, and all other policies of the Hospital, upon appointment.

The Medical Staff Bylaws shall provide that all applications be reviewed by the Medical Staff, or a committee or committees thereof, and that the Medical Staff study the qualifications of all applicants in the establishment of professional privileges. Selection shall be based on individual character, competence, training, experience, and judgment. Applications for appointments to the Medical Staff shall be considered in a timely and good faith manner. The Medical Staff shall submit to the Board of Directors recommendations regarding each application.

Final action on all matters relating to Medical Staff membership status, clinical privileges, and corrective action shall be taken by the Board of Directors after considering Medical Staff recommendations, or as otherwise provided in the Medical Staff Bylaws. Medical Staff recommendations shall be considered by the Board, but shall not be binding upon the Board.

Section 7. Corrective Action, Hearings and Appeals. When an appointment is denied or not renewed or when privileges have been proposed to be reduced, altered, suspended, or terminated, the applicant or Medical Staff member shall have the procedural rights, if applicable, set forth in the Medical Staff Bylaws. With respect to hearings and appeals, inasmuch as Article IX of the Medical Staff Bylaws provides for procedure for hearing and appeals, Article IX of the Medical Staff Bylaws is hereby adopted and by reference incorporated herein as though fully set forth, including any amendments to Article IX as may be made from time to time.

Section 8. Medical Staff Communication. Communication between the Medical Staff and the Board of Directors is facilitated by the attendance of the Chief of the Medical Staff, or his/her designee, at the regular monthly meetings of the Board of Directors. A member of the Medical Staff who is an elected member of the Board shall not represent the Medical Staff. Communication between the Board of Directors and the Chief of the Medical Staff, or his/her designee, shall include discussion of matters related to the quality of medical care provided to patients of the Hospital, and shall allow for the Chief of the Medical Staff, or his/her designee, on behalf of the Medical Staff, to participate in the development of Hospital policy.

Section 9. Medical Staff Membership and Clinical Privileges. Each member of the Medical Staff shall have the authority and responsibility for the care of his/her patients, subject to such limitations as contained in these Bylaws, the Medical Staff Bylaws, Rules, policies and procedures, and other Medical Staff documents, and as attached to his/her appointment. Each member of the Medical Staff shall be required to obtain and maintain malpractice insurance as specified in the Medical Staff Bylaws.

Section 10. Medical Records. All members of the Medical Staff shall be responsible for accurate and complete documentation of the care they provide, so that accurate and complete medical records are prepared and maintained for all patients.

ARTICLE VIIIa. QUALITY OF PROFESSIONAL SERVICES

Section 1. Accountability. The Board of Directors is legally responsible for the conduct of the Hospital, and the Medical Staff shall be accountable to the Board of Directors for the quality of professional services provided to patients. To fulfill its responsibilities, the Board of Directors assures:

(a) Every patient is under the care of a duly licensed doctor of medicine or osteopathy, doctor of podiatric medicine, doctor of dental surgery or dental medicine, or clinical psychologist; provided, however, that a doctor of medicine or osteopathy is responsible for the care of each patient with respect to any medical or psychiatric problem that is not specifically within the scope of practice of a doctor of dental surgery, dental medicine, podiatric medicine, or clinical psychologist.

(b) Patients are admitted to the Hospital only on the recommendation of a licensed practitioner permitted by the State to admit patients to a hospital.

(c) Services performed under a contract are provided in a safe and effective manner.

(d) Financial oversight and provision of management and administrative assistance, as well as appropriate physical resources and personnel, to meet the needs of patients and support and facilitate the ongoing operations of the Hospital.

(e) It participates in planning to meet the health needs of the community.

(f) All reasonable steps are taken to conform to all applicable federal, state and local laws and regulations, including those relating to licensure, fire inspection and other safety measures.

(g) Such other support as the Board of Directors deems necessary for the preservation and improvement of the quality, safety, and efficiency of patient care.

Section 2. Professional Services. The Medical Staff shall be self-governing with respect to the professional work performed in the Hospital, and the Medical Staff or one or more committees thereof shall meet periodically to review and analyze at regular intervals the clinical experience of the members of the Medical Staff. Patient medical records shall be the basis for such review and analysis. The Medical Staff shall provide periodic reports to the Board of Directors regarding its review and evaluation of the care provided at the Hospital, including documentation necessary for the Board of Directors to take informed action as appropriate.

ARTICLE IX. AMENDMENTS

The Bylaws may be amended at a regular or special meeting by affirmative vote of a majority of all members of the District Board of Directors.

ARTICLE X. CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT, and that the above Amended and Restated Bylaws, consisting of 11 pages, including this page, are the Bylaws of the San Gorgonio Memorial Healthcare District as adopted by the Healthcare District's Board of Directors on January 2, 2024, and that they have not been amended or modified since that date.

Executed on January 2, 2024, at Banning, California.



Ron Rader, Secretary

TAB D

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT - DISTRICT FINANCIALS												11/24/2025
2	BALANCE SHEET								Jun 25 Act	Aug 25 Act	Sep 25 Act	Oct 25 Act	Var Sep 25
3									UNAUDITED				
4	TOTAL ASSETS **								96,453,931	92,030,022	92,911,634	92,708,513	-203,121
5	CURRENT ASSETS								3,218,857	2,679,359	3,889,619	4,777,243	887,624
6								CASH & EQUIVALENTS	1,943,065	317,421	346,555	727,020	380,465
7								OTHER CURRENT ASSETS	1,275,792	2,361,938	3,543,064	4,050,223	507,159
8								TAXES RECEIVABLE	1,275,792	2,361,938	3,543,064	4,050,223	507,159
9								MISC RECEIVABLE	0	0	0	0	0
10								PREPAID EXPENSES	0	0	0	0	0
11													
12	ASSETS WHICH USE IS LIMITED								19,514,619	14,983,837	15,118,583	13,542,167	-1,576,416
13	NET PROPERTY, PLANT, AND EQUIPMENT								73,236,108	72,757,589	72,436,213	72,206,464	-229,749
14								PROPERTY, PLANT, AND EQUIPMENT	170,991,623	171,429,002	171,592,345	171,826,190	233,845
15								LAND & LAND IMPROVEMENTS	4,714,814	4,714,814	4,714,814	4,714,814	0
16								BUILDINGS & BUILDING IMPROVEMENTS	138,674,403	138,761,987	138,813,631	138,814,961	1,330
17								FIXED EQUIPMENT	26,689,589	26,689,589	26,697,489	26,697,489	0
18								CONSTRUCTION IN PROGRESS	912,817	1,262,612	1,366,411	1,598,926	232,515
19								LESS: ACCUMULATED DEPRECIATION	-97,755,515	-98,671,413	-99,156,132	-99,619,726	-463,594
20	OTHER ASSETS								484,347	1,609,237	1,467,219	2,182,639	715,420
21													
22	TOTAL LIABILITIES & FUND BALANCE **								96,453,930	92,030,021	92,911,631	92,708,508	-203,123
23	TOTAL LIABILITIES								120,110,844	114,826,321	115,402,123	114,913,648	-488,475
24	CURRENT LIABILITES								8,476,310	7,518,689	8,301,184	7,474,956	-826,228
25								ACCOUNTS PAYABLE	2,497,734	2,276,070	2,485,391	2,174,451	-310,940
26								OTHER CURRENT LIABILITIES	5,978,576	5,242,619	5,815,793	5,300,505	-515,288
27								ACCRUED INTEREST PAYABLE	1,902,538	630,100	1,021,792	1,248,177	226,385
28								DEBT - CURRENT	4,076,038	4,612,519	4,794,001	4,052,328	-741,673
29													
30	LONG TERM LIABILITIES								111,634,534	107,307,632	107,100,939	107,438,692	337,753
31													
32	NET ASSETS												
33	NET ASSETS - UNRESTRICTED								-23,656,914	-22,796,300	-22,490,492	-22,205,140	285,352
34								NET ASSETS - BEGINNING OF PERIOD	-31,234,602	-23,656,909	-23,656,909	-23,656,909	0
35								CURRENT YEAR NET GAIN/(LOSS)	7,577,688	860,609	1,166,417	1,451,769	285,352
36													
37	** Slight Variances Due to "Rounding"												

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT - DISTRICT FINANCIALS																	11/24/2025
2	INCOME STATEMENT								OCTOBER 2025 BUDGET	OCTOBER 2025 ACTUAL	VARIANCE OCTOBER ACTUAL TO BUDGET	VARIANCE PER CENTAGE	OCTOBER 2025 YTD BUDGET	OCTOBER 2025 YTD ACTUAL	VARIANCE OCTOBER YTD ACTUAL TO BUDGET	VARIANCE PER CENTAGE		
3	NET INCOME								406,652	285,352	(121,300)	-29.8%	2,165,168	1,451,769	(713,399)	-32.9%		
4	EBIDA								515,807	379,691	(136,116)	-26.4%	2,059,288	1,775,720	(283,568)	-13.8%		
5																		
6	NET OPERATING REVENUE								585,463	450,777	(134,686)	-23.0%	2,341,852	2,120,770	(221,082)	-9.4%		
7	OTHER OPERATING REVENUE								585,463	450,777	(134,686)	-23.0%	2,341,852	2,120,770	(221,082)	-9.4%		
8	OTHER REVENUE - OTHER								1,100	23,781	22,681	2061.9%	4,400	90,634	86,234	1959.9%		
9	OPERATING TAX REVENUES								584,363	426,996	(157,367)	-26.9%	2,337,452	2,030,136	(307,316)	-13.1%		
10	OPERATING REVENUE TAX REVENUE MH.								256,568	201,983	(54,585)	-21.3%	1,026,272	970,937	(55,335)	-5.4%		
11	OTHER REVENUE PROP 13								327,795	225,013	(102,782)	-31.4%	1,311,180	1,059,199	(251,981)	-19.2%		
12																		
13	TOTAL OPERATING EXPENSE								69,656	71,086	(1,430)	-2.1%	282,564	345,050	(62,486)	-22.1%		
14	PURCHASED SERVICES								63,363	67,000	(3,637)	-5.7%	253,452	309,684	(56,232)	-22.2%		
15	CONSULTING FEES								1,191	0	1,191	0.0%	4,764	0	4,764	0.0%		
16	LEGAL FEES								20,979	20,349	630	3.0%	83,916	139,228	(55,312)	-65.9%		
17	OTHER CONTRACT SERVICES								381	(1,875)	2,256	592.1%	1,524	0	1,524	100.0%		
18	GROUND PURCHASED SERVICES								3,393	3,337	56	1.7%	13,572	15,251	(1,679)	-12.4%		
19	OTHER PURCHASED SERVICES								89	68	21	23.6%	356	297	59	16.6%		
20	PURCHASED SERVICES								37,330	45,121	(7,791)	-20.9%	149,320	154,908	(5,588)	-3.7%		
21	UTILITIES								5,157	3,286	1,871	36.3%	23,072	24,596	(1,524)	-6.6%		
22	OTHER EXPENSES								1,136	800	336	29.6%	6,040	10,770	(4,730)	-78.3%		
23	FREIGHT SALES TAX								0	0	0	0.0%	307	0	307	100.0%		
24	ELECTION FEES								0	0	0	0.0%	0	0	0	0.0%		
25	OTHER EXPENSES								1,136	800	336	29.6%	5,733	10,770	(5,037)	-87.9%		
26																		
27	NON-OPERATING REVENUE & EXPENSE																	
28	NON-OPERATING REVENUE & EXPENSE								774,391	764,305	(10,086)	-1.3%	3,627,564	3,120,460	(507,104)	-14.0%		
29	OTHER NON-OPERATING REVENUE								127,982	117,896	(10,086)	-7.9%	1,041,928	534,824	(507,104)	-48.7%		
30	NON-OPERATING INTEREST INCOME								52,982	47,241	(5,741)	-10.8%	211,928	230,540	18,612	8.8%		
31	NON-OPERATING DONATIONS/GAIN ON SALE								75,000	70,655	(4,345)	-5.8%	830,000	304,284	(525,716)	-63.3%		
32																		
33	NON-OPERATING TAX REVENUE								646,409	646,409	0	0.0%	2,585,636	2,585,636	0	0.0%		
34																		
35	TOTAL INTEREST & DEPRECIATION								883,546	858,644	24,902	2.8%	3,521,684	3,444,411	77,273	2.2%		
36	DEPRECIATION								488,302	463,594	24,708	5.1%	1,940,708	1,864,211	76,497	3.9%		
37	INTEREST EXPENSE								395,244	395,050	194	0.0%	1,580,976	1,580,200	776	0.0%		

TAB E

**SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
QUARTERLY INVESTMENT REPORT
09-30-25 REPORT**

Has the authority to invest funds been delegated to the District's CFO within the past 12 months?	Yes
What is the quarterly period covered by this report (June 30th, September 30th, December 31st or March 31st)?	09/30/2025
What is the date of preparation of this quarterly report?	11/25/2025
Has the preparation of this report been within 30 days following the end of the quarter being reported?	No
What is the date of presentation of this quarterly report to the District's Board of Directors?	12/2/2025
Are any of the District's funds under the management of contracting parties?	No
If yes, list the contracting parties.	Not applicable
Is the District's investment portfolio in compliance with the District's Investment Policy?	Yes
If not, indicate why.	Not applicable
If District manages an investment pool, is it able to meet its obligations for the 6 months following quarter's end?	Not applicable
If not, indicate why sufficient money shall, or may, not be available.	Not applicable

Management Summary (Required pursuant to Investment Code Section 12)):

District reserves are maintained in collateralized deposit accounts with FDIC insured banks with the exception of the following accounts:

- 1 Ad Valorem Tax Deposit Account with U.S. Bank (pursuant to Deposit and Transfer Agreement dated September 1, 2022)*
 - 2 District Reserve Account for GO Bonds with HCN Bank (ad valorem taxes in excess of GOB debt service requirements)**
 - 3 District Reserve Account for GO Bonds with First Foundation Bank (ad valorem taxes in excess of GOB debt service requirements)**
 - 4 Excess Cash Custody Account with U.S. Bank (excess unrestricted cash pursuant to issuance of the 2022 Revenue Bonds)***
 - 5 GO Bond General and Bond Proceeds Accounts with LAIF (funds held over from prior years and prior GO Bonds)****
- * Held by U.S. Bank in First American Funds Shares - D Treasury Obligations
** Held by HCN Bank and First Foundation Bank (held pursuant to Local Agency Security Program and collateralized)
*** Held in the Local Agency Investment Fund, a pooled money investment account managed by the State Treasurer's Office ("LAIF")
**** Held in Demand Deposit State and Local Government Series (SLGS) US Treasury obligations

As such, the attached worksheets provide the beginning and ending quarterly balances of each of the above-indicated accounts, including collateralized accounts. The attached worksheets also provide information concerning the activity in each of these accounts that have occurred within each quarterly period being reported on. These investment accounts are invested directly in US Treasury securities or are invested in money market accounts that invest primarily or only in US Treasury securities.

Required Information (Analysis of current investment portfolio & individual transactions, if applicable):

Beginning quarterly balance of Investment Accounts (see attached worksheets)

 Add: Purchases and transfers of securities and Investment Income

 Deduct: Administrative fees, sales and transfers of securities, and maturities of securities

Ending quarterly balance of Investment Accounts

Ending cash & cash equivalents held in District accounts (see attached worksheets)

Description of the investment portfolio (see attached worksheets):

Listing of investments, including the following information: (Required pursuant to Section 53646(b)(1) of the Code)

 Type of investment, issuer, maturity date, par amount and dollar amount invested.

 Funds, investments or programs under management of contracted parties

 Investments and moneys held by the District

With respect to securities held by the District and under management of any outside party, provide the following information:

 Current market value as of the date of the report #

 Source of current market valuation #

The above information is not required if investments are with LAIF, FDIC insured accounts or County investment pools. Provide recent statements.

HCN BANK
Premier Money Market Public Account

	Acct. No. 6212
Balance as of 6/30/25	\$ 2,822,153.47
Interest 7/31/25	8,269.30
Interest 8/31/25	7,758.46
Interest 9/30/25	8,584.53
	\$ 2,846,765.76

Investments are held in the Bank's Premier Money Market Public Account. This account is collateralized pursuant to the Local Agency Security Program administered by the State of California. Market value is based on statements received.

FIRST FOUNDATION BANK
Money Market Public Account

	Acct. No. 3598
Balance as of 6/30/25	\$ 4,004,605.20
Interest 7/31/25	10,216.11
Interest 8/31/25	10,242.17
Interest 9/30/25	9,892.44
	\$ 4,034,955.92

This account is collateralized pursuant to the Local Agency Security Program administered by the State of California. Market value is based on statements received.

LOCAL AGENCY INVESTMENT FUND ("LAIF") - General Account

Balance as of 6/30/25	\$ 5,397.29
Interest 7/15/25 (Quarterly)	59.13
Interest 8/15/25	-
Interest 9/15/25	-
	\$ 5,456.42

LOCAL AGENCY INVESTMENT FUND ("LAIF") - GO Bond Account

Balance as of 6/30/25	\$ 98,417.60
Interest 7/15/25 (Quarterly)	1,078.27
Interest 8/15/25	-
Interest 9/15/25	-
	\$ 99,495.87

LAIF currently has over 2,300 participants (primarily special districts & cities) and \$24 billion in assets. LAIF currently maintains approximately 80% of its portfolio in Treasury and Agency obligations with the remaining portfolio in CDs, bank notes, commercial paper and time deposits. Market value is based on statements received.

**US BANK SGMHcD DEPOSIT AND TRANSFER AGREEMENT (dated 9/1/22)
2021 and 2022 Revenue Bonds Lock Box**

	TRF Acct. 5002	VATRA Acct. 5000	NVATRA Acct 5001
Balance as of 6/30/25	\$ 174,979.25	\$ 10,486,255.18	\$ 988,542.29
July Cash Receipts from Riverside Co.	178,583.21	-	-
July Transfers	(178,583.21)	144,897.49	33,685.72
July Disbursements	-	-	-
July Interest/Dividends	540.44	32,371.23	2,967.93
Balance as of 7/31/25	175,519.69	10,663,523.90	1,025,195.94
August Cash Receipts from Riverside Co.	158,602.01	(5,795,818.75)	-
August Transfers	(158,602.01)	106,380.97	52,221.04
August Disbursements	-	-	-
August Interest/Dividends	560.29	33,679.06	3,190.13
Balance as of 8/31/25	176,079.98	5,007,765.18	1,080,607.11
September Cash Receipts from Riverside Co.	22.81	-	-
September Transfers	(22.81)	-	22.81
September Disbursements	-	-	-
September Interest/Dividends	560.40	15,851.35	3,399.22
Balances & Market Values as of 9/30/25	<u>\$ 176,640.38</u>	<u>\$ 5,023,616.53</u>	<u>\$ 1,084,029.14</u>

Invested in First Amerian Funds Inc. SHS-D-Treasury Obligations Fund. This fund currently holds 100% of its assets in US Treasury obligations and US Treasury repurchase agreements. The fund's weighted average maturity is approximately 31 days. Market value is based on statements received.

TRF - Tax Receipt Fund

VATRA - Voter Approved Tax Revenue Account

NVATRA - Non-Voter Approved Tax Revenue Account

**US BANK SGMHcD CUSTODY ACCOUNT
2023 Custody Account (due to 2022 Revenue Bonds funding working capital expenditures)**

	Acct. 2000
Balance as of 6/30/25	\$ 200,755.62
Interest 7/31/25	579.78
Interest 8/31/25	563.90
Interest 9/30/25	518.44
Balances & Market Values as of 9/30/25	<u>\$ 202,417.74</u>

Invested in US Treasury State and Local Government Series Demand Deposit (Demand Deposit SLGS). Backed by the federal government and interest earned is exempt from both yield restriction and arbitrage rebate. Market value is based on statements received.

TAB F

San Gorgonio Memorial Hospital and San Gorgonio Memorial Health Care District

Date: November 25, 2025 and December 2, 2025 Meetings

To: Finance Committee, Board of Directors, and District Board

Agenda Item:

Authorize Renewal of 3M/Solventum Z Patient Chart Coding Software Contract.

Background:

San Gorgonio Memorial Healthcare District & Hospital have contracted with 3M/Solventum for many years for the use of their coding software.

3M/Solventum is the leading coding software in the industry.

The Term of the new Agreement provides options for a one year/ three year/ five year period commencing January 5, 2025 at the pricing outlined below. The payments are made in quarterly intervals.

Annual Fees: One year: \$105,336.54; Three years: \$101,756.80; Five years: \$97,372.02.

We are currently waiting a response from Solventum to determine if the pricing can be decreased due to the District's new management agreement with Tenet.

Recommended Action: To approve the contract renewal for 3M/Solventum for one year at \$105, 366.54, or at a Tenet discounted price as available.

TAB G

POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital and District Board Meeting December 2, 2025

	Title	Policy Area	Owner	Revised? Unchanged?
1	Autologous Blood Transfusion—Paul Gann Act	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
2	Blood and Blood Products Transfusions	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
3	BUN, Creatinine and eGFR Point of Care Testing (POCT) on the Piccolo Analyzer	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Unchanged
4	Care of The Newborn	Obstetrics	Garcia, Antonia: Director of OB Services	Revised
5	Clinical Duties of the Clinical Laboratory Medical Director	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
6	Clinical Lab Services for STAT, Timed and Routine Blood Collection	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
7	Clinical Lab Test Turnaround Times (TAT)	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Unchanged
8	Clinical Lab Testing for Behavior Health Center Patients	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Unchanged
9	Evaluating and Selecting Reference Laboratories	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Unchanged
10	HIV Antibody Testing	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Unchanged
11	Injuries (Visitors and Volunteers)	Administration	Brady, Angela: Chief Nursing Executive	Unchanged
12	Legionella / Water-Borne Pathogen Management Program	Facilities	Sanchez, Salvador: Director of Engineering	Revised
13	Management of Potentially Contaminated Blood & Blood Products	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
14	No Prenatal Care and/or No Record of Care	Obstetrics	Garcia, Antonia: Director of OB Services	Revised
15	Point of Care Testing Using the BinaxNOW COVID-19 Ag Card	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	New
16	Postpartum Care	Obstetrics	Garcia, Antonia: Director of OB Services	Revised

POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital and District Board Meeting December 2, 2025

	Title	Policy Area	Owner	Revised? Unchaged?
17	Storage, Preparation, Evaluation and Tracking of Reagents	Clinical Laboratory	Pendley, Will: Director of Clinical Laboratory	Revised
18	Use of Personal Electrical Equipment	Environment of Care	Sanchez, Salvador: Director of Engineering	Revised